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LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY



**Ministry of Public Works and Transport (MPWT)  
The Department of Road (DoR) and  
The Public Works and Transport Institute (PTI)**

## **Draft Environmental and Social Management Framework (ESMF)**

### **Second Lao Road Sector Project (LRSP-II)**

Project No. (P158504)

**Vientiane, 10 April 2016**

## Preface

This document is the Environmental and Social Management Framework (ESMF) for the second Lao Road Sector Project (LRSP2 or the Project) which is being prepared by the Ministry of Public Works and Transport (MPWT) through its Department of Planning and Cooperation (DPC), the Public Works and Transport Institute (PTI), the Department of Road (DoR), and other departments for possible financing by the World Bank (WB).

The ESMF has been prepared to meet the World Bank's safeguard policies on Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), Physical Cultural Resources (OP/BP 4.11), Indigenous Peoples (OP/BP 4.10), and Involuntary Resettlement (OP/BP 4.12) which have been triggered for the Project. The ESMF is designed to describe the process that will address possible environmental and social impacts of all investments and activities to be financed under the Project once specific locations and technical details of the selected investments can be identified during Project implementation. The ESMF describes the safeguard screening and review process as well as safeguard actions to be carried out to mitigate the potential negative impacts while the annexes provide background information and technical guidelines for the preparation of site-specific Environmental and Social Management Plan (ESMP) for a subproject as well as other requirements.

The ESMF also includes an Ethnic Groups Development Framework (EGDF)<sup>1</sup> and a Resettlement Policy Framework (RPF) to be applied for the subproject that involves ethnic groups and/or land acquisition and resettlement to be implemented under the Project.

The Project aims *to improve climate resilient road connectivity in selected provinces in Lao PDR*. The Project will be implemented by MPWT agencies responsible for the Project and the Project provinces. The Project area will cover six provinces including Phongsaly, Oudomxay, Houaphan, Xiengkhouang in the northern mountainous region and Xayabouly, and Bolikhamxay located in the central area. The Project activities will be limited to road maintenance at provincial and district levels and technical assistance to enhance capacity of MPWT on road asset management systems including mainstreaming of climate resilient and safeguard and implementation of the Public-Private-Partnership (PPP) arrangement for part of the national road 13.

The ESMF was consulted 2 times with local authorities and communities in the two first year province (Bolikhamxay and Xayabouly) as well as in Vientiane Capital. The first consultation was made in Vientiane capital on 25 February 2016 focusing on the project scope and draft TORs for the ESMF, EGDF, and RPF to announce the preparation and scope of the Project. The first consultation in Bolikhamxay and Xayabouly was conducted in March 2016 and the results were considered during the drafting of the ESMF of the Project and preparation of the ESMPs of the first year subprojects. The English version of the ESMF (this draft) including RPF and EGDF will be disclosed in country at the MPWT websites on 11 April 2016. The second consultation was made on the first drafts (English and Lao) in the two provinces and in Vientiane in late April 2016 and the drafts will be finalized. The final draft ESMF (both in English and Lao) will be disclosed again in MPWT website as well as in the six Project provinces and they will be sent to WB for clearance. After the WB clearance the final ESMF and annexes (both in English and Lao) will be disclosed again in MPWT website and the Project provinces.

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<sup>1</sup> This is equivalent to the Indigenous Peoples Policy Framework (IPPF) as required by OP/BP4.10.

## ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank	MPI	Ministry of Public Investment
ARAP	Abbreviated Resettlement Action Plan	MPWT	Ministry of Public Works and Transport
BKX	Bolikhamxay Province	NBCA	National Biodiversity Conservation Areas
DDMCC	Department of Disaster Management and Climate Change	NDF	Nordic Development Fund
DESIA	Department of Environmental and Social Impact Assessment	NGOs	None Government Organizations
DFRM	Department of Forest Resources Management	NPA	National Protected Areas
DoR	Department of Road	NPFA	National Protection Forest Area
DONRE	District Office of Natural Resources and Environment	NR	National Road
DoT	Department of Transport	NSEDP	National Socioeconomic Development Plan
DRC	District Resettlement Committee	NTFP	None Timber Forest Products
DPI	Department of Planning and Investment	OP/BP	Operation Policy/Bank Procedure
DPWT	Provincial Department of Public Works and Transport	OLFNC	District Office of Lao Front for National Construction
EA	Environmental Assessment	OPWT	District Office of Public Works and Transport
ECC	Environmental Compliance Certificate	OUX	Oudomxay Province
ECoP	Environmental Code of Practice	PBC	Performance-based contract
EIA	Environmental Impact Assessment	PCR	Physical Culture Resources
EG	Ethnic Groups	PONRE	Provincial Office of Natural Resources and Environment
EGDF	Ethnic Groups Development Framework	PRC	Provincial Resettlement Committee
EGDP	Ethnic Groups Development Plan	PROMMS	Provincial Road Asset Management Systems
EHS	Environmental Health and Safety	PPP	Public-Private-Participation
EHSg	Environmental Health and Safety Guideline	PSL	Phongsali Province
ESD/PTI	Environmental and Social Division of PTI	PTI	Public Works and Transport Institute
ESMF	Environmental and Social Management Framework	RMD	Road Maintenance Division
ESIA	Environment and Social Impact Assessment	RAP	Resettlement Action Plan
ESMP	Environmental and Social Management Plan	RMF	Road Maintenance Fund
ESOM	Environmental and Social Operations Manual	RMS	Road Management System
ESU	Environmental and Social Unit	RoW	Right of ways
GRC	Grievance Redress Committee	RPF	Resettlement Policy Framework
GRM	Grievance Redress Mechanism	SA	Social Assessment
GRMS	Grievance Redress Mechanism Services	SCWG	Safeguard Coordination Work Group
IDA	International Development Association (or the WB)	SMMP	Social Management and Monitoring Plan
IEE	Initial Environmental Examination	SIA	Social Impact Assessment
IUCN	International Union for Conservation of Nature and Natural Resources	SIDA	Swedish International Development Agency
LRSP-II	Second Lao Road Sector Project	SOP	Standard operating procedures
LFNC	Lao Front for National Construction	TA	Technical assistance
LRSP	Lao Road Sector Project	ToR	Terms of Reference
LWU	Lao Women Union	UNCBD	United Nations Convention on Biological Diversity
MAF	Ministry of Agriculture and Forestry	VRC	Village Resettlement Committee
MCIT	Ministry of Cultural, Information and Tourism	WB	World Bank
MEM	Ministry of Energy and Mine	WBG	World Bank Group
MoH	Ministry of Health	XBL	Xayabouly province
MoF	Ministry of Finance	XK	Xiengkhouang province
MoNRE	Ministry of Natural Resources and Environment		

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## I. INTRODUCTION

### 1.1 Project Background

1. In Lao PDR, the transport sector is dominated by road development and the World Bank (WB) has been provided technical and financing supports through the Department of Road (DoR) of the Ministry of Public Works and Transport (MPWT) for road maintenance during the past decade. In early 2000, the supports focussed on road maintenance and operations of road maintenance fund (RMF) and now the assistance has been gradually upgraded to include technical assistance (TA) to cover the road sector wide aspects with an aim to address financing gap issue due to weak road asset management, debt settlement, limited connectivity, and increasingly damage caused by natural disasters and minimizing the potential negative impacts on local environment and local people. At present there are 2 WB group financing projects<sup>2</sup> i.e. the Lao Road Sector Project (LRSP) and a feasibility study for Public-Private-Partnership (PPP) on sections of national road 13 South and North.

2. In early 2015, the Government of Lao PDR (GoL) through the Ministry of Finance (MoF) has requested for a possible WB financing of the proposed second Lao Road Sector Project (LRSP2) or the Project) which has been designed to support overall sustainable road asset management by improving capacity for planning, prioritization, sector financing allocation and management, maintenance efficiency, and climate resilience of road assets. Scope of the activities is presented in Section 1.3 below.

### 1.2 Need for ESMF

3. To be eligible for WB financing, the Project will have to comply with the WB policies on safeguards<sup>3</sup> and on information disclosure. Since not all the Project activities could be identified before appraisal, the WB safeguard policy on Environmental Assessment (EA) will have to be applied and implemented as an umbrella policy. Given a small nature of works for provincial and district road maintenance to be implemented, the potential negative impacts of the Project on local environment and local communities are expected to be minor, localized, temporary, and could be mitigated. However, an EA Category A has been assigned to the Project due to the TA and capacity building to support the Public-Private-Partnership (PPP) arrangement for the national road 13 (NR13). The TA component would include environment and social safeguard related capacity development activities which would be up to the level required for Category A investment. The PPP road investment itself is outside the scope of the project. Also preparation of Feasibility Study (FS) and safeguards instruments that meet Category A requirements for the NR13 PPP project is already underway under the on-going Lao Road Sector Project (LRSP).

4. Of the ten WB safeguard policies, the following six policies are triggered for the Project: Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), Physical Cultural Resources OP/BP 4.11, Indigenous Peoples (OP/BP 4.10), and Involuntary Resettlement (OP/BP 4.12). To comply with these policies, given that not all the subproject areas could be identified before appraisal, preparation of the following safeguard instruments is required: (a) the Environmental and Social Management Framework (ESMF), (b) the Resettlement Policy

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<sup>2</sup>The LRSP (IDA H547-LA and H789) targets rehabilitation of two national roads (NR1B and NR6A), maintenance of selected sections of the provincial road network, and institutional development including the establishment of a disaster recovery and contingency fund, road safety campaigns, and a feasibility study for Public-Private-Partnership (PPP) on sections of national road 13 South and North. The activities are being undertaken in close collaboration with the International Finance Corporation (IFC), which is providing advisory service support. The LRSP closing date was extended during additional financing to September 30, 2017 but the activities are expected to be completed by mid 2016.

<sup>3</sup>The WB established ten environmental and social safeguard policies to be applied to development projects. During preparation, the Bank undertakes environmental screening of each of its proposed projects to determine the appropriate extent and type of assessment to be undertaken. The Bank classifies projects (Category A, B, C, FI) depending on its type, location, sensitivity and the nature and magnitude of impacts on communities and the environment.

Framework (RPF), and (c) the Ethnic Groups Development Framework (EGDF). The RPF and EGDF are prepared as an annex to the ESMF. The ESMF requires safeguard screening and categorization as well as preparation of an Environmental and Social Management Plan (ESMP), a Resettlement Action Plan (RAP) or abbreviated RAP (ARAP) if land acquisition and/or involuntary resettlement is involved, and an Ethnic Groups Development Plan (EGDP) if ethnic groups are present in the Project area. Safeguard screening for the first year subprojects (2) in Bolikhamxay and Xayabouly suggested for the preparation of ESMPs and ARAPs for the subprojects while preparation of EGDPs is not required.

5. *Objective, scope, and methodology.* The ESMF was prepared to provide guidance to the Project team, especially the provincial Department of Public Works and Transport (DPWT) and the relevant divisions of DoR and their consultants, on safeguard actions to be applied during the implementation of the Project. The ESMF was prepared in line with the WB safeguard policies taken into account the GoL related regulations including the MPWT Environmental and Social Operations Manual (ESOM) and the implementation experience on safeguard implementation by MPWT agencies/staff and current issues related to road projects in Lao PDR. The ESMF will be publically disclosed to local communities and general public. This document is considered a living document and can be modified in close consultation with the WB, and the WB clearance of the revised ESMF will be necessary.

6. The ESMF was prepared by the professional staff of the Environment and Social Division of the Public Works and Transport Institute (ESD/PTI) with technical assistance from an international consultant who has extensive experience on WB safeguard policies as well as on safeguard issues related to road sector and the natural resources and environmental management in Lao PDR. The preparation was made in close consultation with the safeguard officials from the DoR, the DPWTs of the Project provinces, and the WB safeguard specialists and task team. Key activities include reviewed of relevant documents and reports and meetings with key agencies of the Ministry of Natural Resources and Environment (MoNRE) responsible for national protected areas and protection forest (NPA and NPFA), natural disaster and climate change, and environmental and social impact assessment to identify key issues/concerns related to climate resilient as well as those related to implementation of road projects through PPP modalities. The ESD/PTI and DoR in cooperation with DPWTs of the Project provinces conducted public consultations of (a) the TORs for the ESMF including EGPF and RPF in February-March 2016 and (b) the first draft ESMF and the ESMPs and ARAPs of the first year subprojects during April 2016.

### 1.3 Project Objective and Scope

7. **PDO:** The Project Development Objective (PDO) is *to improve climate resilient road connectivity in selected provinces in Lao PDR*. The Project will support (a) overall sustainable road asset management by mainstreaming climate resilience aspects in technical designs and strengthening road maintenance<sup>4</sup> practices, in order to achieve improved public sector road asset management practices and efficiency gains in the use of the RMF and (b) TAs and capacity building to enhance capacity of MPWT on road asset management systems including mainstreaming of climate resilient and safeguard and implementation of the PPP arrangement for part of the national road 13.

8. **Project area.** Six provinces have been selected to demonstrate the adoption of disaster risk resilience approach to road maintenance. Phongsaly (PSL), Oudomxay (ODX), and Xayabouly (XBL)

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<sup>4</sup> Road maintenance as defined by the road law/DoR includes routine or periodic works and emergency road works aiming to maintain a road in working condition and includes patching potholes; clearing drains; and periodic works such as resurfacing, line marking, and bridge maintenance. All of the work is done on the existing road platform. Road maintenance divide the responsibility into two different level such as DoR/NRMP of region 1, 2, 3 and 4 responsible for National road network and DPWT of all province and district roads and rural roads. Other types of road areroad rehabilitation, road improvement, road upgrading, and new roads.

are located in the north and northwest connecting to China and Thailand while Houaphan (HP), Xiengkhouang (XK), and Bolikhamxay (BKX) are located in the north and northeast connecting to Vietnam and Thailand. These provinces are mountainous and highly vulnerable to natural disasters affecting the road networks, particularly in the north which has high levels of poverty. In the mountainous areas flash floods and landslides are predominant while the central plains are also affected by backwater flooding from the Mekong River and its tributaries.

## 1.4 Project Component and Description

9. The Project activities will be implemented through the following four components:

- ***Component 1: Climate Resilient Road Maintenance*** (US\$21 million from IDA and proposed approximately US\$17 million from RMF). This component would support road maintenance works and supervision of works of provincial and district road networks in selected provinces.
  - *Sub-component 1.1: Provincial and District Road Maintenance* (US\$20 million from IDA and proposed US\$17 million from RMF.) This sub-component would invest in maintenance works of selected provincial and district roads in six provinces (Oudomxay, Phongsaly, Houaphan, Xiengkhouang, Xayabouly, Bolikhamxay) including periodic maintenance, spot improvement, and routine maintenance through performance-based contracts (PBC). Spot improvement of critical sections aims to improve the roads' climate resilience and may include elevating flood prone road sections, paving road sections with steep slopes and sections passing through large communities, drainage improvement/ construction, and slope improvement/ stabilization. Given the limited size of the investment and low traffic volume, spot improvement activities would be carried out only on critical sections of the existing carriageway, not the whole road, within the existing right of way and may involve minor re-alignments to improve road safety and strengthening road climate resilience. Periodic maintenance would include re-gravelling and re-sealing of existing roads, and routine maintenance would include drainage cleaning, patching of potholes, clearing of roadside vegetation, light grading, etc.
  - *Sub-component 1.2: Supervision of road works and data collection* (US\$1 million from IDA, and US\$ 1 million from NDF). This sub-component would finance technical assistance to road maintenance division, DoR and DPWTs, operating cost for supervision and quality assurance for maintenance works and road data collection as well as technical training at provincial and district levels in the selected provinces under 1.1.
- ***Component 2: Institutional Strengthening*** (US\$2 million IDA and 4 US\$ from NDF). This component would cover technical assistance, goods, training, and operating cost to enhance institutional sector capacities for planning and prioritization that would result in optimized allocation of funds for the road sector as a whole. The component would provide support to MPWT to enhance its capacity and road asset management systems, thereby facilitating the delivery of Development Partners' funds through government systems for road maintenance.
  - *Sub-component 2.1: Sector policy and strategic planning.* This sub-component would provide Technical Assistance (TA) to MPWT for high-level policy advice for the operationalization of the Sector Strategy to 2025 and Action Plan to 2020, including assessment and optimization of the road sector financing, integration of climate change adaptation, monitoring implementation, periodic review, evaluation, and preparation of the Sector Strategy and Action Plan 2020-2025.



- *Sub-component 2.2: Road asset management and traffic safety.* This sub-component would finance consultants, training, goods, and incremental operating cost to (i) further develop necessary systems and tools for planning, prioritization, budgeting, financial management, implementation and monitoring for road asset management and traffic safety, (ii) strengthen capacity of MPWT, DPWTs, District Office of PWTs and contractors on environmental and social management, quality control and contract management, climate resilience, PBC, financial management, procurement, (iii) strengthening capacity of MPWT and agencies concerned on traffic safety as well as implementation of traffic safety action plan including improvement of some back spots, road furniture, awareness raising campaign, and training, (iv) strengthen sector government through enhancing internal control and engaging local communities in planning, implementation and monitoring the road maintenance.
- *Sub-component 2.3: Capacity Building for Use of PPP in the Road Sector.* This sub-component would finance TA consulting services, goods, and training to continue developing the institutional capacity of the MPWT to better prepare the sector for the future implementation of potential PPP projects. The sub-component will include TA to assist GoL to develop regulatory frameworks, environment and social management and technical capacity to identify, prepare and implement road improvements using PPP modalities.
- ***Component 3. Contingency Emergency Response Component*** (US\$0). A contingent emergency response component with a provisional allocation of zero dollars is included under the project in accordance with OP10, Paragraphs 12 and 13, for projects in situations of urgent need of assistance or capacity constraints. This will allow for rapid allocation of project proceeds in the event of the government declaring that a crisis or emergency has occurred and the WBG agreeing with such determination. This component would finance public and private sector expenditures on a positive list of goods and/or specific works, goods, services and emergency operation costs required for emergency recovery. An Emergency Response Operations Manual will apply to this component, detailing financial management, procurement, safeguards and any other necessary implementation arrangements.
- ***Component 4. Project Management*** (US\$2 million). This sub-component would finance project management for day-to-day implementation, M&E, reporting, coordination among the implementing departments and contingency for currency exchange loss and unforeseeable activities which would be occurred during project implementation.

## 1.5 Project Implementation Arrangement

10. The Project will be implemented following the Government system. MPWT will be the implementing agency with the overall management and coordination of the Department of Planning and Cooperation (DPC). DoR will be responsible for planning and implementation of road related activities under Components 1, 2, and 3 through a dedicated division (namely Road Maintenance Division or RMD) to be established with a mandate to coordinate road maintenance at central and local levels. RMD/DoR will work in close coordination with and provide technical support to the provincial DPWTs in the Project provinces tasked with carrying out the works and supervision, and with the PTI tasked with road asset data collection and analysis and monitoring of the implementation of environmental and social safeguards according to ESOM which has been applied for LRSP. DPWT of the Project provinces will establish an Environmental and Social Unit (ESU) to be responsible for safeguards. The Department of Transport (DoT) will be responsible for implementation of road safety program to be implemented under the Project. Roles and responsibilities of key agencies on safeguard are provided in Section VI.

## II.OBJECTIVE AND KEY PRINCIPLES OF THE ESMF

11. *Objective and application:* Main objective of the ESMF is to ensure that the Project activities will not create adverse impacts on local community and/or local environment and the residual and/or unavoidable impacts will be adequately mitigated through the mitigation measures proposed for the Project. Scope of safeguard requirements has been designed to address the WB safeguard policies triggered for Project (see Section 3.4). The ESMF will be applied to all the provincial and district road maintenance to be implemented under Component 1, the TAs to be implemented under Component 2, and the road emergency works to be implemented under Component 3 following the approach and key principles outline below.

### 2.1 Road Maintenance Subprojects under Component 1

12. For all road maintenance subprojects to be implemented under Component 1, the ESMF process comprises the following key steps: (1) *Safeguard screening* to determine the scope and nature of potential impacts and needs for preparation of safeguard documents; (2) *Preparation of safeguard documents* including consultation and information disclosure; (3) *Safeguard clearance by WB*; and (4) *Safeguard implementation, monitoring, and reporting* including operation of grievance mechanism and gender mainstreaming. Key principles regarding the activities and responsibilities will be as follows while the process is described in Section V and VI and annexes:

- *Step 1-Safeguard screening:* All the subprojects will be screened by the ESU/DPWT for key safeguard issues and actions as part of the annual work plan during the subproject selection stage. Results of the screening form will be attached to the proposed subprojects to be included in the annual work plan. The screening form will be reviewed and endorsed by the RMD/DoR and/or the ESD/PTI. (use forms in Annex 2)
- *Step 2: Preparation of safeguard documents:* If the subproject is selected, RMD/DoR and/or ESD/PTI will advise on the scope and nature of the safeguard documents to be prepared by ESU/DPWT for the subproject as appropriate. All works related activities will be mitigated through the application of Environmental Code of Practice (ECoP) which will be include in bidding and contract documents and close supervision and monitoring. Guideline for preparation of an Environment and social management plan (ESMP) is provided in Annex 3 while a generic template on ECoP has been prepared (Annex 4). DPWT will assign the responsibility for day-to-day supervision of contractor performance to the Construction Supervision Consultant (CSC) engineer and report the result as part of the subproject construction supervision report. When the road maintenance subproject involves ethnic groups and/or minor land acquisition, the EGPF and/or the RPF will be applied and a RAP or ARAP and/or an EGDP will be prepared as needed (see Section 2.2 below and Annexes 5 and 6). A Grievance Redress Mechanism (GRM) will also be established and implemented. Specific measures for mitigation of potential negative impacts within and nearby protected area and/or protection forest areas (PA and PFA) as well as gender mainstreaming will be considered during the development of these safeguard documents. For subprojects requiring an Initial Environmental Examination (IEE) according to the Government regulation, DPWT will consult the Provincial Office of Natural Resources and Environment (PONRE) and prepare the IEE report as required.

- *Step 3: Safeguard documents approval and WB clearance:* Before the subproject is approved for Project financing, the IEE/ESMP, EGDP, and/or RAPs/ARAPs of the subproject must be submitted and approved by ESD/PTI before sending to WB for final clearance as agreed with the WB. As part of the annual work plan to be approved by WB, RMD/DoR with advice from ESD/PTI will prepare a safeguard clearance plan indicating prior or post review of all the approved subprojects and submit it to WB for clearance. All the safeguard documents and clearance will be properly kept in the subproject files for possible review by WB. If an IEE is required, an issuance of an Environmental Compliance Certificate (ECC) will be kept in the subproject file. All safeguard documents will be disclosed at MPWT website especially at DoR, PTI, and DPWT offices of the Project provinces as appropriate.
- *Step 4: Implementation, monitoring, and reporting.* DPWT (as the subproject owner) and its consultants will be responsible for effective implementation of safeguard activities of the subproject. Close consultation with local communities will be maintained throughout the Project implementation period including monitoring the GRM implementation. RMD/DoR and ESD/PTI will also ensure that appropriate ECoP has been incorporated into the bidding and contract documents and periodically monitor the contractor performance.

## 2.2 Key principles of the RPF and EGDF Measures

13. If land acquisition is involved, a RAP or ARAP will be prepared in accordance with the RPF (*Annex 5*). The RPF describes a process whereby communities are consulted on, and can meaningfully participate in, the planning and decision making activities when land acquisition and/or relocation of assets will be necessary. Issues that are likely to be identified include the loss of land, assets, and/or income due to minor adjustment of road alignments to improve road safety and/or stability. In the subproject areas having ethnic groups, an EGDP (or IPP in WB context as required by OP/BP 4.10) will be prepared following the EGDF prepared for the Project (*Annex 6*).

14. The core principles are highlighted as follows:

- All communities will be approached in the spirit of honest and constructive collaboration, and clearly explained about the rationale for road safety, and of the subproject's purpose, activities, potential benefits and potential losses.
- Where broad community support is not established based on "*free, prior and informed consultations*", such communities have the right to file a complaint on the Project. In order to minimize the risk that a broad community support is not established, all efforts will be made through active participation of local communities especially women and vulnerable groups.
- All communities, regardless of their ethnic group or social status, will be engaged in an inclusive and culturally relevant manner on the basis of a free, prior and informed consultation aimed at establishing broad-based and sustainable community support for the subproject.
- All communities will be informed by the responsible DPWT throughout the subproject implementation through appropriate means of information, education and communication. If needed, communication throughout the project cycle will use appropriate information,

education, and communication materials to respond to issues of language and ethnicity, literacy/illiteracy, gender, and social vulnerability.

- All communities will have the opportunity to participate in and benefit from the subproject as well as take on the responsibility to adhere to road safety rules and sustainable road maintenance.
- Subprojects will give sufficient attention to encourage women to play an active role in the consultation process. During implementation, the women will be: (a) consulted and their concerns addressed; (b) given the opportunity to participate in community group meetings, focus group discussions, planning and implementation; and (c) represented equally in the Grievance and Redress Committees (GRCs).

## 2.3 Technical Assistance (TAs) under Component 2

15. There is a number of TAs to be implemented under Component 2. It is expected that these TAs will involve development of policy, plan, and procedures to facilitate effective implementation of the climate resilient road asset management as well as effective implementation of a PPP modality project for the National Road 13 (NR13). During the design and implementation of the TAs, the following principles will be applied:

- To be in line with the Interim Guidelines on Application of Safeguard Policies to Technical Assistance (TA) Activities in Bank-Financed Projects and Trust Funds Administered by the Bank<sup>5</sup>, these TAs will be designed to *integrate environmental and social objectives into the TA process*. This will be applied when the TA involves planning, capacity building, and institutionalized process which could provide a significant opportunity to integrate environmental and social objectives as an integral part of the planning and capacity building process. Efforts will also be made to promote *transparency through stakeholder participation and public information disclosure* during the planning process. All the TORs for TAs under Component 2 especially those related to PPP will comply with the WB safeguard policies triggered for the Project (OP/BP 4.01, OP/BP 4.04, OP/BP 4.36, OP/BP 4.10, OP/BP 4.11, and OP/BP 4.12) and submit to WB for review.
- *Gender mainstreaming*: To be in line with OP/BP4.20<sup>6</sup> (gender mainstreaming) all the TAs will be designed to incorporate gender consideration during the design, and implementation of road development projects and the following key gender issues will be considered and addressed as appropriate: (a) the local circumstances that may affect the different participation of females and males in road project; (b) the contribution that females and males each could make to achieving development objective of road projects; (c) the ways in which road project might be disadvantageous to one gender relative to the other; and (d) the project's proposed mechanisms for monitoring the different impacts of road project on females and males.
- *NPA, NPFA, slope stability, and drainage*: Given the important of biodiversity and cultural values and high natural disaster risks in Lao PDR, it is necessary to develop specific guidelines and/or measures to minimize the potential negative impacts (direct and

<sup>5</sup>The guideline will be applied to the following types of TA: *Type 1: Strengthening client capacity; Type 2: Assisting in formulation of policies, programs, plans, strategies or legal frameworks etc.; Type 3: Land use planning or natural resources management (NRM); Type 4: Preparing feasibility studies, technical designs or other activities directly in support of the preparation of a future investment project (whether or not funded by the Bank).*

<sup>6</sup>WB also recognizes that gender issues are important dimensions of its poverty reduction, economic growth, human well-being and development effectiveness agenda and that gender issue is associated with disparities between men and women in access to resources, in economic opportunities, and in voice.

indirect) during works execution and road operations located within and/or nearby the national protected area (NPA) and/or the national protection forest areas (NPFA) and in priority areas considered to be highly sensitive to natural disaster. ESD/PTI in consultation with key agencies of the Ministry of Natural Resources and Environment (MoNRE), especially the Department of Forest Resources Management (DFRM), the Department of Environmental and Social Impacts Assessment (DESIA), and the Department of Natural Disaster Management and Climate Change (DDMCC), will establish specific guidelines for road works within and nearby NPA and NPFA and apply them in the Project provinces as case studies so that the results could be clearly incorporated in the ESOM. Given the objective of the NPA and NPFA, due attention will be given to avoid development of new roads and/or limited widening of existing roads in the NPA, to limit the potential negative impacts and soil erosion in the NPFA, and to ensure that in high slope areas the slope is stable and drainage is adequate potential land/slope collapse and/or public health risks will be minimized.

16. *Safeguard Coordination Working Groups (SCWG)*: Given that road development will remain to be priority for the country development and that implementation of PPP modality in road sector is relatively new in Lao PDR, it is necessary to build capacity of ESD/PTI and DoR to work closely with key agencies of MoNRE (DESIA, DFRM, DDMCC) and the Ministry of Planning and Investment (MPI) so that investment and safeguard activity could be coordinated timely and effectively. ESD/PTI will establish a SCWG on road works to facilitate effective coordination and cooperation among key agencies (at national and local levels) on environment and social safeguard for medium and large scale road projects (road rehabilitation, improvement, and upgrading). The SCWG will also be responsible for overseeing the planning and implementation of the case studies as well as other capacity building activities aiming to ensure effective integration of safeguard measures into road development project cycles including those to be implemented by the private sector.

## **2.4 Emergency Road Works under Component 3**

17. This is considered as part of road maintenance. However, this type of works will be carried out after an emergency such as landslide or flooding has cut off the road and posed danger to traffic and aiming to restore the passability and safety of the emergency affected road. The emergency works usually involve removing the landslide, removing the sizable fallen rocks, opening temporary bypass, filling collapsed embankment, removing large fallen trees (with diameter over 30 centimetres), repairing culverts, and small bridges. The priority of emergency road works is to take quick action to restore the passability and safety of the disaster affected roads. The DPWTs or DoR are responsible for the environmental management of emergency works. In case that emergency works cause negative environmental impacts, the DPWTs or DoR will be responsible for actions after the emergency to mitigate the impacts, either through force account or contracting to private contractors.

18. To minimize the potential impacts of such activities, ESD/PTI will prepare a specific guideline on safeguard and incorporate it into the Emergency Road Operation Manual. ESD/PTI will conduct post review of safeguard measures as part of the annual review of safeguard measures for the Project.

### III POLICY, LEGAL, AND INSTITUTIONAL SETTING

#### 3.1 National Laws and Regulations

19. In Lao PDR, there are many laws and regulations govern the utilization and management of natural resources management (land, forest, water, aquatic and wildlife, etc.) established in late 1990's and many have been updated and/or revised. The Environmental Protection Law (EPL) established in 1999 and revised in 2012, describes the principles, regulations and measures for managing, monitoring, restoring, and protecting the environment including the pollution control and the impact assessment processes, especially the Environment and Social Impact Assessment (ESIA) and an Initial Environmental Examination (IEE) regulations which are established in late 2013. A number of decrees, regulations, and guidelines have also been established and applied during 2000's. MoNRE is the lead ministry responsible for implementation of the EPL and its regulations and/or guidelines.

20. Below highlights key regulations related to EIA/IEE process and pollution control:

- *MoNRE regulation on ESIA and IEE (17 December 2013).* This regulation has been issued according to the revised EPL in December 2012 and the operation of MoNRE in 2012 and replaces the Prime Minister's Decree No. 112 on Environmental Impact Assessment (16 February 2010). The ESIA/IEE processes incorporate the preparation of social impact assessment and mitigation/monitoring plan in accordance with the Compensation and Resettlement Decree established in 2005 and is being revised. The ESIA regulation assigns the Department of Environment and Social Impact Assessment (DESIA) to be responsible for review of the ESIA regulation including recommendations for the issuance of the Environmental Compliance Certificate (ECC)<sup>7</sup> and undertaking compliance monitoring while the IEE regulation assigns the Provincial Department of Natural Resources and Environment (PoNRE) to be responsible for review, issuance of ECC, and monitoring of project that require an IEE. The regulation also provides a list of projects requiring EIA or IEE (see *Box 3.1*). In addition, MoNRE has established a number of guidelines for the preparation of EIA, SIA, and IEE report including the public involvement in the EIA and IEE processes.

Box 3.1 GoL ESIA and IEE regulations related to road investment	
Group 1: IEE	Group 2: ESIA
4.1 Land filling of ponds, canals, drainages that may cause public damage	4.11 Construction of new road (all size and types)
4.12 Upgrading or rehabilitation of roads (all types)	

- *Pollution Control:* MoNRE drafted a pollution control decree to be used for management of pollution from various sources and this draft is being revised to be regulations in line with GoL administration policy. According to the draft, the decree defines types, areas, and nature of pollution control from point sources and non-point sources as well as from emergency situations, including environmental standards (effluent and ambient). The project developments will be required to obtain the pollution control permit as described in the ministerial regulations which will be established by MoNRE. Scope will include toxic/hazardous chemical and wastes (including radioactive). There are also draft Environment Ambient Standard (2009) and draft Pollution Emission Standards (2009). The Pollution Control Department (PCD) of MoNRE and the respective unit at the provincial and district levels will be responsible for overseeing the implementation and monitoring of the decree/regulations. PCD is also responsible for management of the

<sup>7</sup> The ECC will be issued by the Minister of MoNRE

ozone depleting substance (per the Montreal Protocol) and be the focal point for the Great Mekong Subregion program (funded by ADB).

21. On social safeguard key regulations are as follows:

- *Decree on Compensation and Resettlement of People Affected by Development Projects (7 July 2005)*. This decree defines principles, rules, and measures to mitigate adverse social impacts and to compensate damages that result from involuntary acquisition or repossession of land and fixed or movable assets, including changes in land use, restriction of access to community or natural resources affecting community livelihood and income sources. This decree aims to ensure that project affected people are compensated and assisted to improve or maintain their pre-project incomes and living standards, and are not worse off than they would have been without the project. The provisions will be applied during the preparation and implementation of the social impacts assessment (SIA), the social impact mitigation and monitoring plan (SMMP), and/or the resettlement action plan (RAP). Technical Guideline for this decree was established in 2010. While DESIA is responsible for review and approval of the SIA with consent from the province, the province under supervision of the Resettlement Committee is responsible for overseeing the implementation of the decree which will be carried out by the project owner. The Decree is being revised in line with the current organization and regulations and in accordance with the Government policy regarding decentralization (Sam Sang). It is expected that the revised Decree will be approved by Prime Minister in 2016.
- *On ethnic groups*<sup>8</sup>, in Lao PDR the term ethnic groups (EG) is used to characterize a variety of cultural groups. Constitutionally, Laos is recognized as a multi-ethnic society and Article 8 of the 1991 Constitution states that “All ethnic groups have the right to preserve their own traditions and culture, and those of the Nation. Discrimination between ethnic groups is forbidden”. The 1992 Part policy on EG focuses on realizing equality between EG and gradually improving the lives of EG while promoting their ethnic identity and cultural heritage. The Lao Front for National Construction (LFNC) introduced an official ethnic classification into forty nine main groups comprising four ethno-linguistic facilities, namely the Tai-Kadai, the Mon-Khmer, the Tibeto-Burmese, and Hmong-Mien which are distributed from the north to the south of the country. Out of the four regions the north has the highest number of districts with ethnic groups comprising about 87% of the region population while the east has the second highest number of 69% and followed by the southern and central regions, each of which have ethnic populations of about 50%<sup>9</sup>. *Box 3.2* below summarizes the main characteristics associated with the four ethno-linguistic groups in Lao PDR<sup>10</sup>. In mid 2013, the LFNC established the national guideline for Consultation with Ethnic Groups.

Box 3.2: Main characteristics of ethnic groups in Lao PDR

<sup>8</sup>The official terminology for describing the diverse population of Lao PDR which was introduced with the 1991 Constitution, and it is considered equivalent to the definition described as the Indigenous Peoples according to OP/BP 4.10.

<sup>9</sup> National Biodiversity Strategy to 2020 and Action Plan to 2010, 2004.

<sup>10</sup>Lao People’s Democratic Republic: Northern Region Sustainable Livelihoods Development Project, Indigenous Peoples Development Plan, Document Stage: Final Project Number: 35297, August 2006, Prepared by the Government of Lao People’s Democratic Republic for the Asian Development Bank (ADB), page 5 and *NSC/CPI, ADB, SIDA and the World Bank, 2006*

Ethno-Linguistic	Language Family	Summary Characteristics
Tai Kadai	Lao Phoutai	65% of the population, living mostly along the economically vibrant Mekong corridor along the Thai border or in Northern lowlands; settled cultivators or urban dwellers; migrated into Lao PDR since the 13 <sup>th</sup> century ; Buddhists.
Austroasiatic	Mon Khmer	24% of the population, living mainly in highland areas in the North and Central South, smaller groups (Khmou) live also in the Northern lowlands; the most diverse ethnic group and the first one to inhabit large areas of Lao PDR; animist and shifting cultivators; fairly assimilated due to hundreds of years of interaction with Lao-Tai, single communities live in isolation as hunter-gatherers.
Hmong – lu Mien	Hmong Yao	8% of the population, living mainly in mid- and upland areas in the North; Hmong is the largest subgroup; animist with strong ancestor cults, although many converted to Christianity; typically shifting cultivators, migrated to Lao PDR in the 19 <sup>th</sup> century.
Chine – Tibetan	TibetoBurman	3% of the population, living mainly in poorly-connected upland areas in the North; animist and shifting cultivators; migrated to Lao PDR in the 19 <sup>th</sup> century.

22. Key regulations related to natural resources include:

- *Forestry Law (24 December 2007)*. This law determines basic principles, regulations and measures on sustainable management, preservation, development, utilization and inspection of forest resources and forestland; promotion of regeneration and tree planting; and increase of forest resources in the country. The principles of the law aim to maintain balance of nature, making forest and forestland a stable source of resources, ensuring sustainable preservation of water sources, prevention of soil erosion and maintenance of soil quality, conserving plant and tree species, and wildlife for the purpose of environmental conservation and contribution to national socio-economic development (*Box 3.3*).
- *Wildlife Law (24 December 2007)*. This law determines principles, regulations and measures on wildlife and aquatic life in nature to promote the sustainable regeneration and utilization of wildlife and aquatic life, without any harmful impact on natural resources or habitats and to restrict anthropogenic pressure on decreasing species and the extinction of wildlife and aquatic life. The law outlines guidelines for managing, monitoring, conserving, protecting, developing and utilizing wildlife and aquatic life in a sustainable manner; to guarantee richness of ecological natural equilibrium systems, and to contribute to upgrading livelihoods for multi-ethnic people, which has the potential to develop and realize national social-economic goals.

Box 3.3: Classification of forest areas (2007)

- The Forest Law provides for three classes of forest: Conservation Forest, Protection Forest, and Production Forest. The first two are relevant to biodiversity conservation and watershed protection although individual regeneration forests could presumably, in time, be reclassified as protection or conservation forests. It is estimated that conservation and protection forests cover over 80,000 km<sup>2</sup> or about 76 per cent of forest area.
- The conservation forest is defined as: 'forest and forest land classified for the purpose of protecting and conserving animal species, nature and various other things which have historical, cultural, tourism, environmental, educational and scientific research value.' The protection forest is defined as: 'forest and forest land classified for the protection of watershed areas and the prevention of soil erosion. It also includes areas of forest land significant for national security, areas for protection against natural disaster and protection of the environment and other areas.' The conservation forests aims to maintaining biodiversity and natural forest and landscapes, 'for the development of national parks



appropriate for tourism and scientific research.' It also provides for zoning into total protection zones, controlled use zones and corridor zones. The former would be closed to entry or harvesting of NTFP—plant or animal.

- The protected areas are classified as national (area more than 50,000 ha), provincial (5,000-50,000 ha), district (up to 5,000 ha). Three zones are: Totally Protected Zones; Controlled Use Zones; and Corridor Zones.
- *Regulation No. 0360 on Management of National Protected Areas, Aquatic Animals and Wildlife* (Ministry of Agriculture and Forestry, 2003). This regulation describes the zoning of national protected areas into core, managed, and corridor zones and specifies activities in these areas, prohibits hunting of all wildlife and aquatic animals in the core zone, prohibits trade in wildlife, and specifies that guns must be registered with special licenses. This regulation has been replaced by *the Decree on Protection Forest (No. 333 PM, dated 19/07/2010)* and *the Decree on Protected Area established in 2015 (No. 134/G, dated 13/05/2015)*. These decrees strengthen clarity and legal provisions on type and land use categorization and zoning as well as authorities of agencies/units responsible for management of the protected area and protection forest at national, provincial, district, and village levels. The Department of Forest Resources and Management (DFRM) of MONRE is the lead agency responsible from management of these areas in close cooperation with the provinces.

23. *Other related policy, regulations, and international agreements:* Lao PDR is a member of many international and regional conventions and/or agreement and has been playing an active role. *Box 3.4* summaries other related policies/strategies, laws, decrees, regulations, and guidelines related to natural resources and environment and related international agreements and/or conventions related to natural resources and environmental management.

**Box 3.4 Other national policies, laws, regulations and international conventions**

- *Lao Tiger National Action Plan 2010-2015.* The government of Lao PDR endorsed this plan as part of the Global Tiger Initiative to secure the tiger habitat in its network of national protected areas. Two out of five priority actions programmes to achieve long term strategic goals for tiger conservation, as outlined in the Summary National Tiger Recovery Program will be supported under this project and includes: establishing an inviolate core zone at NEPL NPA through law enforcement, outreach and education, land use planning, and capacity building; establishing and maintaining connectivity between the NEPL source site of tigers with other neighbouring tiger conservation landscapes; and by demarcating an established corridor and collaborating with other forest managers to create a connected forest landscape.
- *Land Law (21 November 2003).* The objectives of the Land Law are to determine the management, protection and use of land to ensure efficiency and conformity with land-use objectives and with laws and regulations, and to contribute to national socio-economic development and the protection of the environment. Legislations on land and forestry are currently under revision in Lao PDR. The National Assembly has oversight over a process that will lead to a land policy followed by a land use master plan, and a revised land law. The current draft of the land policy provides recognition to customary land management rights, collective management and community management rights.
- *Water resources law:* A water and water resources law was promulgated in 1996 with an implementation decree (issued in early 2000's) assigning the responsibility for water resources management to sector agency. The law is being revised (with assistance from IFC and WB) in light of the Department of Water Resources (DWR) of MoNRE operation and it is expected to be submitted to the National Assembly in late 2014. The draft revised law has been developed in line with an integrated water resources management principles.
- *ASEAN Agreement on the Conservation of Nature and Natural Resources (1985).* Lao PDR as Party to this agreement has agreed on development planning, the sustainable use of species, conservation of genetic diversity, endangered species, forest resources, soil, water, air and address environmental degradation and pollution.

- *United Nations Convention on Biodiversity (CBD 1996)*. Under this convention, Lao PDR has agreed to conduct an Environmental Assessment of proposed development projects to minimize harmful effects.
- *Convention on International Trade in the Endangered Species of Fauna and Flora (CITES 2004)*. Provides an international umbrella for management and control of trade in endangered fauna and flora. Tiger is listed as CITES Appendix 1 species for which all international trade is prohibited.
- *United Nations Framework Convention on Climate Change (UNFCCC 1995)*. The Government of Lao PDR joined the global community to combat climate change by ratifying this Convention. As a developing country (non-Annex I), there is no requirement for Lao PDR to reduce its greenhouse gas emissions. The country also ratified the Kyoto Protocol in 2003 and thus may be eligible for involvement in carbon trading through a compliance market of the Clean Development Mechanism as well as the international voluntary greenhouse gas emission trading.
- *Ramsar Convention (1982)*. The GoL officially joined the Convention in 2010. Two wetlands of international importance have been designed as Ramsar sites as part of the accession process which are the Xe Champhone Wetlands in Savannakhet Province, and the BeungKiatNgong Wetlands in Champasak Province.

24. **Road Law (1999):** The road law describes type of road works comprising construction of new road, road upgrading, road improvement, road rehabilitation, road maintenance, and emergency road works (see Box 3.5) and assign the responsibility for development and management of road networks to DoR and other agencies within MPWT including the provincial department of public works and transport (DPWT). The law is being revised taken into account the Government policy and the current institutional arrangement.

**Box 3.5: Road types (1999)**

- **Construction of new roads:** entirely new projects proposing the building/construction of a road on a new alignment (including major realignments of existing roads and bypasses). This type of project necessitates major land acquisition (for the corridor and associated work sites) and can also involve the removal of wide tracts of vegetation and habitats, and create a range of impacts on rivers and streams within the project area
- **Road upgrading:** changing an existing road to either upgrade its classification (under the Road Law) or to improve its alignment and traffic ability, e.g., changing a seasonal road to an all-weather road. This type of project can include alteration of the surface (from gravel to paved), widening the road (e.g., from two lanes to four lanes), widening intersections, minor realignments to improve general alignment or remove hazards (e.g., sharp corners or to improve sight distance). As most of the work or activities will likely take place outside of the existing right-of-way or road platform, land acquisition will be likely and environmental and social impacts will be associated with a narrower corridor of impact than for new roads
- **Road improvement:** this type of project generally involves improving road specifications with most of the work being done within the existing platform or right-of-way. Works include widening shoulders, adding passing lanes in steep areas, improving curves, and strengthening bridges. Additional land may be required, necessitating some land acquisition, and environmental and social impacts are likely to be limited
- **Road rehabilitation:** this type of project aims to bring existing but deteriorated roads up to a better standard or to their previous condition. Works include improving drainage, slopes, embankments and/or other structures; strengthening pavements; or resurfacing. As all or most of the work can be done on the existing platform, no additional land will be required (making land acquisition unlikely), and environmental and social impacts are likely to be limited
- **Road maintenance:** this type of project includes routine or periodic works and emergency road works aiming to maintain a road in working condition and includes patching potholes; clearing drains; and periodic works such as resurfacing, line marking, and bridge maintenance. All of the work is done on the existing road platform. Road maintenance divide the responsibility into two different level such as DOR/NRMP of region 1, 2, 3 and 4 responsible for National road network and DPWT of all provinces

district road and rural road.

- **Emergency road works:** this type of project is carried out after an emergency such as landslide or flooding has cut off the road and posed danger to traffic and aiming to restore the passability and safety of the emergency affected road. The emergency works usually involve removing the landslide, removing the sizable fallen rocks, opening temporary bypass, filling collapsed embankment, removing large fallen trees (with diameter over 30 centimetres), and repairing culverts. The DPWTs or NRMP are responsible for the environmental management of emergency works. In case that emergency works cause negative environmental impacts, the DPWTs or NRMP will be responsible for actions after the emergency to mitigate the impacts, by following the practices specified in the Regulations on Environmental Impact Assessment of Road Projects, either through force account or contracting to private contractors.

