



**GFLL**  
**GOVERNANCE, FOREST LANDSCAPES AND**  
**LIVELIHOODS – NORTHERN LAOS**

**RPF**  
**Resettlement Policy Framework**

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**REDD+ Division, Department of Forestry**  
**Ministry of Agriculture and Forestry**  
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## **EXECUTIVE SUMMARY**

The project entitled Governance, Forest Landscapes and Livelihoods in Northern Lao PDR (GFLL) aims to achieve emission reductions in the six Northern Provinces of Lao PDR and will receive performance-based payments from the Forest Carbon Partnership Facility (FCPF).

GFLL is Lao PDR's first sub-regional project that aims to achieve emission reductions in a contiguous landscape that constitutes approximately one-third of both the country's geographical and its forested area, and represents 40 per cent of its total national deforestation and degradation. The preparation and design of GFLL is developed based on parallel processes – the design of an implementation grant proposal for the Global Climate Fund (GCF) and the design of the emission reductions proposal for results-based finance from the FCPF. GFLL design and implementation is part of the ambition of the Government of Lao PDR (GoL) to transform its forestry sector, and to take steps to decouple its economic growth from its natural resource endowment.

The proposed interventions of the ER Program correspond to each of the four main drivers and are organised into four components, including: i) interventions for an enabling environment for REDD+, ii) agriculture sector interventions, iii) forestry sector interventions, and iv) a programme management and monitoring component. The most recent reflection of the commitment of the GoL is the endorsement of the Green Growth Strategy up to 2030 that aims to ensure environmentally friendly, sustainable and inclusive growth.

### **The National Context**

The World Bank's (WB) support to the development and implementation of the Green Growth Strategy is part of its multi-sector convergence approach to address sustainable management of natural resources, and to reduce malnutrition and poverty in the GFLL provinces that reflect two of the three causes of the global syndemic of climate change, and malnutrition. In addition, the WB's engagement with the forestry sector will continue to build on the ongoing investments through the Scaling Up Sustainable Forest Management Project (SUPSFM).

The ER Program aligns with the National REDD+ Strategy (NRS) to 2025 and vision 2030, and is intended to inform strategic and operational lessons for scaling up REDD+ at nationwide. The ER Program is also strategically aligned with the Government's 8th National Socio-Economic Development Plan (NSED: 2016-2020).

### **Objectives, Principles and Legal Framework**

Based on consultations during the period 2016-2019, a safeguards package has been prepared that will provide guidance to the implementation of the GFLL with regards to safeguards, community participation, identification of risks and mitigation, tested technical prescriptions, and finance and procurement standards.

This Resettlement Policy Framework (RPF) provides guidance to establish resettlement principles, organisational arrangements, funding mechanisms, eligible criteria, grievance redress mechanism and monitoring and evaluation process, along with a standalone involuntary Process Framework (PF) that has also been prepared. The RPF is an integral part of the Environmental and Social Management Framework (ESMF) and addresses the seven WB

safeguard policies that have been triggered for GFLL. These include environmental policies on Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), Pest Management (OP/BP 4.09); Social Policies on Indigenous Peoples (OP/BP 4.10), Physical and Cultural Resources (OP/BP 4.11), and Process Framework (OP/BP 4.12).

Under Component 2 (Agriculture Sector), minor land acquisitions are envisaged. Potential impacts could be avoided or if unavoidable, minimised through proper design, impact assessment, consultation and application of mitigation measures. This RPF will be applied to address negative impacts.

The key Lao PDR legislation and policies relevant to the environmental and social management of the project include:

- Decree No: 21/PM dated 31 January 2019
- Decree on Compensation and Resettlement of People Affected by Government Projects (No. 84/GOL, 5 April 2016)
- Constitution of the Lao People's Democratic Republic (1991, amended 2003 and 2015)
- Law on Handling of Petitions (2015)
- Environmental Protection Law (EPL, 2013)

In consideration of the WB Process Framework (OP/BP 4.12), the basic principles of land acquisition and land donation for the project include the following elements:

- Minimise negative or adverse impacts as much as possible
- Carry out land adjustment or compensation to improve or, at least, restore the pre-project income and living standards of PAP and PAH
- Ensure free, prior and informed consultation with PAP and PAH on land donation, land acquisition and compensation arrangements, and ensure the process is well documented; and
- Provide compensation, if applicable, for private assets at replacement rates, prior to commencement of works.

Natural forest and forest land is considered “the property of the nation community”, which is managed by the state with the participation of the people. Forests and trees planted by individuals and legal entities, recognised by the Forest and Forestland Management Organization/MAF, shall become property of the individuals and entities. Under these regulations restrictions on resource use will be negligible.

### **Asset valuation**

The RPF also includes guidance on voluntary donation of land or other assets (including restrictions on asset use) caused by project implementation. Land donation should be accepted only from people who are direct project beneficiaries. The MAF will establish principles and procedures to ensure equitable treatment for, and restoration of, any person adversely affected by project implementation.

Two forms of acquisition of land will be considered under the ERP including:

- *Land acquisition through Voluntary Contributions:*

There are possibly cases where local communities, PAP and PAH choose to donate their affected land without compensation because they recognise the project benefits and are also direct project beneficiaries. In this case, land donation should only be acceptable if:

- a) Donated land is less than 10 per cent of an individual's landholding
- b) Donating households should not be from vulnerable group, as defined by this RPF
- c) Subproject requires no physical relocation
- d) Verification (for example, notarised) of the voluntary nature of land donations is obtained from each person donating land
- e) All donating households are informed of the project's compensation policies (from the project's RPF) to make their informed choice in donating their land

DoF/ MAF, has the lead responsibility of implementation of the projects and the RPF. The DoF/MAF in association with the PAFO/DAFO will develop and implement the Abbreviated Resettlement Action Plan (ARAP/RAP) required for projects identified during implementation. ARAP/RAP will be prepared in accordance with the RPF.

In addition to DoF/MAF, a number of other government departments will play instrumental roles in the design, construction and operation of projects. Pursuant to the active legislation, MoNRE is responsible for environmental issues. MoNRE is responsible for legal matters regarding land ownership and land acquisition. Depending on specific situation, ARAP/RAP may provide more specific details or additional allowances.

Compensation will be reviewed and managed or monitored by the PAFO and DAFO, which will be established in accordance with the Decree 84, 2016 on compensation and resettlement. Village Resettlement Sub-committees (VRS) will also be established as needed in villages where land acquisition and resettlement will occur.

### **Feedback and Grievance Redress Mechanism**

A grievance redress mechanism will be established at the village level, as well as the district and provincial levels, using the existing country structure starting from the village mediation unit or committee (VMU/C) established in all villages, District Office of Justice (DoJ) and DAFO at district level and the Provincial Assembly/PAFO at the provincial level. These grievance redress institutions (GRIs) will be used and strengthened to deal with resettlement related grievances as they arise. The institutions will receive, evaluate and facilitate the resolution of PAP and PAH concerns, complaints and grievances in accordance with the Law on Handling of Petitions (2015).

VMU/C would be comprised of representatives of PAP and PAH, community leaders, and independent civil society organisations, in addition to representatives from village and district levels. If the grievance relates to a dispute over the valuation of an asset to be acquired, then the DoF/MAF will acquire the services of an additional independent assessor and MoNRE or PoNRE to inform the decision of the relevant grievance redress committee. The grievance redress institutions will function, for the benefit of PAP and PAH, during the entire life of the projects, including the defects liability period.

## **Information disclosure, Public consultations and Participation**

The WB requires that sufficient information about project's potential risks and impacts be made available to the affected project people, in a form and language that is understandable to project affected people and project's stakeholders, and in an accessible place and in a timely manner. This is to enable affected peoples to provide meaningful feedback for project design and mitigation measures.

The Project Owner has to engage with project-affected people through information disclosure, consultation, and informed participation. Depending on the nature of the project, the consultation and participation of project stakeholders should be done in a way that is proportionate to the risks to and impacts of the project on the affected peoples. In cases where ethnic groups are present in the project area, free, prior and informed consultation needs to be conducted with them in a way that is culturally appropriate.

As discussed above, PAP and PAH will participate throughout the development and implementation process of land acquisition and the land donation process. PAP and PAH will be consulted by the relevant village councils or district and provincial authorities

## **Monitoring and Evaluation**

Depending on the nature and complexity of the RAP, and RAP implementation stages, the internal monitoring could be maintained weekly, monthly, and quarterly. A quarterly report should be prepared, as a minimum demand, to ensure DoF/MAF is aware of the i) RAP implementation progress, and ii) any issues that may arise so as to take timely and appropriate action.

Contents of the internal monitoring reports that will be issued on a monthly basis should include:

- Payment and use of the funds for land acquisition compensation and restoration
- Support to the vulnerable groups
- Land readjustment and reallocation
- Quality and quantity of newly reclaimed land
- Schedule of the above activities
- Implementation policies and rules in the resettlement plan
- Participation and consultation of the affected people during the ARAP/RAP implementation, and
- Staffing, training, work schedule and resettlement operation at various levels.
- Quarterly monitoring visits will be undertaken as per specific activities, in order to:
- Improve environmental and social management practices
- Ensure the efficiency and quality of the consultation processes

- Establish evidence and performance-based environmental and social assessment for the project, and
- Provide an opportunity to report the results of safeguards instrument impacts and proposed mitigation measures' implementation.

In conjunction with internal monitoring by DoF/MAF staff, it will be important to include strict procedures for external monitoring and evaluation. The external M&E function aims to provide regular monitoring and evaluation of land acquisition and land donation for the project, to assess whether objectives are achieved. External monitoring indicators will include:

- Progress: including the preparation of the ARAP/RAP, and implementation of compensation
- Quality: including to what extent PAP and PAH are satisfied with compensation and restoration
- Compensation Fund: including the payment and use of the funds for land acquisition compensation
- Affected People: including PAP and PAH socio-economic situation before and after the project and economic restoration of the affected people, and
- A qualified external monitoring entity will come from an independent organisation, such as a civil society organisation, academic research institute or consultancy in Lao PDR. The major responsibilities of the external monitoring organisation will include:
  - Develop the ARAP/RAP in conjunction with the internal monitoring team
  - Observe all the aspects of the ARAP/RAP and its implementation; provide M&E reporting to the WB, and
  - Provide technical consulting services in terms of information investigation and processing.

### **Costs and Budget**

The costs of resettlement will be calculated on the basis of the replacement cost study, and the estimated cost of income restoration, using the information from the socio-economic household assessment. This will be the basis for calculating the budget for resettlement, an itemised version of which will be included in the RAP/ARAP, and which will be financed out of the MAF operating budget

## ACRONYMS

<b>ADB</b>	Asian Development Bank	<b>Lao PDR</b>	Lao Peoples' Democratic Republic
<b>ARAP</b>	Abbreviated Resettlement Action Plan	<b>LNCCI</b>	Lao National Chamber of Commerce and Industry
<b>BCC</b>	Biodiversity Conservation Corridors	<b>LoI</b>	Letter of Intent
<b>BSM</b>	Benefit Sharing Mechanism	<b>LRSP-2</b>	Lao Road Sector Project 2
<b>CBD</b>	Central Business District	<b>MAF</b>	Ministry of Agriculture and Forestry
<b>CBO</b>	Community Based Organization	<b>MoF</b>	Ministry of Finance
<b>CEF</b>	Community Engagement Framework	<b>MoJ</b>	Ministry of Justice
<b>CF</b>	Carbon Fund	<b>MoNRE</b>	Ministry of Natural Resources and Environment
<b>CIF</b>	Climate Investment Fund	<b>MoICT</b>	Ministry of Information, Communication and Tourism
<b>ClIPAD</b>	Climate Protection through Avoided Deforestation	<b>MPI</b>	Ministry of Planning and Investment
<b>CR</b>	Compensation and Resettlement	<b>MRV</b>	Measurement, Reporting and Verification
<b>CSO</b>	Civil Society Organization	<b>NEC</b>	National Environment Committee
<b>DAFO</b>	District Agriculture and Forestry Office	<b>NPA</b>	Non-Profit Association
<b>DFRM</b>	Department of Forestry Resources Management	<b>NRTF</b>	National REDD+ Task Force
<b>DoF</b>	Department of Forestry	<b>NRS</b>	National REDD+ Strategy
<b>DOJ</b>	District Office of Justice	<b>PAFO</b>	Provincial Agriculture and Forestry Office
<b>DoPF</b>	Department of Planning, Cooperation and Finance	<b>PAH/P</b>	Project Affected Households/Person
<b>DIA</b>	Designated Implementing Agency	<b>PAMP</b>	Participatory Action Management Plan
<b>EGDP</b>	Ethnic Group Development Plan	<b>PAP</b>	Project Affected People
<b>EGPF</b>	Ethnic Group Policy Framework	<b>POJ</b>	Provincial Office of Justice
<b>EIA</b>	Environmental Impact Assessment	<b>PRAP</b>	Provincial REDD+ Action Plan
<b>EPL</b>	Environmental Protection Law	<b>RAP</b>	Resettlement Action Plan
<b>ERP</b>	Emission Reduction Program	<b>RCS</b>	Replacement Cost Study
<b>ERPD</b>	Emission Reduction Program Document		
<b>ER-PIN</b>	Emission Reduction Programme Idea Note		
<b>ESIA</b>	Environmental and Social Impact Assessment	<b>REDD+</b>	Reducing Emissions from Deforestation and Degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stock
<b>ESMF</b>	Environmental and Social Management Framework	<b>REL</b>	Reference Emission Level
<b>ESMP</b>	Environmental and Social Management Plan	<b>RPF</b>	Resettlement Policy Framework
<b>FAO</b>	Food and Agriculture Organization	<b>R-PP</b>	REDD+ Preparation Proposal
<b>FCPF</b>	Forest Carbon Partnership Facility	<b>SESA</b>	Strategic Environmental and Social Assessment
<b>FGRM</b>	Feedback and Grievance Redress Mechanism	<b>SIA</b>	Social Impact Assessment
<b>FIP</b>	Forest Investment Program	<b>STP</b>	Smallholder Tree Plantation Project
<b>FLEGT</b>	Forest Law Enforcement, Governance and Trade	<b>SUPSEFM</b>	Scaling Up Participatory Sustainable Forest Management Project
<b>FLR</b>	Forest Landscape Restoration	<b>SUFORD-SU</b>	Sustainable Forestry for Rural Development
<b>F-REDD</b>	Sustainable Forest Management and REDD+ Program	<b>TWG</b>	Technical Working Group
<b>GoL</b>	Government of Lao PDR	<b>UN-REDD</b>	United Nations REDD+ Program
<b>GRI</b>	Grievance Redress Institution	<b>VFMP/A</b>	Village Forestry Management Plan and Agreement
<b>IDA</b>	International Development Association	<b>VLD</b>	Voluntary Land Donation
<b>IEE</b>	Initial Environmental Examination	<b>VMU/C</b>	Village Mediation Unit/Committee
<b>IFC</b>	International Finance Corporation	<b>VRS</b>	Village Resettlement Sub-committees
<b>IO</b>	Independent Organization	<b>WB</b>	World Bank
<b>Lao FIP</b>	Lao Forest Investment Program		

## TERMS AND DEFINITIONS

**Beneficiary** – all persons and households from the villages who voluntarily seek to avail of and be part of the project.

**Compensation** – payment in cash or in kind of the replacement cost of the acquired assets for the project.

**Cut-off Date** – the date prior to which the occupation or use of the project area makes residents/users of the project area eligible to be categorised as affected persons. The cut-off date is established in the Resettlement Action Plan (RAP). It normally coincides with the date of the census of affected persons within the project area boundaries, or the date of public notification regarding the specific civil works that would cause displacement. Persons not covered in the census, because they were not residing, having assets, or deriving an income from the project area, are not eligible for compensation and other entitlements.

**Displaced persons** – refers to all of the people who, on account of project activities, would have their (i) standard of living adversely affected; or (ii) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed temporarily or permanently; (iii) access to productive assets adversely affected, temporarily or permanently; or iv) business, occupation, work or place of residence or habitat adversely affected; and “displaced person” means any of the displaced persons, including those who have no legal recognizable right or claim to the land they are occupying.

**Eligible land holders** – refers to affected persons who (i) hold title to land; or (ii) do not hold title but whose possession of land can be legalised with a title pursuant to the Land Law of the Lao PDR. Also eligible are those persons and households who have no legal recognizable right or claim to the land they are occupying, but who are nonetheless entitled to assistance to restore their living standards, livelihoods, and any land-affixed assets affected.

**Entitlement** – range of measures comprising compensation, income restoration support, transfer assistance, income restoration, and relocation support which are due to affected people, depending on the nature of their losses, to restore their economic and social base.

**Household** – means all persons living and eating together as a single social unit.

**Income restoration** – means re-establishing income sources and livelihoods of Project Affected Households (PAH) to a minimum of the pre-project level.

**Improvements** – structures constructed dwelling unit, fence, waiting sheds, pig pens, utilities, community facilities, stores, warehouses, etc. and crops/plants planted by the person, household, institution, or organisation.

