

PREPARATION OF ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK FOR THE SOUTH EAST ASIA DISASTER RISK MANAGEMENT (SEA DRM) PROJECT FOR LAO PDR

RESETTLEMENT POLICY FRAMEWORK

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LIST OF ACRONYMS

ARAP	Abbreviated Resettlement Action Plan
CBO	Community Based Organizations
CSO	Civil Society Organizations
DIA	Designated Implementing Agency
DoW	Department of Waterways
DPWT	Department of Public Works and Transport
DRO	District Resettlement Office
EGDP	Ethnic Group Development Plan
EGEF	Ethnic Groups Engagement Framework
EPL	Environmental Protection Law
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FGD	Focus Group Discussion
FPIC	Free, Prior and Informed Consultation
GoL	Government of Lao PDR
GRC	Grievance Redress Committee
ICT	Information and Communications Technology
IDA	International Development Association
IEE	Initial Environmental Examination
M&E	Monitoring and Evaluation
MoF	Ministry of Finance
MoNRE	Ministry of Natural Resources and Environment
MoICT	Ministry of Information, Communication and Tourism
MPI	Ministry of Planning and Investment
MPWT	Ministry of Public Works and Transpiration
NPA	Non-Profit Associations
OP/BP	World Bank Operational Policies
PAH	Project Affected Households
PAP	Project Affected People
PDR	People's Democratic Public
PESA	Preliminary Environmental and Social Assessment
PDO	Project Development Objective
PIU	Project Implementation Unit
PMU	Project Management Unit
PRO	Project Resettlement Office
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
RoI	Region of Influence
SDS	Social Development Specialist
SEA	South East Asia
SEA DRM	South East Asia Disaster Risk Management

SIA	Social Impact Assessment
ToR	Terms of Reference
VRS	Village Resettlement Sub-committees
WB	World Bank
WBG	World Bank Group

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 categorized 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 the activities listed above, would have their (1) standard of living adversely affected; or (2) 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; (3) access to productive assets adversely affected, temporarily or permanently; or (4) business, occupation, work or place of residence or habitat adversely affected; and “displaced person” means any of the displaced persons.

Eligible land holders – refers to affected persons who (a) hold title to land; or (b) do not hold title but whose possession of land can be legalized with a title pursuant to the Land Law of Lao People’s Democratic Republic (PDR) including those with recognizable rights.

Entitlement – range of measures comprising compensation, income restoration support, transfer assistance, income substitution, 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 organization.

Land acquisition – the process whereby a person involuntary 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 (fences, wells, tombs, or other structures or improvements that are attached to the land).

Project Authorities – refers to the Ministry of Public Works and Transport (MPWT), the Ministry of Planning and Investment (MPI), Ministry of Finance (MoF), Ministry of Natural Resources and Environment (MoNRE) and Ministry of Information, Communication and Tourism (MoICT).

Project Affected Persons (PAP) or Households (PAH) – includes any person, households, entity, organizations, 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/or 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 often is not 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-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 labor 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 taken into account, 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 World Bank Operational Policies (OP/BP) 4.12, Para. 6.

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.

Vulnerable Groups – are distinct groups of people who might suffer disproportionately or face the risk of being further marginalized 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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1.0 PROJECT DESCRIPTION

The goal of the proposed World Bank Group (WBG) funded South East Asia Disaster Risk Management (SEA DRM) Project is to reduce the risk of flooding and enhance disaster risk financing capacity within the Lower Mekong Sub-region. The proposed SEA DRM Project will be funded by the WBG through an International Development Association (IDA) loan in three South East Asia (SEA) countries – namely, Lao PDR, Cambodia, and Myanmar. The project will allow these aforementioned riparian countries to achieve and expand outcomes in three key areas, including flood risk management investments, disaster risk assessment and financing, and a zero balance contingent emergency response component.

The overall tripartite country SEA DRM Project objective is “to promote and harmonize disaster risk management at the regional level”. Each of the three SEA countries have developed a number of sub-projects which will be subject to further assessment and consideration for funding purposes.

The Lao PDR country-specific SEA DRM Project Development Objective (PDO) is “to help reduce the risk of flooding and enhance disaster risk financing capacity within the Mekong region”. The Lao PDR SEA DRM Project is comprised of the following five components:

Component 1: Urban Flood Risk Management

This component includes a set of investments designed to strengthen flood resilience in Oudomxay Province, particularly, for the provincial capital of Muang Xay and areas in close proximity. Urban flood risk management infrastructure investments proposed for Oudomxay’s provincial capital and close proximity include financing for riverbank protection, dike, drainage canal, flood gates, weir and riverside parks. Such infrastructure will protect the urban core from flash floods that occur regularly during the rainy season. The designated implementing agency (DIA) for this sub-project will be the Department of Waterways (DoW) under the MPWT.

Component 2: Hydromet Modernization and Disaster Risk Management Systems

This component includes financing for capacity building measures to enhance and strengthen forecasting, early warning and disaster risk management systems in the Ministry of Natural Resources and Environment (MoNRE). This component is further bifurcated into two sub-components including: (i) weather forecasting and early warning systems to strengthen the Department of Meteorology and Hydrology (DMH) capacity to predict floods and enhance early warning communication systems; and (ii) DRM through enhanced regulatory capacity in the Department of Disaster Management and Climate Change (DDMCC).

Component 3: Disaster Risk Financing and Insurance

This component includes technical assistance to increase financial resilience of Lao PDR against natural disaster and climate risks in terms of the Government of Lao PDR’s (GoL) capacity to meet post-disaster funding needs. This component is further segregated into three sub-components including: (i) national-level disaster risk financing technical assistance for the development of a national financial protection strategy building on a combination of national and regional disaster risk financing instruments. The strategy would build on existing GoL capacity and previous World Bank (WB) support to the MoF and Ministry of Planning and Investment (MPI); (ii) establishment of the Asia Disaster Resilience Insurance Fund (ADRIF) to support activities for the establishment of a regional disaster risk pooling mechanism; and (iii) financing of the GoL contribution to join the ADRIF.

Component 4: Project Management

This component will support management and implementation of the project. It will include technical and fiduciary staff who will be seconded to the Project Management Unit (PMU) from relevant implementing departments. The project management component will finance institutional support and capacity development for implementation and fiduciary arrangements; including procurement, financial management, management of safeguards issues, internal and external auditing, and the establishment of the project monitoring, evaluation and reporting systems.

Component 5: Contingency Emergency Response

This “zero component” allows rapid reallocation of project proceeds for emergency recovery and reconstruction support in the event of a declared disaster. This component would finance disbursements against a positive list of critical goods and/or the procurement of specific works, goods, services and operation costs required for emergency recovery. An Emergency Response Operational Manual would be developed for this component detailing financial management, procurement, safeguards and any other necessary implementation arrangements to be submitted to and accepted by the WBG prior to the disbursement of project proceeds.

