

# Resettlement and Ethnic Minorities Development Plan

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19 June 2015

**VIE:Second Northern Greater Mekong Sub-region Transport  
Network Improvement Project- Highway No.217- Phase 2**

Ministry of Transport  
Socialist Republic of Viet Nam

# Preparing the Second Northern Greater Mekong Sub-region Transport Network Improvement Project- Highway No.217- Phase 2

Resettlement and Ethnic Minorities Development Plan  
Scope: Km 59+ 900 ~ Km 104+ 900 and Flyover



19 June 2015

## Table of Contents

I.	INTRODUCTION .....	1
A.	The Project .....	1
II.	SCOPE OF LAND RECOVERY AND RESETTLEMENT .....	2
A.	Minimization of Resettlement Impacts.....	2
B.	Scope of Land Acquisition and Resettlement .....	2
III.	SOCIOECONOMIC CONDITIONS of Affected households .....	6
A.	Gender Role .....	10
B.	Other Vulnerable Grou .....	11
C.	Ethnic Groups .....	11
IV.	CONSULTATION AND INFORMATION DISCLOSURE .....	14
V.	GRIEVANCE REDRESS.....	16
VI.	LEGAL FRAMEWORK.....	17
A.	Government Laws and Regulations .....	17
B.	ADB Safeguard Policy Statement .....	18
C.	Gap Analysis and Gap-Filling Measures .....	19
VII.	ENTITLEMENTS .....	21
A.	Project Cut-Off Date.....	21
B.	Project Principles .....	21
C.	Project Entitlements .....	22
VIII.	RELOCATION AND INCOME REHABILITATION.....	30
IX.	REMDP BUDGET .....	30
A.	Cost Estimates.....	30
B.	Use of Loan Funds for Resettlement Costs.....	31
C.	Disbursement of Compensation and Assistance to Affected Households .....	32
D.	Workshop on the Administration of Loan Funds .....	33
X.	INSTITUTIONAL ARRANGEMENTS .....	33
A.	Ministry of Transport .....	33
B.	Thanh Hoa Provincial Peoples' Committee .....	33
C.	District Compensation, Assistance, and Resettlement Board .....	34
D.	Commune People's Committees (CPC) .....	34
E.	Project Design and Supervision Consultants.....	34
F.	External Monitoring Agency .....	34
XI.	REMDP Updating and impementation .....	35
A.	REMDP Updating.....	35
B.	Implementation of the REMDP.....	35
C.	Gender and Ethnic Minority Specific Actions .....	36
XII.	IMPLEMENTATION ARRANGEMENTS.....	36
XIII.	Monitoring and Reporting.....	37
A.	Internal Monitoring .....	37
B.	External Monitoring .....	38

## List of Tables

Table 1: Affected Households.....	3
Table 2: Severity Affected Households Due to Loss of Productive Land.....	3
Table 3: Scope of Land Acquisition .....	3
Table 4: Landholding of Households .....	4
Table 5: AHs on Houses and structures .....	4
Table 5: Houses and structures on affected land.....	5
Table 6: Impact on shops/businesses .....	5
Table 7: Affected Trees and Crops .....	5
Table 8: Affected public structures .....	6
Table 9: Distribution of Sample Households.....	6
Table 10: Occupation of Sample Households.....	7
Table 14: Income and Sources.....	7
Table 15: Living Expenditure of Sample Households .....	8
Table 14: Educational Levels of Head of Households .....	8
Table 15: Assets of Sample Households .....	9
Table 16: Sources of Drinking Water.....	9
Table 17: Sanitation Conditions of Sample Households .....	10
Table 18: Cooking Fuel of Sample Households.....	10
Table 19: Comparisons between Households Headed by Women and Men .....	10
Table 20: Ethnic Groups in Ba Thuoc and Cam Thuy .....	12
Table 21: Comparisons between Kinh and other Ethnic Groups Households.....	12
Table 22: Kinh and Other Ethnic Groups (Vulnerable Groups) .....	13
Table 23: Summary of Project Impacts.....	13
Table 24: List of public meeting conducted at commune level.....	14
Table 25: List of public meeting conducted at village level .....	15
Table 26: Preference of Likely Affected Households .....	16
Table 27: Gap Analysis and Gap-Filling Measures.....	20
Table 28: Entitlement Matrix on Compensation and Support.....	22
Table 29: REMDP Cost Estimates.....	31
Table 30: Indicative Implementation Schedule .....	37

## ABBREVIATIONS

ADB	=	Asian Development Bank
APs/AHs	=	affected persons/affected households
CPC	=	Commune Peoples' Committee
COI	=	Minimumcorridor-of-impact
DMS	=	Detailed Measurement Survey
DOC	=	Department of Construction
DOF	=	Department of Finance
DPC	=	District People's Committee
EA	=	Executing Agency
EM	=	Ethnic Minority
GOV	=	Government of Viet Nam
GMS	=	Greater Mekong Sub-Region
HH	=	Household
IOL	=	Inventory of Losses
DCARB	=	District Compensation, Assistant Resettlement Board
LURC	=	Land Use Rights Certificate
MOT	=	Ministry of Transport
PMU1	=	Project Management Unit 1
PPC	=	Provincial Peoples' Committee
RCS	=	Replacement Cost Study
ROW	=	Right of Way
REMDP	=	Resettlement and Ethnic Minorities Development Plan
SES	=	Socio-Economic Survey
TA	=	Technical Assistance
VND	=	Viet Nam Dong

## GLOSSARY

Affected Person/ Affected Household (AP/AH)	Refer to any person or persons, household, firm, private or public institution that, on account of changes resulting from the Project, will have its (i) standard of living adversely affected; (ii) right, title or interest in any house, land, water resources or any other moveable or fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence or habitat adversely affected, with or without displacement.
Assistance	Means additional support provided to affected persons losing assets (particularly productive assets), incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to achieve, at a minimum, full restoration of living standards and quality of life.
Cut-off date	Means the date prior to which the occupation or use of any part of the project area makes residents or occupiers or users of the same eligible to be recognized as affected persons. In this Project, the cut-off date is the date on which decision on land recovery is issued by Thanh Hoa Peoples Committee and published broadly by the District Peoples Committee to local communities and displaced persons.
Detailed Measurement Survey (DMS)	Means the finalization and/or validation of the results of the inventory of losses (IOL), severity of impacts, and list of affected persons. The cost of compensation, assistance and resettlement is determined following completion of the DMS. The DMS will be done by DCARB once the benchmarks of the project site demarcation are put on the ground.
Displaced Person (DP)	displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Entitlement	means a range of measures comprising compensation, income restoration support, transfer assistance, income substitution, and relocation support which are due to affected people, depending on the nature of their losses, to restore their economic and social base.
Host community	Means the community already in residence or in the vicinity of the proposed resettlement or relocation site.
Livelihood restoration	Means the re-establishment or improve of sources of income and livelihood of relevant affected persons through the REMDP policy and its implementation.
Inventory of Losses (IOL)	Means the process of identification, location, measurement of all fixed assets that will be recovered or adversely affected by or as a result of the project. These include, (without limitation or being an exhaustive list) lands used for residence, commerce, agriculture, ponds; dwelling units, stalls and shops, other structures, such as fences, tombs, wells; trees with commercial value, sources of income and livelihood. It also includes the assessment of the severity of the impact of land and property on the affected assets and the severity of impact to the livelihood and productive capacity of affected persons. IOL is carried in the phase of REMDP preparation.
Land recovery (also referred to land acquisition)	Means the processes by which all or part of land and property owned, possess, occupies or uses, are compulsorily recovered or otherwise acquired from an individual, household, firm or private institution by the State or are acquired by agreement. Decision on land recovery will be done through two steps (i) Decision at the provincial or city for the whole project areas and subsequently (ii) Decision by the district to each individual.
Resettlement Relocation	or Means the physical relocation from the affected persons' pre-project place of residence and/or business.
Replacement Cost	Means the amount calculated before displacement which is needed to replace an affected asset without deductions for taxes, and/or costs of transaction as follows:

- (i) Productive land (Agricultural, fishpond, garden, forest) based on market prices that reflect recent land sales of comparable land in the district and other nearby areas, and in the absence of such recent sales, based on productive value;
- (ii) Residential land based on market prices that reflect recent sales of comparable houses and residential land in the district and other nearby areas, and in the absence of such recent land sales, based on sales in other locations with similar attributes;
- (iii) Houses and other related structures based on current market prices of materials and labor without depreciation nor deductions for salvaged building materials;
- (iv) Standing crops equivalent current market value of the crop at the time of compensation;
- (v) Perennial crops and trees, cash compensation equivalent to current market value given the type, age and productive value (future production) at the time of compensation.
- (vi) Timber trees, the price that would currently be paid for the trees on the nearest market based on the diameter of tree.

Replacement Study	Cost	Means the process involved in determining the replacement cost of land, houses and other affected assets based on surveys by a qualified appraiser.
Vulnerable People		Means individuals or distinct groups of people who might suffer disproportionately or face the risk of being further marginalized by the effects of land and property recovery or resettlement and specifically includes: (i) female headed households with dependents (ii) households with disabled persons, (iii) households falling under the current MOLISA benchmark poverty line, (iv) children and elderly households who are with no other means of support, (v) landless households, and (vi) non-integrated and vulnerable ethnic minorities.

## EXECUTIVE SUMMARY

**GMS Second Transport Network Improvement Project.** The original scope of the Second GMS Transport Network Improvement Project (referred to as “ongoing project”) included: (a) provision of works for about 200 km on Route 217 including (i) improving road alignment and widening the road formation from Km. 107.2 to Km. 195.4 (about 88 km), (ii) construction of new bypasses in Cam Thuy (east and west) (about 3 km), (iii) pavement repair and resurfacing from Km. 0 to Km. 104.9, (iv) stabilizing slopes and erosion protection, (v) repairing and building new road structures including bridges and culverts, and (vi) improving traffic safety measures; and (b) provision of consulting services in pre-construction activities in the preparation of detailed design, tender document preparation, bid evaluation, project implementation, project management and construction supervision, and for HIV/AIDS and human trafficking awareness and prevention program.

On 24 September 2014, a minor change was approved to (i) scale up the project scope by adding road improvements for section Km. 104.9 to Km. 107.2 (additional 2.3 km); (ii) replace the pavement repair and resurfacing from section Km. 0 to Km. 104.9 with full replacement of unsuitable bridges; and (iii) increase the scope of consulting services to (a) prepare detailed design, bid documents; and resettlement plans for the proposed change in scope; and (b) update the feasibility study for full scale improvement of section KM 59+800 to KM 104+900 for the proposed additional financing which traverses through Ha Trung, Vinh Loc, Cam Thuy, Ba Thuoc and Quan Son districts in Thanh Hoa Province.

**Resettlement and Ethnic Minorities Development Plan under Phase 2.** This Resettlement and Ethnic Minorities Development Plan (REMDP) covers KM 59+800 to KM 104.9 section and Ha Trung Flyover under the updated feasibility study for the Second GMS Transport Network Improvement Project – Phase 2 (referred to as “the Project”). This REMDP is based on preliminary design. The number of households affected and types of impacts are tentative and are subject to change during the updating of this REMDP which will only be done following completion of detailed design.

**Scope of Resettlement Impacts.** Based on the inventory of losses (IOL) carried out from December 2014 to January 2015, the Project will affect an estimated 1,448 households (4,560 population). About 76 households will be required to relocate while 105 households will be severely affected due to loss of more than 10% of their productive landholdings. During REMDP updating, a census and detailed measurement survey (DMS) will be undertaken to determine the actual impacts on land and assets of each household, and further consultation meetings will be undertaken with the affected households. The Updated REMDP will be submitted to ADB for review and concurrence. Once the Updated REMDP has agreed between ADB and PMU1, PMU1 can commence implementation of the Updated REMDP.

**Legal and Policy Framework and Project Entitlements.** The legal and policy framework for compensation, resettlement and rehabilitation under the Project is defined by the relevant laws and regulations of the Government of Viet Nam and the ADB Safeguard Policy Statement. Objectives of the project’s policy are to avoid, if not minimize resettlement impacts, restore livelihoods and improve living standards of poor and vulnerable households. Compensation will be based on the principle of replacement cost and further assistance will be provided to the severely affected and vulnerable households. The entitlement matrix in this REMDP may be revised to reflect the relevant changes but the standards set cannot be lowered when the Resettlement and Ethnic Minorities Development Plan is updated.

**Ethnicity, Vulnerabilities, and Gender Issues.** Ethnic composition in the project area includes Dao, Kinh, Muong, and Thai. Kinh people are mostly living along the project roads and so are the other ethnic groups. The ethnic groups have lived along the project road for many years, allowing them to be assimilated into the general population. Therefore, the adverse impacts and benefits the ethnic groups may experience will not be different from the Kinh people or other vulnerable households. It is unlikely that they will be disadvantaged or vulnerable because of their social or cultural identity. However, in terms of their socio-economic conditions, the ethnic groups, despite having bigger agricultural land, still earn less than the Kinh. Same situation also applies to households headed by women who earn less than men. PMU1 and local authorities will ensure that they will be properly consulted and to actively participate in the planning and implementation process to ensure that the impacts can still be further avoided, if not mitigated and the necessary assistance will be provided to them.



**Participation, Disclosure, and Grievance Redress.** Series of information dissemination and consultation meetings were held with the affected households beginning in December 2014 until April 2015. Meetings were held at the commune and village/hamlet offices/cultural houses. Through the IOL and SES, affected households were asked about their preference on compensation and relocation. During the meetings they were provided information about the project, advising of the IOL being undertaken and discussing issues of land recovery, eligibility and safety. Further, in preparing the REMDP, consultation meetings have been held with government agencies responsible for planning and implementing resettlement activities. The grievance mechanism will follow the same grievance redress mechanism for the ongoing project which ensures that the affected persons' concerns and grievances are addressed and resolved in a timely and satisfactory manner. In addition the consultation meetings, the key information in the draft REMDP will be disclosed to APs by 30 July 2015 through the dissemination of resettlement information booklets.

**Implementation Arrangements.** The Project Management Unit 1 (PMU1) of the Ministry of Transport (MOT) is the Executing Agency for this Project. PMU1 will be responsible for the day-to-day implementation and be accountable for technical, safeguards, and financial reporting. With regard to updating and implementation of this REMDP, PMU1 staff will work closely with the provincial government and DCARB who is mandated by law to handle land recovery and resettlement. The Project Design and Supervision Consultants under the ongoing project will assist PMU1 and local authorities in the updating and implementation of the REMDP.

**REMDP Budget and Use of Loan Funds.** The REMDP Cost Estimates is at VND 345 million (USD15.8 million equivalent). It covers payment for land and assets, allowance, external monitoring, administration cost and contingency. The Government requested retroactive financing in order to ensure timely commencement of civil works in April 2016. The Government and ADB agreed that loan funds will be used for land acquisition and resettlement, including cost for payment/relocation of public assets and utilities, except for cost for external monitoring.