**Land acquisition** – the process whereby a person involuntarily loses ownership, use of, or access to, land as a result of the project. Land acquisition can lead to a range of associated impacts, including loss of residence or other fixed assets such as fences, wells, tombs, or other structures or improvements that are attached to the land.

**Project Authority** – refers to the Ministry of Agriculture and Forestry, Department of Forest, National REDD+ Task Force, REDD+ Division.

**Project Affected Persons (PAP) or Households (PAH)** – includes any person, households, entity, organisations, firms or private institutions who, on account of changes that result from the project will have their (i) standard of living adversely affected; (ii) right, title, or interest in any house, land (including residential, commercial, agricultural, forest, plantations, grazing, and/organizing land), water resources, fish ponds, communal fishing grounds, annual or perennial crops and trees, or any other moveable or fixed assets acquired, possessed, restricted,



or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence, or habitat adversely affected, permanently or temporarily, with or without displacement.

**Rehabilitation** – refers to assistance provided to persons seriously affected due to the loss of productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to achieve, at a minimum, full restoration of living standards and quality of life. Compensation for assets may not be sufficient to achieve full rehabilitation.

**Replacement cost** – is the method of valuation of assets which determines the amount of compensation sufficient to replace lost assets, including any necessary transaction costs. Compensation at replacement cost is defined as follows: For agricultural land, it is the pre-sub-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in vicinity of the affected land, plus the cost of any registration and transfer taxes.

For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not considered, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard. Such additional assistance is distinct from resettlement measures to be provided under other clauses in WB Operational Policies (OP/BP) 4.12, Para. 6.

**Replacement Cost Study (RCS)** - The main objective of the RCS is to determine the rate of land prices based on actual transaction records of the affected areas, of affected main and secondary structures and other immovable assets. This study would be conducted by an independent appraiser. Based on the results of RCS, the PAH will receive compensation at replacement cost (reflecting market price) from for their loss of land and property due to the sub-project. The RCS will be implemented during the impact assessment.

**Resettlement** – means that all measures should be taken to mitigate any and all adverse impacts of a project on PAP property and/or livelihood's, including compensation, relocation (where relevant) and rehabilitation as needed.

**Unit Costs for Lands** - The affected private lands will most likely fall under the land categories of either residential, agricultural or commercial lands. The way to obtain data on market rates is to gather data on recent land sales at/around the sub-project area. Methods for data collection include direct interviews (i) real estate agents in CBD, (ii) land owners at/around the sub-project area who are both PAHs and non-PAHs, and (iii) local authorities at/around the sub-project area. Per results of the RCS, the unit costs of land covered with recognised proofs of ownership, structures and other immovable assets are provided.

**Unit Costs for Structures** - The houses/structures affected by the project have been categorised into two main groups – house/dwelling and other structures. The methodology employed for costing house/structures includes a quantity survey and detailed measurement of the component parts of each structure and a determination of the market value of the

house/dwelling. Other structures such as wells and fences, and cultural assets such as stupas, have to be compensated at their market price, and the results of the specific rates of structures are provided.

**Vulnerable Groups** – are distinct groups of people who might suffer disproportionately or face the risk of being further marginalised by the effects of resettlement and specifically include: (i) households headed by women, the elderly or disabled; (ii) households living below the poverty threshold; (iii) the landless; and (iv) Indigenous Peoples (OP/BP 4.10), including ethnic groups.

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# 1. INTRODUCTION

## 1.1 Project Overview

Lao PDR has been engaged with its REDD+ Readiness preparation since it was selected as one of 47 countries in the Forest Carbon Partnership Facility (FCPF) in 2007. The Department of Forestry (DoF) under the Ministry of Agriculture and Forestry (MAF) was designated as the focal point for REDD+ implementation on behalf of the GoL. DoF established the National REDD+ Task Force (NRTF) consisting of representatives from line ministries and a National REDD+ Office under the Planning Division of DoF in 2008 to serve as the NRTF Secretariat and to coordinate and implement REDD+ readiness initiatives under the guidance of the MAF.

GoL received a grant of USD 200,000 from the FCPF through the World Bank (WB) to work on the R-PP REDD+ Readiness Plan (R-PP) proposal made in 2009. The R-PP proposal was approved in November 2010. Since 2008, many REDD+ activities have been ongoing with support from various development partners.

Lao PDR was also accepted as one of the eight pilot countries of the Forest Investment Program (FIP) in 2010, under the umbrella of the Climate Investment Fund (CIF). DoF, on behalf of the GoL, jointly worked with the WB and the Asian Development Bank (ADB) to prepare a Lao Forest Investment Program (Lao FIP) for submission and presentation to the FIP Sub-Committee in 2011. The Lao FIP was endorsed in principle with conditions to revise the investment plan, in response to comments made during the FIP Sub-Committee meeting. The revised plan was submitted and officially approved by the FIP Sub-Committee in 2012. A total of USD 30 million in grant was approved by CIF as co-financing for three projects: the Scaling Up Participatory Sustainable Forest Management (SUPSFM, also known as SUFORD-SU) with the WB and implemented by GoL; the Smallholder Tree Plantation Project (STP) implemented by the International Finance Corporation (IFC) with the private sector; and Protecting Forests for Ecosystem Services with ADB and implemented by GoL, which is an additional financing for the Biodiversity Conservation Corridors (BCC) Initiative.

In 2014, the GoL received USD 3.6 million in grant from the FCPF through the WB to implement R-PP activities including the preparation of a National REDD+ Strategy (NRS), benefit sharing mechanism (BSM) and a Strategic Environmental and Social Assessment (SESA). Six technical working group (TWGs) were formed to work on various elements of REDD+ readiness on policy and legal framework, land issues, social and environmental safeguards, enforcement and implementation of mitigation activities, MRV/REL, and benefit sharing.

In 2015, the GoL submitted a Emissions Reduction-Project Idea Note (ER-PIN), to the FCPF Carbon Fund (CF). The CF accepted Lao PDR ER-PIN in 2016, DoF requested a second REDD+ Readiness grant of up to USD 5.575 million, which received no objection from the FCPF Participant Committee members. A project document for this second grant was prepared by the WB and the GoL. The Emissions Reduction Program Document (ER-PD) was completed in 2017, and accepted by the CF in 2018. Also, the country's self-assessment of REDD+ readiness was prepared, and accepted by the FCPF so that the ER-PD could be accepted by the Carbon Fund.

Currently, the NRTF consists of 16 members with a Vice Minister of MAF as Chair; the Director General of DoF is a Vice Chair; a Deputy Director General of DoF is an ordinary and a standing member and also the national focal point of REDD+. Other members are Deputy Director Generals of departments and Directors/or Deputy Directors of divisions from six ministries including MAF, MoNRE, Ministry of Finance (MoF), Ministry of Planning and Investment (MPI), Ministry of Justice (MoJ); National University of Laos; Lao Women's Union and the Lao National Chamber of Commerce and Industry (LNCCI). The NRTF role is to study, develop, propose and approve policies, legislations,

methods, and mechanisms. The role also includes regular reporting on the progress of implementing REDD+ activities within the country to the NEC for update and further actions.

Lao PDR also receives international support from bilateral donors, international non-governmental organisations, research organisations, and other development partners. The two most important bilateral programmes are those supported by the Government of Germany, Climate Protection through Avoided Deforestation (CliPAD) Program, and the Government of Japan, the Sustainable Forest Management and REDD+ Program (F-REDD). Both are working at the national level, as well as in selected provinces.

## **Project components**

### **Component 1: Strengthening enabling conditions for REDD+ (US\$ 36.5 million of which GFL US\$ 13 million)**

Component 1 covers interventions that lay the foundation for the implementation of sustainable land use and develop the enabling conditions to address drivers of deforestation and forest degradation in the key sectors, namely agriculture and forestry sector, but also in other land use sectors such as infrastructure development. The underpinning strategy is to provide the necessary tools and capacity for institutional and cross-sectoral planning, coordination and policy and regulatory implementation. Activities target mainstreaming REDD+ into the national and provincial level socioeconomic development planning and design of policies and regulations that address the key drivers of deforestation and forest degradation and building capacity for its implementation. Improved law enforcement and planning activities will be achieved through the establishment and institutionalization of national and province level monitoring systems. The strengthening of institutional capacities to monitor and sanction forest violations will strengthen the enforcement of existing laws by national, province and district level authorities. The REDD+ readiness work has laid the foundation for strengthening already existing policies and regulations. The Government is already in negotiations on a FLEGT VPA.

GFL builds on this opportunity and will focus on building necessary capacity for both national and sub-national level institutions as part of creating the enabling environment. Enabling conditions will be further developed through consistent and aligned provincial, district and village level land use planning and the necessary capacity development of staff to implement plans. This will be integrated into the existing government planning processes and linked to actions for securing land and resource tenure including land registration. Land use planning and land registration will take into consideration existing forest landscapes and their protection and sustainable use. Forests and forestland which for the most part is legally considered as State land and not subject to titling are often managed as communal or collective and customary lands. Strengthening their legal basis for tenure security will be pursued through developing a due registration process and system of land use plans and village forest management agreements.

GFL will engage with the ongoing work in promotion of Responsible Agricultural Investments (RAI) under the agriculture sectors and with the Ministry of Planning and Investment (MPI). By strengthening the enabling environment, the GFL triggers transformative impact across sectors towards developing a low carbon economy. Activities will aim for i) strengthening and streamlining policies and the legal framework, ii) improved forest law enforcement and monitoring, iii) improved provincial, district and village level land use planning, and iv) enhanced land and resource tenure security through land registration and other processes. The activities under this component are often important precursors for the success of further land-based interventions. This being the case, interventions that require significant earlier progress are planned for earlier implementation – while capacity building related activities will be continuous. It is important to note that for many areas of work, related ground work is already underway particularly at the central government level, and the GFL interventions will build on these developments.

## **Component 2: Climate smart agriculture and sustainable livelihoods for forest dependent people US\$ 41 million of which GFLF US\$ 12 million)**

Component 2 aims to address the cumulative negative impact of unsustainable agricultural practices and its transformation to high productivity with low impact on the environment. A range of technical options have been successfully tested in the Northern Uplands of Lao PDR over the last few decades to support transition from mainly subsistence to commercial agriculture. Activities will focus on the promotion of Climate Smart Agriculture (CSA) investment and improved soil conservation practices, crop diversification, agroforestry techniques such as terracing, intercropping, among others.

The concept of CSA will also be integrated with the principles of RAI to embed broader social, environmental and economic safeguards and perspectives together with climate related concerns central to CSA. This component is designed to significantly curb expansion into forested landscapes and increase household incomes and resilience to climate risks caused by drought, floods, soil erosion etc. The investment will be supported through more effective extension services to the target groups, strengthening their value chain integration through promotion of processing, provision of marketing support and market information and stronger engagement with the private sector. The activities will also focus on building cooperative structures to enhance negotiation ability of these groups and improve access to rural finance. Women, ethnic groups and other vulnerable groups will receive special attention.

Activities will aim for i) establishment of an enabling environment to promote responsible, sustainable, deforestation-free and climate-smart agriculture, and, ii) implementation of CSA models to address market demand, low productivity, lack of alternatives and address land and soil degradation.

## **Component 3: Sustainable forest management (US\$ 53 million of which GFLF US\$ 17 million)**

Under Component 3, the GFLF will provide investments into sustainable forest management (SFM) planning and the implementation of village forest management and sustainable management of production forests. The GFLF is targeting implementing and scaling up forest landscape restoration (FLR) and management on at least 70,000 ha including through assisted natural forest regeneration, plantation development and agroforestry systems to enhance forest carbon stocks. These activities will be supported by intensive capacity development and training of government staff and communities with a strong focus on ethnic groups, women and the most vulnerable groups. Through preparation and implementation of village forest management planning and agreements (VFMP and VFMA), the underlying rationale is to strengthen tenure security of land and forest resources, particularly those land and resources that are regarded as communal/collective and customary assets. These activities will be complemented by value chain integration of the rural population, identification and mobilization and creation of incentive mechanisms to attract private sector investments into sustainable forest development and forest landscape management.

Forestry sector interventions will focus on: i) establishing an enabling environment to implement and scale up SFM and forest landscape restoration and management, ii) implementation and scaling up of village forestry, and iii) implementation and scaling up of FLR and sustainable forest plantations.

### **1.2 Project Impacts**

#### **Social and Environmental Impacts**

On the basis of the consultations and the impact assessment referred to in the SESA, the main negative impacts are expected to be related to the following:

- Restricted access to forest
- Insecurity of land tenure and ethnic groups in remote areas not having land title

- Loss of livelihood and income due to changes in land use planning
- Unequal distribution of benefit sharing
- Lack of meaningful consultation and engagement in ER Program implementation
- Gender inequality in land use rights, including forest land rights, has potential negative implications for women's abilities to benefit under REDD+ on the same scale as men
- Potential loss of critical natural habitats
- Conversion of natural forests into plantation
- Loss of forest to infrastructure
- Invasive species, forest fires and soil erosion
- Health and safety issues due to the increased inappropriate use of dangerous pesticides and herbicides, and
- Soil and water contamination from dangerous pesticide-related wastes.

### **Mitigation Measures**

Risk management will be addressed through the safeguard plans, the Environmental and Social Management Framework (ESMF), Ethnic Group Policy Framework (EGPF), Resettlement Policy Framework (RPF), and Process Framework (PF).

In all cases, every effort will be made to avoid permanent land acquisition and physical resettlement. However, where avoidance is not possible, compensation will be paid to the affected households. For example, for local people who lose their land permanently, compensation will be made in accordance with this RPF. Temporary environmental impact due to dust, noise, etc. which affects the income generation activities of local people affecting shops, local businesses, etc. will be duly compensated.

#### **1.3 Applicable WB Safeguard Policies**

The project's overall impacts are expected to be positive. Some negative impacts are envisaged to be limited, localised, manageable and reversible.

A total of seven WB's safeguard policies are triggered for the project. These include environmental policies on Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), and Pest Management (BP/OP 4.09); and social policies on Indigenous Peoples (OP/BP 4.10), Physical and Cultural Resources (OP/BP 4.11) and , Process Framework (OP/BP 4.12).

The project will address gender in terms of (i) analysis; (ii) action plan; and (iii) monitoring and evaluation plan (Refer to SESA and Gender Action Plan). For adverse impacts that fall under the scope of land acquisition, and environmental impact on livelihoods of local people during operations, a gender action plan and monitoring plan are suggested to follow to ensure gender aspects are mainstreamed into RAP/ARAP. Annexure 1 provides the gender action plan and monitoring plan. During project preparation, the project will develop specific measures to enhance equal access and opportunities for women to benefit from project activities.

#### **1.4 Rationale for RPF preparation**

The WB's safeguards policy on involuntary resettlement (OP/BP 4.12) requires that the Emission Reductions Program (ERP) prepares and submits to the WB a RPF consistent with the Bank's safeguards policy. Although the interventions in ERPD are not expected to result in land allocation, the RPF is drafted should it arise that cases of land acquisition emerged as a result of subprojects to be implemented. The RPF is prepared to guide the preparation of RAP for subprojects which will be determined/finalised during the implementation phase of the project.

When there are gaps between national policy and Bank safeguards, Bank safeguard policies will prevail.



## **Objective, Approach and Principles Governing Resettlement**

This RPF provides guidance to decision-makers if the project requires use of land on a temporary or permanent basis and/or the acquisition of land. Accordingly, the RPF was prepared to establish policies and procedures for preventing (avoiding), minimizing, mitigating and compensating for negative (adverse) impacts related to land acquisition resulting from the project.

*Objective.* The objective of the RPF is to establish resettlement principles, organisational arrangements, funding mechanisms, eligible criteria, entitlements matrix, feedback and grievance redress mechanism and monitoring and evaluation process for RAP(s) that may be identified during project implementation.

*Approach.* The RPF recognises the willingness for land donation – if the affected people are fully informed of project’s compensation policy, including all compensation options available so that affected people can make their own decision.

*Principles.* The principles that govern the RPF, including principles for compensation, resettlement, and livelihoods restoration, are in accordance with the WB’s OP 4.12, as follows:

1. Physical displacement, economic and physical adverse impacts should be avoided where feasible or, if not possible, minimised by examining all available design alternatives, technology, and/or site selection. Where avoidance is not possible, impacts have to be mitigated
2. If the need for resettlement is unavoidable, resettlement activities should be conceived and executed as an integral part of the project, providing sufficient investment resources to enable the persons displaced by the project to enjoy the project benefits; and
3. All project affected people will be meaningfully consulted, and have the opportunities to participate in planning and implementing resettlement programmes.

The RPF also aims to minimise involuntary resettlement and provide a framework for assessing concerns of PAP and PAH which may be subject to loss of livelihoods, assets and well-being because of the proposed project. The WB Process Framework policy (OP/BP 4.12) is triggered when a development project (or sub-project) financed by the WB results in people losing land, other assets, or access to productive resources which may cause disruption to, or loss of livelihood (i.e., property and assets), well-being and/or other entitlements. The RPF provides decision-makers with guidelines and processes for ensuring that PAP and PAH will improve their livelihoods and well-being or, at least, to restore them to levels prevailing at project commencement.