Major safeguards documents to be developed for the country-specific Lao PDR SEA DRM Project include a preliminary environmental and social assessment (PESA), an environmental and social management framework (ESMF), ethnic group engagement framework (EGEF) and resettlement policy framework (RPF). The current RPF for the Lao PDR SEA DRM Project only covers Components 1 and 2 above. The other three components either do not have works associated with them (i.e., Components 3 and 4) or, are being conducted under separate contract (i.e., Component 5).

This document, the RPF, is part of the ESMF safeguards for the Laos PDR SEA DRM Project. The MPWT DoW presented a detailed project proposal to the World Bank. The proposed urban flood risk management infrastructure sub-project initiatives will be located in Oudomxay’s provincial capital, Muang Xay, and close proximity along the Nam Mao and Nam Kor rivers. Infrastructure investments potentially include riverbank protection, dike(s), drainage canal reparation and flood gates, weir and riverside park(s). Some PAP and PAH may be required to vacate lands presently occupied and relocate elsewhere, either on a temporary or permanent basis. Other inconveniences may occur including the acquisition of land and minor relocation of temporary buildings and houses, and damage to crops and commercial-value trees located in the dike construction zone, drainage canal and flood gates, weir and riverside park(s) footprint.

Potential adverse direct and indirect environmental and social impacts may be related to: (i) sensitive environmental and social sites within the dike construction zone, drainage canal and weir areas such as natural habitats, protected areas, wetlands, cultural resources; (ii) potential economic impacts on small and medium business and/or informal economic activities; (iii) interaction of construction workers with local communities, especially ethnic groups; (iv) potential damage to private property and community infrastructure, and nuisances to communities caused by construction activities; (v) localized environmental impacts due to construction activities with significant slope instability and erosion, impact on drainage patterns; (vi) dust, noise and construction debris will inevitably cause some level of discomfort for local people living in the vicinity; and (vii) exacerbation of road safety hot spots within the vicinity of civil engineering and construction sites. Road safety issues during construction and operation were highlighted by the local people during consultation.

Although there is no expectation for involuntary resettlement, it is possible that relocation may be required by PAP and PAH who occupy land within the dike construction zone and weir areas. If the riverside parks are included in the list of proposed sub-project initiatives, then a number of PAP and PAH may be required to relocate elsewhere. Acquisition of land will also be required on a temporary or permanent basis for riverbank protection, dike, drainage canal and flood gates, and weir areas may be acquired through voluntary land donation or voluntary contributions with compensation. As both relocation of PAP and PAH and acquisition of land may be required, the correct process is to develop a RPF to guide the terms of reference (ToR) for subsequent design and feasibility studies. At the design and feasibility stage, more extensive and comprehensive baseline information will be obtained to guide decision making during project appraisal.

The MoF is also considering another component to support the urban flood risk management sub-project initiatives, namely, hydrological and meteorological forecasting services and related capacity building and institutional strengthening in MoNRE Department of Meteorology and Hydrology (DMH). The World Bank aide memoire (13 May 2016) “*confirmed the need for strengthening the hydromet station network in the Nam Ou River Basin, in which Oudomxay province is located.*” Depending upon location for hydrometeorological station(s)¹, the WBG safeguards operational policy OP/BP 4.12 *Involuntary Resettlement* may be triggered.

2.0 PRINCIPLES GOVERNING RESETTLEMENT

This RPF was prepared as a component of the ESMF for the Lao PDR SEA DRM Project. The RPF provides guidance to decision-makers if a proposed sub-project requires use of land on a temporary or permanent basis and/or acquisition of land is required for implementation of urban disaster risk management infrastructure sub-project initiatives. 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 a proposed sub-project.

The objective of the RPF is to minimize 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 sub-project. The World Bank *Involuntary Resettlement* policy (OP/BP 4.12) is triggered when two related processes occur. In the first instance, a development project (sub-project) may cause people to lose 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. In the second instance, if relocation and resettlement is warranted, it may affect PAP and PAH positively as their situation may improve, or at least be restored to the levels that existed at sub-project commencement. 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 details the instruments and plans, to be taken during specific stages of sub-project design and feasibility assessment, and at subsequent implementation. The RPF sets out the guideline for determining compensation eligibility and a description of what that compensation might entail. However, as the Lao PDR SEA DRM sub-project initiatives are in the planning stages and a decision has not

¹ It should be noted that the footprint for hydrometeorological stations (e.g., rain gauges, river/streamflow gauges, satellite, etc.) is expected to be minimal. If existing hydrometeorological stations are upgraded and modernized, it is likely that a WBG safeguards policy instrument Category “C” can be applied. However, if new hydrometeorological stations are being considered then, depending upon location (i.e., public or private land), a Category “B” safeguards policy may apply.

been made by the GoL and the World Bank about which proposed sub-project initiatives will be funded, the RPF does not have comprehensive baseline information to define detailed compensation packages or make that determination. Such a determination can be completed at the Abbreviated Resettlement Action Plan (ARAP) and RAP stage of project implementation when more comprehensive and up-to-date sub-project information is available.

The RPF will be considered applicable if proposed sub-project initiatives affect households and communities which may be displaced, even on a temporary basis. Situations which may be subject to acquisition of land or relocation of PAP and PAH involve investment in urban flood risk management infrastructure, including physical works, such as construction and reparation of riverbank protection, dike, drainage canal and flood gates, weir and riverside park(s). In such situations, screening typologies will help decision-makers determine the safeguards measures for preventing (avoiding) or mitigating adverse effects.

3.0 RESETTLEMENT PROCESS AND APPROVAL

The World Bank environmental and social safeguards policies require the borrower country (Lao PDR) to prepare an ESMF and RPF consistent with GoL laws and addendums and any applicable treaty, such as the 1995 Mekong Agreement, concerning internationally shared waters. These safeguards documents must be prepared, publicly disclosed, and free, prior and informed consultation (FPIC) undertaken to ensure proposed sub-project impacts (positive or adverse effects) are discussed before project appraisal. Once the specific proposed sub-project locations are known, then an ARAP or RAP can be prepared as part of project implementation but before any infrastructure works are undertaken.

The RPF is focused on providing guidelines for the development of a site-specific ARAP/RAP (OP/BP 4.12) during proposed sub-project implementation. As mentioned, involuntary resettlement is not anticipated, however, PAP and PAH who are located on land within the dike construction zone, weir area and riverside park(s) will likely be relocated as a result of the proposed sub-project initiative(s). Additionally, other land acquisition on a temporary or permanent basis may occur and, in this case, the GoL Decree on Compensation and Resettlement of People Affected by Development Projects (192/PM, 2016) and the World Bank safeguards policy (OP/BP 4.12) requires that an ARAP/RAP be developed to guide implementation.