**Monitoring.** PMU1 will monitor and submit semi-annual progress reports to ADB. In addition, an external monitoring agency will be engaged by PMU1 to do compliance review and monitoring. The external monitor will submit semi-annual monitoring reports to PMU and ADB. All monitoring reports will be uploaded on the ADB website.

**Implementation Schedule.** Following the approval of the Project Outline (PO) by the Government, detailed design is expected to commence in July 2015 while REMDP updating will commence in August 2015. Indicative implementation schedule is shown below.

Table ES-1: Indicative Implementation Schedule

Activities	Schedule
<b>Project Preparation</b>	
PMU1 and ADB Agreement on Resettlement and Ethnic Minorities Development Plan for phase 2	Jun 2015
<b>Project Implementation</b>	
<b>Approval of Project Outline by the Government</b>	Jun 2015
<b>Detailed Design</b>	Jul 2015 – Nov 2015
<b>REMDP Updating</b>	
Preparation of land application procedure for the Project.	Jul 2015
Establishment of the District Compensation Boards.	Jul 2015
Engagement of External Monitoring Agency.	Jul 2015
Information campaign before DMS.	Jul 2015
Conduct of Replacement Cost Survey	Aug-Nov 2015
Detailed Measurement Survey.	Aug-Nov 2015
Preparation of Compensation Plan.	Nov-Dec 2015
Submission of Final REMDP to ADB for review and concurrence	Dec 2015-Jan 2016
REMDP Uploading on ADB website.	Dec 2015-Jan 2016
Disbursement of Payment, Clearance of Land	Feb 2016 - onwards
Issuance of Notice-to-Proceed (NTP) for Specific Sections to civil works contractors subject to confirmation from head of DCARB	Apr 2016 - onwards
<b>Monitoring (internal and external) semi-annual basis</b>	Jul 2015 - onwards
<b>Grievance Redress</b>	Jul 2015 - onwards

## I. INTRODUCTION

### A. The Project

1. **GMS Second Transport Network Improvement Project.** The original scope of the Second GMS Transport Network Improvement Project (referred to as “ongoing project”) included: (a) provision of works for about 200 km on Route 217 including (i) improving road alignment and widening the road formation from Km. 107.2 to Km. 195.4 (about 88 km), (ii) construction of new bypasses in Cam Thuy (east and west) (about 3 km), (iii) pavement repair and resurfacing from Km. 0 to Km. 104.9, (iv) stabilizing slopes and erosion protection, (v) repairing and building new road structures including bridges and culverts, and (vi) improving traffic safety measures; and (b) provision of consulting services in pre-construction activities in the preparation of detailed design, tender document preparation, bid evaluation, project implementation, project management and construction supervision, and for HIV/AIDS and human trafficking awareness and prevention program.

2. On 24 September 2014, a minor change was approved to (i) scale up the project scope by adding road improvements for section Km. 104.9 to Km. 107.2 (additional 2.3 km); (ii) replace the pavement repair and resurfacing from section Km. 0 to Km. 104.9 with full replacement of unsuitable bridges; and (iii) increase the scope of consulting services to (a) prepare detailed design, bid documents; and resettlement plans for the proposed change in scope; and (b) update the feasibility study for full scale improvement of section KM 59+800 to KM 104+900 for the proposed additional financing which traverses through Ha Trung, Vinh Loc, Cam Thuy, Ba Thuoc and Quan Son districts in Thanh Hoa Province.

3. Resettlement activities under the original scope of work is almost complete. There were 3,216 households who have been paid in full with the exception of 7 affected households who have not claimed for their compensation due to the small amount and 10 affected households who are waiting for supplemental payment as a result of some minor change in alignment after the original compensation was paid. Implementation of resettlement is satisfactory with good practice as assistance with site preparation to provide replacement land with land use rights certificates (LURCs) were provided to the landless affected households not to mention the issuance of new LURCs in names of both spouses. Based on lessons learned from the ongoing project, copy of compensation payment will be given to all households given that this practice was not applied consistently under the ongoing project.

4. **Resettlement and Ethnic Minorities Development Plan under Phase 2.** This Resettlement and Ethnic Minorities Development Plan (REMDP) covers KM 59+800 to KM 104.9 section and Ha Trung Flyover under the updated feasibility study for the Second GMS Transport Network Improvement Project – Phase 2 (referred to as “the Project”). This REMDP is based on preliminary design and will be updated following completion of detailed design. An Updated REMDP will be submitted to ADB for review and concurrence before commencement of resettlement implementation.



## II. SCOPE OF LAND RECOVERY AND RESETTLEMENT

### A. Minimization of Resettlement Impacts

5. Various efforts have been taken to minimize resettlement impacts during the feasibility study, including (i) minimum corridor-of-impact (COI) of 14m (km 0-57.0) and 12m (km 57.0-195.5) are defined for urban/settlement sections compared with the 18-22m for normal sections. This leads to minor or zero land recovery impact in all district and commune towns and in most of the aligned villages. Civil works will be confined within these COI; (ii) The working space within the COI for powered mechanical equipment will be a maximum 3m in either side. Because land is a scarce resource in the project area, the working spaces are treated as temporary land occupation and will be restored to the original conditions by contractors after construction; and (iii) flexible alignments or routes will be established for the temporary bypasses regardless of the standard designs. If actual alignments of bypasses follow the standard design, much more structures will have to be demolished.

### B. Scope of Land Acquisition and Resettlement

6. A resettlement team from the Project Design and Supervision Consultant of the ongoing project and commune officials conducted an asset inventory or commonly known as Inventory of Losses (IOL) survey in Dec 2014 – Jan 2015.

7. **Estimated Number of Affected Persons and Severity of Impacts.** The IOL has identified an estimated 1,448 affected households (5,694 population). Among which, there are about 76 households who will be required to relocate while 105 households will lose more than 10% of their agricultural land. The IOL also identified 55 vulnerable households.

Table 1: Affected Households

Local Address	Residential land		Agricultural land		No. of HHs affected on structures	No. of vulnerable HHs	Total AHs
	No. of AHs	No. of relocated HHs	No. of AHs	No. of severely affected on agricultural land			
<b>1. Ha Trung District</b>	<b>20</b>	<b>10</b>	<b>37</b>	<b>0</b>	<b>18</b>	<b>2</b>	<b>57</b>
1.1 Ha Trung Town	15	10	17	0	15	2	32
1.2 Ha Ninh commune	5	0	20	0	3	0	25
<b>2. Cam Thuy District</b>	<b>184</b>	<b>46</b>	<b>287</b>	<b>43</b>	<b>196</b>	<b>27</b>	<b>471</b>
2.1 Cam Thuy town	63	31	8	0	60	3	71
2.2 Cam Binh commune	36	15	124	12	42	16	160
2.3 Cam Thanh commune	80	0	60	31	81	8	140
2.4 Cam Thach commune	5	0	95	0	13	0	100
<b>3. Ba Thuoc District</b>	<b>163</b>	<b>20</b>	<b>745</b>	<b>62</b>	<b>204</b>	<b>28</b>	<b>908</b>
3.1 Ai Thuong commune	27	0	151	0	35	0	178
3.2 Dien Lu commune	18	0	63	0	49	5	81
3.3 Dien Quang commune	3	0	30	0	6	0	33
3.4 Dien Trung commune	45	0	150	0	48	3	195
3.5 Canh Nang town	15	8	125	35	25	2	140
3.6 Lam Xa commune	20	12	105	27	20	3	125
3.7 Thiet Ong commune	35	0	121	0	21	15	156
<b>Total</b>	<b>367</b>	<b>76</b>	<b>1069</b>	<b>105</b>	<b>418</b>	<b>57</b>	<b>1436</b>

(Source: December 2014 IOL)\*. The table does not include 12 households losing forest land in Ba Thuoc.

Table 2: Severity Affected Households Due to Loss of Productive Land

Local	Total	10 % to 30%	30% to 50%	50%- 70%	More than 70%
<b>1. Ha Trung District</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1.1 Ha Trung town	0	0	0	0	0
1.2 Ha Ninh	0	0	0	0	0
<b>2. Cam Thuy District</b>	<b>43</b>	<b>19</b>	<b>14</b>	<b>10</b>	<b>0</b>
2.1 Cam Thuy town	0	0	0	0	0
2.2 Cam Binh	12	4	4	4	0
2.3 Cam Thanh	31	15	10	6	0
2.4 Cam Thach	0	0	0	0	0
<b>3. Ba Thuoc District</b>	<b>62</b>	<b>27</b>	<b>30</b>	<b>5</b>	<b>0</b>
3.1 Ai Thuong	0	0	0	0	0
3.2 Dien Lu	0	0	0	0	0
3.3 Dien Quang	0	0	0	0	0
3.4 Dien Trung	0	0	0	0	0
3.5 Canh Nang Town	35	15	20	0	0
3.6 Lam Xa	27	12	10	5	0
3.7 Thiet Ong	0	0	0	0	0
<b>Total</b>	<b>105</b>	<b>46</b>	<b>44</b>	<b>15</b>	<b>0</b>

(Source: December 2014 IOL)

8. The table below gives details of the land recovery by project district. Overall some 91.3 hectares of land will be permanently acquired.

Table 3: Scope of Land Acquisition

No.	Items	Unit	Ha Trung	Cam Thuy	Ba Thuoc	Total	Total No. of AHs
1	Residential land	m2	6,205.60	30,146.93	50,468.05	<b>86,820.58</b>	<b>367</b>
2	Agricultural land	m2	43,675.37	79,117.58	83,303.43	<b>206,096.38</b>	<b>1069</b>
3	Forestland	m2	0	0	31,303.42	<b>31,303.42</b>	<b>12</b>
4	Others	m2	5,824.63	199,603.56	383,668.52	<b>589,096.71</b>	<b>**</b>
	<b>Total</b>		<b>55,705.60</b>	<b>308,868.07</b>	<b>548,743.42</b>	<b>913,317.10</b>	<b>1448</b>

(Source: December 2014 IOL)\*\*. Owned by government (canals, irrigation land)

9. **Landholdings.** The residential land area of sample households along QL217 is 200-500 m<sup>2</sup> per household while agricultural landholding ranges from 800 m<sup>2</sup> to 3700 m<sup>2</sup>. Only in Ba Thuoc district that people have forestland and average holding is 450 m<sup>2</sup>-800 m<sup>2</sup> per household. All surveyed households claimed of having Land Use Right Certificates (LURC) for their residential land, agricultural, aquaculture land and forestland.

Table 4: Landholding of Households

Impact/Commune	Sample HHs	Residential land (m <sup>2</sup> /HH)	Agricultural land (m <sup>2</sup> /HH)	Forestland (m <sup>2</sup> /HH)	Ponds (m <sup>2</sup> /HH)
Ha Trung	35	200			30
Cam Thuy town	61	250	800		
Cam Binh	94	410	1,570		50
Cam Thanh	111	430	2,000		85
Cam Thach	67	450	2,400		
Ai Thuong	114	470	3,000	500	
Dien Lu	112	420	2,100		
Dien Quang	36	475	3,700	800	
Dien Trung	195	450	2,500	450	70
Canh Nang	79	250	800		
Lam Xa	62	465	3,200		81
Thiet Ong	115	480	3,150	600	55
Average	1,081	414	2,221	224	37

(Source: December 2014 SES)

10. **Impacts on Non-Land Assets.** A total of 400 houses and structures will be affected by land acquisition for the project. Of these 76 houses will be fully affected and require relocation. There are ten Class-3 houses affected, all in Ha Trung and Cam Thuy districts with total construction space of 757m<sup>2</sup>; 282 class-4 houses affected with total area of 10,389m<sup>2</sup>; 84 temporary houses (walls are made from temporary materials like bamboo, metal sheets) affected with total area of 2,347m<sup>2</sup>. 24 other structures such as kitchens, toilets, livestock stalls are affected with total area of 277m<sup>2</sup>. In addition to that, 2,548 meters of fence are affected (Table 5).

Table 5: AHs on Houses and structures

Local	Partially Affected (HH)	Fully Affected (HH)	Total
<b>1. Ha Trung District</b>	<b>0</b>	<b>10</b>	<b>10</b>
1.1 Ha Trung town	0	10	10
1.2 Ha Ninh	0	0	0
<b>2. Cam Thuy District</b>	<b>145</b>	<b>46</b>	<b>191</b>
2.1 Cam Thuy town	29	31	60
2.2 Cam Binh	22	15	37
2.3 Cam Thanh	81	0	81
2.4 Cam Thach	13	0	13
<b>3. Ba Thuoc District</b>	<b>179</b>	<b>20</b>	<b>199</b>
3.1 Ai Thuong	35	0	35
3.2 Dien Lu	49	0	49
3.3 Dien Quang	6	0	6
3.4 Dien Trung	40	0	40
3.5 Canh Nang town	8	8	16
3.6 Lam Xa	20	12	32
3.7 Thiet Ong	21	0	21
<b>Total</b>	<b>324</b>	<b>76</b>	<b>400</b>

(Source: December 2014 IOL)

Table 6: Houses and structures on affected land

No.	Items	Ha Trung		Cam Thuy		Ba Thuoc		Total	
		Qty	Space (m2)	Qty	Space (m2)	Qty	Space (m2)	Qty	Space (m2)
1	Two-storey house (class 3)	5	480	5	277	0	0	10	757
2	Concrete-roof one-storey house (class 4)	6	360	11	539	6	211	23	1110
3	Tiled roof house (class 4)	10	250	66	1,844	28	900	104	2994
4	asbestos-cement roof house (class 4)	0	0	33	1,306	46	1,303	79	2609
5	Metal-sheet-roof houses (class 4)	0	0	20	748	56	1,190	76	1938
6	Temporary houses	0	0	36	991	48	1,356	84	2347
7	Other structures	0	0	10	112	14	165	24	277
8	Built Fence		340		1509		699		2548

(Source: December 2014 IOL)

11. **Impacts on shops/businesses:** Among the structures affected as stated in Table 5, 83 shops/businesses will be affected by land acquisition for the project. 14 shops will be fully affected and will require relocation. Table 6 presents the distribution of affected shops/businesses. The major type of business is small shops most likely in their houses or as an extension to their houses. On average, the monthly income of each business reached 1.53 million VND.

