

Ethnic Groups Development Framework

May 2016

Lao PDR: Northern Rural Infrastructure Development Sector Project

Prepared by Ministry of Agriculture and Forestry for the Asian Development Bank.

CURRENCY EQUIVALENTS

as of March 2016)

Currency unit	–	kip (KN)
KN1.00	=	\$0.00012
\$1.00	=	KN 8300

ABBREVIATIONS

ADB	–	Asian Development Bank
AF	–	additional financing
AP	–	affected persons
DCO	–	district coordination office
EA	–	executing agency
EGDF	–	Ethnic Groups Development Framework
EGDP	–	Ethnic Group Development Plan
IPs	–	Indigenous Peoples
IPP	–	Indigenous Peoples Plan
LECS	–	Lao Expenditure and Consumption Survey
LFNC	–	Lao Front for National Construction
LIC	–	loan implementation consultant
MAF	–	Ministry of Agriculture and Forestry
MONRE	–	Ministry of Natural Resources and Environment
NGO	–	nongovernment organization
NPMO	–	national project management office
NRI	–	Northern Rural Infrastructure Sector Project
PAFO	–	provincial agriculture and forestry office
PPO	–	provincial project office
SMMP	–	Social Management and Monitoring Plan
SPS	–	ADB Safeguard Policy Statement (2009)

NOTE

In this report, "\$" refers to US dollars.

This Ethnic Groups Development Framework is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

CONTENTS

	Page
I. INTRODUCTION	1
A. Project Description	1
B. Rationale for the Ethnic Groups Development Framework	2
II. OBJECTIVES AND POLICY FRAMEWORK	3
A. Relevant Laws and Regulations of Lao PDR	3
B. ADB Policy on Indigenous Peoples	5
C. Reconciliation of Government and ADB Policies	7
III. IDENTIFICATION OF AFFECTED ETHNIC GROUPS	11
A. Potential Positive and Adverse Effects of the Project on Ethnic Groups	12
IV. SOCIAL IMPACT ASSESSMENT AND PREPARATION OF AN ETHNIC GROUPS DEVELOPMENT PLAN	15
A. Screening	15
B. Social Impact Assessment	16
C. Preparation of Ethnic Groups Development Plan	17
V. CONSULTATION AND PARTICIPATION	17
VI. DISCLOSURE OF INFORMATION	18
VII. GRIEVANCE REDRESS MECHANISM	18
VIII. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION	20
A. Ministry of Natural Resources and Environment	20
B. National Project Management Office	20
C. Provincial Project Offices and District Coordination Offices	20
D. Provincial Resettlement Committee	21
E. District Resettlement Committee	21
F. Village Authorities	22
G. Institutional Capacity for Ethnic Groups Development Planning, Implementation and Monitoring	22
IX. BUDGET AND FINANCING	22
A. Budget for Capacity Building	22
B. Staffing Requirements and Staffing Budget	23
X. MONITORING AND REPORTING	24

I. INTRODUCTION

A. Project Description

1. The G0235-LAO (SF) - Northern Rural Infrastructure Sector Project (NRI), approved in 2010 is on-going. This document relates to Additional Financing (AF) of the NRI. The on-going and additional projects are referred to as the overall project. The Impact, Outcome, and Output statements of the Overall Project remain unchanged from the NRI. However, the indicators are updated for the change in scope.

2. **Impact:** Improved rural household incomes in the four Northern provinces of Bokeo, Luang Namtha, Oudomxay, and Phongsaly.

3. **Outcome:** Increased agricultural productivity in Bokeo, Luang Namtha, Oudomxay, and Phongsaly.

4. **Output 1:** Production and productivity enhancing rural infrastructure constructed and/or rehabilitated.

5. This output will include the rehabilitation and/or construction of small to medium-scale gravity-fed irrigation systems and the rehabilitation and/or upgrading of rural access roads. Under the Overall project, investment in infrastructure development will be expanded to Oudomxay province, which did not receive any such assistance under the NRI. Support for rural access roads will be scaled down under the AF, except for improvements to rural access in and around the irrigation schemes.

6. It is estimated that approximately 48 infrastructure subprojects will be implemented under the Overall Project in the 11 participating districts of the targeted provinces. Feasibility studies have already been carried out for two sample subprojects during project preparation, which will facilitate quick implementation following loan approval.

7. **Output 2:** Productivity and impact enhancing initiatives adopted.

8. As with the NRI, this output under AF will include initiatives to enhance the impact and sustainability of investments in rural infrastructure. The investments will be identified in a participatory and gender-sensitive manner from a menu of options developed with the respective stakeholders and beneficiaries including: (i) strengthening technical extension services to subproject beneficiaries; (ii) establishment of producer groups to coordinate supplies of agricultural produce to markets and/or processors; (iii) support for contracted agricultural production with price incentives based on quality; and (iv) initiatives to secure tenure and access to land for sedentary agricultural production and land re-zoning to protect the integrity of watersheds above rehabilitated irrigation schemes, among others. These will be closely linked to infrastructure investments and included in the investment costs for each subproject. Capacity building will be an integral requirement of all activities to ensure that women and vulnerable ethnic groups have the necessary skills to fully participate and benefit from these activities.

9. **Output 3:** Capacities of national, provincial and district agencies strengthened to enable a sector development approach.

10. Under the NRI, this output is addressing capacity building at the national level (within Ministry of Agriculture and Forestry [MAF]) as well as the implementation capacity for staff at

National Project Management Office (NPMO), the Provincial Project Offices (PPOs) and the District Coordination Offices (DCOs). Capacity building efforts will continue under the AF principally at the district level, but will also address requirements of PPO in Oudomxay as a new recipient of investment funds under the Overall project. The AF will also provide resources to prepare an irrigation subsector review to provide MAF, ADB and other stakeholders with a clearer view of the framework in which they are currently investing.

11. **Output 4:** Efficient and effective delivery of subprojects and Project management.

12. Under AF, the NPMO will continue to manage the Overall Project with the assistance of the PPOs in the participating provinces. The AF will continue to provide adequate resources for operation and administration, as well as consulting services for implementation support and technical expertise needed to implement subprojects and project management.

13. The Executing Agency (EA) will be the Ministry of Agriculture and Forestry. MAF will delegate responsibility for overall project management and coordination to its Department of Planning that will establish a NPMO responsible for the day to day implementation and national level activities. At provincial level, the Provincial Agriculture and Forestry Offices will be the implementing agencies.

14. The National Steering Committee will be chaired by a Vice Minister of MAF with representation from the Ministries of Finance, Planning and Investment, Industry and Commerce, Public Works and Transport, Foreign Affairs, together with representative from the Water Resources and Environmental Administration, National Land Management Authority, Lao Women's Union, Committee of the Advancement of Women's Affairs, together with provincial vice governors from the participating provinces. At the provincial level, Provincial Steering Committees will be established, chaired by provincial vice governors with equivalent representation to that for the National Steering Committee. While not a member at the national level, the Lao Front for National Construction (LFNC) will be a member of each Provincial Steering Committees to provide representation of ethnic minority groups.

B. Rationale for the Ethnic Groups Development Framework

15. This Ethnic Groups Development Framework (EGDF) is prepared in consideration to the Lao PDR Constitution, relevant laws and policies, and the ADB's Safeguards Policy Statement (SPS) June 2009. The EGDF sets out the requirements for pre-screening of subprojects and for processes to be followed in the preparation of each subproject. Analysis of present situations within the NRI covered areas found that ethnic minorities are the majority population in the participating provinces and that certain groups have significantly higher levels of poverty and associated disadvantages. The main concerns in subproject planning and implementation are communication difficulties, particularly for women, together with opportunity to access project benefits. Recommended mitigation measures include effective consultation requirements, employment during the construction phase, membership of committees and capacity building for disadvantaged and vulnerable ethnic minorities, identification of potential concerns and recommendations for loss of land, communication and social cohesion. It also provides guidance on conduct of socio-economic surveys for beneficial as well as mitigating measures, capacity building, grievance and redress mechanism, institutional arrangements, consultation and disclosure, monitoring and evaluation, and the budget and financing.