The MPWT in association with relevant ministries such as the MPI, MoF, and MoNRE will provide the general direction for the planning of the relocation and acquisition process, ensure coordination between various stakeholders concerned with the Lao PDR SEA DRM Project including those directly connected with relocation and monitoring implementation. At commencement of sub-project initiatives, stakeholders will be consulted to establish planning principles and work arrangements aimed at identifying and mitigating adverse social impacts induced by the sub-project initiatives. Annex 1 discusses the narrative content of the ARAP/RAP documents which outline what information to obtain through baseline surveys, valuation of properties, and a determination regarding compensation, whether in the context of temporary or permanent relocation and compensation or in the context of mitigating other sub-project related social impacts.

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

- Informed about their options and rights pertaining to relocation and compensation;
- Consulted on, offered choices among, and provided with technically and economically feasible relocation and/or compensation alternatives; and

- Provided prompt and effective compensation at full replacement cost for losses of assets and access which are attributable to the 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;
- Effective compensation rates at full replacement costs for loss of assets and services; and
- Proposed measures and costs to maintain or improve their standards of living and well-being.

As the DIA, MPWT DoW will have one Social Development Specialist (SDS) to work alongside the PMU team. Among other duties, the role of the SDS is to monitor implementation of both the RPF and site-specific (i.e., region of influence [RoI]) ARAP/RAP so as to ensure that appropriate actions are addressed in relation to potential acquisition of land, relocation and/or resettlement issues. Upon approval of the RPF, potential social impacts for each sub-project initiative that requires land acquisition (including land donation), relocation or resettlement will be addressed. It is important to use a participatory approach to engage stakeholders, civil society organizations (CSO), PAP and PAH so as to ensure broad acceptance of the proposed sub-projects in the RoI.

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 sub-project initiatives in their RoI. For optimum planning, screening should take place during the initial stages of the RPF process so that the SDS is well-informed to develop the ARAP or RAP. The ARAP/RAP requires site-specific, sub-project initiatives' footprint or RoI, comprehensive information to identify the following parameters:

- Persons who will be affected (positively or adversely) by the sub-project initiatives;
- Persons eligible for compensation and/or assistance; and
- Type of compensation and assistance and/or assistance required.

Following completion, the ARAP/RAP will be submitted to the DIA for approval, following which, it will be forwarded to the World Bank.

Sub-project initiatives that affect fifty households or less in terms of loss of assets and livelihoods require an ARAP to be conducted. The ARAP includes the following information: (i) brief description of the sub-project, location and its impacts; (ii) consultation with PAP and PAH; (iii) baseline information of PAP and PAH; (iv) category of PAP and PAH by degree and type of impacts; (v) entitlement for compensation, allowances and rehabilitation or restoration assistance by category of impacts in a compensation matrix; (vi) information on relocation site, where applicable; (vii) institutional responsibilities for implementation and monitoring; (viii) grievance redress procedures; (ix) estimated cost of resettlement and yearly budget; and (x) time-bound plan for implementation.

A sub-project that affects more than 50 households in terms of loss of assets and livelihoods requires a RAP to be conducted. Typically, the RAP would include the following: (i) brief description of the sub-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; (viii) institutional arrangement for planning and implementation; (ix) participatory procedures during planning and implementation; (x) grievance redress 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.

Appendix A1 provides Resettlement outline formats including annotated ARAP and RAP documents.

4.0 CATEGORIES OF DISPLACED PERSONS

Lao PDR SEA DRM proposed sub-project initiatives will have both positive and adverse (negative) impacts on people in Oudomxay's provincial capital, Muang Xay, and vicinity where urban flood protection measures are under consideration. It is reasonable to presume that households, commercial enterprises and public infrastructure (e.g., schools, health clinics and hospitals, government buildings' boundary fences) whose properties encroach the dike construction zone, drainage canal and floodgates, weir and riverside parks will potentially be affected adversely, if only in a minor way.

Once it is determined that acquisition of land or associated impacts are essential to complete any of the proposed sub-project initiatives, and once siting criteria establish the land area to be acquired, resettlement planning should begin. The project owner (MPWT/DoW) will carry out, or cause to be carried out, a census survey to identify and enumerate all PAP and PAH, and a socio-economic survey conducted to determine the range and scope of adverse impacts in the RoI. The census survey must cover 100 percent of the persons to be displaced; whereas, the socio-economic survey may be undertaken on a random sampling basis. The surveys, which may be undertaken separately or simultaneously, determine whether an ARAP or RAP is necessary.

Although all of the activities have the potential to affect all categories of people in the respective RoI locations (whether categorized by race, religion, ethnicity, gender, age, economic status, land tenure or other), only the activities that require relocation either on a temporary or permanent basis are considered to have the potential of causing serious displacement problems. The RPF recognizes 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 the ARAP/RAP social assessment, the Lao PDR SEA DRM Project will identify any specific needs or concerns that should be considered for the different populations (ethnic peoples and vulnerable groups – women and female/male youth and children, the elderly and disabled, landless, and poor, etc.) without means of support. Gender integration will be considered during the planning and implementation of the ESMF, RPF and EGEF processes.

5.0 DISPLACED PERSONS ELIGIBILITY CRITERIA

Following Lao PDR laws and regulations on acquisition of land and, in consideration of the World Bank *Involuntary Resettlement* policy (OP/BP 4.12), the basic principles of land acquisition and land donation for the Lao PDR SEA DRM Project include the following elements:

- Minimize 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 urban flood risk management infrastructure investments.

All PAP and PAH comprised of different populations (see Table 2: Entitlement Matrix) will be provided with compensation (if deemed legal owner or occupant during census), and rehabilitation and restoration if: (i) the impacts on the total productive land is 10 percent or more, as a priority, replacement land of similar type, category and productive capacity of land within or nearby the village with land use certificate to be issued; or, at the request of PAP or PAH, cash compensation at replacement cost plus assistance to purchase and register land; (ii) income source is adversely affected; (iii) houses 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. Lack of legal documents of their customary rights, occupancy or land utilization certificates will only have the right to claim compensation for their lost assets such as house/structures, trees and/or crops and no compensation will be given for land.² Table 1 compares applicable GoL legislation with the WB *Involuntary Resettlement* operational policy (OP/BP 4.12).

Thus, land acquisition and/or land donation and its effect on income sources either on a temporary or permanent basis will apply to all proposed sub-project initiatives under the Lao PDR SEA DRM Project regardless of whether or not they are directly funded by the World Bank or not. The policy applies to all PAP and PAH regardless of the number or the severity of the induced impact.

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

6.0 LEGAL FRAMEWORK ASSESSMENT

The Lao PDR SEA DRM proposed sub-project initiatives will include urban flood risk management investments in infrastructure for Oudomxay's provincial capital, Muang Xay, and vicinity. Moderate environmental and social impacts are anticipated as the proposed urban flood risk management infrastructure investments will require acquisition of land either on a temporary or permanent basis and PAP and PAH may be required to relocate if riverside park(s) are included in the proposed infrastructure investment. Subsequent feasibility and design studies will be guided by the World Bank safeguards documents prepared in line with applicable national laws.