Table 7: Impact on shops/businesses

Total AHs	Impacts on Shops		Total
	Partially Affected (HH)	Fully Affected (HH)	
<b>1. Ha Trung District</b>	<b>4</b>	<b>4</b>	<b>8</b>
1.1 Ha Trung town	4	4	8
1.2 Ha Ninh	0	0	0
<b>2. Cam Thuy District</b>	<b>47</b>	<b>6</b>	<b>53</b>
2.1 Cam Thuy town	29	4	33
2.2 Cam Binh	18	2	20
2.3 Cam Thanh	0	0	0
2.4 Cam Thach	0	0	0
<b>3. Ba Thuoc District</b>	<b>18</b>	<b>4</b>	<b>22</b>
3.1 Ai Thuong	0	0	0
3.2 Dien Lu	0	0	0
3.3 Dien Quang	0	0	0
3.4 Dien Trung	0	0	0
3.5 Canh Nang Town	0	0	0
3.6 Lam Xa	18	4	22
3.7 Thiet Ong	0	0	0
<b>Total</b>	<b>69</b>	<b>14</b>	<b>83</b>

(Source: December 2014 IOL)

12. **Impacts on trees and crops:** There are 29,922 fruit trees, perennial trees and timber trees affected, in which 16,438 trees are planted on garden land and 13,439 trees are planted on forestland. In addition to that, 172,937 m<sup>2</sup> of crops of different types, mainly paddy are affected.

Table 8: Affected Trees and Crops

Type	Unit	Ha Trung	Cam Thuy	Ba Thuoc	Total
1. Fruit trees, perennial trees, and timber trees on garden land	Tree	235	5,120	11,128	16,483
2. Bamboo and timber trees on forestland	Tree		0	13,439	13,439
3. Annual crop	m2	235	103,623	69,079	172,937

(Source: December 2014 IOL)

13. **Affected public structures:** The affected public structures are mainly electric poles and telecommunication poles. In addition, 15 telecommunication cable holes and 44 sign boards are affected.

Table9: Affected public structures

No	Items	Unit	Ha Trung	Cam thuy	Ba Thuoc	Total
1	Electric pole 35kV	Pole	2	27	19	48
2	Electric pole 220V	Pole	4	231	361	596
3	Telecommunication pole	Pole	2	213	246	461
4	Telecommunication cable hole	Hole	1	8	6	15
5	Sign board	Board		21	23	44

(Source: December 2014 IOL)

14. **Temporary Impacts.** Irrigation and drainage canals and walking paths are everywhere along settlement areas and along paddy fields. These facilities might be unavoidably damaged by during construction. These facilities will be restored by construction contractors. Therefore, no specific effort was made to identify and measure these types of roadside facilities in the REMDP. It should be noted that temporary impacts on land will also occur during construction for campsites, equipment and temporary bypasses. The location and land requirements and impacts on non-land assets will be determined during project implementation. All measures to avoid, if not, minimize impacts will be explored.

### III. SOCIOECONOMIC CONDITIONS OF AFFECTED HOUSEHOLDS

15. A baseline socioeconomic survey (SES) of likely affected households was conducted in Dec 2014 – Jan 2015. The survey was carried out on 1,081 affected households with a total population of 4,560; in which 100% of relocated households and severely affected households on agricultural land were surveyed. The average household size is 4 persons per household. Sixty two percent of respondents belong to ethnic minority groups. Households headed by women account for 7%.

Table 10: Distribution of Sample Households

District/Town/commune	Total of AHs	Total of APs	Ethnic minority HHs		Women-headed HHs	
			No. of HHs	Rate	No. of HHs	Rate
<b>1. Ha Trung District</b>	<b>35</b>	<b>147</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>
1.1 Ha Trung town	15	63	0	0.00%	0	0.00%
1.2 Ha Ninh	20	84	0	0.00%	0	0.00%
<b>2. Cam Thuy District</b>	<b>333</b>	<b>1398</b>	<b>209</b>	<b>62.80%</b>	<b>24</b>	<b>7.20%</b>
2.1 Cam Thuy town	61	238	34	55.70%	4	6.60%
2.2 Cam Binh	94	395	57	60.60%	6	6.40%
2.3 Cam Thanh	111	477	70	63.10%	9	8.10%
2.4 Cam Thach	67	288	48	71.60%	5	7.50%
<b>3. Ba Thuoc District</b>	<b>713</b>	<b>3015</b>	<b>461</b>	<b>64.66%</b>	<b>50</b>	<b>7.01%</b>
3.1 Ai Thuong	114	513	95	83.33%	7	6.14%
3.2 Dien Lu	112	504	88	78.57%	6	5.36%
3.3 Dien Quang	36	180	26	72.22%	2	5.56%
3.4 Dien Trung	195	765	139	71.28%	15	7.69%
3.5 Canh Nang Town	79	330	45	56.96%	8	10.13%
3.6 Lam Xa	62	251	47	75.81%	4	6.45%
3.7 Thiet Ong	115	472	21	18.26%	8	6.96%
<b>Total</b>	<b>1,081</b>	<b>4,560</b>	<b>670</b>	<b>61.98%</b>	<b>74</b>	<b>6.85%</b>

(Source: December 2014 SES)

16. **Employment.** Agriculture (farming), as shown in **Error! Reference source not found.**, is the major employment sector. Among the 1,081 sample households, 707 or 65.4% are engaged in agriculture.

Table 11: Occupation of Sample Households

Employment sector		HH	%
Primary employment/ income source	Farming	707	65.4
	Fish farming / aquaculture	11	1.0
	Business owner/self-employed - non-transport	68	6.3
	Trucking business - owner / self-employed	15	1.4
	Boat transport business - owner/ self-employed	10	0.9
	Employee - private sector business	75	6.9
	Hired labor	42	3.9
	Government employee	12	1.1
	Professional - teacher, health worker, etc	65	6.0
	Unemployed; looking for work	15	1.4
	Does not work: retired, housewife, etc.	43	4.0
	Others	18	1.7
	<b>Total</b>	<b>1,081</b>	<b>100.0</b>

(Source: December 2014 SES)

17. **Income Sources.** The per capita monthly income of the sample households reached 607,000 VND in 2014. The primary employment sector, mostly agriculture brings about 45.1% of income of households (Table 14). Other sources of income come from business and hired labour bringing about 55.6% of income for households.

Table 12: Income and Sources

Indicator	Monthly income per capita	Income by occupation		
		Primary	Secondary	
Unit	1,000 VND	%	%	
Ha Trung District	1,000	51.2	48.8	
Cam Thuy District	Cam Thuy town	750	48.2	51.8
	Cam Binh	680	43.7	56.3
	Cam Thanh	650	44.1	55.9
	Cam Thach	630	41.5	58.5
Ba Thuoc District	Ai Thuong	590	42.6	57.4
	Dien Lu	615	49	51
	Dien Quang	580	42.2	57.8
	Dien Trung	565	46.4	53.6
	Canh Nang	745	45.3	54.7
	Lam Xa	572	42.1	57.9
	Thiet Ong	568	42.9	57.1
<b>Average</b>	<b>607,6</b>	<b>45.1</b>	<b>54.9</b>	

(Source: December 2014 SES)

18. **Living Expenditure.** On average, in addition to agricultural production, the monthly expenditure reached an average of 1.3 million VND per household. Ha Trung has the highest expenditure given its urban location. Of the total expenditure, 47.2%, 11.9%, 13.7%, 10.5% and 6.2% were spent on food, healthcare, education, festivals and others, respectively.



Table 13: Living Expenditure of Sample Households

Commune / Town	Monthly expenditure (VND/HH)	Expenditure (%)				
		Food	Healthcare	Education	Festival	Others
Ha Trung	2,120,000	56.3	12.4	16.8	7.5	7
Cam Thuy town	1,326,000	55.6	13.2	15	8.3	7.9
Cam Binh	1,297,800	52.7	13.5	14.2	12	7.6
Cam Thanh	1,268,500	48.6	13.2	16.2	15	7
Cam Thach	1,247,000	53.1	12.5	15.7	11.8	6.9
Ai Thuong	1,192,500	54	12.3	15.1	12.6	6
Dien Lu	1,161,000	51.8	14.1	15.2	13	5.9
Dien Quang	1,270,000	51.6	12.5	15.1	14.1	6.7
Dien Trung	1,007,000	54	13.1	14	12.4	6.5
Canh Nang	1,317,000	49.2	14.9	16.1	13.1	6.7
Lam Xa	1,107,000	48.2	16	15.4	12.8	7.6
Thiet Ong	1,127,500	55	12.4	13.6	12	7
<i>Average</i>	<i>1,321,313</i>	<i>47.2</i>	<i>11.9</i>	<i>13.7</i>	<i>10.5</i>	<i>6.2</i>

(Source: December 2014 SES)

19. **Education.** With regard to education, majority of households have elementary education (33.8%) and secondary education (40.9%). Adult literacy rate is very low (0.67%)

Table 14: Educational Levels of Head of Households

Commune		No. of APs	No formal education (%)	Primary school (%)	Lower secondary school (%)	Upper secondary school (%)	Others (%)
By communes	Ha Trung	147	0	30	11	40	19
	Cam Thuy town	238	0	30	34	32	4
	Cam Binh	395	1.06	34	45	18	1.9
	Cam Thanh	477	0.9	35	38	20	6.1
	Cam Thach	288	0	28	35	30	7
	Ai Thuong	513	0.88	29	37	30	3.1
	Dien Lu	504	0.89	32	39	25	3.1
	Dien Quang	180	0	40	42	15	3
	Dien Trung	765	0.91	37	41	21	0.1
	Canh Nang	330	0	36	37	22	5
	Lam Xa	251	0.57	36	45	16	2.3
	Thiet Ong	472	0.87	34	47	18	0.1
	<b>Total</b>	<b>4,560</b>	<b>0.67</b>	<b>33.8</b>	<b>40.9</b>	<b>21.9</b>	<b>2.7</b>
By EM	Non-EM	1,571	15	38	35	25	80
	EM	2,989	85	42	65	75	20
By gender	male	2,403	52	46	42	59	70
	female	2,157	48	54	58	41	30

(Source: December 2014 SES)

20. In terms of **household assets**, the table below presents the ownership of various assets of the sample households. As shown, the ownership of electricfan, telephone, motorbike, TV, bike and rice cooker are very common.

Table 15: Assets of Sample Households

Asset		Electric fan	Telephone/Mobile	Motorbike	TV	Bike	Rice cooker	CD/DVD	Water pump	Refrigerator
Ha Trung District		3.15	3.21	2.14	1.89	0.85	1.58	0.45	0.35	1.25
Cam Thuy District	Cam Thuy town	2.97	2.18	1.47	1.28	0.75	1.17	0.35	0.25	1.02
	Cam Binh	2.47	1.79	1.15	1.14	0.64	1.1	0.1	1.12	0.84
	Cam Thanh	2.51	1.76	1.21	1.23	0.45	1.05	0.52	0.86	0.75
	Cam Thach	2.51	1.91	1.17	1.21	0.52	1.26	0.14	0.94	0.81
Ba Thuoc District	Ai Thuong	2.43	1.74	1.32	1.25	0.48	1.23	0.23	0.74	0.86
	Dien Lu	2.77	1.86	1.45	1.24	0.86	1.19	0.14	1.12	0.92
	Dien Quang	2.14	1.67	1.14	1.08	0.7	1.08	0.26	0.54	0.65
	Dien Trung	2.22	2.1	1.36	1.32	0.65	1.21	0.23	1.07	0.78
	Canh Nang	2.87	2.11	1.32	1.13	0.69	1.15	0.33	0.24	1.01
	Lam Xa	2.28	1.52	1.32	1.17	0.71	1.13	0.33	1.17	0.72
	Thiet Ong	2.4	1.42	1.35	1.15	0.74	1.26	0.14	1.21	0.78
Average		2.43	1.79	1.31	1.22	0.65	1.17	0.25	0.98	0.81

(Source: December 2014 SES)

21. **Sanitation, Water and Cooking Fuel.**As for water supply, as shown in Table 16 , the project area still has room for improvement since piped supply is very limited (5.1% only). Use of gas and firewood for cooking is very common (41% of households).

Table 16: Sources of Drinking Water

Sample HHs		Source				
		Rain water	Tradition/shallow well	Deep well	Canal, river, pond	Piped water
Unit	HH	%	%	%	%	%
Ha Trung	35	4.0	1.0	3.0	0.0	92.0
Cam Thuy town	61	4.0	1.0	3.0	0.0	92.0
Cam Binh	94	3.0	41.0	55.0	1.0	0.0
Cam Thanh	111	2.0	60.0	36.0	2.0	0.0
Cam Thach	67	2.0	58.0	37.0	3.0	0.0
Ai Thuong	114	1.0	45.0	54.0	0.0	0.0
Dien Lu	112	3.0	45.0	50.0	2.0	0.0
Dien Quang	36	1.0	65.0	30.0	4.0	0.0
Dien Trung	219	2.0	40.0	58.0	0.0	0.0
Canh Nang	79	3.0	60.0	35.0	2.0	0.0
Lam Xa	62	3.0	60.0	35.0	2.0	0.0
Thiet Ong	115	3.0	64.0	32.0	1.0	0.0
Total	1,105	2.3	46.7	41.6	1.2	5.1

(Source: SES December 2014)

Table 17: Sanitation Conditions of Sample Households

Commune / Town	Sample HHs	Type of toilet		
		Temporary toilet	Semi-septic tank (%)	Septic tank (%)
Ha Trung	35	32.0	0.0	68.0
Cam Thuy town	61	31	0	69
Cam Binh	94	5	55	40
Cam Thanh	111	57.8	35	7.2
Cam Thach	67	1	66	33
Ai Thuong	114	10	55	35
Dien Lu	112	6	55	39
Dien Quang	36	5	55	40
Dien Trung	219	10	60	30
Canh Nang	79	10.0	55.0	35.0
Lam Xa	176	10	55	35
Thiet Ong	115	3	55	42
Total	1,105	13.7	51.6	34.7

(Source: SES December 2014)

Table 18: Cooking Fuel of Sample Households

Commune / Town	Sample HHs	Cooking fuel			
		Electricity (%)	Gas/Kerosene (%)	Wood (%)	Other (%)
Ha Trung	35	10.0	70.0	16.0	4.0
Cam Thuy town	61	10	60	26	4
Cam Binh	94	8	50	40	2
Cam Thanh	111	9.2	43	45	2.8
Cam Thach	67	8.6	36	52	3.4
Ai Thuong	114	9	35	55	1
Dien Lu	112	10.5	32	54	3.5
Dien Quang	36	9.4	35	53	2.6
Dien Trung	219	12	42	45	1
Canh Nang	79	9.5	49.0	40.0	1.5
Lam Xa	176	9.5	41	48.3	1.2
Thiet Ong	115	9.3	46.2	43	1.5
Summary	1,105	9.5	41.0	44.3	1.9

(Source: December 2014 SES)

### A. Gender Role

22. Special attention was paid to the women's position in the affected area in the process of REMDP preparation, especially during the village level consultations and SES. During village consultations, women were always invited and encouraged to participate in the meetings. They all voiced their support of the Project and indicated that with road improvement, their health and socioeconomic conditions could be enhanced greatly due to better and easy access to urban towns. Their agricultural products could be more easily transported to the market all year round, which could bring in more cash income for their families.

