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PROJECT COORDINATION UNIT
MANAGEMENT BOARD FOR SURVEYING AND PLANNING
INVESTMENT PROJECTS
MINISTRY OF CONSTRUCTION

CENTRAL REGION URBAN
ENVIRONMENTAL IMPROVEMENT PROJECT

ADB Loan No. 2034 – VIE (SF)
AFD Loan No. CVN 3000 01X and 02Y

UPDATED RESETTLEMENT PLAN
Package of Main Drain System (DH/ICB/1)

Quang Tri Provincial People’s Committee

Updated June 2008
CURRENCY EQUIVALENTS
(as of June 2008)

Currency Unit – Dong (D)
D1.00 = $0.0000649
$1.00 = D16,500.00

ABBREVIATIONS

ADB – Asian Development Bank
AFD – Agence Francaise de Developpement
AP – affected person(s)
APPS – Awareness and Pro-Poor Sanitation
CMC – Community Management Committee
CPC – Commune People’s Committee
DOSTE – Department of Science Technology and Environment
DMS – detailed measurement survey
EA – Executing Agency
the Government – Government of Vietnam
HH – Household
IEE – Initial Environmental Examination
IMO – independent monitoring organization
IOL – inventory of losses
LURC – Land Use Rights Certificate
MOC – Ministry of Construction
MOF – Ministry of Finance
MOLISA – Ministry of Labor, Invalids and Social Affairs
NGO – non-government organization
the Project – Central Region Urban Environmental Improvement
PCU – Project Coordination Unit
PIA – project incremental administration
PIB – public information booklet
PMU – Project Management Unit
PPC – Provincial People’s Committee
PPME – program for project performance monitoring and evaluation
PSC – Provincial Steering Committee
RC – Resettlement Committee
RP – Resettlement Plan
SES – socioeconomic survey
TPC – Town People’s Committee
TRU – Town Resettlement Unit
URENCO – Urban Environmental Company (also, urban public works company)
WPC – Ward People’s Committee
WU – Women’s Union
MEASUREMENTS

ha – hectare
km – kilometer
m – meter
m² – square meters
m³ – cubic meters

NOTE

(i) In this report, "$" refers to US dollars.
(ii) In this report, 1 hectare (ha) = 10,000 square meters (m²)
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EXECUTIVE SUMMARY

(i) The Resettlement Plan for DH/ICB/1 has been formulated within the legal framework of Vietnam and meets the requirements of the ADB.

(ii) In recent years the Government of Vietnam has issued legislation and directives to protect the rights of citizens adversely affected by implementation of infrastructural works and projects. An increasingly vocal population, improved communication and information and a continuing dialogue with multilateral and bilateral donors all contributed to the improvement of resettlement policies and practices as apparent in many projects. Decree 197/2004/ND-CP, on 3 December 2004, has formalized resettlement policies to approach parity with ADB Operational Manual on Involuntary Resettlement.

(iii) The promulgation of Decree 197/2004/ND-CP on 3 December 2004 has important consequences for resettlement in Vietnam. It allows for compensation at replacement cost and it offers a substantially better package of support measures.

(iv) This RP updates status of resettlement implementation of DH/ICB/1 package named “Main Drain System” aiming at identifying the newest scope of resettlement impacts of the Package to provide full compensation and allowances to RPs for their life restoration, relocation and rehabilitation.

(v) The Package of Main Drain System includes 5 lines and impacts 4 wards in Dong Ha town. About 7,500m of in-situ reinforced concrete box culverts will be constructed in the Town. The new drainage system will be constructed along existing earth drains, running through residential areas in 4 urban wards.

(vi) The total number of households to be affected by the Drainage System is 279, with 1,283 persons. No affected household has to relocate. A total amount of land acquired for the civil works is 9,458 m2, including 8,733 m2 of agricultural land of 62 APs and 725 m2 of residential land of 31 APs.

(vii) The organizational framework for implementation of the Resettlement Plan is in place. Dong Ha town has a resettlement committee who will be in charge of implementing the RP.

(viii) Compensation and rehabilitation and support measures have been calculated and quantified on the basis of just compensation rates and number of APs as identified.

(ix) The total cost of the RP is estimated at 2,360,977,000 VND (about $143,089) excluding a 10 % contingency component.

(x) This RP contains the policy and the implementing instrument as regards regulation of land acquisition, compensation, resettlement and rehabilitation of APs under the Project and is to be approved by ADB and Quang Tri PPC.
I. INTRODUCTION

1. The Central Region Urban Environmental Improvement Project (the Project) aims to improve the urban environment and enhance human capital in the poorest provinces of the country. Urban sanitation services are not available to the majority of the urban population. The urban poor suffer disproportionately. They tend to cluster together, and often reside in underserved areas where drainage is dysfunctional or nonexistent, access for solid waste collection is limited, sanitation is inadequate, and the environment is polluted due to the practice of open defecation.

2. The Project will cover five provincial towns, and one district town: Thanh Hoa, Ha Tinh, Dong Ha (Quang Tri), Lang Co (Thua Thien-Hue), Tam Ky (Quang Nam), and Quang Ngai. The Project will improve the living conditions, public health, and urban environment for the inhabitants of these towns, while promote economic development through (i) community participation by developing community-based sanitation improvements; (ii) provision of improved urban infrastructure facilities, and services (drainage, waste water, solid waste and roads); and (ii) capacity building and strengthening of local institutions and community groups to manage these systems.

3. The Project will mainly focus on the inner urban parts of the selected towns, although some infrastructure, such as landfill sites and wastewater treatment plants, will be located in commune areas. Civil works plan will be based on: (i) constructing flood protection ICB/1s and flood regulating lakes; (ii) constructing new, or dredging and upgrading existing drainage and sewage systems; (ii) constructing wastewater treatment plants (WWTP), and installing pumping stations; (iii) improving solid waste collection, transportation and storage; (iv) constructing new, or expanding existing landfill sites; (v) constructing access roads to essential drainage and sewage links or to landfill sites.

4. In Dong Ha subproject, the main civil works to be implemented are:
   - the main drains system(DH/ICB/1);
   - drain system Wards 3&5 (DH/NCB/1);
   - drain system Wards 1&2 (DH/NCB/2);
   - flood protection ICB/1 (DH/NCB/3);
   - landfill and access road (DH/NCB/4).

5. This RP updates status of resettlement implementation of DH/ICB/1 package named “Main Drain System” aiming at identifying the newest scope of resettlement impacts of the Package to provide full compensation and allowances to RPs for their life restoration, relocation and rehabilitation.

6. The RP is updated based on earlier version of the Dong Ha subproject RP, approved by Quang Tri PPC in 2003

II. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

A. Extent of Resettlement Impact

7. The Package of Main Drain System causes resettlement impacts in wards 1,2,5 and Dong Le (Table 1). The drain system lies in Dong Ha town and includes 5 lines. 7,500m of in-situ reinforced concrete box culverts will be constructed in the Town.
8. The new drainage system will be constructed along existing earth drains, running through residential areas in 4 urban wards. The design has been adjusted to avoid severe impacts on HH assets, especially houses.

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Ward/Commune</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 18</td>
<td>Ward 1+5</td>
</tr>
<tr>
<td>Line 19</td>
<td>Ward 1</td>
</tr>
<tr>
<td>Line 20</td>
<td>Ward 1+2</td>
</tr>
<tr>
<td>Line 21</td>
<td>Ward 1+ Ward Dong Le</td>
</tr>
<tr>
<td>Line 22</td>
<td>Ward 5+ Ward Dong Le</td>
</tr>
</tbody>
</table>

Source: Dong Ha PMU and Dong Ha RC, 2008.

9. The total number of households to be affected by the Drainage System is 279, with 1,283 persons, including 183 APs to be affected a small part of structures, 31 and 62 APs to be acquired a small area of residential and agricultural land, respectively. No AP is severely affected. There are 3 APs to be affected their small houses but no need to relocate, because they were affected by the Road Project (completed already) and built their new houses behind the affected houses. However, because the affected houses were not compensated by the Road Project the owners did not demolish and wait for compensation from this project (CRUEIP). A summary of impacts on the land and structures by the package is presented in Table 2.

10. The full scale of resettlement impacts, and complete figures of land acquisition, houses, structures, and other affected assets were determined during DMS and socioeconomic survey from April, to June 2008 after detailed design of civil works was completed. A total amount of land acquired for the civil works is 9,458 m², including 8,733 m² of agricultural land of 62 APs and 725 m² of residential land of 31 APs. There are 3 APs to be affected a small part of houses with total 100m² and not to be relocated.

<table>
<thead>
<tr>
<th>Impact categories</th>
<th>Number of HHs</th>
<th>Persons</th>
<th>Area to be acquired (m²)</th>
<th>Total area own (m²)</th>
<th>% of owned land to be acquired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houses</td>
<td>3</td>
<td>14</td>
<td>100</td>
<td>650</td>
<td>15.3</td>
</tr>
<tr>
<td>Structures</td>
<td>183</td>
<td>842</td>
<td>see annex 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential land</td>
<td>31</td>
<td>142</td>
<td>725</td>
<td>6,250</td>
<td>11.6</td>
</tr>
<tr>
<td>Agri. land</td>
<td>62</td>
<td>285</td>
<td>8,733</td>
<td>82,105</td>
<td>10.6</td>
</tr>
</tbody>
</table>

Source: PPMU

11. During project implementation, alternative technical design was identified to reduce resettlement impacts potentially caused by subproject physical infrastructure development. Mitigation measures were taken to reduce the scale of resettlement. The drainage system is constructed in existing canal behind APs’ houses, so that reducing impacts on land and the structures of the local people.
12. This updated resettlement plan (RP) applies to Package DH/ICB/1 for which there has been design completion. The purpose of this updated RP is to ensure that all APs be compensated at replacement cost at current market value for their losses, and provided with rehabilitation measures, including transition allowance, so they are at least as well off as they would have been in the absence of the project. This updated RP is based on (i) DMS of 100% of APs in the affected areas by the drains (Attachment 1), (ii) on a socioeconomic survey of 20% of APs, and (iii) group discussions with APs.

13. The policies and principles adopted for the Project have been established based on these surveys, on Vietnamese legislation, and the Asian Development Bank’s (ADB) Policy on Involuntary Resettlement. Wherever a gap exists between ADB’s Policy on Involuntary Resettlement and Vietnamese law, ADB policy supersedes the provisions of relevant Vietnamese decrees. The provisions and policies of this RP will form the legal basis for the implementation of resettlement activities for the Dong Ha subproject.

14. The Quang Tri Provincial People’s Committee (PPC) is responsible for approval of RP and resettlement related issues, including the RF for this Project. After detailed engineering design for the package was complete, number of APs was identified, and compensation unit rates were updated for all categories of lost assets and allowances based on replacement cost surveys during implementation, the RP for the package is being updated. Following approval by the ADB, the PPC will be responsible for implementing the updated RP. ADB shall not approve any civil works contract for any subproject to be financed from the loan proceeds unless the Government has satisfactorily completed all land acquisition, and resettlement activities, including the establishment of rehabilitations measures.

II. SOCIOECONOMIC INFORMATION

A. Source of Data

15. During the DMS (May 2008), a socioeconomic survey of APs of ICB/1 package was taken to identify their socioeconomic profile. This serves as a base for identification of appropriate measures that could assist APs to at least recover their living standards and restore their sources and levels of incomes or productive capacities. Total 35 APs of the package were interviewed. Land acquisition and resettlement requirements were estimated based on detailed land use data in the civil construction area, and on technical designs.

16. DMS and socioeconomic survey of 100% of the APs, and replacement costs survey was conducted in the whole subproject area to identify compensation rates at full replacement costs at current market value. The RP for the package is updated thereafter to reflect the current information.

B. Social Profile

Population characteristics

17. All households (100%) surveyed are of Kinh origin. There are no ethnic minority persons found in the project area (Table 3). The average size of households surveyed is 4.6 persons (a slight decline compared to the survey 2003 with 5.2 persons).

18. The average sex ratio of the total population surveyed is 48% male and 52% female (Table 3). The average age of household heads is 52.8 years and for all household members is 25.5, much younger than that of 2003 survey (33 years).
Table 3: Population characteristics of households surveyed

<table>
<thead>
<tr>
<th>Ward/Commune</th>
<th>No. of surveyed HHs</th>
<th>Total No. of surveyed persons</th>
<th>Ethnicity (% Kinh)</th>
<th>Ave. HH size (pers/HH)</th>
<th>Sex ratio of HH head</th>
<th>Sex ratio (Other HH members)</th>
<th>HH Average age (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICB/1</td>
<td>35</td>
<td>162</td>
<td>100</td>
<td>4.6</td>
<td>20 (57%)</td>
<td>15 (43%)</td>
<td>52.7 25.5</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys, 2008.
Key: W=ward, C=commune; HH= household, M=Male, F=Female, Memb=Member

19. The average number of school attendance years is 6.5 for HH heads and 7.8 for all household members, higher than the figures of 2003 survey (4.5 for household heads and 5.5 for the all members surveyed, (excluding children under 6 years). Table 4.

Table 4: Average Education of Household Heads and Members

<table>
<thead>
<tr>
<th>Physical Works</th>
<th>Education Average (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HH Head</td>
</tr>
<tr>
<td>ICB/1</td>
<td>6.5</td>
</tr>
</tbody>
</table>

Source: Socioeconomic survey, 2008

Impacts on Land and Structures

20. Almost all APs in this package are marginally affected by the civil works due to loss of very small part of residential land, agricultural land, houses or structures. There are 3 APs to be affected a small part of main houses but no need to relocate. Total house area of 3 APs to be demolished is 100m². Almost all structures affected by the package are toilet, kitchen, small drains connecting to canals, brick or wire fences.

Need for Relocation

21. There are 3 APs to be affected a small part of houses but no need to relocate. The RC made compensation plan to compensate for the affected part of houses and support for reparation.

Occupation and Income

22. The main occupation of the surveyed APs’ heads is doing small business and services in combination with gardening. The main income of the surveyed APs’ heads derives from business and services. Farming contributes a small part to their income, according to the surveyees (Table 5).

Table 5: Occupation of surveyed household heads

<table>
<thead>
<tr>
<th>Jobs</th>
<th>Number of HH heads</th>
<th>Farming</th>
<th>Business/service</th>
<th>Workers</th>
<th>Retired</th>
<th>Unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>11</td>
<td>10</td>
<td>3</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Socioeconomic survey, 2008

23. On average, business/service is the most popular work in the area. Almost all APs of the population surveyed derive their income from business and services. Although 17 APs are farming, but the income from this work is very small. Workers account for 11.1% of all APs and this is the only kind of salary work. Remarkably, number of students account for 47/127 persons (37%), making a significant part of inactive economically population (Table 6).
Table 6: Occupation Household Members

<table>
<thead>
<tr>
<th>Main Occupation</th>
<th>Unemployed/children under 13</th>
<th>Hired</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farming Workers</td>
<td>17</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td>Business</td>
<td>14</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Retired</td>
<td>20</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Students</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Unemployed/children under 13</td>
<td>47</td>
<td>0</td>
<td>47</td>
</tr>
<tr>
<td>Hired</td>
<td>25</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>47</td>
<td>0</td>
<td>127</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys, 2008.
Key: W=ward, C=commune; *Includes household heads.

24. The average household income is 1,800,000 VND per month, equal to a monthly per capita income of 395,000 VND (Table 7), a slight increase compared to 2003 survey (D321,400).

Table 7: Average Monthly Income of Households Surveyed

<table>
<thead>
<tr>
<th>Physical Works</th>
<th>Average Income per HH</th>
<th>Average Income per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICB1</td>
<td>1,800,000</td>
<td>395,000</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys, 2008.

Land Tenure

26. The average size of residential plots in this ICB/1 is 200 m². All affected households have certificates or papers from either the Provincial or district Commune People’s Committee, which can be considered as permanent LURCs. Some APs made toilet on the banks of drain canals, so they are not compensated for land but for affected structures.

Living Conditions

27. HHs in ICB/1 area are among the poorest residents in Dong Ha Town. Most households surveyed have a house of semi-permanent (74%). Although houses are rated as 3A, 3B, 3C with concrete frame, titled floor, most of them are in old condition. Moreover, houses are influenced annually by flooding, causing damage in parts. There are temporary and makeshift houses in the ICB/1 area which are owned by low income households (26%).

28. All households surveyed use pipe water for drinking or domestic purposes and access to electricity. The fuel sources for cooking are gas and firewood.