The RPF provides details on the instruments to be prepared, and the measures to be taken, during specific stages of project design and feasibility assessment, and during implementation. The RPF sets out the guideline for determining compensation eligibility and a description of what that compensation might entail. An RPF, as opposed to a resettlement action plan, is the appropriate instrument at this stage of project preparation,

The RPF is prepared based on the harmonisation of the World Bank’s OP/BP 4.12 and Lao PDR’s Laws and Regulations on Compensation, Assistance and Resettlement. The RPF will be considered applicable if proposed projects affect households and communities.

## **2. DISPLACED PERSONS ELIGIBILITY CRITERIA**

Following Lao PDR laws and regulations on acquisition of land and, in consideration of the WB Involuntary Resettlement policy (OP/BP 4.12), the basic principles of land acquisition and land donation for the project include the following elements:

- Minimise negative or adverse impacts as much as possible
- Carry out land adjustment or compensation to improve or, at least, restore the pre-project income and living standards of PAP and PAH
- Ensure free, prior and informed consultation with PAP and PAH on land donation, land acquisition and compensation arrangements, and ensure the process is well documented; and

- Provide compensation, if applicable, for private assets at replacement rates, prior to commencement of works.

Displaced persons may be classified in one of the following three groups:

- Those who have formal legal rights to land including customary and traditional rights recognised under the laws of the country; will be entitled to compensation for the land they lose, all assets affixed to the land, as well as income restoration measures
- Those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognised under the laws of the country or become recognised through a process identified in the resettlement plan will be entitled to compensation for the land they lose, all assets affixed to the land, as well as income restoration measures; and
- Those who have no recognizable legal right or claim to the land they are occupying, will be entitled to all assets affixed to the land, as well as income restoration measures. In cases where the remaining portion of land is no longer viable they will be entitled to a replacement plot.

Persons covered under a) and b) are provided compensation for the land they lose, and other assistance. Persons covered under c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the sub-project area prior to a cut-off date established by the PAFO/DAFO and acceptable to the WB.

All PAP and PAH comprised of different populations (Refer 1: Entitlement Matrix) will be provided with compensation (if deemed legal owner or occupant during census), and rehabilitation and restoration if: (i) their land is acquired for project purposes (ii) their income source is directly and adversely affected; (iii) their houses are partially or fully demolished; and (iv) other assets (i.e., crops, trees and facilities) or access to these assets will be reduced or damaged due to land acquisition. Those PAPs or PAHs who have encroached upon public land will have the right to claim compensation for their lost assets such as house/structures, trees and/or crops, and will not necessarily have the right to compensation for land that they cannot establish ownership of or a right of access compares applicable GoL legislation with the WB's Policy Framework (OP/BP 4.12).

Thus, land acquisition and/or land donation and its effect on income sources of the affected people - either on a temporary or permanent basis, will apply to all proposed projects in Lao PDR under the ERP regardless of whether they are directly funded by the WB or not. The policy applies to all PAP and PAH regardless of the number or the severity of the induced impact.

As mentioned, attention is to be given to the needs of different populations, ethnic groups and vulnerable groups – women and female/male youth and children, the elderly and disabled, squatters, landless, etc.

## **2.1 Eligibility of displaced persons**

People directly affected by the program/ sub-project through the loss of land, residence, other structures, businesses, other income-generation assets, or access to resources, specifically are:

- Persons whose agricultural land will be affected (permanently or temporarily) by the Program;
- Persons whose residential land/houses will be affected (permanently or temporarily) by the Program;
- Persons whose leased-houses will be affected (permanently or temporarily) by the Program;
- Persons whose businesses, farming activities, occupations. or places of work will be affected (permanently or temporarily) by the Program;

- Persons whose crops (annual and perennial)/ trees will be affected in part or in total by the Program;
- Persons whose other assets or access to those assets, will be affected in part or in total by the Program; and
- Persons whose livelihoods will be impacted (permanently or temporarily) due to restriction of access to production forest by the Program
- Persons whose livelihoods will be impacted (permanently or temporarily) due to restriction of access to protected areas by the Program will be particularly addressed in PF.

## **2.2 Identification of vulnerable groups or households (HHs)**

It will be possible to identify the following vulnerable persons:

- Poor and near poor households and according to local regulatory criteria;
- Poor landholders that have limited productive land (this will be determined by the minimum amount of farm land needed to be a viable farmer in the program area);
- Ethnic group Households;
- Mentally and physically disabled people or people in poor physical health; infants, children and women without assistance;
- Poorest women-headed households or women-headed households with no other support;
- Other PAP identified during resettlement investigations who do not have landholdings that are legalizable based on the Land Law and therefore not legally entitled to compensation for land acquired but who would be entitled to compensation for loss of income due to the cessation of productive activities on such land; or
- Any additional groups identified, which will include a participatory approach to public consultations of this nature.

## **3. RESETTLEMENT PROCESS AND APPROVAL**

The WB environmental and social safeguards policies require the ERP to prepare an ESMF and RPF consistent with GoL laws and any applicable treaty, such as UNFCCC and other relevant treaties. These safeguards documents must be prepared and publicly disclosed. In cases where ethnic groups are potentially affected by the project, free, prior and informed consultation with affected ethnic peoples will be undertaken to ensure proposed project impacts (positive and/or adverse effects) are discussed before project appraisal.

This RPF provides guidelines on how a site-specific abbreviated resettlement action plan ARAP/RAP, for proposed projects are prepared. The project will try to avoid physical resettlement of local peoples – through technical design. However, minor land acquisition, on a temporary or permanent basis, may occur. When this is the case, the GoL Decree on Compensation and Resettlement of People Affected by Development Projects (84/PM, 2016) as well as the WB's operational policy on Policy Framework (OP/BP 4.12) requires that an ARAP/RAP be developed and fully implemented, in accordance with this RPF.

The DoF/MAF in association with relevant organisations such as MoNRE, provincial REDD+ and DAFO authorities will provide the general direction for the planning of the relocation and land acquisition process, ensure coordination between various project stakeholders, particularly with stakeholders who are directly related with resettlement and monitoring and evaluation of RAP implementation. Annexure 2 A and 2 B discusses the narrative content of the ARAP/RAP documents which outline what information to obtain through baseline surveys, valuation of properties, and compensation prices, whether in the context of temporary or permanent land acquisition/physical relocation.

ARAP/RAP preparation must include the following principles for PAP and PAH so that they are:

- Informed of compensation policies, including options related to physical relocation, if they are to be resettled as a result of the project
- Consulted and offered with alternative resettlement options that are technically and economically feasible, for their informed choices; and
- Timely (in advance of commencement of works) provided with compensation payment - at full replacement cost, for their affected assets and income generation activities which are attributable to the sub-project.

Adequate public consultation and participation are mandatory requirements of the ARAP/RAP process. In addition, PAP and PAH must be made aware of:

- Their options and rights pertaining to land donation, relocation and/or compensation
- Specific technically and economically feasible options and alternatives for relocation or resettlement sites
- Process of and proposed dates for relocation, resettlement and/or compensation;
- Compensation rates, at full replacement costs for loss of assets and services, and
- Proposed measures and costs to restore their pre-project livelihoods and/or improve their standard of living and well-being.

The DoF/MAF, will be supported by a social safeguard consultant to work alongside the REDD+ safeguard staff. Among other duties, the role of the consultant will be to help with social impact assessment, consultations, preparation and implementation of both the RPF and site-specific ARAP/RAP to ensure that appropriate actions are addressed in relation to potential acquisition of land, and physical resettlement issues, if any. Once projects are identified, screening of potential social impact will be done to identify if the sub-project has any potential land acquisition/resettlement impact. It is important that a participatory approach be used to engage stakeholders, civil society organisations (CSO), PAP and PAH to ensure there is a broad support for proposed project implementation.

A screening and review process should be used for land acquisition, relocation and resettlement, and a compensation planning process, if applicable. The main purpose of utilizing a screening and review process is to identify land acquisition, relocation or resettlement, and/or compensation issues associated with proposed projects. For optimum planning, screening should take place during the initial stages of the project preparation process so that the safeguards staff is well-informed of the need to develop the ARAP or RAP.

Once completed, the ARAP/RAP will be submitted to the WB for review and approval prior to implementation. The approved ARAP/RAP will be publicly disclosed.

• **Preparation of Abbreviated RAP:**

In cases where the project affects fewer than 200 people, the affected people are not physically displaced and less than 10 per cent of their productive assets are lost, an abbreviated RAP may be prepared.

As a minimum, an abbreviated RAP should cover the following:

- Census survey of affected people and affected assets
- Description of compensation and other resettlement assistance to be provided
- Consultations with affected people about alternatives
- Institutional responsibility for implementation
- Feedback and grievance redress mechanism
- Monitoring and evaluation arrangements; and
- A timetable and budget.

• **Preparation of a full RAP:**

In cases where the project affects more than 200 people, or the project requires physical resettlement of people, a full RAP will be prepared. A full RAP would include the following information: (i) brief description of the project, location and its impacts; (ii) principles and objectives governing resettlement preparation and implementation; (iii) legal framework; (iv) baseline information of PAP and PAH; (v) category of PAP and PAH by degree and type of impact(s); (vi) entitlement to compensation, allowances, and rehabilitation or restoration assistance by category of impacts in a compensation matrix; (vii) information on relocation site together with socio-economic conditions on the secondary PAP and PAH and host communities (only in case where physical resettlement take places); (viii) institutional arrangement for planning and implementation; (ix) participatory procedures during planning and implementation; (x) feedback and grievance redress mechanism and procedures; (xi) estimated cost of resettlement and annual budget; (xii) time-bound action plan for implementation; and (xiii) internal and external monitoring procedures, including the ToR for external monitoring and evaluation.

DoF/MAF will be responsible for preparing a RAP or Abbreviated RAP under the support and guidance from safeguard consultant. The RAP or ARAP will be submitted to the WB for review and approval.

Annex 1 A and 1 B provide resettlement outline formats including annotated ARAP and RAP documents.

#### **4. CATEGORIES OF DISPLACED PERSONS**

The forestry conservation and development projects under PRAP will have both positive and adverse (negative) impacts on people in the six target provinces (Bokeo, Luang Namtha, Oudomxay, Huaphan, Luang Prabang and Sayaboury). The scope of impacts and possible land acquisition will be identified, including any physical resettlement possibilities, if any – on the indication of feasibility studies for these projects. The DoF, Provincial agriculture and forestry office/District agriculture and forestry office (PAFO/DAFO) will carry out a census survey to identify and enumerate all PAP and PAH, and a socio-economic survey conducted for identified projects to determine the range and scope of impacts in the project area. Based on magnitude of project impact, an ARAP or RAP will be determined.

Although all project activities have the potential to affect all categories of people in the respective locations (whether categorised by race, religion, ethnicity, gender, age, economic status, land tenure, squatters, illegal users or other), only activities that require relocation are considered to have the potential of causing serious displacement problems. The RPF recognises that certain social groups may be less able to restore their living conditions, livelihoods and income levels; and therefore, are at greater risk of impoverishment when their land and other assets are affected. During social screening for identified ARAP/RAP social assessment, the project will identify any specific needs or concerns that should be considered for the different populations (ethnic groups and vulnerable groups – women and female/male youth and children, the elderly and disabled, landless, squatters, illegal users, employees impacted by loss of business, etc.) without means of support. Refer annexures 2 A and 2 B. Gender integration will be considered during the planning and implementation of the ESMF, RPF and EGPF

## 5. LEGAL FRAMEWORK ASSESSMENT

This section seeks to ensure compatibility of the World Bank requirements as stated in OP 4.12 and resulting in the above principles and definitions of displaced persons, with the legal framework of the Lao PDR.

The RPF will complement the ethnic group policy framework (EGPF) and ESMF, especially in terms of implementation arrangements. If land or asset loss are unavoidable, the principles and procedures described in the RPF will be applied to address negative impacts.

The GoL Legal Framework with respect to land acquisition, compensation and resettlement is based on the Constitution of the Lao PDR and the Land Law 2003 and other relevant decrees/guidelines.

Lao PDR has formulated many laws, decrees, regulations and guidelines for assessment and management of environmental and social impacts associated with development projects. The revised Environmental Protection Law (EPL, 2013) is the nation's principal environmental legislation. The EPL sets up unified environmental management for environmental resources with the objective of preserving and facilitating sustainable use of natural resources. The EPL includes measures for the protection, improvement, mitigation and restoration of the environment and guidelines for environmental management and monitoring. MoNRE is responsible for implementation of the EPL and various ministries have issued guidelines for implementing provisions of the EPL.

Lao PDR regulations applicable to the development of infrastructure projects include the *Ministerial Instruction No. 8030/MoNRE* (2013) and the *Environmental Assessment Guidelines*. (2012) which provide direction to the environmental and social assessment process in Lao PDR. Additionally, the more recent *Ministerial Instructions on Public Involvement in the Process of Environmental Impact Assessment of Investment Projects* provide updated guidance on the environmental and social assessment process.

Established in 2005 and revised in 2016, the *Decree on Compensation and Resettlement of People Affected by Development Projects* has particular relevance to the ERP. The decree describes the principles, rules and measures to mitigate adverse social impacts and to compensate for damages that result from involuntary land acquisition or repossession of land and fixed or movable assets, including changes in land use and/or restriction of access to community or natural resources affecting PAP livelihood and income sources. The decree aims to ensure that PAP and households are compensated and assisted to improve or maintain their pre-project incomes and living standards, and are not made worse off than they would have been without the project. The provisions will be applied during the preparation and implementation of the social impact assessment (SIA), the social impact mitigation and monitoring plan, and/or the ARAP/ RAP.

The WB states that economic development requires, to varying degrees, providing forestry development, infrastructure and facilities that improve livelihoods and well-being through the expansion of economic opportunities. WB investment projects must pass the litmus test of its own environment and social safeguards policies and the assisted country for a sub-project to receive funding. These safeguards policies help decision-makers to identify, prevent (avoid), minimise or mitigate harms to people and their environment. The WB safeguards policies also require assisted governments (GoL) to address specific environmental and social risks as a prerequisite to obtaining WB financing for development projects.

The key Lao PDR legislation and policies relevant to the environmental and social management of the project, the legal documents applied to the RPF include the following:

- Constitution of the Lao People's Democratic Republic (1991, amended 2003 and 2015)
- Law on Handling of Petitions (2014, revised 2016)

- Law on Resettlement and Vocations No 45/A dated 15 June 2018
- Decree No: 21/PM dated 31 January 2019
- Decree on Compensation and Resettlement of People Affected by Government Projects (No. 84/GOL, 5 April 2016)
- Environmental Protection Law (EPL, 1999 and revised 2013)
- Ministerial Instruction No. 8030/MONRE on Environmental and Social Impact Assessment (ESIA) and Initial Environmental Examination (IEE) of Investment Projects (2013)
- Land Law (2003, revised 2019)
- Public Involvement Guideline (2012)?
- Lao Front for National Development, Guideline for Consultation with ethnic groups (2012)
- Forest Law (2005, revised 2007, and 2019)
- Wildlife Law and Aquatic Law (2007)
- Water and Water Resources Law (1996, revised 2017)

**Table 1. Entitlement Matrix**

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
<i>A. Loss of Land</i>			
Residential Land	Legal owner or occupant identified during census and tagging	<ul style="list-style-type: none"> <li>- With remaining land sufficient to rebuild houses/structures: (i) Cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, and free from transaction costs (taxes, administration fees) and (ii) District government to improve remaining residential land at no cost to PAP/PAH (e.g., filling and leveling) so PAP/PAH can move back onto a plot.</li> <li>- Without remaining land sufficient to rebuild houses/structures: (i) Replacement land equal in area, same type and category, without charge for taxes, registration and land transfer, with land title (assuming Land Titles are available in the area); if not, land survey certificate, OR (ii) cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, free from transaction costs (taxes, administration fees) plus assistance to purchase and register land.</li> </ul>	<ul style="list-style-type: none"> <li>- Legal owners are those who have land use certificates or land titles</li> <li>- Voluntary donation of minor strips of residential land will only be allowed by the project provided that the following criteria are strictly complied with: (i) the land lost is less than 10 per cent of the PAP's total residential land area; (ii) if the PAP/PAH's total residential land area is more than 10 per cent, and (ii) there are no houses, structures or fixed assets on the affected portion of land. Donating households should be direct project beneficiaries.</li> <li>- Voluntary donation according to these criteria will follow the process in accordance with WB's Operational Policy, which is largely in line with the Government's Decree 84/PM/2016.</li> </ul>
<i>B. Loss of Structures</i>			
Totally Affected Houses/Shops, and Secondary Structures (kitchen, rice bins) Partially Affected Houses/Shops but no longer viable (Will require relocation)	Owners of affected houses whether or not land is owned (regardless of legal status)	<ul style="list-style-type: none"> <li>- Cash compensation at replacement cost for the entire structure equivalent to current market prices of (i) materials, with no deduction for depreciation of the structure or salvageable materials; (ii) materials transport; and (iii) labour cost to cover cost for dismantling, transfer and rebuild; and</li> <li>- Timely provision of trucks for hauling personal belongings at no cost to the PAP</li> </ul>	<ul style="list-style-type: none"> <li>- Adequate time provided for PAP/PAH to rebuild/repair their structures.</li> <li>- Affected houses and shops that are no longer viable are those whose remaining affected portion are no longer usable/habitable</li> </ul>