23. To better understand the socio-economic conditions of households, specially those headed by women, the SES was disaggregated and analyzed. As indicated in Table 19 and could be expected, the households headed by women are disadvantaged below averages in many respects, including agricultural land area, income, households assets, house structures, etc. The per capita monthly income of VND 430,600 of households headed by women is only about 77.4% of the average compared to those households headed by men.

Table 19: Comparisons between Households Headed by Women and Men

Item	Unit	Average	HHs headed by women	
			Qty	As % of average
1. Sample size	HHs	1105	74	6.7
2. Land recourse along QL217				
2.1 Residential land	(m2/HH)	439	415	94.6
2.2 Agri. land	(m2/HH)	2,500	1754	70.2
3. Household Assets				
3.1 Electric fan	No./HH	2.43	1.96	80.6
3.2 Telephone/mobile	No./HH	1.79	1.35	75.3
3.3 Motorbike	No./HH	1.31	1.15	87.7
3.4 TV	No./HH	1.22	1.06	86.7
3.5 Bike	No./HH	0.65	0.76	116.7
3.6 Rice cooker	No./HH	1.17	1.08	92.0
4. Primary employment/income source				
4.1 Farming	HH%	65.52	81.13	
4.2 Fish farming / aquaculture	HH%	1.00	0.75	
4.3 Business owner/self-employed - non-transport	HH%	9.05	2.6	
5. Monthly income	VND/Capita	607,615	470,500	77.4
6. Housing area	Sq.m/HH			
7. House type				
7.1 Class 2 (best)	HH%	4.25	1.36	32.0
7.2 Class 3	HH%	25.75	21.7	84.3
7.3 Class 4	HH%	42.75	61.2	143.2
7.4 Class 5 (poorest)	HH%	26	15.74	60.5

(Source: December 2014 SES)

## B. Other Vulnerable Group

24. Vulnerable groups are individuals or distinct groups of people who might suffer disproportionately or face the risk of being further marginalized by the effects of land acquisition and resettlement. These groups include: (i) households headed by women with dependents (ii) households with disabled persons (head or member of the family), (iii) households falling under the current MOLISA benchmark poverty line, (iv) children and elderly households who are with no other means of support, (v) landless households, and (vi) non-integrated and vulnerable ethnic minorities. During the SES and IOL survey, it has identified 55 households who are poor since their income falls below the current MOLISA benchmark poverty line (i.e. VND400,000 per person as regulated in Decision No.09/2011/QD-TTg of the Government). Of the 55 households, 36 are from the ethnic groups while two are households headed by women.

## C. Ethnic Groups

25. Ethnic composition in the Thanh Hoa province includes Kinh (majority ethnic group in Vietnam), Dao, Mong, Lao, Lu, Muong, Red Thai, Thai and Tho. However, for this Project, ethnic groups include Kinh, Thai, Muong, and Dao only. In the surveyed area, Muong is the dominant ethnic group. Households affected in Ha Trung District are all Kinh.

26. In Ba Thuoc District, Muong and Thai ethnic groups which constitute 47% and 37% of the local population, respectively (or 84% in total). The rest (16%) are Kinh.

27. Ethnic Minorities in Cam Thuy District represent approximately 55% of the total district population while ethnic Kinh (majority ethnic group in Vietnam) represent 45%. The main ethnic minority groups in Cam Thuy are Muong which constitute 52.4% of the local population.

28. The Muong, Thai, and Dao in the area self-identify as distinct ethnic groups and are recognized as such by the Government. They are, however, generally well integrated in mainstream society. They typically maintain their own language, but are fluent in Vietnamese and have generally high rates of literacy. Their livelihood patterns are indistinguishable from mainstream society. There are no reported distinctions in lifestyle, although some of the work done in forestry may be linked to ethnic minority heritage. While they have an attachment to the local area, all land is privately occupied through the land user right regime and there is no collective land ownership. Inter-marriage between the ethnic groups is common. There are no formal traditional leadership structures, yet community elders hold respected positions within their respective communities. The numbers and ethnicity of ethnic groups in Ba Thuoc, Cam Thuy are shown in the table below.

Table 20: Ethnic Groups in Ba Thuoc and Cam Thuy

Ethnic Groups	Total	%	Men	Women
<b>Ba Thuoc District</b>	<b>104,289</b>	<b>100</b>	<b>52,379</b>	<b>51,910</b>
Muong	49,016	47.00	24,190	24,826
Thai	38,587	37.00	19,612	18,975
Kinh	16,221	15.55	8,332	7,889
Other	465	0.45	245	220
<b>Cam Thuy District</b>	<b>109,184</b>	<b>100</b>	<b>55,293</b>	<b>53,891</b>
Muong	57,212	52.40	29,012	28,200
Kinh	48,587	44.50	24,601	23,986
Dao	3,166	2.90	1,579	1,587
Other	219	0.20	101	118

29. In line with their geographic distribution, the situation of the ethnic groups who are living in the mountain districts, despite having slightly bigger agricultural land holding, still earn less than the Kinh households who are concentrated in the plain districts. The following table further compares the sample ethnic groups and Kinh households.

Table 21: Comparisons between Kinh and other Ethnic Groups Households

Item	Unit	Kinh HHs	Muong, Thai, Dao HHs	
			Qty	As % Kinh
1. Land recourse along QL217				
2.1 Residential land	(m <sup>2</sup> /HH)	570	450	78.9
2.2 Agri. land	(m <sup>2</sup> /HH)	1,320	1,630	123.5
2. HH Assets				
2.1 Motorbike	No./HH	1.3	1.08	83.1
2.2 TV	No./HH	1.2	0.95	79.2
2.3 Bike	No./HH	0.7	0.65	92.9
3. Monthly income	VND/Capita	2,480,000	1,575,000	63.5
4. Housing area	Sq.m/HH	81.2	55.4	68.2
5. House type				
Class 1 (good)	HH%	1.25		
Class 2	HH%	7.2		
Class 3	HH%	42.6	21.3	
Class 4	HH%	50.2	40.5	
Class 5 (bad)	HH%	0	38.2	

(Source: December 2014 SES)

30. Among the vulnerable households, the number of EM households is much higher than the Kinh households. According to SES, 36 out of 55 vulnerable households of the project are the other ethnic groups, accounting for 65%.

Table 22: Kinh and Other Ethnic Groups (Vulnerable Groups)

Item	No. of vulnerable HHs	Kinh HHs	EM HHs	
			Qty	%
Cam Thuy	27	11	16	59
Ba Thuoc	28	8	20	71
Total	55	19	36	65

31. Consideration has been given to the appropriateness of the REMDP preparation processes and implementation arrangements to ensure they are appropriate in terms of cultural setting as well as vulnerability issues. While the local communities in the project areas are ethnic minorities in the national context, they constitute majorities in the local population. Local authorities at the commune and district levels are similarly of the same ethnic groups. This is advantageous in enhancing the accessibility of consultation as well as the grievance redress mechanism. Public consultation meetings have been conducted in a thorough manner and organized in convenient locations. Local community elders have also been included in the consultation activities. The provision of resettlement assistance has emphasized seeking relocation options within the immediate communities.

32. Negative and positive impacts associated with the project as well as respective mitigation measures and channels of benefits delivery are set out in the table below.

Table 23: Summary of Project Impacts

Impact	Positive/Negative (+/-)	Mitigation Measure/Benefit Channel
Land acquisition and resettlement	-	Mitigated through the REMDP
Risk of increased transmission of HIV and human trafficking	-	Risks mitigated through HIV and Human Trafficking Awareness and Prevention Program (HTAPP) to be implemented by a separate service provider under the project.
Traffic safety due to increased vehicle speeds and traffic	-	Mitigated through incorporation of road safety in project technical design, including calming measures to reduce traffic speeds in populated village areas.
Improved access to services and markets	+	Improved road conditions will improve road travel, especially during rainy seasons.
Improved health	+	Reduced dust and improved access to health services
Economic improvement	+	Longer term expected benefits of economic improvement due to increased flow of traffic, reduced transportation costs, and travel saving times.

Impact	Positive/ Negative (+/-)	Mitigation Measure/Benefit Channel
Consultation, participation and grievance redress.	+	Local communities fully informed and consulted on all aspects of the project affecting them in culturally appropriate manner. Local community elders actively involved in consultations.  Grievance redress mechanism operates in a culturally appropriate manner

#### IV. CONSULTATION AND INFORMATION DISCLOSURE

33. Meaningful consultation and information dissemination was an integral component during the REMDP preparation and will continue during the preparation and implementation of Updated REMDP. Meaningful consultation is a process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

##### A. Consultation and Disclosure during REMDP Preparation

34. During the preparation of this REMDP, significant information dissemination and consultation with primary stakeholders have been undertaken, beginning in Dec 2014, through IOL, commune & village level meetings, sample household surveys, and meetings with other key stakeholders.

35. Four consultation meetings with staff of Finance Department, Department of Transport, Construction Department, Department of Natural Resources & Environment, and relevant staff of 3 districts have been organized. The technical information about the routes and the resettlement policies were disclosed by PMU1 and the Consultant at the meetings. Several comments of the districts about the routes were acknowledged by the Technical Consultant. Regarding the resettlement policies, all attendants at the meetings agreed on the applied policies for the Project.

36. Of particular significance to resettlement, meetings with the affected households were held in 10 communes and 30 villages, providing project information, advising of the IOL being undertaken and discussing issues of land recovery, eligibility and concerns of AHs. Both men and women from affected households were encouraged to attend, as well as other interested community members.

Table 24: List of public meeting conducted at commune level

No.	Communes	Meeting date (dd/mm/yy)	Participants		
			Male	Female	Total
1	Cam Binh	28/01/2015	17	3	20
2	Cam Thach	23/01/2015	7	1	8
3	Cam Thanh	26/01/2015	30	14	44
4	Cam Thuy town	30/01/2015	17	1	18
5	Dien Lu	19/01/2015	24	2	26
6	Thiet Ong	12/01/2015	9	2	11
7	Dien Quang	16/01/2015	8	2	10
8	Dien Trung	21/01/2015	14	8	22

No.	Communes	Meeting date (dd/mm/yy)	Participants		
			Male	Female	Total
9	Ai Thuong	15/01/2015	18	6	24
10	Lam Xa	14/01/2015	31	7	38
<b>Total</b>			175	46	221

Table 25: List of public meeting conducted at village level

#	Date	Division (Village/hamlet)	Location	No. of people attending	No. of women attending
1	25-Apr-15	No. 4 - Ha Trung town	Cultural house	15	5
2	16-Apr-15	No. 3 - Ha Ninh	Commune office	10	7
3	31-Jan-15	No. 8 - Cam Thuy town	Cultural house	37	7
4	28-Jan-15	Se - Cam Binh	Cultural house	10	3
5	28-Jan-15	Binh Yen - Cam Binh	Cultural house	29	2
6	29-Jan-15	To 2a - Cam Binh	Cultural house	24	3
7	29-Jan-15	To 1a - Cam Binh	Cultural house	17	2
8	23-Jan-15	Chieng 1 - Cam Thach	Cultural house	11	1
9	24-Jan-15	Chieng 2 - Cam Thach	Cultural house	18	1
10	24-Jan-15	Chen - Cam Thach	Cultural house	23	5
11	27-Jan-15	Thanh Long 2 - Cam Thanh	Cultural house	42	13
12	25-Jan-15	Xia - Dien Trung	Cultural house	43	5
13	21-Jan-15	Dien Thai - Dien Trung	Cultural house	37	3
14	21-Jan-15	Keo - Dien Trung	Cultural house	16	0
15	22-Jan-15	Muon - Dien Trung	Cultural house	42	10
16	22-Jan-15	Truc - Dien Trung	Cultural house	45	11
17	19-Jan-15	Dien Lu - Dien Lu	Cultural house	48	2
18	19-Jan-15	Chieng Lam - Dien Lu	Cultural house	32	1
19	20-Jan-15	Chiu - Dien Lu	Cultural house	7	0
20	17-Jan-15	Dao - Dien Quang	Cultural house	8	1
21	17-Jan-15	Khuoc - Dien Quang	Cultural house	18	7
22	16-Jan-15	Trung Tam - Ai Thuong	Cultural house	25	6
23	16-Jan-15	Gioi - Ai Thuong	Cultural house	27	2
24	16-Jan-15	Thung - Ai Thuong	Cultural house	22	0
25	14-Jan-15	Dam - Lam Xa	Cultural house	13	2
26	14-Jan-15	Nu - Lam Xa	Cultural house	15	7
27	23-Apr-15	Pho 3 - Canh Nang Town	Cultural house	37	6
28	23-Apr-15	Pho 4 - Canh Nang Town	Cultural house	42	0
29	21-Jan-15	Quy et Thang - Thiet Ong	Cultural house	46	4
30	12-Jan-15	Dong Tam 3 - Thiet Ong	Cultural house	18	7
		<b>Total</b>		<b>777</b>	<b>123</b>

37. During the meeting, the following information were presented:

- Description of the Project, Project impacts related to land acquisition.
- Affected households' rights and main entitlements.
- Rights to participate and be consulted, including affected persons' rights to participate in all aspects of resettlement planning and implementation, particularly with reference to their preferences for resettlement according to the entitlement and rehabilitation measures for vulnerable APs.
- Grievance mechanisms and information about procedures for filing complaints and the appeal process.
- Resettlement activities, monitoring procedures.
- Organizational responsibilities, including information about the organizations and level of government involved in resettlement, and their responsibilities.



38. Households attending the meetings showed their wish that the Project would be implemented soon to create favorable conditions for developing the local socio economy. The households also agreed with the compensation policies of the project. However, they paid high attention to compensation prices and requested that compensation prices should be updated in accordance with the market prices at the time of compensation.

39. It should be noted that during the conduct of the SES, people were already asked with regard to their preference for relocation and concerns if severely affected by loss of productive land. As shown in the table below, almost half of the respondents prefer cash compensation in case of significant loss of production land. Similarly, most of them prefer to relocate within their own land .

Table 26: Preference of Likely Affected Households

Kind of affect	Option	Respondent (HHs)	%
Land loss compensation	Replacement land	320	29.0
	Cash compensation	540	48.9
	Not yet decided	245	22.2
Relocation of structures	On own land in the village	465	42.1
	On new land in the village	250	22.6
	On group site	21	1.9
	Commune land	369	33.4

(Source: December 2014 SES)

40. **Disclosure of Key Information in the REMDP.** Based on this REMDP, a resettlement information booklet (RIB) was prepared. The RIB summarizes key information on policy principles and entitlements and special provisions, grievance procedures, timing for payments, and schedule which will be distributed to the affected persons. The RIB will be distributed by the provincial and district authorities to affected villages and/or affected persons by 30 July 2015. This REMDP will be also made available at public accessible places (e.g., provincial, district governor’ offices, affected communes, ADB and other relevant websites).