² World Bank financing cannot, and will not, be used to pay for compensation in way, shape or form. If cash compensation is required then, it must be paid out of the borrower countries' national exchequer.

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

- Constitution of the Lao People's Democratic Republic (1991, amended 2003 and 2015);
- Environmental Protection Law (EPL, 2013);
- Ministerial Instruction No. 8030/MoNRE on Environmental and Social Impact Assessment (ESIA) and Initial Environmental Examination (IEE) of Investment Projects (2013);
- Public Involvement Guideline (2012);
- Water and Water Resources Law (1996);
- Forestry Law (2007);
- Wildlife Law and Aquatic Law (2007);
- Decree on Compensation and Resettlement of People Affected by Government Projects (No. 84/GOL, 5 April 2016); and
- Land Law (2003).

Lao PDR has formulated many laws, decrees, regulations and guidelines for environmental conservation and protection, specifically covering land, forest, water, aquatic and wildlife. The revised Environmental Protection Law (EPL, 2013) is the nation's principal environmental legislation. The EPL set 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 Lao PDR SEA DRM Project. 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 World Bank states that economic development requires, to varying degrees, providing infrastructure and facilities that improve livelihoods and well-being through the expansion of economic opportunities. WBG investment projects must pass the litmus test of its own environment and social

safeguards policies and the borrower country for a sub-project to receive funding. These safeguards policies help decision-makers to identify, prevent (avoid), minimize or mitigate harms to people and their environment. The World Bank safeguards policies also require borrower governments (GoL) to address specific environmental and social risks as a prerequisite to obtaining WBG financing for development projects.

The Lao PDR SEA DRM Project is characterized by a number of proposed sub-project initiatives with little or no detail of the final short list of urban flood risk management infrastructure sub-project investment initiatives. The ESMF provides an overarching safeguards document governing the approach, processes and specific instruments to guide and inform the Environmental and Social Management Plan (ESMP), ARAP/RAP and Ethnic Group Development Plan (EGDP), and other safeguard instruments and measures (if applicable) during sub-project infrastructure investment feasibility and design studies.

Most aspects of the World Bank *Involuntary Resettlement Policy* (OP/BP 4.12) are adequately addressed in Lao PDR law. The overarching objective of the Lao PDR SEA DRM 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:

- Urban flood risk management infrastructure investments should avoid residential areas wherever possible to minimize the physical relocation of PAP and PAH, and select the infrastructure footprint that minimizes acquisition of privately or publicly held productive land;
- Ensure design standards minimize the need to impose land use restrictions on adjoining areas;
- Develop fair and transparent procedures, as defined in the Entitlement Matrix of this RPF to determine compensation for (i) temporary loss of land and/or assets during riverbank protection, construction and reparation works; (ii) permanent acquisition of land and/or assets; and (iii) restrictions on use of land that may be applied to areas adjoining the sub-project initiatives' river conservation zone footprint and RoI;
- Acquire land (or right to use land) through negotiated agreements and with the use of the power of eminent domain only as a last resort;
- Upon completion of the urban flood risk management infrastructure riverbank protection, construction and reparation works, restore land as best as possible to its original condition in the event of temporary disruption so as to enable landowners/users/lessees to resume their pre-sub-project activities;
- Keep PAP and PAH, and communities fully informed about the sub-project initiatives, the process that will be followed to acquire and compensate for land, and 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, without regard to legal status of property, will receive support of various kinds, as per the principles set out in the Entitlement Matrix (see Section 8.0, Table 2), to assist them in their efforts to maintain their livelihoods and well-being prevailing prior to the Lao PDR SEA DRM Project. PAP and PAH who may have adverse possession of land (i.e., squatters) will not be compensated for loss of land but will receive compensation for loss of other assets

which had been established with their own finances, and for loss of income such that they assisted in their efforts to maintain their livelihoods and well-being. Detailed measures to be implemented will be determined based on a Rol 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 regarding the principles of land acquisition and loss of, or damage, to assets; and
- Damages to assets, such as standing crops, trees, fences and kiosks, and loss of income (including loss of harvest) will be minimized, however inevitable, and will be compensated without regard to legal status of ownership according to the Entitlement Matrix illustrated in Table 1.

The recently revised (2016) *Decree on Compensation and Resettlement of People Affected by Development Projects* 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. The Compensation and Resettlement (C&R) 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 made worse off than they would have been without the project. The Decree (No. 84/GOL, 2016) is largely consistent with the main principles of the World Bank's Involuntary Resettlement policy (OP/BP 4.12). Table 1 compares the World Bank policy on *Involuntary Resettlement* (OP/BP 4.12) with the Lao PDR 2016 Decree (No. 84/GOL).

Table 1 Gaps and similarities between the World Bank Involuntary Resettlement Policy (OP/BP 4.12) and Lao PDR 2016 Decree on Compensation and Resettlement of People Affected by Development Projects.

Aspect	C&R Decree No. 84/GOL (2016)	WB OP 4.12
Definition of affected people	Affected person mean a person or organization affected temporarily or permanently by development project and has been registered with the cut-off date as project affected people (PAP).	The Bank identifies PAP who are adversely impacted with productive assets value equal to, or more than, 10 percent of income generating assets
General resettlement principle	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.	Displaced 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.
Key Criteria for Eligibility	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.	Displaced persons who do not have formal legal rights to land at the time the census was conducted but have a claim derived from adverse possession or from continued possession of public lands without government action for eviction (that is, with implicit leave of the government) are provided compensation for the land the lost, and other assistance. Displaced persons who have no recognizable legal right or claim to the land they are occupying are provided compensation for loss of assets other than land.
Cut-off date	Any businesses or activities that have been carried out by PAP after the cut-off date will not be compensated.	Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.
Vulnerable group	Special attention should be put in restoring the livelihood of vulnerable groups including disable and elderly people, children, widows and single mother to ensure that they come out from poverty status and that their living conditions are improved.	Particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.
Participation of affected people in resettlement process	PAP are provided with relevant information including on benefits and potential impacts and progress of the project; involved in consultation processes at all levels; may propose any issue or grievance to Grievance Mediation Committee.	Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.
Voluntary land donation	Not mentioned.	Discourages land donation.

Certain principles must be supported in order to address gaps in existing Lao PDR legal provisions. The RPF is based on a philosophy that the Lao PDR SEA DRM Project must serve the needs of society and ensure PAP and PAH are at least as well off due to sub-project implementation as they were prior to commencement of proposed urban flood risk management infrastructure investment. This can be ensured through the following objectives:

- Avoid involuntary resettlement where feasible and minimize resettlement where population displacement is unavoidable;
- Ensure that displaced people receive compensation, assistance and livelihood restoration so that they would be at least as well off as they would without the project;
- PAP and PAH will benefit from the sub-project initiatives;
- Project stakeholders (including PAP and PAH) are consulted and given the opportunity to participate (as practical) in the design, implementation and operation of the sub-project; 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-project initiatives.