Table 8: Source of Drinking and Domestic Water

<table>
<thead>
<tr>
<th>Physical Works</th>
<th>Water Source (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Piped Water</td>
</tr>
<tr>
<td>ICB/1</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys, 2008.
Table 9: Source of Cooking Firewood (%)

<table>
<thead>
<tr>
<th>Physical Works</th>
<th>Cooking source (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Firewood</td>
</tr>
<tr>
<td>ICB/1</td>
<td>36.7</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys, 2008.

29. The most significant assets of households surveyed are motorbike, electric fans, TV (Table 11). In general, households in all area can access easily to public services in the town (Tables 12).

Table 10: Main Assets Possessed (Average per Household)

<table>
<thead>
<tr>
<th>Physical Works</th>
<th>Bicycle</th>
<th>Motor Bike</th>
<th>Boat</th>
<th>Refrigerator</th>
<th>TV</th>
<th>Fans</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICB/1</td>
<td>15</td>
<td>75</td>
<td>0</td>
<td>40</td>
<td>100</td>
<td>100</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys, 2007

Table 11: Average Distance from Households to Public Services

<table>
<thead>
<tr>
<th>Physical Works</th>
<th>Average Distance to Social Facilities (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Health Care Center</td>
</tr>
<tr>
<td>ICB/1 – Ward 1</td>
<td>829</td>
</tr>
</tbody>
</table>

Source: Socioeconomic surveys 2007.

APs Perception Towards the Project impacts

30. Most households surveyed recognized that the Project would improve their local environmental sanitation (95%) and transport (63%), especially for people living in the riverside areas. Some households expect that the flooding problems will be solved with the drainage improvements (92%), but few think that the Project will favor conditions for trading, income generation (5%). The main potential negative impacts perceived by the households surveyed include: loss of main income sources (5%), loss of agricultural land (22%), and/or difficulties in employment (15%). About 10% of households believed that the subproject might disturb their living conditions.

31. Affected households expressed the fairness or adequacy of compensation (95%).

III. DEFINITION OF TERMS

32. **Affected Persons (APs).** An AP is any person or persons, household, a firm or private institution, who, as of the cut-off date of the Project, or any of its subcomponents or parts thereof, would have their:

   (i) Right, title or interest in any house, land (including residential, commercial, agricultural, forest and grazing land) or any other fixed or moveable asset acquired or possessed or otherwise adversely affected, in full or in part, permanently or temporarily; and/or

   (ii) Business, occupation, work, place of residence or habitat adversely affected, with or without displacement; and/or
(iii) Standard of living adversely affected.

33. **Compensation.** Compensation means payment in cash or in kind to replace losses caused by the Project of land, housing, income and other assets.

34. **Cut-off Date.** The date that the DMS is completed for updating RP for the Package, and the DMS was done once the detailed design of that subproject was completed. The cut-off date of entitlement is 31 May 2008, the date of completion of the DMS for Dong Ha Drain System.

35. **Eligibility.** Any person (s) who, at the cut-off date (31 May 2008), was located within the affected area of the drainage, and would have their (i) standard of living adversely affected; (ii) right, title, or interest in any house, land (including residential, agricultural, forest, and grazing land) or any other fixed or moveable asset acquired or possessed or otherwise adversely affected, in full or in part, permanently or temporarily; or (ii) business, occupation, work, place of residence or habitat adversely affected, with or without displacement.

36. **Evaluation.** Evaluation is assessment at one given point of time of the impact of intervention, and the extent to which stated objectives has been achieved.

37. **Income Restoration.** Income restoration is the re-establishment of income sources and livelihoods of affected people.

38. **Land acquisition.** The process whereby a person is compelled by a public agency to alienate all or part of the land that is owned or possessed, to the ownership and possession of that agency, for public purpose in return for compensation.

39. **Monitoring.** Monitoring means the process of regularly measuring the progress in effectively completing project activities and in achieving the goal and objectives of the project.

40. **Rehabilitation.** Rehabilitation is the process of restoring income earning capacity, production levels, living standards, and social networks in the long-term. Rehabilitation measures are provided in the entitlement matrix as an integral part of the entitlements.

41. **Relocation.** Relocation is the physical movement of an AP from the pre-Project place of residence or business to a new location. May include rebuilding housing assets, including productive land and public infrastructure in another location.

42. **Replacement Cost.** Replacement cost means market value, or its nearest equivalent, plus any transaction costs such as administrative charges, registration and titling costs. Replacement cost for agricultural land will be based on its productive potential and/or on its current market value. Replacement cost of houses and structures will be based on current fair market price of new building materials and labor without depreciation or deductions for salvaged building material. Replacement cost for residential land, crops, trees and other commodities will be at the current market value of these assets. This will ensure that the APs are able to reconstruct houses and other structures of better or at least the same quality as before. In the absence of land markets, the PPC will establish a compensation structure that enables APs to restore their livelihoods to levels equivalent to or better than those maintained at the time of land acquisition and/or resettlement.

43. **Resettlement Effects.** Resettlement effects mean all negative situations directly caused by the Project/subproject, including loss of land, property, income generation opportunity, and cultural assets.
44. **Resettlement Plan.** An action plan that is time-bound with a budget setting out resettlement strategy, objectives, entitlements, actions, responsibilities, monitoring and evaluation.

45. **Severely Affected Person(s).** For this Project, severely affected person is defined as a person who will (i) lose more than 20% of total agricultural or commercial landholding; (ii) be physically displaced, or lose more than 50% of their main residential and/or commercial structure, or whose houses or structures are considered unstable or unviable, and/or (iii) lose more than 20% of their total income sources due to the Project.

46. **Significant Resettlement Effects.** Resettlement effect is significant for each subproject when 200 or more persons will experience major impacts. “Major” impacts being physical displacement from housing and/or loss of more than 20% of the households’ productive (income-generating) assets.

47. **Vulnerable Groups.** Vulnerable groups are distinct groups of people who might suffer disproportionately from resettlement effects, including the poor landless and semi-landless, female-headed, elderly and disabled households. No ethnic minority households were found to be adversely affected by this Project, or any subcomponents thereof.

IV. **LEGAL FRAMEWORK**

A. **Asian Development Bank Policy**

48. The objectives of ADB’s *Policy on Involuntary Resettlement* (November 1995), are to avoid involuntary resettlement whenever feasible, to minimize resettlement where population displacement is unavoidable, and to ensure that displaced persons receive assistance so they are at least as well-off as they would have been in the absence of the Project. The policy stipulates three important elements in involuntary resettlement: (i) compensation for lost assets and loss of livelihood and income, (ii) assistance in relocation including provision of relocation sites with appropriate facilities and services, and (iii) assistance with rehabilitation so as to achieve at least the same level of well-being with the Project as before. The policy further specifies that the absence of legal title to land cannot be considered an obstacle to compensation and rehabilitation privileges. All persons affected by the Project, especially the poor, landless, vulnerable, and disadvantaged households should be included in the compensation, transition allowance, and rehabilitation package.

B. **Vietnamese Laws and Regulations**

1. **Laws Relevant to Land Acquisition Procedures**

49. The Land Law of 14 July 1993, Decree No. 22/CP of 24 April 1998 and Decree No 197/CP on 3 December 2004 are the most important documents forming legal framework for compensation and resettlement in Viet Nam. The Land Law is a comprehensive land administration law, which supercedes the earlier 1987 version. The Land Law gives people access to land through land-user rights, which are similar to private ownership. The Decree No. 22/CP provides legislation regarding resettlement, and Decree No. 145/1998/TT-BTC provides guidelines for the implementation of Decree 22/CP. It concerns compensation levels and other allowances for land and structures acquired for the national and public purposes. Decree No197/CP provides details on entitlements of compensation and allowances when the State acquires land. This Decree shows the closeness between ADB Involuntary Resettlement Policy with the Vietnamese Laws in entitlement of compensation and supports for the APs. Decree No 17/CP issued on 27 January 2006 provides some amendment and supplement to Decree 197, specifying some items in Decree 197 and giving instructions on implementation of Decree 197. Decree No 84/CP issued on 25
May 2007 is a supplementary legal document on procedure of issuing Land use certificate and on terms of land use legality.

50. The Resettlement Framework that was approved by Quang Tri PPC on 9 August 2007 serves as basic guidelines for all resettlement activities within the Project in general and for the Package in particular. There are also a substantial number of other laws, regulations, and decrees that are relevant to land acquisition and resettlement. The most important of these are as follows:

(i) The Constitution of the Socialist Republic of Viet Nam, 15 April 1992;
(iii) Decree No. 87/CP, 17 August 1994, regulation on price framework for land categories and compensation for losses when state recovers land;
(iv) Decree No. 60/CP, 5 July 1994, regulation on property ownership and the right to use urban residential land;
(v) Decree No. 45/CP, 3 August 1996, regulation on allowing land use rights to those non-eligible under Decree No. 60/CP;
(vi) Decree No. 64/CP, 27 September 1993, regulation on transferring agricultural land to households for long-term use;
(vii) Decree No. 89/CP, 17 August 1994, regulation on collection of land tax levies in provision of certification of use right for residential and commercial land;
(viii) Decree No. 91/CP, 17 August 1994, regulation on management of urban planning;
(ix) Decree No. 17/ND-CP, 4 May 2001, regulations on management and utilization of overseas development assistance;
(x) Decree No. 90/CP, 17 August 1994, regulation on price framework for land categories and compensation for losses when the State recovers land being used on a temporary basis, as covered by an agreement entered into prior to 1993 and is still effective;
(xi) Decree 52/CP, 8 July 1999, regulation on investment and construction management, including the requirement for getting a resettlement plan appraised together with the feasibility report of an investment project;
(xii) Circular No. 5-BXD/TT, 9 February 1993, regulations on building classifications;
(xiii) Decree 197/2004/ND-CP dated 03/12/2004 on the compensation and support and resettlement when the State acquires land;
(xiv) Decree 17/2006/ND-CP dated 27/01/2006 on the amendment and supplement of some Articles in the Decree 197 and Decrees providing instructions on implementation of Land law;
(xv) Decree 188/2004/ND-CP on 16 Nov 2004 on methods to evaluate land price and framework of land types;
(xvi) Decree 123/2007/ND-CP on 27 July 2007 as supplement to Decree 188 on new methods to rate land price and framework of land types;
(xvii) Decree 84/2007/ND-CP dated 25/05/2007 on the supplement of the issuance of Land use certificate, land acquisition and compensation, support and resettlement procedures when the State acquires land;
(xviii) Resettlement Framework updated in 2007 of the Central Region Urban Environmental Improvement Project;
(xix) Decision No: 1951/QD-UBND issued on 9th August 2007 on approval of Resettlement Framework for the CRUEIP;

(xx) Decision No 83/2006/QD-UBND issued on 22 December 2006 by Quang Tri Province on land, house, crops pricing rate as well as land, house, crops classification in Quang Tri Province (applied for 2007)

51. With promulgation of the Decree No. 197/CP, the Government has issued legislation regarding resettlement, so far the closest Vietnamese legislation to the principles of ADB's Policy on Involuntary Resettlement. The main issues regarding Decree No. 197/CP are:

(i) New stipulations, proven appropriate with ADB and other development partners, were added to accommodate with major changes in compensation unit prices, objects to be affected, assistance levels, et cetera, in Viet Nam since 1993;

(ii) General provisions were provided for compensation processes and procedures to all organizations and individuals who need to acquire land;

(iii) Responsibilities of government agencies have been assigned concerning the implementation of the Decree;

(iv) Organization and implementation have become the responsibility of the provincial authority, which must create a compensation and evaluation council with representatives from various services, ministries, and affected persons;

(v) Entitlements for compensation and allowances in case of land acquisition and resettlement;

(vi) Identifying entitled affected subjects;

(vii) Guidelines for resettlement activities.

52. However, there still exist differences between Vietnamese regulations and ADB’s Policy, which are mainly related to compensation policy applied for illegal land users and the main compensation principle (replacement cost) for affected assets. Table 12 presents the main areas of discrepancies between Decree No. 197/CP and ADB's Policy.

53. Quang Tri PPC adopted the Resettlement Framework in August 2007, showing the will to implement all resettlement work in line with ADB policy. In 2006, Quang Tri issued Decision 83/2006/QD-UBND on 22 December 2006 on land, house, crops classification and price list. However, Quang Tri PPC did not issue any document particularly related to compensation and resettlement policy in Quang Tri Province. Therefore, all compensation and allowances entitlements and resettlement procedures have been in line with ADB policy and adopted RF.

54. Since 2006, annually, Quang Tri Province issues new updated price for land, structure, crops/trees, based on market investigation carried out in the Province territory.

<table>
<thead>
<tr>
<th>Table 12: Discrepancies Between Decree No. 197/CP and ADB Policy</th>
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<tbody>
<tr>
<td><strong>Decree 197/ND-CP, 17/ND-CP and 84/ND-CP</strong></td>
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<tr>
<td>Clause 6: Any people whose lands are acquired by the State, satisfying one of the conditions in the Article 8 of the Decree 197 will receive compensations; in</td>
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<tr>
<td><strong>Decree 197/ND-CP, 17/ND-CP and 84/ND-CP</strong></td>
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<tr>
<td>case of being unable to meet one of the conditions, the Provincial or Central level-municipal People Committee will consider support mechanism. Article 44 and 45 of Decree 84 regulate that lands have been used before 15/10/1993 and from 15/10/1993 to 01/7/2004 without any papers regulated in Clause 1; Article 50 of the Land Law, and confirmed by the CPC about the indispute over the land use will be compensated. Compensation level and area are regulated in this Clause according to specific case.</td>
</tr>
<tr>
<td>Clause 9: Price of land compensation will be decided by PPC based upon the Government Regulations on Land types which are being used at the period of land acquisition. Article 4, Item 2 of the Decree 17/2006/ND-CP ratified and supplemented Clause 1, Article 9 of Decree 197 as follows: “Prices of land compensations are the prices of lands with current using purposes which have been regulated and promulgated by Provincial or Central level municipal People Committee, not the prices of lands of which the using purposes will be shifted to; at the point of time when the decision on land acquisition has been made, if the prices are not close to the actual market prices of land use conveyance in a normal condition, then the Provincial or Central level municipal People Committee will make appropriate decisions on the prices”</td>
</tr>
<tr>
<td>Clause 18, 19, 20: - Houses and constructions on land which are ineligible to be compensated and do not breach the issued land use planning will be supported maximum 80% of the values of the houses or constructions according to the replacement costs . In case of breaches of the issued planning, there will be no support. In special cases, PPC will consider to support.</td>
</tr>
<tr>
<td>Decree 197/ND-CP, 17/ND-CP and 84/ND-CP</td>
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<tr>
<td>Clause 26, 28: Only people doing business with business licenses will be supported</td>
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<tr>
<td>Clause 28, 29: APs whose 30% of production lands have been lost will be supported to rehabilitate and trained/provided with jobs. Decree 17/2006 emphasizes on this Clause by supplementing longer supporting time for poor households.</td>
</tr>
<tr>
<td>There is no clause regulating independent resettlement monitoring.</td>
</tr>
</tbody>
</table>

C. Type of Land Users In Viet Nam

55. There are four (4) types of land users in Vietnam:

1. Land Users with Permanent Land Use Rights

56. The right for APs to use land permanently comes in the form of a LURC issued by the district or town authority, which has the power to grant land use rights. Land users with permanent land use rights include those ‘legal’ and ‘legalizable’ land users. Legal land users are those with LURCs, and legalizable land users are those who are awaiting LURC approval by the Town authority. These users have documents to support such status.

57. APs with legal and legalizable land use rights have full title to the land and will be compensated accordingly. This category of APs will also include those who are in the process of obtaining permanent land use rights and who have documents to prove such status. These families have applied for a permanent LURC. Pending issuance, the PPC will have issued a temporary certificate. It usually takes several years before an LURC can be issued. In the meantime the land users are considered legal occupants with the same rights as permanent legal occupants and they will be compensated accordingly.

58. Conditions for APs to be legalized with a permanent LURC include: APs use the land stably before the IOL survey, land in urban areas has to conform to the Town Master Plan at the date when APs obtain it, and the land is not disputed. The ward or commune authority will confirm the above two conditions.

2. Land Users with Temporary/Lease Land Use Rights

59. This category includes those who occupy land temporarily or on a leased-basis allocated to them by the ward or commune authority with written permission or a signed contract. APs may have temporary land use rights for an indefinite period, the validity of which can be extended. Tax is paid for crops but not for land. They may have cultivation land elsewhere with a permanent LURC and cannot be legalized as a legal permanent land user.
60. Temporary land users also include those who lease the land on a contract basis for a certain period, paying leasing fees. The duration of leased contracts varies widely. Such APs cannot be legalized as legal permanent users.