**B. Consultation and Disclosure during REMDP updating**

41. The Project Outline (PO) was approved by the Government in June 2015. Since detailed design and REMDP updating will be financed under the ongoing project, it is expected that detailed design will commence from July 2015 to November 2015 while activities related to REMDP updating will commence in August 2015. Further consultation meetings will be organized in affected villages to disclose latest project schedule and resettlement information and to provide affected persons a forum to raise their further concerns and to participate in various processes of decision-making regarding their resettlement issues. Separate meetings will be held with women and vulnerable groups.

42. Key information in the updated REMDP will be made available to the affected households through meetings, distribution of information booklets, and posting information at public and accessible places.

**V. GRIEVANCE REDRESS**

43. The grievance redress mechanism will follow the same mechanism under the ongoing Project. Grievances related to any aspect of the Project will be handled through negotiation aimed at achieving consensus. Complaints will pass through three stages before they could be elevated to a court of law as a last resort. The DCARB will shoulder all administrative and legal fees that might be incurred in the resolution of grievances and complaints.

44. **First Stage, Commune People's Committee.** An aggrieved affected household may bring his/her complaint before any member of the Commune People's Committee, either through the Village Chief or directly to the CPC, in writing or verbally. It is incumbent upon said member of CPC or the village chief to notify the CPC about the complaint. The CPC will meet personally with the aggrieved affected household and will have 30-45 days following the lodging of the complaint to resolve it. The CPC is responsible for documenting and keeping file of all complaints that it handles.
45. Upon issuance of decision of CPC, the household can make an appeal within 30 days. If the second decision has been issued and the household is still not satisfied with the decision, the household can elevate his/her complaint to the DPC.
46. **Second Stage, District People's Committee.** Upon receipt of complaint from the household, the DPC will have 30-45 days following the lodging of the complaint to resolve the case. The DPC is responsible for documenting and keeping file of all complaints that it handles.
47. Upon issuance of decision of DPC, the household can make an appeal within 30 days. If the second decision has been issued and the household is still not satisfied with the decision, the household can elevate his/her complaint to the PPC.
48. **Third Stage, Provincial People's Committee.** Upon receipt of complaint from the household, the PPC will have 30-45 days following the lodging of the complaint to resolve the case. The PPC is responsible for documenting and keeping file of all complaints that reaches the same.
49. Upon issuance of decision of PPC, the household can make an appeal within 30 days. If the second decision has been issued and the household is still not satisfied with the decision, the household can elevate his/her complaint to the court within 45 days. PPC will then deposit the compensation payment in an escrow account.
50. **Final Stage, the Court of Law Arbitrates.** Should the complainant file his/her case to the court and the court rule in favor of the complainant, then PMU-1 will have to make the necessary adjustments in the compensation and/or assistance at a level to be decided by the court. In case the court will rule in favor of PPC, then the amount deposited with the court is what the complainant will receive.

## VI. LEGAL FRAMEWORK

### A. Government Laws and Regulations

51. The legal and policy framework for compensation, resettlement and rehabilitation under the project is defined by the relevant laws and regulations of the Government of Viet Nam (GoV) and the ADB policies. In case of discrepancies between the Borrower's laws, regulations, and procedures and ADB's policies and requirements, ADB's policies and requirements will prevail, consistent with Decree No. 38/2013/ND-CP (which provides that in case of "discrepancy between any provision in an international treaty on Official Development Assistance, to which the Socialist Republic of Viet Nam is a signatory, and the Vietnamese Law, the provision in the international treaty on ODA shall take precedence" -Article 2, Item 5). The same statement was mentioned in the Decree 47/2014/ND-CP on compensation and resettlement when the Government takes over the land for the defense, security purposes, benefits of nation and public works as well as for economic development. Decree No. 17/2003/ND-CP, promulgating the regulation on the exercise of democracy in communes, including requirements for consultation with and participation of people in communes.

52. The policies of GoV on compensation, resettlement and assistance have been significantly improved from time to time, especially, 2013, the date of Land Law was passed by the National Assembly. Many Laws, Decrees, Circulars and amendments to Laws;

Decrees issued by the GoV to improve the policies on land recovery, compensation and assistance. The policies on land recovery, compensation and assistance have also significantly improved on the requirements of consultation, participation, information dissemination, monitoring and evaluation. For the projects which are financed by the international financing institutions, the GoV has also approved for the required waivers to meet with the international standards on involuntary resettlement.

53. The Constitution of the Socialist Republic of Viet Nam (1992) confirms the right of citizens to own and protect the ownership of a house. In addition, the Government has enacted a number of laws, decrees and regulations that constitute the legal framework for land recovery, compensation and resettlement. The principal documents include the Land Law No. 45/2013/QH13, providing Viet Nam with a comprehensive land administration law; Decree No. 47/2014/ND-CP on compensation, rehabilitation and resettlement in the event of land recovery by the State, as amended by Decree No. 44/2014/ND-CP; specifying the methods for land pricing and land price frameworks in the event of land recovery by the State. Decree No. 43/2014/ND-CP, stipulating on issue of LURC, Decree No. 17/2003/ND-CP, promulgating the regulation on the exercise of democracy in communes, including requirements for consultation with and participation of people in communes

54. Other laws, decrees and regulations relevant to land management, land recovery and resettlement include the Construction Law 50/2014/QH13 on compensation and relocation of people affected by ground clearance for investment projects, Document 3482/BXD-HĐXD guiding on the implementation of the Construction Law, and Decree 198/2004/ND-CP on land use fees.

55. Laws, decrees and decisions relevant to public disclosure of information include Land Law, No. 45/2013/QH13, Article 67, requiring disclosure of information to affected people prior to recovery of agricultural and non-agricultural land of, respectively, 90 and 180 days minimum and Decision 3037/QĐ-BGTVT, 2003, making the Project Management Unit together with the Resettlement and Site Clearance Committee responsible for public disclosure through mass media of the project policies and the extent of site clearance to local people, particularly those that will be affected.

56. **Ethnic Minorities.** The Government recognizes the same social position, rights and obligations of all ethnic groups within the territory of the Vietnamese State, consistent with the declarations of the National Assembly in 1946, 1959, and 1980 and the 1992 Constitution of the country. Recognizing, however, that ethnic minorities are disadvantaged vis-à-vis the majority Kinh population, the Government has enacted a number of policies and programs that provide for preferential support to the ethnic minorities, specifically Program 135 on hunger eradication and poverty reduction and Program 143 for remote communes with special difficulties, not to mention the establishment of the Committee for Ethnic Minorities (CEM) that is tasked to coordinate the implementation of the aforementioned programs.

## **B. ADB Safeguard Policy Statement**

57. On 20 July 2009, the ADB Board of Directors approved Safeguard Policy Statement (SPS) that strengthens protections already in place on environment, involuntary resettlement and indigenous peoples. The SPS and Operational Manual became effective on 20 January 2010. The objectives of ADB Policy on Involuntary Resettlement (Safeguard Requirement 2) are to avoid resettlement wherever possible, to minimize involuntary resettlement by exploring project and design alternatives, to enhance, or at least restore, the livelihoods of all affected persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.

58. The ADB's Policy on Indigenous Peoples (Safeguard Requirement 3) with the objective is to design and implement projects in a way that fosters full respect for Indigenous Peoples' identity, dignity, human rights, livelihood systems, and cultural uniqueness as

defined by the Indigenous People themselves so that they (i) receive cultural appropriate social and economic benefits; (ii) do not suffer adverse impacts as a results of projects; and (iii) can participate actively in project that affect them. It defines “indigenous peoples” as “those with a social or cultural identity distinct from the dominant or mainstream society”. "Indigenous peoples" is a generic concept that includes cultural minorities, ethnic minorities, indigenous cultural communities, tribal people, natives, and aboriginals. The Policy recognizes the potential vulnerability of ethnic minorities in the development process; that ethnic minorities must be afforded opportunities to participate in and benefit from development equally with other segments of society; and, have a role and be able to participate in the design of development interventions that affect them.

59. The policy on indigenous peoples is “designed to promote the participation of indigenous peoples in project preparation and implementation, to ensure that they benefit from development interventions that would affect them, and to provide effective safeguards against any adverse impacts”. In any ADB interventions, the approaches to be used are as follows: (i) to achieve the greatest possible reduction of poverty among the affected indigenous peoples; (ii) when negative impacts are unavoidable, they should be minimized as much as possible, and appropriate measures will be taken to mitigate the adverse impacts; (iii) in enhancing the benefits of a development intervention for indigenous peoples or reducing negative impacts of a development intervention, clear mechanisms for accurate and objective analysis of their circumstances will be prepared; and (iv) the mechanisms for any intervention must be transparent and should ensure accountability.

### **C. Gap Analysis and Gap-Filling Measures**

60. With the issuance of Decree 47/2014 regulating on compensation, assistance and resettlement when land is recovered by the State in replacement of Decree 197/2004/ND/CP (3/12/2004), the policies the Government have been significantly improved time to time and become more consistent with ADB’s social safeguards policies. Nonetheless, provisions and principles adopted in this REMDP will supersede the provisions of the relevant decrees currently in force in Viet Nam wherever a gap exists, as provided for under Decree 131/2006/ND-CP (November 2006), which regulates the management and use of official development assistance.

61. It should also be noted that if the compensation, assistance and resettlement required by the financiers are different from Governmental Decree, before signing the international loan agreement, the project owner must report to the Prime Minister for his consideration and decision; and basing themselves on the local realities, the provincial-level People’s Committee chairpersons shall decide on other supporting measures to stabilize life and production of persons who have land recovered; special cases shall be submitted to the Prime Minister for decision”, therefore, if additional gaps not mentioned below are found during REMDP preparation, the required assistance or support will be included in the updated REMDP.

62. There is basic congruence between Viet Nam’s laws and ADB’s resettlement policy especially with regard to the entitlement of persons with legal rights/titles. Existing legislation provide guidance in (i) determining market/replacement rates and payment of compensation for various types of affected assets; (ii) options for land-for-land and cash compensation; (iii) provision of relocation assistance and support to displaced households during the transition; (iv) provision of resettlement land and housing with secured tenure; (v) additional assistance for severely affected and vulnerable households; (vi) support to livelihood restoration and training; and (vii) notification/disclosure, consultation, and grievance mechanisms.

63. However, ADB Policy does not consider the absence of legal rights of displaced persons on the acquired land as an impediment to receiving compensation for other assets and for rehabilitation assistance. Non-registration of shops/business also does not bar shop/business owners from being assisted in restoring their business. There is also a slight

difference in the definition of major/severe impacts. Key differences between ADB Resettlement Policy and Viet Nam's legislation, including measures to address the differences, are outlined in Table 27: below.

Table 27: Gap Analysis and Gap-Filling Measures

Key Issues	National Laws	ADB Policy	Project Policy
Definition of severely affected households losing productive land	Decree 47/2014 regulating on compensation, assistance and resettlement when land is recovered by the State regulates that severely affected households are those who lose 30% or more of their productive land.	Severely affected households are those who will be physically displaced or will lose 10% or more of their productive, income generating assets.	Affected persons who lose 30% or more of their agricultural land will be considered as severely affected households. In addition, affected persons who lose less than 30% of their agricultural land who are determined to depend heavily in agriculture for their livelihood will also be considered as severely affected households and will provided with additional assistance similar to those losing 30% or more of their land.
Non-titled users	Article 7, Article 251, Decree 47/2014/ND-CP, the Peoples' Committees of the provinces or centrally-run cities shall consider providing such support on case-by-case basis.	Non-titled affected persons, including displaced tenants, sharecroppers and squatters, are not entitled to compensation for land but are entitled to payment for non-land assets and assistance and provided with relevant transitional assistance and support to restore their pre-project living standards. If they are poor and vulnerable, appropriate assistance must be provided to help them improve their socio-economic status.	Non-titled users will be entitled to compensated for non-land assets and provided appropriate assistance to help them improve, if not restore, their socio-economic status.
Unregistered businesses	Compensate and support only registered manufacturing and business enterprise or households	Promptly compensate all economically displaced persons for the loss of income or livelihood sources at full replacement cost, and assist through credit facilities, training and employment opportunities	Assist affected persons/households who do not fall under registered business by providing assistance in cash or in-kind during transition period.
Houses and structures	Article 89 of Land Law 2013 - Compensation equal to the value of newly constructed houses and structures following the same technical standard.	Structure to be compensated 100% of replacement cost, without depreciation and regardless of status of the AP on the land as long as structure was put <u>prior to the cut-off date</u>	Houses and other structures on land that were constructed prior to the decision on land recovery (cut-off date) will be compensated according to new construction price.
Provision of rehabilitation assistance to severely affected and vulnerable households	Article 19, Decree 47/2014/ND-CP: APs losing more than 30% of productive land will be entitled to living stabilization and training/job creation assistance.	Rehabilitation assistance is required for those who lose 10% or more of their productive income generating assets and/or being physically displaced. Focus on strategies to avoid further impoverishment and create new opportunities to	Households who lose 30% or more of their agricultural land will be provided with additional assistance.  Households who lose less than 30% of their agricultural land who are determined to

Key Issues	National Laws	ADB Policy	Project Policy
		improve status of the poor and vulnerable people.	depend heavily in agriculture for their livelihood and whose land is below the minimum land quota in the commune will also be provided with additional assistance similar to those losing 30% or more of their land.  Specific measures will be defined to ensure that all vulnerable groups are assisted to improve or at least restore living standards to pre-project levels and in a manner that is culturally sensitive and appropriate
Entity that conducts the valuation of acquired assets	The provincial-level land administration agency is entitled to hire organizations having consultancy functions for advising on the determination of specific land prices	Qualified and experienced experts will undertake the valuation of acquired assets	Qualified organization will be engaged to conduct replacement cost surveys for the project which will be used as input by the District Compensation Boards under the District People's Committee for determining compensation amounts.

## VII. ENTITLEMENTS

### A. Project Cut-Off Date

64. The cut-off-date means the date prior to which the occupation or use of any part of the project area makes residents or users of the same eligible to be recognized as affected persons. For this Project, the cut-off date will be the date of notice on land recovery issued by the Thanh Hoa Peoples Committee and published broadly by the District Peoples Committee to local communities and displaced persons. The cut-off date will be reflected in the Updated REMDP.

### B. Project Principles

65. The overall objectives of the resettlement policy for this REMDP are (i) to minimize, if not avoidable, resettlement impacts; (ii) if impacts are unavoidable, REMDP is prepared in a way to ensure that affected persons are not worse off; rather, they should be able to at least maintain or otherwise improve their pre-project living standards and income-earning capacity. Principles adopted for this Project, irrelevant to current situation but might be relevant in the future in case there will be major changes in alignment designs, are presented below:

- a. Involuntary resettlement and impacts on land, structures and other fixed assets will be minimized where possible by exploring all alternative options.
- b. Compensation will be based on the principle of replacement cost at the time of compensation.
- c. Affected persons without title or any recognizable legal rights to land are eligible for resettlement assistance and compensation for non-land assets at replacement cost.