<b>Type of Losses</b>	<b>Entitled Persons</b>	<b>Entitlements</b>	<b>Implementation Issues</b>
Partially Affected Houses and Shops and secondary structures (Will not require relocation)	Owners of affected houses whether or not land is owned	- Cash compensation at replacement cost for the affected portion of structure equivalent to current market prices of (i) materials and labour, with no deduction for depreciation of the structure or for salvageable materials (ii) materials transport, and (iii) cost of repair of the unaffected portion.	
Electricity Poles	Electricity Companies	- Cash compensation for cost to dismantle, transfer and rebuild.	
<i>C. Loss of Livelihoods Activities Including Crops, Trees and Ponds</i>			
Productive Land (paddy, garden, and Teak Plantation)	Legal owner or occupant identified during census and tagging	- For marginal loss of 10 per cent (or less) of land, cash compensation at replacement cost which is equivalent to the current market value of land within the village, of similar type, category and productive capacity, free from transaction costs (taxes, administration fees), or	- Legal owners are those who have land utilization certificates or land titles
		- Replacement land of similar type, category and productive capacity of land within or nearby the village, with land title	- Voluntary donation will not be applied for any assets except for very minor losses of land holding as defined under this RPF.
		- If the impacts on the total productive land is 10 per cent or more, as a priority, replacement land of similar type, category and productive capacity of land within or nearby the village, with land title (assuming Land Titles are issued in the area). If not, land use certificate to be issued. Alternatively, at the request of PAP or PAH, cash compensation at replacement cost plus assistance to purchase and register land	
<b>Type of Losses</b>	<b>Entitled Persons</b>	<b>Entitlements</b>	<b>Implementation Issues</b>
Fishpond (Remaining area is still viable or can still meet expected personal or commercial yield)	Owner of affected fishpond	- Cash compensation of affected portion at replacement cost which is equivalent to the current market value of fishpond, labour and rent of equipment to excavate fishpond, free from transaction costs (taxes, administration fees)	- Adequate time provided for PAP to harvest fish stock.
		- If the currently held fish stocks will not be harvested before the project takes possession of the fishpond, then cash compensation for the projected mature value of fish stock held at the time of compensation	- Voluntary donation of fishpond land will not be allowed by the project

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		<ul style="list-style-type: none"> <li>- District government to restore/repair remaining fishpond. If support cannot be provided by the contractor, the PAP will be entitled to cash assistance to cover for payment of labour and rent of equipment to restore/repair fishpond</li> </ul>	
Crops and Trees	Owner of crops and trees whether or not land is owned.	<ul style="list-style-type: none"> <li>- If standing annual crops are ripening and cannot be harvested, cash compensation at replacement cost equivalent to the highest production of crop over the last three years multiplied by the current market value of crops</li> </ul>	
		<ul style="list-style-type: none"> <li>- For perennial crops and trees, cash compensation at replacement cost equivalent to current market value based on type, age, and productive capacity</li> </ul>	
		<ul style="list-style-type: none"> <li>- For timber trees, cash compensation at replacement cost equivalent to current market value based on type, age and DoF meter at breast height (DBH) of trees</li> </ul>	
Loss of business income during relocation or during dismantling/repair of affected portion (without relocation)	Owners of shops	<ul style="list-style-type: none"> <li>- For businesses (shops) cash compensation equivalent to the average daily revenue for the business over the previous 12 months</li> </ul>	<ul style="list-style-type: none"> <li>- It is estimated that it will take one day to move the shops if made of traditional materials (bamboo)/movable (can be carried without totally dismantling the structure) and approximately four weeks – maximum - to re-establish business in another location. It will take about two days to remove and repair affected portion of shop made of permanent materials (such as good wood and concrete). Because these structures will not be relocated, business can commence as soon as repairs are completed</li> </ul>
			<ul style="list-style-type: none"> <li>- The rate will be verified through interviews with informal shop owners to get an estimate of daily net profit.</li> </ul>
Severe impacts on vulnerable PAP (Relocating PAP and those losing 10 per	Vulnerable PAP/PAH such as the poorest, or households headed by women, the elderly, or	<ul style="list-style-type: none"> <li>- An additional allowance of 1-month supply of rice per person in the household</li> </ul>	<ul style="list-style-type: none"> <li>- The poorest will be those below the national poverty line as defined in the poverty partnership agreement with WB</li> </ul>
		<ul style="list-style-type: none"> <li>- Eligible to participate in income restoration programme</li> </ul>	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
cent or more of their productive assets)	disabled, and ethnic group	- The contractors will be required make all reasonable efforts to recruit severely affected and vulnerable PAP as labourers for road construction and road maintenance works	
Transition subsistence allowance	Relocating households – relocating on residual land or to other sites. Severely affected PAP losing 10 per cent or more of their productive land	- Relocating PAP/PAH without any impact on business or source of incomes will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 3 months per household member.	
		- Relocating PAP/PAH with main source of income affected (i.e., from businesses) or PAP losing more than 10 per cent of their productive land will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 6 months per household member	
<i>D. Loss of Common Property Resources</i>			
Permanent loss of physical cultural resources/public structures/village or collective ownerships	Villagers or village households	- Compensation at replacement cost for present/existing structures based on its present value.	
Graves located in the affected areas	Owners of graves	- Compensation for the removal, excavation, relocation, reburial and other related costs will be paid in cash to each affected family	
<i>E. Temporary Impacts Due to Sub-Project Construction or Maintenance</i>			

<b>Type of Losses</b>	<b>Entitled Persons</b>	<b>Entitlements</b>	<b>Implementation Issues</b>
Temporary Use of Land	Legal owner or occupant.	For agricultural and residential land to be used by the civil works contractor as by-pass routes or for contractor's working space, (i) rent to be agreed between the affected households and the civil works contractor but should not be less than the unrealised income and revenue that could be generated by the property during the period of temporary use of the land; (ii) cash compensation at replacement cost for affected fixed assets (e.g., structures, trees, crops); and (iii) restoration of the temporarily used land within 1 month after closure of the by-pass route or removal of equipment and materials from contractor's working space subject to the conditions agreed between the affected households and the civil works contractor	The construction supervision consultant will ensure that the (i) location and alignment of the by-pass route to be proposed by the civil works will have the least adverse social impacts; (ii) that the affected households is adequately informed of his/her rights and entitlements as per the Project resettlement policy; and (iii) agreement reached between the affected households and the civil works contractor are carried out
Transportation allowance	Relocating households to other sites	<ul style="list-style-type: none"> <li>- Provision of dump trucks to haul all old and new building materials and personal possessions</li> </ul>	<ul style="list-style-type: none"> <li>- PAP/PAH may also opt for cash assistance. The amount (cost of labour and distance from relocation site) to be determined during implementation.</li> </ul>
Temporary loss of crop production due to loss of access to water during construction works	Agricultural Producers affected by the works on irrigation sites	<ul style="list-style-type: none"> <li>- Compensation sufficient to restore incomes based on market rates for quantity of crops lost during construction works</li> </ul>	<ul style="list-style-type: none"> <li>- Timing construction works to correspond with period where production is not taking place</li> <li>- Payment should be made before works are initiated, and additional payments should be made if delays are anticipated</li> </ul>

The ESMF provides an overarching safeguards document governing the approach, processes and specific instruments to guide and inform the ARAP/RAP and the EGPF, RPF and PF. and other safeguard instruments and measures. Most aspects of the WB's Involuntary Resettlement Policy (OP/BP 4.12) are adequately addressed in Lao PDR laws. The overarching objective of the project in relation to land and asset acquisition is to assist the PAP and PAH to restore their livelihoods, at least, to the level equal to their pre-project level. Specific principles that apply include:

- Where possible, project activities, to be funded through the ERP, should avoid land acquisition and physical resettlement which causes adverse impacts on PAPs' livelihood and assets. Where avoidance is not possible, land acquisition should be minimised through exploring other options
- Develop fair and transparent procedures, as defined in the Entitlement Matrix of this RPF to determine compensation for (i) temporary impact on land; (ii) permanent acquisition of land and/or impact on assets of local peoples; and (iii) restrictions on use of land that may be applied to areas adjoining project area
- Acquire land (or right to use land) through negotiated agreements and with the use of the eminent domain approach only as a last resort
- In the event of temporary land acquisition, upon completion of activities, restore the affected land to its original condition to enable land owners/users/lessees to resume their pre-project activities
- Keep PAP and PAH, and communities fully informed about the project, the process that will be followed to acquire and compensate for land, affected assets, their related rights and avenues for redress
- Ensure that aggrieved PAP and PAH will have redress and recourse options and that solutions are in line with principles stipulated in this RPF and, more importantly, are employed
- All PAP and PAH, regardless of the legal status of property, will receive necessary support- as per the principles set out in the Entitlement Matrix (Table 1), to assist them in their efforts to restore their livelihoods and well-being to the pre-project level. PAP and PAH who may have adverse possession of land (i.e., squatters) will be compensated for the land they use but will receive compensation for loss of their assets that area associated with the affected land, and for the loss of income sources as a result of land acquisition to restore their income generation activities/livelihoods. Detailed measures to be implemented will be determined based on a census and socio-economic baseline survey conducted when the ARAP/RAP is developed
- PAP and PAH will be notified of the project implementation schedule and consulted with regarding the principles of land acquisition and loss of, or damage, to assets; and
- Damages to assets, such as standing crops, trees, fences and loss of income (including loss of harvest) will be avoided, or will be compensated for if not avoidable. Compensation for affected assets will be made regardless of legal status of affected land according to the Entitlement Matrix illustrated in Table 1.

The recently revised *Decree # 84 on Compensation and Resettlement of People Affected by Development Projects* (2016) provides the principles, mechanisms and procedures to mitigate adverse social impacts and to compensate damages that result from involuntary land acquisition or repossession of land and fixed or movable assets. This decree aims to ensure that PAP and PAH are compensated and assisted to improve or maintain their pre-project incomes and standard of living, and are not worse off as a result of the project. The Decree (No. 84/PM, 2016) is largely consistent with the main principles of the WB's Involuntary Resettlement policy (OP/BP 4.12).

However, there are few gaps or inconsistencies identified between this WB policy and the Decree No. 84/PM. Table 2 provides a gap analysis between the WB's OP/BP 4.12 and the Decree No. 84/GoL. When there are gaps between national policy and Bank safeguards, bank safeguard policies prevail.

**Table 2. Gap Analysis of Resettlement Policy Framework of WB and GoL Development Projects**

Subjects	OP 4.12	Compensation and Resettlement Decree No. 84/GoL (2016)	Project Measures
<b>1. Land Property</b>			
1.1. Policy objectives	PAPs (Project Affected Persons) should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher	PAP are compensated and assisted to improve or maintain their pre-project incomes and living standards, and are not made worse off than they would have been without the project	OP 4.12 Policy Procedures will be applied - cash compensation at replacement cost for land and structures will be paid without deduction for depreciation or salvageable materials Also – income additional payments will be made to restore incomes, crops, trees as well as moving costs
1.2. Support for affected households who have no recognizable legal right or claim to the land they are occupying, such as cases of occupying land that are currently under government management (state land) either for residential and/or income generation purpose	Financial assistance to all project affected persons to achieve the policy objective (to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher)	PAP who do not have legal land title, land use certificate or other acceptable documentation indicating their land use right, including customary and traditional land use right, are only provided with the right to claim compensation for their lost assets such as house/structures, trees and/or crops, and not land. <i>These refer to the cases of occupying or encroaching land that are currently under government management - either for residential and/or income generation purpose</i>	PAPs who occupy or encroach areas which are under government or community management typically do not have legal title, land use certificates or other acceptable documentation indicating their land use right. In such cases, these households may not be compensated for the land that they occupy, but are compensated for the affected assets associated with the occupied land, including houses, structures, crops at full replacement costs. When affected households are of poor, or from vulnerable groups, in addition to the compensation made to their affected assets (if any), they will be financially supported – on a case by case basis, to be able to buy a new piece of land to build their new house. Where needed, they will still be entitled to additional financial assistance to achieve the objective of the involuntary resettlement policy to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing

Subjects	OP 4.12	Compensation and Resettlement Decree No. 84/GoL (2016)	Project Measures
			<p>prior to the beginning of project implementation, whichever is higher</p> <p>OP 4.12 Policy Procedures will be applied.</p>
<p><i>1.3. Compensation for illegal structures</i></p>	<p>Compensation at full cost for all structures regardless of legal status of the PAP's land and structure</p>	<p>PAP who do not have legal land title, land use certificate or other acceptable documentation indicating their land use right, including customary and traditional land use right, only provides the right to claim compensation for their lost assets such as house/structures, trees and/or crops, and not land</p>	<p>Compensation at full replacement cost will be given for all structures affected, regardless of legal status of the land and structure.</p> <p>Provide moving allowance based on structure types.</p> <p>OP 4.12 Policy Procedures will be applied.</p>
<p><b>2. Compensation</b></p>			
<p><i>2.1. Methods for determining compensation rates</i></p>	<p><i>Compensation for lost land and other assets should be paid at full replacement costs</i></p>	<p>Article 2: The compensation shall be in the form of land, material or money for the land, agricultural products, livestock and incomes that are affect by development projects based on compensation value</p> <p>Article 4 Compensation value means the value calculated in the form of material, money or land, constructed facilities, agricultural products, livestock and incomes which have been affected by development projects</p> <p>Article 9 Project owners, in collaboration with the committee for compensation and resettlement at the local level, must estimate the value for compensation for land, constructed facilities, crop products, livestock and potential incomes and organise consultations with affected people by selecting the right and appropriate options based on prices applied by the state, market prices or average prices applicable for period of compensation and based on the types of properties and locations The prices applied by the state (middle prices) are the prices specified in a separate regulation which are</p>	<p>Independent appraiser conducts replacement cost study for all types of assets affected in order to establish compensation, which are appraised by the project to ensure full replacement costs.</p> <p>OP 4.12 Policy Procedures will be applied</p>



Subjects	OP 4.12	Compensation and Resettlement Decree No. 84/GoL (2016)	Project Measures
		identified and regulated by the Ministry of Natural Resources and Environment from time to time	
<i>2.2. Compensation for loss of income sources or means of livelihood</i>	<i>Loss of income sources should be compensated whether or not the affected persons must move to another location</i>	Article 9 Provision of agriculture land in appropriate ways including the creation of new livelihood options and stable income generation activities and promotion of local crafts/industry in addition to agricultural production activities for the affected people	OP 4.12 Policy Procedures will be applied – loss of income will be restored to pre-displacement rates regardless of the legal status of the affected person
<i>2.3. Livelihood restoration and assistance</i>	<i>Provision of livelihood restoration and assistance to achieve the policy objectives</i>	Article 13: In parallel with the establishment of resettlement plan as prescribed in Article 10 of this decree, the project owner must coordinate with the compensation and settlement committee at the local level to collect information on livelihood and income generation matters of the affected people in details to establish the livelihood rehabilitation plan to contribute to the management and monitoring social and environmental impacts within the project development framework	Because the impacts are expected to be minor, income restoration will be addressed on a case by case basis, with additional payments being made to restore incomes and livelihoods to pre-displacement rates
<i>2.4. Consultation and disclosure</i>	<i>Participation in planning and implementation, specially confirming the eligibility criteria for compensation and assistance, and access to Feedback and Grievance Redress Mechanisms</i>	Article 5: The compensation and resettlement shall be carried out in compliance with the following principles: 1. Protection of the rights and legitimate benefits of affected people 2. Ensure equality, correctness, transparency, disclosure and fairness 3. Ensure coordination, consultation and participation between the project owner, affected people, state agencies and other relevant stakeholders	Extensive consultation and participation will be conducted at every stage of RAP planning and implementation.  OP 4.12 Policy Procedures will be applied.
<b>3. Feedback and Grievance Redress Mechanism</b>			
<i>Procedures for recording and processing grievances</i>	<i>Feedback and grievance redress mechanism should be under Government officials responsibilities for handling grievances with clear procedures for recording and processing grievances</i>	Article 23: In case the affected view that the project owner does not comply with the plan for compensation, resettlement and rehabilitation of people’s livelihood in accordance with this decree or other related plans that affect their interests, they are entitled to request to related authorities to solve the request(s) according to the procedures stipulated in paragraph 1, article 24 of this decree.	Grievances from PAP and PAHs in connection with the implementation of the RAP will be handled through negotiation with the aim of achieving consensus. Complaints will go through three stages before they may be elevated to a court of law as a last resort.