61. These APs are entitled to cash compensation for loss of standing crops and trees at market prices, rehabilitation package, and either (i) cash compensation for lost income from the affected land for the remaining lease or assigned period, or (ii) cash assistance or replacement land at 30% of the replacement costs of the affected land, whichever is higher, according to Decree 197/CP.

3. Land Users Without Permanent or Legalizable Rights to Use Land

62. This category includes those who do not have land use rights, and deliberately occupy communal/public land or encroach on the safety areas of public works (right of way, ICB/1s, power lines) for the purpose of housing or commercial use after being warned not to encroach. They are identified as illegal land-using APs. They are not entitled to compensation for land, but will be compensated for their lost assets and rehabilitated as all other APs. Poor and vulnerable households will also be allocated use rights to replacement land and rehabilitation assistance to ensure that they are able to restore, if not improve their income levels and living standards.

4. Land Users or Management Organizations

63. Land users or land management organizations are Commune People’s Committees (CPCs) or public organizations. They manage and operate land, or give it to an individual, organization, or private firm for temporary use in form of temporary land use right or leased contract. If the recovered land belongs to the commune public land fund, or to the communal land, then cash compensation will be paid to the commune. In case of temporary land allocation by commune, 70% of the remaining value of the affected land will go to the commune budget, after 30% is paid directly to APs.

V. COMPENSATION POLICY

A. Objectives for Resettlement

64. The objectives of the Vietnamese legislation governing the resettlement and rehabilitation of displaced persons, and of ADB’s Policy on Involuntary Resettlement have been adapted for the preparation of the RP for the Dong Ha Central Region Urban Environmental Improvement subproject. The main objective of the RP is to ensure that populations affected by the Project should be at least as well off, if not better off, than they would have been without the Project. Affected populations should be able to maintain and preferably improve their standard of living and quality of life. The policies and principles adopted for the Project supersede the provisions of relevant decrees currently in force in Vietnam wherever a gap exists between ADB’s Policy on Involuntary Resettlement and Vietnamese law.

B. Principles of Resettlement

65. The following basic principles have been adopted for the Project:

(i) The populations affected by the Project are defined as those who may stand to lose, as a consequence of the Project, all or part of physical and nonphysical assets, including homes, homesteads, productive lands, commercial properties, tenancy, income-earning opportunities, social and cultural activities and relationships, and other losses that may be identified during the process of resettlement planning.
Land acquisition and involuntary resettlement has been, and will continue to be minimized by identifying possible alternative project designs, and appropriate social, economic, operational and engineering solutions that have the least impact on populations in the Project area.

The cut-off date for compensation eligibility for physical assets affected by the drains is the date when the DMS was completed (31 May 2008) during the resettlement planning process.

A DMS, baseline socioeconomic survey, and a replacement cost survey were carried out for the package after detailed design was completed. A replacement cost survey was also conducted for the whole subproject to advise the PPC on compensation rates based on market value.

All affected populations have been entitled to be compensated for their lost assets, incomes and businesses at full replacement cost and provided with rehabilitation measures sufficient to assist them to improve or at least restore their pre-Project living standards, income levels and productive capacity.

All affected populations were equally eligible for compensation and rehabilitation assistance, irrespective of tenure status, social or economic standing, and any such factors that may discriminate against achieving the objectives outlined above.

Special measures were included in this updated RP to protect socially and economically vulnerable groups (e.g., single female-headed households, the disabled, children, war invalid) with or without support structures. People living in poverty were provided additional assistance as required during the relocation and transition periods, including rehabilitation measures.

In the case of population relocation, efforts have been made for the existing social and cultural institutions of the people being resettled and host community to be maintained to the extent possible. Previous level of community services and resources will be improved after resettlement.

Updating this RP, as part of the subproject preparation, and their implementation were carried out with the full participation of affected people. APs’ comments and suggestions were duly taken into account during the design and implementation phases of the RP.

Adequate budgetary support has been fully committed and be made available to cover the costs of land acquisition, resettlement and rehabilitation within the agreed implementation period.

The executing agency has taken care that institutional arrangements are in place to ensure effective and timely design, planning, consultation and implementation of the land acquisition, compensation, resettlement, and rehabilitation program.

There have been mechanisms for hearing and resolving grievances during the implementation of the RP.
(xiii) ADB shall not approve of any civil works contract for any subproject to be financed from the loan proceeds unless the Government has completed satisfactorily and in accordance with the approved RP for that subproject compensation payment and relocation to new sites, and ensured rehabilitation assistance is in place prior to obtaining possession and rights to the land.

(xiv) Detailed RP for implementation shall be translated into Vietnamese after ADB approves and placed in project and commune offices for the reference of affected people as well as any interested groups.

(xv) Appropriate reporting, monitoring and evaluation mechanisms have been identified and set in place as part of the resettlement management system. Evaluation of the land acquisition process and the final outcome are independent of the executing agency.

C. Eligibility Criteria

66. Any person (s) who, at the cut-off date (31 May 2008), was located within the affected area of the drainage and would have their (i) standard of living adversely affected; (ii) right, title, or interest in any house, land (including residential, agricultural, forest, and grazing land) or any other fixed or moveable asset acquired or possessed or otherwise adversely affected, in full or in part, permanently or temporarily; or (ii) business, occupation, work, place of residence or habitat adversely affected, with or without displacement. An Entitlement Matrix is shown in Attachment 2.

67. The cut-off date of eligibility for entitlement is the 31 May 2008, the date the DMS was completed in Dong Ha Drains. Persons who encroached into the area after this date are not entitled to compensation or any other form of resettlement assistance. However, those persons who have land, houses and/or other assets or properties lost legally due to the land acquisition caused by the Project, but are identified after the cut-off date, as the consequence of the change in or delayed availability of detailed technical designs, will be eligible to full entitlements provided by the RP, equal to the legal APs listed in the DMS.

D. Compensation Policy for Permanent Loss of Agricultural Land

1. Land Users with Permanent or Legalizable Use Rights

68. For agricultural land that will be permanently affected and/or lost, all APs are entitled to the following:

(i) Marginally Affected Persons. Marginally affected persons are those who will lose less than 20% of their total agricultural landholdings. They are entitled to:

(a) Cash compensation for acquired land at full replacement cost; AND
(b) Cash compensation for loss of crops and trees at market prices.

(ii) Severely Affected Persons. Severely affected persons are those who lose 20% or more of their total agricultural landholdings. APs will be free from taxes, registration, and land transfer fees. They are entitled to:

(a) As a priority, land-for-land arrangements with full legal title to land of equivalent productive capacity at a location accepted to APs (if having land
fund in the town), OR, cash compensation for loss of land at full replacement costs; AND

(b) Cash compensation for loss of crops and trees at full replacement costs; AND

c) Subsistence allowance, and rehabilitation assistances; AND

d) If the remaining land is not economically viable, the APs have the option to continue use of the remaining land, or sell it to the Project at replacement cost.

(No such case in this package, so this policy is not applicable).

2. Land Users with Temporary or Lease Land Use Rights

69. APs are compensated for crops lost and receive compensation for their investment in the land. These APs are entitled to cash compensation for loss of standing crops and trees at market prices, rehabilitation package, and either (i) cash compensation for lost income from the affected land for the remaining lease or assigned period, OR (ii) cash compensation or replacement land at 30% of the replacement costs of the affected land, whichever is higher. If the remaining land is not economically viable, APs have the option to either continue using the land remaining in keeping with the owner’s agreement, or sell it to the Project at 30% of replacement cost. Poor and vulnerable households, including landless APs, will be entitled to (i) assistance by the local authority to obtain land of an area equal to the minimum standard size, with full legal title to land, AND/OR (ii) transition allowance and rehabilitation measures, including social assistance allowance, job training and training allowance for its working member(s). APs are free from taxes, registration, and land transfer fees.

(No such case in this package, so this policy is not applicable).

3. Land Users Without Permanent or Legalizable Rights to Use Land

70. There are 62 APs who lose agricultural land to be compensated for land and crops at replacement cost. Some others use public land (Ward people’s committee) for cultivation, they are entitled to compensation for crops and trees at full replacement costs but the land is compensated at a quarter of the standard price.

4. Land Users or Management Organizations

71. If the recovered land belongs to the commune public land fund, or to the communal land, then cash compensation will be paid to the commune. In case of temporary land allocation by commune, 70% of the remaining value of the affected land will go to the commune budget, after 30% is paid directly to the APs. Affected persons will be compensated directly for any affected crops and trees at full replacement costs at current market prices. In this package, 6 organizations/groups to be affected land will be applied this compensation policy.

E. Compensation Policy for Temporary Loss of Agricultural Land

72. Affected persons may face temporary loss of agricultural land during the construction period, which may be less than one year. All APs will be compensated for (i) the loss of crops and trees at current

\[1\] This remaining land then will be transferred by the project to local land use/management organizations.
market prices, AND (ii) the loss of net income from subsequent crops that cannot be planted for the duration of project temporary use, AND (iii) land restoration to its previous or better quality by providing measures to improve land quality in cases of land being adversely affected or acidified. No application.

73. If disruption is more than one (1) year, APs who are legal, permanent and temporary/lease users of land, have the option to (i) continue the temporary use arrangements; or (ii) sell affected land to the Project at full replacement costs in accordance with land use categorizations, as previously defined: (a) at full replacement costs, OR (b) at 30% of the replacement cost, OR (c) at full replacement costs of which 70% goes to the commune budget after 30% is paid directly to the APs. Poor and vulnerable households, including landless APs, will be entitled after one (1) year to (i) assistance by the local authority to obtain land of an area equal to the minimum standard size, with full legal title to land, AND/OR (ii) transition allowance and rehabilitation measures, including social assistance allowance, job training and training allowance for its working member(s). APs will be free from taxes, registration, and land transfer fees.

74. In this package, there is no temporary loss of land.

F. Compensation Policy for Residential and/or Commercial Land

75. In case there are no structures on the residential and/or commercial land, cash compensation is paid at full replacement cost of the affected area. If relocation is required, then legal and legalizable APs with permanent land-use rights to affected land will be entitled to (i) stay and rebuild their structures on the remaining land if viable, OR (ii) opt for relocation. APs are free from taxes, registration, and land transfer fees. In this package, no APs will be resettled.

76. Reorganizing Affected Persons. Three APs losing a small part of house will be compensated for affected residential land and an affected part of house built thereon. Besides, they will be provided following allowances: Subsistence, housing rent, material transportation and incentive bonus for giving land on time.

77. Relocating Affected Persons. APs who have no viable remaining land, may opt for relocation. Relocating APs who prefer to move to another site instead of a resettlement site, will be paid cash compensation for land at full replacement cost at current market value. They will have the choice of one of the following options:

(i) Relocation to an Individual Resettlement Site
   (a) Land-for-land compensation with full title to a plot of land of equal area and quality (not less than the standard plot size of 100m²) at an individual location or in small groups together with several other APs from the municipality; AND
   (b) Compensation for affected structures at full replacement cost; AND
   (c) Sufficient support to develop their own access road, water, drainage, electricity if available, and land filling at replacement cost; AND
   (d) Transition allowance and rehabilitation measures, including: living, transportation, and incentive bonus allowances; AND/OR
   (e) Business transition allowance, if the relocating AP is a business; OR

(ii) Self Relocation

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2 “Viable” means an area of adjoining residential and garden land sufficient for the reconstruction of a house large enough to provide the AP with acceptable living conditions. The minimum plot for determining reorganization will be equal to, or more than, 70 m². “Viable” also refers to the stability of the structure itself, after the proportion of the structure is acquired for the Project. A threshold of 50% has been used to help in assessing the level of impact.
(a) Cash compensation at full replacement cost for their legal affected land and structures, if they prefer to make their own arrangements; AND
(b) Transition allowance and rehabilitation measures, including living, transition, and incentive bonus allowances, AND/OR
(c) Business transition allowance, if the relocating AP is a business.

Not application in this package.

78. **Temporary or Leased Land Users.** APs who are temporary or leased land users are eligible for the same entitlements as other APs who will be relocating. However, if APs with temporary or leased land users decide to self-relocate, they will be paid cash compensation equal to 30% of the replacement cost for the residential land at the affected site. The remaining provisions, including house rent, transition allowance and rehabilitation measures will apply. If the impact is marginal, then the AP will be entitled to cash assistance at 30% of the replacement cost of the affected area. Cash compensation for affected structures at full replacement costs will be provided. Not application of this policy in this package.

79. **Affected Persons without Legal or Legalizable Rights.** Affected persons will not be entitled to cash compensation for acquired land, but will be entitled to:

   (i) Relocation to a standard size plot (not less than the standard plot size of 100m²) on a fully serviced group site, or to an individual resettlement site with sufficient cash, at replacement cost, to development their own access road, water, electricity and land filling, AND

   (ii) Compensation for affected structures at full replacement costs; AND

   (iii) Transition allowance and rehabilitation measures, including living, transportation, incentive bonus allowances, and training assistance.

G. **Secondary Affected Persons**

80. This applies to those affected by borrow areas needed for construction or for individual resettlement or group resettlement sites. Because all secondary APs are likely to be affected through loss of agricultural land, they will be entitled to compensation and rehabilitation assistance in accordance with the same provisions for all other APs.

   Not application of this policy in this package.

H. **Compensation Policy for Loss of Structures**

1. **Loss of Structures**

81. This applies to three types of APs having houses or structures affected by the project in recovered areas: (i) APs who have written or verbal permission to build their houses or structures (legal owners); (ii) APs without building permission for their houses or structures. This category includes those owners, at the moment of constructing their houses or structures, they were given written or verbal notice by local authority to stop building; and (iii) APs leasing a house and/or land.

82. APs losing structures will be entitled to the following:
(i) Cash compensation for all affected structures at full replacement cost for materials and labor, with no deductions made for depreciation or salvageable materials. Compensation will be provided regardless of whether or not they have title to the affected land or permit to build the affected structure. The amount will be sufficient to rebuild a structure the same as the former one at current market prices; and

(ii) The calculation of rates will be based on the actual affected area and not the useable area.

83. **Partially Affected Houses or Structures.** For partially affected houses or structures that can be used further, the APs will receive cash assistance, in addition to the compensation for the actual part lost, for repairing the house to at least equal to previous or better conditions.

**Tenants or Lessees of Houses.**

84. Tenants or lessees are entitled to the following:

(i) Six (6) months of rent allowance; AND/OR
(ii) Assistance in finding a new, affordable rental accommodation; OR
(iii) Continue residing, and agree with the house owners about conditions of their remaining tenancy agreement. Owners of house or structures will be entitled to receive entitlements as described above.

2. **Loss of Graves**

87. The level of compensation for the removal of graves will be for all costs of excavation, relocation, and reburial. Cash compensation will be paid to each affected household in the amount of D400,000 for earth graves, and up to D3,000,000 for brick graves. The graves will be relocated in preference to APs location.

I. **Compensation Policy for Loss of Business and Income**

1. **Loss of Business or Income**

88. **Permanent Loss.** APs losing commercial land will receive a special business rehabilitation allowance not less than D1,800,000 to assist in getting a kiosk (of average size of 6 m²) with full land title in the resettlement site market or find a location elsewhere suitable for business. APs losing their business due to relocation will be given priority in obtaining and/or leasing a kiosk in the resettlement market. Those APs who will have to shift to another activity due to relocation, will be entitled to training/retraining assistance and a training subsistence allowance. APs will also be entitled to receive transportation and incentive bonus allowances.

89. **Temporary Loss.** APs losing small businesses that are not registered, such as small shops, are entitled to cash compensation for the duration of the business or income-generated disruption, based on the minimum wage per month in the respective province. Those losing small businesses that are registered and can provide official financial documents and statements are entitled to a special business rehabilitation allowance; OR business rehabilitation allowance equal to the AP's monthly average net income of the affected business based on their business license and tax, but not less than the business rehabilitation allowance. Compensation will be provided for the duration of the business or income-generated disruption based on net income. If the AP does not get a location to continue business, then affected person(s) will receive a training package, as indicated above.
2. Loss of Employment or Hired Labor

90. No loss of employment or hired labor was found to take place in Dong Ha due to this Project. However, the following should be followed in case any APs of this category are found during implementation.

91. **Permanent Job Loss.** APs experiencing permanent job loss due to relocation of business are entitled to (i) cash compensation for six (6) months salary or wages, OR cash compensation for the remaining period of the contract, whichever is higher; AND (ii) to severance pay for employees, as encouraged by the Project to the businesses; AND (iii) assistance in securing new employment, including relevant skills training expenses if required.