- d. Residential land, residential house and agricultural land for replacement should be close to the previous places as much as possible and be suitable to affected persons.
- e. Meaningful consultations will be carried out with the affected households and concerned groups and ensure participation from planning up to implementation. The comments and suggestions of the affected persons and communities will be taken into account.
- f. The REMDP and its updates will be disclosed to affected persons in a form and language(s) understandable to them prior to submission to ADB.
- g. Resettlement identification, planning and management will ensure that gender concerns are incorporated.
- h. Special measures will be incorporated in the REMDP to protect socially and economically vulnerable groups such as households headed by women, children, disabled, the elderly, landless and people living below the generally accepted poverty line.
- i. Existing cultural and religious practices will be respected and, to the maximum extent practical, preserved.
- j. Culturally appropriate and gender-sensitive social impact assessment and monitoring will be carried out in various stages of the project.
- k. Resettlement transition stage should be minimized. Restoration measures will be provided to affected persons before the expected starting date of construction in the specific location.
- l. Budget for payment of compensation, resettlement and support will be prepared sufficiently and made available during project implementation. Sites for resettlement and restoration will be available as required.
- m. Reporting and independent monitoring should be defined clearly as part of the management system of resettlement. Independent assessment of the duration and results of the land recovery should be carried out.
- n. PMU1 will not issue notice of possession to contractors until the head of DCARB has officially confirmed in writing that (i) payment has been fully disbursed to the affected persons and rehabilitation measures are in place as per Updated REMDP agreed between PMU1 and ADB; (ii) already-compensated affected persons have cleared the area in a timely manner; and (iii) the area is free from any encumbrances. No land recovery or site clearing will be done until and after the Updated REMDP has been agreed between PMU1 and ADB and the provisions in the Updated REMDP have been implemented satisfactorily.

### C. Project Entitlements

66. The project entitlements (i.e. compensation and support) developed and presented in the entitlement matrix below corresponds to the impacts identified during the IOL and based on the entitlements provided under the ongoing project. It should be noted that these entitlements may be enhanced, as necessary, following the conduct of DMS and consultation with affected persons to ensure that losses are restored, if not improved. Entitlements adopted are based on government policies and decisions and ADB policies. Entitled persons or affected persons are those who satisfy the cut-off-date.

Table 28: Entitlement Matrix on Compensation and Support

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
<p><b><u>Marginal* Loss of Productive Land (Agriculture/Aquaculture/Garden)</u></b></p> <p><b><u>*Single affected plot:</u></b> The remaining area is still</p>	Households or persons with (i) LURC; or (ii) in the process of acquiring LURC (iii) are eligible to acquire LURC according to the regulations of GoV; and (iv)	Cash compensation at replacement cost which is equivalent to current market price and free from transaction costs (e.g., taxes, certification,	The actual amount will be determined during DMS.

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
<p>economically viable for use or meets the expected personal yield, and within the minimum land quota in the commune.</p> <p><b><u>*More than One Plot of Productive Land.</u></b> If land is affected by more than 10% of productive land but have more than one plot of productive land and remaining area of total landholdings is still economically viable for use, meets the expected personal yield, and within the minimum land quota in the commune</p>	<p>covered by customary rights, such as members of ethnic minority groups.</p>	<p>administration costs).</p> <p>Cash assistance equivalent to 1.5 to 5 times of the current market price of agricultural land.</p> <p>Bonus Allowance if land is handed over in time</p>	
	<p>Land Users who have no formal legal rights nor recognized or recognizable claims to such land.</p>	<p>No compensation for public land and land allocated by GoV/ local authorities to institutions or individuals, but full replacement cost for non-land assets and investment on land to land user.</p>	
<p><b><u>Severe* Loss of Productive Land (Agriculture/Aquaculture/Garden)</u></b></p> <p><b><u>*Single or More than One Plot of Land.</u></b> The remaining area is not economically viable for use or does not meet the expected personal yield or below the minimum land quota in the commune.</p>	<p>Households or persons with (i) LURC; or (ii) in the process of acquiring LURC (iii) are eligible to acquire LURC according to the regulations of GoV; and (iv) covered by customary rights, such as members of ethnic minority groups.</p>	<p>Cash compensation at replacement cost which is equivalent to current market price and free from transaction costs (e.g., taxes, certification, administration costs).</p> <p>OR</p> <p>Land-for-land of equivalent productive value and with secure tenure, if replacement land is available in the locality.</p>	<p>The viability of remaining land will be officially determined by DCARB and concurred with by the affected household during the Detailed Measurement Survey ( DMS). Even replacement land is available, affected persons can still opt land for land or cash for land at the replacement cost.</p>
		<p><b>Provision of life stabilization assistance for affected persons:</b></p> <p>a) Losing less than 30% of agricultural land and (i) remaining land is below the minimum land quota in the commune; and (ii) households depend heavily on agricultural land, therefore, can no longer sustain a household</p> <ul style="list-style-type: none"> <li>• 30 kg of rice per person per month for 6 months if not relocating</li> <li>• 30 kg of rice per</li> </ul>	<p>Life Stabilization Allowance is provided for those households losing 30% or more of their agricultural land. However, for this project, households who lose less than 30% of their productive land and who are determined to depend heavily on agricultural production, land is below the</p>



Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
		<p>person per month for 12 months if relocating</p> <p>b) Losing between 30% to 70%.</p> <ul style="list-style-type: none"> <li>• 30 kg of rice per person per month for 6 months if not relocating</li> <li>• 30 kg of rice per person per month for 12 months if relocating</li> </ul> <p>c) Losing more than 70%</p> <ul style="list-style-type: none"> <li>• 30 kg of rice per person per month for 12 months if not relocating</li> <li>• 30 kg of rice per person per month for 24 months if relocating</li> <li>• 30 kg of rice per person per month for 24 months or more but not more than 36 months if relocating to a difficult socio-economic condition area.</li> </ul> <p>Bonus Allowance if land is handed over in time</p>	<p>minimum land quota, and the remaining land will no longer be sufficient to support a household will also be entitled to life stabilization assistance similar to those losing 30% or more.</p> <p>The amount will be based on current market price of rice at the time of REMDP preparation.</p> <p>The actual amount will be determined during DMS.</p>
		<p>Households provided with agricultural land will be provided with production stabilization assistance including seedling, domestic animal for agricultural production, other incentive agriculture service, veterinary services, plantation and feeding technique, and specialty technique for production, business of industrial-commercial services.</p>	<p>The type of assistance and period of assistance will be determined during REMDP preparation and will reflect actual needs and conditions of the affected persons.</p>
		<p><b>Cash assistance equivalent to 1.5 to 5 times</b> of the current market price of agricultural land to cover for career change and job generation.</p>	<p>As per Article 20, Decree 47/2014/ND-CP, referring to "Career Change and Job Generation", the amount of assistance not more than 5 times of land compensation price will be determined</p>

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
			during REMDP preparation and will reflect actual needs and conditions of the affected persons.
		<b>Other assistance</b> in addition to the above will also be decided during REMDP preparation to ensure restoration of income of households.	As per Article 25, Decree 47/2014/ND-CP, referring to "other assistance, the PPC can make the decision and in special cases, may require to submit the other assistance to the Prime Minister for decision.  The actual amount will be determined during DMS.
	Land Users who have no formal legal rights nor recognized or recognizable claims to such land.	No compensation for public land and land allocated by GoV/ local authorities to institutions or individuals, but full replacement cost for non-land assets and investment on land to land user.  Other assistance may be provided to ensure restoration of income of households.	As per Article 25, Decree 47/2014/ND-CP, referring to "other assistance", the PPC will make the decision based on actual conditions.
<b>Partial* Loss of Residential Land</b>  *Will not Require Relocation	Households or persons with (i) LURC; or (ii) in the process of acquiring LURC (iii) are eligible to acquire LURC according to the regulations of GoV; and (iv) covered by customary rights, such as members of ethnic minority groups.	Cash compensation at replacement cost which is equivalent to current market price and free from transaction costs (e.g., taxes, certification, administration costs).	The viability of remaining land will be officially determined by DCARB and concurred with by the affected household during the Detailed Measurement Survey ( DMS).  The actual amount will be determined during DMS.
	Land Users who have no formal legal rights nor recognized or recognizable claims to such land.	No compensation for public land and land allocated by GoV/ local authorities to institutions or individual AP, but full replacement cost for non-land assets and investment on land to	

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
<p><b>Total Loss of Residential Land</b></p> <p>Land no longer viable for continued use, i.e., can no longer build a house, therefore the entire property has to be acquired</p>	<p>Households or persons with (i) LURC; or (ii) in the process of acquiring LURC (iii) are eligible to acquire LURC according to the regulations of GoV; and (iv) covered by customary rights, such as members of ethnic minority groups.</p>	<p>land user.</p> <p>Cash compensation at replacement cost which is equivalent to current market price and free from transaction costs (e.g., taxes, certification, administration costs). Plus: cash assistance for self-relocation equivalent to investment cost per household at the resettlement site</p> <p>OR</p> <p>Plot at the resettlement site which will be constructed by PMU1 of similar attributes with secure tenure</p>	<p>The viability of remaining land will be officially determined by DCARB and concurred with by the affected household during the Detailed Measurement Survey ( DMS).</p> <p>The actual amount will be determined during DMS.</p>
	<p>Land Users who have no formal legal rights or recognized or recognizable claims to such land.</p>	<p>No compensation for public land and land allocated by GoV/ local authorities to institutions or individual AP, but full replacement cost for non-land assets and investment on land to land user.</p> <p>For affected persons who belong to poor and vulnerable households who do not have other accommodation as they cannot afford to purchase a house be allocated with land or house at the resettlement site, they will be assisted in cash or in-kind depending on actual condition of affected persons and specific needs.</p>	
<p><b>Loss of Garden/Pond Land that cannot be Certified/Recognized as Residential Land</b></p>	<p>Households or persons (i) LURC; or (ii) in the process of acquiring LURC (iii) are eligible to acquire LURC according to the regulations of GoV; and (iv) covered by customary rights, such as members of ethnic minority groups.</p>	<p>In addition to payment for affected land based on replacement cost of garden/pond land, AP will be entitled to cash assistance equivalent to 30% to 70% of the current market value of residential land.</p>	<p>As per Article 9, Decree 47/2014/ND-CP, the PPC will make the decision on the amount of assistance based on actual condition.</p> <p>The actual amount will be determined during DMS.</p>
<p><b>Partial* Impacts on Houses or</b></p>	<p>Owners with or without</p>	<p>Cash compensation at</p>	

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
<b>House-Cum-Shops</b>  <b>*Unaffected portion of the house is still viable or can be continuously used and will not require any relocation, only repair works.</b>	acceptable proof of land use rights over the land; with or without building permit.	replacement cost for the affected portion which is equivalent to the current market value of a newly built structure and with no depreciation or deduction for salvageable materials for the affected portion.	
<b>Total* Impacts on Houses or House-Cum-Shops</b>  * House is partially affected but the remaining portion of the house will no longer be viable for continued use, therefore, the entire house should be destroyed.	Owners of the structures with or without acceptable proof of land use rights over the land; with or without building permit	Cash compensation at replacement cost for the entire house which is equivalent to the current market value of a newly built house or house-cum-shop and with no depreciation or deduction for salvageable materials.  Cash payment for connection fees for water, electricity and telephone at the new site (relocation site or site that AP prefer)	
<b>Loss of Income from Business</b>	Registered business	Cash assistance equivalent to 30% of after tax income in one year based on average income in the last 3 consecutive years as certified by the tax department of the province	
	Non-registered business (shops)	Cash assistance based on estimated net income of shop. Net income will be based on the average monthly income indicated in the tax receipts. Nevertheless, assistance will not be less than equivalent to 3 months minimum wage	
<b>Disruption During Relocation</b>	Relocating households whose house are totally affected and will have to move on remaining land or new plot of land	a) Life stabilization allowance equivalent to 30 kg of rice per member of household for 3 month.  b) Materials Transport Allowance which will be equivalent to the actual cost of moving (vehicle and labor), and	The actual amount per type of assistance will be determined during DMS to reflect actual conditions.

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
		c) House Rental Allowance if AP has no other accommodation while waiting for new accommodation (i.e., while AP is rebuilding house or waiting for house being built by a contractor at the resettlement site).	
	Relocating Shops	Materials Transport Allowance which will be equivalent to the actual cost of moving (vehicle and labor).	This applies to stand-alone shops. If shop-owner is also affected house-owner who will be required to relocate, the materials transport allowance will be included in the cost for affected house.
<b>Higher Risks of Impoverishment/Hardship Due to Loss of Resource Base</b>	Affected vulnerable households	<p>Allowances for households as per government regulation (social policy households, heroic mothers, wounded, dead soldiers)</p> <p>Additional support for vulnerable households to assist them in rebuilding their house or restoring/improving their livelihood</p>	The actual amount and period of assistance will be determined during DMS to reflect actual needs of each vulnerable household.
	Households who will experience severe loss of production land, relocating households and business owners, and vulnerable households	Entitled to take part in income restoration program/measures to be designed during REMDP preparation.	
<b>Loss of Secondary Structures</b>	Households or persons with or without acceptable proof of land use rights over the land; with or without building permit.	Cash compensation at replacement cost which is equivalent to the current market value of a newly built structure and with no depreciation or deduction for salvageable materials	
<b>Impacts on Crops, Trees and Aquaculture Products</b>	Owners regardless of tenure status	Annual crops and aquaculture products equivalent to current market value of crops/aquaculture products at the time of	

Impact/ Loss and Application(*)	Eligible Persons	Entitlements	Implementation Issues
		<p>compensation;</p> <p>For perennial crops trees, cash compensation at replacement cost equivalent to current market value given the type, age and productive value (future production) at the time of compensation.</p> <p>Timber trees based on diameter at breast height at current market value.</p>	
<b>Impacts on Public Facilities, Communal Owned Assets and Collective Assets</b>	Owners of assets	<p>Cash compensation to cover the cost of restoring the facilities or assets</p> <p>OR In-kind compensation (such as PMU1 to replace materials, provide labor)</p>	To be agreed between PMU1 and owner during implementation
<b>Impacts on Graves/Tombs</b>	Households/individuals who have affected tombs and graves	<p>Costs of excavation, relocation and reburial will be reimbursed in cash to the affected family.</p> <p>Graves to be exhumed and relocated in culturally sensitive and appropriate ways.</p>	
<b>Temporary Impacts During Construction</b>	<p>Affected Land:            (i) Households with LURC;            (ii) Households in the process of acquiring LURC;            (iii) Households Eligible to acquire LURC;</p> <p>Affected Non-Land Assets:            Owners regardless of tenure status</p>	<p>For the portion to be used temporarily during construction: (i) rental in cash which will be no less than the net income that would have been derived from the affected property during disruption; (ii) restoration of the land within 3 months after use.</p> <p>For non-land assets affected, payment will be based on replacement cost as indicated above.</p>	
<b>Impact not identified during preliminary design</b>	Owner	Compensation will be based on the principle of replacement cost	During DMS

## VIII. RELOCATION AND INCOME REHABILITATION

67. About 76 relocated households in the whole project. During the consultation at the time of IOL, 38 households wished to receive money and relocate by themselves. Twenty eight households requested replacement land in the locality while the remaining 14 households did not give any preference. As the number of households who want replacement land is not high, the option to provide resettlement land by small group or individually may be applied. Households will be further consulted on the availability of replacement land, and assistance required for completing basic infrastructure once the actual impacts are known during DMS. In case there is request by households, the project can provide support for land-filling, create access road, connect electricity and water supply similar to surrounding residential area. In case AHs want to set up infrastructure by themselves, infrastructure assistance for relocating households will be paid in cash to them.