Subjects	OP 4.12	Compensation and Resettlement Decree No. 84/GoL (2016)	Project Measures
<b>4. Monitoring &amp; Evaluation</b>			
	<i>Internal and external independent monitoring are required</i>	<p>Article 27:  The project owner must set up a management unit of compensation and resettlement to take charge of monitoring and examination by himself other than other parties. The unit is obliged to make reports to the state audit-inspection organisations concerning the monitoring and examination of the implementation of the plan for compensation, allocation and relocation, and rehabilitation of people's livelihood of the development project as stipulated in the overall plan, at each period</p>	DoF/MAF will conduct internal monitoring on resettlement implementation. The monitoring will include progress reports, status of the RAP implementation, information on location and numbers of people affected, compensation amounts paid by item, and assistance provided to PAHs. The report of monitoring results will be prepared by DoF/MAF and submitted to WB.

Certain principles must be supported to address the gaps between the existing Lao PDR legal provisions and the WB's OP 4.12. The RPF is based on a philosophy that the project must serve the needs of society and ensure the livelihoods/living standard/income of the PAP and PAH are at least restored to the pre-project level. This can be ensured through the following objectives:

- Avoid involuntary resettlement where feasible and minimise resettlement where population displacement is unavoidable
- Ensure that displaced people receive compensation, assistance and livelihood restoration support so that the livelihoods/living standard/income of the affected households could be restored to the pre-project level
- PAP and PAH will benefit from the projects
- Project stakeholders (including PAP and PAH) are consulted and given the opportunity to participate (as practical) in the design, implementation and operation of the projects; and
- Appropriate assistance and compensation (cash or in-kind) is provided to adversely impacted PAP and PAH, and different populations who may have usage or customary right to the land or other resources taken for sub-projects.

## **6. ASSETS VALUATION**

The RPF also includes guidance on voluntary donation of land or other assets (including restrictions on asset use) caused by project implementation either through contribution or with compensation by communities. Refer to Annex 2 of this document. Land donation should be accepted only from people who are direct project beneficiaries. The MAF will establish principles and procedures to ensure equitable treatment for, and restoration of, any person adversely affected by project implementation.

Two forms of acquisition of land will be considered under the ERP including:

- *Land acquisition through Voluntary Contributions:*

There may arise cases where local communities, PAP and PAH choose to donate their affected land without compensation because they recognise the project benefits and are also direct project beneficiaries. In this case, land donation should only be acceptable if:

- a) Donated land is less than 10 per cent of an individual's landholding
- b) Donating households should not be from vulnerable group, as defined by this RPF
- c) Subproject requires no physical relocation
- d) Verification (for example, notarised) of the voluntary nature of land donations is obtained from each person donating land
- e) All donating households are informed of the project's compensation policies (from the project's RPF) to make their informed choice in donating their land.

- *Land acquisition through Voluntary Contributions with Compensation.* Persons who contribute land or other assets have the right to seek and receive compensation. In such cases, project authorities will ensure that compensation terms are agreed to before projects are undertaken. Compensation terms for specific cases will be proposed by project authorities based on the local market comparators, where available, and will be negotiated with the PAPs based on the principles set forth in this document (Objective and Principles Governing Resettlement). Compensation for affected peoples and

support for their livelihood restoration (where needed) will be provided in a manner that meets the objective of the WB's OP 4.12. The compensation terms will include:

- Replacement of land with an equally productive plot or other equivalent productive assets
- Materials and assistance to replace solid structures that will be demolished
- Replacement of damaged crops and commercial-value trees, at market value, and
- Other acceptable in-kind compensation.

In cases where land will be purchased, replacement costs will be paid. Replacement cost is the method of valuation of assets which determines the amount of compensation sufficient to replace lost assets, including any necessary transaction costs. Compensation at replacement cost is defined as follows: For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in vicinity of the affected land, plus the cost of any registration and transfer taxes.

For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not considered, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard

Replacement costs will be calculated on the basis of a replacement cost study (RCS). The main objective of the RCS is to determine the rate of land prices based on actual transaction records of the affected areas, of affected main and secondary structures and other immovable assets. This study would be conducted by an independent appraiser. The methods to be applied include a sales comparison approach (using official land transaction records combined with a survey of price expectations from local land owners/users), a quantity and market price survey of all land affixed assets (structures, crops, trees etc.). Based on the results of RCS, the PAH will receive compensation at replacement cost from the GoL for their loss of land and property due to the sub-project. The RCS will be implemented during the social impact assessment.

Where necessary, the GoL will also provide special assistance in the form of suitable land, rental allowances, livelihood restoration payments, disruption allowances, as well as special payments to vulnerable populations affected by the project (ethnic groups, women and female/male youth and children, the elderly and disabled, landless, etc.). The main principle is that Project Affected Persons and Project Affected Households (PAP and PAH) are not made worse off by implementation of the proposed project.

## **7. ORGANISATIONAL PROCEDURES FOR ENTITLEMENTS**

DoF/ MAF, it has the lead responsibility of implementation of the projects and the RPF. The DoF/MAF in association with the PAFO/DAFO will develop and implement the abbreviated

RAP/RAP required for projects identified during implementation. ARAP/RAP will be prepared in accordance with the RPF.

In addition to DoF/MAF, a number of other government departments will play instrumental roles in the design, construction and operation of projects. Pursuant to the active legislation, MoNRE is responsible for environmental issues. MoNRE is responsible for legal matters regarding land ownership and land acquisition. Table **Error! Reference source not found.2** shows the general entitlements for compensation and livelihoods restoration assistance for the project. Depending on specific situation, ARAP/RAP may provide more specific details or additional allowances.

Compensation will be reviewed and managed or monitored by the PAFO and DAFO, which will be established in accordance with the Decree 84, 2016 on compensation and resettlement. Village Resettlement Sub-committees (VRS) will also be established as needed in villages where land acquisition and resettlement will occur. The VRS will facilitate compensation and consultation with the project affected people and their households and manage the feedback and grievance redress mechanism at the village level. The VRS will be established within villages where land acquisition and resettlement take place.

It is incumbent upon the DoF/MAF to assist in the formation of the resettlement committees and provide training and capacity development in relation to the compensation entitlements and ARAP/RAP. The DoF/MAF will have a supervisory role and will ensure that provisions contained in the ARAP/RAP are implemented, monitored, evaluated, and reported.

The DoF/MAF will be responsible for the organisational arrangements associated with implementing and delivery of entitlements relevant to mitigating adverse impacts and compensation. The process for implementing the mitigation measures should include:

- Determine if land acquisition and loss of other assets will occur or voluntary land donation or relocation is required (a census and detailed socio-economic surveys need to be conducted on PAP)
- Develop a detailed list of all PAP and PAH
- Determine what each PAP and PAH would lose in terms of livelihoods and assets (land, crops, trees)
- Determine what the timeframe is for compensation, if any
- Development of a ARAP/RAP and submission to the WB for “no objection” to proceed
- Provide compensation in-kind or cash, if applicable, and
- Determine what the preferred compensation is, ensuring a participatory process.

DoF/MAF would be responsible for public consultations and public disclosure of information to multi stakeholders at both national and province level (such as national and provincial administrations, stakeholders and civil society organisations and Community Based Organisations (CBOs), communities, and PAP and PAH). Consultations and community participation would be conducted throughout the projects' planning process, design and implementation stages. Planning and acquisition of land and other assets from PAP and PAH will follow a free, prior and informed consent (FPIC) process and be well documented. PAP and PAH will receive prior information regarding the form of compensation (if applicable), relocation and other assistance available to them, including:

- Relevant details about the project
- ARAP/RAP and various degrees of anticipated project impact
- Details of entitlements under the ARAP/RAP and PAP and PAH requirements for accessing entitlements
- Compensation process and rates
- Relocation and resettlement site development consultations to obtain agreement through free, prior and informed consultation and support of PAP and PAH in active participation in the consultations
- Implementation schedule with timetable for delivery of entitlements, and
- Information concerning feedback and grievance redress mechanism and their utilization.

## **8. LINKING RESETTLEMENT TO PROPOSED PROJECTS**

It is envisaged that the projects will not cause any physical relocation as a result of nature of proposed forestry related activities, but some minor physical relocation may occur due to new developments.

Acquisition of land would be identified during project planning when feasibility studies of proposed projects become available, which allow assessment of the scope of land acquisition and its potential impact on local people. It is anticipated that there would be minor physical resettlement while land acquisition (both permanent and temporary) would be negligible.

Natural forest and forest land is considered “the property of the nation community”, which is managed by the state with the participation of the people. Forests and trees planted by individuals and legal entities, recognised by the Forest and Forestland Management Organization/MAF, shall become property of the individuals and entities. Under these regulations restrictions on resource use will be negligible.

### **Cut-off dates for Eligibility**

A census and household survey will be conducted as soon as the list of projects have been confirmed. Care will be taken to set cut-off dates immediately after the determination of the projects.

The household survey will be used to develop an inventory of loss so as to assess the potential impact. A binding legal instrument will be used to record all losses of assets, which will be signed by PAP and PAH, their neighbours, and representatives of the provincial administration.

Compensation paid to each affected entity will be based on the legal instrument and a detailed methodology to calculate compensation which is articulated in the ARAP/RAP.

### ***Relocation / Taking Possession of Site / Commencement of Projects***

Once a binding legal agreement is signed, compensation and other assistance (replacement land, transportation allowance, etc.) must be provided in a prompt manner (within one month), and in accordance with the principles set forth in RAP. The DoF/MAF cannot take full possession of the land until the required compensation and assistance is provided and the PAP and PAH have vacated the land in accordance with the legal agreement signed. Also, projects cannot commence on the land until the land is vacated and the DoF/MAF has taken full possession.

#### **8.1 Feedback and Grievance Redress Mechanism**

A grievance redress mechanism will be established at the village level, as well as the district and provincial levels, using the existing country structure starting from the village mediation unit or committee (VMU/C) established in all villages, District Office of Justice (DoJ) and DAFO at district level and the Provincial Assembly/PAFO at the provincial level. These grievance redress institutions (GRIs) will be used and strengthened to deal with resettlement related grievances as they arise. A person in each institution will be responsible for accepting documents relevant to grievances. The institutions will receive, evaluate and facilitate the resolution of PAP and PAH concerns, complaints and grievances in accordance with the Law on Handling of Petitions (2015). VMU/C would be comprised of representatives of PAP and PAH, community leaders, and independent civil society organisations, in addition to representatives from village and district levels. If the grievance relates to a dispute over the valuation of an asset to be acquired, then the DoF/MAF will acquire the services of an additional independent assessor and MoNRE or PoNRE to inform the decision of the relevant grievance redress committee. The grievance redress institutions will function, for the benefit of PAP and PAH, during the entire life of the projects, including the defects liability period.

Consultations with PAP and PAH will take place early in the process of the project planning. Prior to project commencement, village leaders will conduct a survey of directly affected people's land and assets. Village leaders will conduct free, prior and informed consent (FPIC) with affected groups, including businesses and PAP and PAH to discuss options in the case of land acquisition and land donation. The whole process will be well documented.

All complaints and grievances will be received in writing, or if given verbally then written at the same time and place, from PAP and PAH and duly recorded by each level of the grievance committee. PAP and PAH will be exempted from all administrative and legal fees incurred pursuant to the grievance redress procedures. Grievances related to any aspect of the proposed projects will be dealt with through negotiations with the ultimate aim of reaching a consensus. Grievance redress procedures aim to provide a time-bound and transparent mechanism to voice and resolve social and environmental concerns linked to the projects. These grievance redress procedures are not meant to circumvent the government's inbuilt redress process, nor provisions of the national laws, but rather to address PAP and PAH concerns and complaints promptly, making it readily accessible to all segments of PAP and PAH and different populations and scaled to the risks and impacts of the projects.

The ARAP or RAP will establish the means for PAP and PAH and displaced businesses to bring complaints to the attention of relevant project authorities. Grievance procedures should include reasonable performance standards, including time required to respond to complaints and should be provided without charge to those displaced persons. The ARAP/RAP should also state other avenues available to aggrieved persons, if the project-related procedures fail to resolve

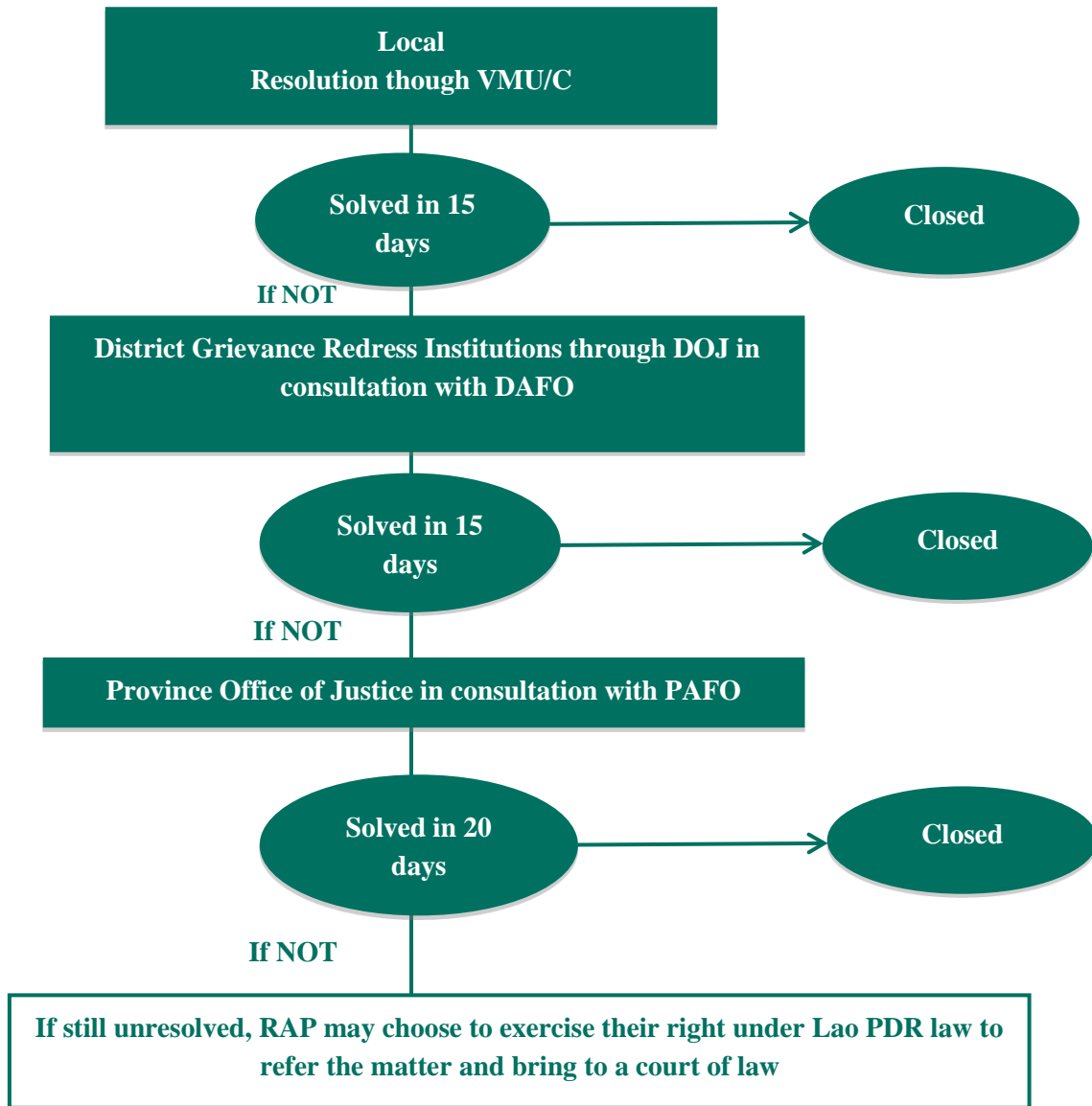
complaints. Article 23 and 24 of the Decree No. 84/GOL, 2016 requires the project to establish an effective mechanism for grievance resolution.

The ESMF contains details on the grievance redress mechanism for the ERP. Grievances related to environmental and social issues from directly or indirectly affected ethnic groups as a result of implementation of projects will be resolved by the GRIs through the project grievance redress mechanism presented in order to effectively and promptly resolve grievances of PAP and PAH, the following process will be applied:

- Stage 1: if PAP and PAH are not satisfied with the resettlement plan or its implementation, PAP and PAH can issue a verbal or written complaint to the Village Mediation Unit or Committee (VMU/C). If it is a verbal complaint, the village should deal with this complaint and document it in a written record. The VMU/C should resolve the complaint or grievance within two weeks, or 15 calendar days
- Stage 2: if PAP and PAH are not satisfied with the result in Step 1, PAP and PAH can file an appeal with the District Office of Justice (DOJ) via DAFOs after PAP and PAH receives the decision made in Step 1. The DOJ should decide within two weeks, or 15 calendar days
- Stage 3: if PAP and PAH are not satisfied with the result of Step 2, PAP and PAH can file an appeal with the POJ via PAFO, for administrative arbitration after receiving the decision made by the DOJ. The administrative arbitration organisation should make the arbitrated decision within 20 calendar days, and
- Stage 4: if PAP and PAH are still unsatisfied with the arbitrated decision made by the administrative arbitration organisation, after receiving the arbitrated decision, PAP and PAH can file a lawsuit in a civil court according to the relevant laws and regulations in Lao PDR.