92. **Temporary Job Loss.** APs experience temporary job loss while business is reorganizing within remaining land are entitled to cash compensation for last salary or wages for each month they cannot work, or assistance in securing new employment, including relevant skills training expenses if required.

Not application of this policy in this package.

J. Compensation Policy for Loss of Crops

93. **Annual Crops.** Cash compensation for annual crops is paid to households who are cultivating the land according to the full market value of the affected crops, irrespective of land ownership.

94. **Perennial Crops/Plants.** Cash compensation for affected perennial plants is paid to households who are cultivating the land according to the full market value of the affected crops/plants, irrespective of land ownership. If a tree is not productive yet, then compensation includes all initial investment and care of the tree up to the date of land acquisition. If a perennial crop/plant can only be harvested once, then the compensation will include the total cost of investment and care until the time of land acquisition. For particular, perennial crops/plants/trees, replacement cost is based on tree's age, shape, perimeter, and yield. Compensation is paid only to private owners, as public trees are not compensated.

K. Allowances During the Transition Period

95. Transition allowances have been provided to support severely affected households during relocation as follows. Table 13 summarizes the entitlements for allowances during the transition period.

96. **Subsistence Allowance.** All relocating APs have been entitled to a subsistence allowance in cash equal to D300,000 per month per person x 6 months (D1,800,000/person). The allowance is intended to make up for lost income and compensate for household expenses during the transition period when the APs are building their houses or re-establishing their lives.

97. **House Rent Assistance.** Every severely relocating household who is a lessee or temporary user of land will be given assistance of D500,000 per month for house rent for a period of 5 months.

98. **Transportation Allowance.** Every relocating household have been given a transportation allowance of D1,000,000 in cash to transport their salvaged and new building materials.
99. **Business Transition Allowance.** Every household losing business location has been given a special business rehabilitation allowance of D1,800,000 in compensation for their loss of net revenue during the transition period of relocation and rehabilitation of their business activities.

100. **Social Assistance Allowance.** Each AP household that is relocated and has one member who is a beneficiary of social assistance from the state receive a special allowance equivalent in value to between D2,000,000 and D5,000,000 per household, in accordance with Decree No. 197/CP. Additionally, every AP who is poor or disadvantaged, including war-invalid or disabled, single-parent household, female-headed household, or a widow has also been given an additional special social assistance at minimum of D2,000,000 for livelihood restoration or improvement.

101. **Incentive Bonus.** Every affected household that demolishes or moves their affected houses, structures and assets, and transfers their affected land to the Project on time or before the set deadline will receive a special incentive bonus of D2,000,000.

<table>
<thead>
<tr>
<th>Re-organizing HHs</th>
<th>Relocating HHs</th>
<th>Severely Affected Farmers</th>
<th>Persons Receiving Social Assistance from the State</th>
<th>Relocating Shops/Businesses</th>
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<tr>
<td>Subsistence allowance</td>
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<td>Incentive bonus</td>
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**Table 13: Categories of APs Entitled to Various Allowances**

**L. Income Restoration**

103. Income restoration measures have been designed to assist severely affected farmers and shopkeepers to restore their pre-project living standards and productive incomes, or improve living standards, particularly for the poor and vulnerable.

(i) **Agricultural Extension.** Severely affected farmers, who have some agricultural land remaining, are entitled to agricultural extension assistance to increase productivity on their remaining land. Such assistance would include cultivation techniques for new high-yielding varieties. This measure could help restore future income losses so that the AP will be in a position to produce the same level of income from the next season's harvest. The implementing agency will coordinate with the extension department of Department of Agriculture and Rural Development to facilitate the provision of agricultural extension services to all severely affected farmers. An estimated D2,000,000 will be provided per household for agricultural extension purposes. (No such case in this package, so this policy is not applicable).

(ii) **Training Assistance:** For each AP, who has their income source severely affected, including those who have to change their occupation as a result of resettlement, will be given training/retraining assistance in form of job training or cash combined with respective technical assistance (e.g., agricultural extension). The Project will also provide a training subsistence allowance for each entitled trainee during 3 months of training.
(iii) **Access to Credit** Lack of access to credit often leads to lack of equipment and inputs and lack of capacity to optimize the use of agricultural land or to difficulties in creating new enterprises. In order for the poor and other vulnerable groups including severely affected farmers to gain fully from these new opportunities, further credit avenues will be explored prior to the finalizing the RPs for severely affected and vulnerable APs. APs will be eligible for accessing the community-based sanitation scheme and the household sanitation credit in Part A.

(iv) **Project-Related Job Opportunities.** Severely affected persons will also have priority to be employed in the works linked to the Project where possible.

104. In this package, there is no permanent agricultural land to be affected, therefore no allowances related to farming restoration. Some APs doing fishing and/or bird feather cleaning can continue their job as the resettlement site is near the river where their income derives from.

105. **Restoration of Income from Business Activities.** In order to enable relocating APs who have shops at the affected locations to restore their incomes, APs will have priority to access business locations within the same communes. This will permit APs to maintain their economic and social relationships. Such APs will be given priority for relocation at commercially advantageous locations along highways, communal roads and along canals near the bridges or footbridges in order to maximize their benefit from business opportunities. Not application of this policy in this package.

106. **Severance of Communities and Agricultural Activities.** It requires that during the participatory detailed design every effort be made to avoid severance of communities and farmland. In this package there is no farmland is affected.

Not application of this policy in this package.

VI. **IMPLEMENTATION ARRANGEMENT**

A. **Provincial People’s Committee (PPC)**

107. The Quang Tri PPC is the Executing Agency (EA), and is responsible for approval of all RP and resettlement related issues, including the RF for this Project. After detailed engineering design for the package of Drains was complete, the number of APs was identified, compensation unit rates were updated for all categories of lost assets and allowances based on replacement cost surveys, RP for Drains can be updated. Following approval by the ADB, the PPC will be responsible for implementing the updated RP, including speedy resolution of any grievances voiced by APs or other town/district authorities.

B. **Project Advisory Committee (PAC)**

108. The Project Advisory Committee (PAC) was established at the national level, and convene if requested, by any of its members to discuss common problems affecting project implementation. It consists of one senior official from the Ministry of Construction (MOC) (the Vice-Minister) as chairperson and the six Project provinces as its members. The PAC is specifically responsible for providing speedy resolution of resettlement issues amongst subproject provinces;
C. Project Coordination Unit (PCU).

109. For overall project coordination, a Central Project Coordination Unit (PCU) was established in 2003. The PCU comprise of two fulltime professional staff, with proficiency in English language, together with administration and support staff. The PCU is responsible for overall project coordination, including liaison between the Government and subproject PPCs and the ADB. They are specifically responsible for the following resettlement activities:

(i) Consolidate project progress reports on land acquisition and resettlement for relevant ministries and ADB.
(ii) Consolidate project accounts, and reviewing audited accounts; and
(iii) Recruit and supervise of consultants, including the external independent organization for resettlement monitoring.

D. Provincial Steering Committee (PSC)

110. The PPC set up a provincial steering committee (PSC), which, on behalf of the PPC has overall responsibility for project implementation. The PSC consists of the PPC vice-chairperson; directors of provincial line departments including departments of Construction, Finance, Planning and Investment, Land use management, Environment; vice-chairperson of the TPC, chairperson of the Town Women’s Union, and manager of the Project Management Unit (PMU). The PSC has the following key responsibilities:

(i) Assist the PPC to update the RP with revised compensation rates based on a replacement cost survey;
(ii) Supervise resettlement activities in accordance with the Dong Ha RP. Address and resolve any issues, with the PPC, that may arise on subcomponents that may cross physical town/district boundaries.
(iii) Coordinate agencies at different levels to ensure timely and effective resettlement implementation. This includes delegating responsibility for resettlement to the PMU, and assigning tasks for Dong Ha town and relevant wards/communes for effective implementation of the RP;
(iv) Advise PPC to issue decisions on acquisition and allocation of land required for development of subproject components, including allocation of land to poor and vulnerable APs;
(v) Advise PPC to approve resettlement budget and ensure timely release of funds;
(vi) Advise PPC to review and approve resettlement documents submitted by PMU for approval by the PPC; and
(vii) Advise PPC and PMU on ways to redress and resolve any APs grievances that have been appealed to the PPC, and refer all AP grievances to the appropriate channels.

E. Project Management Unit (PMU)

111. The PPC set up a PMU for daily project implementation. It comprises technical, institutional, social and resettlement, administrative management, and accounting divisions. The PMU is responsible for the following key resettlement activities:

(i) Integrate civil works with land acquisition and resettlement activities;
(ii) Instigate information campaigns, including the public information booklet (PIB), and stakeholder consultation with the APs in accordance with established Project guidelines.
This includes prime responsibility for letters, forms and other relevant document, which may be delegated as required;

(iii) Coordinate with other relevant departments on identifying resettlement sites. Submit to the PPC for approval a contract with a construction company for development of resettlement sites, if required;

(iv) Coordinate with the Town Resettlement Unit (TRU), to conduct census and inventory, and detailed measurement survey (DMS) for updating the RP in accordance with subproject’s detailed technical designs;

(v) Establish proper databases of APs for each subproject component;

(vi) Revise the plan for implementation, management and monitoring of the RP;

(vii) Prepare an overall financing and annual budget plan for resettlement costs, accounting, and auditing;

(viii) Develop the mechanisms through which resettlement disbursements and compensation payments for APs will be made. Prepare any relevant documents that may be required;

(ix) Coordinate with other departments for effective implementation of the RP approved under the subproject, and in compliance with the ADB resettlement principles and objectives. Ensure proper implementation of rehabilitation measures and rural development support activities.

(x) Ensure timely resettlement budget flow for delivery of compensation payments and rehabilitation of APs. Coordinate payment of compensation to APs; and;

(xi) Implement subproject accounting and auditing for resettlement implementation;

(xii) Coordinate with the Provincial/Town Land Administration Department to implement land allocation and solve emerging issues related to land use rights. Regularly liaise with the TRU regarding the list of APs, compensation payments and grievance resolution; and

(xiii) Prepare and submit regular progress reports to PSC and ADB on civil works and status of RP activities.

F. Town Resettlement Unit (TRU)

112. The Dong Ha TPC has an established Town Resettlement Unit (TRU), which has been responsible for resettlement in the ADB Second Water Supply Project and ADB National Highways 1A Project. The TRU assists the TPC in implementation of resettlement activities. The TRU works closely with the PMU on all resettlement-related issues. The TPC vice-chairperson acts as the TRU chairperson, and representatives from town departments, including finance and pricing, urban management, chairpersons of affected wards or communes, members of mass organization, representative of APs, and other members as required. The director of the PMU is the vice-chairperson of the TRU. Key responsibilities include:

(i) Manage local resettlement issues, including full land titles to APs, free of taxes, transaction and administration costs, pertaining to the Dong Ha RP;

(ii) Organize, plan and conduct daily RP activities (including DMS, application of compensation rates, preparation of compensation options);

(iii) Facilitate and coordinate resettlement-related activities amongst different town-line agencies and departments;

(iv) Advise the PSC in updating compensation rates;

(v) Plan and carry out a public information campaign to the local population, disclose project resettlement policy and compensation entitlements to affected groups and concerned stakeholders;

(vi) Adjust mechanism, if necessary, to ensure participation by APs and for effective consultation with APs on their rights and compensation entitlements.
G.  Ward/Commune People’s Committee (WPC/CPC)

113. Local administrative authorities, such as the Ward or Commune People’s Committee (WPC/CPC) play a key role in the planning and implementation of resettlement-related activities. Key responsibilities include:

(i) Assign concerned ward/commune officials/professionals to join the TRU to carry out all resettlement activities in its ward/commune;
(ii) Assist the TRU and PMU to implement project information disclosure, and facilitating public meetings and consultation with APs;
(iii) Assist the TRU and PMU in census surveys, replacement cost survey, DMS, and other resettlement-related activities;
(iv) Participate in all activities related to land acquisition and allocation, resettlement, rehabilitation measures and social development support activities;
(v) Support APs in all resettlement and rehabilitation-related activities. Co-sign compensation documents with the APs;
(vi) Verify the list of the poor or disadvantaged APs;
(vii) Inform APs of compensation schedule, and supervising delivery of compensation to them; and
(viii) Ensure AP’s grievances redressal mechanisms are appropriate and properly in place. Document APs grievances and maintain records of all grievances. Assist and advise APs on speedy redressal of grievances.

H.  Local-Based Organizations

114. Local-based organizations at the ward or commune levels, such as the Viet Nam Women’s Union, Farmers Association, and Fatherland Front help to mobilize and encourage APs to actively participate in the resettlement process, from planning through to implementation of the RP and in the public information and consultation programs.

I.  Project Supervision Consultants

115. The Project Supervision Consultants have social and resettlement expertise amongst its staff to assist and supervise all social and resettlement-related activities. See Attachment 3, for short-terms of reference for the resettlement consultants. Key responsibilities include, but are not limited to, the following:

(i) Work closely with the local authorities and resettlement committees at all levels on resettlement related activities;
(ii) Train local resettlement staff, as required.
(iii) Assist in the conduct of information campaigns and community participation;
(iv) Assist in the verification of census, inventory of losses survey and DMS activities;
(v) Check the AP database prepared for accuracy, and provide suggestions for improvements if necessary;
(vi) Assist in the preparation of an updated RP;
(vii) Assist and revise, if necessary, procedures for the coordination of resettlement and compensation activities, including implementation arrangements;
(viii) Establish and implement liaison mechanisms to ensure proper technical and logistical support between the Project to the PMUs, local administrative authorities, resettlement committees and concerned government departments;
(ix) Ensure that grievances redressal mechanisms are appropriate, and advise if necessary on speedy resolutions; and
(x) Assist the PMU and PCU to establish and implement procedures for ongoing internal monitoring.


VII. PUBLIC INFORMATION, CONSULTATIONS AND GRIEVANCE REDRESS

A. Objectives of Public Information and Consultation

117. Information dissemination to, consultation with, and participation of APs and involved agencies maintains transparency of the Project, reduces potential conflicts, minimizes the risk of Project delays, and enables the Project to design the resettlement and the rehabilitation program as a comprehensive development program to suit the needs and priorities of the APs.

118. The main objectives of the public information campaign, stakeholders’ participation and APs’ consultation programs are to (i) provide APs with full information on the proposed project, its components and activities; (ii) obtain information on needs and priorities of APs and affected communities, their reactions towards project proposed policies and activities; (iii) achieve cooperation and participation of APs in proposed activities related to RAP preparation and implementation; (iv) ensure that APs are able to participate in and make fully informed choices on issues that directly affect their incomes and living standards; and (v) ensure transparency in all activities related to land acquisition, relocation and rehabilitation.

B. Consultations During Updating of RP

119. During the updating phase of the RP for Dong Ha Drains package, necessary activities included information dissemination, DMS, making compensation plan, a socio-economic survey, a replacement cost survey were conducted. It was aimed to identify the scale of resettlement impacts, types and levels of losses, define appropriate or relevant resettlement strategies and prepare an action plan with description of detailed APs entitlements.

120. Among the methods adopted for project information and public consultation, different techniques included: site and household visits, public meetings, group and focus group discussions, the household socio-economic survey, replacement cost survey. The information gathered from the consultation process has been used for assessing resettlement impacts of the package to provide full compensation and allowances at market rate, especially providing best.
121. At the very early stage of the project preparation, local authorities and leaders of different administrative levels of the Dong Ha subproject were informed about the project proposal, its objectives and proposed activities. They were intensively consulted, and actively participated in discussions on their development needs and resettlement priorities, about their perception toward project objectives, the areas for their contributions to technical designs; and their tasks and roles in project planning and implementation. APs have been consulted on project potential impacts and possible measures to reduce potential negative impacts, and improve benefits for local people.

122. During this stage, mass media, including both central and local TV programs and newspapers report on the impacts of the package, time of civil work and corresponding time of land acquisition.