### 3.2 National Institutional Arrangements

25. The National Environmental Committee (NEC) established by the EPL is the highest decision making body for environmental management. The NEC is chaired by the Deputy Prime Minister responsible for natural resources and environment and comprises representatives of key agencies as the member and the Department of Environmental Quality Promotion (DEQP) of MoNRE is the secretariat. As of the end of 2013, key institutions related to natural resources and environment, and road transport development are highlighted as follows:

- *MoNRE:* This is a new ministry established during 2011-2012. Since mid 2012, MoNRE is the lead agency responsible for effective management of natural resources and environment including water resources, forest/biodiversity, land, minerals, and environmental quality including EIA process. It is a new ministry and comprises 17 agencies<sup>11</sup>. In addition to DESIA, PCD, DFRM, DDMCC, and DEQP mentioned above, other key agencies include the Department of Water Resources (DWR), the Department of Meteorology and Hydrology (DMH), the Department of Land Management (DoLM), the Department of Land (DoL), the Department of Geology and Minerals (DGM), and the Natural Resources and Environment Research Institute (NREI). DEQP is promoting Green, Clean, and Beautiful agenda using various policy and planning measures and/or other incentives and be the focal point for Global Environmental Fund (GEF) and Ramsar conventions. The technical and management capacity of these agencies remains weak due to limited number of qualified staff and with supports from international financing and/or donor agencies<sup>12</sup> there are some technical assistance and capacity building activities related to safeguard however effective coordination among agencies and/or projects remains a challenge.
- *MPWT:* Ministry of Public Works and Transport is responsible for management of public works, urban development, and land and water transport including management of domestic water supply and sanitation in urban areas. It is relatively large and stable ministry and key agencies including the Department of Road (DoR), the Department of Waterways Transport, the Department of Urban Development, and the Public Works and Transport Institute (PTI). DoR is responsible for road development and maintenance and technical divisions comprise the Project Management Division (PMD), 4 Regional Road Maintenance Projects (RRMP), and the Technical Division which is also responsible for

<sup>11</sup>Including the Cabinet office, the Department of Internal Audit, the Department of Personnel and Organization (DPO), the Department of Planning and Coordination (DPC), the Natural Resources and Information Center, the Lao National Mekong Committee.

<sup>12</sup> The key ones are the World Bank, IFC, Australia, ADB, the Mekong River Commission (MRC), Sweden, Finland, Germany, and UNDP.

planning and supervision of safeguards for road related activities. At provincial level, the provincial Department of Public Works and Transport (DPWT) is responsible for planning and implementation at provincial and local level including road maintenance. The Environment and Social Division of PTI (ESD/PTI) is responsible for establishment of safeguard procedure, supervision, and training of safeguard for MPWT.

- *Ministry of Agriculture and Forestry (MAF)*: MAF is responsible for ensuring effective management of agriculture, forests, and fisheries/aquaculture and it also went through a major reorganization during 2011-2012. It comprises many departments including the Department of Irrigation, the Department of Agriculture, the Department of Forest, the Department of Inspection, the Department of Fisheries, etc.
- *Mass Organizations*: The Lao Front for National Construction (LFNC) is a mass organization established to be responsible for development and management of ethnic groups in Lao PDR. It reports directly to the party and has established its own network at central and local level. Other mass organizations include the Lao Women's Union (LWU), the Labour Unions, and the Youth Groups.
- *The Provinces and Districts*: In addition to the central agencies, there are provincial departments/offices in all 18 provinces including those responsible for (a) Natural Resources and Environment (i.e. Provincial Office of Natural Resources and Environment or PONRE and District Office of Natural Resources and Environment or DONRE); (b) energy and mining (i.e. Provincial Department of Energy and Mines); (c) agriculture and forestry (i.e. Provincial Agriculture and Forestry Office or PAFO); (d) public works and transport (DPWT); and (e) other offices and mass organizations such as LFNC and LWU. PONRE is responsible for implementation of the IEE regulation and issuance of ECC.

### 3.3 National Policy and Plan on Gender

26. In Lao PDR, under the leadership of the Government Office and the Lao Women Union (LWU) gender issues has received priority attention and gender issue has been integrated into national policy and plans (Box 3.6)<sup>13</sup>. The Seventh Five-year National Socio-Economic Development Plan (NSED) (2011-2015) emphasized population policy, human capital development and elimination of all forms of violence against women and children. The NSED gender targets include *Governance* aiming at 20% of government core staff to be female; at least 15% of posts above level of district mayor held by women, and increase in % of female National Assembly members to more than 30%; *Sector Development* emphasizing the inclusion of women in sector and area development and planning; *Labor and Social Protection* working towards increasing women's participation in paid labor force to 40% and raised awareness on social hazards to 85% of women over age 15 on issues such as human trafficking; and *Human Resources Development* focusing on upgrading academic and technical knowledge of women. The target identified in the National Strategy for the Advancement of Women includes more than 35% increase in number of women in vocational and technical training in each sector, and 30% increase in women in political and governance studies, promotion of women's SMEs and economic leadership, increases in women's participation in planning and access to services. A National Commission for the Advancement of Women was established in 2003 to drive national policy and to promote gender equality and empower women and a National Strategy on the Advancement of Women for 2011-2015 was established.

<sup>13</sup> Country Gender Assessment for Lao PDR: Reducing Vulnerability and Increasing Opportunity, the World Bank and ADB, 2012.

### 3.4 WB Safeguard Policies Triggered for the Project

27. The Project has been assigned Category "A" status due to the fact that under Component 2, the Project may provide technical support to build safeguard capacity of MPWT to effectively address PPP project for the National Road 13 which may involve upgrading and rehabilitation of existing roads. The TA component would include environment and social safeguard related capacity development activities which would be up to the level required for Category A investment. The potential impacts of the provincial and district road maintenance to be implemented under Component 1 will be minor, site specific, localized, and temporary and can be mitigated. Safeguard screening is a precautionary measure to ensure that all safeguards policies are given due attention, and to help the Project preparation team identify approaches to enhance expected positive impacts when possible.

28. Table 3.1 summarizes WB safeguard policy triggered and safeguard instrument to be used while explanation and justification for the policies are highlighted in paragraphs below.

Table 3.1 List of WB safeguard policies triggered for the Project (LRSP-II)

	WB Safeguard Policies	Triggered?	Safeguard instruments
1	Environmental Assessment OP/BP 4.01	Yes	ESMF/ESMP/ECOP
2	Natural Habitats OP/BP 4.04	Yes	ESMF/ESMP/ECOP
3	Forests OP/BP 4.36	Yes	ESMF/ESMP/ECOP
4	Pest Management OP 4.09	No	-
5	Physical Cultural Resources OP/BP 4.11	Yes	ESMF/ESMP/ECOP
6	Indigenous Peoples OP/BP 4.10	Yes	EGDF/EGDP
7	Involuntary Resettlement OP/BP 4.12	Yes	RPF/RAP/ARAP
8	Safety of Dams OP/BP 4.37	No	-
9	Projects on International Waterways OP/BP 7.50	No	-
10	Projects in Disputed Areas OP/BP 7.60	No	

29. Six WB safeguard policies triggered are as follows:

- *Environmental Assessment OP/BP 4.01*: The Project activities will not involve any major civil works (e.g. category A type) and/or generate any adverse impacts on the local environment and people and this will be ensured through the application of “negative list” which has been identified in the ESMF. The Component 1 activities will focus on provincial and district road maintenance, including periodic maintenance and spot improvement in order to improve climate resilience and road safety of provincial and district road networks. Activities may include elevating flood prone road sections, paving road sections with steep slope and the sections passing through big communities, drainage improvement/construction, slope improvement/stabilization etc. These spot improvement activities would be carried out only on some critical sections of the existing carriageway within the existing right of ways (RoW) and may involve minor re-alignments to improve road safety and/or strengthening road climate resilience. The environmental impacts from these activities will be minor, localized, temporary, and can be mitigated. Potential impacts include dust dispersion, noise, traffic obstruction and access, construction and road safety, etc. Mitigation measures for these impacts during construction have been incorporated into the generic ECoP (*Annex 4*). Road safety during operation of provincial and district roads will be implemented through a road safety program for the sector as well as local efforts in the subproject area. During implementation, an annual work plan will be prepared and two first year subprojects have been identified and the subproject ESMPs will be prepared and submitted to WB before appraisal. Two consultations were made during the preparation of ESMF and ESMPs/ARAPs of the first year subprojects. For Component 2, the project activities will be limited to TA supporting for

environmental and social safeguard capacity building of MPWT in close coordination with other agencies to address PPP investment projects that may involve activities classified by OP/BP 4.01 as Category A.

- *Natural Habitats (OP/BP 4.04):* The Project activities will be carried out within the existing roads and large clearance of natural habitats will not be required. However, given that not all subproject location is known before appraisal and existing provincial and district roads may be located in Protected Area (PA), Protection Forest Area (PFA), or other critical habitats this policy is triggered. The ESMF will include procedures to safeguard screen which has been designed to detect and avoid potential negative impacts on natural habitats.
- *Forestry (OP/BP 4.36):* The Project activities will be carried out within the existing roads and large clearance of forests will not be required. However, given that not all subproject location is known before appraisal and existing provincial and district roads may be located in PA or PFA, this policy is triggered. The ESMF will include procedures to safeguard screen which has been designed to detect and avoid potential negative impacts on health and quality of forests.
- *Physical Cultural Resources (PCR) (OP/BP 4.11):* The Project activities will be carried out within the existing roads. However, since not all the subproject locations are known before appraisal and it is possible that the Project activities may create negative impacts on local temples and other local cultural sites this policy is triggered. During the preparation of ESMP potential negative impacts will be identified and mitigation measures undertaken. A “chance find” procedures has also been included in the contract specification.
- *Involuntary Resettlement OP/BP 4.12:* The Project will not involve physical relocation. The policy is triggered because the Project may involve minor land acquisition for road maintenance in some areas where road safety and/or road stability is necessary. The work will be conducted in existing roads and may involve minor realignments without expansion and affect trees and other roadside private assets, but no major loss of private assets including land would occur. Resettlement Policy Framework (RPF) has been prepared (*Annex 5*) describing policies and procedures to avoid, minimize or mitigate negative impacts that may result from the Project investments including scope of an RAP and ARAP which will be required when involuntary land acquisition occurs. Need for preparation of RAP or ARAP will be identified during the safeguard screening to be conducted as part of the road maintenance investment plan which will be prepared annually. WB approval of RAP and ARAP will be required.
- *Indigenous Peoples OP/BP 4.10:* Many Project beneficiaries are expected to be ethnic minorities who are known in Lao PDR as ethnic groups and meet eligibility criteria under OP/BP 4.10. For example, Hmong, Khmu, Mien, Makong, Bru and others are living in and around the PAs of the target provinces. These are considered to be vulnerable ethnic groups in Lao PDR as their livelihood is heavily based on subsistence agriculture and forest. The presence and involvement of these ethnic groups triggers this safeguard policy. The impact of the road maintenance works on these communities is generally positive, however, any negative impacts that may occur are addressed under the EGDF which has been prepared including scope of the EGDP (*Annex 6*). Need for preparation of EGDP will be identified during the safeguard screening to be conducted as part of the road maintenance investment plan which will be prepared annually. WB approval of EGDP will be required.

30. The Project will not involve procurement and/or use of pesticides therefore Pest Management (OP/BP 4.09) is not triggered. The Project will also not involve any dam, international waterway, and/or disputed area therefore the Safety of Dams (OP/BP 4.37), the Projects on International Waterways (OP/BP 7.50), and the Projects in Disputed Areas (OP/BP 7.60) will not be triggered.

#### IV. POTENTIAL PROJECT IMPACTS

##### 4.1 Country Background and the Project Areas

31. **Environment and social background:** Lao PDR is a mountainous country and rich in forestry, water, and other natural resources as well as ethnic culture. To move out from the least developed countries by year 2020, the GoL has implemented many development activities through public investment such as roads as well as the private investment in hydropower and mining. All the 6 Project provinces are mountainous dominated with good condition of NPA and important biodiversity values. However, economic development of the areas will depend on development, rehabilitation, and maintenance of road networks which is necessary to provide basic facilities for improving income and well being of local peoples, mostly ethnic groups as well as promotion of tourism.

32. Background information on the 6 Project provinces suggested the following (see *details in Annex 1*):

- In the northeastern and central provinces (Houaphan, Xiengkhouang, and Bolikhamxay), which are connected to Vietnam and/or Thailand, road connections both at national and local level are well developed however seasonally road maintenance including emergency works will be necessary to ensure public safety and road access. There are important NPA, NPFA, and/or cultural sites located in these provinces including *Nam Et-Phou Leou and Nam Sam* in Houaphan; the *Plain of Jars* in Xiengkhouang; and the *Nakai-Nam Theun, Nam Kading, Pou Kao Keouy, and Phou Jom Voi* in Bolikhamxay. Ethnic communities in Phongsaly include Lao Loum, Lao Tai, Hmong, Khmu, Lao Fong, Singmoun, Iumien or Yao, Moy or Meuang, and Chin or Hor while those in Xiengkhouang include Lao Loum (Tai Dam, Tai Daeng, Phuan, Khmu, Hmong) and in Bolikhamxay include Lao, Tai, Hmong, Khmu, Phong, Toum, and others.
- In the north and northwestern provinces (Phongsaly, Oudomxay, and Xayabouly), which are connected to China and/or Thailand, road connections both at national and local level remain limited due to difficulty with high terrains and limited socioeconomic development which are mainly focus on subsistence agriculture and ecotourism. Seasonally road maintenance including emergency works will be necessary on an annual basis to ensure public safety and road access. Newly road works connecting China (NR3) and development of a series of 7-8 Nam Ou hydropower dams and Hongsa power project and plantation concessions have resulted in improving road access and road conditions in the areas. Key NPAs include *Nam Phouy and the upper Lao Mekong Important Bird Area (IBA)* in Xayabouly and Oudomxay and the *Phou Dene Din and Nam Lan Conservation Area* in Phongsaly province. Ethnic communities in Xayabouly include Tai Lue, Khmu, Tai Dam, Htin, Phai, Kri, Akha, and Malabri while those in Oudomxay include Khmu, Lao Loum, Hmong, and others; and Phongsaly include Khmu, Tai Dam, Tai Daeng, Yao, Leu, Hor, Hmong, Akha, Yang, Bid, Lolo and others.

##### 4.2 Safeguard Risks and Project Potential Impacts

33. The environmental and social effects and impacts of a road project differ markedly depending on the TYPE and/scope of project works/activities and locations of the project. For routine

maintenance of rural roads it is likely that the potential negative impacts will be minor, localized, and temporary while construction of a new road will create a wide range of adverse impacts on the local environment and communities.

34. The overall safeguards risks for the proposed road maintenance works is considered “low” while the risk associated with the TA on PPP study is considered “moderate”. Below assess the safeguard risks of the proposed activities to be implemented under the Project.

- ***Impacts of Component 1 Subprojects:*** The overall impacts will be positive in improving road accessibility, road safety, and well being of local people. Spot improvement of critical sections aims to improve the roads climate resilience and may include elevating flood prone road sections, paving road sections with steep slope and sections passing through large communities, drainage improvement/construction, and slope improvement/stabilization. The subproject activities will be carried out only on some critical sections of the existing carriageway, not the whole road, within the existing RoW and may involve minor re-alignments to improve road safety and strengthening road climate resilience. Periodic maintenance would include re-gravelling and re-sealing of existing roads, and routine maintenance would include drainage cleaning, patching of potholes, clearing of roadside vegetation, light grading, etc. Potential negative impacts of these activities on local communities and local environment will be limited to road safety, temporary disruptions of local traffic, and limited impacts on air quality, noise, and vibration. These impacts will be short-term, localized, and can be mitigated through the application of specific requirements which will be included in the ESMP and/or ECoP and close supervision of subproject owner (DPWT).
- ***Impacts of Component 2 Institutional Strengthening:*** This component would cover technical assistance, goods, training, and operating cost to enhance institutional sector capacities for planning, integration of climate change adaptation in sector strategies and plans, governance and internal controls, financial management, performance-based contract and micro management, development of micro-enterprise for road maintenance, traffic safety awareness campaigns and training and capacity building for the use of PPP in the road sector. These TA will enhance MWPT capacity to address sector policy and strategy issues including integration of climate change adaptation, improving governance and internal controls, and strengthening environmental and social safeguards. These activities will have positive impacts on policy and planning, improved standards and specifications on road maintenance, and enhancing capacity of MPWT and DPWT on climate resilience, improve safety in selected urban sites with high incidence of traffic accidents and in selected provinces where road maintenance work is undertaken. Supporting TA and building capacity for use of PPP in the road sector will enhance MPWT capacity to implement investment through PPP process including facilitate close coordination and cooperation among key agencies especially those with MoNRE, MPI, and Ministry of Finance (MoF).
- ***Impacts of Component 3 (Contingency Emergency Response):*** Potential impacts will be positive especially in areas important for road transportation. Potential negative impacts will be mitigated through inclusion of safeguard requirement into the Emergency Response Operations Manual and training of DPWT staff and contractors. Post environmental audit will be made by ESD/PTI for all the emergencies activities.

35. ***Potential impacts of the first year subprojects of Component 1:*** Consultation conducted along the first year subprojects identified for Bolikhamxay and Xayabouly confirmed that land acquisition or resettlement will not be involved and there is no ethnic group communities live along the subproject alignments. However there are some individual ethnic people live as a family member of local community and they were interviewed during the consultation process. In this context, WB



ESD/PTI proposed that preparation of an EGDP for the first year subprojects should not be required. An ESMP was prepared for each of the subproject identifying mitigation measures to be carried out during maintenance works. Field engineer of the DPWT will supervise the contractor's safeguard performance on a day-to-day basis while the ESU/DWPT will monitor contractor performance on a monthly basis. Discussion with the local authorities confirmed that according to the IEE regulation, preparation of an IEE report for these two subprojects will not be required. Consultation with LFNC confirmed that the proposed Project will create positive impacts on ethnic groups as well as other local population.

#### 4.3 Safeguard Implementation Experience and Capacity Building Needs

36. **ESOM implementation experience:** As mentioned above, an Environment and Social Operation Manual (ESOM) was developed for the Lao Road Sector Project (LRSP) and it has been implemented since 2009. WB supervision of LRSP in May 2015 suggested that mainstreaming of safeguard measures into MPWT operation process remains a challenge and clarity on responsibility will be necessary given a recent assignment of agencies within MPWT. Key findings of safeguard review during the midterm review of the LRSP are summarized in *Box 4.1* and these recommendations have been considered during the preparation of the ESMF. The findings confirmed the "low" level of safeguard risk of the proposed Project and suggested for an opportunity to build safeguard capacity of MPWT.

##### Box 4.1: Summary of key findings of safeguard review of LRSP

- While there are no significant impacts and/or complaints regarding road maintenance however the responsibility of safeguards implementation and reporting mechanism for the road sector is not clear at present. It appears that the responsibility for safeguard monitoring and reporting has been transferred to PTI (as per new arrangement of MPWT), however given that technical department of DoR (TD/DoR) is responsible for technical aspects of all road works, they should also be routinely monitor the environment and social safeguard compliance. TD/DoR and ESD/PTI should make a joint effort to monitor safeguard implementation on semi-annual and annual basis. It is also important that all related division of DoR pay adequate attention to the safeguard requirements during planning, implementation, monitoring, and reporting. All provincial DPWT incorporate safeguard implementation (for provincial road maintenance) results in the progress report sends to MPWT. A mechanism for reporting including time and format of the report should also be prepared. ESD/PTI will provide report template to MPWT to incorporate the safeguard compliance into progress report.
- For road upgrading the national road subprojects (1B and 6A) although consultants are mobilized to assist in monitoring of safeguard but safeguard compliance has not been incorporated into the progress report of the Project. No major environmental safeguards issues were noticed. None of the road maintenance or upgrading network works included in the site visit and financed by the project so far encountered any cultural or historical elements nor do they trespass protected areas or hinder natural habitats. Also, none of the rehabilitation activities seem to have disturbed the traffic or the livelihood of the population. For the on-going road works the overall construction site management is relatively acceptable, yet improvements are recommended specially related to site organization and waste and construction materials' management. Construction zone barriers that delimitate the working area or works announcement signs at the project area were noted regularly observed along the road. The debris originated from soil excavation, demolition of existing pavement, cutting of road vegetation, or other construction waste are handled for short period of time at the construction site and then transported to dump sites assigned away from the project sites. The mission advised for use of proper covering of such debris and of the disposal of surplus excavated material (soil) while it is stored before removal or reuse in order to minimize dust exposure. The Contractor has final responsibility for the overall cleanup of the construction site and restoration of the spoiled areas during rehabilitation as soon as the works on various sections are finalized. While the occupational health and safety measures for workers required during

activities on-site (e.g., workers wearing protective equipment such as dust masks, gloves) are known and stipulated in the technical specifications of the contracts, their application in practice is limited as confirmed during site discussions. The environmental compliance on the road works at most of the project sites has been assessed as moderately satisfactory. The mission noted the need to use construction materials with adequate quality from quarry or borrow pits that provide good local materials as poor quality materials would require more road maintenance and poor performance, therefore generating more costs. The project should avoid using gravel extraction in active stream channels to avoid damages downstream.

- The Bank encouraged MPWT to consider development of good quality borrow pits and quarries that are nationally certified, located in feasible strategically selected areas and ensuring environmental protection regulations and standards. The bank advised implementation consultants to keep proper records and report the safeguard issues in the progress report. The mission team is concerned over road safety issues derived from the improvement of the road sections. Overall road safety within communities/villages zones should be monitored and addressed better through public awareness campaigns and development of simple toolkits to improve communities' understanding of drivers' behaviour and traffic speed management. This has been discussed with Department of Road Transport (DoT) for the organization of traffic safety awareness campaigns on these two national roads.
- On capacity development for safeguards while training was provided and an evaluation has been completed, ESD/PTI will work with TD/DoR to identify potential areas for further safeguards capacity development for road sector works to be implemented under further IDA financing and the draft Training Needs will be shared with the Bank.

37. **Capacity building needs:** During the implementation of on-going LRSP, ESD/PTI provided training on the application of ESOM to DPWTs and key divisions of DoR and the ESOM was updated in 2015<sup>14</sup>. Although most DPWTs have established an Environmental and Social Unit (ESU) but due to the lack of budget, safeguard monitoring of road maintenance could not be conducted and thus no safeguard monthly monitoring report for subproject is prepared. TD/DoR also has limited number of qualified staff and budget to effectively monitor all the subprojects especially those related to road maintenance. Nonetheless ESD/PTI conducted safeguard monitoring and reporting and six month reports and annual reports are available. Given the restructuring of MPWT since 2012, roles and responsibility of MPWT agencies and DPWT have been modified over time and ESD/PTI appears to be the lead agency responsible for environment and social safeguard for MPWT.

38. Review of the updated ESOM(2015) and the training evaluation report suggested that application of the ESOM is not quite effective given a complex nature of ESOM and limited capacity of DPWT and the normal turnover of MPWT staff both at national and local levels. Discussion with MoNRE agencies suggested that a number of laws and regulations related to environmental and social safeguard are being revised and expected to be completed in 2016-2017.

39. During the preparation of this ESMF, a quick assessment was made on the needs for safeguard capacity building for additional support to MPWT and DPWTs to improve climate resilience of road networks including meetings with key agencies of MoNRE (DESIA, DFRM, and DDMCC) and the key findings are highlighted as follows:

- Within MPWT, ESD/PTI appears to be the only agency with clear mandate on safeguard training and monitoring while capacity of DoR and DPWTs on implementation of safeguard remains limited (see *Annex 8*). It is noted that under LRSP, some vehicles and

<sup>14</sup> English translation (December 2015) is available.

equipment<sup>15</sup> were procured for safeguard capacity building of ESD/PTI, TD/DoR, and DPWTs while training was also provided to facilitate the application and updating of ESOM. However, due to the lack of monitoring budget for DPWTs, only the ESUs/DPWTs of the LRSP provinces with WB projects (Houphan and Phongsaly) are more active.

- Experience with legal and institutional development in Lao PDR suggested two weaknesses. First, the lack of clarity regarding roles and responsibilities on safeguard within MPWT is mainly due to uncertainty related to legal and institutional changes within MPWT and MoNRE during the past five years (2010-2015) to be in line with the Party and the Government decentralization policy on “Sam Sang” as well as changes in many laws, decrees, and regulations related to the EIA/IEE process and natural resources management. This issue is exacerbated when all agencies including DPWT and PONRE have very limited budget for their normal operations. The second weakness is the comprehensiveness of the ESOM document which requires knowledge and experience staff to apply them. Past experience suggested that for simple activities like road maintenance, especially for the provincial and district level, a simple guideline should be prepared and applied.
- According to the IEE regulation (2013), preparation of an IEE report will be required for road upgrading and rehabilitation as well as for land filling of ponds, canals, and drainages that may cause public damages but not for road maintenance. However, application of good maintenance works should be integrated into DPWT road maintenance practices to minimize potential negative impacts as much as possible and planning and monitoring through the use of an “*Environment and Social Alignment Sheet*” approach should be applied. Key concerns include road safety during works execution and operations; increasing noise and vibration to residential areas and other sensitive receptors such as NPAs, schools, hospitals, and old cultural sites; and increasing access to NPAs and other biodiversity conservation areas. *ESD/PTI will assist DPWT in incorporating safeguard measures into the road maintenance planning, implementation, and monitoring and update the technical guidelines for road maintenance (national, provincial, and rural roads).*
- Road improvement, upgrading, and/or rehabilitation will require the preparation of an IEE per the Government IEE regulation. *ESD/PTI will assist DPWT and other MPWT departments responsible for implementation of these investments to secure agreement with PONRE/DONRE regarding the process and specific guidelines for mitigation measures to be implemented for these investments.* Due attention will be given to develop specific guidelines to ensure minimum negative impacts of these investments to PA, PFA, and sensitive receptors in close consultation with the national agencies of MONRE (such as DESIA, DFRM, and DDMCC). The activities will include both public funded project as well as PPP projects.
- Construction of a new road will require preparation of an ESIA per the ESIA regulation (2013). Discussion with MONRE agencies (DESIA, DFRM, and DDMCC) suggested that specific guideline for new road construction and operations especially those that may

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<sup>15</sup>Vehicles include 2 cars and 18 motorcycles while equipments include 9 computers, 16 camera, and 14 GPS.

involve PA, PFAs, and sensitive inceptors should also be developed and applied for the new road. Given that the Compensation and Resettlement Decree (decree 192) is being revised and expected to be approved in 2016, the ESOM should again be updated in close consultation with key MONRE agencies. An analysis on the difference between Government requirements and international funding agencies such as the WB, IFC, ADB, and JICA should be compared when the new decree and/or regulations are effective.

40. In this context, under the Project, priority for capacity building program has been identified and described in Section VI.

## V. PROPOSED MITIGATION MEASURES

41. **Safeguard actions:** To mitigate the potential impacts of the proposed Project, the safeguard actions identified in *Table 5.1* will be carried out following the principles described in Section II. Paragraphs below however present the safeguard screening, clearance, and implementation, monitoring, and reporting process for road maintenance subprojects to be implemented under Component 1.

Table 5.1 ESMF Approach for Component activities under the Project (LRSP-II)

Components	Activities to be financed by the Project	Safeguards Actions	Timing for Preparation and Implementation	Reference Annexes
<b>Component 1: Climate Resilient Road Maintenance</b>	<p><b>1.1. Road maintenance works and</b></p> <p><b>1.2. Supervision of works</b> [consultant and operating cost (IOC)]</p> <p>(provincial and district road networks in the 6 selected provinces)</p>	<ul style="list-style-type: none"> <li>Apply ESMF, EGDF, and RPF during the preparation and implementation of the subproject specific ESMP, EGDP, and/or RAP/ARAP.</li> <li>Conduct safeguard training, monitoring, and reporting.</li> </ul>	<p>The ESMPs and EGDPs of the first year subprojects will be completed and cleared by WB before appraisal.</p> <p>Other ESMP, EGDPs, RAPs/ARAPs, will be prepared during implementation</p>	Details are in Annexes 2, 3, 4, 5, 6, and 7
<p><b>Component 2: Institutional Strengthening.</b></p> <p>(TA/consultant, goods, training, and IOC) -To enhance institutional sector capacities for planning and analysis of MPWT.</p>	<p><b>2.1 Sector Policy and Strategic Planning</b></p> <p>Support MPWT for high-level policy advice for the operationalization of the Sector Strategy to 2025 and Action Plan to 2020,</p> <p><b>2.2 Road asset management:</b></p> <p>To (i) further develop necessary systems and tools for planning, prioritization, budgeting, implementation and monitoring for road asset management, (ii) strengthening capacity of MPWT, DPWTs and contractors on environmental and social</p>	<p>Revise ESOM in close consultation with the provinces and MONRE agencies by undertaking a number of cases studies on the following priority areas:</p> <p>(a) Integrate safeguard requirements into the policy and planning process for road development (public and private) for (i) road maintenance, (ii) road upgrade/rehabilitation, and (iii) new road.</p> <p>(b) Develop specific guidelines for (i) mitigation measures for</p>	<p>During implementation.</p> <p>ESD/PTI will set up a safeguard coordination working group during the planning and implementation of the cases studies and revision of the ESOM to ensure that the revised ESOM will be acknowledged and recognized by PONRE and DESIA</p>	See scope In Annex 8

	management, quality control and contract management, climate resilience, and traffic safety.	road works in PA/PFA and sensitive areas, (ii) community actions on road safety, (iii) development of good quality construction materials (quarries, borrow pits, etc.), (iv) development of compensation procedure for road sector, and (v) RoW management including registration of encroachment activities.		
	<p><i>2.3 Capacity Building for Use of PPP in the Road Sector.</i></p> <p>To continue developing the institutional capacity of MPWT to better prepare the sector for the future implementation of potential PPP projects.</p>			
<b>Component 3: Contingency Emergency Response</b>	An Emergency Response Operations Manual will apply to this component, detailing financial management, procurement, safeguards and any other necessary implementation arrangements. [works]	<ul style="list-style-type: none"> <li>• Include safeguard measures in the Operation Manual and conduct post audit.</li> <li>• Conduct safeguard training</li> </ul>	During implementation	Annex 3
<b>Component 4 Project Management</b>	TA, goods, IOC, etc.	<ul style="list-style-type: none"> <li>• Incorporate ESMF implementation in project progress report.</li> </ul>	During implementation	Annexes 7 and 8

### 5.1 Actions for Road Maintenance Subprojects

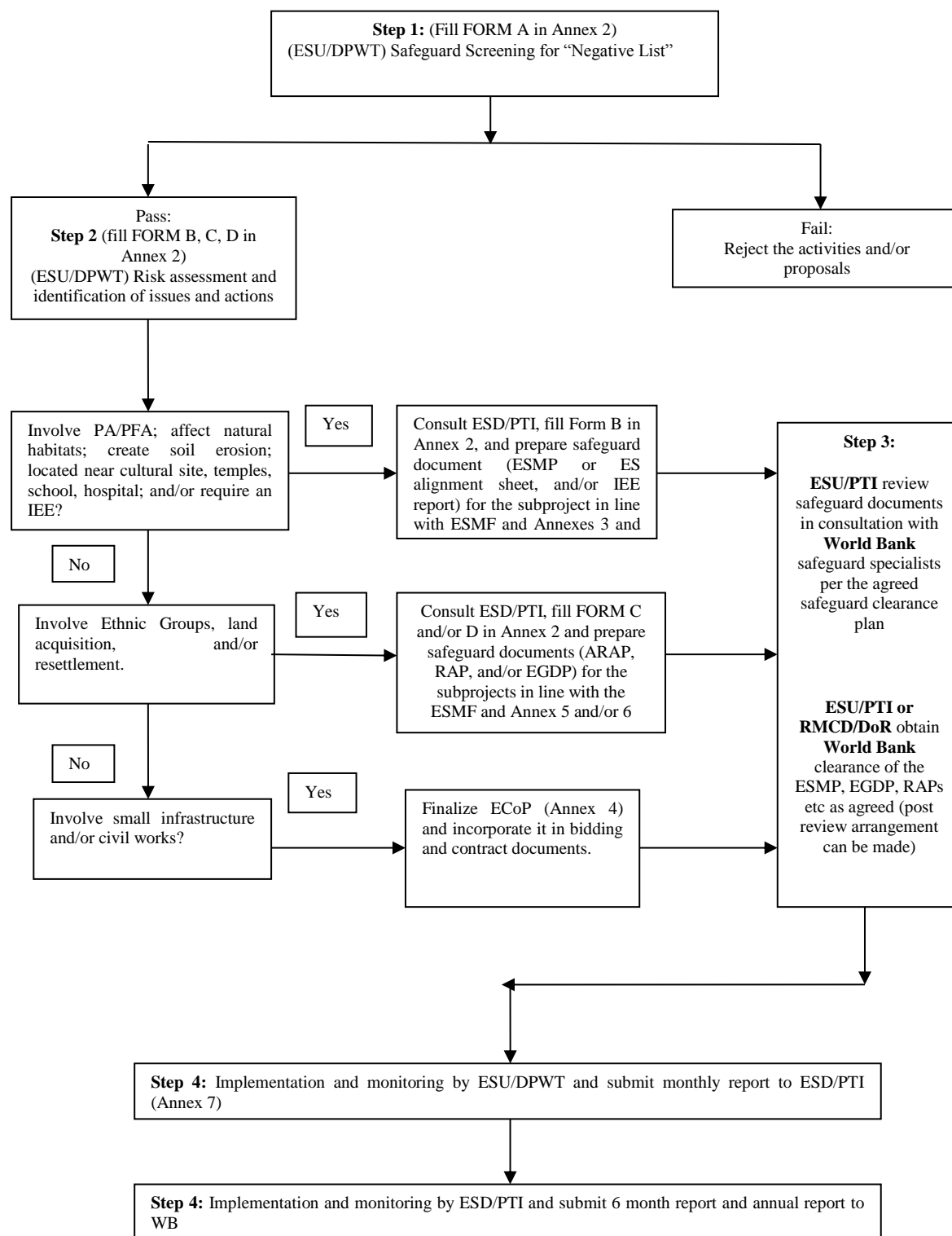
42. As mentioned in Section II that all road maintenance subprojects will be subjected to safeguard screening and clearance following five key steps. *Figure 5.1* presents the ESMF process to be applied for the road maintenance subproject to be implemented under Component 1. It presents (Step 1) Safeguard screening including consultation and information disclosure; (Step 2) Safeguard document preparation; (Step 3) Safeguard clearance; and (Step 4) Safeguard implementation, monitoring and reporting. Additional details on the screening criteria and forms are presented in *Annex 2* while those related to Step 2 is presented in *Annex 3, 4, 5, and 6*. *Annex 7* presents a sample grievance registration form and M&E report form while *Annex 8* presents organization and capacity building. Close adherence to the five steps set out in *Figure 5.1* is required to ensure safeguards compliance. Key safeguard issues and actions to be considered during the screening, clearance, and implementation and M&E processes including consultation and information disclosure are highlighted in paragraphs below while that related to the GRM is presented in Section VI.

#### (a) Safeguard screening and documentation

43. As assessed in Section 4.2, the potential negative impacts of the proposed road maintenance is expected to be minor, localized, and temporary. In this context, the scope and content of the ESMP has been simplified using a set of safeguard screening forms including a list of ineligible activities/subproject and a ESMP template and guidelines on the content and scope of ESMPs using the *Alignment Sheet* approach are set out in *Annexes 2 and 3 respectively*. During the screening, due attention will be given to ensure the following:

- *Locations:* Special attention will be given to the roads located in or near PA, PFAs, and/or other sensitive receptors such as schools, hospitals, temples, and other historical/cultural sites. (see *Annex 3*).

Figure 5.1: Schematic safeguard screening process



- *Civil works.* The generic ECoP will be applied (see [Annex 4](#)).
- *Land acquisition.* Land acquisition will be avoided or minimized to the greatest extent possible through exploring alternate project design. If necessary, small land acquisition will be made in line with the principles and procedures described in [Annex 5](#).
- *Ethnic Groups (EG):* If EG (i.e. Mon-Khmer, Hmong-Mien, Sino-Tibetan and Tai-upland ethno-linguistic groups, who are culturally distinct from the lowland Lao majority population) are present in the subproject area, a “*free, prior and informed consultation*” will be made to ensure broad community support. ([see Annex 6](#))

***(b) Safeguard clearance***

44. Given a small nature of road maintenance works and limited impacts, it is proposed that ESD/PTI will review and approve all the safeguard documents (ESMP, EGDP, RAPs) of the subprojects. As indicated in Section II, RMD/DoR in consultation with ESD/PTI will prepare a safeguard clearance plan for the subproject to be approved by MPWT and WB in the annual work plan. All the documents will be kept in the project files for possible WB post review. For subprojects require IEE, DPWT assisted by qualified consultant will prepare an IEE report. ESU/DPWT will review and comment on the IEE report prepared by the consultant before the final report is submitted to PONRE for review and approval.

***(c) Safeguard implementation, monitoring, and reporting***

45. DPWTs responsible for execution of the road maintenance subprojects will be responsible for implementation of ESMP, EGDP, and/or RAPs. Supervision, monitoring, and reporting will be conducted by ESD/PTI in close cooperation with RMD/DoR and/or other agencies as needed. The WB will conduct safeguard supervision, monitoring, and post review. Responsibility of key agency is summarized in Section VI.

46. ***Consultation and information disclosure:*** Consultation on and disclosure of safeguard issues and mitigation measures are required during the preparation of the ESMP and EGDP and the activities will be conducted by ESU/DWPT in close consultation with ESD/PTI. The approved Alignment Sheet and monitoring results will be made available for public access through the responsible DWPT and the ESD/PTI websites.

**5.2 Actions for TA Activities and Emergency Road Works**

47. Following the principles described in Section II and the scope of safeguard activities identified in [Table 5.1](#) for mitigating the potential negative impacts and/or enhancement of potential positive impacts of TAs to be implemented under Component 2, the following actions will be carried out:

- ESD/PTI will take the lead in safeguard training and ensuring that clear safeguard requirements for road maintenance will be integrated into the policy and planning process to be conducted under the activities 2.1, 2.2, and 2.3.
- ESD/PTI will take the lead to build capacity of MPWT and key agencies in managing the PPP project including establishing coordination and cooperation mechanism with key agencies of MoNRE that are responsible for ESIA/IEE, PA/PFA, and disaster management and climate change.
- ESD/PTI will also establish a SCWG to be responsible for revision of the ESOM including the development of specific guidelines for (i) mitigation measures for road works

in PA/PFA and sensitive areas, (ii) community actions on road safety, (iii) development of good quality construction materials (quarries, borrow pits, etc.), (iv) development of compensation procedure for road sector, and (v) RoW management including registration of encroachment activities. The guidelines will be developed through cases studies and the results will be incorporated in the revised ESOM.

48. For emergency road works, ESD/PTI will prepare a section on safeguard requirement to be included in the emergency operation manual.

## VI. ESMF IMPLEMENTATION ARRANGEMENT

### 6.1 Responsible Entities

49. In line with the Project implementation arrangement, at Project level DPC of MPWT who is responsible for the overall management of the Project will also be responsible for ensuring that the implementation report of the Project comprise a section on safeguards implementation. ESD/PTI is responsible for six month and annual monitoring including preparation of the six month and annual safeguard monitoring report while RMD/DoR is responsible for ensuring that safeguard measures are incorporated into the designs and bidding/contract documents. At subproject level, DPWT is responsible for implementation of safeguard activities including under taking day-to-day monitoring of safeguard measures to be carried out by contractors. ESU/DPWT will be responsible for carrying out monthly monitoring of contractors and implementation of other safeguard measures including preparation of safeguard monthly monitoring report to be submitted to RMD/DoR and ESD/PTI. The ESD/PTI, RMD/DoR, and ESU/DPWTs will be responsible for keeping proper documentations for possible review by the WB.

50. The ESD/PTI will also be responsible for providing safeguard training, ensuring effective mainstreaming of safeguard requirements into road development project cycle, and undertaking research activities including updating ESOM in close consultation with MoNRE and other agencies and the WB.

51. Table 6.1 presents responsible agencies and key functions for ESMF implementation.

Table 6.1: Key responsibilities for ESMF implementation

Subproject cycle	ESD/PTI or RMD/DoR	DPWT(as subproject owner)
Screening	<p>Advise applicants and other stakeholders of environmental and social safeguard procedures.</p> <p>Review the concept note/idea and screen for potential safeguard issues, and advise applicants regarding the nature and content of the safeguard documents and measures to be prepared</p>	<p>Assess any potential safeguard issues early in the preparation process, including screening for the presence of indigenous peoples.</p> <p>Describe potential safeguard issues in the safeguard screening form to be attached to the subproject proposal.</p>
Preparation	Advise applicants on safeguard issues, as needed	Undertake safeguard preparation actions as required, such as consultations with local communities and/or collection of data.



		Design safeguard measures and prepare documents, such as an ESMP, EGD, RAP, etc. as agreed with ESD/PTI. If applicable, disclose draft safeguard documents with the subproject proposal to affected communities prior to final review of proposal by the ESD/PTI.
Review and approval	<p>Review subproject proposal for safeguard impacts and social risks.</p> <p>Assess the adequacy and feasibility of the safeguard assessment and consultation process. If needed, request further steps.</p> <p>Assess the adequacy and feasibility of the safeguard measures and documents. If needed, request appropriate changes to these and reassess prior to final approval.</p> <p>If the EG (equivalent to WB OP/BP4.10) are affected, ascertain that they have provided their free, prior and informed consent to subproject activities affecting them.</p> <p>If applicable, publicly disclose safeguard related information on the website after subproject approval</p>	<p>Submit subproject proposal with safeguard measures and documents as agreed. If requested by the ESD/PTI takes additional steps to meet ESMF and safeguard policy provisions. Re-submit proposal with revised safeguard measures and documents, as needed. All national and local legislation and regulations will be complied with.</p> <p>Prepare an action plan as needed if the subproject is likely to have some impacts on NPA and/or NPFA.</p>
Implementation	<p>Supervise and review safeguard documents and issues during subproject implementation. If needed, request changes to safeguard measures.</p> <p>Review and approve Plan of Actions that are required to be prepared during implementation of subprojects.</p>	<p>Disclose final safeguard documents, if any, to affected communities.</p> <p>Monitor and document the implementation of safeguard measures.</p> <p>When the ethnic groups(equivalent to WB OP/BP4.10) are affected, include them in participatory monitoring and evaluation exercises.</p>
Evaluation	Ensure inclusion and review of environmental and social safeguard issues and outcomes in mid-term and final subproject evaluation and reporting, including concerning	<p>Evaluate the implementation and outcomes of safeguard measures.</p> <p>When the ethnic groups (equivalent to WB OP/BP4.11) are affected,</p>

	any lessons learned on the sustainability of each subproject.	include them in participatory evaluation exercises.
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## 6.2 ESMF Monitoring and Reporting

52. To ensure effective implementation of the ESMF requirements, the DPWT will put in place the following monitoring and reporting system which includes both internal monitoring and reporting and external monitoring and reporting.

53. **Internal monitoring and reporting:** At subproject level, ESU/DPWT staff, together with local authorities and local communities will be responsible for monitoring the implementation of mitigation measures as approved in the ESMP. Monitoring information together with other information collected from various stakeholders together with observations of project activities will be reported monthly to the DPWT using standard reporting forms (see [Annex 7](#)). Monthly monitoring reports from ESU/DPWT will include:

- List of consultations held, including locations and dates, name of participants and occupations.
- Main points arising from consultations including any agreements reached.
- A record of grievance applications and grievance redress dealt with.
- Monitoring data on environmental and social measures detailed in ESMPs.
- Number of construction supervision reports that include assessment of contractor's compliance with safeguards in accordance with ECoP.
- Number of trainings of community groups in environmental and social issues (if any).

54. ESD/PTI in coordination with RMD/DoR will prepare a consolidated six month monitoring reports from the 6 provinces for DoR which in addition to the above data will include:

- Number of national, regional, and/or provincial staff and counterparts trained on ESMF compliance.
- Number of ESMPs prepared and number of ESMPs cleared by WB.
- Number of technical recommendations provided during supervision and monitoring that have been implemented.

55. These reports will be filed to permit easy retrieval and indicators will be incorporated into the Project M&E system.

56. **External Monitoring:** An independent annual technical audit of both environmental and social measures will be conducted by ESD/PTI in close coordination with PONRE/DONRE. Efforts will be made to invite representatives from local communities and mass organizations to participate in the process. The annual audit will assess whether (i) the ESMF process, including RPF and EGDF (if relevant), is being correctly adhered to (ii) relevant mitigation measures have been identified and implemented effectively and (iii) the extent to which all stakeholder groups are involved in subproject implementation. The technical audit will also indicate whether any amendments are required in the ESMF approach to improve its effectiveness and ensure that the project investment ESMPs are developed/cleared and effectively implemented. The technical audit report will be submitted to WB for information and comment.

57. [Table 6.2](#) presents the ESMF monitoring requirements covering at least the following aspects of the Project and subprojects:

- Budget and time frame of implementation.
- Delivery of project activities (project inputs).
- Project achievements in developing alternative natural resource use and livelihoods (project outputs and outcome).
- Consultation, grievance and special Issues.
- Monitoring of benefits from project activities.

Table 6.2: ESMF monitoring requirements

Objectives	Actions	Responsibility	Schedule
Ensure compliance with ESMF and ESMPs	Monitor the ESMPs preparation and implementation of subproject	ESD/PTI	Annually
Maintain an up-to-date ESMF	Review and update ESMF, and submit revisions to the World Bank for approval	ESD/PTI	Annually
Communication structures between Project and local agencies in place	Develop procedures and schedule for coordination and reporting	DPWT	Prior to implementation
Meet reporting requirements	Prepare monthly report	DPWT	For the subprojects
	Prepare six-month report	ESD/PTI and RMD/DoR	For the 6 Project provinces
	Prepare annual report	ESD/PTI and RMD/DoR	For the 6 Project provinces
	Prepare ad-hoc reports	DPWT, RMD/DoR, or ESD/PTI	As required

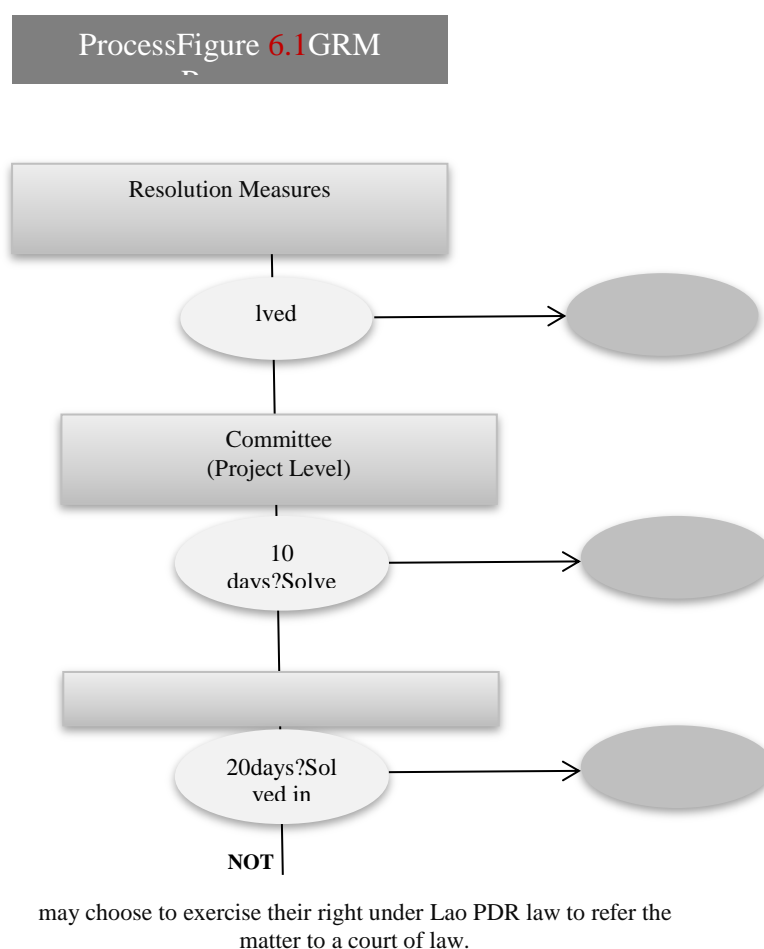
### 6.3 Grievance Redress Mechanism (GRM)

58. Grievances related to environmental issues that result from Project activities will be resolved through the grievance mechanism presented in *Figure 6.1*. A Grievance Redress Committee (GRC) will be established at local level. Grievances will be addressed at the village, district, province, and national level. A complainant also retains the right to bypass this procedure and can address a grievance directly to the ESD/PTI Office or the National Assembly, as provided for by law in Lao PDR. At each level grievance details, discussions, and outcomes will be recorded in a grievance logbook. The status of grievances submitted and grievance redress will be reported to DPWT management through the monthly report.