II. OBJECTIVES AND POLICY FRAMEWORK

16. The objectives of the EGDF are to ensure that, if ethnic groups in the project provinces are positively and negatively affected by the project, they (i) are adequately and fully consulted; (ii) receive culturally appropriate benefits from the project and compensation for any losses; (iii) are provided with special assistance as per laws and policies; and (iv) receive adequate protection against project adverse impacts on their culture identities. This Ethnic Groups Development Framework also sets out the steps for preparation of Ethnic Group Development Plan (EGDPs) for the subprojects. The EGDP will be formulated and approved before any physical activities start.

17. In the ADB's SPS (2009), the term Indigenous Peoples is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (iv) a distinct language, often different from the official language of the country or region.

18. In Lao PDR, the term "ethnic groups" is more acceptable and understandable than "Indigenous peoples". The terminology "ethnic groups" was introduced by the Constitution (1991), used in the census (1995) and in the "Resolution of the Party Central Organization Concerning Ethnic Minority Affairs in the New Era" (1992) of the Government and the Party Central Organization. This official terminology is used in this Ethnic Groups Development Framework Lao Laws and Regulations.

A. Relevant Laws and Regulations of Lao PDR

19. In Lao PDR, the all issues that related to ethnic groups governed by four key legislative bases, including (i) the Constitution (1991, amended 2003); (ii) the 1992 Resolution on " Ethnic Affairs in the New Era"; (iii) Decree 192/PM on Compensation and Resettlement of Development Projects - together with its Regulation on Implementation (November 2005) and Technical Guidelines (as updated in March 2010) on resettlement planning, containing some provisions for ethnic groups related issues; and (iv) the Decree 112/PM on Environmental Assessment, 2010.

20. The Constitution highlights the cultural rights of different ethnic groups, and the right of ethnic groups to protect, preserve and promote their customs and heritage. The Constitution also prohibits acts of division and discrimination between ethnic groups. Articles in the Constitution where ethnic groups are specifically mentioned are as follows:

- (i) Article 1: Laos is a nation unified and indivisible of all ethnic groups;
- (ii) Article 2: all power is of people, by people, and for the use of the multi-ethnic people;
- (iii) Article 3: the right of a multi-ethnic people to be owners of the nation is exercised and guaranteed by the political system;
- (iv) Article 7: mass organizations are the focal point for the solidarity and mobilization for citizens of all backgrounds and ethnicity as participating members in the safeguarding and edification of their rights and interests;

- (v) Article 8: the State will carry out a policy of unity and equality among the various ethnic groups. All ethnic groups have the right to preserve and improve their own traditions and culture and those of the nation. Discrimination between ethnic groups is forbidden. The state will carry out every means in order to continue to improve and raise the economic and social level of all ethnic groups;
- (vi) Article 13: the economic system is for the purpose of improving the standard of living, materially and spiritually, of a multi-ethnic people;
- (vii) Article 19: the State and the people will collaborate to build schools of all levels in order that a complete education system will be available to all, especially areas inhabited by ethnic groups; and
- (viii) Article 22: all Lao citizens, regardless of their sex, social position, education, beliefs or ethnicity, are equal in the law.

21. Under the foundations formed by the Constitution, the Party Central Organization issued the Resolution on Ethnic Minority Affairs in the New Era (1992). The Resolution constituted two parts: (i) analyzing the problems of planning and implementing development interventions in the ethnic groups areas; and (ii) mandating all government agencies to create a targeted plan for the development of rural and mountainous areas in general, of the ethnic groups areas in particular. This resolution was to be implemented through both political and economic development activities. Included in the latter was the halting of shifting cultivation and the permanent settlement of the people who practiced it. This was to be followed by programs to improve livelihoods of ethnic groups.

22. Decree 192/PM (November 2005) on compensation and resettlement specified requirements of taking in to account the local culture and practices in project's planning and operation as well as to mitigate the negative impacts and improve socioeconomic conditions of ethnic communities. Article 11 of the Decree stipulates that during planning, construction and operation periods, project owners shall consider local cultural and religious properties, practices and beliefs.

23. Project owners shall define mitigation measures and socio-economic benefits to improve status of ethnic communities and shall be in harmony with their cultural preferences and shall be decided in consultation with affected communities.

24. For projects implemented in ethnic areas, Decree 192/PM (Article 15) also requires that project owners shall carry out necessary studies and field investigations and prepare and submit an ethnic minority's development plan to concerned government authorities for approval in cases where screening indicates the likelihood of adverse social impacts.

25. Decree 112/PM on environmental assessment also stipulates that a Social Management and Monitoring Plan (SMMP) should be part of the environmental assessment, and the SMMP should define the main social activities, measures on prevention, minimization and mitigation of social impacts, as well as measures on compensation, assistance, resettlement and restoration of living conditions of the people who are (will be) affected by the investment project. Article 7 of the Decree stipulates that affected households (including ethnic groups) by the project have the following rights:

- (i) To receive information about the development plan, the benefits that they will receive and impacts on environment and society which may arise from the investment project;

- (ii) To receive information on the measures of prevention and mitigation of impacts on the environment and society, the environmental management and monitoring plan and the report on the progress in implementation of the measures to prevent and minimize the impacts of the investment project;
- (iii) To participate in the consultation meetings at all levels on the environmental management and monitoring plan, and the social management and monitoring plan;
- (iv) To participate in discussions on compensation, migration, resettlement and restoration of the living conditions of the people who are affected by the investment project;
- (v) To participate in discussions on implementation of the environmental and social activities, as well as the environmental management and monitoring plan, and the SMMP of the investment project.

26. Responsibility to draft and evaluate proposed legislation concerning ethnic groups, lobby for its implementation as well as the implementation of socio-economic development plans is vested in the Ethnic Groups Committee under the National Assembly. Ethnic group research is the responsibility of the Institute for Cultural Research under the Ministry of Information and Culture. The lead institution for ethnic affairs is the mass (political) organization, the LFNC, which has an Ethnic Affairs Department.

27. In terms of the development of the agricultural sector, the government has for a long-time acknowledged that ethnic groups in rural villages are highly dependent on agriculture. According to the National Agricultural Census and the National Population Census 2012, the sector generated and contributed over 30% of the gross domestic product and provided employment for more than 80% of the people in rural areas. Most of those employed in agriculture are self-employed or unpaid family workers and almost 66% of all the people's work hours are on their own farms. The sector is dominated by smallholder farming families engaged mainly in subsistence production.

28. The NRI focuses on rehabilitation of existing irrigation systems and roads and therefore will not be involved in sequestration of any land that could be considered 'ancestral domains'. Any lands that are required will be for infrastructure works and as these are rehabilitative works areas required will be minimal and will be dealt with through routine resettlement procedures. Pre-screening procedures for each subproject will eliminate any that will result in ethnic groups being disadvantaged.

B. ADB Policy on Indigenous Peoples

29. On 29 June 2009, ADB updated its safeguards policies by integrating its policies on involuntary resettlement, indigenous peoples and the environment into one common SPS. The SPS was approved by the ADB Board on 20 July 2009 and became effective on 20 January 2010.

30. The objectives of ADB Policy on Indigenous Peoples are to ensure that project are designed and implemented in a way that fosters full respect for Indigenous Peoples' identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the Indigenous Peoples themselves so that they (i) receive culturally appropriate social and economic benefits; (ii) do not suffer adverse impacts as a result of projects; and (iii) can participate actively in projects that affect them. The term "Indigenous Peoples" is used by the SPS in a generic sense

to refer to a distinct, vulnerable, social, and cultural group possessing the following four characteristics in varying degrees:

- (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- (iii) customary, cultural, economic, social, or political institutions that are
- (iv) separate from those of the dominant society and culture; and
- (v) a distinct language, often different from the official language of the country or region.