123. During updating process of the RP of Dong Ha ICB/1, the following activities were undertaken to inform the public, and consult with APs and concerned stakeholders:

(i) Project site visits were made to observe current land use; to make preliminary assessment of resettlement impacts, its scope and types; assess the necessity of land acquisition. Visits and interviews with households living within the proposed acquired areas contributed to assessment of the needs for project investments, public support for project, identify impacts and possible mitigation measures;

(ii) Discussions were held with groups of local leaders/officials of different administrative levels, including provincial, district, communes and villages, who are responsible for resettlement issues or on making decisions related to resettlement issues;

(iii) Questions were addressed to town and wards leaders and local resettlement officials focusing on the project proposed resettlement framework, ADB's resettlement policies and its requirements, APs detailed entitlements, institutional arrangements for resettlement implementation, monitoring, allocation of budget for resettlement. Local authorities were informed of ADB policies and committed to comply with ADB's resettlement principles and procedures. Assessment of market prices for land and structures was also discussed with key informants;

(iv) After the inventory of losses, discussions were held with the local authorities on compensation options, strategies for development of resettlement sites, plans and availability of land and resources for resettlement sites, review of technical design to reduce negative resettlement impacts;

(v) Discussions were held with cadastral specialists and leaders from all communes and hamlets affected by Dong Ha subproject. Discussions focused on assessment of potential negative resettlement impacts, options or alternatives for mitigation, assessment of replacement cost for affected land, properties, and assets.

(vi) Public meetings were held with APs in different wards and communes to inform about the Project and to learn about the APs' support for the Project, their concerns and views towards potential impacts, proposed measures for mitigation, and assessment of losses. APs' concerns towards possible resettlement impacts and mitigation measures have been taken into consideration and discussed extensively between the resettlement consultant and technical engineer to modify, wherever possible, technical design to reduce project resettlement impacts.

(vii) Focus group discussions with poor, vulnerable and disadvantaged groups (e.g., female-headed households, or those without legal title to residential or commercial land along Ba Trieu ICB/1 road in Ward 1) were conducted to identify specific resettlement needs and priorities of each group and their preferred resettlement options. The main concerns of the poor, female-headed and illegal land users were about fair compensation so that they can
afford to obtain a plot and construct a house to reside in, and suitable infrastructure conditions at the new site. Results of these focus group discussions were taken into consideration by the consultant and were included in feedback discussion with the local authority/respective local officials to identify appropriate measures/options to assist the vulnerable and disadvantaged groups in their resettlement transition period.

(viii) 100% of relocating households were interviewed. Apart from questions on households’ socioeconomic status, the questionnaire contained questions relating to the views and preferences of APs regarding the Project, compensation, resettlement, and rehabilitation measures.

(ix) A public information booklet (PIB) for the Dong Ha subproject was prepared in July 2007 by PMU with consultants’ assistance (Attachment 4).

C. Consultations During Implementation

124. During Project implementation stage, the public and APs have been informed on the Project's resettlement procedures, detailed resettlement policies and APs' entitlements, institutional implementation arrangements, and redressal mechanism. During this stage, APs have been informed and consulted on the results of the DMS, proposed compensation options, application of compensation rates to their affected land, assets and entitlements, relocation options and proposed resettlement sites.

125. Project information disclosure will be continued in the project implementation stage, using different methods of information dissemination to provide the concerned public, and especially APs, with full information to make their best choices to overcome problems or difficulties in their resettlement transition period and rehabilitate or improve their incomes and living standards.

126. After the Project was approved by ADB in 2003, a number of activities in Dong Ha were taken to establish institutions, assign tasks and delegate responsibilities to the staff involved, for project overall, as well as for resettlement implementation in particular. In December 2005, the PCU signed a contract to hire, among others, one (1) international and two (2) resettlement consultants to assist the PCU, PMUs and local resettlement committees, including Dong Ha TRU, to strengthen their resettlement capacity in addressing resettlement issues during RP implementation. See Attachment 3 for terms of reference of consultants.

127. Implementation of the RP requires following more specific steps of activities related to public information and APs consultation program, to enhancement of APs and stakeholders participation in RP implementation as follows:

(i) **Activity 1: Project Information and Training Workshop.** Workshops were held on project information, including project resettlement policies and implementation procedures. TRU, authorities of affected wards and communes authorities, and APs’ representatives were trained by Black & Veatch consultants in June-July 2006 and August 2007

(ii) **Activity 2: Public Information Before Putting Project Marks and Detailed Measurement Survey (DMS).** Project implementation announcements have been made through mass media including TV, newspapers and leaflets. The information contains a description of the project and its components, content and schedule of putting project marks in field and DMS. A letter describing the purpose, content and schedule of DMS, requirements to APs on their presence during their DMS and preparation of legal
documentation required for DMS and procedures of grievance redressal was developed and widely distributed.

(iii) **Activity 3: Public Meeting.** A public meeting was held before the PIB is distributed. A letter of invitation was sent to all APs two weeks in advance. This provided an opportunity to discuss issues of concern and to clarify the project subcomponents, early in the implementation process.

(iv) **Activity 4: Public Project Information.** Distribution or dissemination of project information in the form of a public information booklet, which was prepared in July 2007 by the PMU in consultation with the ADB. It was distributed to all APs in the subproject area. (See Attachment 4) The PIB contains (a) a short description of the project; (b) types of impacts; (c) basic resettlement policies, entitlements, compensation options; (d) institutional implementation organization; (e) implementation schedule; (f) grievance redressal mechanism; (g) external monitoring; (h) APs rights to participation and consultation; (i) resettlement procedures; and (j) address and names of officials responsible for receiving, solving complaints, grievances of APs.

(v) **Activity 5: Consultation of APs on Relocation.** Meetings were organized to inform APs on different relocation options and consequent entitlements, to consult with them on proposed resettlement sites, especially their location. A questionnaire on relocation preferences and priorities is given to relocating APs to record preferred relocation options of eligible APs.

(vi) **Activity 6: Update Information and Prices.** Update and/or establish provincial unit prices, and confirm land acquisition and impact on properties through a land acquisition and census survey. The resettlement committee applied these prices, calculate compensation entitlements, and complete the Asset Compensation Form for each affected household. The information was presented to APs during the initial inventory of losses and was followed up during the package implementation.

(vii) **Activity 7: Asset Compensation Forms.** The Asset Compensation Form was sent to the APs for their signature and/or record of potential complaints. The purpose is to obtain APs agreement on the listing of affected assets lost and compensation entitlements determined. The form also confirms APs’ choice on their relocation option. Consult with eligible APs who losing income source or have income severely affected on their training preferences, providing information related to training entitlements and training opportunities. Record APs' selected options for training were made.

(viii) **Activity 8: Meeting with APs.** To discuss issues arising related to APs entitlements applied in their compensation option forms. Obtain agreement of APs on their entitlements and their signatures on compensation forms.

(ix) **Activity 9: Information Letter to APs.** To inform APs about the relocations options, including (a) the consequence for each option, and (ii) confirmation of option choice and preliminary confirmation of resettlement site location, and (iii) indication of social services. The letter also included the resettlement schedule, location and procedures of compensation payment. Groups of severely affected persons and vulnerable APs were personally contacted to confirm their preferences for relocation and rehabilitation assistances.
(x) **Activity 10: Meeting of APs Relocating to Resettlement Site (s).** To consult on plots allotment options adopted for resettlement sites, timing for plot allocation to APs, for construction of houses in resettlement sites, demolition of affected houses and structures and moving to resettlement sites, timing for transferring affected land to project. APs were also informed on procedures to obtain a LURC of allocated plots

(xi) **Activity 11: Inform the APs on Planned Start Date of Project Civil Works.**

D. Disclosure

128. In addition to disclosure of information to affected people and communities, this updated RP or a summary will be displayed on ADB’s website, including the PIB for the subproject. Besides, it will be translated into Vietnamese after ADB approval and publicized at public places.

E. Grievance Redress Procedure

129. To ensure that all APs' complaints, grievances on any aspect of land acquisition, compensation, relocation, payment be addressed and resolved in timely and satisfactory manner, and that all avenues are available to APs to air their grievances, a well defined grievance redressal mechanism have been established.

130. The APs have been made fully aware of their rights and the procedures for doing so verbally and in writing during consultation, survey, and time of compensation. Detailed procedures for both redressing grievances and the appeal process have been publicized among APs through an effective public information campaign.

131. Attempts have been made to settle emerged issues at the ward level through community consultation and involvement of social and resettlement experts as required, nongovernmental organizations, mediators and facilitators if required.

1. Content of Grievances

132. APs can lodge their complaints regarding any aspect of land acquisition, compensation entitlement, compensation policy, rate, resettlement and entitlements relating to rehabilitation assistance programs. Complaints by APs can be lodged verbally or in written form. In case they are lodged verbally, the committee to which it is lodged will write it down at the first meeting with the APs.

133. APs are exempted from all taxes, administrative and legal fees incurred through grievance redressal procedures. APs will be provided with free legal representation in case any complaints are lodged in court.

2. Grievance Procedures

134. A four-stage procedure for redress of grievances is proposed:

(i) **Stage 1.** Complaints of APs on any aspect of compensation, relocation, or unaddressed losses shall in the first instance be lodged verbally or in written form to the WPC or CPC. The complaint can be discussed in an informal meeting with the AP and the Ward Chairperson, or, on his/her behalf, an official of the WPC. It will be the responsibility of the WPC to resolve the issue within 15 days from the date the complaint was lodged.
Stage 2. If no understanding or amicable solution is reached or if the AP receives no response from the WPC or CPC within 15 days of registering the complaint, he/she can appeal to the TRU. The AP must lodge the complaint within one (1) month of registering the original complaint and must produce documents, which support his/her claim. The TRU will provide the decision within one (1) month of the registered appeal.

Stage 3. If the AP is not satisfied with the decision of or in the absence of any response by the TRU or its representatives, the AP can appeal to the PPC. The PPC, together with PMU will provide a decision on the appeal within 30 days from the day it is received by the PPC.

Stage 4. If the AP is still not satisfied with the decision of or in the absence of any response by the PPC or PMU within the stipulated time, the AP, in his/her last resort, may submit his/her case to the Town Court.

VIII. RELOCATION ISSUES

135. There is no relocation in this package.

IX. BUDGET

A. Flow of Funds

136. To ensure general timely delivery of budget for implementation of resettlement activities, for compensation payments and rehabilitation assistances, the PPC has transferred an amount of VND 6 billion to the PMU for compensation payments, rehabilitation allowances and measures.

B. Valuation of Assets and Adjustments for Inflation

137. The cost estimates in this updated RP are based on a participatory rapid appraisal of replacement costs assessed during project implementation. These rates have been updated by conducting a replacement cost survey prior to the updating of the RP. The rates for compensation and cash entitlements for rehabilitation as well as allowances payable to affected persons are adjusted annually, based on the actual annual inflation rate. The PMU, together with the Quang Tri province and Dong Ha Town determine the annual inflation rate and ensure the necessary annual adjustments are made to compensation rates and to all cash entitlements.

138. Persons affected by the Dong Ha subproject are compensated for all their losses, based on replacement costs of affected land and/or houses or structures, and on current market prices for crops and trees, depending on the types and level of losses. Compensation rates have been estimated based on: Firstly, compensation rates are updated annually throughout the whole process of compensation and resettlement implementation. Secondly, there is an adequate mechanism for monitoring and supervising whether the compensation is full or not. This updated RP provides a list of compensation rates, which are based on results of an assessment of compensation rates issued by Dong Ha TPC, based on Quang Tri PPC current market rates. These rates are updated during resettlement implementation, based on a replacement cost survey.
139. Quang Tri PPC establishes a special list of compensation rates for land and house, reflecting replacement costs. An independent monitoring organization (IMO) will review this list. Once the list is approved, APs and local authorities will be consulted on the proposed rates before they are finalized. These compensation rates will be then used for compensation of losses.

**Procedure of making list of compensation rates**

140. Dong Ha PMU and Dong Ha RC carried out the replacement cost survey in November 2007 for the whole project area based on guideline of BVI resettlement consultant. The method applied to make the survey was 1) reviewing existing data in related agencies (Department of Finance of Quang Tri Province- DOF, Province’s Department of Resources and Environment - PDORE, town/districts/wards/communes PCs, Department of Construction - DOC) and investigating the process of making price annually by the PPC; 2) interviewing local people on land/house transactions; and 3) recording the results of public meetings for price discussion.

141. Generally, the process of pricing land and other properties of Dong Ha/Quang Tri Province was complied with the Decree 188/2004/ND-CP on land price evaluation (Decree 123/2007/ND-CP revised and supplemented for Decree 188 would be applied in 2008). The process of pricing land and properties in Dong Ha is summarized as follows:

**For pricing land**

142. Annually, in October, the PPC assigns PDOF to establish a Land Price Evaluation Board (LPEB) which led by PDOF to carry out a survey of land price in the whole province. The LPEB includes representatives of City/districts Departments of Finance, City/districts Department of Environment and Resources, DOC, ward and communes PCs. The LPEB guides ward and commune PCs to conduct a survey of land prices in their wards and communes, and then submit to the LPEB a list of proposed land prices. The evaluation of land price is carried out based on Decree 188/2004/ND-CP and it is required that the survey bases on market transactions in local area.

143. On the second stage, when the list of land prices is reviewed and verified by the LPEB, it will be sent back to districts/wards/communes for comment. Ward/commune PCs organize a meeting of people to discuss on the land prices. Results of the discussion are summarized and reported to the LPEB. The LPEB makes a draft list of land prices based on the comments of the districts/wards/communes to send to related agencies, including PDOF, PDOC, Department of Taxation, Department of Judiciary, DORE for comment. A workshop with participants from those agencies is organized to discuss on the proposed land prices.

144. Finally, the final draft of the proposed land prices is discussed and approved at the Assembly of Province People’s Council at the end of the year, and then the list of land prices is officially issued on the first January of the new year by PPC, using for compensation, tax collection and transaction in the province. During the year, if there are changes in land prices in the locality the PPC will verify and adjust in accordance with the actual changes. This process is repeated annually.

145. In fact, the land price issued by PPC using for 2007 expresses the market price, even higher than the market price in some areas of the town. So, the Dong Ha Land Fund Centre used to apply the land price issued by PPC as the floor price for bidding land in the town and sometimes the bidders find that the price is too high for bidding.
For pricing house and structure

146. The provincial Department of Construction has responsibility for pricing houses and structures. The process of pricing is based on the construction standards of Viet Nam and the market prices of construction materials and labour in the localities of province. The prices of properties are not issued every year but adjusted if having changes in the market. However, the compensation price for house and structure is price to construct the new one according to market investigation as stipulated in the Decree 197/2004/ND-CP on compensation and resettlement. In this package, although houses are rated as permanent (3A, 3B,3C), most of them are in old condition, partly damaged by flood annually. All houses have been evaluated as in new condition without usage depreciation, so that RPs can build up new houses of the same level but in new condition.

For pricing trees/crops

147. The DOF of the province has responsibility for pricing trees and crops. The evaluation of tree/crop prices is based on the market prices.

Interviewing local people on transactions of land and house

148. Dong Ha PMU and the RC have carried out a replacement cost survey for the subproject by interviewing the APs and non-APs. The survey results showed that there have been no land transaction recently in the area because the location has been made planning for project, so no transaction is allowed. There were some transactions of residential land in the surroundings. The results of transactions are presented in Table 14. The price recorded from the transactions is approximately as the land price issued by the PPC.

Table 14: Some successful land transactions in areas nearby the ICB/1

<table>
<thead>
<tr>
<th>No</th>
<th>Sellers</th>
<th>Address</th>
<th>Date of transaction</th>
<th>Land amount (m²)</th>
<th>Unit price</th>
<th>Total amount</th>
<th>Compensation price</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trần Đình Nhung</td>
<td>Ward 1, DH</td>
<td>Aug-07</td>
<td>80</td>
<td>336,000</td>
<td>26,800,000</td>
<td>792,000</td>
<td>residential land in urban area, level 1A</td>
</tr>
<tr>
<td>2</td>
<td>Trần Tiêu</td>
<td>Ward 1, DH</td>
<td>Aug-07</td>
<td>150</td>
<td>90,000</td>
<td>13,500,000</td>
<td>205,600</td>
<td>garden, level A</td>
</tr>
<tr>
<td>3</td>
<td>Lê Trinh</td>
<td>Ward 1, DH</td>
<td>Dec-07</td>
<td>65</td>
<td>50,000</td>
<td>3,250,000</td>
<td>91,600</td>
<td>residential land+garden in urban area, level E</td>
</tr>
<tr>
<td>4</td>
<td>Nguyễn Đình Bách</td>
<td>Ward 1, DH</td>
<td>Aug-07</td>
<td>283</td>
<td>1,040,000</td>
<td>294,320,000</td>
<td>no corresponding land in the package area</td>
<td>residential land in urban area, level 1A</td>
</tr>
<tr>
<td>5</td>
<td>Châu Âu</td>
<td>Ward 1, DH</td>
<td>Dec-07</td>
<td>70</td>
<td>1,040,000</td>
<td>72,800,000</td>
<td>no corresponding land in the package area</td>
<td>residential land in urban area, level 1A</td>
</tr>
<tr>
<td>6</td>
<td>Nguyễn Thị Hiền</td>
<td>Ward 1, DH</td>
<td>Aug-07</td>
<td>93.73</td>
<td>540,000</td>
<td>42,920,000</td>
<td>792,000</td>
<td>residential land, level 4A</td>
</tr>
<tr>
<td>7</td>
<td>Trần Văn Vụ</td>
<td>Ward 1, DH</td>
<td>Sep-07</td>
<td>73</td>
<td>1,240,000</td>
<td>90,520,000</td>
<td>no corresponding land in the package area</td>
<td>residential land, level 1A</td>
</tr>
</tbody>
</table>

Recording the results of public meetings for price discussion (with LARC)

149. The PMU and RC have organized an APs meeting to discuss the compensation prices. There are 3 levels of residential land, assessed according to their position: level 4A, position 1: 792,000VND/m²; level 4E, position 1- 336,000VND/m²; level 4A, position 2- 270,000VND/m²; 2 levels of garden land: position 1, level A- 205,600VND/m², position 1, level E- 91,000VND/m².
C. Compensation Prices and Rehabilitation Allowances

150. The estimated resettlement cost has been calculated based on the unit price list given in Table 15. To follow the principle of replacement cost at current market value, which is compulsory for compensation of affected assets, unit prices used for the Dong Ha subproject compensation cost estimate have been established based on: (i) Dong Ha TPC-approved Unit Price Frames for compensation of affected assets; (ii) results of participatory rapid appraisal of current market prices; and (iii) results of evaluation of losses given by affected households.