59. The grievance mechanism is based on key principles that will protect the rights and interest of project participants; ensure that their concerns are addressed in a prompt and timely manner, and that entitlements are provided in accordance with GoL and Bank environmental safeguard policies. The safeguards unit of DPWT (ESU/DPWT) will ensure that communities directly affected by the Project have a full understanding of the GRM and ways to access it especially on (i) the concept of compensation for any involuntary acquisition of land and/or assets and (ii) ensuring environmental and social mitigation measures in the ESMP's are implemented as planned. The affected peoples (AP) (or his/her representative) may submit his/her complaint in a number of ways e.g. by written letter, phone, SMS messages and email to the GRC or, alternatively, raise his/her voice in a public or individual meeting with project staff. The GRC will meet to try and resolve the matter at community level and make a recommendation within 7-10 working days from receipt of complaint. If there is no decision after 10 days the AP can refer the complaint to the Director of DPWT in the province who will then address the complaint and respond to the complainant within 20 days. The GRM procedures

to be followed for all subprojects will be translated into Lao language and/or local language as needed so that they are easily accessible to all stakeholders and made available by the DPWT. Information on the steps to be followed in handling grievances will be incorporated into the process of providing local communities with information about the proposed subprojects.

60. *Recording and processing of grievances:* All submitted complaints and grievances will be entered into a database/project files which will be updated regularly. Each complaint and grievance should be ranked, analyzed and monitored according to type, accessibility and degree of priority. The status of grievances submitted and grievance redress will be reported by ESU/DPWT. Right of local authority, mass organization, and/or individual to file the grievance and receive attention will be publicly informed/communicated to the local residents and general public through appropriate media (website, leaflet, etc.).



61. Communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to existing project-level grievance redress mechanism or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaints to the WB's independent Inspection Panel which determines whether harms occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at anytime after concerns have been brought directly to the WB's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit [www.worldbank.org/grs](http://www.worldbank.org/grs). For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

#### 6.4 Safeguard Training, Capacity Building, and Budget

62. **Safeguard training:** To facilitate effective understanding of provincial staff regarding the implementation and supervision of the ESMF, RPF, and EGDF including the preparation of ESMP, EGDP, and RAPs, ESD/PTI (in consultation with WB safeguard specialists) will conduct safeguard training to concerned staff of DoR and DPWT of the Project province at least 1 time/year. Due attention will be given to ensure that the ESU/DPWT can conduct supervision and monitoring and reporting on a monthly basis. Effort will be made to engage local authority (PONRE/DONRE), local mass organization, and/or local community to assist in monitoring performance of the contractor especially in areas that are sensitive and likely to be affected by the subproject activities and workers. ESD/PTI will also (a) review effectiveness of the screening and reporting forms to be applied during preparation, supervision, and monitoring, and reporting (as proposed in annexes 2 and 7) and modify them as needed and (b) develop a safeguard training courses and mainstream them into MPWT training program that can provide systematic training and application of safeguard requirements on road works. *It is expected that by the end of the Project the ESOM will be updated and accepted by GoL agencies while safeguard training will be fully integrated into MPWT training program.*

63. **Safeguard capacity building:** As indicated in Section 4.3 (paragraph 40), the following capacity building program will be carried out:

- For road maintenance, *ESD/PTI will (a) prepare a clear process to integrate safeguard measures into all type of road maintenance either under the responsibility of DPWTs or other divisions of DoR (i.e. National roads, rural road regions, 1, 2, 3, 4) and (b) develop a specific guideline for road maintenance in PA, PFA, and other sensitive receptors.*
- After the revised Decree 192 has been approved, *ESD/PTI will revise the ESOM in close consultation with MoNRE agencies and PONRE including development of specific guidelines for road works (road improvement, road upgrading, road rehabilitation, and new road) focusing on the following key areas (i) works in PA, PFA, and other sensitive receptors, (ii) development of good quality of construction material sources (quarries and borrow pits) as suggested by WB, (iii) community actions on road safety measures, (iv) RoW management including registration of encroachment activities, and (v) compensation procedures for road sector. In the process ESD/PTI will conduct case studies to carry out specific action research in close consultation with DPWT and key agencies. A Safeguard Coordination Working Group (SCWG) on road sector will be established to ensure effective coordination among agencies during the updated of ESOM and development of these technical guidelines.*
- In consultation with WB safeguard specialists, ESD/PTI will conduct safeguard training to concerned staff of DoR and DPWT of the Project province at least 1 time/year to ensure effective implementation of safeguard measures. Effort will be made to engage local authority (PONRE/DONRE), local mass organization, and/or local community to assist in monitoring performance of the contractor especially in areas that are sensitive and likely to be affected by the subproject activities and workers. *To enhance effectiveness of safeguard training and sustainability of monitoring efforts, ESD/PTI will develop and implement a Training-of-Trainer (TOT) for facilitating systematic training and application of safeguard on road works. Qualified national and/or regional consultant will be hired to establish and implement the TOT program.*

64. **Consultant:** It is expected that an international and a qualified national/regional consultant will be mobilized to assist ESD/PTI undertaking the capacity building activities including updating ESOM in close consultation with MoNRE agencies and the provinces.

65. **Safeguard budget:** A budget of \$200,000 will be allocated for safeguard monitoring and reporting on the implementation of the subproject ESMP/EGDP process for 3 years. All monthly reports, six month reports, and annual reports will be submitted to WB for information. In addition, a budget of about \$400,000 will be allocated for technical assistance and technical training courses related to biodiversity conservation, environmental quality management, and/or environment and social safeguards will be conducted and research activities to be conducted by ESU/PTI will also be provided for the preparation of sector specific guidelines for road activities likely to be applied for all road works (an update ESOM) in close consultation with DESIA, DFRM, DDMCC. This is to ensure that the revised ESOM will be accepted as a national guideline for road sector.

No.	Activities	Cost US\$
	<b>(a) Supervision, monitoring, training on ESMF</b>	
1	ESD/PTI to provide training and annual monitoring including preparation of annual safeguard monitoring report to the six Project DPWTs for 3 years (\$10,000/year)	30,000
2	ESD/PTI to conduct supervision and preparation of 6-month safeguard monitoring reports for the six Project provinces for 3 years (2 time/year) (\$10,000/year)	30,000
3	ESU/DPWTs of the Project provinces and local communities conduct supervision of contractor performance every month and submit monthly report for 3 years (\$120,000 for 6 provinces)	120,000
4	Consultation with EG in the six Project provinces (preparation of ESMP and EGDP)	20,000
	<b>Subtotal (a)</b>	<b>200,000</b>
	<b>(b) Research and specific training on environmental and social issues related to natural disaster</b> (details to be identified during implementation)	
1	Case studies and research activities including workshops to develop specific guidelines on the following key areas (i) works in PA, PFA, and other sensitive receptors, (ii) development of good quality of construction material sources (quarries and borrow pits) as suggested by WB, (iii) community actions on road safety measures, (iv) RoW management including registration of encroachment activities, and (v) compensation procedures for road sector.	180,000
2	Update ESOM to include guideline for road construction, upgrading, and rehabilitation in PA and PFA areas including workshops and field visits in coordination with MONRE agencies (DESIA, DFRM, DDMCC); Application of ESOM in the PPP process will be necessary.	130,000
3	Hiring of national consultant/s (part time) to assist ESD/PTI to implement the research activities and the update of ESOM mentioned in 1 and 2 above.	60,000
4	Hiring of an international consultant to provide guidance on the research activities and the update of ESOM mentioned in 1 and 2 above.	30,000
	<b>Subtotal (b)</b>	<b>400,000</b>
	<b>Total (a) and (b)</b>	<b>600,000</b>

## 6.5 ESMF Consultation and Information Disclosure

66. **Consultation:** The Project including draft TOR for preparation of the ESMF was first consulted in the workshop conducted in Vientiane on 25 February 2016. Consultations of ESMF, RPF, EGDF, and ESMPs the first year subprojects in Bolikhamxay and Xayabouly provinces were conducted with local authorities and communities including ethnic peoples were carried out in March-April 2016 and the results have been considered during the preparation of the final draft. Information provided and discussed included project objective, description, and component, potential impacts (positive and negative) of the project, draft ESMF including draft documents were translated and distributed. Results suggested that most of the related agencies and people in the project provinces fully support the Project and considered that the proposed ESMF are appropriate and can be applied on the ground. Discussion with the representative of ethnic peoples and women group also confirmed their full supports. It has been agreed that during the preparation of specific subproject to be proposed by the province and the preparation of the environmental management plan or other plans as required by the ESMF, additional consultation will be carried out in the province in close consultation with the local authorities and people likely to benefit and/or affected by the subproject. *Annex 9* provides a summary of consultation minutes.

67. **Information disclosure:** The final draft ESMF including RPF and EGDF **will be disclosed (in English) in MPWT website on 11 April 2016.** The drafts will be translated into Lao language and disclosed. These reports will be sent to WB for review by the WB safeguard specialists and submitting to WB InfoShop. The final ESMF and annexes including the RPF and EGPF will be re-disclosed in the country as well as the Bank InfoShop after clearance from the WB Regional Safeguard Secretariat.

## Annex 1: Sector Background and Project Areas --09 April 2016

1. This annex briefly provides background on the road sector (Sections A1.1 and 1.2) and the environment and social conditions of the six Project provinces and their road networks (Bolikhamxay, Xiengkhouang, Houaphan, Xayabouly, Oudomxay, and Phongsaly) (Section A1.3).

### (A1.1) Road Sector and Climate Change Challenges

2. ***High natural disaster risks, financial constraints, and local capacity challenges:*** Lao PDR is one of the ASEAN region's most vulnerable countries to natural disasters. In 2009, Typhoon Ketsana resulted in estimated damages and losses of US\$58 million; in 2011, Typhoon Haima and Tropical Storm Nok-Ten caused damages of US\$66 million and US\$71.9 million, respectively; in 2013, a series of storms caused extensive flooding affecting 350,000 people in 12 provinces (out of a total of 18). Global and regional climate change projections suggest that natural disasters in Lao PDR are likely to intensify and increase in frequency. The Government recognizes the strong link between economic development, sustainability, and the need to mainstream environmental considerations including incorporating action on climate change into its development plans and efforts are being made to raise additional financing both from the public and private sectors. A Climate Change and Disaster Law is currently being developed with expected approval in 2017. The National Strategy on Climate Change (NSCC) was approved in early 2010, and climate change action plans for the period 2013-2020 have been prepared for key sectors, including transport. It is expected that the financial needs for implementing the mitigation and adaptation policies and actions identified in the NSCC would be about US\$ 2.4 billion.

3. Since the 2000s Lao PDR has progressively devolved administrative responsibilities to local levels. The decentralization policy mandates central government to focus on policy, financing, regulatory frameworks and oversight, while planning and implementation responsibilities are delegated to provinces and districts. The process is intended to help improve service delivery and respond to local needs. It has nonetheless faced important challenges, particularly weak monitoring and regulatory capacity at central level, inadequate technical and managerial capacities at local levels, and poor coordination between the two. These problems have had a negative impact on fiscal stability, with provincial investment expanding unchecked and becoming a heavy contributor to the growing government debt. Weak controls and limited public investment planning capacities at local levels have also affected the transport sector. The local transport infrastructure is particularly vulnerable as a result of low standards, lack of adequate maintenance, and inappropriate technical designs. Annually, approximately 30% of road maintenance budget is spent on emergency road repair. The importance of increased climate resilience for roads is now considered a potentially significant factor in reducing demand for emergency repair budget. However, the budget required to comprehensively address climate adaptation and strengthen the Lao road network exceeds by far available resources.

4. Innovative approaches are required to effectively and efficiently improve the climate resilience of the Lao local network, for example by focusing on the most vulnerable and important sections of the network. Prioritized back-strengthening of vulnerable road sections is a potential solution that could be adopted as a form of periodic maintenance. In 2008, the World Bank supported the establishment of a Road Management System for optimizing decision-making and planning at national and provincial levels (RMS and PROMMS, respectively), thereby making more efficient use of the RMF. The system provides data on existing roads, their status, and routine and periodic maintenance needs. It does not provide data related to damage caused by natural disasters, nor does it support the identification of sections vulnerable to extreme weather. The capacity to identify and prioritize key road sections most vulnerable to climate threats is an essential tool to enhance this process.

5. At the institutional level, the sector faces important capacity gaps for the effective management of road assets. With the ongoing devolution of responsibilities, MPWT has progressively delegated tasks for maintenance of local roads to the Department of Public Works and Transport



(DPWT) of each province. However, weak central capacities for monitoring and oversight, combined with the lack of policies and effective business processes to guide and enable provinces to undertake maintenance tasks, and insufficient technical and managerial capacities at local level remain major challenges. This has for example, limited the use and impact of PROMMS as provincial capacity for data collection and analysis remains weak.

6. Climate resilience adaptation remains a new concept and has not yet been integrated into road asset management practices, resulting in high costs for disaster recovery. Most of the main roads in Lao PDR were built with 8.2 tone of standard axle load, while ASEAN's minimum road standard is 9.1 tons. The main national roads, such as Road 13, 9, 3, 8, 7, and 12, which also serve transit transport, are heavily affected by overloading trucks. After neglecting overload control for some years and with the rapid deterioration of the road condition, the government realizes the need to reinstate and reinforce overloading control and is in the process to reinstall modern permanent weighing stations on national road 3, 9 and 13 and plans to scale it up to other roads later on. Road safety is another challenge and efforts are being made to address the issues sector wide.

### **(A1.2) Country Development Challenges**

7. Lao PDR is one of the least developed countries in Southeast Asia and lies in the Indo-Burma Biodiversity hotspot. The country has considerable natural resources in forests, water resources, and minerals and these are significant for cultural development, environment protection, and economic development. Its forests cover about 40% of the country, the highest percentage in Southeast Asia, but the total area of forest has declined dramatically from 70% of the land area of 26.5 million hectares (ha) in 1940, to 49% in 1982, and to only 40% or about 9.5 million ha in 2010. Data on changes in forest cover suggest that during the 1990s the annual loss of forest cover was around 1.4% annually, giving an average annual loss of forest cover of about 134,000 ha. Efforts are being made to strengthen effectiveness of forest management including conservation of natural resources.

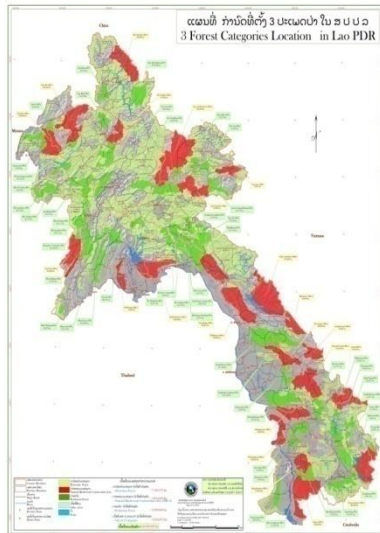
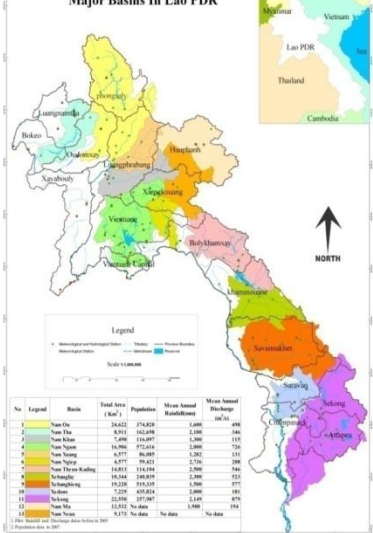
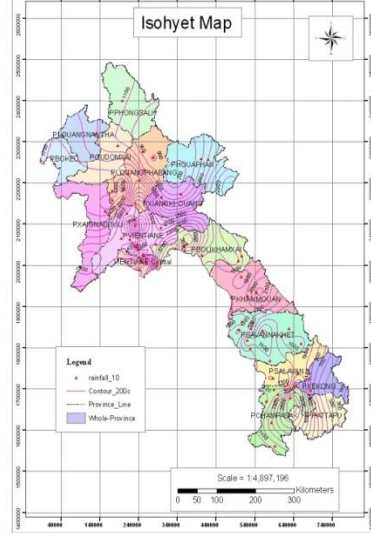

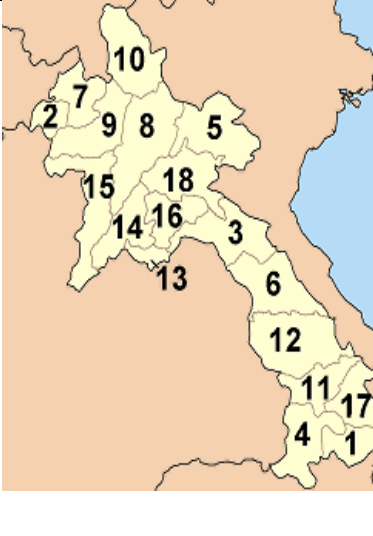
8. At present, the government has designated 20% of the country's land area as protected (including 21 national biodiversity conservation areas (NBCA), plus a number of provincial and district protected areas), and produced the Biodiversity Strategy to 2020. Around half of the NBCAs share a border with Viet Nam, Cambodia, Thailand or China, and a number of these form (or have the potential to be) trans-boundary protected areas. In 2010, there is a decree on protection forest area (PFA) defining the principles, the procedures, and the measures on the management of conservation and protection forests and the sustainable use of the protection forests/lands which are located in the areas of water resources, watershed areas, wetland forest and river bank's forests, road side forests, municipality or outskirts of city, sacred forests of villages and an area of about 8,200,000 ha has been assigned as the national protection forest area (NPFA). In 2015, a new Decree on protected area has been established. Department of Forest Resources Management (DFRM) of MoNRE is the lead agency responsible for ensuring effective management of these areas.

9. One of the key challenge is rapid development in the country especially hydropower and mining. It is the Government policy to ensure achievement of 8% annual growth rate by implementing a number of policy, legal, and institutional measures to promote hydropower development to become "*the battery of Asia*" as well as rapid development of urban development, industries, and infrastructure (especially road networks).

10. Map 1 presents locations of the three types of forests area as defined in the forestry law (NBCA, NPFA, and production forest) and locations of the river basins including the six Project provinces (Phongsaly, Houaphan, Xiengkhuang, Oudomxay, Bolikhamxay, and Xayabouly) while Map 2 shows locations of existing and planned road networks including those in the Project province. The country has made significant progress in becoming more integrated both internally and with the regional and international trading system. Lao PDR completed its accession to the World Trade Organization (WTO) in February 2013. The country is also a member of the Association of Southeast

Asian Nations (ASEAN) Economic Community (AEC) established in December 2015, which is a milestone towards regional economic integration.

**Map1: Locations and key features of Lao PDR**



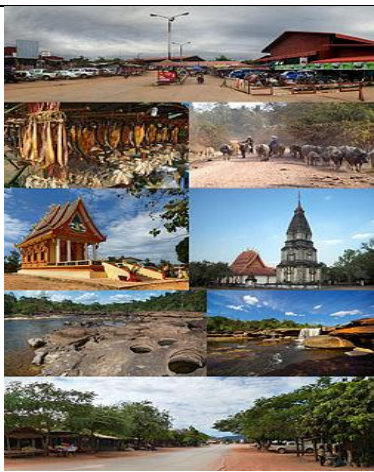
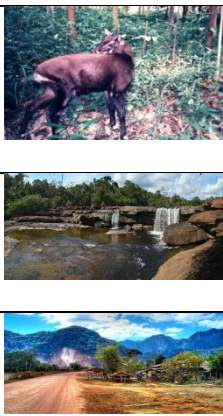
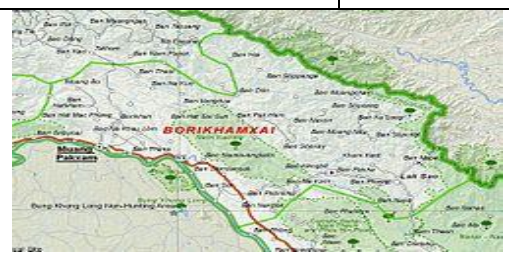
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National Protected Areas (NPA or NCBA), the National Protection Forest Area (NPFA), and the production forest	River Basins in Lao PDR	Rainfalls (isohyets Map)																																																																																																		
	 <table><thead><tr><th>No</th><th>Legend</th><th>Basin</th><th>Total Area (km<sup>2</sup>)</th><th>Population</th><th>Mean Annual Rainfall (mm)</th><th>Mean Annual Discharge (m<sup>3</sup>/s)</th></tr></thead><tbody><tr><td>1</td><td></td><td>Yuan Chai</td><td>24,422</td><td>274,424</td><td>1,400</td><td>498</td></tr><tr><td>2</td><td></td><td>Yuan Chai</td><td>8,761</td><td>102,498</td><td>1,400</td><td>498</td></tr><tr><td>3</td><td></td><td>Yuan Chai</td><td>7,498</td><td>114,497</td><td>1,400</td><td>117</td></tr><tr><td>4</td><td></td><td>Yuan Chai</td><td>14,766</td><td>271,243</td><td>1,400</td><td>753</td></tr><tr><td>5</td><td></td><td>Yuan Chai</td><td>6,771</td><td>86,487</td><td>1,342</td><td>134</td></tr><tr><td>6</td><td></td><td>Yuan Chai</td><td>4,771</td><td>24,422</td><td>1,342</td><td>268</td></tr><tr><td>7</td><td></td><td>Yuan Chai</td><td>14,711</td><td>114,114</td><td>1,342</td><td>743</td></tr><tr><td>8</td><td></td><td>Yuan Chai</td><td>10,141</td><td>24,422</td><td>1,342</td><td>171</td></tr><tr><td>9</td><td></td><td>Yuan Chai</td><td>11,211</td><td>114,114</td><td>1,342</td><td>171</td></tr><tr><td>10</td><td></td><td>Yuan Chai</td><td>7,221</td><td>431,434</td><td>1,342</td><td>191</td></tr><tr><td>11</td><td></td><td>Yuan Chai</td><td>11,211</td><td>27,267</td><td>1,342</td><td>476</td></tr><tr><td>12</td><td></td><td>Yuan Chai</td><td>11,211</td><td>No data</td><td>1,342</td><td>354</td></tr><tr><td>13</td><td></td><td>Yuan Chai</td><td>11,211</td><td>No data</td><td>1,342</td><td>354</td></tr></tbody></table>	No	Legend	Basin	Total Area (km <sup>2</sup> )	Population	Mean Annual Rainfall (mm)	Mean Annual Discharge (m <sup>3</sup> /s)	1		Yuan Chai	24,422	274,424	1,400	498	2		Yuan Chai	8,761	102,498	1,400	498	3		Yuan Chai	7,498	114,497	1,400	117	4		Yuan Chai	14,766	271,243	1,400	753	5		Yuan Chai	6,771	86,487	1,342	134	6		Yuan Chai	4,771	24,422	1,342	268	7		Yuan Chai	14,711	114,114	1,342	743	8		Yuan Chai	10,141	24,422	1,342	171	9		Yuan Chai	11,211	114,114	1,342	171	10		Yuan Chai	7,221	431,434	1,342	191	11		Yuan Chai	11,211	27,267	1,342	476	12		Yuan Chai	11,211	No data	1,342	354	13		Yuan Chai	11,211	No data	1,342	354	
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		<p>Bolikhamxay (BKX #3); Xayabouly (XYB #15); Phongsaly (PSL #10); Oudomxay (ODX #8); Houaphan (HP#15); Xiangkhouang (XK #18);</p>																																																																																																		





### (A1.3) Environment and Social Conditions in the Project Provinces<sup>16</sup>

#### (1) Bolikhamxay Province (BKK)

Location	Key land marks	Conservation
 		
		

11. **Location, topography, and resources:** Bolikhamxay (14,863 km<sup>2</sup>) is located in the central part of Laos and bordered by 2 provinces (Xiengkhouang in the north and Khammouane in the south) and 2 countries (Vietnam along the east and Thailand along the west) and is the 10th largest province in Lao PDR. Most area is mountainous including the Annamite Range stretching along the east to Vietnam while a flat plain can be found along the Mekong River in the west.

- Land/forest:** The province was also rich in forest resources however due to logging and rapid development in the province land use and forest areas have been changed rapidly. Provincial records suggested that BKK has about 981,207 hectare (ha) of industrial crop field and 59,103 ha of cultivated land of which 34,063 ha is for rice fields, 21,091 ha of secondary crops fields, 3,950 ha of slash and burn fields. Forest area by type is about 413,646 ha of dense evergreen forest, 500,306 ha of scrubland forest, and 585,009 ha of mixed forest. There are about 468,628 ha of forest reserve (46% of total forest in the province) comprising 296,170 ha of national, 152,829 ha of provincial, and 19,639 ha of district. In addition, there are 257,945 ha of production forest, 285,646 ha of protected forest, and 27,416 ha of total forest plantation area (13,362 ha own by company and 14,054 ha by individual), and 8,473.6 ha of reforestation area. The province has registered tree plantation covering 981,207 ha. BKK (along with KM and SVK) is one of the main tobacco producing areas of Laos and also one of the main producers of sugar cane and oranges however many of the areas are being converted for rubber plantation.
- Biodiversity:** The province shares part of the three large national protected areas (Nakai–Nam Theun, Nam Kading, and Phou Khao Khouay) which are known to be home for many endangered species. Wildlife hunting for local consumption and export has been identified as an issue in the province while wildlife trafficking was also periodically caught.

<sup>16</sup> Most of these information was obtained from the Wikipedia, the free encyclopedia; the 5 year environmental action plans of the provinces; and directly from the provinces.

- **Water resources:** BKX is rich in water resources. Apart from Mekong river there are many important rivers including Nam Xan, Nam Ngiep, Nam Kading, Nam Mang, Nam Thuen, and others. At present, there are three large hydropower projects i.e. Nam Theun 2 (1,070 MW), Theun Hinboun, and Theun Hinboun extension are in operation and stimulated socioeconomic development in the area. A few more hydropower projects (NT1) are under preparation and expected to be operated during the next 10 years. Increasing competition in water uses/allocation and water pollution in some area are expected.
- **Minerals:** BKX is also rich in minerals (tin, limestone, gypsum, clay, phosphorus, and sand and there are gold mining, tin mining, and extraction of limestone and sand at present. It is expected that there would be more prospection and/or exploration on tin, copper, gold, and salts (potassium, sodium, magnesium) in the future.

12. **Administration, population, culture, and socioeconomic:** In 2013, BKK is divided into 7 districts (i.e. Pakxan, Thaphabath, Pak Kading, Bolikhan, Kamkert, Viengthong, and Xaychampon), 28 Kumban, 411 Ban (village), 46,304 households (HH) with a total population of 271,656 of which nearly 50% is female. Majority (80%) of the people practices agriculture. Average growth rate is about 2.4% and average population density is 15 people per km<sup>2</sup>, and average income was about 8 million kip per capita per year (in 2010).

- **Ethnic Communities (EC):** According to provincial data regarding ethnic communities, Bolikhamxay has 22 ethnic communities and 2 special groups including Lao majority which is about 60% of total population in the province (see [Table A1.1](#) below). According to WB definition of indigenous peoples, ethnic groups (EG) will be applied to the non-Lao majority.

Table A1.1: Number of ethnic communities households (HH) in Bolikhamxay (provincial data 2014)

[illegible]

		Total	Households (HH) by districts (see names in Note below)

- **Socioeconomic and tourism:** BKX is rich in culture, water, forest, biodiversity, and other natural resources. Given its location, BKX is the gate way connecting Vientiane Capital and the southern part of Lao PDR as well as connecting Thailand and Vietnam along the east-west corridor (Road #8), development activities in BLKX, especially in Pakxan District, has been rapid and it is expected to be accelerated during the next 5 years.
- **Cultural:** There are also many cultural sites/land marks (Wat Phabath and Wat Phonsanh). The province identifies 74 tourist sites of which 9 are for cultural, 3 historical, and 62 natural tourist sites.
- **Issues:** Key issues in BKX include soil quality degradation, land management, loss of production land for ethnic groups due to forest clearing (slash-and-burn cultivation, logging, forest destruction, mining, and hydropower construction), chemical use in agriculture, and degradation of cultural resources. Capacity of the province to address these issues remains weak due to limited number of qualified and experience staff and limited operation budget, vehicles, and other equipment/tools necessary for management and monitoring.

## (2) Xiangkhouang province (XK)

Location	Culture	
 	 	
	 	
	 	

13. **Location, topography, resources:** XK (15,880 km<sup>2</sup>) is located in the north east of the country on the Xiangkhouang Plateau which is a large area of level land in the country. The province is mountainous and borders with Luang Phabang Province to the northwest, Huaphan Province to the northeast, Vietnam to the east, Bolikhamxai Province to the southeast, and Vientiane Province to the southwest. Xiangkhouang and Vientiane Provinces are part of the Nam Ngum watershed. The area is characterized by rolling hills and grassland at altitude averages 1,300 m. The country's highest peak, PhouBia (2,820 m), rises at the southern side of the plateau while the Plain of Jars is in the plateau's center. The province is 400 km northeast of Vientiane.

- **Land/forest:** Apart from floodplains, the largest area of level land in the country is located in the province's Xiangkhouang Plateau. The capital city is at an elevation of about 1,000 m.s.l with Kham district situated in a low-laying basin at an elevation of about 600 m.s.l. Of the total area (17,363 km<sup>2</sup>) only 6% is plain land. Production areas with 35 degree slope cover about 6,500 ha (or 4% of total). Forest area is about 1,209,572 ha (69% of total land in the province) of which 462,214 ha (or 26.4%) are assigned as national, provincial, and district protected forest areas. In addition about 171,441 ha covering 8 villages have been assigned as production forests.

- **Biodiversity:** Nam Et-Phou Louey is the National Biodiversity Conservation Area (NBCA) which covers a total area of 5,959 km<sup>2</sup> extends within XK province apart from the Houaphan, Luang Phabang provinces. The park consists mainly of mountains and hills, with altitude ranging between 336 and 2257 m above sea level. The area is the source of many rivers. The area has a high level of biodiversity, and a number of endangered species including tiger, leopard, clouded leopard, Asian golden cat, marbled cat, civet, gaur, Sambar deer, white-cheeked gibbon, sun bear, black bear, Asian elephant, dhole, hornbill and three species of otter.
- **Water resources:** There are several major tributaries of Nam Khong (Mekong) originated from Xiengkhouang province including Nam Ngum, Nam Xan, Nam Ngiep Nam Hang and there are a number of smaller streams flowing through the province before discharging into the Mekong River. In addition, Nam Neun River is one of the rivers flowing through the province to Vietnam. However, during dry season there are water shortage in most rivers and streams causing difficulties to local people and animals.

14. **Administration, population, culture, and socioeconomic:** The province is divided into 07 districts (i.e Paek, Kham, Nonghed, Khoune, Morkmai, Phoukoud, and Phaxay,) and Phonsavan in Paek District is the capital. 2 Districts of Hom and Longxan were assigned to the new established Xaysomboun Province. In early 2014, The total population was 231,254 including 113,809 women.

- **Ethnic Communities (EC):** According to provincial data regarding ethnic communities, XK has 3 main ethnic communities Laolum (Tai Dam, Tai Daeng, Phuan), Kmu, Hmong. Tai Dam, Tai Daeng and Tai Phuan belong to the Lao-Tai linguistic family, by far the most significant family in Laos, comprising over 50% of the total population in the province (see Box 1.1).

**Box 1.1 Key characteristics of main ethnic communities**








- **Tai Dam:** The Tai Dam migrated from northern Vietnam to Laos 80–300 years ago. They are not Buddhists, instead they practice a form of ancestor and spirit worship. Tai Dam is well known producers of fine quality silk and cotton textiles and many women export directly to markets in Japan and the USA. Old Tai Dam women still wear the traditional blue indigo cotton shirt, skirt and a black turban woven with colored patterns. They produce rice alcohol, called ‘lao lao’, that is consumed socially and used for ritual purposes. Tai Dam settles in upland valleys near streams and irrigable and accessible plains scattered among Lao and Phuan villages. They built rectangular symmetric houses on piling, foot pounder and rice granary are under the house. The villages are composed of 15–60 houses and are not fenced. The people mainly live on wet rice, vegetables, poultry, weaving, sewing and hunting.
- **Khmu:** Being part of the Mon-Khmer branch of the Austro-Asiatic linguistic family, the Khmu present one of the largest ethnic groups in Laos. They settled in the area several thousand years ago. The Khmu did a rapid acculturation and there is now little in their clothing that distinguishes them from the surrounding Lao, although they speak a completely different language. Khmu houses are built on stilts; each village has a communal house where men gather for political discussions, or work together on basket making and other crafts. Like many ethnic groups in Lao the Khmu practice their own form of animism. The Khmu are well-known for their skill at making baskets, fish traps, and other objects from bamboo. Their material culture, their tools, utensils, baskets and netbags reflect their continued reliance on the forest. Growing rice, hunting, gathering forest products and producing handicrafts provide some cash income. Take a taste of their famous brew ‘lao hai’ (jar alcohol) while visiting one of the many Khmu villages.
- **Hmong:** The Hmong present 6–10% of the total population of Laos and remain most numerous and concentrated in the east of Xiengkhuang. In the province the White Hmong, the Striped Hmong and the Green Hmong can be distinguished. The easiest way to differentiate these groups is by looking at the women’s dress. Hmong live in forested mountains between 800 to 1,500 meters of altitude and in Laos they are categorized as Lao Soung -the highland people, although today there are a more and more villages located in the low lands. Hmong live in villages ranging in size from 15 to over 60 houses. They are not fenced and organized by clan. The rectangular houses are beaten on soil, have one room without windows. The walls are made of vertical wood planks and bamboo and a thatch roof. Hmong are known for their knowledge of the forest, herbal medicines and expertise in raising



animals. Their agricultural system is based on rain fed slope cultivation with slash and burn techniques. They live on ordinary rice, corn and vegetable production, swine and poultry, gathering, hunting, embroidery and basket work. Their religion is a form of shamanistic animism with cult of ancestors and spirits, and belief in three souls. Certain spirits protect the people within the village boundaries while others maintain their influence over the plant and animal kingdom outside the village.

- **Socioeconomic and tourism:** Xiengkhouang Province is one of the main maize producing areas of Laos and is famous for tourism development. *Cultural:* The main centre for trade and tourism is Phonsavan. In the village of Ban Napia near Phonsavan, villagers re-use UXO scrap metal to make spoons to be sold as souvenirs. The war scrap metal is checked for safety beforehand by UXO Lao. This community based project provides valuable income for the villagers. As of 2012, 3 minor accidents involving the UXO metal had been reported. There are many notable landmarks in the province. The tourism department of Laos has listed 63 sites of which 32 are natural sites, 18 are cultural sites, and are 13 historical sites. Plain of Jars archaeological site is the most prominent and popular sites (it has been proposed for listing in UNESCO world heritage site). They are found throughout the province in bunches of 300 jars at each location. Archaeological studies have been carried out at many sites, which indicate that these were funerary sites of Bronze and Iron Age (2,000 to 2,500 years old) period megaliths. The nearest location of these urns from Phonsavan is the Jar Site 1, with an area of 25 ha. The largest jar found here is of size 2.5m x 2.5m, while the rest are half this size. One jar has decorations on it. Relics of Wat Piawat Temple Muang Khounis the 14th century ancient Phuan Kingdom capital. It is accessed southeast of Phonsavan. There are also many historic, temples, and cultural sites.
- **Issues:** Similar to other mountainous provinces, land degradation due to illegal logging, conversion of production land for other purposes, ineffective management of water resources both surface and underground water, water shortage during dry season, water pollution, river bank erosion, deforestation of watershed, and negative impacts due to mining and hydropower development and operation, while capacity of the province to address these issues has been limited due to limited number of qualified and experienced staff, of operation budget, and of vehicles and other tools/equipment necessary for monitoring and management.

### (3) Houaphan Province (HP)

Location			
			
			

15. **Location, topography, resources:** Houaphan (17,363 km<sup>2</sup>) is a mountainous province (about 700–1,800 m above sea level) located in the northeastern part of the country about 650 km from



Vientiane Capital. The province is bordered by Vietnam to the north, east and southeast, Xiangkhouang Province to the south and southwest, and Luang Phabang Province to the west. Most of the terrain especially on the western side is rugged with dense mountainous forest and flat land area covers about 9,900 ha (6% to provincial area).

- **Land/forest:** Of the total area (17,363 km<sup>2</sup>) only 6% is plain land. Production areas with 35 degree slope cover about 6,500 ha (or 4% of total). Forest area is about 1,209,572 ha (69% of total land in the province) of which 462,214 ha (or 26.4%) are assigned as national, provincial, and district protected forest areas. In addition about 171,441 ha covering 8 villages have been assigned as production forests.
- **Biodiversity:** HP has two important national protected areas (i.e. Nam Et-Phou Louey National Biodiversity Conservation Area (NBCA) and the Nam Xam NBCA) with a total area of 390,000 ha, 3 provincial protected areas (17,567 ha), and 6 districts protected areas (54,647 ha). These protected areas have high biodiversity including high value tree species, diversified plant, and wild life species and some of them are classified as endangered species such as Bengal tiger, bear, chamois, bull, elephant, monkeys, gibbon, and birds, aquatic animals and various type of insects. There are also a number of Important Bird Areas (IBA) including the Nam Neun IBA (85,450 ha) in Nam Et which is adjacent to the NBCA. The habitat is characterized as mixed deciduous forest, as well as dry evergreen forest, with stands of bamboo, and occasional conifers; cleared areas have been replaced by areas of secondary grassland. Key avifauna includes Great Hornbill *Buceros bicornis* and Blyth's Kingfisher *Alcedo hercules*.
- **Water resources:** HP is abundant with water resources with good quality and the key ones include Nam Xam, Nam Ma, Ma Ad, Nam Neun, Nam Khan, and Nam Sim and all has high potential for hydropower development. At present 173 villages (23% of total villages) have access to electricity of which 134 villages have access to EDL while 39 villages have access to small hydropower projects and 4 feasibility studies for hydropower development are being conducted. There are about 2,752 irrigations that can provide water to 11,614 ha of paddy field and water consumption for 664 villages (86% of total villages).
- **Minerals:** HP has significant minerals such as copper, iron, lead, manganese, quartz, coal, sulfur, limestone, etc. There are 22 businesses related to mineral investigation and exploitation in the province.

16. **Administration, population, culture, and socioeconomic:** HP is divided into 8 districts (Xam Neua, Xiengkhor, Viengthong, Viengxay, Houa Meuang, Xam Tai, Sop Bao, and Et, Kuan, Xone). 717 villages, 47,310 households and Xam Neua is the provincial capital. The total population is 291,473 with 142,737 women (data provided by PONRE 2014).

- **Ethnic Communities (EC):** There are 9 ethnic communities namely Lao or Lao Tai, Hmong, Kmu, Lao Fong, Singmoun, Iumien or Yao, Moy or Meuang, and Chin or Hor. According to provincial data regarding ethnic communities, HP has 9 ethnic communities including Lao majority (see [Table A1.7](#) below). According to WB definition of indigenous peoples, ethnic minorities (Ethnic Groups or EG) will be applied to the non-Lao majority which is about 80% of total population.

Table A1.7 Number of ethnic group households (HH) in Houaphan (provincial data in 2014)

		Total			Population by districts (see names in Note below)								
	EC	HH	Person	Female	01	02	03	04	05	06	07	08	09
1	Lao		70,74 9	34,85 6	23,6 35	4,5 51	7,2 93	5,0 48	4,9 03	8,3 22	2,79 6	7,69 1	6,51 0
2	Tai		77,06 9	36,94 6	4,780	9,93 0	5,04 1	19,7 08	408	12,0 80	13,03 4	10,42 6	1,662
3	Hmong		82,95 8	41,14 9	18,98 9	4,43 6	6,54 6	4,66 2	6,84 1	15,8 76	7,287	4,491	13,83 0

4	Kmu		33,72 3	16,41 5	6,407	338	8,42 6	2,98 1	8,37 1	553	1,170	2,631	2,846
5	Laofong		14,82 6	7,431	3,279	0	25	0	11,5 22	0	0	0	0
6	singmun		7,980	3,883	13	5,98 0	0	0	0	0	127	1,860	0
7	Iumien		3,489	1,742	38	710	391	767	0	0	1,210	373	0
8	Moy		528	237	528	0	0	0	0	0	0	0	0
9	Chinhor		151	78	146	0	5	0	0	0	0	0	0
	<b>Total</b>		<b>291,4 73</b>	<b>142,7 37</b>	<b>57,81 5</b>	<b>25,9 45</b>	<b>27,7 27</b>	<b>33,1 66</b>	<b>32,0 45</b>	<b>36,8 31</b>	<b>25,62 4</b>	<b>27,47 2</b>	<b>24,84 8</b>

Note: 01 Xam Neua, 02 Xiengkhuangkhor, 03 Viengthong, 04 Viengxay, 05 Houa Meuang, 06 Xam Tai, 07 Sop Bao, and 08 Et, 09 Kuan, 10 Xone

- **Socioeconomic and tourism:** Houaphan province is one of the poorest in Lao PDR. However, local livelihoods have been improved and % of poor households decreases to 45.4% in 2009-2010. Road #6 is the main road running through the province. Bamboo is important in rural parts of the province and used as a principal building material and bamboo shoots is among the favorite food. The province is famous for tourism and the key ones include ethnic culture and the Viengxay caves, an extensive network of caves used by the Pathet Lao, and the Hintang Archaeological Park, one of the most important pre-historic sites in northern Laos, dotted with standing megaliths. Famous settlements in the province include Xam Neua, Muong U, Houa Muang, Chomsan, Muang Pan, Muang Hom, Muang Peu, Muang Xon, Ban Muang-Et, Ban Nampang, Muong Vene, Xam Tai, Muang Na, and Pounthak. A number of visitors (domestic and foreigners) was about 57,076 during the past 5 year or about 11,415 people per year on average.
- **Issues:** Hunting and degradation of biodiversity in protected areas, lack of water resources planning and management, soil erosion, deforestation, have been considered as priority issues. Similar to other provinces, capacity of the province to address these issues have been limited due to limited number of qualified and experience staff, lack of operation budget, vehicles, tools and equipment necessary for management and monitoring.

#### (4) Xayabouly Province

Location	A village along Mekong	Asian Elephant
		

17. **Location, topography, resources:** Xayabouly (16,389 km<sup>2</sup>) is located in the northwest of Laos on the western side of the Mekong River and connected to 5 provinces in Thailand (Loei, Phitsanulok, Uttaradit, Nan and Phayao). On the Lao side, the province borders Bokeo Province and Oudomxai Province to the north, Luang Phabang Province and Vientiane Province to the east. The province is mountainous with the Luang Phabang Range running roughly in a north-south direction and forming a natural border with the Thai highlands and there are many mountain peaks with more than 1,000 meters elevation.

- **Protected area:** Asian elephants are the flagship species at *Nam Phouy NBCA* (1,912 km<sup>2</sup>) which is located in the forested mountains close to the Thai border. The reservoir area of

lower **Nam Phoun** dam is partly within the Nam Phouy NBCA. The area is little patrolled, which makes the enforcement of conservation measures difficult. Geological formations include Mesozoics and stones and shales. The habitat is characterized by mixed deciduous forest with an abundance of bamboo resulting from regular forest burning. *Azelia* forms at the upper canopy with teak at lower elevations. Apart from wild elephants (about 350), gibbon, gaur, tiger, dhole, serow, silvered langur, Asiatic black bear, and Sumatran rhino are the wild life species reported from the protected area. The 10,980 hectare *Upper Lao Mekong Important Bird Area (IBA)* stretches across the provinces of Xayabouly, Bokeo, and Oudomxai. It is situated at an altitude of 300–400 m above sea level. The topography is characterized by river channel, exposed beds, sandbars, gravel bars, islands, rock outcrops, bushland, and braided streams. Notable avifauna include black-bellied tern (*Sterna acuticauda*), great cormorant (*Phalacrocorax carbo*), grey-headed lapwing (*Vanellus cinereus*), Jerdon's bushchat (*Saxicola jerdoni*), brown-throated martin (*Riparia paludicola*), river lapwing (*Vanellus duvaucelii*), small pratincole (*Glareola lactea*), and swan goose (*Anser cygnoides*).

18. **Administration, population, culture, and socioeconomic:** Xayabouly town is the capital of the province. The province is divided into 10 districts: Xayabouly, Khop, Hongsa, Ngeun, Xiengkhone, Phiang, Parklai, Kenethao, Botene, and Thongmyxay. The Northern Lao dialect dominates the province.

- **Ethnic Communities (EC):** Residents of Hongsa (population 6,000) are predominantly Tai Lue. Other ethnic communities are the Khmu, Tai Dam, Htin, Phai, Kri, Akha, and Malabri which is the last hunter-gatherer group in Southeast Asia who reside in the forests of western region of the province.
- **Socioeconomic and tourism:** Xayabouly Province is devoid of vehicle roads except for one north-south route extending from the provincial capital to the Thai border opposite Thailand's Loei Province. The province is rich in timber and lignite, and is considered the rice basket of northern Laos, since most other northern provinces are too mountainous to grow enough rice. Other important crops include maize, oranges, cotton, peanuts, sesame, sugarcane and vegetables such as cucumbers, cabbage, and beans. The Xayabouly province is home to Laos' majority of domesticated Asian elephants. Approximately 75% of the nation's 560 domesticated elephants work in Xayabouly. Their main work duties are within the logging industry, which causes a loss in both wild and domestic elephant habitat. A Lao Elephant Conservation Center has been established in Hongsa District.
- **Tourism:** There are several famous monasteries. Wat Simungkhun in Hongsa features an initiation pavilion and a raised stone platform over a hole "leading to the end of the world". A lopsided gilded stupa, reclining Buddha, garden, and brick ruins of AC14th century *sim* are situated by Wat Sibounheuang. Other landmarks in various districts of the province are: The Tam Hine Cave, Wat Natonoy Temple, Ban Yao Village and Tad Chao Waterfall in Xayabouly District; Tad Namyai Waterfall; and many caves and temples. Some of the unique features of these landmarks are the Tai Lue villages where traditional houses are still built with high-sloping roofs, the Tai Lue style temples of Vat Ban Khon which depict rare natural fiber murals and decorations, Vat Si Phan Don known for its diamond-shaped stupa, and French colonial buildings, traditional Lao-style wooden houses can be seen in the Pak Lay town on the banks of the Mekong River, which lies between Vientiane and Xayabouly town.