31. Projects financed by ADB, including associated facilities that are financed by the Government or other sources, are expected to observe the following policy principles:

- (i) Screen early on to determine (a) whether Indigenous Peoples are present in, or have collective attachment to, the project area; and (b) whether project impacts on Indigenous Peoples are likely;
- (ii) Undertake a culturally appropriate and gender-sensitive social impact assessment or use similar methods to assess potential project impacts, both positive and adverse, on Indigenous Peoples. Give full consideration to options the affected Indigenous Peoples prefer in relation to the provision of project benefits and the design of mitigation measures. Identify social and economic benefits for affected Indigenous Peoples that are culturally appropriate and gender and intergenerationally inclusive and develop measures to avoid, minimize, and/or mitigate adverse impacts on Indigenous Peoples;
- (iii) Undertake meaningful consultations with affected Indigenous Peoples communities and concerned Indigenous Peoples organizations to solicit their participation (a) in designing, implementing, and monitoring measures to avoid adverse impacts or, when avoidance is not possible, to minimize, mitigate, or compensate for such effects; and (b) in tailoring project benefits for affected Indigenous Peoples communities in a culturally appropriate manner. To enhance Indigenous Peoples' active participation, projects affecting them will provide for culturally appropriate and gender inclusive capacity development. Establish a culturally appropriate and gender inclusive grievance mechanism to receive and facilitate resolution of the Indigenous Peoples' concerns. Summarize the date, location, consultee group and items discussed (refer to Appendix 3 for a suggested template for the summary report);
- (iv) Ascertain the consent of affected Indigenous Peoples communities to the following project activities: (a) commercial development of the cultural resources and knowledge of Indigenous Peoples; (b) physical displacement from traditional or customary lands; and (c) commercial development of natural resources within customary lands under use that would impact the livelihoods or the cultural, ceremonial, or spiritual uses that define the identity and community of Indigenous Peoples. For the purposes of policy application, the consent of affected Indigenous Peoples communities refers to a collective expression by the affected Indigenous Peoples communities, through individuals and/or their recognized representatives, of broad community support for such project activities. Broad community support may exist even if some individuals or groups object to the project activities;

- (v) Avoid, to the maximum extent possible, any restricted access to and physical displacement from protected areas and natural resources. Where avoidance is not possible, ensure that the affected Indigenous Peoples communities participate in the design, implementation, and monitoring and evaluation of management arrangements for such areas and natural resources and that their benefits are equitably shared;
- (vi) Prepare an Indigenous Peoples Plan (IPP) that is based on the social impact assessment with the assistance of qualified and experienced experts and that draw on indigenous knowledge and participation by the affected Indigenous Peoples communities. The IPP includes a framework for continued consultation with the affected Indigenous Peoples communities during project implementation; specifies measures to ensure that Indigenous Peoples receive culturally appropriate benefits; identifies measures to avoid, minimize, mitigate, or compensate for any adverse project impacts; and includes culturally appropriate grievance procedures, monitoring and evaluation arrangements, and a budget and time-bound actions for implementing the planned measures;
- (vii) Disclose a draft IPP, including documentation of the consultation process and the results of the social impact assessment in a timely manner, before project appraisal, in an accessible place and in a form and language(s) understandable to affected Indigenous Peoples communities and other stakeholders. The final IPP and its updates will also be disclosed to the affected Indigenous Peoples communities and other stakeholders;
- (viii) Prepare an action plan for legal recognition of customary rights to lands and territories or ancestral domains when the project involves (a) activities that are contingent on establishing legally recognized rights to lands and territories that Indigenous Peoples have traditionally owned or customarily used or occupied, or (b) involuntary acquisition of such lands; and
- (ix) Monitor implementation of the IPP using qualified and experienced experts; adopt a participatory monitoring approach, wherever possible; and assess whether the IPP's objective and desired outcome have been achieved, taking into account the baseline conditions and the results of IPP monitoring. Disclose monitoring reports.

C. Reconciliation of Government and ADB Policies

32. In general, the main principles of the government policies (Constitution, Decrees 192/PM and 112/PM) on ethnic groups reflect those of ADB's SPS (2009). However, the provisions of government policies are not as detailed as these in ADB's policy. Significant differences between ADB's safeguard requirements for Indigenous Peoples in the 2009 SPS and Lao PDR's legislation on planning and implementation of ethnic groups development, including measures to address the differences, are outlined in Table 1 below.

Table 1: Differences between ADB and Lao PDR's Legislation, including Measures to Address the Differences

No.	Items with Difference in Policy	ADB Policy	Lao PDR's Legislation (Decreets 192/PM and 112/PM)	Measures to Address the Difference
1	Screening of Indigenous Peoples (IPs) and impacts on IPs	Early screening: (i) whether IPs are present in the project area; and (ii) whether project impacts on Indigenous Peoples are likely.	Under the screening if the project cause adverse social impacts on the local ethnic groups	Early screening: Whether IPs are present in the project areas, and The likely impacts of the project on the local IPs
2	Undertake social impact assessment	Undertake a culturally appropriate and gender-sensitive social impact assessment on potential project impacts, project benefits and mitigation measures to avoid, minimize, and/or mitigate adverse impacts on Indigenous Peoples.	Carry out necessary studies and field investigations including census, inventory of lost assets and socio-economic baseline surveys	Conducting Culturally appropriate and gender sensitive social impact assessment: Potential positive and negative project impacts Project benefits Mitigation measures to avoid or mitigate the adverse impacts Collect the socioeconomic baseline data/information

No.	Items with Difference in Policy	ADB Policy	Lao PDR's Legislation (Decreets 192/PM and 112/PM)	Measures to Address the Difference
3	Consultations and participation	Undertake meaningful consultations with affected ethnic communities and concerned organizations to solicit their participation in (i) designing, implementing, and monitoring measures to avoid/mitigate adverse impacts; and in (ii) tailoring project benefits for affected ethnic communities	IPs to receive information on development plan, benefits, impacts on environment and society; receive information on the measures of prevention and mitigation of impacts on the environment and society; participate in discussions on compensation, migration and restoration of the living condition; and participate in discussions on implementation of the environmental and social activities.	<p>Meaningful consultation will be conducted with IPs, communities and concerned organizations on project design, implementation and monitoring; the project benefits; the project impacts; and the measures to avoid/mitigate the adverse impacts.</p> <p>EA/Implementing Agencies will conduct consultations and participation following the provisions of the Consultation and Participation Framework prepared/approved for the Project.</p>
4	Avoid/minimize the impacts on protected areas and natural resources	Avoid, to the maximum extent possible, any restricted access to and physical displacement from protected areas and natural resources.	No provision	Impacts on protected areas and natural resource will be avoided/mitigated by design alternatives and appropriate implemented plans/programs.

No.	Items with Difference in Policy	ADB Policy	Lao PDR's Legislation (Decrees 192/PM and 112/PM)	Measures to Address the Difference
5	Preparation and disclosure of the IPP	<p>Prepare an IPP that includes a framework for continued consultation with IPs during project implementation; specifies measures to ensure that IPs receive culturally appropriate benefits; measures to avoid, minimize, mitigate, or compensate for any adverse project impacts; and includes culturally appropriate grievance procedures, monitoring and evaluation arrangements, and a budget and time-bound actions for implementing the planned measures.</p> <p>Disclose the draft and final IPP/updated IPP, including documentation of the consultation process and the results of the social impact assessment in a timely manner, before project appraisal</p>	If the project causes adverse social impacts, the social monitoring and management plan (SMMP) will be prepared and submitted to concerned agencies for approval.	<p>An Ethnic Groups Development Plan (EGDP) for subproject/component causing adverse impacts on ethnic groups will be prepared following the outline provided by this Ethnic Groups Development Framework.</p> <p>The EGDP will be disclosed in the public places and ADB website.</p>

III. IDENTIFICATION OF AFFECTED ETHNIC GROUPS

33. Lao PDR has the most ethnically diverse population in mainland Southeast Asia. The 1992 Resolution recognizes 49 ethnic groups and 160 subcategories. The ethnic groups are generally classified according to four ethno-linguistic groupings: Lao-Thai, Mone-Khmer, Hmong-lu Mien and Chine-Tibet. The Mone-Khmer group is recognized as the oldest inhabitants of the area, the Lao-Thai group arriving around the 11th century and the remaining two groups being relatively recent arrivals.

34. Many studies confirm that poverty and related indicators vary significantly between ethnic groups including the '2008 Poverty and Social Impact Analysis' on which Table 1 is based with updates data from the Lao Expenditure and Consumption Survey 2007-2008 (LECS-4). As with the previous survey poverty rates for the three ethnic minority groups are more than twice that of the Lao-Thai.