151. Severely affected persons and other vulnerable households are entitled to assistance to restore or improve their pre-Project conditions. Rehabilitation allowances are provided in Table 16.

### Table 15: Compensation Unit Rate and Rehabilitation Allowances

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Compensation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>VND</td>
</tr>
<tr>
<td>1. Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agri. Land (position 3)</td>
<td>m²</td>
<td>56,000</td>
</tr>
<tr>
<td>Agri. Land (position 2)</td>
<td>m²</td>
<td>84,000</td>
</tr>
<tr>
<td>Agri. Land (position 1)</td>
<td>m²</td>
<td>119,600</td>
</tr>
<tr>
<td>Residential Land</td>
<td>m²</td>
<td>1,482,000</td>
</tr>
<tr>
<td>2. Houses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3A house</td>
<td>m²</td>
<td>1,880,000</td>
</tr>
<tr>
<td>3B house</td>
<td>m²</td>
<td>1,000,000</td>
</tr>
<tr>
<td>3C house</td>
<td>m²</td>
<td>475,000</td>
</tr>
<tr>
<td>3. Structures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kitchen 4B</td>
<td>m²</td>
<td>745,000</td>
</tr>
<tr>
<td>Kitchen 5D</td>
<td>m²</td>
<td>252,000</td>
</tr>
<tr>
<td>4. Fruit Trees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coconut</td>
<td>tree</td>
<td>300,000</td>
</tr>
<tr>
<td>Jack fruit, orange</td>
<td>tree</td>
<td>170,000</td>
</tr>
<tr>
<td>Mango</td>
<td>tree</td>
<td>200,000</td>
</tr>
<tr>
<td>Banana,</td>
<td>tree</td>
<td>10,000</td>
</tr>
<tr>
<td>Bamboo</td>
<td>tree</td>
<td>12,000</td>
</tr>
<tr>
<td>China tree</td>
<td>tree</td>
<td>30,000</td>
</tr>
<tr>
<td>5. Rehabilitation Allowances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Living (subsistence) allowance</td>
<td>person</td>
<td>1,800,000</td>
</tr>
<tr>
<td>Transportation allowance</td>
<td>HH</td>
<td>1,000,000</td>
</tr>
<tr>
<td>House rent</td>
<td>HH/month</td>
<td>500,000</td>
</tr>
<tr>
<td>Social support (average)</td>
<td>HH</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Incentive bonus</td>
<td>HH</td>
<td>2,000,000</td>
</tr>
</tbody>
</table>

Source: Compensation plan, Dong Ha PMU, RC, Quang tri PPC, 2008.
Key: D=Vietnamese Dong; USD=US Dollars.

D. Cost Estimates

152. The total cost of resettlement for Dong Ha ICB/1 is estimated at: **2,360,977,000 VND (S143,089)**. This amount is excluded Implementation and Management Costs and contingency (Table 16).
153. **Implementation and Management Costs.** The Project will allocate 2% of the total compensation cost for resettlement operational and administrative costs. This is estimated at: **47,219,000 VND ($2,862).** These costs include: (i) the payment of salaries, per diems, logistics, trainings for PMUs, implementing agencies, and various resettlement committees; (ii) consultation, dissemination and participation programs; (iii) grievance redressals; (iv) joint validations of inventory and detailed measurement survey; (v) administration of a replacement cost survey; (vi) process of compensation payment; and (vii) internal and external monitoring costs for internal and external monitoring (Table 16).

154. **Contingency.** In the overall Project budget, an additional 10% contingency is included for compensation and resettlement activities. An estimated **240,819,000 VND ($14,595)** is reserved for resettlement activities in the Package of Ba Trieu ICB/1.

<table>
<thead>
<tr>
<th>Table 16. Resettlement cost breakdown of HT/ICB/1.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Impacts</strong></td>
</tr>
<tr>
<td>Compensation</td>
</tr>
<tr>
<td>Agri. land (position 1)</td>
</tr>
<tr>
<td>Agri. land (position 2)</td>
</tr>
<tr>
<td>Agri. land (position 3)</td>
</tr>
<tr>
<td>Residential land</td>
</tr>
<tr>
<td>Houses</td>
</tr>
<tr>
<td>3A house</td>
</tr>
<tr>
<td>3B house</td>
</tr>
<tr>
<td>3C house</td>
</tr>
<tr>
<td>Structures</td>
</tr>
<tr>
<td>Crop and trees</td>
</tr>
<tr>
<td>Allowances</td>
</tr>
<tr>
<td>Subsistance</td>
</tr>
<tr>
<td>Housing rent</td>
</tr>
<tr>
<td>Transportation</td>
</tr>
<tr>
<td>Social allowance</td>
</tr>
<tr>
<td>Incentive bonus</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Management cost 2%</td>
</tr>
</tbody>
</table>

155. Costs for land acquisition, compensation, and transition allowance will be fully funded by the Government. The Loan funds may be used to pay for implementation and management costs, and for any civil works associated with the preparation of resettlement sites. The PPC did not provide costs for these developments at the time of project and RP preparation. In the process of resettlement implementation for package ICB/1, cost for implementation work has also been included in the counterpart fund provided by Quang Tri PPC.

156. The Project is expected to commence in August 2004 for a period of five (5) years. During Project implementation, prior to the award of civil works contract, this RP for Dong Ha subproject (and the Project RF) will be updated. The PPC is will approve the final RP and RF, and forward it to ADB for concurrence. All stakeholders and APs must agree upon the implementation schedule for all resettlement activities before resettlement activities begin.
157. Satisfactory payment of compensation and provision of other rehabilitation entitlements and relocation must be completed before a no objection from ADB will be provided for award of civil works contracts for each subproject component.

158. Schedule for the RP implementation, including coordination of resettlement implementation with civil works in Attachment 5. The schedule envisages the following sequence of activities; some of these steps will overlap in their timing and some will be repeated throughout the Project schedule.

X. MONITORING AND EVALUATION

159. Monitoring means the process of regularly measuring the progress in effectively completing project activities and in achieving the goal and objectives of the project. Evaluation is assessment at one given point of time of the impact of intervention, and the extent to which stated objectives has been achieved.

160. The general objective of monitoring is to ensure timely and accurate compensation and implementation of the resettlement program as defined in the RP. RP implementation will be monitored both internally and externally with the objective of providing feedback to management on implementation and identifying problems and successes as early as possible to facilitate timely adjustment of implementation arrangements. Regular monitoring of the RP implementation will be conducted by the implementing agencies and ADB, as well as by an external independent monitoring organization (IMO).

A. Internal Monitoring

161. The Dong Ha PMU, with assistance from resettlement consultants, is responsible for internal monitoring of all aspects related to RP implementation. An internal monitoring staff has been appointed since April 2007 (Mr. Duc). The PMU has supervised land acquisition and resettlement, as indicated in the RP. The PMU oversees the progress in resettlement preparations and implementation through regular monthly progress reports.

1. Monitoring Indicators

162. The main indicators to be regularly monitored by the PMU are:

(i) Payment of compensation to APs at the level described in this RP;
(ii) Delivery of technical assistance, relocation, payment of subsistence and moving allowances;
(iii) Delivery of income restoration and social support entitlements;
(iv) Coordination and completion of resettlement activities and the award of civil works contract will with starting plan of civil works;
(v) Project information and consultation to be given to APs, in accordance with procedures described in this RP;
(vi) Priority of APs regarding the options offered;
(vii) Conformity to grievance procedures;
(viii) Adherence to grievance procedures and outstanding issues requiring management’s attention;
(ix) Training of severely affected APs;
(x) Location of resettlement site, its design, construction and allocation of plots to relocating APs; and
(xi) Rehabilitation of public affected structures.
2. Staff for Internal Monitoring

163. The internal monitoring staff (Mr. Duc) is responsible for internal monitoring of resettlement implementation. He collects information on progress and results of resettlement implementation every month from Dong Ha TRU. Based on this information, he establishes and maintains a database of resettlement monitoring information for the Dong Ha subproject. This database is updated every month.

164. The implementing agencies submit to the Dong Ha PMU, and the PMU, assisted by the Project consultants, will submit to the ADB as part of PMU’s regular quarterly progress report to the ADB, a monitoring report on the progress of implementation of the RP every 3 months. The internal reports include the following topics:

(i) The number of APs by category of impact per component, and the status of compensation payment and relocation and income restoration for each category;
(ii) The amount of funds allocated for operations or for compensation and the amount of funds disbursed for each;
(iii) The eventual outcome of complaints and grievances and any outstanding issues requiring management or ADB’s assistance;
(iv) Implementation problems; and
(v) Revised actual resettlement implementation schedule.

B. External Monitoring

165. A condition for loan effectiveness, the PCU has recruited for the entire Project an external independent monitoring organization (IMO)- VICA. VICA is specialized in Social Sciences and experienced in resettlement monitoring. VICA shall start their work as soon as the updated RP has been approved.

1. Objectives

166. The general objectives for external monitoring are:

(i) To provide an independent source of evaluation during the implementation process of resettlement and compensation. The external monitor will offer, if needed, external support and technical expertise to AP compensation committees and implementing agencies;
(ii) To contribute advice to solve both anticipated and unanticipated problems that may arise as the programs defined in this RP are carried out; and
(iii) To provide an overall assessment of RP programs from a broader, long term socioeconomic perspective.

2. Monitoring and Evaluation Indicators

167. The following indicators will be monitored and evaluated by the IMO:

(i) Payment of Compensation: (a) full payment of compensation should be made to APs sufficiently before land acquisition, where compensation value should be sufficient to replace affected assets; and (b) compensation for affected structures should be equivalent to the replacement cost of materials and labour based on standards and special features of
construction with no deductions made for depreciation or the value of salvageable materials.

(ii) **Coordination of Resettlement Activities with Civil Works Schedule**: the completion of land acquisition and resettlement activities for any component should be completed prior to award of the civil works contract for that component.

(iii) **Provision of Technical Assistance for House Construction**: technical assistance for house construction should be provided for APs who are rebuilding their structures on their remaining land, or building their own structures in new places as arranged by the project, or on newly assigned plots.

(iv) **Public Consultation and Awareness of Compensation Policy**: (a) APs should be fully informed and consulted about all resettlement activities, including land acquisition, leasing land and relocation activities; (b) At least once a month, the IMO should attend public meeting to monitor consultation procedures, problems and issues arisen during the meetings and solutions proposed; (c) public awareness of the compensation policy and entitlements will be assessed among the APs; and (d) assessment of awareness of various options available to APs as provided for in the RP.

(v) **Restoration of Income Loss**: APs are monitored on their restoration of their productive activities.

(vi) **Training**: (a) APs that are eligible for training, as per this RP, will be monitored; (b) type of training depends on the APs’ preferences, and the training course available; and (c) training will be done preferably within 3 months after APs have relocated to new site, or within 3 months of project impact, if not relocating.

(vii) **Level of APs Satisfaction**: (a) level of APs satisfaction with various aspects of resettlement and compensation will be monitored and recorded; and (b) operation of grievance redressal mechanism, redressal results, and effectiveness of grievance resolution will be monitored.

(viii) **Standards of Living**: throughout resettlement implementation process, the trends of living standards of APs will be observed and surveyed, and any potential problems in restoration of living standards will be recorded and reported.

3. **Evaluation**

168. The IMO will conduct an evaluation of the resettlement process and impacts 6 to 12 months after completion of all resettlement activities, using the same survey questionnaire and sample as used during the monitoring activities.

4. **Replacement Cost Survey**

169. The IMO shall carry out a replacement cost survey to verify and update the PPC compensation rates and ensure that the current market rates are applied and are acceptable as replacement values to both APs and PPC. This will be done independent of the replacement cost survey by Project Supervision Consultants. Conduct of replacement cost survey could be found in Attachment 7.

C. **Monitoring Methodology**

170. The methodology for conducting monitoring and evaluation of the RP implementation is described as follows:

(i) Sources for resettlement-related information can be derived from the (a) Quang Tri PMU; and (b) Dong Ha TRU, its affected wards and/or communes; (c) affected people and
communities. Data from the IOL and DMS for all APs, and from the replacement cost survey should be made available to IMO to create its initial database.

(ii) Methods of gathering information is based on (a) discussions with PMU, TRU, and affected wards and/or communes; (b) direct interviews with APs; (c) group interviews and focus group discussions with APs and other stakeholders; (d) public meetings with APs; (e) informal surveys and interviews of APs, host communities, special interest or vulnerable groups, and women; (f) in-depth case studies of problems that have arisen during internal or external monitoring requiring special efforts for resolution; and (e) household questionnaire surveys.

(iii) To quantify the quality of resettlement implementation, IMO will use sample socioeconomic surveys before, during and after resettlement implementation to provide a clear comparison of success and/or failures of the RP. The sample should be 100% of relocating APs and at least 20% of all other households.

(iv) The sample survey should be conducted twice a year using the same or similar questionnaire as that used for IOL baseline, and sampling the same groups of APs, if possible.

(v) An ex-post evaluation 6 to 12 months after all resettlement and income restoration activities have been completed, following the same methodology as for the periodic monitoring during RP implementation. Information gathered will be analyzed based on the types and levels of impact on compensation and rehabilitation.

1. Database

171. The IMO will create and maintain a database of resettlement monitoring information that will be updated every three months. It will contain certain files on each affected household and will be updated based on information collected in successive rounds of data collection. All databases compiled will be fully accessible by implementing agencies and the PMU.

2. Reporting

172. The IMO will be required to submit the findings of the periodical monitoring every 3 months (or any agreed period). These monitoring reports shall be submitted at the end of each quarter of monitoring activity to the PMU, which in turn will submit these reports to ADB as an annex of its progress report.

173. The report should contain:

(i) A report on the progress of implementation of Dong Ha RP;
(ii) Deviations, if any, from the provisions and principles of the RP;
(iii) Identification of problem issues and recommended solution, so that implementing agencies are informed about the ongoing situation, and can resolve problems in a timely manner; and
(iv) A report on progress of ongoing resettlement activities, and follow-up solution of problems and issues identified in the previous monitoring report.