68. Associated with loss of productive land that may severely affect the households and vulnerability of some affected households, the type of income restoration measures designed for eligible affected households will depend on the type of assistance required. During the conduct of detailed measurement survey (DMS), PMU1 and DCARB will carry out needs assessment and help design and implement a suitable income restoration program. The process involves identification of the livelihood activities of each household by evaluating the household's losses, specific needs against the household's preferences, inclination and preparedness, and by assessing the availability of external support needed by the households to pursue their chosen livelihood activities. Further, PMU1 and DCARB will investigate and evaluate possible employment, credit facility and provider of training when conducting needs and opportunities assessment for each participating eligible household.

69. The severity of impacts on the affected households, although identified during IOL, is subject to verification during detailed design and DMS. As indicated in the earlier section of the REMDP and consistent with the policy of REMDP, options to further avoid, if not mitigate impacts will continue to be adopted. During REMDP updating, the following principles will guide in the design of income restoration program: (i) responsive to the specific needs and attuned to the level of preparedness of the household; (ii) sustainable and geared towards self-determination and empowerment rather than dependence; (iii) foster fairness; and (iv) gender- and culturally-sensitive and environmentally sound.

70. Data gathering and in-depth investigation of needs and opportunities will be done in parallel with the DMS. The various income restoration activities planned and agreed with the participating households, PMU1 and DCARB will be included in the updated REMDP. Implementation of the program will be monitored regularly to ensure that targets are achieved and will be included in the resettlement progress report that will be submitted to ADB. An evaluation of the income restoration program will be conducted to sum up what has been achieved, to identify additional interventions, as needed; and to draw out lessons and insights. Provision for special funds will be allocated for the income restoration activities, including training costs, as required.

## IX. REMDP BUDGET

### A. Cost Estimates

71. The resettlement budget is based on the rapid cost survey carried out by the Project Design Consultants. Report of Rapid cost study is attached in Annex 3. It should be noted that the costs are estimates only. During detailed design stage and at the time of DMS, the Project

will hire a qualified appraiser to carry out replacement cost survey. The official replacement cost survey (RCS) will be submitted to PPC for approval.

72. The REMDP Cost Estimates is at 345 million VND (USD 15.8 million equivalent). It covers payment for land and application of allowance, administration cost, and contingency. Cost for external monitoring will be sourced from the Government counterpart fund.

Table 29: REMDP Cost Estimates

No	Items	Unit	Total		Fly over			Road		
			Qty	Amount	Qty	Unit price	Amount	Qty	Unit price	Amount
<b>I</b>	<b>Land</b>			<b>170,486,624,850</b>			<b>29,890,591,650</b>			<b>140,596,033,200</b>
1	Residential land	m2	86,821	156,909,840,000	6,206	4,500,000	27,925,200,000	80,615	1,600,000	128,984,640,000
2	Garden land	m2	50,962	2,242,328,000		44,000	0	50,962	44,000	2,242,328,000
3	Aquaculture land	m2	9,724	388,960,000		40,000	0	9,724	40,000	388,960,000
4	Agriculture land	m2	268,178	10,945,496,850	43,675	45,000	1,965,391,650	224,503	40,000	8,980,105,200
<b>II</b>	<b>Houses, structure</b>			<b>76,007,003,577</b>			<b>9,338,815,450</b>			<b>66,668,188,127</b>
1	Class 3	m2	757	3,118,840,000	480	4,120,000	1,977,600,000	277	4,120,000	1,141,240,000
2	Class 4	m2	9,204	28,826,145,660	610	3,131,915	1,910,468,150	8,594	3,131,915	26,915,677,510
3	Temporary house	m2	3,028	3,028,000,000		1,000,000	0	3,028	1,000,000	3,028,000,000
4	Cattle stall, yard	m2		1,339,500,000			200,000,000			1,139,500,000
5	Fence	m3	1,543	509,190,000	340	330,000	112,200,000	1,203	330,000	396,990,000
6	Drilled well	piece	472	1,416,000,000	4	3,000,000	12,000,000	468	3,000,000	1,404,000,000
7	Pillars, cement sheet, gates...	m3		2,043,625,000			200,000,000			1,843,625,000
8	Electric poles	pole	649	15,576,000,000	6	24,000,000	144,000,000	643	24,000,000	15,432,000,000
9	Telephone poles	pole	476	2,380,000,000	3	5,000,000	15,000,000	473	5,000,000	2,365,000,000
10	canal	m	4,719	2,359,702,917	1,100	500,043	550,047,300	3,619	500,043	1,809,655,617
11	Water supply	m	7,950	15,105,000,000	2,200	1,900,000	4,180,000,000	5,750	1,900,000	10,925,000,000
12	Graves	unit	122	305,000,000	15	2,500,000	37,500,000	107	2,500,000	267,500,000
<b>III</b>	<b>Crops, trees</b>			<b>2,602,527,236</b>			<b>503,003,490</b>			<b>2,099,523,746</b>
1	Crops	m2	246,890	2,468,900,000	43,675	10,000	436,753,700	203,215	10,000	2,032,146,300
2	Trees	Unit	474	133,627,236	235	281,914	66,249,790	239	281,914	67,377,446
<b>IV</b>	<b>Assistance</b>			<b>68,909,532,850</b>			<b>4,758,406,450</b>			<b>64,151,126,400</b>
1	Relocation assistance	HH	76	380,000,000	10	5,000,000	50,000,000	66	5,000,000	330,000,000
2	Life stabilizing assistance for agriculture land affected AHs	Person	469	1,407,000,000	95	3,000,000	285,000,000	374	3,000,000	1,122,000,000
3	Life stabilizing assistance for relocated business AHs	HH	14	700,000,000	4	50,000,000	200,000,000	10	50,000,000	500,000,000
4	Temporary house rent allowance	HH	76	456,000,000	10	6,000,000	60,000,000	66	6,000,000	396,000,000
5	Assistance for vulnerable households	HH	55	660,000,000	2	12,000,000	24,000,000	53	12,000,000	636,000,000
6	Assistance for garden land	M2	50,962	41,686,916,000	0	818,000	0	50,962	818,000	41,686,916,000
7	Job change assistance (2 times of compensation price of agricultural land)	m2	238,378	19,288,616,850	43,675	85,000	3,712,406,450	194,703	80,000	15,576,210,400
8	Bonus	HH	1,519	1,519,000,000	57	1,000,000	57,000,000	1,462	1,000,000	1,462,000,000
9	Infrastructure Assistance for relocated AHs (not go to RS)	HH	76	2,812,000,000	10	37,000,000	370,000,000	66	37,000,000	2,442,000,000
<b>V</b>	<b>Total I+II+III+IV</b>			<b>318,005,688,513</b>			<b>44,490,817,040</b>			<b>273,514,871,473</b>
<b>VI</b>	<b>Construction of infrastructure for resettlement site</b>	HH	24	720,000,000	0	30,000,000	0	24	30,000,000	720,000,000
<b>VII</b>	<b>Land measurement cost</b>	Estimated base from actual cost of		<b>2,400,000,000</b>			<b>400,000,000</b>			<b>2,000,000,000</b>
<b>IIIX</b>	<b>Replacement cost survey</b>	Estimated base from actual cost of		<b>600,000,000</b>			<b>150,000,000</b>			<b>450,000,000</b>
<b>IX</b>	<b>Admin cost (2%)</b>			<b>6,282,599,287</b>			<b>889,816,341</b>			<b>5,392,782,946</b>
<b>X</b>	<b>Contingencies (5%)</b>			<b>16,187,798,935</b>			<b>4,416,268,760</b>			<b>11,771,530,176</b>
<b>XI</b>	<b>Total V+VI+VII+VIII+IX+X</b>			<b>344,196,086,735</b>			<b>50,346,902,140</b>			<b>293,849,184,595</b>
	<b>USD (USD1 = VND21790)</b>			<b>15,796,057</b>			<b>2,310,551</b>			<b>13,485,506</b>

The residential land price for compensation in Ha Trung ranges from VND2 mil/m2 (6 HHs) to VND4 mil/m2 (14 HSs). The calculated average unit price for budget purposes is VND4.5 mil/m2.

The residential land price in Cam Thuy and Ba Thuoc ranges from VND0.6 mil/m2 to VND4 mil/m2 for different locations. The calculated average unit price for budget purposes is VND1.60 mil/m2

## B. Use of Loan Funds for Resettlement Costs

73. In order to ensure timely commencement of civil works in Q1 2016, the Government and ADB agreed to use part of additional loan to finance eligible expenditure related to land acquisition and resettlement including removal and restoration of utilities, advance to civil works contractors, and advance to consultants for undertaking construction supervision and resettlement monitoring incurred before loan effectiveness, but not more than 12 months before the signing of the loan agreement.

74. The PMU1 will establish an imprest account at a commercial bank acceptable to ADB, and the DCARBs in Cam Thuy Town and Ha Trung and Ba Thuoc districts will establish sub-accounts in Thanh Hoa Province Treasury for land acquisition and resettlement and ensure that liquidation of any amount paid from the sub-account requires the submission of:

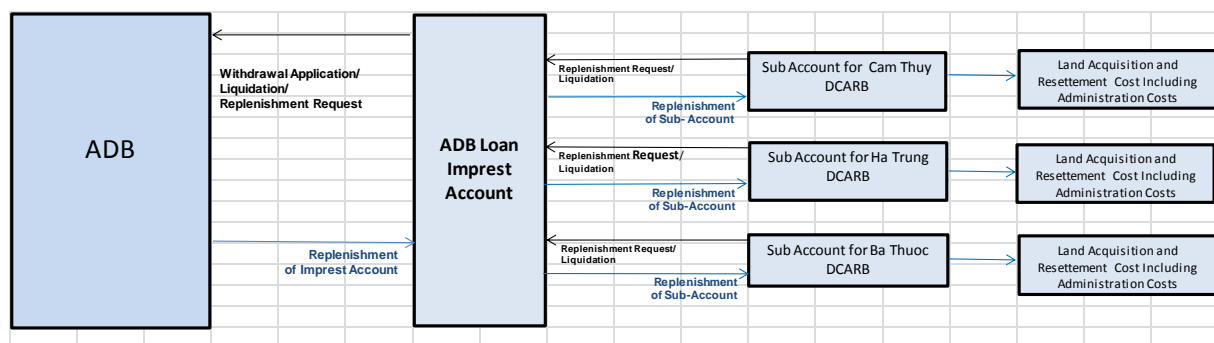


(i) a validation certificate issued by a qualified appraiser engaged by the DCARBs to carry out replacement cost surveys; (ii) the results of the DMS; and (iii) individual compensation plan signed by the affected households, and that receipt of compensation payment is acknowledged by the affected households.

75. PMU1 will make available to the DCARBs funds for resettlement which will cover (a) payment for land, structures, and other fixed assets, (b) allowances to the project affected persons, (c) administration expenses incurred by the DCARBs in relation to resettlement updating and implementation, (d) payment for relocation of public utilities. The DCARBs will be responsible in carrying out the payment and relocation of public utilities in accordance with ADB's Procurement Guidelines. PMU1 will be responsible in administering and monitoring loan funds for resettlement in accordance with ADB's Loan Disbursement Handbook. The external monitoring agency will carry out its own monitoring of compensation payments.

76. Flow of funds using loan funds for resettlement is shown in Figure 1 below:

Figure 1: Flow of Funds for resettlement



### C. Disbursement of Compensation and Assistance to Affected Households

77. With regard to disbursement of payment to APs, the following procedures will be followed. Additional steps or supporting documents may be requested as necessary to meet ADB and Government requirements.

- a) The affected household will be notified through the village chiefs two weeks in advance of the final schedule of payment of compensation and other entitlements. The affected households will be advised to have with them the required documents (such as LURC, ID, family book/civil registration certificates, DMS record, Compensation Plan, etc.) when claiming their compensation and other entitlements. If the affected household is unavailable to claim the compensation payment on the scheduled date, he/she will inform local authorities as soon as possible with a written authorization for a representative to claim the same on his/her behalf, or the affected household may request the DCARB to reschedule a later date for him/her to claim payment.
- b) DCARB to disburse payment to APs (in commune office or a location both acceptable to APs and DCC)
- c) APs to sign Compensation Plan and Official Receipt and get copy for record including DMS
- d) DCARB to document status of payment, update records as part of the quarterly progress report.
- e) DCARB will prepare and submit liquidation with agreed supporting documents to PMU1.

## **D. Workshop on the Administration of Loan Funds**

78. To ensure that use of loan funds will be administered properly and that liquidation of resettlement expenditures are submitted in a timely manner, the administrative procedures and checklist of supporting documents required by ADB and the Government will be discussed and agreed during the workshop to be held in August 2015 in Than Hoa Province.

## **X. INSTITUTIONAL ARRANGEMENTS**

### **A. Ministry of Transport**

79. The Ministry of Transport (MOT) will be the Executing Agency (EA) for the Project with direct responsibility, through the Project Management Unit 1 (PMU1) for the overall management and coordination of the proposed project.

80. PMU1 is the representative of the Project, with responsibility for implementation and management of Project activities, including land recovery and resettlement. The Resettlement Unit (RU) at PMU1 will be responsible for the overall coordination and management of REMDP preparation and updating, implementation and monitoring. This RU, consisting of 1-2 persons, will also act as members of the DCARB to be established. Specific tasks of PMU1 will include but not limited to the following:

- a. Participate in the preparation and implementation of the REMDP in collaboration with the People's Committees at various levels and DCARB. Submit the Updated REMDP to ADB for review and concurrence.
- b. Engage a qualified appraiser to carry out replacement cost survey. Submit the unit rates proposed by the qualified appraiser to Thanh Hoa PPC for review and approval to assist the DCARB in finalizing the compensation plans.
- c. Secure the budget for preparation and implementation of the REMDP, ensure that funds for compensation, assistance and resettlement are available and in a timely manner.
- d. Coordinate with the PCs to direct their relevant departments and various levels of authorities in implementing the project and REMDP.
- e. Serve as grievance officers for PMU1 and monitor/track/report on grievances related to the Project.
- f. Conduct internal monitoring of REMDP implementation and ensure that resettlement-related activities are carried out in accordance with the REMDP agreed between PMU1 and ADB. Prepare quarterly progress reports on preparation and implementation of REMDP for submission to ADB.
- g. Oversee the disclosure of resettlement related documents and consultation with affected persons and key stakeholders
- h. Coordinate the work of the External Resettlement Monitoring Agency.