35. Approximately 93% of the non-Lao-Thai people live in rural areas compared to 69% for Lao-Thai and some 41% of non-Lao-Thai reside in the priority poor districts compared to 16% of Lao-Thai. The 'Diagnostic Study for the Northern Uplands Sustainable Development Project' reported that members of the Chine-Tibet group are concentrated in the northern provinces of Phongsaly, Luang Namtha and Bokeo, while the Mon-Khmer are more widely dispersed across all northern provinces. The Lao-Thai group generally populates communication axes and, even in provinces or areas where other groups are more numerous, constitute the majority in urban and built-up areas. Historically, mono-ethnicity villages predominate rural areas. However, this is changing due to the Government's continued village consolidation program as indicated in the Participatory Poverty Assessment (2006) where, for example, Mon Khmer were amalgamated with either Lao-Thai or Hmong-lu Mien villages.

36. Education levels are improving, however 38% of females aged 20+ have never been to school while for males, the equivalent figure is 15% for all Lao PDR (LECS-4 2007-2008). Given access and language constraints, as well as quality of education, it is reasonable to assume that a significant proportion of adults in ethnic groups in participating provinces will have restricted capacities in Lao language, in particular, the women. Women, children and persons from ethnic origin are generally less represented at village meetings, and as members of village development committees. For example, less than 8% of the members of village committees are women and very few women are represented on district committees. For many ethnic groups, language comprehension is a major barrier for participating and influencing important decisions. In addition, information dissemination and communication between Lao government officials and people with other mother tongues is hampered (Swedish Embassy, 2007). In situations where these weaker groups are present in decision-making fora, their confidence and capacity to share concerns and promote their priorities within the larger group are often insufficient and their voice is not regarded as important.

Table 2: Geographic and Ethnic Group Poverty Distribution

	% of National Population*	Incidence of Poverty Headcount Index (% of population)*
By Geographic Area		
Urban	28.8	17.4
Rural Total	71.2	31.7
Rural with road	61.4	29.9
Rural without road	9.8	42.6
By Ethnic Group		
Lao-Thai	66.0	18.4
Mon-Khmer	21.5	47.3
Hmong-lu Mien	8.8	43.7
Chine-Tibet	3.1	42.2

*All data from 'Poverty in Lao PDR 2008', LECS-4 2007-2008, MPI, Department of Statistics, 2010.

37. Table 3 reports the number and proportion of people in the main ethno-linguistic groups in participating provinces. In each province, the Lao-Thai group constitutes the minority with Mon-Khmer predominant in Oudomxay and the Chine-Tibet group dominant in Phongsaly, reflecting the geography and historic settlement of the region. As with the national trend, poverty is concentrated in rural areas.

Table 3: Population by Ethnic Minority and Poverty by Locality

Province	Bokeo	Luang Namtha	Oudomxay	Phongsaly
Villages	312	362	502	563
Population	151,156	149,761	272,177	164,660
*Poverty Incidence Urban %	18	8	13	6
*Poverty Incidence Rural %	35	36	39	50
Lao-Thai %	38	30	22	19
Number	57,439	44,928	59,878	31,285
Mon-Khmer %	36	29	59	22
Number	57,416	43,430	160,584	36,225
Chine-Tibet %	9	32	4	52
Number	13,604	47,923	10,887	85,623
Hmong-lu Mien %	16	8	14	6
Number	24,184	11,980	38,104	9,879

*Poverty incidence from LECS-4 (2007-2008). Note: Urban populations in these provinces are small and therefore results are more subject to sampling error.

A. Potential Positive and Adverse Effects of the Project on Ethnic Groups

38. The expected outcome is 'improved access to and use of materials, knowledge, inputs and markets for communities in participating districts of Bokeo, Luang Namtha, Oudomxay and Phongsaly.' This is to be achieved through provision of infrastructure and supporting activities within discrete subprojects with infrastructure comprising rehabilitation of existing irrigation systems and roads. As these are not located in the more remote and inaccessible areas, it is

possible that subproject beneficiaries will include a disproportionately large number of Lao-Thai (as compared to overall provincial proportions due to the predominance of Lao-Thai in lowland areas). Based on the analysis and preliminary information from the subproject socio-economic surveys, the potential adverse effects for ethnic groups in subprojects that need to be managed and mitigated include: (i) land and thus poverty; (ii) communications; and (iii) social cohesion. The following paragraphs describe the potential positive and adverse effects.

1. Positive Effects

39. Increased agricultural productivity will provide increased incomes for those with access to the irrigated land and improve household welfare and nutritional status. Supporting activities through technical training, formation and capacity building for producer groups will diversify production and enhance skills, knowledge and confidence. For those without irrigated land, there will be opportunities for employment during the construction phase and in ongoing maintenance. Increased agriculture production will also require increased labor inputs and therefore also provide employment opportunities. Finally, increased village incomes will also provide for opportunities in commerce and non-agriculture employment. For vulnerable ethnic minority groups without access to irrigated land, regular on-going paid employment will be of most benefit.

40. Standardized beneficial measures that can be applied to each of the subprojects are: (i) consultation at all stages to be conducted in each ethnic groups own language and preferably separately for women and men (field observations found that women were reluctant to participate in mixed group settings); (ii) positive discrimination measures to ensure representation of ethnic minority groups on all management committees and other working groups; (iii) training and other capacity building activities to be conducted in ethnic minority languages where to do otherwise would result in exclusion/inability to participate; and (iv) preferential employment in construction and maintenance work for disadvantaged ethnic minority group members. The following table sets out the specific elements to be addressed in each ethnic minority development plan (EMDP) and it should be noted that many of these are similar to those in the gender action plan framework to support a combined gender action plan/EMDP where appropriate.

2. Potential Adverse Effects

a. Land

41. The Government's land allocation, forest protection (eradication of swidden agricultural practices) and kumban consolidation programs have resulted in many upland groups being relocated to new villages in lowland areas with improved facilities (nearer roads, schools, health facilities etc.). As part of this process, each family is to be provided with land. However given the shortage of lowland agricultural land, this often results in allocation of three parcels of upland land upon which rotational cropping is to be undertaken. The shortened rotation (fallow) periods are generally perceived to be leading to lower crop yields due to reduced soil fertility and increased weed invasion. As women generally are responsible for weeding, this increases their already heavy workload and for some families allocated land is quite distant, again placing increased strain on households. There are also households with either no upland fields or very small holdings. The most affected ethnic group identified to date with regards to land are the Khmu (Mon-Khmer) and the most disadvantaged are those who have been recently relocated (within the past 10 years). The end result is increased levels of poverty and associated consequences. Not all relocated households have been disadvantaged however, a number of

studies have found that numbers in this category are significant, a view that is confirmed from preliminary findings from the Nam Haad subproject socio-economic survey.

b. Communication

42. Given the high levels of illiteracy amongst rural adults, some ethnic groups have difficulties in accessing written materials and agreements concerning development and other programs. Results from the surveys have found that women (in particular) in some ethnic minority groups are either unable, or have difficulty in conversing in Lao. The illiteracy and language constraints will require special measures to ensure that ethnic groups are fully consulted in project decisions and to enable participation in capacity building, various working groups and other project activities.

c. Social Cohesion

43. Historically and traditionally villages in Lao PDR have been mono-ethnic, however, with the relocation of villages and village consolidation (*kumban pattana*) program, this is changing and now there are mixed villages as well what were previously discrete villages of differing ethnic groups that have been 'consolidated' into one village. Due to language and cultural differences, there is the potential for barriers to arise or exist that will present challenges inters of groups of villages being able to effectively work together for the purpose of water distribution or road maintenance.