#### (5) Oudomxay Province (ODX)

Location	Sunrise over Oudomxay province	Stupa
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19. **Location, topography, and resources:** Oudomxay Province (15,370 km<sup>2</sup>) borders China to the north, Phongsali Province to the northeast, Luang Phabang Province to the east and southeast, Xayabouly Province to the south and southwest, Bokeo Province to the west, and Luang Namtha Province to the northwest. The province is mountainous, between 300–1,800 m above mean sea level. Approximately 60 rivers flow through Oudomxay Province, as for example Nam Phak, Nam Sae, Nam Beng, Nam Kor and Nam Nga. The Nam Kor flows through the province capital Muang Xay. Oudomxay Province has a moderate monsoon climate. The yearly amount of rain is about 1,900–2,600 millimeters. Temperatures in February and March average between 18 and 19 °C, from April to May temperatures climb over 31°C. Due to high altitudes there are more variations in temperature during the year and a colder dry season in northern Laos as in the rest of the country.

- **Protected areas:** The Upper Lao Mekong Important Bird Area (IBA) is 10,980 hectare in size. It spans the provinces of Oudomxay, Bokeo, and Xayabouly. The altitude is 300–400 meters above sea level. Noted topography includes river channel, exposed beds, sandbars, sand and gravel bars, islands, rock outcrops, bushland, and braided streams. Black-bellied Tern *Sterna acuticauda*, Great Cormorant *Phalacrocorax carbo*, Grey-headed Lapwing *V. cinereus*, Jerdon's Bushchat *Saxicola jerdoni*, Plain Martin *Riparia paludicola*, River Lapwing *Vanellus duvaucelii*, Small Pratincole *Glareola lactea*, and Swan Goose *Anser cygnoides* are some of the recorded avifauna.
- **Vegetation** in Oudomxay is rich by virtue of the monsoon climate. Several kinds of bamboo and a broad range of plants (for example orchids) are found in the region. Also hardwoods like teak and mahogany trees grow in Oudomxay and are important sources of income for the population.
- **Minerals:** Oudomxay has deposits of salt, bronze, zinc, antimony, brown coal, kaolin and iron deposits. Attempts to control poppy cultivation in the province have been made through the Narcotics Crop Control Project, formulated in the 1990s.

20. **Administration, population, and culture:** There are 7 districts: Muang Xay, Muang La, Namong, Nga, Pak Beng, Houne, and Beng. The population of the province according to the March 2005 census is 265,128.

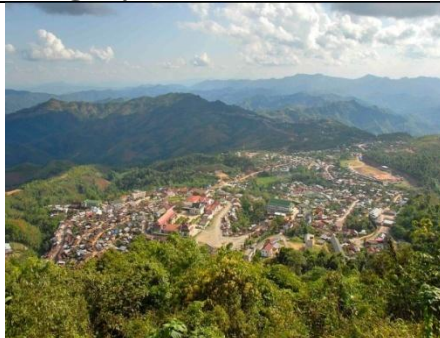

- **Ethnic Communities (EC):** There are about 14 different ethnic communities comprising Khmu (among them Khmu Lu, Khmu Khong, Khmu Am, Khmu Bit) 60–80%, Lao Loum 25%, Hmong (among them Hmong Khao, Hmong Dam und Hmong lai) 15%. Minor ethnic groups living in the province include Akha, Phouthai (Thai Dam & Thai Khao), Phou Noy (Phou Xang, Phou Kongsat, Phou Nhot), Lao Houy (also „Lenten“), Phouan, Ly, Yang, Ikho and Ho.
- **Socioeconomic:** The extremely limited accessibility of the mountain villages additionally impedes economic development of rural regions. Approximately 40,000 hectares of land are cultivated in Oudomxay, with rice being the main crop. Besides rice, important crops are corn, soybeans, fruits, vegetables, cassava, sugarcane, tobacco, cotton wool, tea and peanuts.
- **Subsistence agriculture:** In Oudomxay province, most of the population still practices subsistence agriculture. Predominantly "slash-and-burn"-agriculture is used, often linked with growing mountain rice – 45% of rural villages in Oudomxay depend on swidden agriculture, due to the province's mountainous topography. This form of agriculture is very labor-intensive and takes up huge areas of land, as soils need a long time until their original productivity is recovered. Cropping rice using the wet-field paddy system is just possible in



plain lowlands, which in Oudomxay are scarce. Both mountain rice grown at the mountain sides, as well as most of the few cultivable areas in the lowlands are merely irrigated by natural rainfalls. Very few rice fields in the lowlands have artificial irrigation systems. Corn, onions, watermelons and tobacco are exported. Besides the use of land for agricultural purposes, approximately 40,000 hectares of land are aforested or used as meadows. Livestock breeding, above all of water buffalos, pigs, cattle and chickens, is an important component for the livelihood of rural population. According to estimations of the IUCN, approximately 12% of Oudomxay forests are primary forests, 48% secondary forests. For the population, the forests are not only source of wood, but also contribute to family incomes providing fruits, herbs and meat. It is also common that Lao cultivable land is rented to Chinese, which then is tilled by Chinese migratory laborers.

- **Tourism:** Since some years, efforts are taken to support tourism in Oudomxay, which is considered a chance to minimize poverty of the population. A tourism office has operated in Muang Xay since 1997 and a “Provincial Tourism Department” has been developed at present. Due to Oudomxay’s location as the most important traffic junction in northern Laos (the only road from Luang Phabang up north crosses Oudomxay) tourism development has been increased gradually. Poor infrastructural conditions impede an optimal exhaustion of touristic potential in Oudomxay province. Trekking tours to villages of ethnic minorities are not impacted by infrastructural limitations. There are many landmarks in the province and some of the prominent ones include: Muang La, Saymoungkhoun Rattana Stupa, Chom Ong Cave (the longest cave in Laos). The province is also famous for a cultural practice called Baci festival.

#### (6) Phongsaly Province (PSL)

Location	Phongsaly town	Ethnic diversity in Phongsaly
		

22. **Location, topography, resources:** Phongsaly (16,270 km<sup>2</sup>) is located in the northern end of Lao PDR. It is a mountainous province (about 700–1,800 m above sea level). The province borders China to the north and west, Vietnam to the east, Luang Phabang Province to the south, and Oudomxay Province to the southwest.

- **Land/forest:** About 77% of the land area is covered with forest. The highest mountain in the province is Phou Doychy with an elevation of 1,842 meters.
- **Protected areas** in the province include the Phou Dene Din National Biodiversity Conservation Area (NBCA) (222,000 ha) and Nam Lan Conservation Area. The Phou Dene Din NBCA is rich of wildlife and no human settlement. The 126,880 hectare Phou Den Din Important Bird Area (IBA) is located within the Phou Dene Din NBCA. The IBA altitude varies between 500–1,900 m above sea level. Topographical elements include the Nam Ou River and its catchment, the area at the confluence of the Nam Khang River, mountainous terrain, and slopes. The habitat is characterized by unbroken dry evergreen forest and inland wetlands. Notable avifauna includes Blyth’s kingfisher, brown dipper, brown hornbill, crested

kingfisher, great hornbill, lesser fish eagle, and rufous-necked hornbill. Nonetheless 7 hydropower dams have been planned for Nam Ou and 4 of them are being built.

23. **Administration, population, culture, and socioeconomic:** there are 7 districts (Phongsaly, May, Khoua, Samphanh, Boun Neua, Yot Ou, and Boun Tay). The total population is 291,473 with 142,737 women (data provided by PONRE 2014). The northernmost district of the province is Yot Ou, which has a population of 25,000 spread over 98 villages made up of 11 ethnic groups. The majority of the people are agriculturists. The Lao-Chinese Border Checkpoint is at Lan Tui, which is designated by landmark No. 7.

- ***Ethnic Communities (EC):*** There are 13 minority ethnic communities with independent language and culture identity: Khamu, Tai Dam, Tai Daeng, Yao, Leu, Hor, Hmong, Akha, Yang, Bid, Lolo and others. Each group has its own practices in respect to marriage customs as well as specific handicrafts, silverware and jewelry.
- ***Socioeconomic:*** Agriculture is the main source of income of the people of the province. Phongsaly is the primary trade gateway between Laos and China, exporting lumber and importing several types of finished goods. There are also several Chinese manufacturing companies in the province, along with other foreign investment. There are several small investment activities in energy sector (mini hydro-power projects with pico-turbines in 24 villages). In spite of government ban on opium poppy cultivation, Phongsaly has the maximum number of districts below the poverty line, and is one of the major opium producing provinces in the country. There is a program United Nations Organization on Drugs and Crime (UNODC) to reduce opium growing (covering 30 villages in Khoua and Mai districts, and also reduce opium addiction in 60 villages in Samphan district, through alternative development activities).
- ***Important landmarks*** in the province are the Wat Ou-Tai Temple, the Wat Luang Ou-Neua Temple and the That Phou Xay Stupa.

## **Annex 2 Safeguard Screening and Assessment (09 April 2016)**

1. This annex presents the ineligible activity/subproject (Section A2.1) as well as the safeguard screening forms which have been described in the Environment and Social Operation Manual (ESOM) applicable for provincial and district road maintenance (Section A2.2). The Department of Public Works and Transport (DPWT) through its Environment and Social Unit (ESU/DPWT) is responsible for undertaking the screening and attach the screening result with the proposed subproject during the planning process (Stage A in Figure A2.1). The screening form will be reviewed and approved by the Department of Road (DoR) during the approval of the annual work plan (Stage B in Figure A1.1) while the preparation of safeguard documents (IEE/ESMP, ECoP, EGDP, and/or RAP/ARAP) will be prepared and submitted for approval by the Environment and Social Division of the Public Works and Transport Institute (ESD/PTI) before contract signing (Stage C in Figure A1.1). ESD/PTI will provide technical guidance to DPWT and conduct annual monitoring and reporting.

### **(A2.1) Ineligible Activities**

2. To ensure that the Project will not finance the activities/subprojects without adequate mitigation measures, the following activities will not be eligible for Project financing:

- (i) Major physical relocation of physical structures and/or land acquisition that affect more than 200 persons or 40 households.
- (ii) Likely to create adverse impacts on ethnic groups within the village and/or in neighboring villages or unacceptable to ethnic groups communities living in a village of mixed ethnic composition.
- (iii) Loss or damage to cultural property, including sites having archeological (prehistoric), paleontological, historical, religious, cultural and unique natural values.
- (iv) Purchase of gasoline or diesel generators and pumps; guns; chain saws; large amount of pesticides, insecticides, herbicides and other dangerous chemicals; asbestos and other investments detrimental to the environment;
- (v) Significant conversion or degradation of natural habitat or where the conservation and/or environmental gains do not clearly outweigh any potential losses.
- (vi) Construction of new roads and major road upgrading, improvement, and/or rehabilitation that is classified as EA Category A according to OP/BP 4.01.

3. In line with ESOM and the eligible activities mentions above, EA category for all the proposed road maintenance will be categorized as Category C or B depending on locations of the proposed subprojects. Criteria for safeguard categorization and requirements of the subproject are provided in Section (A2.2) while specific forms are provided in Section (A2.3).

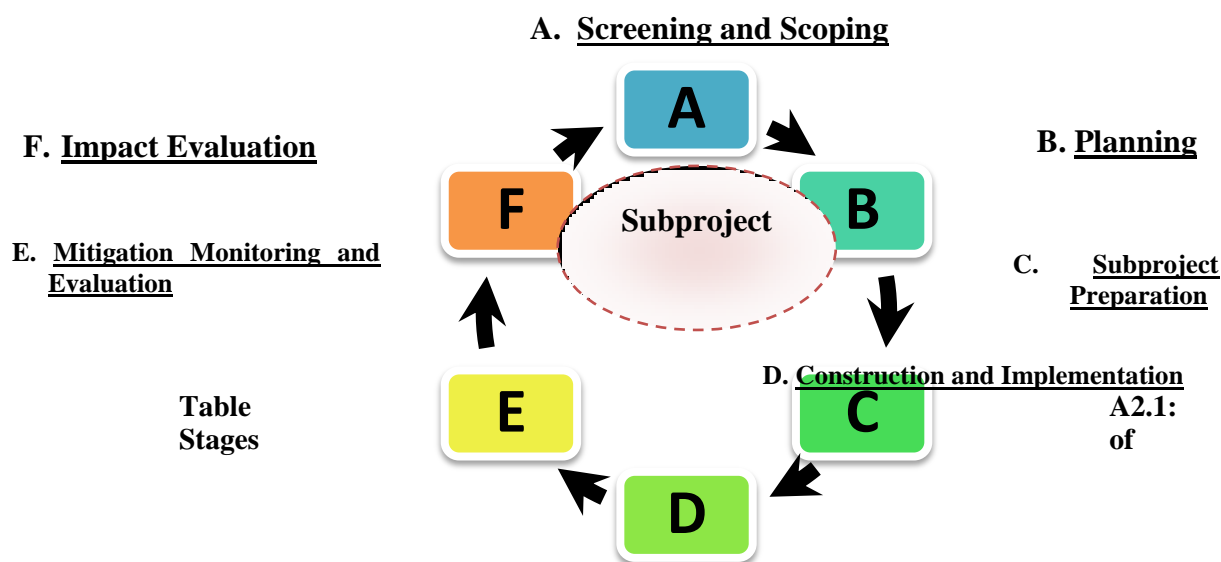
### **(A2.2) Subproject cycle and safeguards categorization and requirements**

4. Main objective of this procedure is to determine appropriate EA category, safeguard policies trigger as well as safeguards instruments to be prepared for the proposed subproject. The project cycle and the safeguard checklist screening forms are adopted from those being used in ESOM being applied under the current Lao Road Sector project (LRSP) with some modifications to be practical

and appropriate with the road maintenance works proposed under Component 1. Guideline for preparation of the safeguard documents are provided in *Annex 3*.

5. **The subproject cycle:** In line with ESOM, the proposed road maintenance subproject will follow the general project cycle comprising: (i) reconnaissance; (ii) planning; (iii) project preparation; (iv) road maintenance; (v) mitigation monitoring; and (vi) impact evaluation (see Figure A2.1 and Table A2.1). *Tables A2.2 and A2.3* presents key actions during the subproject cycle and criteria for categorization of the subprojects and safeguard requirements.

**Figure A2.1: ESMF in the Stages of Subproject Investment Cycle**



**Safeguard Assessment**

Assessment Stage	Questions to be Answered
1. SCREENING	Is an EA/SA required? What level of EA/SA is required? Will there be land acquisition and resettlement (LAR) impacts?
2. SCOPING	What kinds of impacts are likely?
3. ASSESSMENT	What impacts will occur and how/ what is the level of impact?
4. MITIGATION	How will the impacts be avoided or minimized?
5. MONITORING	How effective is the assessment and mitigation? Are there any unexpected impacts?
6. REVIEW	How could the EA/SA process have been done better?

**Table A2.2 - Responsibilities for mainstreaming the ESMF in the subproject cycle**

Stage	District/Province
RECONNAISSANCE	<ul style="list-style-type: none"> <li>- For local, district, and provincial roads:</li> <li>- Project concepts identified in 5 Year Development Plans</li> <li>- DPWT/Governor select transport investments to be put forward in ANNUAL PLAN</li> <li>- DPWT provides inputs to provincial and district annual plans by completing PROJECT CONCEPT SAFEGUARDS CHECKLIST (Form A)</li> <li>- DPWT submits Annual Plans to DPI and DOR</li> <li>- For projects which affect national roads, Annual Plan agreed with DOR and submitted to DPI;</li> <li>- DPWT annual plan submitted to the Governor and Province for inclusion in Provincial Public Investment Projects (PIP) program</li> </ul>



Stage	District/Province
<b>PLANNING</b>	<ul style="list-style-type: none"> <li>- For projects assigned to DPWT for implementation:</li> <li>- Coordinator assigned (likely to become Project Manager when project approved) to work with all agencies</li> <li>- Priority subprojects scoped for PIP submission to WB: DPWTs (ESU) complete SAFEGUARDS SCREENING (Form B, C, and/or D) or engage assistance to undertake screening to determine PROJECT CATEGORIZATION and level of EA/SA required.</li> <li>- DPWT consult PONRE for possible requirement for IEE report and if yes, secure agreement on the scope and approach.</li> <li>- PIP submitted and approved, budgets allocated (incl. budget to cover safeguard requirements)</li> </ul>
<b>PROJECT PREPARATION</b>	<ul style="list-style-type: none"> <li>- For projects assigned to DPWT for implementation:</li> <li>- Subproject manager confirmed</li> <li>- If preparation of an IEE is required, DPWT employ a qualified consultant to prepare an IEE report including conduct consultation as agreed with PONRE. ESU/DPWT review and comment on the IEE report prepared by the consultant before the final report will be submitted to PONRE for review and approval. A copy of the final IEE will be sent to ESD/PTI for information. PONRE's comments and approval will also be sent to ESD/PTI for a record.</li> <li>- To secure WB clearance of subproject safeguard, DPWT will consult ESD/PTI and/or World Bank (WB) regarding the preparation of RAP, EGDP, and/or EMSP using the Environment and Social Alignment Sheet approach including finalization of clauses and specifications to be included in bid and contract (ECOP). ESU/DPWT will ensure that mitigation measures to be incorporated into detailed design and a plan to address road safety during operation phase is properly incorporated into the detailed design and subproject ESMP.</li> <li>- Upon receipt ESD/PTI/WB clearance and ECC, DPWT ensures that environmental and social protection specifications and clauses (ECOP) are included in contract and bid documents and the final copy will be sent to DoR and ESD/PTI for a record.</li> <li>- ESU/DPWT will keep all records and documents in the subproject safeguard file for possible review by WB safeguard specialists.</li> </ul>
<b>CONSTRUCTION &amp; IMPLEMENTATION</b>	<ul style="list-style-type: none"> <li>- For projects assigned to DPWT for implementation:</li> <li>- If land acquisition is required and RAP is approved by WB and the Government, DPWT implement the activities in close consultation with ESD/PTI and payment must be completed before beginning of works. If an EGDP was prepared and approved by WB, DPWT implement the activities in consultation with ESD/PTI. GRM form (<i>Annex 7</i>) will be used for recording complaints.</li> <li>- DPWT engages contractor to undertake the civil works and assign the Construction Supervision Consultant (CSC) to be responsible for day-to-day supervision of contractor safeguard performance and include the results in the subproject progress report. The contractor needs to prepare contractor ESMP and submit to ESU/DPWT and/or the CSC for review and approval.</li> </ul>
<b>MONITORING &amp; EVALUATION</b>	<ul style="list-style-type: none"> <li>- During construction ESU/DPWT undertakes monitoring (MONITORING FORMS: Forms 7.1 and 7.2) to assess compliance with ESMP and other specifications (ECOP). Results will be incorporated into safeguard monthly monitoring report (Monitoring Report Form 7.3).</li> <li>- ESD/PTI and DoR will carry out semi-annual or annually monitoring and prepares monitoring report (Form 7.4). ESD/PTI and DoR will also complete an impact evaluation undertaken annually using Impacts Evaluation Form (Form 7.5) and an Environmental and Social Final Report (ESFR, Form 7.6). All these forms will be submitted to DPWT and WB.</li> </ul>

6. **Safeguard categorization and requirements:** Using the criteria and screening checklist and forms provided in Section (A2.3), the subproject will be categorized to C or B and safeguard requirements/actions are presented in *Table A2.3*.

**Table A2.3: Categorization of the subprojects and safeguard requirements**

Category	Level of Impact/Risk	Safeguard Requirements	Time for preparation	Consultation and information disclosure
<b>C</b>	<b>Low or minimal:</b>  The road maintenance	(i) DPWT to complete the screening and scoping forms (Form A and B below)	During preparation of the annual work plan	The final form will be disclosed at MPWT websites

	subproject that is located in other areas not identified in B below.	(ii) DPWT prepare an Environment and Social (ES) Alignment Sheet identifying safeguard actions to be carried out during the design and construction of works including a final ECoP to be incorporated in the bidding and contract document.	During design and preparation of bidding and contract documents (see guideline in <i>Annex 3</i> )	Consultant will be carried out during this stage
		(iii) DPWT to include the final ECoP in the bidding and contract documents and ensure that contractor is committed to comply with the ECoP.	During bidding and contract signing (see generic ECoP in <i>Annex 4</i> )	The final Alignment Sheet will be disclosed in MPWT websites
		(iv) DPWT to monitor contractor performance and include the result in the subproject implementation progress report.	During construction and monitoring	The monitoring reports will be disclosed in MPWT websites
<b>B</b>	<p><b>Moderate:</b> The road maintenance subproject that meet the following conditions:</p> <p>(i) requires IEE by the Government IEE regulation;</p> <p>(ii) located within or very near (less than 100 m) to the national protected area (NPA) or the national protection forest (NFA) as defined by the Government legislation;</p> <p>(iii) nearby the sensitive cultural sites;</p> <p>(iv) involves ethnic groups; and/or</p> <p>(v) requires land acquisition..</p>	(i) If an IEE is not required, the requirements and time frame will follow the process (i), (ii), (iii), and (iv) provided for Subproject Category C above.		
		(ii) If an IEE is required by the IEE regulation (2013), DPWT will consult and agree with PONRE on scope and form of the IEE report and prepare document as required.	When the annual work plan has been approved by MPWT and WB.	Consultation will be made according to the IEE regulations and technical guideline
		(iii) It is strongly recommended that preparation of the ES Alignment Sheet and the application of ECoP approach be applied during the preparation of an ESMP for the IEE report. Consultation with TD/DoR and/or ESD/PTI and WB safeguard specialist is recommended.	The activities will be conducted before and/or during design and preparation of bidding and contract documents.	The approved annual work plan will be disclosed in the MPWT websites.
		(iv) If land acquisition and/or ethnic groups are involved, a RAP and/or EGDP will be prepared as agreed with ESD/PTI and/or WB;	When the annual work plan has been approved by MPWT and WB	
		(v) ESD/PTI review and endorse the ESMP, EGDP/RAP, and all safeguard documents before submitting to WB for clearance. It is also possible to seek WB agreement on post safeguard review.	– When preparation of the documents are completed and before approval of the subproject.	–
		(vi) TD/DoR and/or ESD/PTI will ensure that (a) the proposed mitigation measures	– During the ESMP review and endorsement	The approved ESMP will be disclosed in the

		to be considered during the detailed design has been incorporated in the design, (b) the final ECoP is included in the bidding and contract documents.	process	MPWT website
		(vii) During construction, ESU/DPWT, TD/DoR, and/or ESD/PTI will conduct supervision and monitoring and report the contractor performance in the subproject progress reports to be submitted to WB.	– During construction or maintenance of road works including site closing.	The monitoring reports will be disclosed in the MPWT website

### (A2.3) Safeguard Screening Forms

7. This forms will be filled by ESU/DPWT during the identification of the subproject as part of the annual work plan. The signed will be properly signed and attached to the subproject proposal which to be reviewed by DoR and/or ESD/PTI.

**FORM A: Project Concept Safeguards Checklist** (*modified from ESOM Annex II.1* --Use in step A: Reconnaissance)

Province:	District:	Location – sketch map attached (Mark <input type="checkbox"/> )	
		<input type="checkbox"/> YES	<input type="checkbox"/> NO
Road Name:	Road No:	Link No. (details)	
TYPE of works/activities (Mark <input type="checkbox"/> )	<input type="checkbox"/> Provincial road maintenance	<input type="checkbox"/> District road maintenance	
<input type="checkbox"/> Located within NPA	<input type="checkbox"/> Located near NPA	<input type="checkbox"/> Located near important cultural sites	
Brief description of works/activities: [i.e. length of road, need/purpose of works, proposed works (list/explain activities), number of villages (approx. population) to benefit]			
Checklist		Yes	No
1. Will the works require any land acquisition?			
2. Will the works require taking land from people who are using it for agriculture (even if they do not own/have title to the land)?			
3. Will the works require any households to move structures (include, houses, small shops, rice bins etc.)			

back from the road?			
4. Are there ethnic people living in the area? If yes, how many different groups (list)?			
5. Are the works, located in or near a cultural/heritage area?			
6. Are the works, located in or near an area known to have special significance to the people of the area?			
7. Are the works, located near or in a protected area (or a buffer zone of a protected area)?			
8. Are the works likely to generate dust or create a dust problem? If yes, for how many months (during which season)?			
9. Will the works require NEW borrow pits or quarries to be opened up?			
10. Will the works be located near a river, stream or waterway?			
11. Will the works result in increases in, or changes to the type of, traffic using the road?			
12. Will any of the works require the use of toxic chemicals, herbicides, and/or explosives?			
13. Other information: map, additional issues or impacts etc should be specified on the attached sheet: List attachments:			
<b>Distribution of ESMF Initial Screening Form:</b>			
Distributed to	Yes	No	Date
MPWT-ESD/PTI			
MPWT-RMD/DOR			
DPWT – ESU			
PONRE			
Others (list below)			

<b>ESMF Initial Screening Form compiled by:</b>	
Name:	Duty:
Signature:	Date:
<b>ESMF Initial Screening Form verified by:</b>	
Name:	Duty:
Signature:	Date:

<p><b>Attachments</b></p> <p>(For map, sketches, other information, issues, potential impacts, etc as mentioned in item 13 above)</p>
<p>As required</p>

**FORM B: Environmental Assessment Category Screening Form for Road Maintenance**  
(modified from ESOM Annex II.2 -Use in step B: Planning)

Province:	District:	Location – sketch map attached (Mark <input type="checkbox"/> )	
		<input type="checkbox"/> YES	<input type="checkbox"/> NO

Road Name:	Road No:	Link No. (details)		
TYPE of works/activities (Mark <input type="checkbox"/> )	<input type="checkbox"/> Provincial road maintenance	<input type="checkbox"/> District road maintenance		
TYPE of works/activities (Mark <input type="checkbox"/> )	<input type="checkbox"/> Upgrading/reconstruction	<input type="checkbox"/> Rehabilitation		
<input type="checkbox"/> Improvement	<input type="checkbox"/> Maintenance	<input type="checkbox"/>		
Brief description of works/activities and project area: [i.e. length of road, need/purpose of works, proposed works (list/explain activities), number of villages (approx. population) to benefit, describe site sensitivity based on criteria inForm A]				
Screening Questions		Yes	No	Explanation/Comments
<b>Is the project area within or adjacent to any of the following areas?</b>				
– Cultural/heritage area				
– Protected area				
– Buffer zone of a protected area				
– Wetland				
– River, stream or waterway				
– Estuary				
– Location and nature of Protected Area (PA)				
– Location and nature of Protection Forest Area (PFA)				
– Will secondary forest be affected?				
– Are there rare or endangered species of flora or fauna in the project area?				
– Will the project increase access to protected areas or areas important for biodiversity conservation?				
– Will the project require cuts, fills, quarries or extraction of material (stone, gravel, aggregate, sand)?				
– Will the project alter surface water hydrology of waterways or streams?				
– Will the project increase soil erosion?				
– Will the project require rock crushing or use of explosives (blasting)?				
– Will the project generate dust or noise?				

– Will the project require the establishment of a camp for construction workers?			
– Will the project require the creation of temporary access or haul roads?			
– Will the project require the creation of material stockpiles?			
–			
<b>INFORMATION ON ENVIRONMENTAL IMPACT</b>			
<b>Information</b>			<b>Explanation</b>
What is the predominant type of vegetation to be affected by the project?			
What is the estimate of the total area of this type of vegetation to be affected?			
Are there any other proposals or projects which could increase the significance of any of the impacts (cumulative impacts)?			
Will the project require the acquisition or temporary use of people's land? If yes, also complete LAR SCREENING FORM ( <b>Form D</b> )			
Will the project require the relocation of structures? If yes, also complete LAR SCREENING FORM ( <b>Form D</b> )			
Is the project located in area where ethnic minority groups are known to live or use? If yes, also complete EG SCREENING FORM ( <b>Form C</b> )			
<b>PROJECT CATEGORIZATION FOR ENVIRONMENTAL IMPACTS</b>			
Based on the definition of impacts in the Environmental and Social Operation Manual, what is the category?			
[    ] <b>CATEGORY B</b> – non-significant environmental impact, an IEE is required			
[    ] <b>CATEGORY C</b> – minimal or no environmental impact, no EA required, generic ESMP and technical specifications will apply			
<b>Indicators of Site Sensitivity see in Form B below</b>			
Distributed to	Yes	No	Date
MPWT-ESD/PTI			
MPWT-RMD/DOR			
DPWT – ESU			

PONRE			
Others (list below)			
<b>EA Screening Form compiled by:</b>			
Name:		Duty:	
Signature:		Date:	
<b>EA Screening Form verified by:</b>			
Name:		Duty:	
Signature:		Date:	

**FORM C: Ethnic Groups (EG) Screening Form for Road Maintenance** (modified from ESOM Appendix II.12)

Province:	District:	Location – sketch map attached (circle one)	
		YES	NO
Road Name:	Road No:	Link No. (details)	
TYPE of works/activities (Mark <input type="checkbox"/> )	<input type="checkbox"/> Provincial road maintenance	<input type="checkbox"/> District road maintenance	
<b>Brief description of works/activities and project area:</b> [i.e. length of road, need/purpose of works, proposed works (list/explain activities), number of villages (approx. population) affected, describe communities to be affected]			
<b>ETHNIC MINORITY ISSUES SCREENING</b>			
<b>Screening Questions</b>	<b>Yes</b>	<b>No</b>	<b>Explanation/Comments</b>
1. Are there ethnic minority groups present in the subproject area (i.e. road alignment and its right of ways)?			



2. If yes, how many different groups?			
3. Do they live in mixed communities with non-ethnic minority people?			
4. Do they maintain distinctive customs or economic activities?			
5. If yes, do any of these customs or economic activities may make them vulnerable to hardship?			
6. Will the project restrict their economic or social activity?			
7. Will the project affect or change their socio-economic and cultural integrity?			
8. Will the project disrupt their community life?			
9. Will the project positively affect their health, education, social activity, livelihoods or security?			
10. Will the project negatively affect their health, education, social activity, livelihoods or security?			
11. Will the project alter or undermine the recognition of their knowledge?			
12. Will the project preclude customary behavior or undermine customary institutions?			
13. If impacts on ethnic minority groups are expected:			
14. Are there sufficient skilled staff in the Executing Agency for preparing an assessment and identifying suitable mitigation measures (preparing an Ethnic Groups Development plan [EGDP])?			
15. Are training and capacity-building interventions required prior to EGDP preparation and implementation?			
16. In case of no disruption to ethnic minority community life as a whole, will there be loss of housing, land, crops, trees or access to resources owned, controlled or used by ethnic minority households?			
<b>Anticipated Impacts on Ethnic People</b>			
<b>Project activity</b>	<b>Anticipated positive effect</b>	<b>Anticipated negative effect</b>	

<b>PROJECT CATEGORIZATION FOR ETHNIC GROUP (EG) IMPACTS</b>
Based on the definition of impacts in ESOM what is the category?
[     ] <b>CATEGORY B</b> – Impacts related to land acquisition only, specific action to be included in the

RAP or abbreviated RAP is required			
[      ] <b>CATEGORY C</b> – No impact, no EGD or Specific Action is required, generic social impact mitigation specifications will apply			
Distributed to	Yes	No	Date
MPWT-ESD/PTI			
MPWT-RMD/DoR			
DPWT – ESU			
PONRE			
Others (list below)			
<b>EG Screening Form compiled by:</b>			
Name:		Duty:	
Signature:		Date:	
<b>EG Screening Form verified by:</b>			
Name:		Duty:	
Signature:		Date:	

**FORM D: Land Acquisition & Resettlement (LAR) Screening Form for Road Maintenance**  
(modified from ESOM Appendix II.11)

Province:	District:	Location – sketch map attached (√)	
		<input type="checkbox"/> YES	<input type="checkbox"/> NO
Road Name:	Road No:	Link No. (details)	
TYPE of works/activities (Mark <input type="checkbox"/> )	<input type="checkbox"/> Provincial maintenance road	<input type="checkbox"/> District road maintenance	

**Brief description of works/activities and project area:** [i.e. length of road, need/purpose of works, proposed works (list/explain activities), number of villages (approx. population) affected, describe communities to be affected]

#### LAND ACQUISITION AND RESETTLEMENT SCREENING

Screening Questions	Yes	No	Explanation/Comments
1. Is land acquisition likely to be necessary?			
2. Is the site for land acquisition known?			
3. Is the ownership status and current usage of the land known?			
4. Will easements be utilized within an existing right-of-way?			
5. Are there any non-titled people who live or earn their livelihood at the site or within the right-of-way?			
6. Will there be loss of housing?			
7. Will there be loss of agricultural plots?			
8. Will there be losses of crops, trees, and fixed assets?			
9. Will there be loss of businesses or enterprises?			
10. Will there be loss of incomes and livelihoods?			
11. Will people lose access to facilities, services, or natural resources?			
12. Will any social or economic activities be affected by land use-related changes?			
13. If involuntary resettlement impacts are expected:			
- Will coordination between government agencies be required to deal with land acquisition?			
- Are there sufficient skilled staff in the Executing Agency for resettlement planning and implementation?			
- Are training and capacity-building interventions required prior to resettlement planning and implementation?			

#### INFORMATION ON AFFECTED PEOPLE

14. Any estimate of the likely number of households that will be affected by the project? ☐ Yes; ☐ No

15. If yes, approximately how many households?

16. Are any of the households vulnerable i.e. households that (i) are headed by divorced or widowed females with dependents and low income; (ii) include disabled or invalid persons; (iii) include persons falling under the generally accepted indicator for poverty as defined by the Ministry of Labor and Social Welfare, or the landless; and/or, (iv) are elderly with no means of support? ☐ Yes; ☐ No

+ If yes, approximately how many households?			
+ If yes, briefly describe their situation:			
17. Are any of the households from ethnic minority groups?		[ ] Yes; [ ] No	
+ If yes, briefly describe their situation:			
<b>PROJECT CATEGORIZATION FOR RESETTLEMENT IMPACTS</b>			
Based on the definition of impacts in the Environmental and Social Operations Manual, what is the category?			
[ ] <b>CATEGORY B</b> – marginal or non-significant resettlement impact, an abbreviated RAP is required			
[ ] <b>CATEGORY C</b> – minimal or no resettlement impact, no resettlement is required, generic social impact mitigation specifications will apply			
Distributed to	Yes	No	Date
MPWT-ESD/PTI			
MPWT-RMD/DoR			
DPWT – ESU			
PONRE			
Others (list below)			
<b>LAR Screening Form compiled by:</b>			
Name:		Duty:	
Signature:		Date:	
<b>LAR Screening Form verified by:</b>			
Name:		Duty:	
Signature:		Date:	

### **Annex 3: Preparation of ESMP for Road Maintenance (06 April 2016)**

1. This annex presents guidelines for preparation of environmental safeguard documents to meet WB safeguard requirement triggered for the road maintenance subproject to be implemented under Component 1. If an Initial Environmental Examination (IEE) is required by the Government the scope and content of the report will follow an agreement with the local authority (PONRE). Nonetheless, if an IEE is not required, an ESMP will be prepared using the *Alignment Sheet* approach (see Section A3.1) including incorporation of the final Environmental Code of Practice (ECoP)(see *Annex 4*). Section A3.2 provides general guideline regarding typical issues and mitigation measures for the road maintenance to be considered during the finalization of ECoP and good practices to be considered during consultation. Preparation of RAP and/or EGDP will follow the RPF and EGDF (see *Annex 5 and 6* respectively).

#### **(A3.1) Guideline for preparation of an ESMP**

2. The *Alignment Sheet* approach has been prepared as part of the ESMP for road sector project being implemented by MPWT for many years and it is found to be practical and easy for monitoring. The *Alignment Sheet* approach will therefore be used during the preparation of the ESMP of the proposed road maintenance subproject to be implemented under Component 1. Below presents a general principles that should be considered during the preparation of an *Environment and Social (ES) Alignment Sheet*.

##### **(a) During the planning:**

3. The environmental analysis, design, and preparation of an ESMP for each road subproject must be conducted in close connection with the feasibility and engineering design of the subproject and/or each individual segment. As the proposed subprojects will involve mainly road maintenance works of existing roads, the works should concentrate on environmental and social issues associated with direct impacts along the road alignment and the management of road construction impacts. ***If realignment is needed***, the ESMP report should include a detailed justification for all minor re-alignments proposed to improve the geometry or other technical features of the roads. Alternatives for any major realignment must be compared on technical, economic, environmental, and social merits.

##### **(b) Environmental and Social Impacts:**

4. The most significant and potentially adverse direct impacts associated with the proposed road maintenance works would be related to: (i) sensitive environmental and social sites along the right of way (RoW) such as natural habitats, protected areas, wetlands, cultural resources; (ii) potential minor resettlement of families in the right of way and the potential economic impact on small business and/or informal economic activities along the RoW; (iii) the interaction of construction workers with local communities, especially ethnic minorities, potential damages to private property and community infrastructure, and nuisances to communities caused by construction activities; (iv) localized environmental impacts due to new alignments and by-passes (if necessary), and construction activities with significant slope instability and erosion, impact on drainage patterns; (v) exacerbation of road safety hot spots along the RoW; and (vi) management of non-motorized transport and motorcycles. Although resettlement issues will be addressed through specific resettlement plans, resettlement issues must be included in this analysis.

##### **(c) Key elements of the ESMP and monitoring plan:**

5. To mitigate the potential negative impacts, the ESMP should comprise, but not limited to, the following key elements:

- (i) Road-segment specific environmental management plans through the preparation of ***the Environment and Social Alignment Sheets*** for each segment or the whole subproject;

- (ii) Management of construction activities through the finalization of the generic ECoP provided in *Annex 4* so that it can be included in the bidding document and contract document. Budget for implementation of the mitigation measures responsible by the contractor will be part of the contract cost;
- (iii) Preparation of a Community Relations Plan focusing on mitigation of potential impacts due to road safety, local traffic, and reduction of nuisance and other disturbance to local residents. This requirement has been incorporated into the generic ECoP; and
- (iv) Supervision and monitoring mechanisms to be applied throughout the construction period. The ESMP will provide a section identifying the responsible entity for ensuring effective implementation of the ESMP including budget allocation which will be considered as part of the subproject cost.
- (v) It is noted that cost for land acquisition and other compensation will be paid by the subproject owners and/or local government.

#### **(d) Environmental and Social Alignment Sheets**

6. Each road segment will be subject to a detailed environmental and social screening (*see Annex 2*). The social and environmental screening will include, but not be limited to, the analysis of available information concerning the general population distribution, concentrations of tribal or cultural groups, concentrations of low-income communities, areas of significant RoW encroachment, sensitive and/or critical natural habitats (e.g. national parks, reserves, wildlife sanctuaries, sacred groves, protected areas, forests, wetlands, etc.), major rivers and waterways, recorded cultural heritage sites, and any other potentially sensitive areas, based on recent census, official data and information from NGOs (such as WWF), and detailed site visits.

7. Through a detailed survey of the final road alignment, the Environmental and Social Alignment Sheets will be prepared for each road segment where road maintenance works will be conducted or the whole subproject if information is available. These alignment sheets will include:

- Identification of all physical, environmental, and social issues along the road;
- Identification of mitigation measures identified by Km along the alignment;
- The instrument in which the mitigation measures will be included (design, resettlement plan, construction specifications, bidding documents, community relations plan, etc.);
- The agency responsible for implementation;
- The timing for the implementation of the mitigation measure (before construction, during construction, during planning, etc.);
- The sources of funding for implementing the mitigation measure.

8. The Alignment Sheet will be presented in maps at appropriate scales (both profile and overhead) and in schematic summary tables. Issues to be addressed in this manner include:

- Slope stability, major earth cuts;
- Natural hazards areas (flooding, instability);
- Erosion;
- Drainage, stream crossings, bridges;
- Direct and indirect effects on houses, businesses, and informal economic activities;
- Potential hot spots for road safety (junctions, crossing of communities, etc.);
- High gradients;
- Community infrastructure (water supply, irrigation, bus stops, etc.);

- Community use of resources (for instance, use of water/creek for bathing, washing clothes);
- Scenic areas (waterfalls, for instance);
- Areas of special safety concern (bridges, road segments with significant precipices).

9. For each environmental and social problem identified and evaluated, mitigation measures must be identified. These may include:

- Slope stabilization;
- Erosion control and re-vegetation of RoW;
- Energy dissipation in drainage systems to minimize downstream erosion;
- Resettlement plan;
- Construction of areas for the relocation of roadside activities;
- Relocation and reconstruction of affected community infrastructure;
- Landscaping of scenic areas;
- Extra wide shoulders, independent lanes in certain hot points (bridges, community crossings);
- Special signs and traffic calming measures;
- Special design in critical junctions;
- Third (“passing”) lanes in steep slopes;
- Bus stops.

#### **(e) Environmental Specifications for Road Construction (ECOP)**

10. All mitigation measures for direct impacts (erosion control, embankment and slope stability, drainage) should be incorporated into project design and will be included in project costs. In addition, all the environmental requirements for road construction will be incorporated in an environmental annex (Environmental Specifications for Road Construction) which will be part of bidding documents.

11. The Consultants will identify and propose environmental and social mitigation measures that are necessary to mitigate the impacts and nuisances from road construction activities and that are common in construction of road rehabilitation and improvement projects.

12. The proposed mitigation measures should be described in easily understandable terms, identifying best practices, timing for implementation (before, during, after construction) and illustrated with sketches, diagrams, and pictures as necessary. The measures should be standardized in such a way to allow their application to any type of road construction activity.

13. The specifications will establish specific rules for minimizing environmental impacts during construction and provide guidance on the design of specific environmental mitigation measures such as slope stability, construction waste disposal and erosion control. Examples of topics that are included in the environmental specifications annex are: (i) explicit prohibitions and environmental behavior guidelines for work crews, specially along sensitive areas and near rural communities; (ii) proper selection, management, and restoration of quarries, borrow pits, gravel extraction sites in rivers and streams; (iii) the rehabilitation of affected areas through soil replacement and re-vegetation; (iv) selection of camp sites (with specific guidelines on distance to communities according to their population), management of camp wastes, and guidelines for camp dismantling and abandonment; (v) proper disposal of excavated earth and spoil materials to avoid pollution of streams; (vi) management of health issues for road workers; (vii) storage, management, and use of explosives; and (viii) proper disposal of wastes from construction machinery and equipment.

14. The specifications will address social issues such as: (i) chance finding procedures for archaeological and/or paleontological artifacts; (ii) the management of noise in or near urban or peri-urban areas; (iii) traffic management in urbanized areas; (iv) minimization of disruptions of

community activities in the vicinity of the right of way from the influx of workers and increased traffic of heavy machinery, from potential damages to property, and from conflicts with the local population; (v) communications programs during the construction period.

#### **(f) Community Relations Plan (CRP)**

15. Road construction works may disrupt the communities in the vicinity of the right of way as there will be an influx of workers, increased traffic of heavy machinery, potential damages to private property, and conflicts with the local population. The ESMP should identify community participation mechanisms (for instance, a committee with representatives from different communal leaders) to address social issues during the construction period. At present general requirements for establishing community relations has been incorporated in the ECoP.

#### **(f) Supervision and Monitoring**

16. The Project owner (DPWT) will assign the Construction Supervision Consultant (CSC) and/or filed engineer to be responsible for day-to-day supervision and monitoring of contractor performance and include the results in the subproject progress report. ESU/DPWT will conduct monthly monitoring while DoR and ESD/PTI will conduct 6 month and annual monitoring.

#### **(A3.2) Typical Issues and Mitigation Measures for Road Maintenance Subproject**

17. This section provides guidance (as an example) on typical mitigation measures for road maintenance and rehabilitation that should be considered during the preparation of an ESMP (Table A3.1) and good practices to be considered during consultation (Table A3.2). These are just an example of overall potential impact and mitigation measure for EMMP. For the actual project will be based on project activities and will be different from site to site.

<b>Potential Negative Impacts</b>	<b>Mitigation Measures</b>
<b>Design-general</b>	
Erosion and instability of cut faces and borrow pits	Design cut slope to minimize instability Use structural stabilization measures such as retaining walls and gabions Use adequate design, siting, and sizes of drainage structures
Erosion of lands below the roadbed receiving concentrated outflow carried by drainage structures	Site drainage structures so as to avoid a cascade effect and to ensure that runoff is conveyed into natural drainage lines at controlled velocities Line receiving areas with stones or concrete to protect soils at outflow areas Incorporate sufficient number of drainage outlets such that flow from any individual outlet is not excessive
Loss of riverside vegetation	Where road alignment is close to the rivers, widening or re-alignment will be on the side not adjacent to the river
Loss of vegetation and habitat through road widening, realignment of right-of-way	Road cuts will be sited and designed with care so as not to undercut banks supporting forest vegetation
Impacts on wildlife through interruption of migratory routes and other habitat disturbances.	Road cuts will be sited and designed with care so as not to undercut banks supporting forest vegetation
Encroachment on irrigation structures from road widening and realignment	Use appropriate drainage structures to replace those presently used in irrigation systems. Avoid encroachment on irrigation systems in use. If unavoidable, consult with relevant organization for appropriate solution. Consult with relevant organization on planned area for irrigation. Incorporate culverts into road design where planned irrigation across the road.