7.0 ASSET VALUATION

The GoL agreed to a methodology for valuing affected assets as per the World Bank-financed Lao Road Sector Project 2 (LRSP-2). Accordingly, the following narrative draws heavily from the LRSP-2 best practice RPF example and is complemented by the field visits undertaken as part of this assignment, stakeholder and community consultations, and professional judgment.

Although involuntary resettlement is not expected during proposed sub-project initiatives implementation, it is possible and likely that local communities, PAP and PAH elect to make a voluntary contribution of affected land without compensation. This would only be acceptable for marginal impacts and only when benefits to PAP and PAH can be assured. The process of consultation with potential contributors should be conducted in an open and transparent manner by the Village Resettlement Sub-committees (VRS) with decisions regarding voluntary contributions based on FPIC with PAP and PAH. Local authorities must document the consultation process and agreement as part of the urban flood risk management infrastructure investment for Oudomxay provincial capital and vicinity. The RPF should not conflict with the GoL Decree (No. 84/GOL, 2016) on compensation and resettlement of PAP and PAH by development projects. However, treatment of PAP and PAH must comply with relevant World Bank policies and procedures.

It is possible that Ethnic Groups can be affected directly or indirectly by the proposed sub-project initiatives. In this case, an Ethnic Group Engagement Framework (EGEF) is prepared as a separate guiding document. Where the proposed sub-project initiatives directly or indirectly impact ethnic groups, then necessary safeguards instruments and measures will be developed to guide the feasibility and design studies prior to project appraisal. Accordingly, the consultation process and any planned prevention (avoidance) or mitigation measures must be documented. If ethnic groups were adversely affected by sub-project initiatives due to the requirement for land acquisition or, other induced negative impacts (i.e., loss of livelihood, assets, well-being and/or other entitlements) then, the EGEF would discuss these direct or indirect effects and provide guidance for the development of social safeguards instruments and measures. The RPF provides guidance on acquisition of land and other assets which may result in disruption or loss of livelihood and income to PAP and PAH.

Proposed sub-project initiatives may impact PAP and PAH directly or indirectly. It may not be possible to eliminate the need for acquisition of land. In this case, the Lao PDR SEA DRM project must address the issue of voluntary land donation. MoNRE will provide guidance on voluntary acquisition of land or other assets (including restrictions on asset use) caused by implementation either through contribution or with compensation by communities. MoNRE in association with the MPI will provide guidance on voluntary acquisition of land or other assets (including restrictions on asset use) caused by the sub-project implementation either through contribution or with compensation by communities. The MPI 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 Lao PDR SEA DRM Project including:

- *Voluntary Contributions*: will be accepted as long as the FPIC process is followed and adhered to, and such a situation is well documented by local authorities. As such, PAP and PAH have the right to make a contribution of land or other assets of their own volition without seeking or being given any form of compensation. Such a situation can be justified because the Lao PDR SEA DRM proposed sub-project initiatives will increase the value of PAP and PAH remaining property or provide some other direct, indirect or induced effect as a result of the urban flood risk management infrastructure investment. However, voluntary land and/or asset contributions will not be considered if sub-project initiatives will significantly harm livelihoods and well-being of individual owners or users (i.e., land acquisition will not constitute more than 10 percent of PAP and PAH income generating assets, see Table 1); and
- *Voluntary Contributions with Compensation*: persons who contribute land or other assets have the right to seek and receive compensation³. In such cases, Lao PDR SEA DRM Project authorities will ensure that compensation terms are agreed to before sub-project initiatives are undertaken. These terms will include:
 - Replacement of land with an equally productive plot or other equivalent productive assets;
 - Materials and assistance to replace fully solid structures that will be demolished;
 - Replacement of damaged crops and commercial-value trees, at market value; and
 - Other acceptable in-kind compensation.

Although the World Bank financing cannot, and will not, be used to pay compensation, it is possible that compensation could be provided from the GoL national exchequer. Depending upon budget allocation and resources, the Lao PDR SEA DRM Project may provide special assistance in the form of suitable land, rental allowances, and disruption allowance to different populations (ethnic peoples and vulnerable groups – women and female/male youth and children, the elderly and disabled, landless, and poor, etc.). The main principle is that PAP and PAH are not made worse off by implementation of the proposed urban disaster risk management sub-project initiatives.

³ The World Bank sub-project financing cannot, and will not, be used to pay compensation in any shape or form. If in cash compensation is to be paid to PAP then, it must come from the national exchequer.

8.0 ORGANIZATIONAL PROCEDURES FOR ENTITLEMENTS

As the DIA, the MPWT has the lead responsibility for the urban flood risk management sub-project infrastructure investment in Oudomxay's provincial capital, Muang Xay, and implementation of the RPF. The MPWT DoW in association with the Provincial Department of PWT Oudomxay Waterway Sector Project Implementation Unit (PIU) will develop and implement the abbreviated resettlement action plan/resettlement action plan in the respective footprint for each sub-project initiative according to the policies and procedures articulated in the RPF, relevant Lao PDR national laws and decrees, and the World Bank safeguards policy (OP/BP 4.12).

In addition to MPWT DoW, a number of other government departments will play instrumental roles in the design, construction and operation of the Lao PDR SEA DRM urban flood risk management sub-project initiatives. Pursuant to the active legislation, MoNRE is responsible for environmental issues. MPI is responsible for legal matters regarding land ownership and expropriation. Table 2 shows the general entitlements for compensation and restoration assistance guidelines for the Lao PDR SEA DRM Project. However, the ARAP/RAP may provide more specific details or additional allowances.

As the DIA, MPWT/DoW is responsible for supervising and providing implementation support for safeguards, including the ESMP, ARAP/RAP and EGDP. Compensation will be implemented and managed by the VRS in close consultation with PAP and PAH. The VRS will be established within villages where land acquisition and resettlement impact exist.

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

The MPWT DoW will be responsible for the organizational 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 within the RoI after confirmation of sub-project initiatives' footprint);
- Develop a detailed list of all PAP and PAH in the RoI;
- 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 World Bank for "no objection" to proceed;
- Provide compensation in-kind or cash, if applicable; and
- Determine what the preferred compensation is, ensuring a participatory process.

Table 2 Entitlement matrix.