Table 4: EGDF Elements Overview

Project Component	Ethnic Minority Development Framework Element
1. Production and productivity enhancing rural infrastructure constructed and/or rehabilitated.	<ul style="list-style-type: none"> • Documented evidence of consultation with ethnic minority groups (women and men) demonstrating their support prior to subproject approval. • Selection criteria for subprojects should ensure the use of local labor and avoidance of construction camps. • Local contractors will preferentially employ women and men from poor ethnic minority households in construction activities. • Equal access to work and equal pay for women and men for work of equal type. • Safe working conditions for both men and women workers. • Local contractors will not employ child labor. • Ensure appropriate prevention programs are implemented for HIV and human trafficking in all road rehabilitation subprojects.
2. Productivity and impact enhancing initiatives adopted.	<ul style="list-style-type: none"> • Representation of ethnic minority groups and women in water user groups. • Representation of ethnic minority groups and women on all subproject management committees (marketing initiatives, producer groups and etc.). • Capacity building for ethnic minority groups and women to enable participation in subproject and community decision-making delivered in local language and using appropriate methodology (i.e. participation and negotiation training, marketing skills and numeracy training). • Representation of ethnic minority groups and women in project study tours, trainings and related programs • Extension services designed for and delivered to ethnic minority groups and women

Project Component	Ethnic Minority Development Framework Element
	<ul style="list-style-type: none"> • Deliver a sanitation and HIV/AIDS awareness raising campaign. • Implementing agencies will ensure land use certificates are updated in both spouses' names.
<p>3. Capacities of national, provincial and district agencies strengthened to enable a sector development approach.</p>	<ul style="list-style-type: none"> • Safeguard (EMDP) training for implementing agencies at national, provincial and district levels (i.e. NPMO, PPOs, DCOs and other stakeholders). • Ongoing training and mentoring by International and National Specialists will be provided to national and provincial staff to enable effective preparation and monitoring of individual IPPs for each subproject. • Assistance (budgets) provided for capacity building of the Village Mediation Committees where these have not had the recent round of training. • Assistance (budgets) provided for capacity building of village and district level committees of the Lao Front for National Construction (LFNC) where this relates to promoting and meeting the needs of ethnic minority groups in subproject areas.
<p>4. Efficient and effective delivery of subprojects and Project management.</p>	<ul style="list-style-type: none"> • Safeguard (Indigenous Peoples) specialists included in national and provincial subproject implementation teams. • Social Impact Analysis and an IPP will be prepared for each subproject. • All monitoring and evaluation data disaggregated by ethnic groupings (four ethno-linguistic groupings). • NPMO and PPOs responsible for monitoring and reporting of IPP performance indicators, including ethnic minority participation, training and employment targets. • EMDP performance included in mid-term reviews.

IV. SOCIAL IMPACT ASSESSMENT AND PREPARATION OF AN ETHNIC GROUPS DEVELOPMENT PLAN

A. Screening

44. A Screening Form is attached as the Appendix 1. The screening will be conducted by the PPOs with support from Loan Implementation Consultant (LIC). Screening will be based on (i) review the relevant documents on ethnic groups in the project areas; (ii) site visits to the subproject areas, (iii) meetings with local authorities and concerned agencies to confirm on the presence of the ethnic groups in the areas; and (iv) meaningful consultations with ethnic groups and communities, consultation with organizations and concerned agencies, local authorities on the potential impacts by the project on the ethnic groups. The objectives of the screening are to (i) determine if there are negative impacts on ethnic groups which are significant and to eliminate such subprojects; (ii) identify the level of assessment and institutional resources required for the preparation of Ethnic Minority Development Plans; and (iii) determine information and consultation requirements.

45. Based on the screening result, PPOs will summarize the impacts to submit to the NPMO. The following information will be analyzed by PPOs and the NPMO:

- (i) Name(s) and numbers of ethnic groups in the subproject area; Attachment to habitats and territories;

- (ii) The autonomy and distinctness of each ethnic group;
- (iii) Potential positive and negative impacts including on culture, livelihood and land.
- (iv) Information disclosure and consultations needed to effectively involve the affected ethnic groups

46. As the project has been categorized as Category B for the IP safeguards, the project shall have “limited adverse impacts” – meaning, for all the project interventions, the “adverse impact” at community or sub-community level is only on a few individuals or households. Pre-screening of candidate subprojects will take place to eliminate those that entail significant negative impacts on ethnic groups.

B. Social Impact Assessment

1. Information Requirements

47. Social impact assessment will be carried-out by the PPO and the data/information will be used to prepare an ethnic minority development plan.

48. Where screening indicates potential project impacts, PPO will conduct investigation on the nature of the project impacts. Methodologies to be used for the assessment will be quantitative methods (collect statistical data and conduct questionnaire survey) and qualitative methods (key-informant interviews, in-depth interviews and focused-group discussions). The following information will be collected:

- (i) Baseline socioeconomic profile of the ethnic groups in the project areas. Baseline information will include ethnicity and sex disaggregated data on demographic, social, cultural, and wealth status (poverty levels) characteristics of the affected ethnic groups;
- (ii) Identify the land and territories that ethnic groups have traditionally owned or customarily used or occupied; and the natural resources on which they depend;
- (iii) Assess their access to and opportunities to avail themselves of basic social and economic services;
- (iv) Include a gender-sensitive assessment of the affected minorities’ perceptions about the project and its impact on their social, economic, and cultural status. A gender-sensitive analysis is critical to the determination of potential adverse impacts, relative vulnerability and risks to the affected ethnic groups given their particular circumstances and lack of access to opportunities relative to those available to other social groups;
- (v) Assess the potential adverse and positive effects of the project. These should be assessed for the short- and long-term, direct and indirect, and positive and negative impacts of the project on each group’s social, cultural, and economic status; and
- (vi) Identify and recommend measures necessary to avoid adverse effects or, if such measures are not possible, identifies measures to minimize, mitigate, and/or compensate for such effects. Such measures must ensure that the ethnic groups receive culturally appropriate benefits under the project.

2. Survey Instruments

49. The usual method for obtaining qualitative data is by socio-economic questionnaire survey. The nature, extent, method, sampling size, data analysis method and reporting

requirement for socio-economic surveys should be consistent with those used for the preparation of the Land Acquisition and Compensation Plans. The Resettlement Framework for the project provides sample questionnaires for these survey instruments.

3. Reporting

50. PPOs will analyze the data/information to prepare the Social Impact Assessment report to submit to the NPMO. The data/information on social impact will form an integral part of the ethnic groups development plan.

51. The identified social impacts as well as the measures to enhance the potential positive impacts and to avoid/minimize the potential negative impacts will be consulted with ethnic groups, communities, organizations, concerned agencies and local authorities. The procedures of information disclosure and consultations are presented in the Section E below). The ethnic groups development plan will discuss the opinions, suggestions and concerns of the stakeholders and how these have been incorporated into the plan.

C. Preparation of Ethnic Groups Development Plan

52. An EGDP shall be prepared for each subproject. The ethnic groups development plans will be prepared by NPMO with support of LIC, based on the results of screening, social impact assessment and meaningful consultations. The suggested outline of an EGDP is included as Appendix 2.

53. EDGPs have been prepared for two sample subprojects. Subsequent EGDPs will follow these examples. They will be produced in Lao and English languages and will be submitted to the concerned Provincial Government for formal endorsement.

54. The EGDPs will be endorsed by Provincial Government and submitted to ADB for concurrence. The documents will be disclosed in accordance with ADB's Public Communications Policy to the affected communities and on ADB's website.

V. CONSULTATION AND PARTICIPATION

55. Meaningful consultation with affected ethnic groups persons, their neighbouring communities, and civil society will be conducted by borrower/client for every subproject. The aim of the meaningful consultation process is that all ethnic groups affected by the projects are properly and timely informed and consulted about the project, the scope, implementation schedule and activities, as well as expected impacts, both positive and negative, on them. Ethnic peoples' aspirations, needs, and preferred options for the projects will be sought and measures to enhance benefits or mitigate negative impacts will be considered and recorded. A meaningful consultation process with ethnic groups will ensure their informed participation in (i) designing, implementing, and monitoring measures to avoid adverse impacts on them or, when avoidance is not possible, to minimize, mitigate, and compensate for such effects; and (ii) tailoring project benefits that accrue to them in a culturally appropriate manner. 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.

56. In carrying out meaningful consultation, all communication concerning the subproject will take place in a timely and appropriate manner - in the ethnic language of the ethnic groups and in a culturally appropriate way. Public meetings will be arranged in villages, using participatory approaches and in the ethnic minority language(s). Information will be posted in a central public location such as the village meetings venue or village head's house. Information will be mostly pictorial in order to ensure accessibility of the information for ethnic people with poor literacy skills. The public meetings will include participation of ethnic women and special attention will be given to the concerns of women and youth.

57. PPOs, district and village authorities will ensure that ethnic people are notified at least two weeks in advance about the public meetings. Local people's opinions, suggestions and concerns will be recorded in an appropriate way through minutes of meetings. Any claims or grievances brought up in meetings or other consultations will be recorded in the same way.