Potential Negative Impacts	Mitigation Measures
Encroachment on water supply systems from road construction-activities	Road engineers will work with the Lao Clean Water Supply Authority in each province during the detailed design phase to identify places where there are existing and planned water pipes and to find appropriate ways to manage working around water pipes. Culverts will be incorporated into road design where water systems are planned. Detailed design will include plans for avoidance of damage to water systems and replacement/repair of water systems where avoidance is not possible. Coordination with the Water Supply is necessary.
Destruction of agricultural land through road widening and realignment	Minimize realignment through agricultural land. Do not site borrow pits or dispose of cut spoil on agricultural land. Ensure appropriate compensation for loss of agricultural lands
Encroachment on Sacred Trees	Design road alignment to avoid Sacred Trees (Consult with local people to identify such trees). If unavoidable, compensate for spirit ceremony for cutting the Trees.
Encroachment on known cultural and historical sites.	Do not damage to any newly discovered heritage sites. Regular consult with local people on road widening, realignment or other activity that would encroach on graveyard sites. Compensate for tombs moving ceremony in case affected.
<b>Mobilization of equipments and workforces</b>	
Accident risk from mobilizing construction equipment	To the extent possible, avoid the mobilization of heavy equipments at night. Over-width and over-length vehicles should display adequate warnings such as flashing lights, signs, and flags on extending parts of equipment.
Negative impact on the health and social well-being of local people by the introduction of an outside workforce	Conduct special briefing or on-site training on environmental requirement of the project to workers. Strictly supervise workers not to interference with local affairs or quarrel with local people. In case of complaints from local people on the issues caused by workers, the complains will be solved as soon as possible, under collaboration of Environmentalist.
Impacts on Local Wildlife by Workforce	Carry out awareness-raising campaigns on wildlife value for workers Any worker conduct haunting, or buy wildlife from local people, will be dismissed from job Supply workers with sufficient foods from outside the Project.
Accident risk from mobilizing	The followings for safety will be provide to workers. Warning and/or Precaution Signs on safety. Helmets. Instruction on health and safety. Establishment of all relevant safety measures required by law and good engineering practices.
Outbreak of disease	The Contractor will have all his workers undergo a regular medical check on their arrival on Site. Site construction camps at least 50 m far away from rivers and as far as possible from local communities. Provide enough water supplies for workers, and ensure sufficient sanitation for the camp: the proper drainage systems, and the proper location for solid waste disposal. Make medical treatment available for workers. Provide workers mosquito nets and malaria-prevention medication. If needed, periodically spray around camp to against mosquitoes.
Depletion of natural resources through demand for building materials, fuel, and food for workers	Do not harvest wood resources within provincial and district protected area. Where local materials must be used, make agreements with local communities about the areas or the volume that can be harvested without significant impact. Support community development by paying an adequate price for any local resources used. All supplies for building camps will be brought from outside the area.
<b>CONSTRUCTION STAGE</b>	

Potential Negative Impacts	Mitigation Measures
<b>Earthworks and operating of quarries and borrow pits</b>	
Erosion and instability of cut faces and borrow pits	<p>No contour will be permitted in areas with steep slopes.</p> <p>Minimize major earthworks during the rainy season, to the extent feasible.</p> <p>Pile topsoil from digging of borrows pits carefully to one side, where it can be later used for reclamation.</p> <p>During construction, employ erosion prevention measures such as the use of hay bales.</p> <p>At the end of the construction phase, recontour borrow pit walls, replace topsoil, and revegetate.</p> <p>At the end of the construction phase, revegetate cut slopes where feasible.</p>
Destruction of agricultural land through spoil and construction waste disposal	Do not dispose cut spoil and construction waste at agricultural land.
Erosion from disposal of cut spoil	<p>Dispose of spoil only where permitted by Environmentalist and Local Authorities.</p> <p>To the extent feasible, avoid disposal on slopes greater than 30%.</p> <p>Where spoil disposal in vegetated sites cannot be avoided, select areas with scrub, bamboo, or herbaceous growth over areas of healthy forest.</p> <p>No disposal into gullies or watercourses.</p>
<b>Earthworks and operating of quarries and borrow pits</b>	
Erosion from disposal of cut spoil	<p>No disposal in or adjacent to cultivated areas (unless such areas lie within the road reserve width, in which case owners will be compensated under the Resettlement Plan.</p> <p>No disposal by direct tipping of spoil down slope.</p> <p>Revegetate spoil dumps to maintain the soil stability.</p>
Loss of riverside vegetation	<p>To the extent possible, avoid clearing riverside vegetation during road construction.</p> <p>Revegetate riverbanks where clearing is unavoidable.</p>
Loss of vegetation from detour construction	<p>In flat areas, leave enough of a roadside edge for vehicles to pass. In mountainous areas, build only half of the road at a time so that traffic can pass on the other half of the roadway.</p> <p>Remove the base soil of any necessary detours and revegetate after road construction.</p> <p>Where realignments are being built, use the existing roadway for traffic to pass.</p> <p>Where detours are unavoidable, as in areas where bridges are being built, limit the length and impact of each detour to the degree possible.</p> <p>Limit the width of any necessary detours to a minimum.</p>
Loss of vegetation and habitat through road widening, realignment of right-of-way, quarries and borrow pits	<p>High cave will be observed when necessary.</p> <p>There will be no new quarries within provincial and district protected areas.</p> <p>Do not cut trees outside of the construction zone.</p> <p>In case of new quarries operation, the quarries will be approved by the environmental monitoring authorities.</p> <p>Where possible, avoid cutting trees along the edge of the construction zone.</p> <p>Quarrying activity will be limited to a minimum of necessary sites, with previously used sites preferred.</p>
Impacts on wildlife through interruption of migratory routes and other habitat disturbances	Strict monitoring in this area will be used to prevent opportunistic “salvage” logging or illegal timber harvest.
Encroachment on water supply systems from road construction activities	Contractors will pay a fee to villagers for damage to water systems, perhaps based on number of days without water until the system is fixed. Fees might be specifically targeted towards women or women’s groups, since they are usually the ones who will have the main burden of carrying water when the system is down.

Potential Negative Impacts	Mitigation Measures
Encroachment on previously unidentified cultural heritage sites	Alert local authority upon discovery of any objects of possible archaeological significance that may be uncovered during construction. Construction activity affecting the area of the find will stop until qualified site assessment has been made and contractors have been given permission to proceed. Bring in a qualified archaeologist as needed.
Dust/air pollution	Water the road in the settle area when dust seems to be occurred, particularly in the dry season. Maintain all construction vehicles to minimize toxic vehicle emission. Appropriate, scheduled road maintenance will be needed to retain a sealed surface, continuing the improved situation.
Creation of stagnant water bodies in borrow pits, quarries	Incorporate adequate drainage and fill in borrow pits and quarries. Maintain borrow pits and quarries by landscaping and revegetation after operation.
Noise and vibration	All road construction vehicles will have working mufflers and be properly maintained. Time blasting activities so as not to disrupt local people. Inform people of possible damage from vibration before using Vibrating Rollers near to settled area.
Accidental risks by traffic disruption during construction	Employ “flag men” to regulate the traffic flow. Where new alignments are being built, allow traffic to continue on old alignments. Where possible, as in flat areas, provide enough edge space for one-way traffic flow. In mountainous areas, build one-half of the roadbed at a time, leaving the other half open for traffic.
Visual impact of road cut, spoil disposal, borrow pits, and quarries	Where feasible, quarries will be sited away from the road. For example, if a new quarry is to be made at the site identified to the northwest of Vieng Phoukha town, blasting and construction of crushing plants will be done on the north side, out of sight of the road. In sites where quarries must be close to the road, trees and other vegetation will be left between the quarry/crushing plant sites and the road.
<b>Setting up and operating a quarry winning rock from river bed</b>	
Changes to river bed ecology from extraction of river sands and gravel	Where possible, limit extraction to the riverbank. Spread extraction out over a broad area at the site Limit extraction of river sands and gravel to as few sites as possible, preferably using sites that are already impacted.
<b>Removal of unused structures and pavement</b>	
Construction waste	Select areas with scrub or bamboo for disposal. Dispose only where permitted by Environmentalist and Local Authorities. To the extent feasible, avoid disposal on slopes greater than 30%. No disposal into gullies or watercourses. No disposal in or adjacent to cultivated and settled area.
<b>Setting up and operating an asphalt plants, bitumen operation area</b>	
Water pollution by oil, grease, and fuel around gas stations and parking areas	Locate storage areas for diesel and bitumen at least 500 m from watercourses. Collect and recycle all lubricants and take precautions to prevent accidental spills. Prohibit road asphaltting activities during rainfall.
Water pollution by oil, grease, and fuel around gas stations and parking areas	Employ safe practices in filling bitumen distributor tanks and in heating bitumen. Do not allow smoking or fire of any kind in the vicinity of bitumen and kerosene blending tanks. Provide a carbon dioxide fire extinguisher at the bitumen tank site for fire-fighting. Develop and implement plans for safe storage of all toxic and potentially toxic materials into construction planning and design.
<b>Operation of construction camps</b>	
Solid waste of construction camps	Provide garbage tanks and sanitary facilities for workers. Waste in the specific tanks should be cleared periodically

Potential Negative Impacts	Mitigation Measures
	Garbage will be collected in a tank and be disposed of periodically. Special attention will be paid to the sanitary condition of camps.
Depletion of natural resources through demand for building materials, fuel, and food for workers	Do not harvest wood resources within provincial and district protected areas. Do not allow construction camps to become permanent settlements. Remove camps prior to Project completion. Use non-wood fuels such as Liquid Propane Gas or kerosene for cooking food and heating bitumen. Where local materials must be used, make agreements with local communities about the areas or the volume that can be harvested without significant impact. Support community development by paying an adequate prices for any local resources used. All supplies for building camps should be brought from outside the area Upon close of construction, consider transferring camp structures to local people for community/government use.
Impact on wildlife by workforce	Carry out awareness-raising campaigns on wildlife value for the workers. Any worker conduct hunting, or buy wildlife from local people, will be dismissed from job.
Creation of a new pathway for disease vectors affecting humans	All workers will have a regular medical screening conducted by “Lao Red Cross”, the Package-4 Consultant, to check for HIV/AIDS, sexually transmitted diseases, Malaria, etc. Keep camps from becoming blight on the local environment. Provide enough water supplies for workers, and ensure sufficient sanitation for the camp: the proper drainage systems, and the proper location for solid waste disposal. Make medical treatment available for workers. Provide workers mosquito nets and malaria-prevention medication. If needed, spray around camp area to against mosquitoes. Plan post-construction clean-up activities to assure no unsanitary or otherwise dangerous debris are left behind at camp sites
<b>Operation Phase</b>	
<b>Increased vehicular traffic</b>	
Accidental risk of toxic materials spills from increased vehicular traffic and commerce	Incorporate plans for safe storage of all toxic and potentially toxic material into traffic planning. Regulate transport of toxic materials. Set and enforce speed limits, especially near schools and heavily polluted areas.
Accidental Risk of Injury or Loss of Life to People and Livestock from Increased Traffic Volume and Speed	Install appropriate signs warning drivers to slow down in settled and livestock areas.
<b>Introduction of new people, transportation, communication, and other forms of development into the road corridor area</b>	
Overexploitation of forest resources through illegal and unsustainable harvesting	Strengthen enforcement of forestry law regulating forest resources harvesting, achieved through stronger implementation of the Law Support community forestry initiatives
Impacts of wildlife through increased pressure from illegal trade	Strengthen enforcement of wildlife regulations prohibiting trade in endangered species, achieved through stronger implementation of the regulation.
Loss of cultural resources and tradition	Support well-planned eco-tourism that involves solicitation of continuous feedback from both local residents and travellers. Support the development of village cultural preservation groups, as already occur in

Potential Impacts	Negative	Mitigation Measures
		several villages along the Project Road

**Table A3.2 General Requirements for Participation and Disclosure (as recommended in ESOM)**

PROJECT CATEGORY	PROJECT PHASE	CONSULTATION	DISCLOSURE INFORMATION
<b>Category B</b>  MODERATE environmental and social risk	Assessment	<p>Dialogue process (meetings) with beneficiaries, affected people and stakeholders:</p> <ul style="list-style-type: none"> <li>• About project purposes and potential impacts;</li> <li>• Ask for feedback and comments on perceived impacts and possible mitigation measures and requirements;</li> <li>• About project purposes and potential impacts;</li> <li>• About the results of environmental and social studies developed during the project preparation.</li> </ul> <p>Where ethnic minority groups are affected, dialogue must be undertaken using methods, procedures and languages (according to the cultural characteristics of any different groups) that guarantee their participation in the overall project process and preparation of the EMDP.</p>	<p>Advance notice of meetings (newspapers, public notices and loudspeaker/radio announcements);</p> <p>Making publicly available:</p> <ul style="list-style-type: none"> <li>• Basic information of the project;</li> <li>• Proposed schedule of consultations;</li> <li>• Proposed TORs for safeguard documents; and</li> <li>• Schedule of bids to prepare the safeguard documents</li> </ul> <p>Public notification of:</p> <ul style="list-style-type: none"> <li>• Environmental and social categorization;</li> <li>• Announcement of further consultations, meetings and interviews with directly affected people;</li> <li>• Initial findings of the environmental and social studies; and</li> <li>• Draft of the environmental and social studies, requesting comments and feedback</li> </ul> <p>Public notification (including uploading of approved documents to donor websites):</p> <ul style="list-style-type: none"> <li>• List of enterprises participating in the bid;</li> <li>• Summary and results of the community dialogue and consultations;</li> <li>• Final (approved) versions of IEE, ISA, LACR and/or EMDP (and any other studies developed during the project preparation)</li> </ul>
	Approval		<p>To publish in the web and to announce in local media after the bid:</p> <ul style="list-style-type: none"> <li>• Announcement of winning consultants;</li> <li>• Contract clauses with environmental and social commitments</li> </ul>
	Monitoring		<p>Encourage local communities to participate in monitoring;</p> <p>To publicly notify during implementation:</p> <ul style="list-style-type: none"> <li>• Reports of progress and findings of monitoring and evaluation (implementation of safeguard documents, project impacts and benefits, ongoing environmental and social commitments)</li> </ul>

<p><u>Category C</u></p> <p>LOW environmental and social risk</p>	<p>Assessment</p>	<p>Dialogue process with local actors, including the community, about the project purposes and identification of any items to be included in contract clauses and technical specifications</p>	<p>Advance notice of :</p> <ul style="list-style-type: none"> <li>• Basic information of the project</li> <li>• Schedule of bids to prepare the environmental documents</li> <li>• Level of environmental categorization</li> </ul> <p>Publishing in the web before the bid:</p> <ul style="list-style-type: none"> <li>• List of firms participating in bidding;</li> <li>• Summary and results of the consultations;</li> <li>• How to get access to important studies developed during feasibility study</li> </ul>
	<p>Approval</p>		<p>Public notification of:</p> <ul style="list-style-type: none"> <li>• Announcement of the winning consultants</li> <li>• Contracts with environmental and social commitments</li> </ul>
	<p>Monitoring</p>		<p>Public notification of:</p> <p>Reports of progress and findings of monitoring and evaluation (implementation of safeguard documents, project impacts and benefits, ongoing environmental and social commitments)</p>

#### **Annex 4: Generic Environmental Code of Practice (ECoP) (06 April 2016)**

1. This annex presents a generic ECoP to be finalized during the preparation of an Environmental and Social Management Plan (ESMP) of all the maintenance works to be conducted under Component 1 of the second Lao Road Sector Project (LRSP2). The final ECoP is considered part of the ESMP and it will be incorporated into the bidding document and contract document and the implementation cost will be part of the contract cost. The subproject owner will assign the Construction Supervision Consultant (CSC) and/or field engineer to supervise and monitor Contractor's compliance with ECoP on a day-to-day basis while assigning the Environment and Social Unit (ESU/DWPT) to conduct monthly monitor and reporting. The Department of Road (DoR), the Environment and Social Division of the Public Works and Transport Institute (ESD/PTI), the local authorities (PONRE/DONRE), and local communities may also conduct periodic monitoring of contractor performance, as needed.

2. DPWT (as the subproject owner) will be responsible for preparation of the final ECoP and ensuring its compliance during road maintenance works. This generic ECoP can be modified to suit specific issues/conditions observed/agreed during the preparation of the subproject ESMP and finalization of the ECoP.

3. **Application of ECoP:** The ECoP aims to mitigate the typical potential negative impacts of road maintenance works such as increased in air, noise, vibration, waste generation, safety risks, local traffic, etc. which could be mitigate through good environmental management and construction practices. However site-specific measures may be required to address site-specific issues for the subproject that require specific actions to be carried out by contractors and this will be considered during the preparation of ESMP and other safeguard documents (RAP, EGD). ECoP approach is considered a good practice and acceptable internationally. It is expected that the application of ECoP will become a standard procedure to be mainstreamed into DPWT operations related to other road works under DPWT responsibility. Key actions during the application of ECoP are highlighted as follows:

- During preparation of ESMP, incorporate specific actions and/or results from consultation with local authorities and community into the final ECoP. Based on the initial consultation with local authorities and community specific requirements has been incorporated as the site-specific actions into Part (2) of this generic ECOP. This part could be modified as appropriate.
- After the ESMP is approved by ESD/PTI or WB, the DPWT will incorporate the final ECoP into the bidding and contract documents and ensure that the bidders/contractors are committed to this obligation and are aware that the mitigation cost is part of the construction cost.
- Before works begins, DPWT will assign a qualified field engineer or the CSC to be responsible for the day-to-day supervision and monitoring of safeguard performance of Contractor and the results will be included in the construction supervision progress report. DPWT will also assign staff of the Environmental and Social Unit (ESU/DWPT) and/or mobilize an environmental monitoring consultant (EMC) to conduct periodic monitoring of the Contractor performance and report the results and possible complaints from local authorities, communities, and/or other stakeholders. The DPWT may assign the responsibility for mobilization of the EMC to a designated community organization, mass organization, and/or PONRE/DONRE.

4. **Scope of ECoP:** ECoP requirements are divided into 3 parts: (1) General Provision and Planning, (2) Site-Specific Actions, and (3) Works Management and Monitoring. Part (1) describes roles and responsibility of the subproject owner, the Contractor, and supervisor including the basic

requirements of the WB groups and the principles for Contractor to consider during the planning or development of the contractor's standard operation procedures (SOP). Part (2) describes site-specific requirements that require particular attention as a result of specific concerns expressed by local authorities and/or communities, typical issues observed during supervision, and/or site-specific issues. Part (3) describes standard requirements during execution of works to reduce potential impacts on air, noise, vibration, water, etc. including key monitoring indicators that could facilitate effective supervision and monitoring.

5. The following guidelines will be incorporated into the bidding and contract documents of the subproject to be conducted by Contractor.

## **Part (1): General Provision and Planning**

### **Section (1.1) Contractor responsibility**

1. The Contractor is responsible for making best effort to reduce and mitigate the potential negative impacts on local environment and local resident including making payment for all damages that may occur. Performance of the Contractor will be closely supervised and monitored by the Construction Supervision Consultant (CSC) and/or qualified field engineer as well as periodic monitored by a qualified consultant to be assigned by the subproject owner (DPWT) and/or staff from the Environment and Social Unit of DWPT (ESU/DPWT). Results of the ECoP compliance monitoring will be included as part of the subproject progress report. Compliance with ECoP will be required throughout the construction period.

2. For clarity, the term "works" and/or "construction" in this document includes all site preparation, demolition, spoil disposal, materials and waste removal and all related engineering and construction activities.

### **Section (1.2) Non-compliance reporting procedures**

3. The Contractor (and its subcontractors if any) must comply with the final ECoP. To ensure that necessary action has been undertaken and that steps to avoid adverse impacts and/or reoccurrence have been implemented, the CSC, the ESU/DPWT, and/or the Contractors must advise the subproject owner within 24 hours of any serious incidents of non-compliance with the final ECoP that may have serious consequence. In the event of working practices being deemed dangerous either by the subproject owners, the local authorities, or the other concerned agencies, immediate remedial action must be taken by the Contractors. The Contractors must keep records of any incidents and any ameliorative action taken. The records on non-compliance that could be practically addressed (not cause serious impacts) will be reported to the subproject owner on a monthly basis.

4. The Contractor will be responsible for dealing with any reports/grievance forwarded by the project investment owner, Police or other agencies (by following instruction from the project investment owner representative as appropriate) as soon as practicable, preferably within one hour but always within 24 hours of receipt by either the Contractor. The CSC/ESU will monitor and ensure that the Contractor has taken appropriate action. Where appropriate, approval remedial actions may require an agreement from the local authorities and/or other Government agencies. Procedures should be put in place to ensure, as far as is reasonably practical, that necessary actions can be undertaken to avoid recurrence and/or serious damage.

### **Section (1.3) Liaising with local authorities and the public**

5. Prior to the commencement of project investment activities and throughout the construction duration, the Contractor will work closely with the local authorities and other agencies to ensure full compliance with Government regulations and will also provide adequate information on the Project to the General Public, especially those that may cause public safety, nuisance, and sensitive areas and



the locations of storage and special handling areas. The Contractor will provide information and reporting telephone “Hot Line” staffed at all times during working hours. Information on this facility shall be prominently displayed on site hoardings.

#### **Section (1.4) Community relations**

6. The Contractor will assign one community-relation personnel, who will be focused on engaging with the community to provide appropriate information and to be the first line of response to resolve issues of concern. Contractor will take reasonable steps to engage with residents of ethnic minority backgrounds and residents with disabilities (or other priority groups as appropriate), who may be differentially affected by construction impacts.

7. The Contractor will ensure that local residents nearby the construction sites will be informed in advance of works taking place, including the estimated duration. In the case of work required in response to an emergency, local residents shall be advised as soon as reasonably practicable that emergency work is taking place. Potentially affected residents will also be notified of the ‘Hotline’ number, which will operate during working hours. The “Hotline” will be maintained to handle enquiries regarding construction activities from the general public as well as to act as a first point of contact and information in the case of any emergency. All calls will be logged, together with the responses given and the callers' concerns action and a response provided promptly. The helpline will be widely advertised and displayed on site signboards.

8. The Contractor respond quickly to emergencies, complaints or other contacts made via the ‘Hotline’ or any other recognized means and liaise closely with the emergency services, local authority officers and other agencies (based on established contacts) who may be involved in incidents or emergency situations.

9. The Contractor will manage the work sites, work camps, and workers in a way that is acceptable to local residents and will not create any social impacts due to workers. Any construction workers, office staff, Contractor’s employees, or any other person related to the Project found violating the “*prohibitions*” activities listed in Section (1.7) below may be subject to disciplinary actions that can range from a simple reprimand to termination of his/her employment depending on the seriousness of the violation.

#### **Section (1.5) Implementation of the Environmental Health and Safety (EHS) guideline**

10. In line with WB safeguard policy, the Contractor is required to comply with the Environmental Health and Safety Guidelines (EHSG) established for the project investment with financial support from the WB group (WBG). The EHSG provides general guidance on the pollution prevention and abatement measures and workplace and community health and safety guidelines that are normally acceptable in Bank-supported projects, particularly in cases where the borrowing country does not have standards, or when its standards fall significantly short of international or industry-wide norms. The EHSG are divided in two parts: general guidelines on health and safety and pollution prevention and abatement, including general standards for air and water quality, and a set of sector-specific guidelines for various types of development projects. For the Project, the Contractor will prepare an EHS Plan with an aim to identify the potential impacts and to develop a mechanism for a better management of the environmental health and safety of project activities during construction. The EHS Plan will be incorporated into the Contractor’s own Standard Operating Procedures (SOPs). At a minimum the following EHS rules will be strictly followed:

##### ***Site EHS Rules:***

- EHS orientation sessions before starting work;
- Wearing of personal protective equipment (gloves, helmets, safety shoes, dungarees, goggles etc);

- Follow the messages and instructions displayed on EHS notice boards installed on site;
- Promptly reporting all accidents to the concerned authority;
- Maintain appropriate barricades as required;
- Vehicles must be driven at a safe speed, observing speed limits of 30 Km/h and designated routes as mentioned in Contractor's Mobility Map;
- Drivers must have a valid driving license for the class of vehicle they are operating;
- Vehicles shall only be parked in designated parking areas; and
- Mine clearance of the project investment area.

**Health and Hygiene:** The measures should include:

- Provision of adequate medical facilities to the staff;
- Provision of hygienic food to the employees;
- Provision of cooling and heating facilities to the staff; and
- Provision of drainage, sewerage and septic tanks in camp area.

**Security:** Security measures should include:

- Regular attendance and a controlled time keeping of all employees;
- Restriction of un-authorized persons to the residential and work areas;
- Restriction of carrying weapons and control hunting by employees; and
- Provision of boundary walls/ fences with proper exits to the camp.

#### **Section (1.6) Implementation of “Chance Find” Procedures**

11. If the Contractor discovers archeological sites, historical sites, remains and objects, including graveyards and/or individual graves during excavation or construction, the Contractor will carry out the following steps:

- Stop the construction activities in the area of the chance find;
- Delineate the discovered site or area;
- Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be arranged until the responsible local authorities or the National Culture Administration take over;
- Notify the project engineer, supervisor (CSC), and/or the project owner (DPWT) who in turn will notify the responsible local authorities and the provincial Culture Department immediately (within 24 hours or less);
- Responsible local authorities and the provincial Culture Department would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This would require a preliminary evaluation of the findings to be performed by the archeologists of National Culture Administration. The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage; those include the aesthetic, historic, scientific or research, social and economic values;
- Decisions on how to handle the finding shall be taken by the responsible authorities and the provincial Culture Department. This could include changes in the layout (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage;
- Implementation for the authority decision concerning the management of the finding shall be communicated in writing by relevant local authorities; and

- Construction work could resume only after permission is given from the responsible local authorities or the provincial Culture Department concerning safeguard of the heritage.

### **Section (1.7) Prohibitions**

12. The following activities are prohibited on or near the subproject sites:

- Cutting of trees for any reason outside the approved construction area; Hunting, fishing, wildlife capture, or plant collection; Buying of wild animals for food; Having caged wild animals (especially birds) in camps; Poaching of any description; Explosive and chemical fishing; Disturbance to anything with architectural or historical value;
- Building of fires; Use of unapproved toxic materials, including lead-based paints, asbestos, etc.; Use of firearms (except authorized security guards); Use of alcohol by workers in office hours; Driving in an unsafe manner in local roads; and
- Washing cars or machinery in streams or creeks; Maintenance (change of oils and filters) of cars and equipment outside authorized areas; Creating nuisances and disturbances in or near communities; Disposing garbage in unauthorized places; Indiscriminate disposal of rubbish or construction wastes; Littering the site; Spillage of potential pollutants, such as petroleum products; Collection of firewood; Urinating or defecating outside the designated facilities; and Burning of wastes and/or cleared vegetation.

### **Part (2) Site-Specific Requirements**

13. To be responsive to concerns observed and/or expressed by local authorities and communities, specifically, the Contractor will be responsible to comply with, but not limited to, the followings:

- The Contractor will install the Work Camp on areas far enough from water points, houses and sensitive areas in consultation with the community and the subproject owner. Good quality sanitary equipment should be selected and installed in the Work Camp.
- The Contractor will manage all activities in compliance with laws, rules and other permits related to site construction regulations (what is allowed and not allowed on work sites), and will protect public properties. Degradation and demolition of private properties will be avoided. Paying compensation to damage to the public facilities and/or private property will be required. The Contractor will inform the subproject owner on issue and/or damages that may unexpectedly occur.
- The Contractor is responsible for protection of local environment against dust, air, noise, vibration, exhaust fuels and oils, and other solid residues generated from the work sites. The Contractor will manage waste properly and do not burn them on site and will also provide proper storage for construction materials, organize parking and displacements of machines in the site. Used oil and construction waste materials must be appropriately disposed off and adequate waste disposal and sanitation services will be provided at the construction site next to the generated areas. In order to protect soil, surface and ground water the Contractor will avoid any wastewater discharge, oil spill and discharge of any type of pollutants on soils, in surface or ground waters, in sewers and drainage ditches. Compensation measures may be required.
- The Contractor will be responsible for maintaining good hygiene, safety, and security of the work sites, including protection of and health and safety of staff and workers. The Contractor

will prevent standing water in open construction pits, quarries or fill areas to avoid potential contamination of the water table and the development of a habitat for disease-carrying vectors and insects. Safe and sustainable construction materials and construction method should be used.

- The Contractor will use a quarry of materials according to the regulations and compensate by planting of trees in case of deforestation or tree felling. When possible, the Contractor should develop maintenance and reclamation plans, protect soil surfaces during construction and re-vegetate or physically stabilize eligible surfaces, preserve existing fauna and flora and preserve natural habitats along streams, steep slopes, and ecologically sensitive areas.
- During construction, the Contractor will take serious actions to control dust by using water or through other means and the construction site will be cleaned on a daily basis.
- The Contractor will work with local authority and management local traffic effectively and ensure traffic access of road safety of local residents and road users during the works. Speed limit at work sites and community area will be applied to all vehicles and cars. All vehicles and their drivers must be identified and registered and the drivers are properly trained.
- The Contractor will install signaling of works, ensure no blockage of access to households during construction and/or provide alternative access, provide footbridges and access of neighbors and endure construction of proper drainage on the site.
- The Contractor will respect the cultural sites, ensure security and privacy of women and households in close proximity to the camps and safely dispose asbestos.

### Part (3) Works Management and Monitoring

#### Section (3.1) Mitigation measures

14. Table below provides guidelines (as an example) for the mitigation measures to be carried out by Contractor during implementation of works including key monitoring indicators for supervision by CSC/ESU. These requirements should be consistent with the final ESMP.

#	Activities causing impacts	Mitigation measures	Monitoring indicators
1	Establishment and operation of worker camps,	<ul style="list-style-type: none"> <li>• Ensure that the sites for campsite are approved by the Project and local authority; Selection of the camp sites should be made through tripartite consultation including community, Contractor, and the subproject representative.</li> <li>• Ensure that basic camp facilities are provided including security, septic tanks, latrines, safe water supply, mosquito net, blanket, safe paths, fire prevention equipment, etc.</li> <li>• Ensure that (a) washing areas, demarcated and water from washing areas and kitchen is released in sumps, (b) septic tanks of appropriate design have been used for sewage treatment and outlets are released into sumps and must not create a pond of stagnant water, and (c) the latrines, septic tanks, and sumps are built at a safe distance from water body, stream, or dry streambed, and the sump bottom is above the groundwater level.</li> </ul>	<p>Location of the work camp should be shown in the alignment sheet.</p> <p>No complaints from local authorities and local residents due to location and activities of the worker camps.</p> <p>Safe and comfortable living of staff and workers</p>

2	Establishment and operation of construction materials and equipment yards and access roads	<ul style="list-style-type: none"> <li>Ensure that the locations are far away from residential areas and take actions to mitigate dust, noise, vibration, water pollution, waste, etc.</li> </ul>	Proper management of the site and no complaints from local authorities and residents
3	Disposal of waste generated from the camp	<ul style="list-style-type: none"> <li>Recycle metallic, glass waste; bury organic waste in impervious pit covered with soil.</li> <li>Ensure that waste material is properly disposed off in a manner that does not affect the natural drainage.</li> </ul>	No health issue occurred
4	Access tracks/haulage routes	<ul style="list-style-type: none"> <li>The moving machinery should remain within the subproject boundary.</li> <li>Ensure that the access tracks, which are prone to dust emissions and disturbance to local resident are managed by water spraying daily and the areas sensitive to noise and vibration are managed through enforcement of speed limit control.</li> <li>After completion of construction work all the damaged roads / tracks will be restored by the Contractor, as it is Contractor's obligations. Ensure that surface run-off controls are installed and maintained to minimize erosion.</li> <li>Restriction on movement of Contractor's vehicles on designation routes; deploy traffic man at the village to control the traffic as needed.</li> </ul>	No complaints from local residents regarding dust, noise, vibration, road safety, and the usage of the tracks/access roads
5	Hiring skilled workers from outside of the locality	<ul style="list-style-type: none"> <li>Hiring of workers from the local communities as much as possible.</li> </ul>	Number of local workers at the worksite.
6	Workers safety and hygienic conditions	<ul style="list-style-type: none"> <li>Provide protective clothing and equipment for workers especially those handling hazardous materials, (helmets, adequate footwear) for concrete works (long boots, gloves), for welders (protective screen, gloves dungaree), etc.</li> </ul>	Safe working conditions
7	Water for staff and workers consumption and construction	<ul style="list-style-type: none"> <li>Provide adequate and safe water for consumption at sites and work camp.</li> </ul>	Water tanker and pump by the Contractor
8	Interruption of water supply	<ul style="list-style-type: none"> <li>Inform residents and provide water supply as needed.</li> </ul>	No complaint from residents
9	Social issues	<ul style="list-style-type: none"> <li>Ensure that conflicts with local power holders and local communities are avoided.</li> <li>Ensure that focus group meetings are conducted with both men and women to identify any water related and other issues related to the subproject implementation.</li> </ul>	No social conflicts due to the subproject activities and/or workers.
10	Storage of hazardous material (including waste)	<ul style="list-style-type: none"> <li>Provide hard compacted, impervious and bounded flooring to hazardous material storage areas; Label each container indicating what is stored within; Train staff in safe handling techniques.</li> </ul>	No health hazard and water contamination occurred.

11	Construction activities; handling of fuels, oil spill and lubricants	<ul style="list-style-type: none"> <li>• Ensure that no contaminated effluent is released in to the environment.</li> <li>• Ensure that fuels, oils, and other hazardous substances handled and stored according to standard safety practices such as secondary containment.</li> <li>• Fuel tanks should be labeled and stored in impervious lining and dykes etc</li> <li>• Ensure that vehicle refueling to be planned on need basis to minimize travel and chance spills.</li> <li>• Ensure that operating vehicles are checked regularly for any fuel, oil, or battery fluid leakage.</li> </ul>	No oil spill observed
12	Cutting of trees in the right of way where required	<ul style="list-style-type: none"> <li>• To get agreement of the local community and community</li> </ul>	No complaints from local authority and/or residents.
13	Excavation of channels	<ul style="list-style-type: none"> <li>• Proper compaction and water sprinkling</li> </ul>	Erosion and dust emission minimized
14	Disposal of excavated material	<ul style="list-style-type: none"> <li>• Stockpile the excavated material to non-agriculture and in a minimum area and away from storm water</li> </ul>	Minimum loss of habitat
15	Loss of fertile soil and vegetation; impacts on natural vegetation and embankment erosion along the watercourse.	<ul style="list-style-type: none"> <li>• Remove surface soil of the location, stocked in a proper place and once the construction is finished, put the soil back on that place. The left over spoil soil should be collected and kept aside for rehabilitation of the site at later stage of the work; re-vegetate the embankments with indigenous plant species</li> </ul>	River banks stabilized and re-vegetated
16	Dust and smoke emissions	<ul style="list-style-type: none"> <li>• All truckloads of loose materials is covered during transportation. Water spraying or any other methods are used by the Contractor to maintain the works areas, adjacent areas, and roads, in a dustless condition, as well the vehicle speed not to be exceeded from 30Km/h. Vehicles will be tuned regularly to minimize the smoke emissions.</li> </ul>	Dust and smoke controlled
17	Noise pollution	<ul style="list-style-type: none"> <li>• Vehicles and equipment used to be fitted, as applicable, and with properly maintained silencers. Restriction on loudly playing radio/tape recorders etc.</li> </ul>	Excessive noise generation controlled
18	Excavation of borrow areas	<ul style="list-style-type: none"> <li>• Excavate borrow soil up to maximum depth of 0.5m; with slope boundaries</li> </ul>	Borrow area rehabilitated as per specification
19	Rehabilitation of borrow pits	<ul style="list-style-type: none"> <li>• Proper rehabilitation of borrow pits; Removal and storage of top 15 cm top soil having organic materials and spreading it back during restoration of borrow area</li> </ul>	Borrow areas rehabilitated
20	Encountering archaeological sites during earth works	<ul style="list-style-type: none"> <li>• The subproject field supervisor (CSC or filed engineer) will halt the work at the site and inform to the regional team leader and Archaeological Department immediately.</li> </ul>	The report from the CSC or field supervisor, community, and contractor
21	Aesthetic/ scenic quality	<ul style="list-style-type: none"> <li>• Carry out complete restoration of the construction sites.</li> <li>• Remove all waste, debris, unused construction material, and spoil from the worksites.</li> </ul>	Cleanliness and tidiness of works sites and work camp

**Annex 5: Resettlement Policy Framework (RPF) (10 April 2016)**

LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY



**Ministry of Public Works and Transport (MPWT)  
The Department of Road (DoR) and  
The Public Works and Transport Institute (PTI)**

# **Draft Resettlement Policy Framework (RPF)**

**Second Lao Road Sector Project (LRSP-II)**

Project No. (P158504)

**Vientiane, 10 April 2016**

### Abbreviations and Acronyms

ARAP	Abbreviated Resettlement Action Plan	MoNRE	Ministry of Natural Resources and Environment
DMS	Detail Measurement Survey	MPWT	Ministry of Public Works and Transport
DoR	Department of Road	OP/BP	Operation Policy/Bank Procedure
DONRE	District Office of Natural Resources and Environment	PAPs	Project Affected Persons
DRC	District Resettlement Committee	PONRE	Provincial Office of Natural Resources and Environment
DPWT	Provincial Department of Public Works and Transport	PRO	Project Resettlement Office
EIA	Environmental Impact Assessment	PRC	Provincial Resettlement Committee
EG	Ethnic Groups	PTI	Public Works and Transport Institute
EGDF	Ethnic Groups Development Framework		
EGDP	Ethnic Groups Development Plan	RAP	Resettlement Action Plan
ESD/PTI	Environmental and Social Division of PTI	RMF	Road Maintenance Fund
ESMF	Environmental and Social Management Framework	RMD	Road Maintenance Division
ESOM	Environmental and Social Operations Manual	RoW	Right of ways
ESU	Environmental and Social Unit	RPF	Resettlement Policy Framework
FMC	Feedback and Mediation Committee	SA	Social Assessment
GoL	Government of Laos	SIA	Social Impacts Assessment
GRC	Grievance Redress Committee	VRC	Village Resettlement Committee
GRM	Grievance Redress Mechanism	WB	World Bank
GRMS	Grievance Redress Mechanism Services		
IEE	Initial Environmental Examination		
Lao PDR	Lao People's Democratic Republic		
LAR	Land acquisition and resettlement		
LACR	Land acquisition and compensation report		
LRSP-II	Lao Road Sector Project-II		
LFNC	Lao Front for National Construction		
LRSP	Lao Road Sector Project		
LWU	Lao Women Union		



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## Definitions and Terms

- **Beneficiary** - All persons and households from the villages who voluntarily seek to avail of and be part of the Project
- **Compensation** - payment in cash or in kind of the replacement cost of the acquired assets.
- **Cut-off Date** - the date prior to which the ownership or use establishes eligibility as displaced persons for compensation or other assistance. The cut-off date is established in the RP. It normally coincides with the date of the census of affected persons, or the date of public notification regarding the specific civil works that would cause displacement. Persons coming into the project area after the cut-off date are not eligible for compensation or other assistance.
- **Displaced persons** - refers to all of the people who, on account of the activities listed above, would have their (1) standard of living adversely affected; or (2) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed temporarily or permanently; (3) access to productive assets adversely affected, temporarily or permanently; or (4) business, occupation, work or place of residence or habitat adversely affected; and “displaced person” means any of the displaced persons.
- **Entitlement** – range of measures comprising compensation, income restoration, transfer assistance, income substitution and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base.
- **Household** - means all persons living and eating together as a single social unit. The census used this definition and the data generated by the census forms the basis for identifying the household unit.
- **Income restoration** - means re-establishing income sources and livelihoods of PAPs to a minimum of the pre-project level.
- **Improvements** – structures constructed (dwelling unit, fence, waiting sheds, pig pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.
- **Land acquisition** - the process whereby a person involuntary loses ownership, use of, or access to, land as a result of the project. Land acquisition can lead to a range of associated impacts, including loss of residence or other fixed assets (fences, wells, tombs, or other structures or improvements that are attached to the land).
- **Project Affected Persons (PAPs)** - includes any person or entity or organization affected by the Project, who, on account of the involuntary acquisition of assets in support of the implementation of the Project, would have their (i) standard of living adversely affected; (ii) right, title or interest in all or any part of a house and buildings, land (including residential, commercial, agricultural, plantations, forest and grazing land) water resources, fish ponds, communal fishing grounds, annual or perennial crops and trees, or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily; and (iii) business, profession, work or source of income and livelihood lost partly or totally, permanently or temporarily.

- **Rehabilitation** - the process by which displaced persons are provided sufficient opportunity to restore productivity, incomes and living standards. Compensation for assets often is not sufficient to achieve full rehabilitation.
- **Replacement cost** - is the method of valuation of assets which determines the amount of compensation sufficient to replace lost assets, including any necessary transaction costs. Compensation at replacement cost is defined as follows: For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard. Such additional assistance is distinct from resettlement measures to be provided under other clauses in OP 4.12, Para. 6.
- **Resettlement** – is the general term related to land acquisition and compensation for loss of asset whether it involves actual relocation, loss of land, shelter, assets or other means of livelihood.
- **Vulnerable Groups** - are distinct groups of people who might suffer disproportionately or face the risk of being further marginalized by the effects of resettlement and specifically include: (i) households headed by women, the elderly or disabled, (ii) households living below the poverty threshold, (iii) the landless, and (iv) ethnic groups.

## I. Introduction

1. This document is the **Resettlement Policy Framework (RPF)** for the second Lao Road Sector Project (LRSP-II or the Project) which is being prepared by the Ministry of Public Works and Transport (MPWT) through the Department of Planning and Cooperation (DPC), the Public Works and Transport Institute (PTI), the Department of Road (DoR), and other departments for possible financing by the World Bank (WB).

### 1.1 The Project

2. The Project activities will be implemented through the following components: (1) *Climate Resilient Road Maintenance* aiming to support (i) provincial and district road maintenance works and (ii) supervision of road works and data collection ; (2) *Institutional Strengthening* aiming to support (i) sector policy and strategic planning, (ii) road asset management and traffic safety, and (iii) capacity building for use of Public-Private-Partnership (PPP) in the road sector; (3) *Contingency Emergency Response*; and (4) *Project Management*. Six priority provinces including Phongsaly, Oudomxay, Houaphan, Xiengkhouang in the northern mountainous region and Xayabouly and Bolikhamxay in the central region have been identified for implementation of the road maintenance activities to be carried out under Component 1.

3. The Project will be implemented following the government system. MPWT will be the implementing agency and the Department of Planning and Coordination (DPC) will be responsible for overall coordination and management of the Project. The Department of Road (DoR) will be responsible for implementation of road activities under Components 1, 2, and 3 while the Department of Transport (DoT) will be responsible for implementation of traffic safety under Component 2. The provincial Department of Public Works and Transport (DPWT) of the Project provinces is responsible for planning and implementation of the provincial and district road maintenance works to be carried out under Component 1 and 3 as the subproject owner. The Environment and Social Division of PTI (ESD/PTI) is responsible for supervision and monitoring of environment and social safeguards including training and reporting. Other MPWT departments are also involved in the implementation of the Project.

### 1.2 Need for RPF

4. Given the proposed Project activities, the Project will not involve major physical relocation of permanent structure and/or involve major resettlement of peoples. The policy is triggered because the Project may involve minor land acquisition for road maintenance in some areas where minor realignments will be necessary to ensure stability and safety of road works. Most of the works will be conducted in existing roads and will not involve major expansion that could significantly affect trees and other roadside private assets and/or lands. However there is a possibility of impacts related to temporary land acquisition including potential restriction of access. Given that the exact list of such subprojects has not yet been defined by appraisal, it is necessary to prepare a Resettlement Policy Framework (RPF) in line with the WB safeguard policy on Involuntary Resettlement (OP/BP 4.12). The RPF describes policies and procedures to avoid, minimize or mitigate negative impacts that may result from the Project investments including defining scope of a Resettlement Action Plan (RAP) or an abbreviated RAP<sup>17</sup> (ARAP) which will be required when involuntary land acquisition occurs. Need for preparation of RAP or ARAP will be identified during the safeguard screening to be conducted as part of the road maintenance investment plan which will be prepared annually. WB approval of RAP/ARAP will be required. The RPF is an integral part of the Environment and Social Management Framework (ESMF) and is included as an annex to the ESMF. Data collection of the

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<sup>17</sup> In Lao PDR, per the Decree 192/PM, preparation of a Land Acquisition and Compensation Report (LACR) is needed when the impacts are small and scope of the report is similar to the abbreviated RAP (ARAP) as defined in WB OP/BP 4.12 (as defined in OP/BP 4.12, Annex A).

first year subprojects in Bolikhamxay and Xayabouly provinces suggested that preparation of ARAPs will be required.

## **II. Project Description Related to OP/BP 4.12**

5. Under the Component 1, road maintenance and climate resilient related works to be carried out under Component 1 will include periodic maintenance, spot improvement, and routine maintenance through performance-based contracts. Spot improvement of critical sections aims to improve the roads' climate resilience and may include elevating flood prone road sections, paving road sections with steep slopes and sections passing through large communities, drainage improvement/ construction, and slope improvement/stabilization. Given the limited size of the investment and low traffic volume, spot improvement activities would be carried out only on critical sections of the existing carriageway, not the whole road, within the existing right of way and may involve minor re-alignments to improve road safety and strengthening road climate resilience. Periodic maintenance would include re-gravelling and re-sealing of existing roads, and routine maintenance would include drainage cleaning, patching of potholes, clearing of roadside vegetation, light grading, etc.

## **III. Policy, Legal, and Institutional Settings**

### ***3.1 National Legal and Regulatory Framework***

6. *Government Laws, Decrees, and Guidelines:* The legal context in Lao PDR has been changing rapidly over the last few years. Compensation principles and policy framework for land acquisition and resettlement are governed by several laws, decrees and regulations as follows: (a) The Constitution (1991), (b) the Land Law (2003, being revised), (c) Road Law (1990), (d) Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development Project (CR Decree No.192/PM, dated 7 July 2005, being revised), and (e) Regulations for Implementing Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development Project (No.2432/STEA, dated 11 November 2005, being revised). Technical Guidelines of the CR Decree was finalized and training also provided to key agencies and provinces. Approval of a new decree on Environmental Impact Assessment (EIA) in February 2010 provided a strong legal basis for development projects to conduct social assessment and plan/implement mitigation measures as needed. A number of technical guidelines including the Public Involvement Guideline (PI) was approved in 2012 and being used. However, establishment of the Ministry of Natural Resources and Environment (MoNRE) in 2011-2012 and the Government policy on decentralization (Sam Sang policy) have resulted in the establishment of an EIA regulation and an Initial Environmental Examination (IEE) regulation as well as revision of some legislation related to natural resources management. The Land Law is being revised.

7. Below provides some key provision of the land law and CR Decree which are key for land compensation and resettlement.

- *The Constitution:* Article 14 of the Constitution declares that the State protects and promotes all forms of state, collective, and individual ownership. Article 15 declares that the land within the Lao PDR is owned by the national community and that the State ensures the rights of citizens to use, transfer, and inherit it in accordance with the law. Article 8 establishes the right of all ethnic groups relative to the preservation and promotion of their customs and heritage. All acts of division and discrimination among ethnic groups are prohibited.

- *The Land Law*, adopted by the National Assembly in 2003<sup>18</sup>, is the principal legislation by which the State exercises its constitutional responsibility for tenure, access, use and management, preservation of land. Several articles of particular importance to resettlement are summarized as follows: Article 3 reaffirms that all land in the Lao PDR is the property of the national community (as stated in the Constitution, Article 15) for whom the State is the uniform central administrative representative throughout the Country and individuals... are assigned to effectively use the land... (only non-forest land in private title or land held under a long-term lease can be transferred). Article 5 protects the legal rights and benefits of those who have effectively received the right to use land including the right to transfer it. Article 11 classifies land into eight categories, and subsequent chapters of the Law are concerned with the management of each. The categories are: agricultural land, forest land, water area land, industrial land, communication land, cultural land, defence and security land and construction land. Article 43, refers to the certification of the lawful land use rights of persons or entities. There are two land registration methods (Article 44) by which individuals can register the land which they are using lawfully. First is systematic land registration, which is carried out throughout a designated area where land allocation, zoning, or classification is required. Systematic registration confers a Land Title. Second, persons or entities can make application to certify their right to use certain land. Under Article 48, land certificates are issued certifying the temporary right to use agricultural or forest-land which are issued by district level authorities. These land certificates can be inherited, but cannot be transferred or used as collateral. Article 53 states that persons who have received the right to use the land have the following rights: to protect land for use for a specific objective, to use land a specific purpose in accordance with the State's allocation plan, to enjoy usufruct or income from the land, to transfer the right of land use, and to inherit the right of land use. Article 63 states that the right of land use shall terminate either through voluntary relinquishment of the land or if the State retrieves the land for public purposes. However, the landholder is entitled to just compensation for the taking of the state (Article 70). Compensation is treated in Articles 68 to 72 of the Land Law. Article 70 states that persons or entities requiring a right-of-way and thereby cause damage to crops or buildings must make appropriate compensation. Article 71 states that when the use of land belonging to other persons or organizations becomes necessary for the public interest, the State will compensate any damage suffered by the rightful user of the requisitioned land, as appropriate. Furthermore, the Law requires that each village, province, municipality, or special zone keep five percent of its total land area in reserve to ensure the compensation of requisitioned land. Evaluation of the damage is provided for by Article 72, which states that the evaluation will be done by a committee composed of representatives of the various concerned parties. The Land Law does not specifically address itself to unregistered land users. It does, however, provide the registration and certification methods described above by which individuals can register the land which they are using lawfully. Article 82 further provides that persons or entities that are lawfully keeping, using, and developing land with efficiency will be awarded the right to use that land, all other conditions being met.
- *The CR Decree 192*: This Decree defines principles, rules, and measures to mitigate adverse social impacts and to compensate damages that result from involuntary acquisition or repossession of land and fixed or movable assets, including changes in land use, restriction of access to community or natural resources affecting community livelihood and income sources. This Decree aims to ensure that project affected people are compensated and assisted to improve or maintain their pre-project incomes and living standards, and are not worse off than they would have been without the project. The provisions will be applied during the preparation and implementation of the social

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<sup>18</sup> Land Law 2003 supersedes the Land Law 01/97 dated 12 April 1997.

impacts assessment (SIA), the social impact mitigation and monitoring plan, and/or the resettlement action plan (RAP). Technical Guideline for this Decree was established in 2010 and revised in 2012. While DESIA is responsible for review and approval of the SIA with consent from the province, the province under supervision of the Provincial Resettlement Committee (PRC) is responsible for overseeing the implementation of the Decree which will be carried out by the project owner. The Decree is being revised in line with the current organization and regulations and in accordance with the Government policy regarding decentralization (Sam Sang). It is expected that the revised Decree will be approved by the Prime Minister in 2016.