### **B. Thanh Hoa Provincial Peoples' Committee**

81. The Provincial People's Committee (PPC) will be overall responsible for resettlement activities within its administrative jurisdiction. The main responsibilities of the PPC include:

- a. Carry out information campaign / project awareness on the project development to all relevant institutions and various administrative levels
- b. Approve the REMDP (and its update) prepared for the Project
- c. Direct its relevant departments such as Departments of finance, construction, agriculture and rural development, transport and environment to help in the preparation, updating, and implementation of the REMDP.

- d. Approve the unit rates which are detailed in the replacement cost survey report as proposed by the qualified appraiser to enable DCARB in finalizing the compensation plans.
- e. Approve the compensation plan and overall REMDP budget which will be reviewed and submitted to DOF
- f. Settle complaints and outstanding issues.

### **C. District Compensation, Assistance, and Resettlement Board**

82. In each project district, a District Compensation, Assistance and Resettlement Board(DCARB) will be established as per issuance of decision by District People’s Committee to manage all resettlement activities. The DCARB is headed by the Vice-Chair of the District Peoples Committee (DPC), and will include representatives from the Finance Department; the Natural Resources and Environment Department; Transport Department; Agriculture Department; Chair of affected communes and PMU1 staff. In addition, representatives from the Farmers’ Association, Women’s Union; and affected households may be invited. The responsibilities of DCARB are:

- a. Carry out dissemination of information on the REMDP and its updates;
- b. Organize, plan and carry out land recovery, compensation, assistance and other resettlement activities in the district as per agreed REMDP
- c. Conduct the DMS and prepare compensation plans for affected persons and submit them to PC and PMU1 for review
- d. Conduct consultation and participation activities, and coordination with various stakeholders during updating and implementation of the REMDP.
- e. Pay compensation and allowances, to affected persons after Updated REMDP has been agreed between PMU1 and ADB. Ensure the timely delivery of payments of compensation, assistance and other entitlements to affected persons; and
- f. Assist the PC in the resolution of grievances at the district levels.
- g. Administer use of loan funds for resettlement by preparing the necessary requests for replenishment of funds and documentation for liquidation to PMU1.

### **D. Commune People’s Committees (CPC)**

83. The CPC will assist the DCARB in their resettlement tasks. Specifically, the CPC will be responsible for the following: (i) participate in the updating and implementation of REMDP; identify potential replacement land for affected households; (iii) ensure that vulnerable and severely affected households are properly consulted and that the concerns and grievances of these households are heard, recorded and addressed in a timely manner; (iv) certify DMS and payments made to affected households; and (v) assist in the resolution of grievances.

### **E. Project Design and Supervision Consultants**

84. The Project Design and Supervision Consultants under the ongoing Project will assist PPC, DCARBs and PMU1 in the updating and implementation of the REMDP. The consultants will review and assess the capacity of the responsible institutions at central and project levels to update and implement the REMDP. The PSC will also design and implement necessary training and capacity-building interventions during REMDP updating.

### **F. External Monitoring Agency**

85. External monitoring is deemed necessary given that there are significant land recovery and resettlement impacts on affected persons. The external monitoring agency (EMA) will be mobilized before commencement of any resettlement activities, prior to the conduct of DMS for enabling a good quality baseline survey. The EMA will be required to submit semi-annual reports on the progress of implementation and make any necessary recommendations regarding the issues identified. All external monitoring reports will be submitted

simultaneously to PMU1 and ADB. ADB will upload the external monitoring reports on the ADB website. A sample TOR for the external monitoring is attached in Annex 2.

86. The EMA will be engaged by PMU1 using government counterpart funds. PMU1 will consult and seek concurrence from ADB on the terms of reference and draft contract of the EMA.

## **XI. REMDP UPDATING AND IMPLEMENTATION**

### **A. REMDP Updating**

87. DMS will be carried out by the DCARBs with the assistance of project design consultants following final design and staking of the actual COI. It will incorporate measures to avoid impacts through the design process. The Updated REMDP will detail, where possible, how the views of affected persons and other stakeholders were incorporated in the decision-making process.

88. The DMS will make detailed recording of all land and non-land assets. Prior to DMS, training of DCARB members will be organized by PMU1. The official list of affected persons, their losses, and corresponding payments due will be disclosed to the affected households. This also includes workers/employees of affected businesses, if any. Similarly, arrangements for replacement land and relocation of houses and structures<sup>1</sup>, if any, will also be disclosed to affected persons. During the actual DMS, the impacts and recorded amount will be disclosed to both husband and wife and will require concurrence of both husband and wife on the DMS.

89. The updated REMDP will include detailed documentary evidence to demonstrate that meaningful consultations have been further carried out and that the affected persons have been fully informed of their entitlements and ensure that all agreed decisions are taken in. This includes information provided to the affected households on relocation and income restoration options, and feedbacks by ethnic groups on the assessment of social impacts and mitigations. Minutes of meetings will be annexed in the Updated REMDP.

90. The DMS will cover information on the socio-economic profile of affected households.

91. Replacement cost survey (RCS) will also be carried out in parallel with DMS. A qualified appraiser will be engaged to carry out the RCS.

92. Data gathering and in-depth investigation of needs and opportunities will be done in parallel with the DMS. The various options for relocation and income restoration activities planned and agreed with the participating households will be included in the updated REMDP.

93. Disclosure of the updated REMDP to affected villages and affected persons will be carried out prior to its submission to ADB for review and concurrence. Consultations will be conducted with affected persons, particularly with the vulnerable and severely affected, if any, during DMS and will be continued during REMDP implementation.

### **B. Implementation of the REMDP**

94. Implementation of the REMDP and payment of compensation will occur only when the updated REMDP is acceptable to ADB. This will likely occur in 2016. Local officials will keep affected persons informed on a regular basis.

95. The PPC with support from the DCARBs are responsible for payment of compensation and allowances. Agreements will be made between DCARB and affected persons. Compensation will be paid at the earliest possible time following ADB concurrence of the updated REMDP and with sufficient time prior to the deadline for clearance from the land

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<sup>1</sup>Might occur if there are major changes in project design, e.g., the inclusion of bypasses.

recovery area in order to permit affected persons to plan, relocate, harvest crops, and handover their land to the project.

96. During payment, both spouses will be required to sign and receive payment to ensure that women are properly represented, made aware of the extent of impacts and the agreements made for compensation and support.

97. Affected persons will dismantle affected structures and clear land only after they have received full compensation for land and/or affected assets and, as circumstances require, have acquired or been allocated replacement land and reconstructed or repaired their affected structures, if any.

### **C. Gender and Ethnic Minority Specific Actions**

98. During REMDP updating and implementation, the following activities will be integral to ensure that women and ethnic groups benefit from the resettlement activities and that any adverse impacts could be avoided, if not minimized.

- a) Both men and women will participate in the DMS, and will be assisted by the village authorities who will provide translation as needed to ensure the affected persons understand and are in agreement with the DMS results.
- b) Compensation will be given to both men and women.
- c) Where ethnic group households are required to rebuild or relocate, rehabilitation options and sites will be acceptable to the household and ensure they are able to continue their existing livelihood and lifestyle, and remain within their community (if they so choose).
- d) Where land is allocated or use rights assigned, registration will be in the name of husband or wife if the affected land was acquired prior to marriage.
- e) All public information and consultation meetings in the villages will include local translation in minority languages so that information and exchange of views is facilitated for all men and women. Village meetings will be held to raise awareness and understanding of resettlement related issues such as project timing, entitlements, compensation determination and payments, grievance process, support for relocation/ rebuilding etc., and specific women focus groups will also be held to cover the same issues.
- f) Rehabilitation measures for businesses will ensure that ethnic group households and/or female headed households as well as other affected persons are treated equitably in terms of assistance to find and/or allocation of replacement land, and in the provision of allowances (including business income loss, transition and special allowances for vulnerable households).
- g) Monitoring of REMDP updating, consultation and awareness, implementation, and rehabilitation will all be undertaken using gender and ethnicity disaggregated data.

## **XII. IMPLEMENTATION ARRANGEMENTS**

99. For construction work, PMU1 will not issue notice of possession to contractors until the chairperson of DCARB has officially confirmed in writing that (i) payment has been fully disbursed to the affected persons and rehabilitation measures are in place as per Updated REMDP agreed between PMU1 and ADB; (ii) already-compensated affected persons have cleared the area in a timely manner; and (iii) the area is free from any encumbrances. No land recovery or site clearing will be done until and after the Updated REMDP has been

agreed between PMU1 and ADB and the provisions in the Updated REMDP have been implemented satisfactorily.

100. Majority of the local authorities and members of DCARBs in Cam Thuy and Ba Thuoc are ethnic groups themselves. To ensure clarity and thoroughness of information to be provided to the ethnic groups, DCARBs will ensure that extra efforts will be provided during the consultation and information activities at the time of REMDP updating and implementation. For example, distribute updated copies of the public information booklets, explain the details of the compensation plan to the households, provide copies and sufficient time for them to review; and translate documents into local language if needed.

Table 30: Indicative Implementation Schedule

Activities	Schedule
<b>Project Preparation</b>	
PMU1 and ADB Agreement on Resettlement and Ethnic Minorities Development Plan for phase 2	Jun 2015
<b>Project Implementation</b>	
<b>Approval of Project Outline by the Government</b>	Jun 2015
<b>Detailed Design</b>	Jul 2015 – Nov 2015
<b>REMDP Updating</b>	
Preparation of land application procedure for the Project.	Jul 2015
Establishment of the District Compensation Boards.	Jul 2015
Engagement of External Monitoring Agency.	Jul 2015
Information campaign before DMS.	Jul 2015
Conduct of Replacement Cost Survey	Aug-Nov 2015
Detailed Measurement Survey.	Aug-Nov 2015
Preparation of Compensation Plan.	Nov-Dec 2015
Submission of Final REMDP to ADB for review and concurrence	Dec 2015-Jan 2016
REMDP Uploading on ADB website.	Dec 2015-Jan 2016
Disbursement of Payment, Clearance of Land	Feb 2016 - onwards
Issuance of Notice-to-Proceed (NTP) for Specific Sections to civil works contractors subject to confirmation from head of DCARB	Apr 2016 - onwards
<b>Monitoring (internal and external) semi-annual basis</b>	Jul 2015 - onwards
<b>Grievance Redress</b>	Jul 2015 - onwards

### XIII. MONITORING AND REPORTING

#### A. Internal Monitoring

101. PMU1 is directly responsible for internal monitoring of REMDP implementation. The Project will establish a program for internal monitoring and reporting with the following objectives:

- (i) To monitor and report that the Project REMDP has been implemented in an accurate and timely manner.
- (ii) To assess whether and to what degree the REMDP has achieved the Project objectives.
- (iii) To identify problems or potential problems and methods of responding immediately to mitigate the problems.

102. The principal indicators for internal monitoring of resettlement activities include the following:

- (i) Payment of compensation to affected persons in various categories, according to the compensation policy agreed in the REMDP, with no discrimination against gender, ethnicity or any other factor.
- (ii) Public information dissemination and consultation procedures;
- (iii) Support to vulnerable groups, if any.
- (iv) Restoration of special facilities, including local roads, power supply, domestic water supply and irrigation systems.
- (v) Grievances and appeals, the process and the results, including redress measures.

- (vi) Adherence to grievance procedures and identification of outstanding issues that require further attention and resolution.
- (vii) Attention given to the priorities of affected persons regarding the options offered.
- (viii) Coordination and completion of resettlement activities, award of civil works contracts and notice of possession of sites.
- (ix) Staffing, training, work schedule and working effectiveness of resettlement offices at all levels.
- (x) Administration of loan funds used for resettlement.

103. PMU1 will develop an internal monitoring framework to supervise the resettlement activities, and will establish a database for the land recovery and resettlement, and will monitor the whole process of resettlement.

104. During implementation, the DCARBat each district will establish relevant section of the database and update them along with the resettlement progress for planning the resettlement work in their own area. They will also timely transfer the on-going activity records and report implementation progress to DCARB and then to PMU1 so that a continuous monitoring system can be realized.

105. Under the above internal monitoring system, a set of information tables will be developed so that detailed land recovery and resettlement data could be collected from communes to DCARB and PMU1.

106. The resettlement work will be periodically checked and inspected by PMU1. It will prepare a semi-annual progress report and submit it to ADB.

## **B. External Monitoring**

107. An external monitoring agency will be recruited by PMU1 to conduct external monitoring and evaluation on a semi-annual basis. The main objectives of external resettlement monitoring are to provide periodic review and assessment of (i) achievement of resettlement objectives; (ii) changes in living standards and livelihoods; (iii) restoration of the economic and social base of the affected persons; (iv) effectiveness and sustainability of entitlements; and (v) the need for further mitigation measures as required.

108. The EMA will address specific issues such as the following:

- (i) Public consultation and awareness of resettlement policy and entitlements;
- (ii) Documentation of impacts and payments (DMS forms, compensation documents,) as per agreed REMDP;
- (iii) Coordination of resettlement activities with construction schedule;
- (iv) Land recovery and transfer procedures;
- (v) Level of satisfaction of affected persons with the provisions and implementation of the REMDP;
- (vi) Grievance redress mechanism (documentation, process, resolution);
- (vii) Effectiveness, impact and sustainability of entitlements and rehabilitation measures and the need for further improvement, as required;
- (viii) Gender impacts and strategy;
- (ix) Capacity of affected persons to restore/re-establish livelihoods and living standards. Special attention provided or to be provided to severely affected and vulnerable households;
- (x) Resettlement impacts caused during construction activities;
- (xi) Participation of affected persons in REMDP planning, updating and implementation;
- (xii) Institutional capacity, internal monitoring and reporting.

- (xiii) Channeling of loan funds for payment of land, non-land assets and allowances to the affected households (if done transparently, efficiently and effectively)

109. Monitoring of REMDP implementation will be based on desk review and field visits, meetings with various ministries and local officials, and affected households. Separate meetings will be held with ethnic groups, women, and other vulnerable households. Monitoring indicators and findings will be disaggregated by gender and ethnicity.

110. The external monitoring agency will submit semi-annual monitoring report simultaneously to ADB and PMU1. The EMA will prepare a report summarizing all activities and covering all aspects of resettlement and monitoring indicators specified above. The Report will highlight the issues and problems arising and, if required, suggest time-bound and specific mitigation measures. Sample TOR of external monitoring provided in the Annex 2.