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Productive Land (paddy, garden, and Teak Plantation)	Legal owner or occupant identified during census and tagging.	<ul style="list-style-type: none"> ▪ For marginal loss of 10% 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 ▪ Replacement land of similar type, category and productive capacity of land within or nearby the village, with land title. ▪ If the impacts on the total productive land is 10% 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. 	<ul style="list-style-type: none"> ▪ Legal owners are those who received land utilization certificates or land titles from the Land Titling Project. ▪ Voluntary donation will not be applied for any assets except for very minor losses of land holding as defined under this RPF.
Residential Land	Legal owner or occupant identified during census and tagging.	<ul style="list-style-type: none"> ▪ <u>With</u> 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. ▪ 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. 	<ul style="list-style-type: none"> ▪ Legal owners are those who have land use certificates or land titles from the Land Titling Project. ▪ 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 PAP's total residential land area is not less than 300 m²; (ii) if the PAP/PAH's total residential land area is more than 300 m², the strip of land that can be donated cannot be more than 5% of the total land area; and (iii) there are no houses, structures or fixed assets on the affected portion of land. ▪ Voluntary donation according to these criteria will follow the process in accordance with World Bank's Operational Policy, which is the same as the Government's Decree 192/PM/2005.

Table 2 (Cont'd.)

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Fishpond (Remaining area is still viable or can still meet expected personal or commercial yield)	Owner of affected fishpond.	<ul style="list-style-type: none"> ▪ Cash compensation of affected portion at replacement cost which is equivalent to the current market value of fishpond, labor and rent of equipment to excavate fishpond, free from transaction costs (taxes, administration fees). ▪ 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. ▪ 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 labor and rent of equipment to restore/repair fishpond. 	<ul style="list-style-type: none"> ▪ Adequate time provided for PAP to harvest fish stocks. ▪ Voluntary donation of fishpond land will not be allowed by the Project.
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.	<ul style="list-style-type: none"> ▪ 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) labor cost to cover cost for dismantling, transfer and rebuild; and ▪ Timely provision of trucks for hauling personal belongings at no cost to the PAP. 	<ul style="list-style-type: none"> ▪ Adequate time provided for PAP/PAH to rebuild/repair their structures. ▪ Affected houses and shops that are no longer viable are those whose remaining affected portion are no longer usable/habitable.

Table 2 (Cont'd.)

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Temporary Use of Land	Legal owner or occupant.	<ul style="list-style-type: none"> ▪ 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 landowner and the civil works contractor but should not be less than the unrealized 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 landowner and the civil works contractor. 	<ul style="list-style-type: none"> ▪ 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 landowner is adequately informed of his/her rights and entitlements as per the Project resettlement policy; and (iii) agreement reached between the landowner and the civil works contractor are carried out.
Partially Affected Houses and Shops and secondary structures (Will not require relocation)	Owners of affected houses whether or not land is owned.	<ul style="list-style-type: none"> ▪ Cash compensation at replacement cost for the affected portion of structure equivalent to current market prices of (i) materials and labor, with no deduction for depreciation of the structure or for salvageable materials (ii) materials transport, and (iii) cost of repair of the unaffected portion. 	
Loss of business income during relocation or during dismantling/repair of affected portion (without relocation)	Owners of shops.	<ul style="list-style-type: none"> ▪ For businesses (shops) cash compensation equivalent to the daily wage rate (i.e., 10,000 kip /day) multiplied by the number of days of business disruption. 	<ul style="list-style-type: none"> ▪ It will take one day to move the shops if made of traditional materials (bamboo)/movable (can be carried without totally dismantling the structure). It will take about two days to remove and repair affected portion of shop made of permanent materials (such as good wood and concrete). ▪ The rate will be verified through interviews with informal shop owners to get an estimate of daily net profit.

Table 2 (Cont'd.)

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Crops and Trees	Owner of crops and trees whether or not land is owned.	<ul style="list-style-type: none"> ▪ 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. ▪ For perennial crops and trees, cash compensation at replacement cost equivalent to current market value based on type, age, and productive capacity. ▪ For timber trees, cash compensation at replacement cost equivalent to current market value based on type, age and diameter at breast height (DBH) of trees. 	
Permanent loss of physical cultural resources/public structures/village or collective ownerships	Villagers or village households.	<ul style="list-style-type: none"> ▪ Compensation at replacement cost for present/existing structures based on its present value. 	
Graves located in the affected areas	Owners of graves.	<ul style="list-style-type: none"> ▪ Compensation for the removal, excavation, relocation, reburial and other related costs will be paid in cash to each affected family. 	
Electricity Poles	Electricity Companies.	<ul style="list-style-type: none"> ▪ Cash compensation for cost to dismantle, transfer and rebuild. 	
Transition subsistence allowance	<p>Relocating households – relocating on residual land or to other sites.</p> <p>Severely affected PAP losing 10% or more of their productive land.</p>	<ul style="list-style-type: none"> ▪ 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% 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. 	

Table 2 (Cont'd.)

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Transportation allowance	Relocating households – to other sites.	<ul style="list-style-type: none"> ▪ Provision of dump trucks to haul all old and new building materials and personal possessions. 	<ul style="list-style-type: none"> ▪ PAP/PAH may also opt for cash assistance. The amount (cost of labor and distance from relocation site) to be determined during implementation.
Severe impacts on vulnerable PAP (Relocating PAP and those losing 10% or more of their productive assets)	Vulnerable PAP/PAH such as the poorest, or households headed by women, the elderly, or disabled, and ethnic group.	<ul style="list-style-type: none"> ▪ An additional allowance of 1-month supply of rice per person in the household. ▪ Eligible to participate in income restoration program. ▪ The contractors will make all reasonable efforts to recruit severely affected and vulnerable PAP as laborers for road construction and road maintenance works. 	<ul style="list-style-type: none"> ▪ The poorest will be those below the national poverty line as defined in the poverty partnership agreement with World Bank.

MPWT DoW as the DIA would be responsible for public consultation and public disclosure of information to national and subnational government, stakeholders and civil society organizations (Non-Profit Associations, Community Based Organizations (CBO), communities, and PAP and PAH. Consultations and community participation would be conducted throughout the sub-project initiatives' planning process, design and implementation stages. Planning and acquisition of land and other assets from PAP and PAH will follow a 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 sub-project;
- ARAP/RAP and various degrees of sub-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 FPIC agreement and support of PAP and PAH from participation in the consultations;
- Implementation schedule with timetable for delivery of entitlements; and
- Information concerning grievance redress mechanisms and how to utilize them.

9.0 LINKING RESETTLEMENT TO CIVIL WORKS

As mentioned, the Lao PDR SEA DRM Project is expected to cause moderate physical relocation as a result of proposed sub-project initiatives related to the urban flood risk management infrastructure investments in Oudomxay's provincial capital, Muang Xay, and vicinity. Urban flood risk management infrastructure initiatives may require the permanent use of some areas for riverside protection, dike, drainage canal and flood gates, weir and riverside park(s) will require acquisition of land. In addition, temporary use of some areas will be required for borrow pits or waste disposal sites which may result in unexpected low-level impacts, including disruption of access or damage to property (i.e., land and buildings). Urban flood risk management infrastructure initiatives may also require the relocation of temporary structures, temporary occupation of plots of land or may cause damage to crops and trees within the dike construction zone, other footprint (i.e., drainage canal and flood gates, weir and riverside parks) or RoL.