- Key articles of relevance to the Project's resettlement are as follows: Article 6 - Compensation principles state that before compensation, a joint committee will be established to assess loss to Project Affected Persons (PAPs). PAPs will be entitled to compensation for structures at replacement cost, compensation will be payable for losses of income due to the project, and those without documented legal title will still be entitled to compensation for lost structures and other support so as not to be negatively impacted. Article 6 - paragraph 6. States that PAPs who are living in rural or remote areas, who do not have any legal Land Use Certificate or any other acceptable proof indicating land use right to the affected land and assets they occupy shall be compensated for their lost rights to use land and for their other assets at replacement cost and provided additional assistance to ensure that they are not worse-off due to the project. PAPs in urban areas, who do not have any legal Land Use Certificate or any other acceptable proof indicating land use right to the affected land and assets they occupy and who have no land at other places will be compensated for their lost rights to use land and for their other assets at replacement cost and other additional assistance to ensure they are not worse off due to the project. Article 8 - entitlement to economic rehabilitation measures if more than 20% of income-generating assets are lost due to a development project. Article 11 - voluntary donation of land by PAPs is only acceptable if the impact on their income generation is not significant (less than 20% reduction), no physical displacement is caused, and APs are fully aware of their entitlements before relinquishing them. Article 11 - project proponents will define mitigations measures and socioeconomic benefits to improve the status of ethnic communities which will be developed in consultation with the communities and in harmony with their cultural preferences. Article 17 of the Decree - requires a separate section on indigenous peoples issues and mitigation measures in the RAP. Where impacts on ethnic peoples are more significant an Ethnic Groups Development Plan (EGDP) will be prepared. The decree and its guidelines rectify key areas of the Land Law which would prevent informal land users from any eligibility, and also sets a clear definition of the "reasonable compensation" mentioned in the Land Law and determines these as replacement cost.
- *The Forestry Law states* (i) that forests and forest land can be converted to other uses (i.e. for transmission line right of way) when necessary and in the public interest (subject to approval) from responsible authorities; (ii) an individual or organisation given permission to convert forest to another use is responsible for payment of a conversion fee, land reclamation and tree planting; (iii) provision for allowing long practiced activities such as collecting wood for fences and fuel, non-timber forest products (NTFP), hunting and fishing for non-protected species for household consumption, and other customary uses. For removal of forests, compensation is based on the volume of timber (m3) of a given class of tree that will be cut down. Compensation is only paid for timber removed from private forestry plantations. No compensation is paid for timber removed from natural forests on public lands. Nor is any compensation paid for removal of NTFP such as bamboo. There is no requirement to replant trees on degraded land located away from a transmission line corridor, as compensation for removing trees to create transmission line right-of-way. Such forms of compensation only apply to reservoir clearing projects where

it is necessary to plant trees to stabilize slopes that could otherwise fail through a process of mass wasting.

- The *Road Law (1999)* states that Ministry of Public works and Transport manages and uses the land for the road activity in conformity with the determination in the land law. Road width shall have the area consisting of the carriageway, shoulders, pathways, drainages, slope of road and Right of Way (Article 17). Within the Right of Way, it shall be banned all constructions and other activities. In vital case, it shall be requested the permission from the road management authority (Article 21). The Law is being revised.

### 3.2 World Bank Policy on Involuntary Resettlement (OP/BP 4.12)

8. The OP/BP 4.12 is triggered for this Project. It requires that all investments and activities financed under the Project comply with the policy whether or not they are directly funded in whole or in part by the World Bank funds. The OP/BP 4.12 provides essential guidance on objectives and principles that are applicable in projects generating land acquisition and resettlement-related impacts. Key objectives and definitions are as follows:

- Every reasonable effort will be made to avoid or minimize the need for “land acquisition”, and to minimize all resettlement-related adverse impacts. If land acquisition and associated adverse impacts cannot be avoided, the principle objective of the RPF is to ensure that all persons subjected to adverse impacts (“displaced persons”) are compensated at “replacement cost” for lost land and other assets and otherwise provided with any “rehabilitation” measures or other forms of assistance necessary to provide them with sufficient opportunity to improve, or at least restore, their incomes and living standards.
- The definitions on “displaced persons”, “replacement cost”, “land acquisition”, “rehabilitation”, and “cut-off-date” provided in this report will be used.

9. The WB policy on Public Consultation and Information Disclosure (OP/BP 17.50), which defines the Bank’s requirements for giving the public access to project information and documentation, will also apply.

### 3.3 Key Differences in Lao PDR Law and World Bank Policies

10. Promulgation of GoL’s compensation and resettlement Decree 192/PM represents a significant improvement in the rights of citizens when their livelihoods, possessions and society are affected by development projects. Both the compensation and resettlement decree and World Bank policy on involuntary resettlement entitle the Project Affected Persons (PAPs) to compensation for affected land and non-land assets at replacement cost. However, there are some differences between World Bank (OP/BP 4.12) and the Decree 192/PM (see Table below). First difference is on the definition of severely affected PAPs in which OP/BP 4.12 defines at 10% of affected value while Decree 192/PM defines at 20% of affected values. The second difference is on entitlement description for non-titled PAPs in which Decree 192/PM provides more specific details. Other differences include Decree 192/PM encourages PAPs for voluntary land donations while OP/BP 4.12 discourages land donation while different names are used for preparation of resettlement action plan when minor land acquisition is required.

Different Aspect	Government Decree 192/PM	WB OP/BP 4.12
Definition of severely affected PAPs	Those PAPs who are affected at value equal to or more than 20% of income generating assets (Article 6).	Those PAPs who are affected at value equal to or more than 10% of income generating assets (Article 8)



Entitlement of non-titled PAPs	PAPs living in rural or remote areas or PAPs in urban areas who do not have proof of land-use rights and who have no other land in other places will be compensated for loss of land-use rights at market replacement cost, in addition to compensation for their other assets and other assistance. Should PAPs be found to be non-titled and required to relocate, the development project will ensure they are provided market replacement land at no cost to the PAPs, or cash sufficient to purchase market replacement land.	Non-titled PAPs will be compensated for affected assets at market replacement cost and other assistance so that they are not made worse off due to the development project.
Voluntary land donation	Implicitly and explicitly encourages voluntary donation of land (Article 11).	Discourage for land donation
If small land acquisition is involved	Require preparation of a Land Acquisition and Compensation Report (LACR)	Require preparation of abbreviated RAP (ARAP)

## IV. Potential Project Impacts

### 4.1 Social Background

11. Environment and social background of the Project provinces is presented in ESMF Annex 1 and key information on social aspects is highlighted as follows:

- Bolikhamxay (BKX):** The province (14,863 km<sup>2</sup>) is located in the central part of the country and is the gate way connecting Vientiane Capital and the southern provinces (NR13) as well as between Thailand and Vietnam (NR8). The area is mountainous along Vietnam border in the east while a flat plain exists along the Mekong River in the west. BKX is rich in culture, water, forest, biodiversity, and other natural resources. However, forest resources decreased rapidly due to logging (legal and illegal) and rapid development. There are 3 large national protected areas (Nakai–Nam Theun, Nam Kading, and Phou Khao Khouay) and wildlife hunting for local consumption and export and wildlife trafficking are considered priority issues. BKX comprises 7 districts (Pakxan, Thaphabath, Pak Kading, Bolikhan, Kamkert, Viengthong, and Xaychampon), 28 Kumban, 411 Ban (village), 46,304 households (HH) with a total population (in 2013) of 271,656 of which nearly 50% is female. Majority (80%) of the people practices agriculture. Average growth rate is about 2.4% and average population density is 15 persons per square kilometres (km<sup>2</sup>), and average income was about 8 million kip per capita per year (in 2010). BKX has 22 ethnic communities including Lao majority which is about 60% of total population in the province. The non-Lao majority (ethnic groups) include Hmong, Khmu, Phong, Toum, Katang, Makong, etc. There are also many cultural sites/land marks and a number of tourism spots for cultural, historical, and natural tourist sites. Development activities in BKX, especially in Pakxan District, have been rapid and it is expected to be accelerated during the next 5 years.

- *Xiengkouang (XK)*: The province (15,880 km<sup>2</sup>) is located in the north east of the country on the XK Plateau which is a large area of level land in the country. The province is mountainous and borders with BKX, Vientiane Province, Luang Phabang, Houaphan, and Vietnam. The area is characterized by rolling hills and grassland at altitude averages 1,300 meters (m) including the country's highest peak, PhouBia (2,820 m) and a Plain of Jars (located in the plateau's center). Nam Et-Phou Louey is an important national protected area. The province comprises 07 districts (Paek, Kham, Nonghed, Khoune, Morkmai, Phoukoud, and Phaxay) with a total population (in 2014) was 231,254 including 113,809 women. XK has 3 main ethnic communities Lao Loum (Tai Dam, Tai Daeng, Tai Phuan), Khmu, and Hmong. Tai Dam, Tai Daeng, and Tai Phuan belong to the Lao-Tai linguistic family (Laos majority), comprising over 50% of the total population in the province. XK is one of the main maize producing areas of Laos and is famous for tourism development. The main centre for trade and tourism is Phonsavan (capital) in Paek district. There are many important landmarks and tourism spots (for natural, cultural, and historical sites) in the province. The Plain of Jars archaeological site is the most prominent and popular sites (it has been proposed for listing in UNESCO world heritage site).
- *Houaphan (HP)*: This mountainous province (17,363 km<sup>2</sup>, about 700–1,800 m above sea level) is located in the north-eastern part of the country about 650 km from Vientiane Capital. The province is bordered by Vietnam, XK, and Luang Phabang. Most of the terrain especially on the western side is rugged with dense mountainous forest with a small area of flat land (6% of total area). HP has two national protected areas (Nam Et-Phou Louey and Nam Xam). HP comprises 8 districts (Xam Neua, Xiengkhor, Viengthong, Viengxay, Houa Meuang, Xam Tai, Sop Bao, and Et, Kuan, Xone), 717 villages, 47,310 households and Xam Neua is the provincial capital. In 2014, the total population is 291,473 with 142,737 women. There are 9 ethnic communities i.e. Lao or Lao Tai, Hmong, Khmu, Lao Fong, Singmoun, Iumien or Yao, Moy or Meuang, and Chin or Hor. HP is one of the poorest in Lao PDR. However, local livelihoods have been improved. National Road #6 is the main road running through the province. The province is famous for tourism especially regarding to ethnic culture and handicrafts.
- *Xayabouly (XBL)*: The province (16,389 km<sup>2</sup>) is located in the northwest of Laos on the western side of the Mekong River and connected to 5 provinces of Thailand. On the Lao side, the province borders Bokeo, Oudomxai, Luang Phabang, and Vientiane. The area is mountainous and Asian elephants are the flagship species and *Nam Phouy* is a national protected area (1,912 km<sup>2</sup>). The province comprises 10 districts (Xayabouly, Khop, Hongsa, Ngeun, XiengKhone, Phiang, Parklai, Kenethao, Botene, and Thongmyxay) and Xayabouly town is the capital. The northern Lao dialect dominates the province. Residents of Hongsa (population 6,000) are predominantly Tai Lue. Other ethnic communities are the Khmu, Tai Dam, Htin, Phai, Kri, Akha, and Malabri which is the last hunter-gatherer group in Southeast Asia who reside in the forests of western region of the province. Xayabouly has limited road access for vehicles except for the north-south road extending from the provincial capital to the Thai border. The province is rich in timber and lignite, and is considered the rice basket of northern Laos. Other important crops include maize, oranges, cotton, peanuts, sesame, sugarcane and vegetables such as cucumbers, cabbage, and beans.

- Oudomxay (ODX)*: The province (15,370 km<sup>2</sup>) borders China and five Lao provinces (Phongsaly, Luang Phabang, Xayabouly, Bokeo, and Luang Namtha). The province is mountainous, between 300–1,800 m above mean sea level, and the Upper Lao Mekong Important Bird Area (IBA) (10,980 ha) is an important protected area. The province comprises 07 districts (Muang Xay, Muang La, Namo, Nga, Pak Beng, Houne, and Beng) and a population of about 265,128 (in 2005). There are about 14 different ethnic communities comprising mainly Khmu (60–80%), Lao Loum (25%), and Hmong (15%). Other ethnic communities include Akha, Phouthai, Phou Noy, Lao Houy, Phouan, Ly, Yang, Ikho and Ho. Most mountainous area has limited road access and economic development. About 40,000 ha of land are cultivated and rice is the main crop (other crops are corn, soybeans, fruits, vegetables, cassava, sugarcane, tobacco, cotton wool, tea and peanuts). In the province, most people still practices subsistence agriculture using mainly "slash-and-burn" agriculture (often linked with growing mountain rice) while limited cultivable areas in the lowlands are irrigated by natural rainfalls. Corn, onions, watermelons and tobacco are exported. About 40,000 ha of land are aforested or used as meadows for livestock. According to estimations of the IUCN, approximately 12% of Oudomxay forests are primary forests, 48% secondary forests. For the population, the forests are not only source of wood, but also contribute to family incomes providing fruits, herbs and meat. It is also common that Lao cultivable land is rented to Chinese, which then is tilled by Chinese migratory labours.
- Phongsaly (PSL)*: Phongsaly (16,270 km<sup>2</sup>) is located in the northern end of Lao PDR. It is a mountainous province (about 700–1,800 m above sea level). The province borders China, Vietnam, and two Lao provinces (Luang Phabang and Oudomxai). About 77% of the land area is covered with forest. Key protected area include Phou Dene Din and Nam Lan. The province comprises 7 districts (Phongsaly, May, Khoua, Samphanh, Boun Neua, Yot Ou, and Boun Tay) with a total population (in 2014) of about 291,473 with 142,737 women. The northernmost district of the province is Yot Ou (about 25,000 peoples) spread over 98 villages made up of 11 ethnic communities. Near the Lao-Chinese Border (checkpoint at Lan Tui) there are 13 minority ethnic communities with independent language and culture identity (Khmu, Tai Dam, Tai Daeng, Yao, Leu, Hor, Hmong, Akha, Yang, Bid, Lolo and others). Each group has its own practices in respect to marriage customs as well as specific handicrafts, silverware and jewelry. Agriculture is the main source of income of the people of the province. Phongsaly is the primary trade gateway between Laos and China, exporting lumber and importing several types of finished goods. There are also several Chinese manufacturing companies in the province, along with other foreign investments including for energy sector (mini hydro-power projects with pico-turbines in 24 villages). In spite of government ban on opium poppy cultivation, Phongsaly has the maximum number of districts below the poverty line, and is one of the major opium producing provinces in the country. There is a program to reduce opium growing. There are important landmarks and tourism spots in the province.

## 4.2 Risks and Potential Impacts

12. The Project will not involve major physical relocation of permanent structure and/or involve major resettlement of peoples and this has been explicitly included in the list of ineligible activities (see “negative list” in ESMF Annex 2). The policy is triggered because the Project may involve minor land acquisition for road maintenance in some areas where road safety and/or road stability is necessary especially when improving road resilience is considered. The work will be conducted in existing roads and may involve minor realignments without expansion and affect trees and other roadside private assets, but no major loss of private assets including land would occur. Implementation experience of the on-going LRSP suggested that for road maintenance and emergency works there has not been any needs for land acquisition, physical relocation, and/or resettlement of peoples and there has no complaints recorded and/or observed during WB supervision missions. For the upgrading and rehabilitation of the National Road 1B in Phongsaly and National Road 6A in Houaphan, preparation and implementation of RAPs (less than 100 households) were completed satisfactory. Since the Project will finance similar type and scale of road maintenance works, therefore the risk related to involuntary resettlement and land acquisition is considered “low”. Key principle and process are presented in Section V below.

## V. Strategy for Compensation and Mitigation of Project Impacts

13. Although compensation requirement is expected to be minor and most of them will be limited to the need for addressing temporary impacts, this section provide general details on RPF objectives and key principles to be applied to the Project. To ensure that the loss of private assets including, but not limited to, private land will be avoided, minimized or fully mitigated, the RPF describes the objectives and key principles in line with OP/BP 4.12 taken into account the requirements of Decree 192/PM. The RPF describes a process whereby communities are consulted on, and can meaningfully participate in, the planning and decision making activities when land acquisition and/or relocation of assets will be necessary. Issues that are likely to be identified include the loss of land, assets, and/or income due to minor adjustment of road alignments to improve road safety and/or stability. Preparation of RAP or ARAP will be required.

14. The RAP/ARAP ensures that any such potential impacts are minimized, and that any persons affected by such impacts are provided ample opportunity, through provision of compensation or other forms of assistance, to improve or at least restore their incomes and living standards.

### 5.1 Policy Objectives

15. Main objective of the RPF is to ensure that all persons subjected to adverse impacts (displaced persons or PAPs) are compensated at replacement cost for lost land and other assets and otherwise provided with any rehabilitation measures or other forms of assistance necessary to provide them with sufficient opportunity to improve, or at least restore, their incomes and living standards. Given the nature of the Project activities which will be limited to road maintenance and minor specific areas may need land acquisition and/or compensation to improve climate change resilience, compensation and resettlement policies will be applied to address temporary impacts and RAP or ARAP will be prepared. If there is any inconsistency between the laws and regulations of Lao PDR and this policy framework, the domestic law or regulation shall be waived to the extent necessary to achieve RPF requirements and this will be included in the legal document of the Project.

### 5.2 Key Principles of RPF

16. *Basic principles:* Both the procedures and principles described in the GoL’s Decree 192/PM and its implementing regulations on the Compensation and Resettlement of People Affected by Development Projects (2005) and the WB Operational Policy on Involuntary Resettlement (OP/BP 4.12) will be applied, however with an adoption of the 10% definition of severely affected as discussed above. In this regard the following principles and objectives would be applied:

- Acquisition of land and other assets will be minimized as much as possible; resettlement of people and structure demolition of homes and business will not be allowed unless WB prior clearance is provided.
- Project Affected Persons (PAPs) are all households who are identified in the Project impacted areas on the date of the Detailed Measurement Survey (DMS). They are entitled to be provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels. Lack of legal rights to the assets lost will not bar the PAP from entitlement/compensation to such rehabilitation measures.
- The rehabilitation measures to be provided are: (i) cash compensation at replacement cost without deduction for depreciation or salvage materials for houses and other structures; (ii) agricultural land for land of equal productive capacity acceptable to the PAP ; (iii) replacement of residential and commercial land of equal size acceptable to the PAP; (iv) and transfer and subsistence allowances.
- Replacement residential and agricultural land will be as nearby as possible to the land that was lost, and acceptable to the PAP. Plans for acquisition of land and other assets and provision of rehabilitation measures will be carried out in consultation with the PAPs, to ensure minimal disturbance. The compensation and rehabilitation activities will be satisfactorily completed before awarding of contract of civil works under each sub-project
- The sources of funding for the compensation and rehabilitation of PAPs will be funded as follows: compensation for productive, residential and commercial land will come from the village land or neighboring villages through the approval of the responsible Government Agency, and cash compensation for structures, trees, crops, income loss and rehabilitation assistance will come from the provincial counterpart fund in the Project.

17. *Voluntary Donation:* OP/BP 4.12 does not encourage voluntary donation. However, community members have the right to make a contribution of their land or other assets, without seeking or being given compensation as suggested in the CR Decree 192/PM. This can often be justified because the road maintenance and climate resilient subproject can improve road safety as well as increase the value of the remaining property or provide some other direct benefit to the affected people. Voluntary contribution is an act of informed consent. The Project must assure that voluntary contributions are made with the prior knowledge on the part of the person who would donate assets that other options are available, and are obtained without coercion or duress. Voluntary donation is allowed only if the criteria and procedures provided below are followed.

18. Under this Project, voluntary donation will not be applied except for very minor losses of assets. For small strips of land, the following criteria will be strictly complied with: the PAPs total land area is not less than 300 m<sup>2</sup>; if the PAPs total land area is more than 300 m<sup>2</sup>, the strip of land that can be donated cannot be more than 5% of the total land area; and there are no houses, structures or fixed assets on the affected portion of land.

19. Where voluntary donation is applied, documents which show (i) that the affected people are aware that they are entitled for compensation and (ii) that all applicable criteria mentioned above are met, and (iii) which are signed by both husbands and wives of the affected households, should be kept in the project file. Also, where voluntary donation is applied, the following procedures and requirements need to be followed:

- The document showing the informed consent for asset donation (signed by both husband and wife) should be prepared in a manner that is legally accepted under the current relevant law of Lao PDR;
- Full disclosure of the RPF and consultation with project affected persons should be conducted prior to the signing by affected parties of the documents mentioned above, in order to ensure that they clearly understand the compensation/ assistance that they are entitled to as per project's RPF;
- Feedback and Mediation mechanisms of the project should apply; and
- Assets of the poor and vulnerable households should not be acquired as per voluntary donation.

20. *Compensation and rehabilitation measures under the Project:* Persons affected under the Project are entitled for the following list of compensation or rehabilitation measures:

- Replacement of land with an equally productive plot or other equivalent productive assets; or
- The cash compensation based on replacement value; and
- Materials and assistance to replace fully solid structures that will be demolished; and
- Replacement of damaged crops, at market value; and
- Special assistance or allowance to vulnerable / poor affected HHs; and
- Other acceptable in-kind compensation.

21. *Relocation and Income Restoration Strategy:* Relocation of permanent houses and/or people will be avoided. In an unlikely event that minor physical relocation is unavoidable, affected households that have to relocate will participate in identifying and selecting options to relocate on their existing plots, or to move to plots provided by the district or to receive cash compensation and to make their own arrangements for relocation. In the case that any businesses have to relocate, they will be assisted to find viable new sites. Households who are severely affected through the loss of 10% or more productive assets will be provided with replacement land or assisted to purchase replacement land. PAPs will also be provided with farm inputs to increase productivity on remaining land and/or replacement land. Given the nature of small works, livelihood restoration program is not expected. PAPs will not be displaced until the village allocates land within the same or neighboring village.

22. *Vulnerability, Gender, and Ethnicity:* The RPF recognizes that certain social groups may be less able to restore their living conditions, livelihoods and income levels; and therefore, at greater risk of impoverishment when their land and other assets are affected. The Project will identify any specific needs or concerns that need to be considered for the ethnic groups and other vulnerable groups such as landless, poor, and households headed by women, disabled, elderly or children without means of support. Ethnic group specific actions, as needed, in line with the Ethnic Group Development Framework (EGDF) will be included in the Resettlement Action Plan (RAP/ARAP). Gender integration will be considered during the planning and implementation of the ESMF, RPF, and EGDF processes.

### **5.3 Preparation and Approval of RAPs/ARAPs**

23. Once it is determined that land acquisition or any associated impacts is essential to complete any subproject activities, and once siting criteria establish the land area to be acquired, resettlement planning should begin. The project owner (DPWT) will carry out, or cause to be carried out, a census survey to identify and enumerate all displaced persons, and a socioeconomic survey to determine the range and scope of adverse impacts in the affected area. The census survey must cover 100% of the persons to be displaced; the socioeconomic survey may be undertaken on a sample basis. The surveys, which may be undertaken separately or simultaneously, determine whether a RAP or ARAP is necessary. When the number of persons affected exceeds 200, a full RAP is necessary. Where

impacts on all displaced persons are relatively minor, or fewer than 200 people are affected, an ARAP may be prepared. Impacts are considered “minor” if the affected people are not physically displaced and less than 10% of their productive assets are lost.

24. If a RAP is necessary, it will be prepared in accordance with the policy principles and planning and implementation arrangements set forth in this RPF. The RAP is based on accurate baseline census and socioeconomic survey information, and establishes appropriate mitigation measures (e.g., compensation for assets, transitional assistance, and economic rehabilitation assistance) as appropriate for all categories of adverse impacts. Depending on the categories of impacts, the RAP specifically addresses the following:

- description of the activity causing land acquisition;
- range and scope of potential adverse impacts;
- socioeconomic survey and baseline census survey information including livelihood impacts;
- review of relevant laws and regulations relating to land acquisition and resettlement;
- specific compensation rates (or alternative measures) for all categories of affected assets;
- other measures, if any, necessary to provide opportunities for economic rehabilitation of displaced persons;
- eligibility criteria for compensation and all other forms of assistance;
- relocation arrangements, if necessary, including transitional support;
- site selection and site preparation, if necessary;
- restoration or replacement of community infrastructure and services;
- organizational arrangements for implementation;
- consultation and disclosure arrangements;
- resettlement implementation schedule;
- costs and budget;
- monitoring arrangements;
- grievance procedures; and
- summary entitlements matrix.

25. If an abbreviated RAP (ARAP) is to be prepared, it also must be based on principles and planning and implementation arrangements established in this RPF. An abbreviated RAP normally includes the following contents:

- a census survey of displaced persons, valuation of assets, and livelihood impacts;
- description of compensation and other resettlement assistance to be provided;
- eligibility criteria;
- consultation and disclosure arrangements;
- organizational arrangements for implementation
- timetable and budget;
- monitoring arrangements; and
- grievance procedures.

26. Any RAPs prepared in accordance with this RPF must be reviewed and approved by the Bank prior to awarding of contracts for the civil works causing the displacement. Data collection of the first year subprojects in Bolikhamxay and Xayabouly suggested that an ARAP will be prepared for each subproject. The final ARAPs will be submitted to WB for clearance.

## 5.4 Entitlement Policy

27. All displaced persons are eligible for compensation and/or other forms of assistance, as relevant to the nature of impacts affecting them (see details in Appendix I). In general, people eligible for compensation would include those affected in the following ways:

- *Land to be permanently acquired for the Project:* This includes a) owners with formal legal title, b) land users eligible for formal legal title under Lao PDR law, and c) those residing on, or using, state land prior to an established cut-off date, usually the date of public notification regarding the specific civil works activity that would cause displacement. Displaced persons in categories a) and b) are entitled to compensation at replacement cost. In lieu of formal compensation, displaced persons in category c) are provided with alternative forms of assistance, in value equivalent to replacement cost.
- *Loss of houses, other structures and fixed assets, including trees and standing crops:* Owners of houses and other assets (regardless of whether they hold land title or building permits for structures erected prior to the cut-off date).
- *Losses associated with temporary impacts:* This includes temporary loss of land, and transitional costs associated with moving, or disturbance to businesses during construction.

28. Specifically, displaced persons will be entitled to the following types of compensation and rehabilitation measures:

(1) *Displaced persons losing agricultural land:*

- a) The preferred mechanism for compensation of lost agricultural land will be through provision of replacement land of equal productive capacity and satisfactory to the displaced person. If satisfactory replacement land cannot be identified, compensation at replacement cost may be provided.
- b) Displaced persons will be compensated for the loss of standing crops at market price, for economic trees at net present value, and for other fixed assets (ancillary structures, wells, fences, irrigation improvements) at replacement cost.
- c) Compensation will be paid for temporary use of land, at a rate tied to duration of use, and the land or other assets will be restored to prior use conditions at no cost to the owner or user.

(2) *Displaced persons losing residential land and structures*

- a) Loss of residential land and structures will be compensated either in-kind (through replacement of house site and garden area of equivalent size, satisfactory to the displaced person, or in cash compensation at replacement cost.
- b) If after partial land acquisition the remaining residential land is not sufficient to rebuild or restore a house or other structures of equivalent size or value, then at the request of the displaced person the entire residential land and structure will be acquired at replacement cost.
- c) Compensation will be paid at replacement cost for fixed assets.
- d) Tenants, who have leased a house for residential purposes will be provided with a cash grant of three months rental fee at the prevailing market rate in the area and will be assisted in identifying alternative accommodation.



(3) *Displaced persons losing business*

- a) Compensation for loss of business will involve, as relevant: (i) provision of alternative business site of equal size and accessibility to customers, satisfactory to the displaced business operator; (ii) cash compensation for lost business structures; and (iii) transitional support for loss of income (including employee wages) during the transition period.

(4) *Infrastructure and access to services*

- Infrastructure (such as water sources, roads, sewage systems or electrical supply) and community services (such as schools, clinics or community centers) will be restored or replaced at no cost to the communities affected. If new resettlement sites are established, infrastructure and services consistent with local standards will be provided at no cost to the relocated persons.

## **5.5. Rehabilitation Measures**

29. Compensation may be sufficient to allow displaced persons to restore incomes if paid at replacement cost, assuming that replacement assets are available. Often, however, resettlement may require displaced persons to obtain new skills required for resuming production in a new environment, or to pursue new sources of income. The RAP/ARAP should assess the significance of impacts to be imposed on displaced persons, and provide measures to assist those significantly affected in adapting to new livelihood challenges. Terms for participation in such measures, including training, extension services, or employment, along with responsibility for providing them, should be specified in the RAP/ARAP.

## **5.6 Consultation and Information Disclosure**

30. Once specific civil works subprojects have been identified, PAP will be consulted for the project and encouraged to participate in the consultation meetings, in order to ensure they clearly understand the Project and its compensation policies and thus to minimize the occurrence of grievances. However, during actual work, some problems may occur.

31. To promote active project engagement and adaptation to changed living circumstances, displaced persons should be provided with opportunities to participate in planning and implementation. At minimum, displaced persons should be consulted on preferences and concerns during the resettlement planning process. All displaced persons are to be informed regarding potential impacts and proposed mitigation measures, including compensation rates. The RAP/ARAP will be disclosed, in a manner and location accessible to displaced persons while in draft, and subsequently disclosed again following finalization.

## **VI Implementation Arrangement**

32. The RAP/ARAP reviews organizational arrangements, to ensure that implementation procedures are clear, that responsibility is clearly designated for provision of all forms of assistance, and that adequate coordination among all agencies involved in RAP/ARAP implementation is assured. The RAP/ARAP must include a detailed implementation schedule, linking the project construction timetable to resettlement-related activities. The implementation timetable should establish that compensation (in cash or in kind) should be completed at least one month prior to initiation of civil works, and at least three months before residential structures are demolished. This section present responsible entities, budget, monitoring and evaluation, and grievance redress mechanism (GRM).

## 6.1 Responsible Agencies

33. The road maintenance and climate resilient subproject to be implemented under Component 1 of the Project will be prepared and implemented by the provincial Department of Public Works and Transport (DPWT) in close consultation with the Department of Road (DoR) and the Environmental and Social Division of the Public Works and Transport Institute (ESD/PTI). The Environment and Social Unit of DPWT (ESU/DPWT) will be responsible for preparation of RAP/ARAP in close consultation with DoR and ESD/PTI. A Provincial Resettlement Committee (PRC) will be established in the province when the subproject will involve land acquisition and/or compensation. Organization chart for the resettlement and compensation process for road works is provided in Appendix 5.

34. ESD/PTI and DoR will be responsible for monitoring and reporting of implementation every 6 months and prepare six month and annual safeguard monitoring reports on RAP/ARAP implementation. ESD/PTI will provide training to DPWT and the provinces as needed.

35. **IF RAP is required**, to ensure timely implementation of RAP, at subproject level, DPWT will establish the Project Resettlement Office (PRO) to be responsible for day-to-day planning and implementation including serve as the secretariat to the provincial PRC to be established in the subproject province. The PRC and PRO will be assisted by the District Resettlement Committee (DRC), the Village Resettlement Committees (VRC), and the relevant line departments as needed. Key roles of these committees are highlighted below. However, implementation experience suggested that for small RAP or ARAP related departments can work together through the Administrative Office of the province and there is no need to establish PRO, DRC, and VRC.

36. *Provincial Resettlement Committee (PRC)*: To ensure the smooth implementation of resettlement activities, a PRC will be set up headed by vice governor of provincial government, and participated by the Department of Public Works and Transport (DPWT) as the subproject owner. In addition, the provincial Office of Natural Resources and Environmental (PONRE), the district Office of Natural Resources and Environment (DONRE), and other provincial agencies such as the Lao Women Union (LWU), the Department of Planning and Investment (DPI), Department of Finance, Land Management Office (LMO), the Department of Public Security and other relevant departments will also participate in the PRC. The PRC's main responsibilities are to enhance the leadership with respect to land compensation and/or relocations of the subproject and coordinate outside and internal relationship for the subproject to ensure the project land acquisition compensation and resettlement can go smoothly. The PRCs will undertake critical roles, including:

- Verification of the loss of land and other assets due to project implementation
- Establishing compensation rates (replacement costs) for affected assets
- Hold public consultation meeting and information disclosure
- Monitor and Report all the resettlement plan activities;
- Coordinate and solve conflicts and problems in the process.

37. *District Resettlement Committee (DRC)*: The Resettlement Committee of relevant districts governments are led by the relevant vice district governors, and composed of officials from relevant line offices (i.e., OPWT, Financial Office, District Land Management Office, Natural Resource and Environmental Office). The major responsibilities of the DRC are as follows:

- Participate in project impact investigation and assist the compilation of resettlement plan;
- Organize public participation and publicize resettlement policies;
- Implement, monitor and record the resettlement activities within its town;
- Pay and manage land compensation fund;
- Supervise the land acquisition process;
- Report land acquisition compensation and resettlement situation to PRC;

- Coordinate and solve any conflict and problem during the process.

38. *Village Resettlement Committees (VRC)*: The resettlement committees of the affected villages are composed of the village chiefs, deputy chiefs, village elders/traditional leaders and PAP representative. Their responsibilities are as follows:

- Participate in social, economic and project impact survey;
- Organize the public consultation and publicize land acquisition compensation policies;
- Conduct land adjustment and allocation and other resettlement-related activities;
- Report affected people's opinions and suggestions to the superior authorities;
- Acting as "first step" grievance officers and ensure that grievance are resolved;
- Report the progress of resettlement; and
- Provide help to vulnerable people affected by the land acquisition.

39. *Relevant Line Departments*: Under the national regulations, resettlement and land acquisition are the responsibility of project owners (DPWT). As the project owners, they will play a major role in monitoring and coordination, including:

- Organize resettlement training for the major staff of the Resettlement Office;
- Organize and coordinate the development and implementation of RAPs;
- Guide, coordinate and supervise the resettlement activities and resettlement schedule;
- Organize and check the internal monitoring activities, and compile land acquisition compensation and resettlement progress report; and
- Identify the external monitoring organization and assist the external monitoring activities.

## 6.2 Cost and Budget

40. Each RAP/ARAP will include detailed cost of compensation and other rehabilitation entitlements and relocation of displaced persons, if that be the case, with a breakdown by agricultural land, residential land, business land, houses, businesses and other assets. The cost estimates will make adequate provision for contingencies. The RAP/ARAP will explicitly establish sources for all funds required, and will ensure that fund flow is compatible with the timetable for payment of compensation and provision of all other assistance.

## 6.3 Monitoring and Evaluation

41. To ensure the smooth implementation of RAP/ARAP and achieve the objective of adequately rehabilitating affected people, the project will carry out resettlement monitoring and evaluation in the whole process of land acquisition, demolition and resettlement. **If RAP is required**, the monitoring and evaluation consists of two parts: the internal resettlement monitoring and the external resettlement monitoring and evaluation. **For ARAP**, only internal monitoring will be required.

42. *Internal monitoring*: The purposes of internal monitoring is to ensure the resettlement organizations at various levels can function soundly during the implementation of RAP/ARAP and ensure the legitimate interests of the affected people will not be violated and the engineering work can progress smoothly. The internal monitoring of the project land acquisition, compensation and resettlement work should be organized the Project Resettlement Office with provision of overall guidance from TD/DoR and/or ESD/PTI of MPWT for road subprojects. The Project will hire the supervision consultants including an environmental and social specialist who will assist the TD/DoR and/or ESD/PTI of MPWT and the Project Resettlement Office, on matters related to resettlement and land acquisition. To effectively monitor the work from inside, the personnel responsible for this work in the resettlement organizations will participate in the development and implementation of the RAP/ARAP. They will participate in the internal monitoring during the implementation of the RAP/ARAP. The contents of the internal monitoring include:

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

43. *External monitoring and evaluation:* The external monitoring and evaluation aims to provide regular monitoring and evaluation of resettlement implementation for the Project, in order to assess whether the objectives of the resettlement are achieved or not. Through formal surveys, interview with affected people, focus groups and other survey methods, the external monitoring and evaluation would look at the whole process of the resettlement and rehabilitation for the affected people. The external monitoring will also provide an early alarm system for the project management department and a complaint channel for the affected people. The external monitoring indicators will include:

- Progress: including the preparation of resettlement, and implementation of compensation, relocation and rehabilitation.
- Quality: including to what extent the affected people are satisfied with compensation and rehabilitation.
- Compensation fund: including the payment and use of the funds for land acquisition compensation and resettlement.
- Affected people: including the household economic situation before and after the project and economic rehabilitation of the affected people.

44. A qualified external monitoring organization will come from an independent organization, such as an academic research institute or consultancy in Laos. However they will be selected by ESD/PTI to carry out resettlement monitoring and evaluation for the Project. Its major responsibilities include:

- Observe all the aspects of resettlement plan and its implementation; provide resettlement monitoring and evaluation report to the World Bank through the Project Resettlement Office. This responsibility is detailed in the chapter on external monitoring and evaluation;
- Develop resettlement action plan and conduct production resettlement planning; and
- Provide technical consulting services to the Project Resettlement Office in terms of data investigation and processing.

#### **6.4 Grievance Redress Mechanism (GRM)**

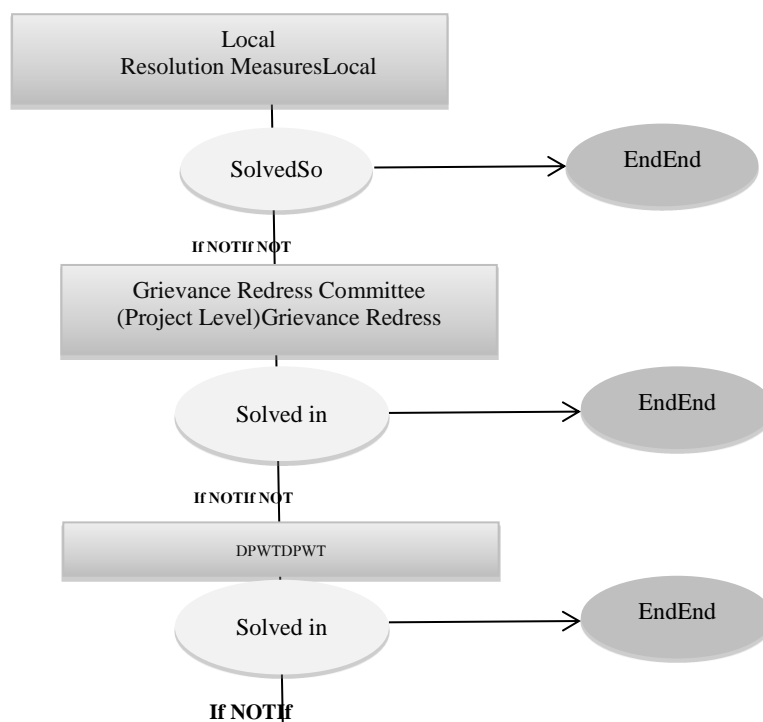
45. RAPs/ARAP will establish means for displaced persons to bring complaints to the attention of relevant project authorities. Grievance procedures should include reasonable performance standards, e.g., time required to respond to complaints, and should be provided without charge to displaced persons. The RAP/ARAP should also state other avenues available to aggrieved persons if the project-related procedures fail to resolve complaints. Article 13 of Decree 192/PM requires the Project to establish an effective mechanism for grievance resolution. The Decree requires that the subproject proponent (i.e. DWPT) is responsible for setting up GRM and take actions to solve the issues.

46. Grievances related to environmental and social issues from ethnic groups that result from Project activities will be resolved by the Grievance Redress Committee (GRC) through the Project

GRM presented in *Figure 6.1* in general. However, the complainant also retains the right to bypass this procedure and can address a grievance directly to the ESD/PTI Office or the National Assembly, as provided for by law in Lao PDR. At each level grievance details, discussions, and outcomes will be recorded in a grievance logbook. The status of grievances submitted and grievance redress will be reported to DPWT management through the monthly report. In order to effectively and quickly solve grievances people may have, the following process will be applied:

- *Stage 1:* If an affected person is not satisfied with the resettlement plan or its implementation, the person can issue oral or written complaint to the village committee or the District Resettlement Office (DRO). If it is oral complaint, the village should deal with this complaint and make written records. Village committee or DRO should solve the complaint within two weeks.
- *Stage 2:* If the affected person is not satisfied with the result of step 1, he/she can file appeal with the Project Resettlement Office (PRO) after he receives the decision made in step 1. The PRO should make a decision within two weeks.
- *Stage 3:* If the affected person is not satisfied with the result of step 2, he/she can file appeal with provincial Resettlement Committee for administrative arbitration after receiving the decision made by the PRO. The administrative arbitration organization should make the arbitrary decision within 10 days.
- *Stage 4:* If the affected person is still unsatisfied with the arbitrary decision made by the administrative arbitration organization, after receiving the arbitrary decision, he/she can file lawsuit with civil court according to relevant laws and regulations in Lao PDR.

Figure 6.1 GRM



If still unresolved, APs may choose to exercise their right under Lao PDR law to refer the matter to a court of law. If still unresolved, APs

47. PAP can make complaint or appeal on all aspects of project design and implementation, including issues related to resettlement. The Feedback Form will be developed under this Project and made available at villages in project areas including where PAP live, for use by PAP to raise complaints or grievances. PAP will be clearly informed of the complaint and appeal channels described above through village meetings and other channels. Media tools should be used to communicate the information. Opinions and suggestions on resettlement provided by various people and organizations should be documented and resettlement organizations at various levels should study and address these issues in a timely manner.

48. The organizations addressing the affected people's complaint and appeal shall not charge any fee. Any expenses incurred due to complaint and appeal should be paid as unexpected expenses by the relevant project implementation agency.

49. The communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to existing project-level grievance redress mechanism or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaints to the WB's independent Inspection Panel which determines whether harms occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at anytime after concerns have been brought directly to the WB's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit [www.worldbank.org/grs](http://www.worldbank.org/grs). For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## **6.5 RPF Consultation and Information Disclosure**

50. The RPF has been developed as part of the ESMF preparation and is an annex to the ESMF. During the preparation of the ESMF, the draft TOR for preparation of the RPF and the first draft RPF have been consulted with the public as well as local authorities and communities in the first year subproject provinces. The TOR and draft RPF have been translated and disclosed in the MWPT website. The RPF is being reviewed by WB and the final RPF will be re-disclosed in the MPWT websites after WB clearance.