3. Monitoring Report Follow-Up

174. The monitoring reports will be discussed in a meeting between the IMO, PMU and implementing agencies held immediately after submission of the report. Necessary follow-up action will be taken based on the problems and issues identified in the reports and follow-up discussions.
Attachment 1: Table of Compensation and Allowances for Dong Ha Drain System (DH/ICB/1)

(See attached file)
## Attachment 2: Entitlement Matrix

<table>
<thead>
<tr>
<th>ITEM</th>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
<th>IMPLEMENTATION ISSUES</th>
</tr>
</thead>
</table>
| 1    | Permanent loss of arable land | Marginal APs:  
• Less than 20% of total affected assets lost due to LA;  
AND/OR  
• Marginal impact on HH income and living standards. | Legal user with permanent rights to use the affected land, and temporary user who will be legalized before compensation as a permanent user. | APs will be entitled to:  
(i) Cash compensation for acquired land at full replacement cost; AND  
(ii) Cash compensation for crops and trees at full market price. | HH without LURC but their name listed in the land book of the commune and still now using that land are considered as fully legal users.  
If the viability of the remaining land is less than the minimum viable economic unit, then the entire piece of land would be acquired and the AP would be considered severely affected. |
|      |              | Land users with temporary or leased rights to use land that cannot be legalized as long-term land user. | (i) Cash compensation for lost income from the affected land for the remaining lease or assigned period, or cash compensation for the acquired land equivalent to 30% of land at replacement cost, whichever is higher; AND  
(ii) Cash compensation for loss of crops and trees at full market prices; | If the viability of the remaining land is less than the minimum viable economic unit, then the entire piece of land would be acquired at 30% of replacement cost for the land, and the AP would be considered severely affected. |
|      |              | Land users without permanent or legalizable rights to use land. | (i) No compensation for land, but cash assistance corresponding to the investments in the land; AND  
(ii) Cash compensation for crops and trees at full market prices.  
(iii) If poor and vulnerable, see below. | Special attention to be given to poor and vulnerable households, including those headed by females. |
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<th>ITEM</th>
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<th>IMPLEMENTATION ISSUES</th>
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<td>Severe APs:</td>
<td>More than 20% of total affected assets lost due to LA; AND/OR Severe impact on HH income and living standards.</td>
<td>(i) As priority, land for land compensation with full title OR cash compensation for the lost land at full replacement cost; AND (ii) Cash compensation for loss of trees and crops at full market price; AND (iii) Transition allowances and rehabilitation assistance.</td>
<td>If the viability of the remaining land is less than the minimum viable economic unit, then the entire piece of land may be acquired and the AP would be receive full compensation. Cash in lieu of land will be offered only as a last resort or at the request of the AP.</td>
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<td>Legal user with permanent rights to use the affected land, and temporary user who will be legalized before compensation as a permanent user.</td>
<td>(i) As priority, land for land compensation with full title OR cash compensation for the lost land at full replacement cost; AND (ii) Cash compensation for loss of trees and crops at full market price; AND (iii) Transition allowances and rehabilitation assistance.</td>
<td>If the viability of the remaining land is less than the minimum viable economic unit, then the entire piece of land would be acquired at 30% of replacement cost for the land, and the AP would be compensated fully at 30% of land at replacement cost.</td>
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<td>Land users with temporary or leased rights to use land that cannot be legalized as long term-land user.</td>
<td>(i) As a priority, land for land compensation equal to 30% of the affected area at full replacement costs, OR Cash compensation for lost income from the affected land for the remaining lease or assigned period, or cash compensation for the acquired land equivalent to 30% of land at replacement cost, whichever is higher; AND (ii) Cash compensation for loss of crops and trees at full market prices;</td>
<td>Special attention to be given to poor and vulnerable households, including those headed by females.</td>
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<td>Land users without permanent or legalizable rights to use land.</td>
<td>(i) No compensation for land, but cash assistance corresponding to the investments in the land; AND (ii) Cash compensation for loss of crops and trees at full market prices; AND (iii) Transition allowances and rehabilitation assistance. (iv) If poor and vulnerable, see below.</td>
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|      |              | Land users or management organizations | (i) If the recovered land belongs to the commune public land fund, or is communal land, then cash compensation will be paid to the commune.  
(ii) In case of temporary land allocation by commune, 70% of the remaining value of the affected land will go to the commune budget, after 30% is paid directly to the APs.  
(iii) Affected persons will be compensated directly for any affected crops and trees at full replacement costs at current market prices. | Poor and vulnerable households, including female-headed households if applicable. | Poor and vulnerable households, including landless APs, will be entitled to  
(i) Assistance by the local authority to obtain land of an area equal to the minimum standard plot size, with full legal title to land at no cost to the APs, at a resettlement site or elsewhere, in accordance with AP preference; AND/OR  
(ii) Transition allowances and rehabilitation assistances. | Any of the previous categories may also be categorized as a poor and vulnerable household. |}
| 2    | Temporary loss of arable land | Temporary loss of arable land | Affected persons | (i) Cash compensation for loss of trees and crops at full replacement costs; AND  
(ii) Cash compensation for loss of net income from crops that cannot be planted for the duration of project temporary use; AND  
(iii) Land restoration to its previous or better quality. | In the case the contractor damages property, the contractor will be required to pay compensation to APs, and/or restore the property to its former condition. | There should be measures to improve |
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<td></td>
<td>Temporary loss of arable land</td>
<td>Land users with legal/legalizable rights, or temporary land use right</td>
<td>If the duration of project's use the land exceed more than one (1) year, then the APs have option to: (i) Continue temporary use arrangements; OR (ii) Sell the remaining land to the Project at full replacement costs in accordance with land use categories.</td>
<td>land quality in cases of land being adversely affected or acidified.</td>
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<td>3</td>
<td>Permanent loss of residential land</td>
<td>Marginal affect: • Loss of residential land without structures built thereon; AND/OR • Marginal impact on HH income and living standards</td>
<td>Legal user with permanent rights or legalizable rights to use the affected land.</td>
<td>(i) APs will be entitled to cash compensation for land at full replacement cost of the land; AND (ii) Cash compensation for loss of trees and crops at full market prices.</td>
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<td>Land users without rights use to the affected land</td>
<td>(i) No compensation for land, but will be provided assistance corresponding to the value of investment on land. (ii) Cash compensation for loss of trees and crops at full market prices.</td>
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<td>Severe Affect: • Loss of residential land with structures built thereon; AND/OR • Severe impact on house income and living standards</td>
<td>Legal user with permanent rights or legalizable rights to use the affected land.</td>
<td>APs will be entitled to one of the following options: (i) Stay and rebuild their structures on the remaining land if viable, OR (ii) Opt for relocation.</td>
<td>APs are entitled to land for land, cash for land, or a combination of the two, at replacement cost, equivalent to the area of legal land lost. APs who are compensated with land of larger size or value than the previous plot size, will not pay the difference. APs who are compensated with land of smaller size will be paid the difference in cash compensation.</td>
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<td>a) Reorganizing APs</td>
<td>APs choosing to reorganize onto the remaining land, if deemed viable, are entitled to: (i) Compensation in cash or kind for the affected area; AND (ii) Compensation for the affected structure at full replacement cost; AND (iii) Transition allowance and rehabilitation assistance; AND/OR (iv) If reorganizing APs are businesses or shops, then they will be entitled to business transition allowance.</td>
<td>APs will receive the balance of land quantity in cash between the standard plot size of compensation and the remaining land. Reorganizing APs will not have to pay conversion fees of agricultural land to residential land.</td>
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<td><strong>b) Relocating APs</strong></td>
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<td>APs who are compensated with land of larger size or value than the previous plot size, will not have to pay the difference. APs who are compensated with a smaller size than that of the original plot size will be paid the difference in cash compensation.</td>
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<td><strong>Relocation to an Individual Resettlement Site</strong></td>
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<td>(i) Land-for-land compensation with full title to a plot of land without cost to APs, of equal area and quality (not less than the standard plot size) at an individual location or in small groups together with several other APs from the municipality; <strong>AND</strong></td>
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<td>b. Compensation for affected structures at full replacement cost, <strong>AND</strong></td>
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<td>c. Sufficient support to develop their own access road, water, drainage, electricity if available, and land filling at replacement cost; <strong>AND</strong></td>
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<td>d. Transition allowance and rehabilitation assistance; <strong>AND/OR</strong></td>
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<td>e. Business transition allowance, if the relocating AP is a business, <strong>OR</strong></td>
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<td><strong>Self Relocation</strong></td>
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<td>(ii) Cash compensation at full replacement cost for their legal affected land and structures, if they prefer to make their own arrangements; <strong>AND</strong></td>
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<td>b. Transition allowance and rehabilitation assistance, <strong>AND/OR</strong></td>
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<td>c. Business transition allowance, if the relocating AP is a business.</td>
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<td>Land users with temporary or leased rights to use land that cannot be legalized as long-term land user.</td>
<td>(i) Relocating APs are eligible to the same entitlements as other relocating APs; OR (ii) Self-relocating APs, who are severely affected, will be paid a. Cash compensation equal to 30% of the replacement cost for the residential land at the affected site; AND b. Transition allowances and rehabilitation assistance; OR (iii) Self-relocating APs who are marginally affected, will be entitled to a. Cash assistance at 30% of the replacement cost of the affected area; AND b. Cash compensation for affected structures at full replacement costs.</td>
<td>(iv) Relocation to a plot not less than the standard plot size, on a fully serviced group site, or to an individual resettlement site with sufficient cash, at replacement cost, to development their own access road, water, electricity and land filling, AND (v) Compensation for affected structures at full replacement costs; AND (vi) Transition allowances and rehabilitation assistance.</td>
<td>Special attention to be given to poor and vulnerable households, including those headed by females.</td>
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<td>4</td>
<td>Secondary APs</td>
<td>APs affected by land acquisition for borrow areas or individual relocation.</td>
<td>Legal user with permanent or temporary use rights who are legalizable.</td>
<td>Because all secondary APs are likely to be affected through loss of agricultural land, they will be entitled to compensation and rehabilitation assistance in accordance with the same provisions for all other APs.</td>
<td>In some area, right to use land implies right to build a structure, so a building permit is not required.</td>
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<td>5</td>
<td>Structures</td>
<td>Structures located in recovered area of project components.</td>
<td>Legal owner of the affected structure.</td>
<td>APs with legal right to build the affected structure will be entitled to compensation at full replacement cost of the affected structure in material, cash or a combination of the two, without any deduction made for depreciation or salvageable materials.</td>
<td>In some areas, right to use land does not imply right to build a structure. It may require a building permit, which shall be provided to APs at no cost. Calculation of rates will be based on actual affected area and not useable area.</td>
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<td>Poor and vulnerable households</td>
<td>(i) Relocation to a plot not less than the standard plot size, on a fully serviced group site, or to an individual resettlement site with sufficient cash, at replacement cost, to development their own access road, water, electricity and land filling, AND (ii) Compensation for affected structures at full replacement costs; AND (iii) Transition allowances and rehabilitation assistance.</td>
<td>Any of the previous categories may also be categorized as a poor and vulnerable household.</td>
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<td>Loss of business income</td>
<td>Permanent loss of business income for relocated shopkeepers.</td>
<td>Relocating owner of the affected shop.</td>
<td>Relocating APs will be entitled to:</td>
<td>At the time of compensation, allowances will be adjusted to account for inflation. APs will be given priority for relocation nearby advantageous areas (e.g., highway, communal roads, along canals) in order to maximize their benefits from business opportunities.</td>
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|      |                         |                                                   |                                                                   | (i) A special business rehabilitation allowance not less than D1,800,000 be assist in getting a kiosk with full land title in the resettlement site market or find a location elsewhere suitable for business. | (ii) APs losing their business due to relocation will be given priority in obtaining and/or leasing a kiosk in the resettlement market.  
(iii) Those APs who will have to shift to another activity due to relocation, will be entitled to training/retraining assistance.  
(iv)APs will also be entitled to receive other rehabilitation assistance. |
|      |                         |                                                   |                                                                   |                                                                                   |                                                                                                                                   |
|      |                         |                                                   |                                                                   |                                                                                   |                                                                                                                                   |
|      | Temporary loss of business income for relocated shopkeepers. | Small businesses  
 a) Not registered  
 b) Registered, with official documents/statements | (i) Small businesses are entitled to cash compensation for the duration of the business or income-generated disruption, based on the minimum wage per month in the respective province. | (ii) Small businesses are entitled to  
 a. A special business rehabilitation allowance; OR  
 b. Business rehabilitation allowance, equal to the AP's monthly average net income of the affected business based on their business license and tax, but not less than the business rehabilitation allowance. | Compensation will be provided for the duration of the business or income-generated disruption based on net income. If the AP does not get a location to continue business, then affected person(s) will receive a training package, as indicated above. |
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| 7    | Loss of wage incomes. | Permanent or temporary loss of wage incomes. | Wage laborers | (i) Permanent loss of wages:  
  a. Cash compensation for six (6) months salary or wages, OR cash compensation for the remaining period of the contract, whichever is higher; AND  
  b. Severance pay for employees, as encouraged by the Project to the businesses; AND  
  c. Assistance in securing new employment, including relevant skills training expenses if required.  
(ii) Temporary Job Loss:  
  a. APs experience temporary job loss while business is reorganizing within remaining land are entitled to cash compensation for last salary or wages for each month they cannot work, OR  
  b. Assistance in securing new employment, including relevant skills training expenses, if required. | |
| 8    | Loss of trees and crops | Trees and crops located within the affected or recovered land area for a subcomponent. | APs who are cultivating the land, irrespective of land ownership.  
Compensation for trees is paid only to private owners. | (i) Cash compensation for crops is paid to at the full market value of the affected crops.  
(ii) Cash compensation for trees that are not productive yet, which includes all initial investment and care of the tree up to the date of land acquisition.  
(iii) If a perennial crop/plant can only be harvested once, then the compensation will include the total cost of investment and care until the time of land acquisition at full market value. | APs will be given notice several months in advance regarding evacuation. Crops grown after issuance of the deadline will not be compensated.  
For particular, perennial crops/plants/trees, replacement cost is based on tree's age, shape, perimeter, and yield. |
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<td>9</td>
<td>Transition Allowance</td>
<td>Subsistence allowance</td>
<td>Relocating APs and severely affected farmer APs.</td>
<td>All relocating APs and severely affected farmers are entitled to D200,000 per son per month for 3-6 months subsistence allowance during transition period.</td>
<td>At the time of compensation, allowances will be adjusted to account for inflation.</td>
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<td>House Rent</td>
<td>Relocating APs who were tenants or lessees</td>
<td>APs will be given house rent in the amount of D500,000 per month for a maximum of 6 months.</td>
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<td>Transportation allowance</td>
<td>Relocating APs.</td>
<td>All relocating APs are entitled to assistance to transport household effects, salvaged and new building materials to relocation sites. If requested by APs, this assistance will be provided in the form of cash (D1,000,000 – D1,500,000 per household).</td>
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<td>Business transition allowance</td>
<td>APs who have businesses and are to be relocated.</td>
<td>APs are entitled to D1,800,000 cash payment of an income transition allowance to provide for loss of income during the transition period.</td>
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<td>Incentive bonus</td>
<td>Relocating AP, including relocating shopkeepers.</td>
<td>A special incentive bonus to move on time of at least 10% of the value of the AP’s total compensation package, to a maximum not exceeding D5,000,000.</td>
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<td>Social allowance</td>
<td>Beneficiaries of social allowance who relocate.</td>
<td>Beneficiaries of social allowance who are relocated are entitled to a special allowance of up to D5,000,000</td>
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<td>10</td>
<td>Rehabilitation Assistance</td>
<td>Agricultural Extension</td>
<td>Severely affected farmers who have remaining agricultural land.</td>
<td>Development to facilitate the provision of agricultural extension services to all severely affected farmers. An estimated D2,000,000 will be provided per household for agricultural extension purposes.</td>
<td>At the time of compensation, rehabilitation assistance and measures will be adjusted to account for inflation, and local situations.</td>
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<td>Training Assistance</td>
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<td>AP having their income source severely affected, including those that change their occupation as a result of resettlement.</td>
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<td>Training/retraining assistance in form of job training or cash combined with respective technical assistance will be provided. The Project will also provide a training subsistence allowance for each entitled trainee during 3 months of training course, with the total value of the rehabilitation assistance D3,000,000 per household.</td>
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<td>Access to Credit</td>
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<td>Affected persons, with special priority to severely affected and vulnerable APs</td>
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<td>APs will be eligible for accessing the community-based sanitation program and the household sanitation credit scheme in Part A.</td>
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<td>Further credit avenues will be explored prior to the finalizing the RPs.</td>
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<td>Project-Related Job Opportunities</td>
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<td>Severely affected persons.</td>
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<td>APs will have the priority to be employed in the works linked to the Project where possible.</td>
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Attachment 3: Terms of Reference for Resettlement Consultants

1. Resettlement Specialist – International (6 person-months)

1. An international advisor will be recruited for a total of 6 person-months. The advisor will have experience in resettlement implementation on projects funded by ADB or other development partners. In addition to that listed in Appendix 12, key duties include:

(i) Conduct training and workshops in ADB resettlement requirements and procedures to PCU, PSC and PMU, and other town agencies as necessary;
(ii) Provide training to local resettlement staff and consultants, as required;
(iii) With the domestic consultants, assist the Government in conducting a comprehensive replacement survey if necessary;
(iv) Assist in setting up procedures for managing and documenting land acquisition, compensation, and resettlement activities under the Project;
(v) Assist PMUs in finalizing the resettlement implementation plans with focus on community consultation, entitlement review, compensation assessment, and grievance procedures;
(vi) Assist the PCU and PMUs to establish supervision and monitoring systems for land acquisition and resettlement, in accordance with the approved provincial resettlement plans and ADB's policy on involuntary resettlement;
(vii) Provide advice and guidance to the PCU and PMUs on quality control and checking of resettlement data and accounts; and
(viii) Supervise domestic consultants and provide feedback to the team leader.