**Figure 1**  
**Feedback and Grievance Redress Mechanism**



PAP and PAH can make a complaint or appeal on any aspects of the projects’ design and implementation, including issues related to compensation and resettlement. A complaint and grievance feedback form will be developed under the project and made available at VMU/C at project villages. PAP and PAH will be clearly informed of the complaint and appeal channels described above through village meetings and other forms of communications. Information and communications technology tools should be used to communicate issues and information. Opinions and suggestions on resettlement provided by concerned people and organisations should be documented and resettlement organisations, at various levels, should study and address any and all issues in a timely manner.

The organisations addressing the PAP and PAH, complaint and appeal process shall not charge fees. Any expenses incurred due to submission of complaints and/or appeals should be classified as unexpected expenses, and paid for by the project.

All documents relevant to grievance process will be designed and published according to state rules/regulations/laws and made available to the public.

## **9. ARRANGEMENTS FOR FUNDING RESETTLEMENT**

The RAP will include detailed description of the costs for compensation, support, and other livelihoods restoration entitlements as part of the process to compensate affected PAP and PAH. Arrangements will be made for PAP and PAH property and assets to be classified on the basis of agricultural land, residential land, business land, houses, business assets and other holdings. Detailed budgetary estimates will make adequate provision for contingencies and the ARAP/RAP will explicitly establish sources for all funds required. The ARAP/RAP will ensure that fund flows are compatible with the timetable for payment of compensation and provision of all other assistance. The costs of resettlement (compensation for land, structures, livelihood restoration, etc.) will be financed from the operating budget of the project. Exact costs for resettlement are unknown at this stage of the project but will be determined by the resettlement cost study methodology outlined in the RPF, in accordance with the Decree No. 84 on Compensation and Resettlement Management in Development Projects (2016) and the 2005 Technical Guidelines on Compensation and Resettlement in Development Projects and complemented by the WB OP 4.12 Involuntary Resettlement

Additional compensation in case of delays in compensation payments will be decided on the status of each case, but mutually agreed by all parties. The reasonable timeline for compensation payments is considered to be within 24 months of the date of approval (Ref Min. Decree 84 of 2014) but every effort should be made for completion within the stipulated timeline.

To promote shorter gestation periods, project agencies could be required to increase compensation by 10 per cent for each year of delay from the time surveys are conducted until the time the community is actually displaced (refer Involuntary Resettlement Source book, World Bank, 30118 Vol. I).

## **10. INFORMATION DISCLOSURE, PUBLIC CONSULTATIONS, AND PARTICIPATION**

### **10.1 Objective of Information Disclosure, Public Consultation and Participation**

**Information disclosure:** The WB requires that sufficient information about project's potential risks and impacts be made available to the affected project people, in a form and language that is understandable to project affected people and project's stakeholders, and in an accessible place and in a timely manner. This is to enable affected peoples to provide meaningful feedback for project design and mitigation measures.

**Consultation and participation:** The WB requires that the Project Owner has to engage with project affected people through information disclosure, consultation, and informed participation. Depending on the nature of the project, the consultation and participation of project stakeholders should be done in a way that is proportionate to the risks to and impacts of the project on the affected peoples. In case where ethnic minority peoples are present in the project area, free, prior and informed consultation need to be conducted with the affected ethnic minority peoples, in a way that is culturally appropriate to them.

As discussed above, PAP and PAH will participate throughout the development and implementation process of land acquisition and the land donation process. PAP and PAH will be consulted by the relevant village councils or district and provincial authorities. The PAP and PAH will be invited to participate in public meetings in the early stages of the process and will be provided with reliable information on the proposed project, its impacts and proposed mitigation measures and livelihoods restoration activities. Information publicly disclosed will also include cut-off dates for each project, eligibility criteria and entitlements, modalities of compensation, complaints, feedback and grievance redress procedures, monitoring and evaluation plan, and RAP implementation plan.

The PAP and PAH, including those who are not affected will be provided with opportunities to present their ideas and suggestions as inputs into the planning and implementation of the project. This will be accomplished through a series of participatory exercises and focus group discussion with PAP and PAH, to ensure affected parties have a stake in the process.

The PAP and PAH will also benefit from a dedicated consultation process during the preparation of the relevant ARAP/RAP. This will include consultation meetings at the beginning of the ARAP/RAP preparation process to discuss the potential impacts and possible mitigation measures, and prior to the finalization of the ARAP/RAP, to ensure the PAP and PAH agree with the mitigation measures proposed. Throughout, ARAP/RAP implementation, monthly meetings will be held with PAP and PAH to garner their feedback on how the process can be improved. There will also be face to face meetings with individual PAPs throughout the process, as well as a meeting to finalise and sign the compensation agreement.

As previously mentioned, PAP and PAH will be involved in various committees, including the feedback and grievance redress committee, which will ensure their participation in the decision-making process throughout various stages of the ARAP/RAP process, including preparation and implementation. Following project completion, a survey could be undertaken by DoF /MAF amongst PAP and PAH, to assess their level of satisfaction with the process and results of the ARAP/RAP.

## **10.2 Mechanism for Information Disclosure, Public Consultation and Participation**

**During project preparation:** A consultation was conducted with local people on the basis of the preliminary project information that was disclosed to local people. The following information was disclosed to the project affected households and project stakeholders:

- Project description and objectives
- Brief information on project donor
- Process and methods of consultations
- Outline of potential social impacts
- Key principles for compensation, support, resettlement (WB's OP 4.12 on Involuntary Resettlement)
- Mitigation measures.

**During project implementation:** As the project starts its implementation, more information related to the list of projects and feasibility studies will become available. The project will identify projects that may involve land acquisition and will project RAPs accordingly.

### 10.3 Consultation approach adopted for preparing this RPF

This RPF has been developed on the basis of consultations held: in all six Northern provinces. Table 3 provides a summary of consultations held during the period 2016-2019.

In the research instrument/questionnaires administered during consultations for preparation of SESA, questions were posed relevant to resettlement matters. Information gathered through qualitative research (public meetings, focus group discussions and others) concluded that resettlements were unlikely in six target provinces.

**Table 3**  
**Summary of Consultations 2016-2019**

	Consultations			Participants		
	Province	District	Village	Total	Men	Women
2016-2017	6	54	50	4060	3531	529
2018	2	2	0	86	80	6
Gender in Development	6	-	28	500	100	400
GCF Gender	2	2	4	148	79	69
2019	6	8	16	731	419	312
<b>Total</b>	<b>22</b>	<b>66</b>	<b>98</b>	<b>5525</b>	<b>4209</b>	<b>1316</b>

In addition, public consultations carried out on the draft safeguards documents were prepared. The consultations regarding ESMF, and SESA, were carried out at provincial/district and village levels with the participation of representatives from provinces, districts, village authorities and communities.

During the consultations conducted in February 2019, the following potential alternative livelihoods were discussed with the communities: promotion of climate smart agriculture, improved agricultural practices and diversification of livelihoods, deforestation free agricultural practices in the uplands and mountainous areas, improve agricultural land through improved extension services, training of households in proximity to the deforestation and forest degradation hotspots and strengthening communities that engaged in deforestation free commodity value chains. From 10 – 22 February 2019, field consultations were conducted in six provinces and a questionnaire was administered to collect data for filling the gaps identified in the SESA. Minutes of meetings held in villages and consultations carried out, including the number of participants and topics discussed have been included in a field report dated 25 February 2019, were prepared in Lao language and submitted to DoF. The field visit consultations held, the number of participants and the matters discussed, have been indicated in Table 3.

#### Disclosure

In line with the Bank’s Public Consultation and Disclosure Policy, the ESMF, RPF, and EGPF have been revised to incorporate feedback from public consultations held and were locally disclosed in Lao and English in the project provinces and on DoF/MAF website.

## 11. MONITORING AND EVALUATION

Monitoring and Evaluation of RAP implementation is a key aspect of project implementation. To ensure activities and commitments described in the approved RAP is implemented fully and timely, monitoring and evaluation of the RAP implementation will be maintained by

DoF/MAF.

While monitoring of the RAP implementation aims to collect on a regular basis, information reflecting the RAP implementation results, the evaluation of RAP implementation aims to analyse the information collected throughout the monitoring process and to evaluate, at outcome level, the extent to which the RAP is executed in accordance with the agreed schedule and methods, and that the RAP implementation meets the objective of the WB's Operational Policy 4.12 on Involuntary Resettlement. In cases where gaps (between resettlement action plan and actual implementation) are identified during the implementation process, corrective measures will be proposed for timely action by DoF/MAF.

The Project will have a monitoring and evaluation system which will include village self-monitoring/participatory systems of village development projects. Villagers will also be involved in monitoring of the buffer-zone management activities. In addition, these participatory monitoring efforts will be linked to the overall project's monitoring and evaluation programme.

Other monitoring arrangements will include collecting baseline data, performing household surveys, and analysing community feedback to assess general trends in income and livelihoods to gauge possible impacts of the project on local communities. The PAFO/DAFO with its team based in the project site, will be responsible for progress monitoring and reporting in collaboration with REDD+ offices. Studies and assessments may also be jointly undertaken with the partners during the project implementation to provide required livelihood and REDD+ related projects information to inform the status of the project implementation. The World Bank Task Team will also be providing implementation support for the PAFO/DAFO and REDD+ offices on a regular basis.

Responsibility of overall monitoring, implementation and reporting the RPF rests with PPMU with oversight by the PMU through internal regular monitoring and progress reports.

SESUs (at PMU and PPMUs) will systematically monitor and review safeguards implementations. PMU/PPMUs are held responsible for necessary improvements in execution of project activities. Any revisions to the plan, suggested by the independent review or other regular monitoring and evaluation exercises, will be agreed with the World Bank for timely implementation.

## **Overview**

Implementing the RPF will also be subjected to external independent monitoring by a qualified consultant, which could also be an NGO or CSO. The external independent monitoring consultant will be hired by PMU.

The World Bank retains the responsibility to determine that the safeguards system which applies to the ER Program and ERPA is sufficient to result in program implementation that complies with World Bank safeguard policies. Specifically, this entails providing appropriate advisory services, conducting quality assurance and compliance reviews, and oversight of the systems to implement environmental and social management frameworks and/or plans which are formulated at the ER Program appraisal and ERPA signing stages of the FCPF process. The World Bank has the responsibility for monitoring and ensuring effective implementation and compliance of the program entity with agreed management measures. The Bank's primary responsibility for oversight is to ensure that the Program implements all aspects of the Safeguard Plans that apply to the ERPA Operation. This does not imply that the Bank will conduct specific site-visits or spot-checks of individual ER Program activities, nor does it imply that the Bank will troubleshoot any issue of safeguards non-compliance in individual

activities. The Bank's focus is not to resolve individual ER Program activity issues but to take steps to ensure that the Safeguards Plans continue to function at the systems level. In addition to self-monitoring and World Bank oversight, an important aspect of performance and compliance monitoring is the use of Independent Organization/Third Party monitors.

### **11.1 Internal Monitoring**

Monitoring and evaluation will cover both program performance monitoring and effectiveness monitoring. Program performance monitoring will determine the progress in program implementation against established benchmarks and milestones indicated in the program document and work plans.

The DoF/MAF will appoint adequate full-time staff to undertake the internal monitoring of RAP implementation. The staff will monitor the process of land acquisition or land donation in collaboration with local village or district authorities. Specifically, this staff will conduct internal monitoring with following key assignments:

- Coordinate with related agencies in process of RAP implementation
- Collect necessary data, as required by the RPF, to set up a database of resettlement for RAP implementation progress reports for internal monitoring purpose
- Identify any pending issues/non-compliance issues during RAP implementation
- Work closely with the external monitoring consultant to oversee the implementation of RAP, and
- Receive and report complaint of affected people to competent authorities for resolution.

Depending on the nature and complexity of the RAP and its implementation stages, the internal monitoring could be maintained weekly, monthly, and quarterly. A quarterly report should be prepared, as a minimum demand, to ensure DoF/MAF is aware of the a) RAP implementation progress, and b) any issues that may arise so as to take timely and appropriate action.

Contents of the internal monitoring reports that will be issued on a monthly basis should include:

- Payment and use of the funds for land acquisition compensation and restoration
- Support to the vulnerable groups
- Land readjustment and reallocation
- Quality and quantity of newly reclaimed land
- Schedule of the above activities
- Implementation policies and rules in the resettlement plan
- Participation and consultation of the affected people during the ARAP/RAP implementation, and
- Staffing, training, work schedule and resettlement operation at various levels.

Quarterly monitoring visits will be undertaken as per specific activities, in order to:

- Improve environmental and social management practices
- Ensure the efficiency and quality of the consultation processes
- Establish evidence and performance-based environmental and social assessment for the project, and
- Provide an opportunity to report the results of safeguards instrument impacts and proposed mitigation measures' implementation.

With regard to the project implementation, the DoF/MAF will conduct monitoring activities during the feasibility studies and ESMP to determine the extent to which mitigation measures are successfully implemented. Monitoring will focus on three key areas: (i) compliance monitoring; (ii) impact monitoring; and (iii) cumulative impact monitoring.

Monitoring done by staff of DoF/MAF should be coordinated with the external monitoring consultant, when the external monitoring consultant is engaged.

To encourage broad-based participation and to particularly target the poor and vulnerable, participation will be monitored and disaggregated in terms of gender, ethnicity, and household socio-economic status. The following guidelines will be considered when developing the full M and E system and for identifying potential indicators:

- Disaggregate information by gender, ethnic group, and household socio-economic status;
- Involve villagers in designing the monitoring program, collecting data, and drawing conclusions from the data compiled;
- Continue feedback meetings after fieldwork and incorporate recommendations into systems development;
- Keep disaggregated records of involvement and participation in different activities at village level and also in the databases;
- Note successful and unsuccessful strategies for future reference in curriculum development, field implementation, and other project areas; and
- Identify indicators and tools to measure the project's impacts on women, ethnic groups, and the poor.

As the implementation of the project may lead to a change in access to forest resources in areas as a result of protection activities, building capacity for improved monitoring activities is essential. Monitoring should be participatory and include the monitoring of beneficial and adverse impacts on persons within project impact areas.

The RPF will require that key performance indicators be developed in relation to related activities. Indicators can be grouped as those that: (i) will demonstrate whether or not the RPF is meeting performance expectations; and (ii) demonstrate the status of livelihoods in communities (through household-level indicators). The following indicator groups are suggested as a basis to measure the success and weakness of activities related to affected groups.

### **Resettlement Policy**

Framework Indicators to measure the effectiveness of the PF include:

- Number of participants in consultation process

- Number and types of vulnerable groups participating in consultation process
- Number of affected communities included relative to total number of affected communities
- Number of grievances or conflicts recorded
- Number of remedial activities implemented in response to recorded grievances
- Time taken to resolve grievances
- Number of individuals with a positive perception over the level of empowerment in natural resources management
- Number of individuals with a positive perception over the level of empowerment in natural resources management, disaggregated by vulnerable group and user sub-group categories
- Community livelihood Indicators to measure status of households and changes in forest resource use and access restriction:
  - Change in type of natural resources use, and substitute activities
  - Changes livelihood activities of households, by type of activity and amount; and
  - Change in livelihood activities of households, by type of activity and amount, disaggregated by vulnerable group and user sub-group categories.

## **11.2 External Monitoring**

An independent monitoring consultant or Independent Organization (IO)/Third Party monitors will be contracted to monitor the implementation of social safeguards of the program, including the RPF/sub-projects. The monitoring report will be submitted to the World Bank for review and comments. External monitoring should be conducted at least twice a year during the implementation of the Program to timely identify issues that might need immediate action from PMU and PPMU.

Third Party/independent monitoring would involve a combination of independent verification of self-reporting data provided by the Program Entity and annual audits of a sample of ER Program activities to confirm procedural compliance as well as timely preparation of key documents, post-review of the quality review of safeguards documentation which has been prepared, consultation processes, effectiveness of management measures specified in the Safeguards Plans, and disclosure of information, among other important aspects. Third Party monitoring can serve at least three purposes. First, to provide timely information to the Program Entity on specific issues of non-compliance or significant implementation problems so that the Program Entity can take corrective actions, if needed. Second, Third Party monitors provide information to the PMU and the World Bank on systemic safeguard performance issues which may require changes in management approach and/or additional financial or human resources. Third, the disclosing the results of monitoring will inform concerned stakeholders about implementation experience under the ERPA Operation.