### Appendix 1: The Entitlement Matrix

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Productive Land (paddy, garden, and Teak Plantation)	Legal owner or occupant identified during census and tagging	<ul style="list-style-type: none"> <li>• For marginal loss of 10% of land, cash compensation at replacement cost which is equivalent to the current market value of land within the village, of similar type, category and productive capacity, free from transaction costs (taxes, administration fees), or</li> <li>• Replacement land of similar type, category and productive capacity of land within or nearby the village, with land title.</li> <li>• If the impacts on the total productive land is 10 % or more, as a priority, replacement land of similar type, category and productive capacity of land within or nearby the village, with land title, if Land Titling Project is ongoing in the area. If not, land use certificate to be issued. OR at the request of PAP, cash compensation at replacement cost plus assistance to purchase and register land</li> </ul>	<ul style="list-style-type: none"> <li>• Legal owners are those who received land use certificates or land titles from the Land Titling Project.</li> <li>• Voluntary donation will not be applied for any assets except for very minor losses of land holding as defined under this RPF</li> </ul>
Residential Land	Legal owner or occupant identified during census and tagging	<ul style="list-style-type: none"> <li>• <u>With</u> remaining land sufficient to rebuild houses/structures: (i) Cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, and free from transaction costs (taxes, administration fees) and (ii) District government to improve remaining residential land at no cost to PAPs (e.g. filling and leveling) so PAPs can move back on remaining plot.</li> <li>• <u>Without</u> remaining land sufficient to rebuild houses/structures: (i) Replacement land equal in area, same type and category, without charge for taxes, registration and land transfer, with land title if Land Titling Project is ongoing in the area; if not, land survey certificate, OR (ii) cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, free from transaction costs (taxes,</li> </ul>	<ul style="list-style-type: none"> <li>• Legal owners are those who have land use certificates or land titles from the Land Titling Project.</li> <li>• Voluntary donation of minor strips of residential land will only be allowed by the Project provided that the following criteria are strictly complied with: (i) the PAP's total residential land area is not less than 300 m<sup>2</sup>; (ii) if the PAP's total residential land area is more than 300 m<sup>2</sup>, the strip of land that can be donated cannot be more than 5% of the total land area; and (iii) there are no houses, structures or fixed assets on the affected portion of land.</li> <li>• Voluntary donation according to these criteria will follow the process in accordance with World Bank's Operational Policy, which is the same as the Government's Decree 192/PM/2005.</li> </ul>

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		administration fees) plus assistance to purchase and register land.	
Fishpond (Remaining area is still viable or can still meet expected personal or commercial yield)	Owner of affected fishpond	<ul style="list-style-type: none"> <li>• Cash compensation of affected portion at replacement cost which is equivalent to the current market value of fishpond, labor and rent of equipment to excavate fishpond, free from transaction costs (taxes, administration fees)</li> <li>• If the currently held fish stocks will not be harvested before the project takes possession of the fishpond, then cash compensation for the projected mature value of fish stock held at the time of compensation.</li> <li>• District government to restore/repair remaining fishpond. If support cannot be provided by the contractor, the PAP will be entitled to cash assistance to cover for payment of labor and rent of equipment to restore/repair fishpond.</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate time provided for PAPs to harvest fish stocks</li> <li>• Voluntary donation of fishpond land will not be allowed by the Project.</li> </ul>
Totally Affected Houses/Shops, and Secondary Structures (kitchen, rice bins)  Partially Affected Houses/Shops but no longer viable (Will require relocation)	Owners of affected houses whether or not land is owned	<ul style="list-style-type: none"> <li>• Cash compensation at replacement cost for the entire structure equivalent to current market prices of (i) materials, with no deduction for depreciation of the structure or salvageable materials; (ii) materials transport; and (iii) labor cost to cover cost for dismantling, transfer and rebuild; and</li> <li>• Timely provision of dump trucks for hauling personal belongings at no cost to the PAPs.</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate time provided for PAPs to rebuild/repair their structures</li> <li>• Affected houses and shops that are no longer viable are those whose remaining affected portion are no longer usable/habitable.</li> </ul>
Temporary Use of Land	Legal owner or occupant	<ul style="list-style-type: none"> <li>• For agricultural and residential land to be used by the civil works contractor as by-pass routes or for contractor's working space, (i) rent to be agreed between the landowner and the civil works contractor but should not be less than the unrealized income and revenue that could be generated by the property during the period of temporary use of the land; (ii) cash compensation at replacement cost for affected fixed assets (e.g., structures, trees, crops); and (iii) restoration of the temporarily used land within 1 month after closure of</li> </ul>	<ul style="list-style-type: none"> <li>• The construction supervision consultant will ensure that the (i) location and alignment of the by-pass route to be proposed by the civil works will have the least adverse social impacts; (ii) that the landowner is adequately informed of his/her rights and entitlements as per the Project resettlement policy; and (iii) agreement reached between the landowner and the civil works contractor are carried out.</li> </ul>



Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		the by-pass route or removal of equipment and materials from contractor's working space subject to the conditions agreed between the landowner and the civil works contractor.	
Partially Affected Houses and Shops and secondary structures  (Will not require relocation)	Owners of affected houses whether or not land is owned	<ul style="list-style-type: none"> <li>Cash compensation at replacement cost for the affected portion of structure equivalent to current market prices of (i) materials and labor, with no deduction for depreciation of the structure or for salvageable materials (ii) materials transport, and (iii) cost of repair of the unaffected portion;</li> </ul>	
Loss of business income during relocation or during dismantling/repair of affected portion (without relocation)	Owners of shops	<ul style="list-style-type: none"> <li>For businesses (shops) cash compensation equivalent to the daily wage rate (i.e., 10,000 kip /day) multiplied by the number of days of business disruption.</li> </ul>	It will take one day to move the shops if made of traditional materials (bamboo)/movable (can be carried without totally dismantling the structure). It will take about two days to remove and repair affected portion of shop made of permanent materials (such as good wood and concrete). The rate will be verified through interviews with informal shop owners to get an estimate of daily net profit.
Crops and Trees	Owner of crops and trees whether or not land is owned	<ul style="list-style-type: none"> <li>If standing annual crops are ripening and cannot be harvested, cash compensation at replacement cost equivalent to the highest production of crop over the last three years multiplied by the current market value of crops</li> <li>For perennial crops and trees, cash compensation at replacement cost equivalent to current market value based on type, age, and productive capacity.</li> <li>For timber trees, cash compensation at replacement cost equivalent to current market value based on type, age and diameter at breast height (DBH) of trees</li> </ul>	
Permanent loss of physical cultural resources/public structures/village or collective ownerships	Villagers or village households	<ul style="list-style-type: none"> <li>Compensation at replacement cost for present/existing structures based on its present value.</li> </ul>	
Graves located in the affected areas	Owners of graves	<ul style="list-style-type: none"> <li>Compensation for the removal, excavation, relocation, reburial</li> </ul>	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		and other related costs will be paid in cash to each affected family.	
Electricity Poles	Electricity Companies	<ul style="list-style-type: none"> <li>Cash compensation for cost to dismantle, transfer and rebuild</li> </ul>	
Transition subsistence allowance	Relocating households – relocating on residual land or to other sites Severely affected PAPs losing 10% or more of their productive land	<ul style="list-style-type: none"> <li>Relocating PAPs without any impact on business or source of incomes will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 3 months per household member</li> <li>Relocating PAPs with main source of income affected (i.e., from businesses) or PAPs losing more than 10% of their productive land will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 6 months per household member</li> </ul>	
Transportation allowance	Relocating households – to other sites	Provision of dump trucks to haul all old and new building materials and personal possessions	PAPs may also opt for cash assistance. The amount (cost of labor and distance from relocation site) to be determined during implementation
Severe impacts on vulnerable PAPs (Relocating PAPs and those losing 10% or more of their productive assets)	Vulnerable PAPs such as the poorest, or households headed by women, the elderly, or disabled, and ethnic group	<ul style="list-style-type: none"> <li>An additional allowance of 1 month supply of rice per person in the household.</li> <li>Eligible to participate in income restoration program</li> <li>The contractors will make all reasonable efforts to recruit severely affected and vulnerable PAPs as laborers for road construction and road maintenance works</li> </ul>	The poorest will be those below the national poverty line as defined in the poverty partnership agreement with World Bank

## Appendix 2: Sample Feedback Form and Agreement Form

### SAMPLE FEEDBACK FORM

Date: \_\_\_\_\_

Feedback to be transferred to the Feedback and Mediation Committee (FMC) at:

\_\_\_ Provincial Level    \_\_\_ District Level    \_\_\_ Kumban level    \_\_\_ Village level

District: \_\_\_\_\_ Kumban: \_\_\_\_\_ Village: \_\_\_\_\_

Describe the details for prompt response. To assure confidentiality, we will not ask for you identity, unless you specify voluntarily. The Feedback problems are as follows:

Date of the event you would like to feedback: \_\_\_\_\_

Location: \_\_\_\_\_

Person Involved: \_\_\_\_\_

Nature of the Feedback (please describe the information you would like to communicate) :

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What is your request: \_\_\_\_\_

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We hereby proposed the matter for your consideration and assist resolve the issues and concerns

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#### SAMPLE AGREEMENT FORM

Date: \_\_\_\_\_

Feedback was made by the Feedback and Mediation Committee (FMC) at:

\_\_\_ Provincial Level    \_\_\_ District Level    \_\_\_Kumban level    \_\_\_ Village level

FMC Organized Investigation of Feedback Register No. \_\_\_\_\_ at:

\_\_\_ Provincial Level    \_\_\_ District Level    \_\_\_Kumban level    \_\_\_ Village level

In the meeting, it was agreed and resolved that: \_\_\_\_\_

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This agreement is signed by all parties that the feedback case is closed, and no problems or issues remains.

#### **Participant and Witnesses**

Feedback Concerned Persons (*Name of persons who were involved in the case in some way. Note that this does not apply to the plaintiffs-name of plaintiffs shall remain confidential unless complainant/s requested otherwise*)

Name	Position	Signature
1.		
2.		

3.		
4.		

**Feedback and Mediation Committee:**

Name	Position	Signature
1.		
2.		
3.		
4.		

At: \_\_\_\_\_ Date: \_\_\_\_\_

(Signature and Stamp of the Provincial/District Governor Representative)

Report from Feedback and Mediation Committee at:

Village	
Kumban	
District	
Province	

**2/ Reporting period**

From ..... / ..... / ..... to ..... / ..... / .....

**3/ Summary**

Total of feedback received	
Total of feedback solved	
Total of feedback not yet solved	

**4/ Details of the feedback received**

Refer to table below

**Signature and stamp from FMC**

**Date:...../...../.....**



## **Appendix 4: Contents of Land Acquisition and Compensation Report and Resettlement Action Plan**

### **A4.1 Content of Land Acquisition and Compensation Report (Abbreviated RAP)**

- Project Description and Location
- Potential displacement due to proposed subprojects
- Legal Framework
- Census and socioeconomic survey of affected families, properties and businesses
- Impacts caused by displacement
- Entitlement Matrix
- Compensation Valuation Methodology
- Source of Funds and Cost Estimates
- Schedules
- Monitoring and Evaluation

### **A4.2 Outline for a Resettlement Action Plan (RAP)<sup>19</sup>**

- I. Introduction
  - Description of project components
  - Summary Description of adverse impacts and assets acquisition
  - Identification of principal stakeholders including social groups vulnerable to impoverishment or debilitation
  - Indicate measures taken to minimize adverse impacts
- II. Census and Socioeconomic Survey Results
  - Review socio-economic characteristics of Project Affected Persons (PAPs), including: spatial distribution, household size and composition; age-sex structure; income levels, including primary occupation, supplementary sources of income, and subsistence activities; tenure and ownership status (land and structures); characteristics of collective land holdings, including area and qualitative characteristics; characteristics of structures, including construction types.
  - Information should be provided disaggregated by ethnic groups, if any and gender
  - Categories and numbers of PAPs by type and degree of impacts such as:
    - Severely affected households due to loss of productive assets and required to relocate
    - Severely affected households due to loss of residence, business premises
    - Partially affected households likely to be marginalized due to the loss of land, house, or business premises but not required to relocate
    - Households affected by minor impacts, receiving only easement compensation or “moving back” assistance
    - Tenants, laborers, employees, or other non-landed persons adversely affected by the project
- III. Compensation Entitlement Criteria
  - Description of objectives of compensation policy.
  - Eligibility criteria for PAPs, including “cut-off date”, if necessary.
  - Description of compensation entitlements and other forms of assistance for each category of PAPs.
  - Description of specific measures to mitigate adverse impacts on vulnerable groups (if relevant).

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<sup>19</sup> Annex 3 of the Technical Guidelines on Compensation and Resettlement. These Resettlement Technical Guidelines, Nov. 2005. These Guidelines were prepared in accordance with the provisions of the Prime Minister’s Decree No 192/PM on Compensation and Resettlement, issued on 7 July 2005, and the Implementing Regulations on Compensation and Resettlement issued by the STEA.

- Entitlement Matrix.

#### IV. Relocation Plan (if necessary)

- Review of suitability of alternative relocation sites
- Site selection criteria
- Review of environmental protection and management at resettlement sites
- Preliminary relocation options of PAPs
- Review of options for provision of shelter, infrastructure and social services
- Review of consultation procedures with PAPs in selection of resettlement alternatives during implementation
- Socioeconomic data gathering host population, if applicable

#### V. Income Restoration Measures (as necessary)

- Description of eligibility criteria for income restoration measures
- Feasibility analysis of any alternative income restoration programs including use of collective land compensation, training needs of PAPs in the context of employment opportunities and market demand, access to credit and micro-enterprise support for PAPs interested in small business development
- Institutional arrangements to finance and manage income restoration programs

#### VI. Public Participation, Consultation, Disclosure and Grievance Redress Mechanism

- Public Consultation exercises conducted during the RP preparation (provide details), including gender-specific consultation and information disclosure. This would include special attention to guarantee women's assets, property, and land use rights and to ensure the restoration of their income and living standards
- Description of opportunities for PAPs to participate in resettlement planning and implementation
- Procedures adopted for filing complaints, review and decision-making
- Procedures for disclosing RAP and resettlement information on compensation and resettlement options to PAPs in a form and language that they can understand

#### VII. Organizational set-up

- Administrative set-up and plans for training and capacity building as needed

#### VIII. Monitoring and Supervision

- Listing of performance monitoring indicators
- Institutional responsibilities and procedures for internal project monitoring
- Discussion of role, if any, of Community based organization and non-benefit organizations
- Content and frequency of monitoring reports

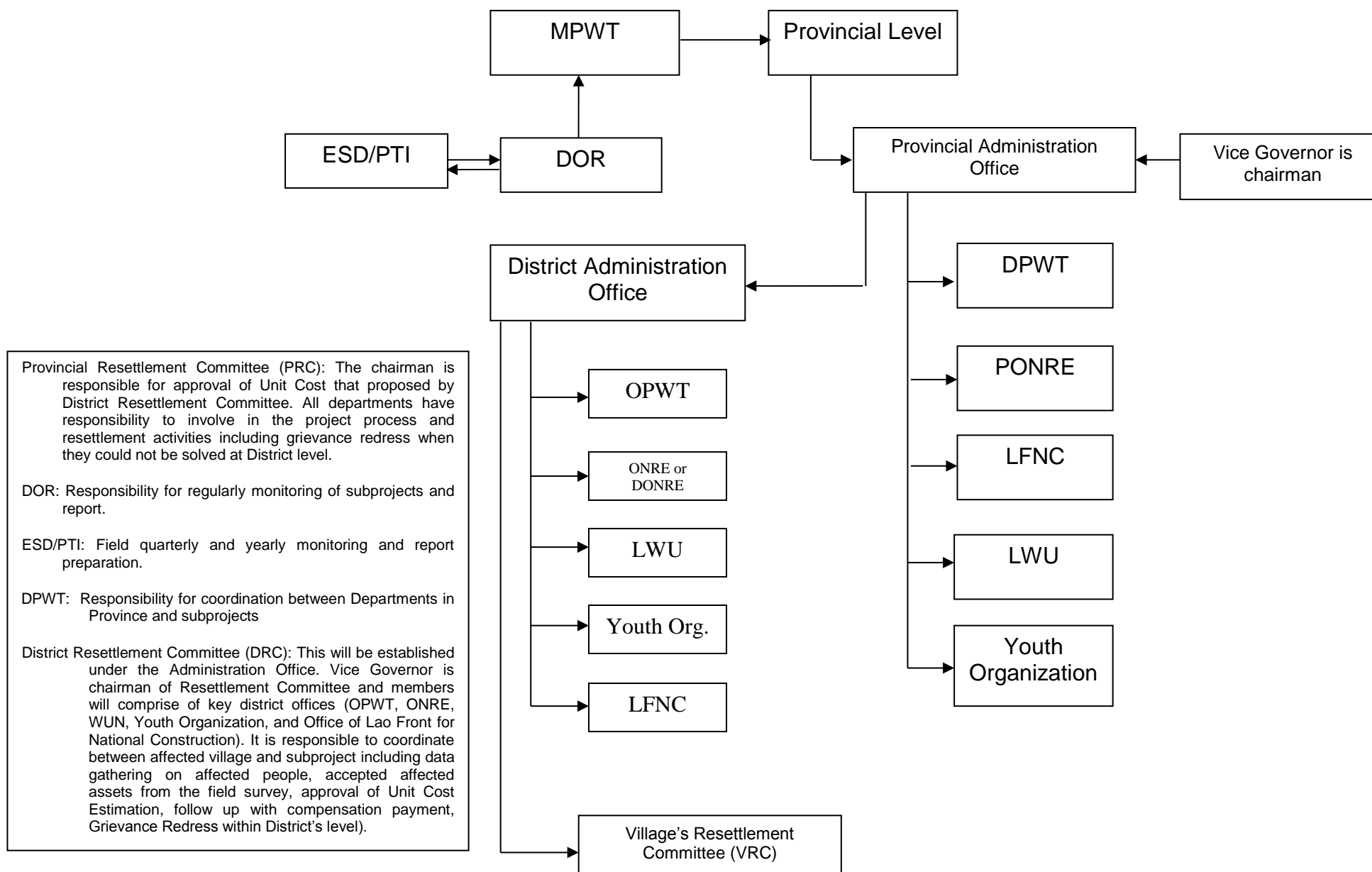
#### IX. Cost Estimates and Budget

- Estimate of aggregate costs for each type of asset loss
- Estimated costs for income restoration programs, administration, supervision and monitoring
- Statement of financial responsibility for all resettlement-related costs
- Physical and Price Contingencies

#### X. Implementation Arrangement

- Timetable for implementation of all resettlement activities, tied to overall subproject timetable
- Procedures for implementation or delivery of key elements, as relevant:
  - Review of land-for-land arrangements, including timetable and funding for development of relocation sites and necessary services or other inputs
  - Review of procedures for payment of compensation
  - Procedures for assessing adequacy of compensation.
  - Operational procedures for job placement, or other income restoration programs

## Appendix 5 Organization for Resettlement and Compensation Committee for Road Works





**Annex 6: Ethnic Groups Development Framework (EGDF) (10 April 2016)**

LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY



Ministry of Public Works and Transport (MPWT)  
The Department of Road (DoR) and  
The Public Works and Transport Institute (PTI)

**Draft Ethnic Groups Development Framework  
(EGDF)****Second Lao Road Sector Project (LRSP-II)**

Project No. (P158504)

**Vientiane, 10 April 2016**

### Abbreviations and Acronyms

ARAP	Abbreviated Resettlement Action Plan	MoNRE	Ministry of Natural Resources and Environment
DMS	Detail Measurement Survey	MPWT	Ministry of Public Works and Transport
DoR	Department of Road	OP/BP	Operation Policy/Bank Procedure
DONRE	District Office of Natural Resources and Environment	PAPs	Project Affected Persons
DRC	District Resettlement Committee	PONRE	Provincial Office of Natural Resources and Environment
DPWT	Provincial Department of Public Works and Transport	PRO	Project Resettlement Office
EIA	Environmental Impact Assessment	PRC	Provincial Resettlement Committee
EG	Ethic Groups	PTI	Public Works and Transport Institute
EGDF	Ethnic Groups Development Framework		
EGDP	Ethic Groups Development Plan	RAP	Resettlement Action Plan
ESD/PT I	Environmental and Social Division of PTI	RMF	Road Maintenance Fund
ESMF	Environmental and Social Management Framework	RMD	Road Maintenance Division
ESOM	Environmental and Social Operations Manual	RoW	Right of ways
ESU	Environmental and Social Unit	RPF	Resettlement Policy Framework
FMC	Feedback and Mediation Committee	SA	Social Assessment
FPIC	Free, prior, and informed consultation	SIA	Social Impacts Assessment
GoL	Government of Laos	VRC	Village Resettlement Committee
GRC	Grievance Redress Committee	WB	World Bank
GRM	Grievance Redress Mechanism		
GRMS	Grievance Redress Mechanism Services		
IEE	Initial Environmental Examination		
Lao PDR	Lao People's Democratic Republic		
LAR	Land acquisition and resettlement		
LACR	Land acquisition and compensation report		
LRSP-II	Lao Road Sector Project-II		
LFNC	Lao Front for National Construction		
LRSP	Lao Road Sector Project		
LWU	Lao Women Union		

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## I. Introduction

1. This document is the Ethnic Groups Development Framework (EGDF) for the second Lao Road Sector Project (LRSP II or the Project) which is being prepared by the Ministry of Public Works and Transport (MPWT) through the Department of Planning and Cooperation (DPC), the Public Works and Transport Institute (PTI), the Department of Road (DoR), and other departments for possible financing by the World Bank (WB).

### 1.1 The Project

2. The Project activities will be implemented through the following components: (1) *Climate Resilient Road Maintenance* aiming to support provincial and district road maintenance works and technical assistance and operating cost for supervision and quality assurance for maintenance works and road data collection; (2) *Institutional Strengthening* aiming to support (i) sector policy and strategic planning, (ii) road asset management and traffic safety, and (iii) capacity building for use of Public-Private-Partnership (PPP) in the road sector; (3) *Contingency Emergency Response*; and (4) *Project Management*. Six priority provinces including Phongsaly, Oudomxay, Houaphan, Xiengkhouang in the northern mountainous region and Xayabouly and Bolikhamxay in the central region have been identified for implementation of the road maintenance activities to be carried out under Component 1.

3. Project will be implemented following the government system. The MPWT will be the implementing agency and the Department of Planning and Coordination (DPC) will be responsible for overall coordination and management of the Project. The Department of Road (DoR) will be responsible for implementation of road activities under Components 1, 2, and 3 while the Department of Transport (DoT) will be responsible for implementation of traffic safety under Component 2. The provincial Department of Public Works and Transport (DPWT) of the Project provinces is responsible for planning and implementation of the provincial and district road maintenance works to be carried out under Component 1 and 3 as the subproject owner. The Environment and Social Division of PTI (ESD/PTI) is responsible for supervision and monitoring of environment and social safeguards including training and reporting. Other MPWT departments are also involved in the implementation of the Project.

### 1.2 Need for EGDF

4. Among the proposed Project activities, the road maintenance and climate resilient subprojects to be implemented under Component 1 might include subprojects involved with potential land acquisition and/or resettlement impacts and/or ethnic minority (such as Hmong, Khmu, Mien, Makong, Bru and others) who are known in Lao PDR as Ethnic Groups (EG) and meet WB eligibility criteria under OP/BP 4.10. To mitigate these impacts, OP/BP 4.10 require that special planning measures be established to protect the interests of ethnic groups (i.e. social groups with a social and cultural identity distinct from the dominant society that makes them vulnerable to being disadvantaged in the development process). The EG are considered to be vulnerable ethnic communities in Lao PDR as their livelihood is heavily based on subsistence agriculture and forest. The presence and involvement of these EG triggers the WB operational policy on *Indigenous Peoples (OP/BP 4.10)*. As a prerequisite to WB support, the Project must meet the requirements of OP/BP 4.10.

5. Project provinces are located in remote areas and mostly with limited road access it is likely that the subproject may be located in areas with ethnic populations. Given that the Project aims to improve quality, stability, and safety of existing provincial and district roads and climate resilient all local population, including ethnic communities, will collectively benefit from the Project. However minor impacts may also occur and need special mitigation measures. OP/BP 4.10 requires for screening of EG community in the subproject area and if they are present preparation of an Ethnic

Group Development Plan (EGDP)<sup>20</sup> will be required. *Free, prior, and informed consultation (FPIC)* will be necessary during the planning and implementation.

6. Given that all the subproject works and locations are not known before appraisal and to ensure that affected EG populations will have opportunity to derive benefits under the Project and treated appropriately if they are negatively affected, an Ethnic Groups Development Framework (EGDF) has been developed describing the policy for consultation procedure (FPIC) for the subprojects to ensure that the EG *can voice their concerns and their opinions are heard throughout the project preparation and implementation process*.<sup>21</sup> Need for preparation of an EGDP will be identified during the safeguard screening to be conducted as part of the road maintenance investment plan which will be prepared annually. WB approval of EGDP will be required. The EGDF is an integral part of the Environment and Social Management Framework (ESMF) and is included as an annex to the ESMF prepared for the Project. Data collection during the safeguard screening of the proposed first years subprojects in Bolikhamxay and Xayabouly suggested that EG communities are not present in the subproject areas and preparation of EGDP for these two subprojects will not be required.

## II. Project Description Related to OP/BP 4.10

7. Under the Component 1, road maintenance and climate resilient works to be carried out under Component 1 will include periodic maintenance, spot improvement, and routine maintenance through performance-based contracts. Spot improvement of critical sections aims to improve the roads' climate resilience and may include elevating flood prone road sections, paving road sections with steep slopes and sections passing through large communities, drainage improvement/ construction, and slope improvement/stabilization. Given the limited size of the investment and low traffic volume, spot improvement activities would be carried out only on critical sections of the existing carriageway, not the whole road, within the existing right of way and may involve minor re-alignments to improve road safety and strengthening road climate resilience. Periodic maintenance would include re-gravelling and re-sealing of existing roads, and routine maintenance would include drainage cleaning, patching of potholes, clearing of roadside vegetation, light grading, etc.

## III. Policy, Legal, and Institutional Settings

### 3.1 Government Policy, Plan, and Program

8. *GOL policy and plan for poverty reduction:* In Lao PDR, the Five Year Plan from 2005-2010 aimed to eradicate the poverty with a target of reducing 50% of the poverty households by 2010 and 0% by 2020. To achieve this objective, a number of policies, plans, and programs have been implemented and those related to ethnic communities include: support for food security, commercial agriculture production, rural development, infrastructural development, external economic relations, and improve access to services. Since 2000, villages are responsible for data collection on the living condition of families. Data suggested that Mon-Khmer and Hmong-Mien and Sino-Tibetan ethnic communities are the poorest in the country and identifies several causes of poverty including problems pertaining in land availability for food production and income generation. The National Socioeconomic Development Plan (NSED 2001-2005) focused on poverty reduction in the poorest areas and links poverty reduction to stop "pioneer shifting cultivation or slash and burn new forest area", however, the "rotational cultivation" may still be maintained. The sustainable land and forestry development programs are promoted by the GoL.

<sup>20</sup> In Lao PDR, the term Ethnic Groups is used for ethnic minority and the term Ethnic Groups Development Plan is used for the Indigenous Peoples Development Plan (IPDP) as required by OP/BP 4.10.

<sup>21</sup> The consultation procedure is in line with the National Guidelines on Consultation with Ethnic Groups in Lao PDR which was established in 2013 by the Lao Front for National Construction (LFNC) which is responsible for overseeing all matters related to ethnic communities in Lao PDR.

9. *GOL Policy and Legislative Framework on Ethnic Community:* The 1991 Constitution defined Lao PDR as a multi-ethnic state, with “equality among all ethnic communities” as described in the Constitution and the party policy as follows:

- The Constitution of Lao PDR (1991) defines that all "citizens of all ethnicity" have rights in education, health, land use and ownership, domicile of choice, and economic development regardless of sex, religion, social status, education, or ethnicity; as well as freedom of religion, freedom of speech; freedom to peacefully assemble and to protest. All citizens have the right to work and carry out their chosen livelihoods. Articles 8 and 22, guarantee that there will be no discrimination on the basis of ethnicity or gender. Articles in the Constitution where ethnic People are specifically mentioned are as follows: Article 1 – Lao PDR is a nation unified and indivisible of all ethnic communities; Article 2 - all power is of people, by people, and for the use of the multiethnic people; Article 3 - the right of a multi-ethnic people to be owners of the nation is exercised and guaranteed by the political system; Article 7 - mass organizations are the focal point for the solidarity and mobilization for citizens of all backgrounds and ethnicity as participating members in the safeguarding and edification of their rights and interests; Article 8 - the State will carry out a policy of unity and equality among the various ethnic communities. All ethnic communities have the right to preserve and improve their own traditions and culture and those of the nation. Discrimination between ethnic communities is forbidden. The state will carry out every means in order to continue to improve and raise the economic and social level of all ethnic communities; Article 13 - the economic system is for the purpose of improving the standard of living, materially and spiritually, of a multi-ethnic people; Article 19 - the State and the people will collaborate to build schools of all levels in order that a complete education system will be available to all, especially areas inhabited by ethnic People; and Article 22 - all Lao citizens, regardless of their sex, social position, education, beliefs or ethnicity, are equal before the law.
- The 1992 ethnic policy, *Resolution of the Party Central Organization concerning Ethnic Affairs in the new Era*, focuses on gradually improving the living conditions of the ethnic communities, while promoting their ethnic identity and cultural heritage. The general policy of the Party concerning the ethnic communities include: Build National Sentiment (national identity); Realize Equality among ethnic communities; Increase the Solidarity Level among ethnic communities as members of the greater Lao family; Resolve Problems of Inflexible and Harmful thinking, as well as economic and cultural Inequality; Improve the living Conditions of the ethnic communities step by step; Expand, to the greatest extent possible, the good and beautiful Heritage and ethnic Identity of each group as well as their Capacity to participate in the affairs of the nation.

10. *Other GoL related policy and legislation:* Given that most of ethnic minorities depends on subsistent agriculture and natural resources, they are also affected by other policies, and legislation related to land use and management of natural resources and the key ones are highlighted as follows:

- *The 1997 Land Law:* The GoL considers Land as the National Community Property that is administered by the State for use and as a mean for all Socio-Economic Development. All the lands must be used effectively and to be based on the macro-level and micro-level development planning. There is no personal ownership of land, but the citizens are allowed to use it and have a customary right to its resources. The Land Law also stipulates that, in case of public infrastructure development projects cause damages to trees, crops or buildings of the private owners, the land owners have the rights to be compensated for the damages. Ethnic communities maintain land tenure user rights equal to all Lao citizens with certain specifications and even preferential access and customary user rights to certain forest products (Forestry Law,

Article 30; MAF Regulation 535; MAF Orders 54 and 377). Customary rights on land use among the ethnic communities are passed down from generation to generation. Traditionally, no land titles were involved and no boundaries were officially demarcated. In remote rural areas, these customary rights are still practicing to the acceptance of the local authorities widely. Many ethnic communities have traditionally recognized certain areas of forest as sacred forest sites. In addition, among ethnic communities, individuals or households were considered to be the owners of specific trees, such as those used for resin-tapping or that may have ancestral spiritual significance. These are important aspects of village cultural and economic life that need to be investigated and strictly respected.

- However, as part of GoL efforts to allocate the land to individuals and to demarcate the village forest and land boundaries for proper land use planning and forest management in a sustainable way and the establishment of MoNRE and promulgation and/or revision of several legislations, it is expected that there may be some changes in ways to manage and uses land, forest, and other natural resources. MoNRE is revising the land law, water law, and promulgated a number of decrees to manage protected areas and protection forest.
- *Compensation and resettlement (Decree 192/PM)*: this decrees aims to protect the right of affected peoples by investment projects include ethnic minorities. The decree aims at ensuring that the losses incurred by affected people are redressed such that Affected Persons share project benefits, are assisted to develop their social and economic potential in order to improve or at least restore their incomes and living standards to pre-project levels. The decree however being revised in line with the current institutional arrangement and improve implementation effectiveness.

### 3.2 Institutional Arrangements

11. Key organizations responsible to implement the above policies are as follows while GoL agencies and provinces are responsible for compliance of the policy, plans, and regulations related to ethnic communities established by these organizations:

- The “Ethnic Communities Committee” under the National Assembly, is in charge of drafting and evaluating all legislation concerning ethnic communities, lobbying for its implementation and the implementation of its socio-economic development plans.
- The “Institute for Cultural Research” under the Ministry of Information and Culture, is responsible for carrying out all ethnic research activities.
- The “Lao Front for National Construction (LFNC)” as the mass (political) organization, is the lead institution for ethnic affairs.

### 3.3 World Bank Policy on Indigenous People (OP/BP 4.10)

12. *Indigenous Peoples (OP/BP 4.10)*: These instruments represents the World Bank’s commitment to poverty reduction and sustainable development by enshrining respect for the cultures, environments, economies and rights of indigenous peoples. The OP/BP 4.10 requires that the projects affecting indigenous peoples (IP) must ensure: (a) IPs are engaged in an a process of free, prior and informed consultation; (b) The consultation process results in broad community support for the project; (c) Social analysis is undertaken to ensure potential impacts on IPs are identified; and (d) An IP plan is developed to ensure IPs receive culturally appropriate project benefits, and that adverse impacts are avoided, minimized, mitigated, or compensated. It also mentions that where IPs are the sole or overwhelming majority of project beneficiaries, a separate IP Plan is not required, and that

requirements outlined above be integral to the project documents as appropriate. The “Indigenous Peoples” as described by World Bank is not commonly used in Lao PDR, but after discussion it has been agreed that the official terminology “Ethnic Group” (EG) can be used to represent small groups of ethnic communities and the term “Ethnic Group” will be used throughout this report.

#### IV. Social Assessment and Potential Impacts

13. A quick social assessment was conducted by reviewing reports and documents related to EG and potential impacts due to road development in Lao PDR during the past 10 years and discussion with WB specialists on EG issues. Key findings are briefly summarized below.

##### 4.1 Ethnic Community National Profile and Classification

14. Lao PDR is a cultural diverse country. Although the Lao language is the official language, other ethnic languages are still used among different ethnic groups. Most ethnic groups do not have the written language and their traditional customs and religious beliefs vary according to the ethnic groups they belong to. Buddhists form the big majority and they mainly belong to the general Lao peoples.

15. In order to adapt to the new changes and bring forth unity among various ethnic communities in Lao PDR, the LFNC identified 49 ethnic categories and more than 160 ethnic sub-categories. The official terminology uses in the Constitution for describing the diverse population of the Lao PDR has been “Bunda Chon Phao” or “all ethnic communities”, while the name of the groups is normally used to classify the EG. According to LFNC, the Lao ethnic communities are categorized into four ethno-linguistic communities as below:

- The “Lao-Tai” (also referred to as “Tai-Kadai”), which includes the dominant “Lao ethnic communities” and the “lowland Tai” speaking communities. The “Lao-Tai” consists of 8 ethnic sub-communities as in [Table A6-1](#).

**Table A6-1: List of Ethnic Community under Lao-Tai Linguistic Group**

	Sub-Ethnic		Sub-Ethnic		Sub-Ethnic
1	Lao	4	Tai	7	Phutai
2	Leu	5	Nhuane	8	Yang
3	Xaek	6	Tai neua		

- The second linguistic group is “Austro-Asiatic, also called Mon-Khmer” group, which consists of 32 ethnic sub-groups ([Table A6-2](#)).

**Table A6-2: List of Ethnic Groups under Mon-Khmer Linguistic Group**

	Sub-Ethnic		Sub-Ethnic		Sub-Ethnic
1	Khmou	12	Phong	23	Bid
2	Pray	13	Thene	24	Lamed
3	Xingmoon	14	Eudou	25	Samtao
4	Katang	15	Makong	26	Taoey
5	Yru	16	Triang	27	Katu
6	Yae	17	Brao	28	Kriang
7	Hahak	18	Oey	29	Suay
8	Jeng	19	Kadang	30	Pako
9	Nhaheun	20	Lavy	31	Nguane
10	Kmer	21	Toum	32	Tri
11	Moy	22	Kree		



- The “Hmong-Iomien” group which consists of 2 ethnic subgroups: Hmong and Lomien (Lomien is also called Yao) (Table A6-3).

**Table A6-3: List of Ethnic Group under Hmong-Lomien Linguistic Group**

	Sub-Ethnic		Sub-Ethnic		Sub-Ethnic
1	Hmong	2	Iomien		

- The “Chinese-Tibetan” (also referred to as “Sino-Tibetan”), which includes the Chinese and Tibeto-Burman Ethnic Community and consists of 7 ethnic subgroups (*Table A6-4*).

**Table A6-4: List of Ethnic Groups under Chinese-Tibetan Linguistic Group**

	Sub-Ethnic		Sub-Ethnic		Sub-Ethnic
1	Akha or Ko	4	Phounoy	7	Lolo
2	Sila	5	Lahou		
3	Hor	6	Hayi		

## 4.2 Ethnic Groups in Project Provinces

16. **Challenges:** Most Ethnic Groups in Lao PDR are poor and disadvantaged. Despite the efforts made by the GoL institutions to improve the socioeconomic conditions of these peoples, many of them still lag behind other Lao peoples especially in terms of poverty rates, literacy and health. Many ethnic groups still cannot speak and read Lao language and thus unable to effectively make use of schools and health clinics, which have only Lao speaking staff. Most of the ethnic groups are staying in the remote areas of the country and difficult to reach for proper village development. Most of these peoples live on subsistence agriculture while efforts are being made by GoL and development partners to promote additional practices on handicrafts and local trade. Background information on the Project provinces is presented in ESMF Annex 1 and those related to ethnic communities are briefly summarized in Appendix 1).

17. However, although it is well accepted that Hmong, Khmu, Mien, Makong, Bru and others are considered as an EG and most of them living in and around national protected areas of the target provinces, detailed information on ethnic communities and ethnic groups in the Project provinces is lacking. It is expected that detailed information for other provinces will be collected when preparation of EGDP for the subproject is required. Nonetheless review of the EGDP prepared for Phongsaly<sup>22</sup> suggested the following ethnic structure:

- Survey suggested that there were 28,946 households in Phongsaly province, with average household (5.7 persons/HH) of which around 89% are ethnic communities of with 48% belonging Sino-Tibetan language communities; 23.4% being Mon-khmer language group, and 7.2% as Hmong-mien language group. Among 557 villages in 7 districts, there are 458 villages (82%) with at least over 79% of population as ethnic communities. Most of them (269 villages) belong to Sino-Tibetan language communities, and remaining 189 villages belonging to Mon-khmer and Hmong-mien language communities. Among those 99 villages of Lao-Tai language communities, 79 villages (80%) are ethnic communities other than Lao. There is a high concentration of poverty households in Phongsaly Province, and about 60% of villages were considered as poor villages and over one

<sup>22</sup> Phongsaly Province is located in the north part of the country bordering with China and Vietnam. Preparation of an EGDP was conducted for the National Road 1 B as part of an upgraded road including paving of road surface.

quarter of households is considered as poverty households. There is similar proportion of poverty villages and poverty households in the LRSP project affected areas.

### 4.3 Potential Project Impacts on the Ethnic Groups

18. *Potential Positive Impacts:* Implementation of the Project will be positive. As road maintenance will benefit rural residents in the six provinces which have high poverty and high vulnerability to natural disasters by reducing road closures due to slope failure or flooding. The closures directly affect access to basic services, and markets, and negatively affect incomes and livelihoods. In addition, strengthening central-local coordination and the capacities of MPWT for strategic planning, integration of climate change adaptation into sector strategies, enhanced coordination between central and local levels, governance and accountability, monitoring and evaluation, and coordination with development partners will enhance sustainability of road access. Ethnic communities and ethnic groups will benefit from improving quality of road maintenance and served by the roads. In area where surfacing is made, dust generation will be significant reduce and improve health of local residents. Results from the consultation with local authorities and communities in Bolikhamxay and Xayabouly confirmed the appreciation of local peoples and local supports and that EG communities are not present in the first year subprojects and preparation of EGDs will not be required for these two subprojects.

19. *Potential negative impacts:* Potential negative impacts of the Project will be minor, short term and temporary. Results from consultation suggested that key concerns are increased in dust, noise, wastes, local traffic, road safety, and nuisance during construction and road safety during operation and these impacts will be mitigated through effective management and supervision of contractors, improvement of road safety signs, and implementation of road safety measures by local communities. Implementation experience under the on-going LRSP suggested that these impacts during construction could be adequate mitigated through close supervision and monitoring of contractors.

## V. EGDF Principles and Procedures

### 5.1 Basic Principles of the EGDF

20. The basic principles of the EGDF to be applied to the LRSP-II<sup>23</sup> will be as follows:

- **Scope:** Ethnic group peoples can be identified in particular geographical areas by the presence in varying degrees of the following characteristics: (a) a close attachment to ancestral territories and to the natural resources in these areas; (b) self-identification and identification by others as members of a distinct cultural group; (c) an indigenous language, often different from the national language; (d) presence of customary social and political institutions; and (e) primarily subsistence-oriented production.
- Based on the above characteristics, there are many ethnic groups in Laos. According to LFNC classification, four linguistic groups with 49 ethnic categories (see section 4.1) will be applied. They are Lao-Tai, Mon-Khmer, Hmong-lomien, and Sino-Tibetan groups. The Bank has determined that OP/BP 4.10 will apply to at least three linguistic groups except for Lao-Tai, who still maintain cultural and socioeconomic practices different than those practiced by the Lao national majority.
- In the context of this Project, it is important to note that the OP/BP 4.10 refers to social groups and not to individuals. The primary objectives of OP/BP 4.10 are: (a) to ensure that such groups are afforded meaningful opportunities to participate in planning that affects them; (b) to ensure that opportunities to provide such groups with culturally

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<sup>23</sup> The principles are similar to the EGDF being applied to the on-going LRSP.

appropriate benefits are considered; and (c) to ensure that any project impacts that adversely affect them are avoided or otherwise minimized and mitigated.

21. Since the road maintenance and climate resilient component will include subprojects across the six Project provinces which are located in the north and central, they will benefit ethnic groups inhabited in these provinces. To ensure that all communities are consulted properly, the following principles will be considered during the data collection and FPIC process of the subprojects (see Section 5.3):

- All communities will be approached in the spirit of honest and constructive collaboration, and clearly explained about the rationale for road safety, and of the subproject's purpose, activities, potential benefits and potential losses.
- Where broad community support is not established based on "*free, prior and informed consultations*", such communities have the right to file a complaint on the Project. In order to minimize the risk that a broad community support is not established, all efforts will be made through active participation of local communities especially women and vulnerable groups.
- All communities, regardless of their ethnic group or social status, will be engaged in an inclusive and culturally relevant manner on the basis of a free, prior and informed consultation aimed at establishing broad-based and sustainable community support for the subproject.
- All communities will be informed by the responsible DPWT throughout the subproject implementation through appropriate means of information, education and communication. If needed, communication throughout the subproject cycle will use appropriate information, education, and communication materials to respond to issues of language and ethnicity, literacy/illiteracy, gender, and social vulnerability.
- All communities will have the opportunity to participate in and benefit from the subproject as well as take on the responsibility to adhere to road safety rules and sustainable road maintenance.
- Subprojects will give sufficient attention to encourage women to play an active role in the consultation process. During implementation, the women will be: (a) consulted and their concerns addressed; (b) given the opportunity to participate in community group meetings, focus group discussions, planning and implementation; and (c) represented equally in the Grievance and Redress Committees (GRCs).

## 5.2 EGDF Objective and Procedure

22. This EGDF has been prepared in order to provide some general principles and procedures that will be applied during project implementation, if ethnic groups are reported in any of the subprojects. Therefore, the purpose of the framework is *for ensuring that FPIC is allied and that ethnic groups is given a voice and an opportunity to participate in the Project*. To achieve this objective, the key 4 steps will be carried out below.

### ***Step 1: Screening for ethnic people among beneficiary populations***

23. The Project has been designed to recognize that a 'meaningful' participation by poor and disadvantaged groups of people in a society requires special focus that goes beyond routine project implementation management. In the Environment and Social Operation Manual (ESOM) for MPWT, detailed screening criteria and guidelines on social assessment and resettlement aspects are included.

Under the Project, the subproject will be subject to safeguard screening (using forms in ESMF Annex 2) during selection of subprojects stage which will be carried out as part of the annual work plan preparation.

24. However since the proposed subprojects will be limited to road maintenance (periodic and routine) of the existing provincial and district roads and spot improvement to address climate resilient and/or safety the activities will be carried out mostly within the existing right-of-ways (RoW), a quick assessment will be undertaken to identify and/or re-confirm the following:

- The local agencies especially the provincial and district PONRE/DONRE, LFNC, and LWU are aware of the subproject and willing to actively participate during the subproject implementation;
- The local community located within 100 m from the RoW are informed/consulted and majority support the subprojects;
- The number of local communities and/or individual to be negatively affected by the subproject activities due to land acquisition, relocation of assets/trees, and/or restriction of road access;
- The safeguard screening and consultation process will provide guidance on scope of data collection on social and economic and technical aspects of each subproject. If the social screening and consultation confirms that no ethnic group populations exist in the project areas, no further action is necessary. If the safeguard screening and consultation indicate that there are potential social issues because of ethnic group populations in such subproject, DPWT will consult ESD/PTI and/or WB for guidance;

25. The Project is committed and will ensure that local communities are (i) consulted in matter relating to each subproject, (ii) provided opportunities for participation in decision making related to the subproject, and (iii) provided opportunities for participation in subproject activities should they so desire.

### **Step 2: Principles and procedures applied where the subproject involves ethnic groups**

26. If the ethnic groups is among beneficiary populations and/or will be negatively affected by the subproject, a basic social economic profile of beneficiary population or project affected people will be developed by collecting both qualitative and quantitative data in the project areas from local authorities and consultation with the ethnic groups with an aim that *all ethnic groups can voice their concerns and their opinions are heard throughout the project preparation and implementation process*. Special attention will be given to hear voices from women and disadvantages peoples. Consultation with the ethnic groups will also be in line with the national guideline on ethnic group consultation issued in 2013 by the LFNC.

27. The DPWT of the Project provinces with technical guidance from the ESD/PTI of MPWT will ensure that full consultation, in a language spoken by the ethnic groups, and invite participation of ethnic groups are fully taken into account during preparation and implementation of subprojects, while respecting their current practices, beliefs and cultural preferences. The outcome of the consultations will be documented into the project documents. Section 5.3 provides more details on the consultation framework and procedures.

28. If the ethnic people conclude that the project will be beneficial, or non-harmful to their way or life or cultural beliefs, and the adverse impacts are minimal measures and assistance will be developed based on consultation with ethnic groups and local LFNC. The community should also be consulted to ensure that their rights and culture are respected. The assistance may also include

institutional strengthening and capacity building of ethnic villages and community groups working with the subproject.

### ***Step 3: Reporting, Monitoring, and Documentation***

29. ESU/DPWT will keep all documents related to safeguard screening, consultation, and social assessment (if warranted) in the subproject file for possible review by EST/PTI and/or WB. ESD/PTI will monitor the implementation of the safeguard screening, quick social impact assessment, and consultation process of the subprojects periodically and include the results in the six month and annual monitoring reports. The WB supervision missions will periodically pay special attention to ensure that the subproject affords benefits to vulnerable groups and ethnic minorities.

### **5.3 Consultation Framework for Ethnic Groups under EGDF**

30. The consultation framework aims to ensure that ethnic groups are well informed, consulted and mobilized to participate in the subprojects so that clarity could be provided regarding the potential benefits as well as potential negative impacts. Consultation with EG will be made during the preliminary screening process and the development and implementation of an EGDP if needed. Consultations with and participation of ethnic groups, their leaders and local government officials will be an integral part of the EGDP. Scope of the EGDP should include preliminary screening, social assessment, mitigation measures, development assistance, and monitoring (see [Appendix 2](#)) and ESD/PTI will provide training to ESU/DPWT if preparation of an EGDP is needed.

31. ***Preliminary Screening:*** As mentioned above (Step 1) that safeguard screening form being used under ESOM is provided in ESMF Annex 2. Specific procedure for consultation during the preliminary screening is highlighted as follows:

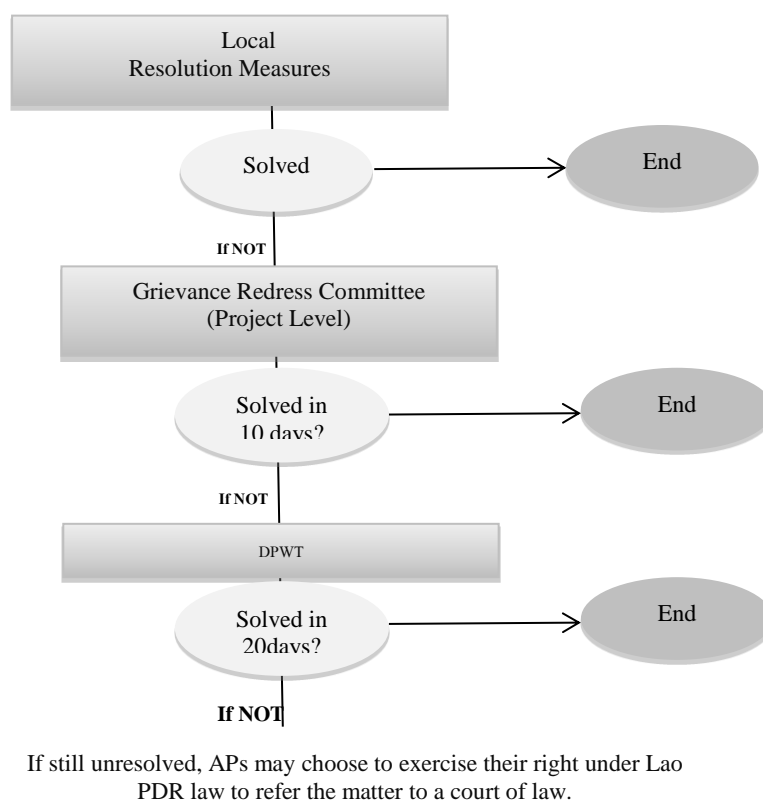
- All subproject areas which have ethnic group communities and are candidates for the Project support will be visited (at the time of first consultation with communes) by DPWT and ESD/PTI, relevant local authorities, and consultants (if any).
- Prior to the visit, respective DPWT and/or ESD/PTI will send a letters to the communities informing their leaders that they will be visited by the respective DPWT and/or ESD/PTI and local authorities and consultation will be conducted on the subproject. The letter will request that the communities invite to the meeting representatives of farmers, women associations and village leaders for discussion on the subproject. During the visit, the community leaders and other participants will present their views with regards to the subproject.
- At this visit, the social scientists (ESD/PTI and/or consultants) will undertake a screening for ethnic minority population with the help of ethnic group leaders and local authorities. The screening will check for the following: (a) names of ethnic groups in the affected village; (b) total number of ethnic groups in the affected villages; (c) percentage of ethnic people in affected villages; (d) number and percentage of ethnic households along the zone of influence of the proposed sub-Project.

31. If the results show that there are ethnic group communities in the zone of influence of the proposed subproject, a social impact assessment will be planned for those areas. Data collection and screening of the first year subproject of LRSP-II suggested that EG community is not involved and preparation of an EMDP for these two subprojects will not be required.

## 5.4 Grievance Redress Mechanism (GRM)

32. Grievances related to environmental and social issues from ethnic groups that result from Project activities will be resolved by the Grievance Redress Committee (GRC) through the Project GRM presented in *Figure 6.1* in general. However, the complainant also retains the right to bypass this procedure and can address a grievance directly to the ESD/PTI Office or the National Assembly, as provided for by law in Lao PDR. At each level grievance details, discussions, and outcomes will be recorded in a grievance logbook. The status of grievances submitted and grievance redress will be reported to DPWT management through the monthly report.