Acquisition of land would be identified during implementation when final urban flood risk management infrastructure design becomes available and the extent of land acquisition required and its impact on PAP and PAH known. However, it may be surmised that even temporary displacement and dislocation of businesses in the short term may have an adverse social impact on communities and different populations.

Local communities, PAP and PAH may elect to make a voluntary contribution of affected land without compensation. This situation should only be acceptable for marginal impacts when benefits to PAP and PAH can be assured. The process of consultation with potential contributors should be conducted in an open and transparent manner by the VRS with decisions regarding voluntary contributions based on free, prior and informed consultation and voluntary choice by affected people. Local authorities must document the consultation process and agreement as part of the urban flood risk management infrastructure investment.

All PAP and PAH, without regard to legal status of property, will receive support of various kinds, as per the principles outlined in the Entitlement Matrix, to assist them in their efforts to maintain their livelihoods and well-being prevailing prior to the Lao PDR SEA DRM Project. Those who may have adverse possession (i.e., squatters) will not be compensated for loss of land but will receive compensation for loss of other assets which have been established with their own finances, and for loss of income such that they are assisted in their efforts to maintain their livelihoods and well-being. Detailed measures to be implemented will be determined based on the census and socio-economic survey conducted when the ARAP or RAP are developed.

PAP will be notified of the Lao PDR SEA DRM Project implementation schedule and consulted regarding the principles of land acquisition and loss of, or damage to, assets. Damages to assets, such as, standing crops, trees, fences and kiosks, and loss of income, including loss of harvest will be minimized, although some disruption is inevitable. Where disruption occurs, PAP and PAH will be compensated without regard to legal status of ownership according to the Entitlement Matrix provided in this RPF.

A market survey will be conducted to assess the prevailing market prices of land and construction materials for affected structures, crops and relevant items which will be used as the unit prices to determine compensation. This exercise will provide assurance to communities and PAP and PAH that they will be able to purchase equivalent value replacement land.

Loss of income and assets will be compensated on a net basis without tax, depreciation or any other deduction.

A census and household survey will be conducted as soon as the urban flood risk management sub-project infrastructure initiatives have been confirmed in order to develop an inventory of project impacts on PAP and PAH and business. Care will be taken to set cut-off dates immediately after the determination of the final sub-project infrastructure initiatives are confirmed.

The household survey will be used to record all loss of assets incurred as a result of project implementation. A binding legal instrument will be used to record all loss of assets which will be signed by PAP and PAH, their neighbors, and representatives of local government. 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.

10.0 GRIEVANCE REDRESS MECHANISM

As the DIA, MPWT DoW will establish a grievance redress committee at different governance levels; one at the village level (such as the VRS) and another at a district or provincial level. These committees will receive, evaluate and facilitate the resolution of PAP and PAH concerns, complaints and grievances. Grievance redress committees would be comprised of representatives of PAP and PAH, community leaders, and independent civil society organizations (Non-Profit Association and CBO) in addition to representatives from village and district levels, and PMU and PIU authorities. The grievance redress committees will function, for the benefit of PAP and PAH, during the entire life of the sub-project initiatives, including the defects liability period.

Consultation with PAP and PAH will take place early in the process of the Lao PDR SEA DRM Project planning. Prior to sub-project commencement, village leaders will conduct a survey of directly affected people's land and assets. Village leaders will conduct free, prior and informed consultation 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 sub-project initiatives 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 sub-project initiatives. 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 sub-project initiatives.

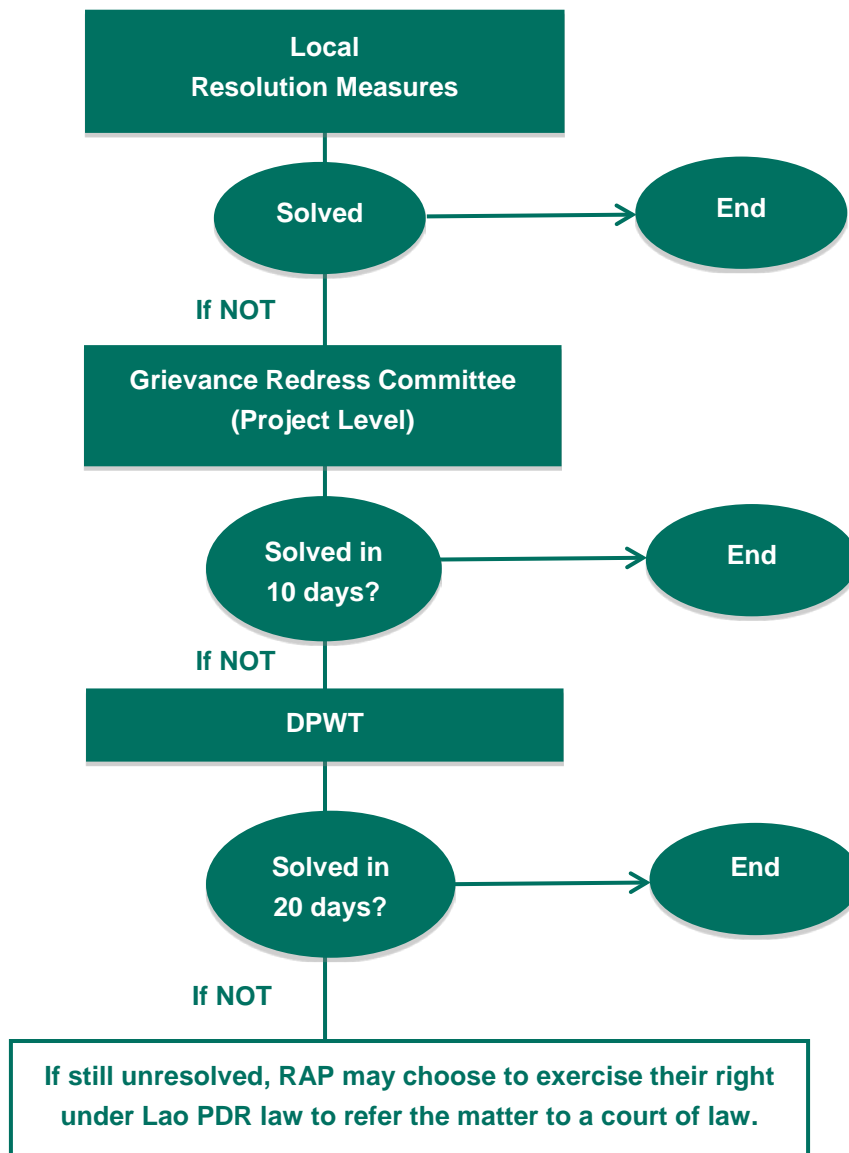
The ARAP or RAP will establish the means for PAP and PAH and displaced businesses to bring complaints to the attention of relevant project authorities. Grievance procedures should include reasonable performance standards, including time required to respond to complaints and should be provided without charge to those displaced persons. The ARAP/RAP should also state other avenues available to aggrieved persons if the Lao PDR SEA DRM Project-related procedures fail to resolve complaints. Article 23 and 24 of the C&R Decree (No. 84/GOL, 2016) requires the Lao PDR SEA DRM Project to establish an effective mechanism for grievance resolution. The decree requires that the sub-project proponent, Provincial Department of Public Works and Transport (DPWT) Oudomxay Waterway Sector, is responsible for setting up the grievance redress mechanism and to take actions to resolve issues.