In practice, Third Party monitors will typically be private consulting firms, individuals or teams recruited from universities or colleges, government institutes not affiliated with the operation, or NGOs with knowledge and experience in safeguards. Third party monitoring is expected to be undertaken at least twice per year, provision for this is included in the draft budget for supporting the ESMF implementation (See Section 8 of the ESMF).

In conjunction with internal monitoring by DoF/MAF staff, it will be important to include strict procedures for external monitoring and evaluation. The external M&E function aims to provide regular monitoring and evaluation of land acquisition and land donation for the project, to



assess whether objectives are achieved. Through formal surveys, interviews with PAP and PAH, FGD and other information collection methods, the external M&E function would look at the whole process of land acquisition or land donation for PAP and PAH. The external monitoring will also provide an early alarm function for the project management department and a complaint and grievance channel for PAP and PAH. External monitoring indicators will include:

- Progress: including the preparation of the ARAP/RAP, and implementation of compensation
- Quality: including to what extent PAP and PAH are satisfied with compensation and restoration
- Compensation Fund: including the payment and use of the funds for land acquisition compensation

### **11.1 Affected People: including PAP and PAH socio-economic situation before and after the project and economic restoration of the affected people**

#### **Independent Monitoring**

A qualified external monitoring entity will come from an independent organisation (IO), such as a civil society organisation, academic research institute or consultancy in Lao PDR. The major responsibilities of the external monitoring organisation will include:

- Develop the ARAP/RAP in conjunction with the internal monitoring team
- Observe all the aspects of the ARAP/RAP and its implementation; provide M&E reporting to the WB, and
- Provide technical consulting services in terms of information investigation and processing.

*Objectives*: The general objectives of independent monitoring are to periodically supply independent monitoring and assessing results on the implementation of the resettlement objectives, on the changes of living standard and jobs, APs income and social foundation restoration, effectiveness, impacts and sustainability of APs' entitlements, and on the necessity of mitigation measures (if any) in an attempt to bring about strategic lessons for making policy and planning in the future.

*Responsible Agencies*: In accordance with the WB requirements for consultant employment, the PMU will hire an organization for the independent monitoring and evaluation of RAPs implementation.

*Monitoring and Evaluation Objectives*: The following indicators will be monitored and evaluated, including but not limited to:

- (i) Payment of compensation will be as follows: a) full payment to be made to all affected persons sufficiently before land acquisition; (b) adequacy of payment to replace affected assets;
- (ii) Provision of assistance for APs who have to rebuild their houses on their remaining land, or building their houses in new places as arranged by the project, or on newly assigned plots;

- (iii) Assistance for recovering livelihood/income sources;
- (iv) Community consultation and public dissemination of compensation policy: (a) APs should be fully informed and consulted about land acquisition, leasing and relocation activities; (b) the independent organization (IO) should attend at least one community consultation meeting to monitor community consultation procedures, problems and issues that arise during the meetings, and propose solutions; (c) public awareness of the compensation policy and entitlements will be assessed among the APs; and (d) assessment of awareness of various options available to APs as provided for in the RAP;
- (v) Affected persons should be monitored regarding restoration of productive activities;
- (vi) APs' satisfaction on various aspects of the RAP will be monitoring and recorded. Operation of the complaint mechanism and speed of complaint settlement will be monitored; and
- (vii) Through the implementation, trends on living standard will be observed and surveyed. Any potential issues in the recovering living standard are reported and suitable measures will be proposed to ensure the program objectives.

***Follow-Up Monitoring Report:***

The monitoring reports will be discussed in a meeting between the IO and PPMU. PPMUs will hold meetings immediately after receiving the report. Necessary follow-up activities will be carried out based on the problems and issues identified in the reports and follow-up discussions.

***Ex-post Evaluation Report:***

In fact, this is the evaluation at a given point of time of the impact of resettlement and the achieved objectives. The external monitor will conduct an evaluation of the resettlement process and impacts 6 to 12 months after the completion of all resettlement activities. The survey questionnaires for evaluation are used based on the database in the program database system and the questions used in the monitoring activities.

Ultimately, a summary of ex-post resettlement evaluation including a Program Completion Report (PCR) will be prepared before closure of the Program. The evaluation covers program impacts (number of affected households, scope of land acquired by subproject, compensation paid to APs, any pending issues resulting from land acquisition and provides information if the AP's livelihood is restored, or at least maintain to pre-project implementation.

The RAP cannot be considered complete until an ex-post evaluation and a program completion audit confirm that all the affected HHs have received fully all compensation, assistance and livelihood restoration processes as planned.

**12. VOLUNTARY LAND DONATION FRAMEWORK**

In accordance with community customary practices, villagers may choose to voluntarily contribute land or assets without compensation, under certain conditions. This may be justified if the project provides a direct benefit to the affected people; provisions for voluntary land donations (VLDs) are included in Annex 2 (2A -Land Donation Process and 2 B-Voluntary Land Donation Form).

- 1. Scope of voluntary land donation.** VLD is applied for beneficiary communities with no involuntary land acquisition and based on community-driven demand. VLD will be accepted when small areas of private land and assets where the affected users of the assets and land have agreed to donate their land and other assets as a voluntary contribution to the project, based on their informed choice. Individual or family will not lose more than 10 per cent of their land. Additionally, the land portion to be voluntarily donated shall be free of houses, structures or other fixed assets. The land to be donated should also be free of squatters, encroachers or any other claims from other potential owners. The DoF/MAF should prepare a report showing that the land users have been fully informed about the project, and about their right to refuse to give their land and other assets without compensation. This report will be called the “Voluntary Land Donation Report”.
- 2. Voluntary contribution is an act of informed consent** Project staff will assure that voluntary contributions are made with the prior knowledge that other options are available including compensation at replacement values, and are obtained without coercion or duress. PAPs have the right to refuse to donate assets and receive their entitlement and compensation for their land and assets lost. They will be fully informed of their rights and access to grievance mechanisms described in this RPF. The DoF/MAF social safeguards specialist must verify the voluntary nature of the donation well in advance of civil works.
- 3. Due Diligence** The voluntary land donation due diligence will be documented in the sub-project investment’s feasibility assessment report and will incorporate at a minimum the following:
  - a) Verification and documentation that land required for the project is given voluntarily and the land to be donated is free from any dispute on ownership or any other encumbrances
  - b) Verification that no individual household will be impoverished by the land donation (i.e., no more than 10 per cent of total landholding of an individual donating land) will require that community development groups negotiate livelihood restoration measures such as reduction in operation and maintenance fees or sharing of cultivable land of other beneficiary community members
  - c) Verification that land donation will not displace tenants or bonded labour, if any, from the land
  - d) Meaningful consultation has been conducted in good faith with all potential land donors. Documented verification that land donors agree with the sub-project and its benefits. Separate discussions to be held with women and community groups as required to facilitate meaningful participation, and
  - e) Assurance that a community mechanism for investment activity implementation is operational and has a fair system of grievance redress, as well as a system for project monitoring and reporting, and
  - f) Verification that the sub-project requiring the land is not site specific (dependant on the unique locational or physical characteristics of the land).
- 4. Documentation** Project staff will prepare the due diligence report for the voluntary land donation in each beneficiary community involved with donation of private land. They will ensure completion of the written consent form for land donation (Refer Annex 2B). The donation will be verified by two witnesses who are community leaders but not the direct beneficiaries of the investment activity, to ensure that the land was voluntarily

donated without any form of coercion or duress. The voluntary land donation due diligence information will be verified during project detailed design and updated as necessary.

- 5. Voluntary Land Donation Monitoring** The voluntary land donation issues will be monitored internally by sub-project staff, and externally by the external monitoring consultant. WB will periodically review the land donation agreement forms and randomly interview the land donors. During review missions, WB will verify that land donation due diligence has been conducted in accordance with the above procedures. The agreement form should be included in the RAP completion report - as an annex with the original hard copy provided to the PAP or PAH for their reference.
- 6. Feedback and Grievance Redress Mechanism** Anticipated grievances may relate to coercion for land donation or a donation of more than 10 per cent of private land holding, leading to impoverishment. Any complaint will go to the grievance redress institution established for the project.

### **13. COSTS AND BUDGET**

The costs of resettlement will be calculated on the basis of the replacement cost study, and the estimated cost of income restoration, using the information from the socio-economic household assessment. This will be the basis for calculating the budget for resettlement, an itemised version of which will be included in the RAP/ARAP, and which will be financed out of the MAF operating budget.

## **ANNEXURES**

## ANNEXURE 1

### Suggestive Gender Action and Monitoring Plan for RAP

According to the requirements of the WB, this project needs to be informed on three gender dimensions; *gender analysis*, *gender action*, and *gender monitoring* and evaluation (M&E). A quick gender analysis of the socioeconomic characteristics of the affected population should be analysed the following gender action and monitoring plan could be used for a subproject RAP.

**Gender Action:** As part of RAP implementation, the following gender actions will be made.

- ***Participation.*** Women should be invited to all consultation sessions throughout project cycle, particular to consultation done in groups to allow them chance to express their opinion, concerns, and to provide feedback on their resettlement and income/livelihoods restoration process. Women are prioritised to work in the project if needed.
- ***Well-informed of Project Impact.*** The potential impact of resettlement and livelihoods restoration should be further informed to the affected women so that they are fully aware of the potential impact on their household as well as their income generation activities, and as such propose measures that the project should do to avoid or minimise the impact.
- ***Intra-household gender disparities:*** as the gender analysis indicates, women spend more time than men doing housework and care of their children. Some also work to earn extra income. As a result, the relocation process, particularly for those losing shelter, would apparently take them more time and effort as a result of relocation, and affect their ability to earn income for if they work as hired labour, or are directly involved in crop care/cultivation, which eventually increase their burden.
- ***Income/Livelihoods Restoration.*** As some households may change their jobs, i.e. households who depend on seasonal income – primarily from crops and/or fruit trees. Counselling and training of new job skill to this group should be done with the capacity of men and women in mind to make the training knowledge applicable and the possibility of success with the new job is enhanced.
- ***Safety Assurance.*** As women take care of children, they need to be notified/warned of potential risks are inherent during the relocation of their houses. In many cases where both men and women are directly involved in the relocation/house building/new business operation, they need to arrange a safe, alternative person to take care of their children.
- On the basis of more gender-based consultations, as mentioned above, the methods of compensation payment, particularly the coordination between PAFO, and severely affected households, will be worked out carefully to ensure difficulties and challenging of severely affected women are avoided, or minimised.
- More consultation needs to be carefully done among affected EM households to ensure the support and compensation provided to them are cultural appropriate to them, and that both men and women could participate in and received economic and social benefits provided to them through development activities proposed under subproject EGDP.

**Gender Monitoring.** During monitoring on RAP implementation, the key indicators (underlined below) of gender should be monitored and reflected in internal and external monitoring reports.

- *Consultation participation:*

Ensure women are invited to participate in public consultations and group discussions during the RAP updating and implementing process. At least 30 per cent of participants in consultation meeting are women.

- *Compensation disbursement.*

Ensure that the process of compensation disbursement is transparent and that compensation is in the name of both spouses. Presence of both husband and wife at the compensation payment session should be encouraged.

Local government must ensure that the affected persons are guided carefully on how the compensation would be made – in cash or through bank transfer so that affected households have sufficient time to prepare themselves and a safe reception of the compensation money.

- *Livelihoods Restoration*

Assess women's requirements for skills training to facilitate income restoration. 100 per cent of severely affected households who confirm their need for job counseling/training/job introduction will be invited to consultation session(s) with participation from women representing these households.

Consider including women among the group to receive any employment opportunities generated through the project. All contractors participating in project construction will inform PAFO of job opportunities appropriate for women, and PAFO will inform the affected households.

Explore opportunities to link women to self-help groups and microfinance programmes.

**ANNEXURE 2**

**ANNEXURE 2 A - Social Screening Form**

Proposed Activity: .....

Brief Description: .....

Location: .....

Filled out by: .....

Organization: .....

Date: .....

Attachments: .....

Prepared with the following Partner Organizations / Community Representatives:

Remarks:

**General Instructions:**

- ❑ *This checklist is to be completed to support the verification of the project activity or sub-project that involves land acquisition, compensation, and/or restriction of resources access. It focuses on social issues to ensure that social dimensions are adequately considered during selection of the activities/sub-projects. If applicable please use the “Remarks” section to discuss any suggested mitigation measures. The information should be collected in consultation and coordination with local government, communities, NGOs and leaders of affected community.*



QUESTIONS	No	Yes	MITIGATION MEASURES REQUIRED
<p style="text-align: center;"><b>A. PROJECT SITING</b></p> <p>ARE THERE ANY OF THE FOLLOWING STRUCTURES OR RESOURCES IN THE SUB-PROJECT CONSTRUCTION AREA?</p>			
- Private households	<input type="checkbox"/>	<input type="checkbox"/>	
- Private small businesses/shops	<input type="checkbox"/>	<input type="checkbox"/>	
- Roads, footpaths or other access routes	<input type="checkbox"/>	<input type="checkbox"/>	
- Agricultural land	<input type="checkbox"/>	<input type="checkbox"/>	
- Natural resources shared by community members	<input type="checkbox"/>	<input type="checkbox"/>	
- Cemetery or other area/structures of religious or cultural significance	<input type="checkbox"/>	<input type="checkbox"/>	
- Other:	<input type="checkbox"/>	<input type="checkbox"/>	
ADDITIONAL REMARKS/SUGGESTIONS:			
<p style="text-align: center;"><b>B. POTENTIAL SOCIAL IMPACTS</b></p> <p>WILL THE SUB-PROJECT CAUSE:</p>			
- Temporary loss of land or resources for any families?	<input type="checkbox"/>	<input type="checkbox"/>	
- Permanent loss of land or resources for any families?	<input type="checkbox"/>	<input type="checkbox"/>	
- Impediments to movements of people and animals?	<input type="checkbox"/>	<input type="checkbox"/>	
- Dislocation or involuntary resettlement of people?	<input type="checkbox"/>	<input type="checkbox"/>	
- Potential social conflicts arising from land tenure and land use issues?	<input type="checkbox"/>	<input type="checkbox"/>	
- Deterioration of livelihoods or living conditions of women or the poorest families in the sub-project service area?	<input type="checkbox"/>	<input type="checkbox"/>	
• Other: .....	<input type="checkbox"/>	<input type="checkbox"/>	
C. OTHER REMARKS:			

QUESTIONS	No	Yes	MITIGATION MEASURES REQUIRED
<b>D. Involuntary Resettlement Category</b>			
<p>After reviewing the answers above, the DoF/MAF or their consultants agree, subject to confirmation, that the project is one which:</p> <p>[ ] The affected people are not physically displaced and less than 10 per cent of their productive assets are lost, an abbreviated Resettlement Action Plan is required.</p> <p>[ ] The proposed sub-project may result in more significant impacts, i.e. displacement of people and more than 10 per cent of their productive assets are lost, then a RAP will be prepared.</p> <p>[ ] No anticipated displacement, and loss of assets are negligible.</p>			
<b>POTENTIAL SOCIAL IMPACTS ON VULNERABLE GROUPS, IF ANY:</b>			
<b>WILL THE SUB-PROJECT:</b>			
- Affect poverty group?	<input type="checkbox"/>	<input type="checkbox"/>	
- Affect women headed households?	<input type="checkbox"/>	<input type="checkbox"/>	
- Affect Ethnic Groups or Indigenous People?	<input type="checkbox"/>	<input type="checkbox"/>	
- Affect other vulnerable groups?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>F. OTHER REMARKS:</b>			



## **ANNEXURE 2 B - ABBREVIATED RESETTLEMENT ACTION PLAN (ARAP): ANNOTATED Document Contents and Information Requirements**

### **Introduction**

- Project (one paragraph): refer to the CRPF that covers the project and provides the policies and principles for the ARAP;
- Brief description of the sub-project development objectives and intended beneficiaries; and
- Describe the activities that will give rise to impacts that require “resettlement” (i.e., anything that causes loss of land, assets or elements of PAP livelihood – not only physical relocation, but also, loss of trees, temporary relocation of roadside stall (kiosk), and comprised access.

### **Census of PAP and Inventory of Assets**

- Brief description of how the data was gathered (e.g., household survey);
- Table of PAP and PAH, contact details, affected livelihoods, assets, value of affected dwelling/structures/assets; and
- Brief comment about any significant differences, sources of vulnerability of PAP and different populations (ethnic peoples and vulnerable groups – women and female/male youth and children, the elderly and disabled, landless, and poor, etc.), or state that they are representative of the general socioeconomic profile of the country.

### **Compensation to be Provided**

- Forms of compensation to be provided (e.g., cash or in-kind);
- Description of the conditions for voluntary donation (if applicable), including:
- Free, prior and informed consultation made of the PAP own volition and is uncoerced with the decision-making ability to withhold consent;
- No severe impacts on living standards; no physical relocation and less than 10 per cent of PAP livelihood assets affected;
- Availability of complaints and compensation procedure; and
- Documentation and independent verification of the donation of land or assets.