58. The draft EGDP will be disclosed at village level in a public meeting including all relevant stakeholders, with the final EGDP will also be disclosed at a public meeting. Women representing affected households must be present at the disclosure meetings. Copies of the EGDP will be placed in the village's leader houses and will also be circulated by leaders of mass-organizations.

59. PPOs, district and village authorities shall carry out meaningful consultations with and participation of affected ethnic communities following the guidance of the Consultation and Participation Framework prepared and approved for this project.

VI. DISCLOSURE OF INFORMATION

60. PPOs, with support from district and village authorities will provide information to and conduct consultations with the affected ethnic groups and other stakeholders in a manner appropriate for the anticipated project impacts.

61. Timely disclosure of relevant information on the project to ethnic groups will be carried out in a form and language(s) understandable to them, as is also mandatory. It is an integral part of consultation and participation. PPOs will disclose full and abbreviated versions of the EGDP. The abbreviated form will describe the project very briefly; list the anticipated impacts, major proposed mitigation measures, and project benefits; outline the grievance redress mechanism; and include contact details of the project information office for more information.

62. Under the Project, for IP safeguards, the following documents will be disclosed to ethnic communities, posted in public places and uploaded to the ADB website (i) Draft and final Ethnic Groups Development Framework; and (ii) Draft and final Ethnic Groups Development Plans and/or Corrective Action Plans prepared during implementation.

VII. GRIEVANCE REDRESS MECHANISM

63. Members of ethnic groups will be made fully aware of their rights to grievance and the procedures by doing so verbally and in writing during consultation, survey and time of compensation. The complainants may present their complaints to the concerned local administrative officials and resettlement committees. Appendix 4 provides the names and

contact details for the people to whom complaints can be addressed at the village, district and provincial levels for the sample subprojects of Nam Oun and Nam Beng.

64. The complaint can be filed first at the village level and can be elevated to the highest or provincial level if the complainants are not satisfied with the decisions made by the village and district levels/committees. Complainants from Ethnic Minority groups will be exempted from all taxes, administrative and legal fees associated with their claims and grievance redress.

65. Attempts should be made to settle the issues at the village level through the village mediation committee. This shall be supported through involvement of social and resettlement experts as required, non-government organizations (NGOs) and mediators and facilitators if required.

66. In general, the following main steps shall be applied and serve as an orientation for the grievance main approach which shall be defined during the preparation of the detailed resettlement (action) plan. For each step details shall be described, agreed and explained to both resettlement responsible committees and the residents of affected villages. Additional steps can be incorporated as appropriate. Ethnic minority group members shall understand the complaints and grievance mechanisms concerning related compensation and mitigation measures.

Step 1: In each village existing mediation committees would be the first contact for complainants to address their concerns. It is recommended that in agreement with villages either this committee would be responsible for resettlement issues or the village would establish a project related resettlement committee. The village shall decide about its community internal approach.

Step 2: Complainants would address their complaints to these committee/s that would have to react within a defined time (5 days to be defined by village) after submission of the complaint.

Step 3: In case provided responses are not satisfying to affected people the grievance applications would be forwarded to the district council for resolution within a defined time (5 days) from the date of filing the complaint with this court.

Step 4: In case complainants are still not satisfied next steps could involve provincial authorities that would have to issue a final decision within a defined time (10 days). Before applying step 4, the involved district staff shall undertake a final effort for an amicable solution at village level to avoid next legal steps.

Step 5: If subproject complainants are still not satisfied with the response given or decisions made, the complaint can be elevated at national level either to the national court, if legal decision at provincial level will require this, or to the NPMO which is to be established by the Department of Planning through which the MAF will be responsible for the overall project management for final clarification in this matter within 15 days.

67. All complaints and resolutions will be properly documented by the concerned resettlement committee and be available for (i) the public and (ii) review for monitoring purposes.

VIII. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION

A. Ministry of Natural Resources and Environment

68. Provincial Resettlement Committees (PRC) have already been established in three of the four participating provinces; a PRC will be established in Oudomxay under the additional financing. The PRC is chaired by the provincial Vice Governor and has representatives of the District Government, as well as representatives of provincial departments such as finance, natural resources and environment, agricultural and forestry, etc. The PRC has the following responsibilities:

- (i) Support the PPOs on screening, social impact assessment, information disclosure and meaningful consultation with ethnic groups;
- (ii) Implement the support measures and the mitigation measures as specified in the approved EGDP; and
- (iii) Receive and resolve affected person (AP) grievances and complaints in instances where APs appeal the decisions taken at the district level.

B. National Project Management Office

69. NPMO has already been established within MAF's Department of Planning and Cooperation in Vientiane. The NPMO is responsible for the day to day implementation and national level activities, including reporting. For ethnic groups development planning and implementation, NPMO has the following responsibilities:

- (i) Guide, support and supervise the work of the PPOs to screen the ethnic groups in the project areas and the impacts by the project.
- (ii) Prepare and submit the EGDP for the concerned Provincial Government and ADB for review and approval.
- (iii) Establish and disseminate standard procedures to the PPOs for: (a) carrying out screening and social impact assessment; (b) establishment and management of databases on ethnic groups in the project areas; (c) consultations and information dissemination to ethnic groups, local authorities and other stakeholders; (d) prompt implementation of corrective actions and resolutions of grievances; and (e) ongoing internal monitoring on the implementation of the EGDP.
- (iv) Coordinate with other ministries, government agencies, mass organizations, NGOs or other organizations to ensure efficient, effective delivery of support and mitigation measures.
- (v) Prepare and submit the semi-annual progress report on EGDP implementation to ADB, MAF and MONRE.

C. Provincial Project Offices and District Coordination Offices

70. Each Provincial Agriculture and Forestry Office has already established a Provincial Project Office (PPO) at the province level, and for the additional districts under additional

financing a District Coordination Office (DCO) will be established at the district level. For ethnic group development planning and implementation, the PPOs/DCOs have the following responsibilities:

- (i) Screen the ethnic groups and the impacts on the ethnic groups in the province;
- (ii) Coordinate with provincial, district and village authorities to carry out fieldwork required to prepare the EGDP, including the social impact assessment, information disclosure and consultations;
- (iii) Collaborate with the provincial and district resettlement committees and village arbitration units to address the grievances. Document the grievance redress and resolutions reached at different levels;
- (iv) Implement the support measures and the mitigation measures as specified in the approved EGDP; and
- (v) Conduct internal monitoring of the implementation of the EGDP as per agreed indicators; and, prepare and submit monthly reports to NPMO on the progress and outstanding issues.

D. Provincial Resettlement Committee

71. Provincial Resettlement Committees (PRC) have already been established in three of the four participating provinces; a PRC will be established in Oudomxay under the additional financing. The PRC is chaired by the provincial Vice Governor and has representatives of the District Government, as well as representatives of provincial departments such as finance, natural resources and environment, agricultural and forestry, etc. The PRC has the following responsibilities:

- (i) Support the PPOs on screening, social impact assessment, information disclosure and meaningful consultation with ethnic groups;
- (ii) Implement the support measures and the mitigation measures as specified in the approved EGDP; and
- (iii) Receive and resolve affected person (AP) grievances and complaints in instances where APs appeal the decisions taken at the district level.

E. District Resettlement Committee

72. The District Government in the 11 districts to be targeted under additional financing will each establish a District Resettlement Committee (DRC). The DRC will be headed by the District Governor and will include representatives from the district line offices. The primary roles and responsibilities of the DRC include the following:

- (i) Support the PPOs/DCOs on screening, social impact assessment, information disclosure and meaningful consultation with ethnic groups;
- (ii) Implement the support measures and the mitigation measures as specified in the approved EGDP; and

- (iii) Receive and resolve AP grievances and complaints in instances where APs appeal the decisions taken at the village level.

F. Village Authorities

73. The village authorities will assist the DRCs, PPO/DCO and NPMO to prepare the EGDP by participating in and supporting field work to collect data on ethnic groups; and organizing public meetings and consultations in the village and information disclosure. The village authorities will have the following responsibilities:

- (i) Facilitate public information meetings and consultations with ethnic groups and other stakeholders and help to ensure villagers and ethnic peoples' awareness of the project intervention, the impacts by the project and the support measure as well as the mitigation measures for the adverse impacts;
- (ii) Assist PRC, DRC and PPO/DCO in carrying out the screening, social impact assessment, information disclosure and consultations in the village and confirm the results;
- (iii) Participate in implementation of the support measures and the mitigation measures as specified in the approved EGDP; and
- (iv) Act as a grievance redress level (village mediation committee) to receive and resolve grievances and complaints of APs and other stakeholders.