2. Two (2) Resettlement Experts – Domestic (18 person-months each)

2. Two (2) Resettlement Experts will be recruited for implementation of resettlement. One will be fielded and responsible for three Project towns, while the other will support the activities in the remaining three Project towns. The experts will have a background in implementation and monitoring of resettlement for international funded development projects. In addition to that listed in Appendix 12, specific key duties include:

(i) Work closely with the local authorities and resettlement committees at all levels in assigned towns on resettlement related activities;
(ii) Assist in the conduct of information campaigns, including the public information booklet (PIB), the participation and consultation of APs, and the inclusion of APs in different groups (e.g., grievance redressals);
(iii) Assist in the verification of census, inventory of losses and DMS activities;
(iv) Check the accuracy of the AP database prepared, and provide suggestions for improvements, if necessary;
(v) Assist in the preparation of an updated RP. Hold discussions with different stakeholders to verify that final mechanisms are appropriate and in place;
(vi) Assist to develop procedures for the coordination of resettlement and compensation activities;
(vii) Ensure that grievances are addressed promptly and properly; and
(viii) Provide training to town resettlement staff, as required.
Attachment 4: Direct Compensation and Rehabilitation Cost of Dong Ha Subproject
## Attachment 5: Schedule of RP Implementation and Civil Works

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
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</thead>
<tbody>
<tr>
<td><strong>Capital Investment (Base cost USD '000)</strong></td>
<td>241</td>
<td>2,663</td>
<td>4,191</td>
<td>2,832</td>
<td>2,061</td>
<td>971</td>
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<tr>
<td>Undertake consultation and participation programs</td>
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<tr>
<td>Establish PMU</td>
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<tr>
<td>Training of resettlement staff by the PMU, assisted by the consultants</td>
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<tr>
<td>Appoint an external independent monitoring agency</td>
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<tr>
<td>Convene resettlement committees</td>
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<tr>
<td>Carry out joint verification of inventory of losses and detailed measurement survey</td>
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<tr>
<td>Carry out replacement cost survey</td>
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<tr>
<td>Verify income restoration assistance (or rehabilitation measures)</td>
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<tr>
<td>Engineering investigation</td>
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<td></td>
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<tr>
<td>Detailed technical design</td>
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<td></td>
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<tr>
<td>Update compensation rates and apply Project entitlements</td>
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<tr>
<td>Update RP and obtain ADB</td>
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<td>3</td>
<td>4</td>
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<tr>
<td>concurrence</td>
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<tr>
<td>Present compensation</td>
<td></td>
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<tr>
<td>payment to APs</td>
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<tr>
<td>Assist in relocating APs</td>
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<tr>
<td>Commence surveys to identify secondary APs</td>
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<tr>
<td>Preparation for RP</td>
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</tr>
<tr>
<td>implementation</td>
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<td></td>
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<tr>
<td>RP implementation and relocation</td>
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<tr>
<td>Implement monitoring (to be done regularly)</td>
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<tr>
<td>Awards of contract for civil works</td>
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<tr>
<td>Start of civil works</td>
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<tr>
<td>construction</td>
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<tr>
<td>Post resettlement evaluation (6-12 months after completion of all resettlement activities)</td>
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1. **QUESTION: WHAT IS THE VIETNAM-ADB: CENTRAL REGION URBAN ENVIRONMENTAL IMPROVEMENT PROJECT?**

The Government of Vietnam, with the assistance from the Asian Development Bank (ADB), intends to improve drainage, sanitation and solid waste systems in urban areas in six Central Region provinces. The six towns included in the Project are: Thanh Hoa, Ha Tinh, Dong Ha, Lang Co, Tam Ky and Quang Ngai. Specific objectives of the Project are to:

i) Improve the quality of life for residents by reducing environmental and health risks caused by poor sanitation;

ii) Promote social and economic development in the project towns to help reduce migration from the Central Region to Hanoi and Ho Chi Minh City; and

iii) Improve sustainability of the urban public works company (URENCO) and improve delivery of urban services.

2. **QUESTION: IS IT TRUE THAT YOU ARE GOING TO IMPROVE OUR ENVIRONMENT?**

**ANSWER:** Yes. Through the infrastructure component of the project, new drains and canals will be built, and existing drains will be upgraded to collect polluted wastewater and take it away from the urban area. Drains, flood prevention ICB/1s, and storage lakes will be built to overcome flooding problems. Solid waste services will expand to collect waste in urban areas and new sanitary landfills will be developed.

For Dong Ha, the project primarily focuses on drainage and flood protection, wastewater and public sanitation development, and solid wastes improvements. Major infrastructure to be built includes: constructing 1.06km of primary drains and 12.8km of secondary drains, constructing 6.58km of box culvert, 2 km of flood prevention ICB/1, a new landfill adjacent to existing disposal area with an area of 14ha, and upgrading 2.8km of the landfill access road.

3. **QUESTION: HOW WILL WE BE AFFECTED BY THESE ENVIRONMENTAL IMPROVEMENTS?**

**ANSWER:** The nature of the environmental improvements means there will be some impact on land in Dong Ha. However, the design of environmental improvements will attempt to avoid or at least minimize negative impacts on communities. An initial census and inventory of potential losses of assets was carried out 25 June 2003. An estimated 267 houses will be affected in total, of which 28HHs are affected by the Flood Prevention ICB/1. Some temporary disturbance will occur during the construction of smaller drains, although these will be built within existing roadways wherever possible. During detailed design, these potential effects may be avoided or minimized since actual alignments of the new drains will be determined through consultation with you and the rest of the local communities. In case the effects on land, houses and structures cannot be avoided, affected persons (APs) will be properly compensated for their land, houses, structures, crops and trees and even communal properties in order for them to restore their lost assets, resources or income. Relocation allowances and rehabilitation measures will also be provided to APs who will be severely affected by the Project.

4. **QUESTION: WHAT IF MY LAND IS AFFECTED BY THE PROJECT?**

**ANSWER:** For affected land, compensation can be in the form of replacement land or cash at current market value. If land is the agreed form of compensation between APs and the Project, the replacement land should be of equal or better productive capacity of the lost land and satisfactory to APs.

5. **QUESTION: DO WE NEED TO HAVE A LAND TITLE IN ORDER TO BE COMPENSATED?**

**ANSWER:** No. Lack of formal legal rights to land does not prevent any APs from receiving compensation, allowances, and rehabilitation assistance. Those APs who have been provided with users rights or any form of written or verbal agreements to utilize the land are entitled to compensation and assistance.

6. **QUESTION: DOES COMPENSATION APPLY TO MY AFFECTED HOUSES OR STRUCTURES?**

**ANSWER:** Yes. Houses and any structures such as wells, animal pens, fences etc, that will be affected by the Project will be compensated at replacement cost without deduction for depreciation or salvageable materials in order for you to rebuild a replacement structure.

7. **QUESTION: WHAT ABOUT MY CROPS AND TREES?**

**ANSWER:** Affected crops and trees will be compensated at current market value. Compensation for crops will be based on the anticipated harvest at market value while trees will be based on the type, age and productivity.
8. QUESTION: WHAT ABOUT OUR COMMON PROPERTY?
ANSWER: For common property resources, the affected land will be replaced in areas identified in consultation with affected communities and relevant organizations. Affected buildings and structures will be restored to original and better condition.

9. QUESTION: IF I NEED TO MOVE MY HOUSE OR BUSINESS, OR LOSE MY FARMING LAND, HOW CAN THE PROJECT HELP?
ANSWER: Apart from the compensation for loss of land and other assets at replacement costs, the Project will ensure that the standard of living of APs is maintained or improved after the Project. Therefore, the Project shall provide the following types of support:

- **Transportation Allowance** will be provided to relocating APs for transporting household effects, salvaged and new building materials to new sites.

- **Subsistence Allowance** will be provided to relocating or severely affected farming households during transition. The amount will be a fixed rate paid for each household member for up to six months during relocation.

- **House Rent Assistance** will be provided to relocating APs to assist them with temporary accommodation during relocation. The lump sum will be paid per household, for up to 6 months.

- **Business Rehabilitation Allowance** will be provided to compensate for lost revenue for businesses that will be required to close down during the relocation period. A lump sum will be provided to small shops while big businesses will have to provide their income statement. Employees will be entitled to cash compensation for lost wages per lost working day.

- **Training Assistance** will be provided for APs, who have their income source severely affected, including those who have to change their occupation as a result of resettlement. These APs will be given training/retraining assistance in the form of job training or cash with respective technical assistance. A training subsistence allowance will be provided for 3 months.

- **Agricultural Extension** will be provided severely affected farmers, who have some agricultural land remaining. They will be entitled to agricultural extension assistance to increase productivity on their remaining land. This will help restore future income losses so that APs will be able to produce the same level of income from the next season's harvest.

- **Social Assistance Allowance** will be provided to APs belonging to vulnerable groups, including the very poor headed by the aged, women, disabled, or ethnic minorities are entitled to an additional special allowance. This allowance is for livelihood restoration or improvement. The level of assistance depends on need and is defined by the local authority in consultation with an independent monitoring organization. In addition, APs will receive any necessary support to obtain replacement land and resettlement.

- **Incentive Bonus** will be paid to APs who demolish/move their affected houses or structures and transfer their affected land to the Project on time or before the deadline set.

10. QUESTION: DOES THAT MEAN THAT ANYBODY IN OUR COMMUNITY CAN CLAIM FOR COMPENSATION?
ANSWER: No. Entitled APs are those persons who were been surveyed during the census and inventory of losses activities. Persons who move into the area after the cut-off-date (31 May 2008, the date of completion of the DMS for Dong Ha Drain System) will not be entitled to compensation or any other form of resettlement assistance.

11. QUESTION: WHAT IF I HAVE BEEN TOLD TO MOVE BUT WAS NOT INCLUDED IN THE SURVEY?
ANSWER: During the detailed design of the environmental improvements, some minor changes to the position of some infrastructure may occur. This could affect people who were not included in the original inventory survey. These APs will be entitled to the same compensation as all other APs. Once the actual position and alignment of infrastructure is known, a detailed measurement survey will be undertaken in the presence of APs to inventory the losses for compensation and rehabilitation.

12. QUESTION: DO WE NEED TO MOVE OR CLEAR THE AREA IMMEDIATELY OUR LAND, HOUSES OR STRUCTURES HAVE BEEN IDENTIFIED AS AFFECTED?
ANSWER: No. Clearing the project site will only take place once compensation for affected land or other lost assets has been received by APs. Once the AP acknowledges receipt of payment, the Project will provide a reasonable time for APs to clear the area in order for construction activities to commence.

**13. QUESTION: IF DISAGREEMENTS OR PROBLEMS ARISE DURING THE PROJECT SUCH AS COMPENSATION, AND GENERAL DISPUTES, DO I HAVE THE RIGHT TO VOICE MY COMPLAINT?**

ANSWER: Yes. Any AP may file a complaint. APs will be informed, both verbally and in writing during consultation, surveys and at the time of compensation, of their rights to grievance and the procedures for making a complaint. The APs may present their complaints to the concerned local administrative officials and resettlement committees. The complaint can be filed first at the ward or commune level and can be elevated to the provincial level, and then taken to a court of law, if the APs are not satisfied with the decisions made at the lower levels. APs will be exempted from all taxes, administrative and legal fees. Attempts will be made to settle the issues at the ward/commune level through community consultation, involvement of social and resettlement experts as required, NGOs and mediators and facilitators if required. All complaints and resolutions will be properly documented by the concerned resettlement committees and follow the appeals process.

**14. QUESTION: WHEN IS THE PROJECT EXPECTED TO COMMENCE?**

ANSWER: The detailed design is expected to complete in second quarter 2007. The detailed measurement survey will begin after the detailed design is completed. Construction of the infrastructure is most likely to begin in second quarter 2008 and be completed in 2009.

**15. QUESTION: AS A RESIDENT OF QUANG NGAI, HOW CAN I HELP?**

ANSWER: We would like you to participate fully in all consultation meetings and other project-related activities to ensure that you are fully informed and your views are known and taken into account. Your active participation during the survey, detailed design and implementation will allow us to determine measures to mitigate impacts, to identify problems or potential problems, and to identify ways of responding immediately to solve these problems.

**16. QUESTION: HOW WILL YOU KNOW IF THE OBJECTIVES OF THIS PROJECT ARE MET?**

ANSWER: The Project Management Unit will monitor all project activities. Quarterly Reports will be prepared and submitted to the Government and ADB. A post-resettlement impact evaluation will assess whether impacts of the Project have been mitigated adequately and the pre-project standard of living of APs has been restored as a result of the resettlement and the Project. An external monitoring organization and the ADB will also monitor resettlement activities during Project implementation.

For further queries and suggestions, please call or see us at:
Provincial Project Management Unit, Quang Tri Province
Tel: + (053)553349
Fax: + (053)553349
Address: 30B Le Duan, Dong Ha Town, Quang Tri Province
Attachment 7: Methodology and Guidelines for Replacement Cost Survey

2. The objectives of this study are to undertake an independent classification and valuation of land in the Project area based on current land use and market value and establish replacement costs for various assets (i.e., structures, trees, crops, communal property resources) to ensure that various types of losses will be calculated at replacement cost or at current market value at the time of compensation.

3. The consultant shall prepare criteria and formulae on how the established rates will be revised and updated.

D. Methodology

4. The evaluation of replacement costs must be carried out based on information collected from both secondary sources and direct interviews with people in affected area, both those affected and those not affected. The international resettlement specialist will determine the sample size. The methodologies for verifying the replacement for each type of losses which will be carried out are, but not limited to, the following:

1. Land

5. The consultant will undertake an independent classification and valuation of land in the Project area based on current land use and market value of land in order for APs to buy the same quality and quantity of replacement land. The consultant and his/her team shall gather data of some sales of land, which have just taken place. Direct interviews with owners of land in Project affected area, including those, whose land is affected and those whose land is not. The interviews will cover the following issues:

   (i) The recent land use rights transfer (buying/selling transactions) in the area
   (ii) The price, at which owners are willing to sell their land
   (iii) Government established rates for land

6. The price of agricultural, forest land and land with water surface for fishery cultivation will also be differentiated by quality of land and its capacity to produce income for the households.

2. Structures

7. One of the principles of the Project is to compensate affected people for their affected structures at full replacement cost without deduction for depreciation and or salvageable materials. The replacement cost study will be conducted based on a pre-developed interview guide, which will cover the following issues:

   (i) Interviews with structure owners:
       (a) Construction materials, includes main materials they used for their current structures; type of shops where they bought construction materials; distance of transport; origin of the materials (local or overseas); and costs of various materials.
       (b) Labor, includes who built the structures, owners themselves or contractors. If owners built themselves, they use their own labor to hire other people.

   (i) Interviews with construction contractors:
       (a) Assessment includes main materials which are most used by the local people to build their structures; costs of these main materials; cost of labor; average
construction cost (cost per m\(^2\) floor) for different types of houses according to different categories; compare with provincial construction prices (cost per m\(^2\) floor for each category);

(b) The structures will include but not limited to the following: houses, shops, kitchens (in case they are separated from houses), toilets (in case they are separated from houses), animal sheds, wells, any other structure associated to the house.

3. **Crops and Trees**

8. The market values for trees will be calculated based on the annual produce value multiplied by a five (5) years factor. This will compensate for lost income until the newly planted seedlings bear fruit. For crops, the consultant and his/her team will calculate for the value of crops that will be lost. The team shall obtain information from:

   (i) Studies conducted/rates applied for other development projects
   (ii) Publications (government or private, if any) for trees and crops
   (iii) Interviews with people (affected and not affected) who own the same crops and trees in the locality. The interviews will cover the price, at which owners are willing to sell each type of their crops and trees.

4. **Other Government or Community-owned Structures and Facilities (e.g., electric posts, water supply system, and water pipes)**

9. The valuation will be based on replacement costs. Similarly in the case of structure, cost to construct those facilities will be determined to ensure that compensation will be sufficient to reconstruct them. Information to base the re-evaluation will be conducted with officials in charge of constructing such facilities to determine material cost and labor cost.