### **Consultation with Affected Persons**

- Brief description of the general public disclosure communications to announce the project and invite comment;
- Subsequent consultations with known or self-identified PAP;
- Alternatives discussed with PAP and the community; and
- Dissemination of information about the cut-off date for registering as PAP; availability of a complaints/grievance mechanism
- Arrangements for formal disclosure of resettlement instrument; availability for public disclosure, review and comment, and posted on MAF and the WB websites.

### **Institutional Responsibilities for Delivery of Compensation**

- Responsible agency;
- Method of notification to PAP;
- Timing of settlement (before the incidence of the loss to be compensated);
- Method of verification, disclosure and witnessing of the settlement (i.e., annex form for recording and witnessing handover of entitlement); and
- Process for handling complaints or grievances, appeals.

### **Implementation Reporting and Monitoring**

- Institutional responsibilities for reporting and monitoring of the ARAP;
- Independent participation in monitoring (e.g., CSOs, research institutes, etc.); and
- Summary report on consultation with the wider community (append attendance register to document).

### **Timetable and Budget**

- Time and task matrix; and
- Source and flow of funds:
- Consultation costs;
- Personnel costs;
- Office overhead expenses;
- Compensation funds; and
- Monitoring and reporting costs.

## **Resettlement Action Plan (RAP): Annotated Document Contents and Information Requirements**

### **Introduction**

- General description of the project in relation to policies and principles which inform the RAP;
- Describe sub-project development objectives and intended beneficiaries briefly; and
- Describe the activities that will give rise to impacts that require “resettlement” and comprised access.

### **Scope**

- Level of detail varies with the magnitude and complexity of the resettlement;
- Collect up-to-date and reliable information, including:
- The proposed resettlement and its impacts on the displaced persons and other adversely affected groups; and
- Legal issues involved in resettlement.
- Any issue described below which is not relevant to sub-project circumstances, should be explained.

### **Description of the Sub-projects**

- Short detailed narrative on sub-projects and activities; and
- Identification of the sub-projects and/or activities’ project area and footprint.

### **Potential Impacts Identified**

- Project component or activities that give rise to resettlement;
- Zone of impact of sub-projects;
- Alternatives considered to prevent (avoid) or minimise resettlement; and
- Mechanisms established to minimise resettlement, to the extent possible, during project implementation.

### **Main Objectives of the Resettlement Program**

- Defines the purpose and objectives.

### **Socio-economic Studies**

- Conducted in early stages of sub-project preparation and with the involvement of potentially displaced people, including:
- The results of a census survey covering:
- Current occupants of the affected area to establish a basis for the design of the resettlement programme and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
- Standard characteristics of displaced households, including a description of production systems, labour, and household organisation; and baseline information on livelihoods

(i.e., production levels and income derived from both formal and informal economic activities) and standards of living including health status and well-being of the PAP and PAH;

- The magnitude of the expected loss of assets (i.e., total or partial) and the extent of displacement, physical or economic;
- Information on vulnerable groups or persons (OP/BP 4.12, paragraph 8) for whom special provisions may have to be made; and
- Provisions to update information on the displaced PAP and PAH livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

Other studies describing the following:

- Land tenure and transfer systems, including an inventory of common property natural resources from which PAP derive their livelihoods and sustenance, non-titled usufruct systems (i.e., fishing, grazing, or use of forest areas) governed by local recognised land allocation mechanisms, and any issues raised by different tenure systems in the sub-project footprint;
- Patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the sub-projects;
- Public consultation and social services that will be affected; and
- Social and cultural characteristics of displaced communities, including a description of formal and informal institutions (i.e., civil society organisations including CBO, NPAs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

## **Legal Framework**

Findings of an analysis of the legal framework, covering:

- The scope of the power of eminent domain and the nature of compensation associated with it in terms of both the valuation methodology and the timing of payment;
- The applicable legal and administrative procedures, including a description of the remedies available to displaced persons (PAP and PAH) in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the sub-projects;
- Relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights; customary personal law related to displacement; and environmental laws and social welfare legislation;
- Laws and regulations relating to the agencies responsible for implementing resettlement activities;

- Gaps, if any, between local laws covering eminent domain and resettlement and the WB's resettlement policy (OP/BP 4.12), and the mechanisms to bridge such gaps; and
- Any legal steps necessary to ensure the effective implementation of resettlement activities under the sub-projects, including (as appropriate) a process for recognizing claims to legal rights to land (i.e., claims that derive from customary law and traditional usage – see OP/BP 4.12, paragraph 15 b).

### **Institutional Framework**

Findings of an analysis of the institutional framework, covering:

- Identification of agencies responsible for resettlement activities and CSOs that may have a role in project implementation;
- Assessment of the institutional capacity of such agencies and CSOs; and
- Any steps that are proposed to enhance the institutional capacity of agencies and CSOs responsible for resettlement implementation.

### **Eligibility**

- Definition of displaced persons (PAP and PAH) and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

### **Valuation of Land**

- Methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.

### **Resettlement Measures**

- Description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons (PAP and PAH) to achieve the objectives of the policy (see OP/BP 4.12, paragraph 6). In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

### **Site Selection, Site Preparation, and Relocation**

Alternative relocation sites considered and explanation of those selected, covering:

- Institutional and technical arrangements for identifying and preparing relocation sites, whether urban or rural, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
- Any measures necessary to prevent land speculation and influx of ineligible persons at the selected sites;
- Procedures for physical relocation under the sub-projects; including timetables for site preparation and transfer; and
- Legal arrangements for regularizing tenure and transferring titles to resettlers.



## **Housing, Infrastructure, and Social Services**

- Plans to provide (or, to finance PAH provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services, etc.); plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

## **Environmental Protection and Management**

- Description of the boundaries of the relocation area; and an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the ESMP of the main investment requiring the resettlement).

## **Community Participation**

- Description of the strategy for consultation with and participation of PAH and hosts in the design and implementation of the resettlement activities;
- Summary of the views expressed and how these views were considered in preparing the resettlement plan;
- Review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as parts of pre-existing communities or kinship groups, to sustaining existing patterns of group organisation, and to retaining access to cultural property (e.g., places of worship, pilgrimage centers, cemeteries); and
- Institutionalised arrangements by which displaced people (PAP) can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such different populations (ethnic peoples and vulnerable groups – women and female/male youth and children, the elderly and disabled, landless, and poor, etc.), are adequately represented.

## **Integration with Host Populations**

- Consultations with host communities and local governments;
- Arrangements for prompt tendering of any payment due the hosts for land or other assets provided to PAH;
- Arrangements for addressing any conflict that may arise between PAH and host communities; and
- Any measures necessary to augment services (e.g., education, water, health and productive services) in host communities to make them at least comparable to services available to PAH (i.e., resettlers).

## **Grievance Procedures**

- Affordable and accessible procedures for third-party settlement and disputes arising from resettlement; such grievance mechanisms should consider the availability of judicial recourse and community and traditional dispute settlement mechanisms.

## **Organisational Responsibilities**

- Organisational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services;
- Arrangements to ensure appropriate coordination between agencies and jurisdiction(s) involved in implementation; and
- Measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or PAH (resettlers) themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

## **Implementation Schedule**

- Schedule covering all settlement activities from preparation through implementation, including target dates for the achievement of expected benefits to PAH (resettlers) and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

## **Costs and Budget**

- Tables showing itemised cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds; and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

## **Monitoring and Evaluation**

- Arrangements for monitoring and evaluation activities by the implementing agency, supplemented by independent monitors as considered appropriate by the WB, to ensure complete and objective information;
- Performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities;

- Involvement of the displaced persons (PAP and PAH) in the monitoring process; and
- Evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed using results of resettlement monitoring to guide subsequent implementation

## ANNEXURE 3

### ANNEXURE 3 A - Process of Land Donation

Official information and initial assessment. Determining the appropriateness of VLD in the circumstances of the project. Activities that will require VLD as a result of the screening process and the land study specifically the Voluntary Land Contribution Report sub-project staff will inform the village head and villagers or land owners through official notification on where the activities will be implemented that will require VLD. Record and document the reasons why donation of land is appropriate for the project. The DOPF will take into consideration the following details for such documentation:

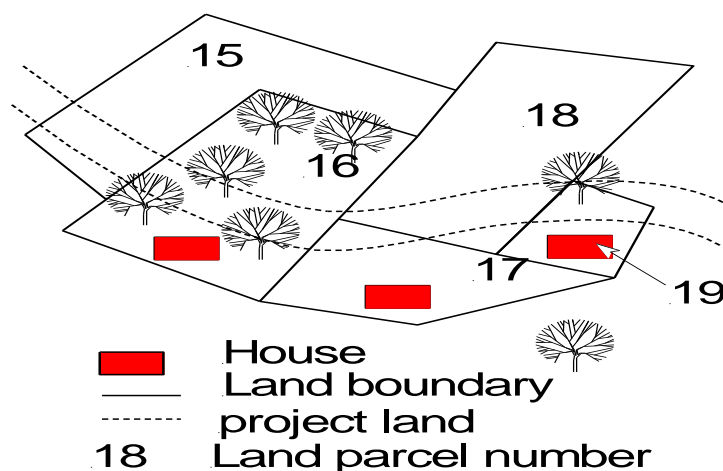
- What the land will be used for;
- How much land the project will require on both a permanent and temporary basis;
- How much of the land will be donated;
- What alternatives to donation exist (e.g., right of use, right of way);
- The terms of the donation;
- The identities of the parties who intend to donate;
- The beneficiary of the donation; and
- Any details that are relevant to why donation may be appropriate.

#### Preparation of land survey map and schedule of land acquisition

1. After collecting the information related to land and assets which will be affected by sub-project implementation, the responsible official, with assistance from the related persons, will prepare a land survey map and a schedule of land acquisition.

The land survey map shows each parcel of land that will be affected, and each parcel of land should be given a code (a letter or number).

#### Example of land survey map



2. Verification of voluntary donations. The following conditions will be confirmed by the Committee including the Village Chief.
  - a) Affected/donating households should be direct project beneficiaries.
  - b) Confirmation that affected people agree to donate land or asset, based on a face to face meeting;
  - c) Affect individual/household should not lose more than 10 per cent of the total productive assets and/or land;
  - d) No physical relocation necessary.
3. Initial Village Consultation. Under the village head leadership, a consultation process will be launched to invite different interest parties, including land owners to discuss and ratify the appropriateness of the voluntary basis of land donation.
4. Transferring and formalizing the land. Process for land donation includes very clear procedures that explain the process that should be followed to transfer the land, and appropriate ways to formalise the respective transfer. The process includes consideration of the legal and administrative requirements based on the legal framework of Lao PDR. The process will describe a clear and transparent decision-making process.
5. Verification process (surveys) to identify land ownership and use. Village Chief and Technical Assistant will ensure that the land study will include specific surveys to understand the type of land rights that exist in the sub-project area, and to identify any particular issues relating to land ownership and use. The specific surveys must be conducted on each parcel of land proposed for donation to identify:
  - a) The owner or owners of the land;
  - b) The users of the land, or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities on the land);
  - c) Any competing claims of ownership or use;
  - d) Structures and assets on the land; and
  - e) Any encumbrances on the land.
6. It is important to: (i) identify the right that is being transferred (an ownership right, a use right, a right of way, etc.); and (ii) check whether the transferee actually has the right s/he claims to have. In many circumstances where careful due diligence has not been carried out, significant conflict has arisen at a later stage when another party claims that they have the same or a competing right. In some circumstances – but not all – the transferee will have documentary evidence of such right. Where no such evidence exists, the due diligence can establish rights by speaking with local community officials and neighbours.
7. Public consultations and disclosure. The decision to donate must be taken on the basis of a full understanding of the sub-projects and the consequences of agreeing to donate the land. Accordingly, the parties that will be affected by the donation (the owners and users of the land) must be provided with accurate and accessible information regarding what the land will be used for, for how long, and the impact the donation will have on them and their families. It is important that prior written notification indicating the

location and amount of land that is sought be provided and that its intended use for the sub-project is disclosed.

8. Where the intention is to deprive the parties affected by the donation of the land permanently, or for a significant length of time, this must be made clear. It should be noted that in many communities the concept of alienation of land is uncommon and difficult to understand, and care needs to be taken to ensure that the implications of this are fully understood. It is also important to decide who else should be consulted about the proposed donation; for example, spouses and older children.
9. There should be a clear agreement as to which party will pay the costs associated with the donated land. This could include measurement costs, documentation and notarial fees, transfer taxes, registration fees. It should also include the costs of re-measuring/re-titling the transferee's remaining land and any new documentation relating to it.

### **Establishing informed consent**

1. The Village Chief, in coordination with sub-project staff, verifies the informed consent or power of choice by the people who would donate land or an asset. In particular, the following will be verified and documented in the voluntary donation report:
  - a) What the land is going to be used for, by whom and for how long;
  - b) That they will be deprived of the ownership or right to use the land, and what this really means;
  - c) That they have a right to refuse to donate the land;
  - d) Whether there are alternatives to using this land;
  - e) What they will need to do to donate the land (e.g., execute documents, get spousal consents, pay taxes);
  - f) The effect of the donation on their family, and what they can do if they (or their family or heirs) want the land back; and
  - g) All conditions provided in the paragraph 2 above.
2. The right to refuse must be a legitimate right, unconditional, and the potential transferee must be capable of exercising it in the local community and political context. For this reason, it is important to be sure that the decision to donate is undertaken without coercion, manipulation, or any form of pressure on the part of public or traditional authorities. For collective or communal land, donation must be based upon the informed consent of all individuals using or occupying the land.
3. Proper documentation. During the VLD process for sub-project investments, it is important to distinguish between: (a) the agreement to donate the land; and (b) the document that carries out and evidences the legal transfer of the land. While it is important to have evidence of an intention and agreement to donate the land, it is equally important to ensure, where required and appropriate, that the land is legally transferred. While the process relating to the legal transfer of the land is frequently complicated and time consuming, it must be addressed. [In specific circumstances, for example where the land is being transferred to the community, it may not be necessary to legally transfer the land. However, experience indicates that lack of formal transfer can create significant uncertainty in the future, which impacts on the sustainability of the infrastructure and services, and can have a negative effect on community relations. (Annex A3)]

4. Village Chief and sub-project staff should:
  - a) Identify the appropriate documentation, including the agreement to make the transfer and any legal documentation that may be required;
  - b) Ensure that the agreement:
    - Refers to the consultation has taken place;
    - Sets out the terms of the transfer;
    - Confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure;
    - Attaches an accurate map of the land being transferred (boundaries, coordinates);
    - Sets out who will bear the costs of the transfer (e.g., notarial fees, taxes, title issues) and documenting the residual land rights;
  - c) Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
  - d) Ensure that the transfer and title is registered or recorded; and
  - e) Ensure that the land remaining after the donated land is excised is properly titled, registered or recorded.
5. It is also important to maintain a record of the process that has been followed. Such documents could include the following:
  - a) The notification indicating the location and amount of land that is sought and its intended use for the project, with a record of when and where this was made public;
  - b) Records of the consultations that were held and what was discussed;
  - c) A copy of the due diligence that was conducted;
  - d) Copies of each of the formal statements of donation, establishing informed consent as described above, and signed by each owner or user involved;
  - e) Copies of all documents, registrations or records evidencing the legal transfer of the land; and
  - f) A map, showing each parcel of land.

The Project Management Unit should maintain a record with documentation for each parcel of land donated. Such documentation must be available for WB review, and for review in relation to any grievances that may arise.

## **Grievance redress arrangements**

The sub-project specifies means by which donors (and, potentially, persons whose use or occupancy was not recognised in the transfer of land) may raise grievances, and measures to ensure consideration of, and timely response to, grievances raised. The grievance process includes participation of reviewers not directly affiliated with the project implementing agency. The grievance process imposes no cost upon those raising grievances, and participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country.



### ANNEXURE 3 B - Voluntary Land Donation Form

Province / Region:	
District:	
Village:	
Sub-project ID:	

Name of land owner:	ID Number:	Beneficiary of the project: Y/N		
Sex:	Age:	Occupation:		
Address:				
Description of land that will be taken for the project:	Area affected:	Total landholding area:	Ratio of land affected to total land held:	Map code, if available:
Description of annual crops growing on the land now and project impact:				
	Details	Number/Quantity		
Crops destroyed or lost				
Trees that will be destroyed				
Fruit trees				
Trees used for other economic or household purposes				
Mature forest trees				
Other				
Describe any other assets that will be lost or must be moved to implement the project:				
Value of donated assets:				

By signing or providing thumb-print on this form, the land user or owner agrees to contribute assets to the sub-project with full awareness of her/his/their entitlements and eligibility for compensation or rights to refuse and claim for compensation. The contribution is voluntary with informed consent. If the land user or owner does not want to contribute his/ her assets to the project, he or she should refuse to sign or provide thumb print, and ask for compensation instead.

Date: .....

**Date: .....**

DAFO representative's signatures

**Affected persons' signature  
(for PAH, signatures of both  
husband and wife are required)**