G. Institutional Capacity for Ethnic Groups Development Planning, Implementation and Monitoring

74. As part of the small-scale Project Preparatory Technical Assistance, an assessment of institutional capacity for ethnic groups' development planning, implementation and monitoring has been carried out. Generally, the capacity of the concerned agencies is sound and preceding EGDPs have been implemented by the local agriculture and forestry offices and relevant agencies for NRI subproject. In recent years, the agriculture and forestry offices and concerned agencies of Northern provinces have planned and implemented ethnic groups' development plans for NRI as well as for other the ADB Northern Regions Sustainable Livelihoods through Livestock Development Project. The EA and Implementing Agencies have sound understanding of the principles, requirements, and steps in planning and implementation of EGDPs following ADB policy.

75. Continued involvement of project staff and the LIC will contribute to ongoing development of institutional capacity of agriculture and forestry offices and concerned agencies in implementing safeguards for ethnic groups.

IX. BUDGET AND FINANCING

A. Budget for Capacity Building

76. Table 5 presents the estimated budget for implementation of capacity building outlined in the EGDF to be financed from the proposed project grant.

Table 5: Estimated Budget for EGDF Capacity Building

Capacity Building Item	Source (DFR)	Unit Costs (US\$)	Units*	Total (US\$)
Safeguards and gender (all) for NPMO	Capacity building for Implementation. (These could be workshops and/or follow-on trainings)	3,000	1	3,000
Safeguards and gender (all) for PPOs		6,500	1	6,500
Safeguards and gender (all) DCOs		3,000	3	9,000
Participation for ethnic groups	Investment Costs	750	22	16,500
Specific needs for ethnic groups		750	22	16,500
Village Mediation Committee training		750	22	16,500
Training for village LFNC		750	22	16,500
Total				84,500

*Total number of subprojects not yet defined although assumed to be approximately 22, unlikely that all will require equal levels of capacity building therefore these are estimates only.

B. Staffing Requirements and Staffing Budget

77. An international indigenous peoples/gender/community development specialist will be required to provide initial training on social safeguards, gender awareness, survey preparation, social and gender analysis, plan preparation and oversight of plan implementation. Intermittent support will be required for the first 3 years of implementation, supported by a domestic specialist who will provide direct support to the NPMO, PPOs in safeguards planning, implementation and monitoring. These specialists will be required for 8months and 24 months respectively. At completion of the grant implementation consultant inputs, the NPMO and PPO staff should be sufficiently competent to assume responsibility for all assigned tasks of the specialists.

Table 6: Safeguards Staffing Budget

Budget Item	Unit Cost (US\$)	Units	Total (US\$)
International Specialist	20,000	8	160,000
Domestic Specialist	4,500	24	108,000
International Air Travel	2,500	3	7,500
Domestic Air Travel	135	15	2,025
Per Diem: International Specialist	110	214	23,540
Per Diem: Domestic Specialist	35	180	6,300
TOTAL			307,365

X. MONITORING AND REPORTING

78. An external safeguards monitor will be recruited by the project to ensure that all recommendations and mitigation measures under the safeguards plans including the EGDPs for each subproject are being implemented in accordance with the plans.

79. In addition PPOs will conduct the internal monitoring of EGDP implementation to identify as early as possible the activities achieved and the cause(s) of problems encountered so that arrangements in EGDP implementation can be adjusted. Related information will be collected monthly from the field to assess the progress of EGDP implementation and will be consolidated semi-annually safeguards implementation progress report.

80. An initial key indicator will be, as per assurances to the ADB, the opinions and concerns of ethnic groups have been addressed, the benefits of the project have been enhanced to local ethnic communities and the adverse impacts have been avoided/mitigated. The other main indicators that will be monitored regularly are:

- (i) Fund to implement the EGDP are allocated timely and adequately;
- (ii) Payment of compensation and special assistances to ethnic people in various categories, according to the compensation and assistance policy described in approved resettlement plan;
- (iii) Public information dissemination and meaningful consultation procedures;
- (iv) Priority of APs regarding the options offered;
- (v) All the measures/activities as envisaged in the EGDP have been implemented. Delivery of technical assistance and support for local ethnic peoples;
- (vi) Ethnic groups, particularly ethnic women, benefited from the project interventions; and Adherence to grievance procedures and outstanding issues requiring management's attention.

81. The NPMO will incorporate the internal monitoring report submitted by the PPOs/DCOs on the status of EGDP implementation of each subproject in the overall project progress report to ADB in the form of a report on status of EGDP implementation, semi-annually.

82. MONRE, NPMO and Provincial Governor's Office may also conduct internal resettlement monitoring to ensure that the EGDP implementation is compliant to the provisions of the approved EGDP.

SCREENING CHECKLIST ON ETHNIC GROUPS

Key Concerns	Yes	No	Not Known	Remarks
A. Ethnic Groups (EG) Identification¹				
1. Are there socio-cultural groups present in or use the subproject area who may be considered as “tribes” (hill tribes, schedules tribes, tribal peoples), “minorities” (ethnic or national minorities), or “indigenous communities”?				
2. Are there national or local laws or policies as well as anthropological researches/studies that consider these groups present in or using the subproject area as belonging to “ethnic groups”, scheduled tribes, tribal peoples, national minorities, or cultural communities?				
3. Do such groups self-identify as being part of a distinct social and cultural group?				
4. Do such groups maintain collective attachments to distinct habitats or ancestral territories and/or to the natural resources in				

¹ Note: The Lao National Government does not use the term “Indigenous People”. Decree No. 213/NA of the Lao National Assembly dated 24 November 2008, identified 49 tribes in Lao PDR and classified these under **four Ethno-Linguistic Groups: (i) Lao-Tai: 8 Tribes** (Lao, Tai, PhouThay, Leu, Nhouan, Yang, Xaeh and Thay Neua); **(ii) Mone –Khmer: 32 Tribes** (Khmou, Pray, Xing Moun, Phong, Thaen, Oedou, Bid, Lamed, Samtao, Katang, Makong, Tri Yrou, Triang, Ta Oy, Yeh, Brao, Katu, Harak, Oy, Kriang, Cheng, Sadang, Xuay, Gnaheun, Lavy, Pa Koh, Khmer, Toum, Ngouane, Moy, Kri); **(iii)Hmong- lu Mien: 2 Tribes**(Hmong, lu Mien); and **(iv) Tibeto-Chinese: seven Tribes** (Akha, Phunoy, Lahu, Sila, Hayl, Lolo, Hor). Source: 49 Ethnic Groups in the Lao Community, National Assembly of Lao PDR, Ethnic Affairs Committee, UN Programme to support an Effective Lao National Assembly, July 2009.

Key Concerns	Yes	No	Not Known	Remarks
these habitats and territories?				
5. Do such groups maintain cultural, economic, social and political institutions distinct from the dominant society and culture?				
6. Do such groups speak distinct language or dialect?				
7. Has such groups been historically, socially and economically marginalized, disempowered, excluded, and/or discriminated against?				
8. Are such groups represented as “ethnic groups” or “scheduled tribes” or “tribal populations” in any formal decision-making bodies at the national or local levels?				
B. Identification of Potential Impacts				
9. Will the subproject directly or indirectly benefit or target Ethnic Groups (EMs)?				
10. Will the subproject directly or indirectly affect EMs’ traditional socio-cultural and belief practices? (e.g. child rearing, health, education, arts, and governance).				
11. Will the subproject affect livelihood systems of EMs? (e.g. food production system, natural resource management, crafts and trade, employment status)				

Key Concerns	Yes	No	Not Known	Remarks
12. Will the subproject be in an area (land or territory) occupied, owned, or used by EMs and/or claimed as ancestral domains?				
C. Identification of Special Requirements Will the subproject activities include:				
13. Commercial development of cultural resources and knowledge of EMs?				
14. Physical displacement of from traditional territory or customary lands?				
15. Commercial development of natural resources (such as minerals, hydrocarbons, forests, water, hunting or fishing grounds) within customary lands under use that would impact on the livelihood or the cultural, ceremonial, spiritual uses that define the identity and community of EMs?				
16. Establishing legal recognition of rights to lands and territories that are traditionally owned or customarily used, occupied or claimed by EMs?				
17. Acquisition of lands that are traditionally owned or customarily used, occupied or claimed by EMs?				