Figure 6.1 GRM Process



33. The communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to existing project-level grievance redress mechanism or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaints to the WB's independent Inspection Panel which determines whether harms occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at anytime after concerns have been brought directly to the WB's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit [www.worldbank.org/grs](http://www.worldbank.org/grs). For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).








## 5.5 EGDF Consultation and Information Disclosure

34. The EGDF has been developed as part of the ESMF preparation and is an annex to the ESMF. During the preparation of the ESMF, the draft TOR for preparation of the EGDF and the first draft

EGDF have been consulted with the public as well as local authorities and communities in the first year subproject provinces. The TOR and draft EGDF have been translated and disclosed in the MWPT website (ESD/PTI). The EGDF is being reviewed by WB and the final EGDF will be re-disclosed in the MPWT websites after WB clearance.

## Appendix 1: Summary of Ethnic Communities in the Project Provinces

Background on the six Project provinces are provided in the ESMF Annex 1 and information regarding ethnic communities and ethnic groups are briefly presented in this appendix. Map below show locations of the provinces and key ethnic groups known to be present in the provinces.

Bolikhamxay	Xiengkhouang	Houphphan	Xayabouly	Oudomxay	Phongsaly
					
Ethnic Group					
Hmong, Khmu, Phong, Toum, etc.	Khmu, Hmong.	Hmong, Khmu, Lao Fong, Singmoun, Iumien or Yao, Moy or Meuang, and Chin or Hor.	Khmu, Htin, Phai, Kri, Akha, Malabri	Khmu, Akha, Ly, Yang, Ikho, Hor	Khmu, Yao, Leu, Hor, Hmong, Akha, Yang, Bid, Lolo
Ethnic Community					
22 communities of which major Lao is about 60% of total population (see Table A6.1)	3 communities Lao Tai (Tai Dam, Tai Daeng, Phuan), Khmu, and Hmong. Majority Laos, is over 50% of the total population in the province (see Box A6.1).	9 communities Lao Tai, Hmong, Khmu, Lao Fong, Singmoun, Iumien or Yao, Moy or Meuang, and Chin or Hor.  Lao majority is about 80% of total population. <u>Table A6.2</u>	Tai Lue. Other communities are the Khmu, Tai Dam, Htin, Phai, Kri, Akha, and Malabri	14 communities comprising <a href="#">Khmu</a> (60–80%, <a href="#">Lao Loum</a> (25%), <a href="#">Hmong</a> (15%). Others include <a href="#">Akha</a> , Phouthai (Thai Dam & Thai Khao), Phou Noy (Phou Xang, Phou Kongsat, Phou Nhot), Lao Houy (also “Lenten”), Phouan, Ly, Yang, Ikho and Ho.	13 communities with independent language and culture identity: Khmu, Tai Dam, Tai Daeng, Yao, Leu, Hor, Hmong, Akha, Yang, Bid, Lolo and others.
					





#### Box A6.1 Key characteristics of main ethnic communities

- Tai Dam:* The Tai Dam migrated from northern Vietnam to Laos 80–300 years ago. They are not Buddhists, instead they practice a form of ancestor and spirit worship. Tai Dam is well known producers of fine quality silk and cotton textiles and many women export directly to markets in Japan and the USA. Old Tai Dam women still wear the traditional blue indigo cotton shirt, skirt and a black turban woven with colored patterns. They produce rice alcohol, called ‘lao lao’, that is consumed socially and used for ritual purposes. Tai Dam settles in upland valleys near streams and irrigable and accessible plains scattered among Lao and Phuan villages. They built rectangular symmetric houses on piling, foot pounder and rice granary are under the house. The villages are composed of 15–60 houses and are not fenced. The people mainly live on wet rice, vegetables, poultry, weaving, sewing and hunting.
- Khmu:* Being part of the Mon-Khmer branch of the Austro-Asiatic linguistic family, the Khmu present one of the largest ethnic groups in Laos. They settled in the area several thousand years ago. The Khmu did a rapid acculturation and there is now little in their clothing that distinguishes them from the surrounding Lao, although they speak a completely different language. Khmu houses are built on stilts; each village has a communal house where men gather for political discussions, or work together on basket making and other crafts. Like many ethnic groups in Lao the Khmu practice their own form of animism. The Khmu are well-known for their skill at making baskets, fish traps, and other objects from bamboo. Their material culture, their tools, utensils, baskets and netbags reflect their continued reliance on the forest. Growing rice, hunting, gathering forest products and producing handicrafts provide some cash income. Take a taste of their famous brew ‘lao hai’(jar alcohol) while visiting one of the many Khmu villages.
- Hmong:* The Hmong present 6-10% of the total population of Laos and remain most numerous and concentrated in the east of XiengKhuang. In the province the White Hmong, the Striped Hmong and the Green Hmong can be distinguished. The easiest way to differentiate these groups is by looking at the women’s dress. Hmong live in forested mountains between 800 to 1,500 meters of altitude and in Laos they are categorized as Lao Soung -the highland people, although today there are a more and more villages located in the low lands. Hmong live in villages ranging in size from 15 to over 60 houses. They are not fenced and organized by clan. The rectangular houses are beaten on soil, have one room without windows. The walls are made of vertical wood planks and bamboo and a thatch roof. Hmong are known for their knowledge of the forest, herbal medicines and expertise in raising animals. Their agricultural system is based on rain fed slope cultivation with slash and burn techniques. They live on ordinary rice, corn and vegetable production, swine and poultry, gathering, hunting, embroidery and basket work. Their religion is a form of shamanistic animism with cult of ancestors and spirits, and belief in three souls. Certain spirits protect the people within the village boundaries while others maintain their influence over the plant and animal kingdom outside the village.



## Appendix 2: Rapid Social Assessment and Preparation of EGD

1. As mention in the main text that if the safeguard screening and preliminary consultation suggested that an EG community is present in the subproject area, preparation of an Ethnic Groups Development Plan (EGDP) will be required. This appendix provides scope and content of the EGD which should comprise Scope of the EGD should include preliminary screening, social assessment, mitigation measures, development assistance, and monitoring. Below provides scope of these features.

### Preliminary Screening

2. All subproject areas which have ethnic group communities and are candidates for the Project support will be visited (at the time of first consultation with communes) by DPWT and ESD/PTI, relevant local authorities, and consultants (if any). Prior to the visit, respective DPWT and/or ESD/PTI will send a letters to the communities informing their leaders that they will be visited by the respective DPWT and/or ESD/PTI and local authorities and consultation will be conducted on the subproject. The letter will request that the communities invite to the meeting representatives of farmers, women associations and village leaders for discussion on the subproject. During the visit, the community leaders and other participants will present their views with regards to the subproject.

3. At this visit, the social scientists (ESD/PTI and/or consultants) will undertake a screening for ethnic minority population with the help of ethnic group leaders and local authorities. The screening will check for the following: (a) names of ethnic groups in the affected village; (b) total number of ethnic groups in the affected villages; (c) percentage of ethnic people in affected villages; (d) number and percentage of ethnic households along the zone of influence of the proposed sub-Project.

4. If the results show that there are ethnic group communities in the zone of influence of the proposed subproject, a social impact assessment will be planned for those areas.

### Rapid Social Assessment

5. A rapid social assessment (SA) will be undertaken by the social staff of ESD/PTI and/or consultants. The SA will gather relevant information on the following: demographic data; social, cultural and economic situation; and social, cultural and economic impacts (positive and negative) as followings:

- *Information will be gathered from separate group meetings:* ethnic village chiefs; ethnic men; and ethnic women, especially those who live in the zone of influence of the proposed work under subproject. Discussions will focus on subproject impacts, positive and negative; and recommendations for design of subproject.
- If the SA indicates that the potential impact of the proposed sub-project will be significantly adverse or that the ethnic community rejects the project, the subproject will not be implemented in that locality; no further action is needed in this case.
- If the ethnic group supports the subproject implementation an EGD will be developed to address any concerns or negative impacts by the proposed subprojects. However, if the concerns are similar to those raised by other groups of people (such as compensation and typical impacts due to construction and/or works implementation) and the mitigation measures can be incorporated into mitigation measures using other safeguard instruments such as resettlement action plan (RAP), specification for contractor (ECoP), preparation of EGD will not be necessary.

### **Ethnic Groups Development Plan (EGDP)**

6. The EGDP will consist of a number of activities and will include mitigation measures of potentially negative impacts, modification of subproject design, and development assistance. Where there is land acquisition in ethnic minority communities, the Project will ensure that their rights will not be violated and that they be compensated for the use of any part of their land in a manner that is culturally acceptable to them. The compensation and rehabilitation will follow the Resettlement Policy Framework (RPF) of the Project. An EGDP will include:

- legal Framework
- baseline data;
- land tenure information;
- local participation;
- technical identification of development or mitigation activities;
- institutional arrangement;
- grievance mechanism and disclosure arrangement;
- implementation schedule;
- monitoring and evaluation; and
- cost and financing plan.

7. The EGDP will also provide evidence that the results of consultations have been taken into account.

### **Implementation Arrangement and Grievance Mechanism**

8. ESD/PTI and/or consultants will also be responsible for training respective DWPT or local authorities to undertake the work of consultation, screening, social impact assessment, analyses and preparing EGDs. DWPT of individual subprojects and local authorities are responsible for implementing EGDP (arrange adequate staff and budget). The Grievance Redress Committee will be responsible for implementation of the subproject grievance mechanism. The EGDP will also describe how different grievance mechanisms (i.e. general project-level grievance mechanism and EG grievance mechanism) will work together, if appropriate.

### **Monitoring**

9. Implementation of the EGDs will be regularly supervised and monitored by the ESU of PTI of MPWT. The findings and recommendations will be recorded in quarterly reports and to be furnished to the WB.

10. If warrant, an independent agency which would be used by MPWT to undertake external monitoring and evaluation of the implementation of resettlement action plans for the Project will also be tasked with monitoring the activities for EGDP. While, the external monitoring agency will visit a sample of affected households for resettlement in each relevant province on an annual basis, it will also visit a sample of at least 10% of ethnic minority households in the Project affected areas.

### **Schedule**

11. The EGDP should have an implementation schedule that is coordinated with the subproject implementation. Logically, social assessments and group meetings should be undertaken before subproject designs are prepared. Compensation for land acquisition should be satisfactorily completed at least one month prior to start of civil work. Monitoring should take place at the recommended times during and after civil work.

### **Budget**

12. The EGDGP will include information on detailed cost of mitigation measures and other rehabilitation entitlements for ethnic minority in the affected areas. Sources of funding for the various activities and financing plans will be clearly specified in the cost tables.

**Reporting/Documentation**

13. The EGDGs will be prepared and submitted by DPWT to MPWT and then the WB at the same time that respective DPWT submit their subproject applications to MPWT and the WB for review.

## Annex 7: Grievance Registration and M&E Forms –06 April 2016

1. This annex provides guidance on the grievance and monitoring and evaluation forms to be used during the implementation of the proposed subproject to be implemented under Component 1. DPWT will be responsible for implementation of this measure.

### (A7.1) Sample grievance registration form

2. To provide opportunity for the peoples that may be affected by the implementation of the subproject, the following form will be used and this measure will be informed to the local residents and the general public.

**GRM Form** –To be completed by DPWT

Grievance Number: _____ LOCATION : District: _____ Village: _____ CDC Name: _____ NAME OF COMPLAINANT: _____ ID number: _____ ADDRESS: _____ Telephone #: _____  DATE RECEIVED: _____
Classification of the grievance (Check boxes) <input type="checkbox"/> Water Use <input type="checkbox"/> Dispute with contractors <input type="checkbox"/> CDC formation <input type="checkbox"/> Inter-community dispute <input type="checkbox"/> Land acquisition and Compensation <input type="checkbox"/> Technical/operational coordination <input type="checkbox"/> Financial <input type="checkbox"/> Process delays <input type="checkbox"/> Water Quality <input type="checkbox"/> Noise <input type="checkbox"/> Sanitation <input type="checkbox"/> Water Use  <input type="checkbox"/> Other (specify) _____
Brief description of the grievance:   
What is the perceived cause?   
Suggested action (by complainant) to address grievance:   

### (A7.2) Monitoring and Evaluation Forms

3. The following forms were adopted from ESOM:

**Form A7.1 Environmental Monitoring Form (ESOM Appendix II.7.1) –To be completed by DPWT**

Province:		District:		Location – sketch map attached ( <input type="checkbox"/> )	
				<input type="checkbox"/> YES	<input type="checkbox"/> NO
Road Name:		Road No:		Link No. (details)	
<b>Type of Monitoring ( <input type="checkbox"/> ):</b>					
<input type="checkbox"/> Regular		<input type="checkbox"/> Periodic	<input type="checkbox"/> Monthly/Quarterly		<input type="checkbox"/> Annual/semi-annual
No	Activities	Implementation			Comments
		Good	Satisfactor y	Poor	
1	Site Clearing				
2	Earth works				
	Erosion controls (avoid dumping spoil material in steep slop, riverbank etc.)				
	Site drainage				
	Spoil material not affect to agriculture areas				
	Reduce/stop major ear work in rainy season				
3	Construction camp and workshop				
	Site selection (suitable and agreed with owner)				
	House condition (Bedroom, toilet, kitchen etc.)				
	Environmental health and sanitation (Drainage, Solid waste management, waste water/sewerage disposal, etc.)				
	Occupational Health and Safety				
	Community Health and Safety				
	Warehouses and Storage Areas				
	Proper storage of Oil, grease, fuel etc.				
	Restoration Plan				
4	Borrow bit and Quarry				
	Site selection (suitable and agreed with owner)				
	Operation methodology (Slop, Keep topsoil, time schedule, etc.)				
	Pollution control (Drainage, Dust, Noise, Erosion , etc.)				
	Community health and safety (install warning sign, traffic sign, etc.)				
	Restoration Plan				
5	Bridge and Box convert				
	Site clearing				
	Provide temporally diversion road				
	Installation of temporally drainage system				
	Erosion and sedimentation control				
	Protected agricultural land				
	Community health and safety (install warning sign,				



	traffic sign, etc.)				
	Occupational Health and Safety				
	Restoration Plan				
6	Overall implementation of EMMP				
	Understand and aware of EMMP				
	Consultation and participation of local community				
	Make used of green wood for construction and heating/cooking				
	Fishing, hunting, poaching, trapping activities by construction workers				
	Dust control				
	Noise control				
	Warning sign and traffic sign				
	Traffic management				
		Compliance with EMMP			
<b>Detailed description of observations and comments (add sheets if required)</b>					
<b>Distributed to</b>		<b>Yes</b>	<b>No</b>	<b>Date</b>	
MPWT -ESD/PTI					
MPWT-TD/DOR					
DPWT – ESU					
MONRE/DONRE					
Others (list below)					
<b>Environmental Monitoring Form compiled by:</b>					
Name:		Designation:			
Signature:		Date:			
<b>Environmental Monitoring Form verified by:</b>					
Name:		Designation:			
Signature:		Date:			

**From A7.2 Social Monitoring Form (ESOM Appendix II.7.2) –to be completed by DPWT**

Province:	District:	Location – sketch map
-----------	-----------	-----------------------

				attached ( <input type="checkbox"/> )	
				<input type="checkbox"/> YES	<input type="checkbox"/> NO
Road Name:		Road No:		Link No. (details)	
<b>Type of Monitoring ( <input type="checkbox"/> ):</b>					
<input type="checkbox"/> Regular		<input type="checkbox"/> Periodic		<input type="checkbox"/> Monthly/Quarterly	
				<input type="checkbox"/> Annual/semi-annual	
No	Activities	Implementation			Comments
		Good	Satisfactor y	Poor	
1	<b>Institutional and facilities provided</b>				
	Setup steering Committee responsible for (resettlement, negotiation, social/ethnic development etc.)				
	Vehicle and equipment provided				
2	<b>Capacity building</b>				
	Training on resettlement and compensation				
	Training on negotiation (Conflict Solving)				
	Training on public participation, consultation and information dissemination				
	Training on Social and Ethnic Development				
	Other please specified				
3	<b>Implementation of RP</b>				
	Compensation and Payment				
	Relocation structures (House, shop... )				
	Compensated for agriculture land				
	Compensated for economic trees and crops				
	Reallocated new land for effected people				
	Issued land title for resettle people				
	Implementation following overall RP				
4	<b>Dissemination/public hearing and participation</b>				
	Dissemination od project information (by Poster, Radio, TV and other match medias				
	Organized consultation workshop with effected people				
	Other consultation workshop.....				
5	<b>Implementation of Social Development Plan</b>				
	Implementation of earning income and Job restoration plan				
	Promoting Gender perspective				
	Assist and restore of vulnerable people/household				
6	<b>Implementation of Ethnic Development Plan</b>				
	Promoting/ providing Job opportunities, income and productivities of ethnic people				
	Provide Subsidies and special assistance to effected of ethnic household				

7	<b>Restoration and Maintain of effected properties</b>				
	Maintaining of public infrastructures (Spring water, water supply, electricity, telephone, etc.)				
	Maintaining of community access road, drainage, diversion road etc.				
	Avoid effected on cultural heritage, temple, cemetery...				
<b>Detailed description of observations and comments (add sheets if required)</b>					
<b>Distributed to</b>		<b>Yes</b>	<b>No</b>	<b>Date</b>	
MPWT -ESD/PTI					
MPWT-DOR					
DPWT – ESU					
MONRE/PONRE					
Others (list below)					
<b>Social Monitoring Form compiled by:</b>					
Name:		Designation:			
Signature:		Date:			
<b>Social Monitoring Form verified by:</b>					
Name:		Designation:			
Signature:		Date:			

Form A7.3 Monthly Monitoring Form (to be completed by DPWT)

CONTRACT No.....:  
Environmental Checklist for  
Monthly Progress Report No. XX. Date:.....

1. Environmental Issues

Activity	Environmental Issue to be checked	Compliance (Yes/No)	Unresolved issue since previous Monthly Report (Yes/No)	Remarks
1. Excavation	1.1 Vegetation removal			

and road works	minimized			
	1.2 Erosion and sedimentation controls implemented – water course protected			
	1.3 Spoil removed from lower slopes in steep slopes and road sides			
	1.4 Cut and formed slopes stabilized			
	1.5 Dust control implemented as required			
	1.6 Noise abatement implemented as required			
2. Labor camps/works areas	2.1 Sitting approved			
	2.2 Adequate waste and sewage disposal measures implemented operating effectively			
	2.3 Adequate drinking and cooking water supply			
	2.4 Diesel/oil containment measures implemented and operating effectively			
	2.5 Local workers			
	2.6 UXO			
3. Borrow pits, gravel pits, quarries, rock crushing, spoil disposal, stockpile sites	3.1 Sitting approved – no conflict with land use			
	3.2 Drainage measures implemented			
	3.3 Erosion and sedimentation controls implemented – water courses protected			
	3.4 Stabilized and landscaped after use			

#### Proposed Actions for Environmental Non-compliances

Item No.	Actions Proposed to Resolve Non-Compliance Issues

#### Form A7.4 Sample of Monitoring Report (General Content, ESOM Appendix II.8) –To be completed by ESD/PTI

##### Project Location Map

##### I. Introduction:

- Project background

- Project implementation
- II. Objectives and Expectations**
- III. Monitoring Team**
  - Participants and Organizations
  - Date and Place of Visited
- IV. Face finding**
  - 4.1 Work progress
    - Implementation of Resettlement and Compensation
    - Work progress from previous visited (Example: Earthwork, Clearing, Bridge, Box/Pipe Convert, Construction Camp, Borrow Pit, Stockpile, etc.)
    - Plan for Next Month/Quarter
  - 4.2 Safeguards implementation.
    - Compliant/Non Compliant with EMMP
- V. Recommendation**
  - Suggest /Recommend (corrective and preventive actions) for non compliant issues

#### APPENDIX 1: ENVIRONMENTAL AND SOCIAL ALIGNMENT SHEET FOR ...

Date of visited	Location	Figure/Picture	Finding/ Issues	Recommend the corrective action

#### Form A7.5 Impact Evaluation Form (ESOM Appendix II.9) –To be completed by ESD/PTI

Province:		District:		Location – sketch map attached ( □ )		
Road Name:		Road No:		<input type="checkbox"/> YES	<input type="checkbox"/> YES	
Type of Impact Evaluation ( √ ):						
<input type="checkbox"/> Less than 1 year			<input type="checkbox"/> More than 1 year			
<input type="checkbox"/> Project Closure (also complete Form Annex 10)			Other..... ...			
No.	Description	Yes			No	Comments (add extra pages)
		L	M	H		
<b>I</b>	<b>Land Acquisition &amp; Resettlement Issues</b>					
1.1	Land acquisition or moving back of ROW					
1.2	Loss of agriculture land, including roadside crops					
1.3	Relocation of structures					
1.4	Loss of public properties or infrastructures					
1.5	Loss of public properties or infrastructures					
1.6	Other please specific.....					
<b>II</b>	<b>Income and Living Standard</b>					
2.1	Loss of income and living standard					

2.2	Loss of occupation and business activities					
2.3	Other please specific.....					
<b>III</b>	<b>Ethnic Issue</b>					
3.1	Loss of income and living standard of ethnic people					
3.2	Impact on health and education					
3.3	Impact on cultural and believe					
3.4	Other please specific.....					
<b>IV</b>	<b>Severance and Social Disruption</b>					
4.1	Loss of vegetation (roadside/riverside etc.)					
4.2	Disruption of roadside water supplies					
4.3	Destruction or sealing-in of archaeological, historical and cultural values					
4.4	Disruption to animal migration					
4.5	Impediment to mineral resources exploitation					
4.6	Other please specific.....					
<b>V</b>	<b>Mobilization, Establishment and Operation of:</b>					
<b>5.1</b>	<b>Workforce</b>					
	– Unrest and dissatisfaction of local communities					
	– Opportunities on participation in project and other benefits					
	– Unrest and dissatisfaction among local communities resulting from cultural differences with labour crew					
	– Other please specific.....					
<b>5.2</b>	<b>Equipment</b>					
	– Traffic impacts					
	– Introduction of plant and animal pests					
	– Other please specific.....					
	–					
<b>5.3</b>	<b>Labour Camps</b>					
	– Cutting of trees for construct the camp and use as fuel wood for heating and cooking					
	– Water pollution from sewage and rubbish disposal					
	– Disease risk to workers					
	– Impact on health and social well-being of local communities (introduction of diseases and disruption of existing social relationships)					
	– Impact on services and regional economy through labour camp development into a permanent settlement					
	– Impact on local resources, including wildlife through demand for food, fuel and building materials					
	– Impact on local wildlife through recreational hunting and fishing by workforce					
	– Rehabilitation					
<b>5.4</b>	<b>Workshops/Fuel Depots/ Warehouses/ Asphalt Plant and Preparation</b>					
	– Oil pollution from improper disposal of oil and					

	grease					
	– Oil pollution from leaks in fuel and lubricants tanks, or during filling of these					
	– Oil spills from leaks in machinery					
	– Noise pollution in nearby settlements					
	– Air pollution (including dust) in nearby settlements					
	– Ground water pollution from bitumen or solvents					
	– Cutting of trees for use as fuel wood for heating bitumen					
<b>IV</b>	<b>Stockpiling of Materials: Run-off or slumping into streams and dust pollution from</b>					
6.1	Sand					
6.2	Gravel					
6.3	Earth and Top Soil					
6.4	Rock					
6.5	Other please specific.....					
<b>VII</b>	<b>Establishment and Operation of</b>					
7.1	Borrow Pits					
7.2	Quarries					
7.3	Rock Crushing Plant					
7.4	<b>Removal of Rock /Sand from River/Stream Beds</b>					
	– Air and noise pollution for nearby settlements					
	– Vibration impacts on nearby settlements					
	– Noise and dust impacts on wildlife and natural habitats					
	– Dust impact on crops					
	– Loss of aesthetic /visual values					
	– Loss of natural habitat					
	– Loss of archaeological or historical values					
	– Disruption of groundwater supplies					
	– Run-off of sediment laden water or polluted water into water bodies					
	– Hazard when quarry or pit is abandoned due to deep water or disease (mosquitoes etc)					
<b>VIII</b>	<b>Jungle/Bush/Land Clearing and Constructions</b>					
8.1	Change in natural drainage patterns					
8.2	Flooding through blocking natural flow					
8.3	Flooding through inadequate drainage of road and road works					
8.4	Flooding through increased flows in diversion area					
8.5	Diversion of water supply away from drinking/washing water supply, irrigation or away from a wetland					
8.6	Sedimentation and turbidity impacts in receiving waters					
8.7	Erosion due to changes in drainage					
8.8	Spoil disposal leading to loss of habitat and sedimentation					
8.9	Aesthetic /visual impacts of right of way on the					

	landscape					
<b>IX</b>	<b>Earth Works Associated in Settlements</b>					
9.1	Disturbance to existing property frontages, tracks or public utilities					
9.2	Noise, vibration and dust effects					
9.3	Destruction or sealing of historical, archaeological or cultural features					
<b>X</b>	<b>Environmentally Sensitive Areas (relevant agencies and organizations should be consulted on all matters dealing with environmentally sensitive areas)</b>					
10.1	National or provincial protected areas					
10.2	Large areas of pristine forest					
10.3	Large wetland areas or any other important wetland (nominated to the Ramsar list)					
10.4	Habitat of fauna or flora listed as Category I (under CITES)					
10.5	Large areas of migratory bird habitat					
10.6	Urban areas					
10.7	Areas inhabited predominantly by ethnic minorities					
10.8	Nationally significant archaeological or historical sites					
10.9	Areas of high scenic value					
<b>XI</b>	<b>Gravel Surfacing, Pavement Base Construction etc.</b>					
11.1	Traffic flow disruption					
11.2	Traffic hazard due to movement of construction equipment and contractor crew vehicles					
11.3	Noise, dust and vibration impacts on nearby settlements					
<b>XII</b>	<b>Bituminous Surfacing</b>					
12.1	Pollution of waterways or groundwater by bituminous products or solvents					
12.2	Pollution from discarded drums, spills and equipment					
12.3	Other please specific.....					
<b>XIII</b>	<b>Transport of Project Materials</b>					
13.1	Dust blown off loads					
13.2	Traffic hazards					
13.3	Other please specific.....					
<b>XIV</b>	<b>Operation of the Road</b>					
14.1	Noise					
14.2	Dust and other air pollution					
14.3	Traffic accidents					
14.4	Highway run-off pollution					
14.5	Accidental spills of hazardous materials					
14.6	Increased harvesting of environmentally sensitive products					
14.7	Population increase as a result of in-migration following creation of road access					
14.8	Illegal settlement as a result of improved access					
14.9	Impacts on indigenous people					
14.10	Maintenance of completed road.					



14.11	Other please specific.....					
<b>Distributed to</b>	<b>Yes</b>	<b>No</b>	<b>Date</b>			
MPWT -ESD/PTI						
MPWT-DOR						
DPWT – ESU						
MONRE/PONRE						
Others (list below)						
<b>Monitoring Form compiled by:</b>						
Name:			Designation:			
Signature:			Date:			
<b>Monitoring Form verified by:</b>						
Name:			Designation:			
Signature:			Date:			

**Form A7.6 Environmental and Social Final Report**  
**(Use for Project Closure, ESOM ESOM Appendix II.10) –To be completed by ESD/PTI**  
)

Province:	District:	Location – sketch map attached ( <input type="checkbox"/> )	
		<input type="checkbox"/> YES	<input type="checkbox"/> NO
Road Name:	Road No:	Link No. (details)	
<b>TYPE of works/activities ( <input type="checkbox"/> )</b>			
<input type="checkbox"/> New construction	<input type="checkbox"/> Upgrading	<input type="checkbox"/> Improvement	
<input type="checkbox"/> Rehabilitation	<input type="checkbox"/> Maintenance		
Project Categorization:			
Safeguard documents prepared (list):			

### 1. Activities Realized

With date \_\_\_\_\_, one came to realize the final review of the environmental and social aspects corresponding to the activity \_\_\_\_\_, with the intention of verifying the fulfillment of the Measurements of Mitigation contemplated for the project, as well as of verifying if other negative impacts have appeared during the period of time of execution of the work. In this sense there was content the commission integrated by the following persons;

No.	Name	Institution	Responsibility	Contact Number	Signature
1					
2					

3					
4					

## 2. Background

In this section must capture the record of the case in accordance with dates, narrating of summed up from the problem to that one attends and enumerating the recommendations done in previous opportunities?

## 3. Results of the Examination

Here it is necessary to describe in detail, the conditions in which developed the measurements of mitigation, the grade of fulfillment and his current state, exhibiting when it is necessary, and the reasons on which the measurements have not been completed. In order to visualize the above mentioned information, it is recommended fulfill the following evaluation table:

No.	Mitigation measures	Accomplishment			Time to accomplishment of the measures	Observations
		Yes	No	%		

## 4. Conclusions

Based on the examination and the results of the evaluation, prepare for themselves the conclusions of the fulfilment of the measurements of mitigation and established recommendations.

Distributed to	Yes	No	Date
MPWT -ESD/PTI			
MPWT-DOR			
DPWT – ESU			
MONRE/PONRE			
Others (list below)			
<b>Environmental and social Final Report compiled by:</b>			
Name:		Designation:	
Signature:		Date:	
<b>Environmental and social Final Report verified by:</b>			
Name:		Designation:	
Signature:		Date:	

## Annex 8. Organization and Capacity Building (06 April 2016)

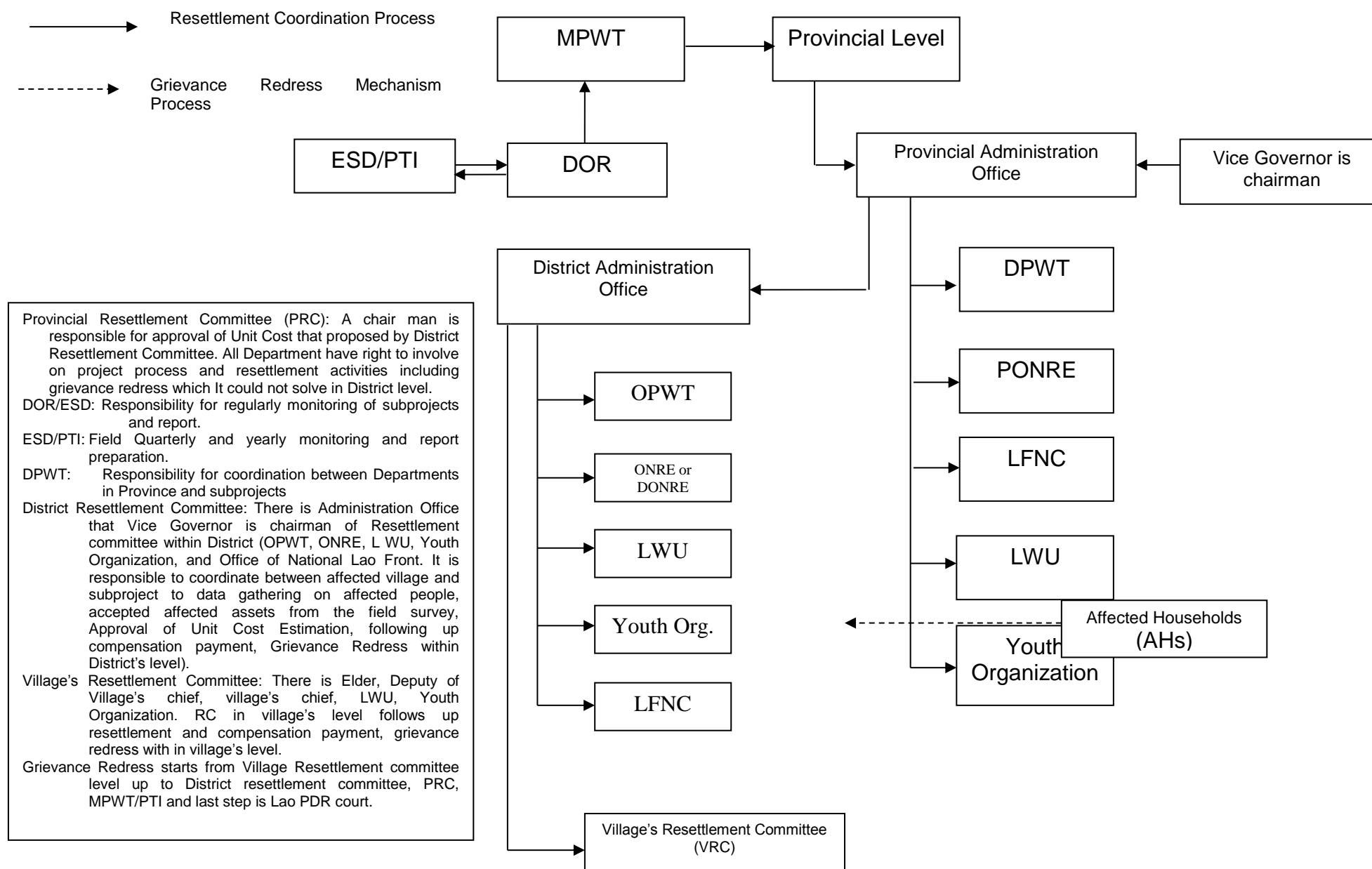
1. This annex provides clarity on roles and responsibility of agencies to implement the ESMF (Section A8.1) including results of institutional assessment (Section A8.2) and needs for capacity building on safeguard (Section A8.3) for the Project (LRSP-II). *Figure A8.1* presents key organization responsible for safeguard implementation under the Project.

### A8.1 Roles and Responsibilities on Safeguards

2. Discussion with MPWT confirms the following responsibilities for the Project activities:

- **For Component 1:** DPWTs of the Project provinces (as the subproject owner) will be responsible for ensuring full compliance with all the safeguard activities outlined in the ESMF for the provincial and district road maintenance and ensure that all contractors are compliance with the safeguards requirements. DPWTs will ensure that the Environment and Social Unit (ESU) is active and responsible for (a) undertaking safeguard screening and maintaining proper record keeping, (b) ensuring that the environment code of practice (ECoP) is included in the bidding/contract documents and that the contractors are aware of this obligations and agreed that it is part of the subproject cost, (c) conduct monthly monitoring of contractor performance and prepare a monitoring report to be submitted to DoR and ESD/PTI within 2 weeks after the end of the month. DPWT will also assign the Construction Supervision Consultant (CSC) and/or field engineer to be responsible for day-to-day supervision of safeguard activities as part of the road maintenance activities and include the safeguard performance in the subproject progress report.
- The Department of Road (DoR) will be responsible for ensuring that the subproject to be approved in the annual work plan for Project support has incorporated safeguard actions (safeguard screening, ESMP, EGD, and/or RAP, etc.) as required under the ESMF and that safeguard monitoring is conducted by DPWT. DoR will also participate in the periodic (6 months and annual) supervision and monitoring on effectiveness of the safeguard measures (RAP, EMDP, ESMP) for all road maintenance as part of their duty.
- The Environment and Social Division of the Public Works and Transport Institute (ESD/PTI) will be responsible for annual safeguard monitoring on ESMF implementation and effectiveness of safeguard measures including provide training and conduct research activities necessary to improve effectiveness of safeguard measures (including monitoring reporting forms) for road maintenance. The annual monitoring reports and key findings from the research activities will be shared with DPWTs, the related DoR divisions, and WB.
- **For Component 2,** on the technical assistance (TA) to strengthen capacity of MPWT, DoR, and DPWT for the implementation of PPP project for the national road 13, ESD/PTI will take the lead in the implementation of the capacity building program which is described in more detailed in Section A9.2 below.
- **For Component 3,** the MPWT agencies or DPWT responsible for undertaking the road emergency works will be responsible for implementation of the activities per the Road Emergency Manual which will include safeguard measures during implementation. ESD/PTI will be responsible for undertaking a post audit report on safeguard measures and submit an audit report to WB.

**For Component 4,** the agency responsible for overall Project management (PMU) will also be responsible for incorporating safeguard monitoring report to WB.

**Figure A8.1 ESMF for Road Maintenance in six Provinces**

## A8.2 Training and Capacity Building for LRSP

4. **Safeguard implementation issues and MPWT capacity:** Mainstreaming of safeguard measures into MPWT operation process remains a challenge. As discussed in the main text, ESD/PTI appears to be the only agency with some safeguard capacity to oversee the implementation of safeguard instruments for the Project. Nonetheless, it is necessary to ensure that DOR unit responsible for road maintenance and overall sector safeguard are involved during the implementation and monitoring.

5. Given that road investment in Lao PDR will be continued with financing support from the public and the private sector, it is important to ensure that MPWT has adequate safeguard capacity to prevent and mitigate potential safeguard issues related to road development. During the implementation of the Project, safeguard considerations and/or requirements will be fully integrated into MPWT's road development process and safeguard training, capacity building, and research activities will be carried out including updating the current Environmental and Social Operation Manual (ESOM) being used within MPWT in close consultation with key agencies and the provinces.

6. **Capacity assessment:** To move forward a quick capacity assessment was made through collection of data on number of staff and discussion by ESD/PTI. Review of safeguard activities being conducted under the on-going LRSP suggested that some vehicles (motorcycles) and equipment have been procured and provided to most DPWT. Results can be highlighted as follows:

- Responsibility of DPWT and divisions of DoR on safeguard do not exist. It appears that only staff available at ESU/PTI (see [Table A8.1](#) and [Table A8.2](#)) have clear mandate on environment and social safeguards and qualified some monitoring was conducted and reports are available. As part of the LRSP, ESD/PTI provided training on ESOM and updated ESOM in 2014. However, it is important to ensure that all DPWT of the Project provinces set up and assign at least 1 full time staff or 2 part time staff to be responsible for safeguard monitoring and reporting.

Table A8.1 Rapid ES capacity assessment of ESD/PTI and TD/DoR

#		ESD/PTI	TD/DoR	Remarks
1	# of staff	7 comprising 1 head, 3 for environment and 3 for social	13 comprising 1 head, 1 also responsible for environment	DoR is responsible for planning and technical aspect
2	# of staff responsible for ES	All	1	Inadequate if PPP is going to be promoted
3	Staff knowledge and commitment on ESOM	High	High	Both agencies do not have budget for supervision
4	Staff knowledge and commitment on climate resilience	Moderate	Moderate	Both agencies do not have budget for supervision
5	Relationship with MoNRE agencies (DESIA, DDMCC, DFRM)	Moderate	Moderate	
6	Staff knowledge and experience	High	Moderate	

	with WB safeguards			
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Table A8.2 Number of safeguard staff in the Project provinces

#	ES Capacity Assessment of DPWT (as conducted by ESU/PTI)	Project Provinces					
		PSL	ODX	XBL	HP	XK	BKX
1	# of total staff (persons)	107	73	103	70	129	147
2	# of women (persons)	6	12	28	13	17	21
3	# of technical staff (persons)	107	50	83	54	109	106
4	# of technical staff (women) (persons)	6	3	24	13	16	16
5	Establishment of ESO? (yes or no)	Yes	Yes	Yes	Yes	Yes	No
6	# of staff trained on ES/ESOM or responsible for ESO (persons)	6	7	3	6	4	3
7	# staff responsible for ES/ESOM or assigned as ESO (persons)	1	0	2	0	4	0
8	# of road maintenance (provincial, district) project that are implemented per year (average)	1	2	24	4	2	10
9	# supervision for road maintenance works (time/year)	1	4	20	28	2	4
10	# of supervision for safeguards (time/year)	1	4	4	8	2	0
11	Awareness and/or commitment of senior staff (director or deputy director) on ES/ESOM (H, M, L)*	M	M	M	M	M	H
12	Awareness and/or commitment of senior staff (director or deputy director) on gender and need for grievance mechanism (H, M, L)*	M	M	H	M	H	H
13	Cooperation with PoNRE and other local authorities (H, M, L)*	M	M	H	M	M	H
14	Cooperation with local communities and mass organizations (LWU and LFNC) in the province (H, M, L)*	M	M	H	M	M	H
	<b>Remarks:</b> (if there are any special issue and/or request)						
	Note: H =High, M = moderate, L =Low; PSL = Phongsaly; ODX =Oudomxay; XBL=Xayabouly; XK=XiangKhoueng, BKX=Bolikhamxay,						

7. **Completed capacity building:** Under LRSP, a budget of about \$0.49M has been allocated for ESD/PTI and TD/DoR to facilitate capacity building and implementation of safeguard. Assistance from national consultants were acquired by ESD/PTI and TD/DoR during 2012-2013. Key activities comprise training, monitoring and supervision, updating ESOM, and procurement of equipment and motorcycles. Key safeguard activities carried out under LRSP and recommendations from ESD/PTI are highlighted as follows:

- *Training provided:* Organized 6 ESOM training, cover all provinces and 42 districts, Number of participant was 256 persons; Organized 1 Training on E&S Monitoring and

Supervision for 8 Northern provinces, Number of participant was 24 persons; and 24-29 August 2014, Study tour in Vietnam, participants was 10 persons.

- *Field monitoring and supervision:* Joint mission with WB and DESIA on the Environmental and Social monitoring for Nam Et-Phou leuy Road Improvement Project, Field visit on Ketsana Recovery: Post-review to monitor and evaluate the Social and Environmental Safeguard Implementation of the Ketsana damaged Road Projects in five southern provinces; Joint mission with WB for Environmental and Social monitoring for NR 1B, NR 6A and provincial road maintenance for one or two times per year. Environmental and Social monitoring and evaluation for the NR 1B and NR 6A two times per year; Environmental and Social monitoring and evaluation for the provincial road maintenance one time per year.
- *ESOM updated and consultation:* Completed review the existing ESOM Lao version in comparison with English version; April 2012, Setup TG for ESOM update (ESD/PTI, TD/DOR and DESIA/MONRE); May 2012, completed the comparison of EIA decree no.1770 and the new EIA decree no.112, and completed the gap analysis of ESOM and EIA decree no.112.; March to July 2013, Organized a Consultation workshop on Evaluation of ESOM used in (1) ODX province for DPWT of PSL, ODX, LNT & BK provinces; (2) HP province for DPWT of HP, XK, LPB & XYBL; (3) Bolikhamxay province for DPWT of VT, VTCC, BLKX, KM, & SVNK. And (4) Attapeu province for DPWT of ATP, SK, CPS & SLV; September 2013, completed draft ESOM update in according to EIA Decree 112 and result of Evaluation of ESOM used; Technical Working Group Meeting two times (30th Sep. and 10 Oct. 2013) to discuss on the draft ESOM update (participants all Divisions of PTI, DOR (TD, Road Maintenance Project Region 1, 2, 3 and 4) and DESIA/MONRE; Two Consultation workshops on the draft ESOM update in the provincial level (26-28 Feb. held in Luang Phabang Province for 8 Northern Provinces; and 12-14 Mar. 2014 held in Bolikhamxay Province for 5 Central Provinces and 4 Southern Provinces; Consultation workshop on the draft ESOM update at the central level ICTC, KM 5 Vientiane CC (28-29 May 2014) participant from concerned Departments within MPWT, and concerned Ministries (MoNRE, MoH, MAF, MICT, MPI and EDL/MEM); Complete the translation of ESOM to English version and submit to the bank for comments in first early of October 2015
- *Gaps/challenges:* Insufficient cooperation between ESD/PTI and TD/DOR or ESD/PTI and DPWT regarding information sharing, field monitoring, final inspection for project closure, etc.; Lack of fund; Lack of human resource at the provincial level; DPWT doesn't have ESU, only few provinces had assigned a person responsible for E&S within Road Management Sector (VT, SLV and ATP); E&S monitoring and supervision is not systematically conducted. Site supervision done by DPWT is mostly focus on the technical aspect; The road engineer of DPWT office at district level takes responsible for day to day site supervision for the PRM project, but they have limited knowledge on the implementation of E&S, so mainly they focused on technical works; Poor cooperation between DPWT and DONRE in reviewing environmental study report (IEE or EIA) as well as lack of monitoring and limited information sharing; E&S implementation is not yet systematically done.
- *Ways to improve:* This would include: ESD/PTI and TD/DOR should closely work together and share data on planning for field monitoring and supervision; TOT course needed for DPWT; ESOM training should cover the staff of DPWT at the district level; Provide training in specific topic on E&S monitoring and evaluation; Organize annual consultation workshop for concerned sectors (Public Works and Transport, Natural Resource and Environment, and Planning and Investment, etc.); Budget allocation for the

Road Management Sector of DPWT to carryout E&S monitoring and supervision including reporting.

- *Equipment and vehicles procured: Included 2 cars, one for TD/DoR and 1 for ESD/PTI; 18 motor cycles for TD/DoR and ESU/DPWT & ESO/District for Phongsali (4), Houaphan (3), and other ESUs for all provinces (10) except BKX, KM, SVK, BK and LNTH; 5 laptop (3 for TD/DoR and 2 for ESD/PTI), 4 desk tops (2 for TD/DoR and 2 for ESD/PTI for running Running/link database system ESD & TED and 2 for ESUs/DWPT of Houaphan and Phongsaly. Other office equipment include 3 laser jet printers for ESD an ESUs of HP and PSL and a copier for TD/DoR; 16 digital cameras (2 for ESD/PTI, 2 for TD/DoR, and 12 for ESUs of all provinces except BKX, KM, SVK, BK and LNTH; 14 GPS (1 for ESD/PTI, 1 for TD/DoR, and 12 for ESUs of all provinces except BKX, KM, SVK, BK and LNTH.*

### **A8.3 Capacity Building under LRSP-II**

8. As mentioned in the main text, the following capacity building program will be carried out during the implementation of the Project:

- For road maintenance, *ESD/PTI will (a) prepare a clear process to integrate safeguard measures into all type of road maintenance either under the responsibility of DPWTs or other divisions of DoR (i.e. National roads, rural road regions, 1, 2, 3, 4) and (b) develop a specific guideline for road maintenance in PA, PFA, and other sensitive receptors.*
- After the revised Decree 192 has been approved, *ESD/PTI will revise the ESOM in close consultation with MoNRE agencies and PONRE including development of specific guidelines for road works (road improvement, road upgrading, road rehabilitation, and new road) focusing on the following key areas (i) works in PA, PFA, and other sensitive receptors, (ii) development of good quality of construction material sources (quarries and borrow pits) as suggested by WB, (iii) community actions on road safety measures, (iv) RoW management including registration of encroachment activities, and (v) compensation procedures for road sector. In the process ESD/PTI will conduct case studies to carry out specific action research in close consultation with DPWT and key agencies. A Safeguard Coordination Working Group (SCWG) on road sector will be established to ensure effective coordination among agencies during the updated of ESOM and development of these technical guidelines.*
- In consultation with WB safeguard specialists, ESD/PTI will conduct safeguard training to concerned staff of DoR and DPWT of the Project province at least 1 time/year to ensure effective implementation of safeguard measures. Effort will be made to engage local authority (PONRE/DONRE), local mass organization, and/or local community to assist in monitoring performance of the contractor especially in areas that are sensitive and likely to be affected by the subproject activities and workers. *To enhance effectiveness of safeguard training and sustainability of monitoring efforts, ESD/PTI will develop and implement a Training-of-Trainer (TOT) for facilitating systematic training and application of safeguard on road works. Qualified national and/or regional consultant will be hired to establish and implement the TOT program.*

9. Discussion with MoNRE agencies suggested that the capacity building activities proposed above are acceptable and the activities should be implemented as soon as possible. TORs of the consultants (national and international) will be prepared as soon as possible.