The ESMF contains details on the grievance redress mechanism for the Lao PDR SEA DRM Project. Grievances related to environmental and social issues from directly or indirectly affected ethnic groups as a result of implementation of sub-project initiatives will be resolved by the Grievance Redress Committee (GRC) through the LAO PDR SEA DRM Project grievance redress mechanism presented in Figure 1.

However, the complainant also retains the right to bypass this procedure and can address a grievance directly to the DPTW PIU office or the national assembly, as provided by law in Lao PDR. At each level grievance details, discussions and outcomes will be documented and recorded in a grievance logbook. The status of grievances submitted and grievance redress will be reported to Provincial DPWT Oudomxay Waterway sector management through the monthly report. In order to effectively and quickly resolve grievances PAP and PAH may have, 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 VRS or the district resettlement office (DRO). If it is a verbal complaint, the village should deal with this complaint and document it in a written record. The VRS or DRO should resolve the complaint or grievance within two weeks;
- Stage 2: if PAP and PAH are not satisfied with the result in Step 1, PAP and PAH can file an appeal with the Lao PDR SEA DRM Project resettlement office (PRO) after PAP and PAH receives the decision made in Step 1. The PRO should make a decision within two weeks;

Figure 1 GRM process.



- Stage 3: if PAP and PAH are not satisfied with the result of Step 2, PAP and PAH can file an appeal with the provincial resettlement committee for administrative arbitration after receiving the decision made by the PRO. The administrative arbitration organization should make the arbitrated decision within 10 days; and
- Stage 4: if PAP and PAH are still unsatisfied with the arbitrated decision made by the administrative arbitration organization, 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.

PAP and PAH can make a complaint or appeal on any aspects of the sub-project initiatives' design and implementation, including issues related to resettlement. A complaint and grievance feedback form will be developed under the Lao PDR SEA DRM Project and made available at Oudomxay's provincial capital, Muang Xay, and vicinity, including where PAP and PAH live, for use by PAP and PAH to raise complaints or grievances. PAP and PAH will be clearly informed of the complaint and appeal channels described above through village meetings and other forms of communication. Information and

Communications Technology (ICT) and media tools should be used to communicate issues and information. Opinions and suggestions on resettlement provided by concerned people and organizations should be documented and resettlement organizations, at various levels, should study and address any issue in a timely manner.

The organizations 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 relevant DIA.

11.0 ARRANGEMENTS FOR FUNDING RESETTLEMENT

The RAP will include detailed description of the costs for compensation and other restoration entitlements as part of the process to compensate relocated 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.

12.0 PARTICIPATORY CONSULTATIONS

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 VRS, 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 urban flood risk management infrastructure sub-project initiatives, its impacts and proposed mitigation measures and economic restoration activities. Information publicly disclosed will also include cut-off dates for each sub-project initiative, eligibility criteria and entitlements, modalities of compensation, complaints and grievance redress procedures.

The PAP and PAH and different populations will be provided with opportunities to present their ideas and suggestions as inputs into the planning and implementation of the sub-project initiatives. This will be accomplished through a series of participatory exercises and focused discussions (FGD) with PAP and PAH, to ensure affected parties have a stake in the process.

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

13.0 MONITORING AND REPORTING

Monitoring is a key component of the Lao PDR SEA DRM Project implementation. As the DIA, MPWT DoW will appoint adequate full-time staff as part of the internal monitoring process. These staff will monitor the process of land acquisition or land donation in collaboration with local village or district authorities. If necessary, capacity building will likely need to be given on the monitoring process for designated GoL staff at the onset.

Contents of the internal monitoring 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.

Semi-annual and periodic monitoring will be undertaken as per specific activities in order to:

- Improve environmental and social management practices;
- Ensure the efficiency and quality of the environmental and social assessment processes;
- Establish evidence- and performance-based environmental and social assessment for the Lao PDR SEA DRM Project; and
- Provide an opportunity to report the results of safeguards instrument impacts and proposed mitigation measures' implementation.

With regard to the Lao PDR SEA DRM Project proposed sub-project initiatives' implementation, the MPWT DoW DIA PMU 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.

In conjunction with internal monitoring by MPWT DoW staff, it will be important to include procedures for external monitoring and evaluation (M&E). The external M&E function aims to provide regular monitoring and evaluation of land acquisition and land donation for the Lao PDR SEA DRM Project, in order to assess whether objectives were achieved or not. 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;

- Affected People: including PAP and PAH socio-economic situation before and after the project and economic restoration of the affected people;
- A qualified external monitoring entity will come from an independent organization, such as a civil society organization (Non-Profit Associations [NPA], CBO), academic research institute or consultancy in Lao PDR. The major responsibilities of the external monitoring organization 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 World Bank through the PRO; and
 - Provide technical consulting services to the PRO in terms of information investigation and processing.

APPENDICES

Appendix A1

Resettlement Plan Formats

Abbreviated Resettlement Action Plan (ARAP): Annotated Document Contents and Information Requirements

Introduction

- Project (one paragraph): refer to the RPF 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:
 - FPIC made of the PAP own volition and is un-coerced with the decision making ability to withhold consent;
 - No severe impacts on living standards; no physical relocation and less than 10 percent 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 (details in RPF Section 10.0).
- Arrangements for formal disclosure of Resettlement instrument; availability for public disclosure, review and comment, and posted on MPWT and the World Bank 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 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-project

- Short detailed narrative on sub-project initiatives; and
- Identification of the sub-project initiatives’ project area and footprint.

Potential Impacts Identified

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

Main Objectives of the Resettlement Program

- Sets out purpose and objectives.

Socioeconomic 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 program 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, labor, and household organization; 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 recognized 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 project;
 - 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 organizations 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 project;
 - 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 World Bank'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 project, 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 project; 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 taken into account 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 organization, and to retaining access to cultural property (e.g., places of worship, pilgrimage centers, cemeteries); and
- Institutionalized 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 take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

Organizational Responsibilities

- Organizational 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 itemized 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 World Bank, 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;
- 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.