D. Anticipated Subproject Impacts on EMs

Subproject Component/Activity/Output	Anticipated Positive Effect	Anticipated negative Effect
1. Rural Infrastructure Development		
a. Outputs: (Irrigation Area, has; Road, km: women involvement in labor)		
b. Activities: (Social Impact Assessment, FS, Detailed Engineering, Procurement, Construction)		
2. Productivity and Impact Enhancement		
a. Outputs: (established water user groups, RMGs and FPGs; contract farming; catchment management plans; female focused extension services)		
b. Activities (establishment and capability development of water user groups, RMGs, FPGs; contract farming technical assistance; agro-processing initiatives for selected commodities)		
3. Institutional Capacity Building		
4. Project Implementation and Management		

OUTLINE OF AN ETHNIC GROUPS DEVELOPMENT PLAN

A. Executive Summary of the EGD

1. This section concisely describes the critical facts, significant findings, and recommended actions.

B. Description of the Project

2. This section provides a general description of the project; discusses project components and activities that may bring impacts on local ethnic groups; and identify project area.

C. Social Impact Assessment

3. This section:

- (i) reviews the legal and institutional framework applicable to ethnic groups in project context;
- (ii) provides baseline information on the demographic, social, cultural, and political characteristics of the affected ethnic communities; the land and territories that they have traditionally owned or customarily used or occupied; and the natural resources on which they depend;
- (iii) identifies key project stakeholders and elaborate a culturally appropriate and gender-sensitive process for meaningful consultation with ethnic groups at each stage of project preparation and implementation, taking the review and baseline information into account;
- (iv) assesses, based on meaningful consultation with the affected ethnic communities, the potential adverse and positive effects of the project. Critical to the determination of potential adverse impacts is a gender-sensitive analysis of the relative vulnerability of, and risks to, the affected ethnic communities given their particular circumstances and close ties to land and natural resources, as well as their lack of access to opportunities relative to those available to other social groups in the communities, regions, or national societies in which they live;
- (v) includes a gender-sensitive assessment of the affected ethnic groups perceptions about the project and its impact on their social, economic, and cultural status; and
- (vi) identifies and recommends, based on meaningful consultation with the affected ethnic communities, the measures necessary to avoid adverse effects or, if such measures are not possible, identifies measures to minimize, mitigate, and/or compensate for such effects and to ensure that the ethnic groups receive culturally appropriate benefits under the project.

D. Information Disclosure, Consultation and Participation

4. This section:

- (i) describes the information disclosure, consultation and participation process with the affected ethnic communities that was carried out during project preparation;
- (ii) summarizes their comments on the results of the social impact assessment and identifies concerns raised during consultation and how these have been addressed in project design;
- (iii) in the case of project activities requiring broad community support, documents

the process and outcome of consultations with affected ethnic communities and any agreement resulting from such consultations for the project activities and safeguard measures addressing the impacts of such activities;

- (iv) describes consultation and participation mechanisms to be used during implementation to ensure ethnic people participation during implementation; and
- (v) confirms disclosure of the draft and final EGDP to the affected ethnic communities.

E. Beneficial Measures

5. This section specifies the measures to ensure that the ethnic groups receive social and economic benefits that are culturally appropriate, and gender responsive.

F. Mitigation Measures

6. This section specifies the measures to avoid adverse impacts on ethnic groups; and where the avoidance is impossible, specifies the measures to minimize, mitigate and compensate for identified unavoidable adverse impacts for each affected ethnic groups.

G. Capacity Building

7. This section provides measures to strengthen the social, legal, and technical capabilities of (i) government institutions to address ethnic groups issues in the project area; and (ii) ethnic people organizations in the project area to enable them to represent the affected ethnic people more effectively.

H. Grievance Redress Mechanism

8. This section describes the procedures to redress grievances by affected ethnic communities. It also explains how the procedures are accessible to ethnic peoples and culturally appropriate and gender sensitive.

I. Monitoring, Reporting and Evaluation

9. This section describes the mechanisms and benchmarks appropriate to the project for monitoring, and evaluating the implementation of the EGDP. It also specifies arrangements for participation of affected ethnic people in the preparation and validation of monitoring, and evaluation reports.

J. Institutional Arrangement

10. This section describes institutional arrangement responsibilities and mechanisms for carrying out the various measures of the EGDP. It also describes the process of including relevant local organizations and NGOs in carrying out the measures of the EGDP.

K. Budget and Financing

11. This section provides an itemized budget for all activities described in the EGDP.

TEMPLATE FOR DOCUMENTATION OF CONSULTATIONS

Date and Time

Location

Type of consultation

Consultee Group

Purpose of Consultation

Summary of Topics Discussed

Topic	Summary of Main Points of Discussion	Agreed Action

List of Attendees

(Name, Gender, Designation, Signature)

Specific names of responsible individuals in the GRM:**Nam Beng Subproject : Six (6) beneficiary villages in Beng district**

	Responsible Authorities/Offices	Individuals Name (Head or in charge)	Tel No.	Level
1	Ban Namaed			Village
	- Village Authorities (Head)	Mr. Phomma	0305497593	
	- Village Mediation Committee (LNFC)(*)	Mr. Maitip	56062150	
2	Ban Yor			Village
	- Village Authorities (Head)	Mr. Maichanhaoun	59951042	
	- Village Mediation Committee (LNFC)(*)	Mr. Mai inkao	96822885	
3	Ban Xiengle			Village
	- Village Authorities (Head)	Mr. Maichanh aoun	54951334	
	- Village Mediation Committee (LNFC)(*)	Mr. Synoun	59690775	
4	Ban Houaylor			Village
	- Village Authorities (Head)	Mr. Somsay	0309799110	
	- Village Mediation Committee (LNFC)(*)	Mr. Nanelao	55731941	
5	Ban Pangdeua			Village
	- Village Authorities (Head)	Mr. Khamphat	55446968	
	- Village Mediation Committee (LNFC)(*)	Mr. Khanh	Not available	
6	Ban Nalai			Village
	- Village Authorities (Head)	Mr. Maipheng	59577133	
	- Village Mediation Committee (LNFC)(*)	Mr. Maifong	55204934	
7.	Beng District Office (Mediation Committee)	Mr. Nongly (DCO staff in charge of Safeguards for coordination)	0309298562	District
8.	Oudomxay Provincial Office (Mediation Committee)	Mr. Mounthong SENGLA (PPO staff in charge of Safeguards for coordination)	22379334	Province

Note: (*) LNFC = Lao National Front for Construction

Nam OunSubproject : Four (4) beneficiary villages in Houn district

	Responsible Authorities/Offices	Individuals Name (Head or in charge)	Tel No.	Level
1	Ban Chantai (*)			Village
	- Village Authorities (Head)	Mr. Tithhak	22377655	
	- Village Mediation Committee (LNFC)(**)	Mr. Oneta	29817391	
2	Ban Nathong			Village
	- Village Authorities (Head)	Mr. Chanhthavong	0309220353	
	- Village Mediation Committee (LNFC)(**)	Mr. Tew	0304603802	
3	Ban Nam Oun			Village
	- Village Authorities (Head)	Mr. Yearsong	22835994	
	- Village Mediation Committee (LNFC)(**)	Mr. Houmpheng	98185192	
4	Ban Faen			Village
	- Village Authorities (Head)	Mr. Siengphone	0302810206	
	- Village Mediation Committee (LNFC)(**)	Mr. Tithchanh	58982224	
5.	Houn District Office (Mediation Committee)	Mr. Phongsy SONSITHTYDETH (DCO staff in charge of Safeguards for coordination)	28738831	District
6.	Oudomxay Provincial Office (Mediation Committee)	Mr. Mounthong SENGLA (PPO staff in charge of Safeguards for coordination)	22379334	Province

Note: (*) Ban Nongdin was merged with Ban Chantai, (**) LNFC = Lao National Front for Construction