

MINISTRY OF INDUSTRY AND HANDICRAFTS
ELECTRICITE DU LAOS



Lao PDR
Southern Provincial Rural Electrification Project II
Resettlement Action Plan for the first year program
Of the on-grid component

June, 2004

1. Introduction

With the successful implementation of the Southern Provincial Rural Electrification Project (SRPE I), the World Bank is considering to finance the extension of the rural electrification efforts in southern provinces as SPRE II Project. The project will help Lao PDR to achieve the national target on rural electrification rate, with 60 percent in 2005, 70 percent in 2010 and 90 percent in 2020. Providing the electricity to the villages will create more opportunities to the people for income generation and livelihood improvement. The Project will include two physical components: one is on-grid component, which will provide access to electricity to more than 90,000 households in some 1,300 villages in 7 provinces. The other is off-grid component, which will provide the access to electricity to about 10,000 households in 17 provinces (phase 1) through SHS, gen-sets and village-level hydro schemes.

For the on-grid component, the scope of project includes extension of 22 kV lines and 12.7 kV and 0.4 kV spur lines to cover various villages in seven provinces. Such activities will involve limited amount of land acquisition and resettlement. Since the scope of the impacts for on-grid component, to be implemented in five years, could not be identified at project preparation stage, following the World Bank requirement, a resettlement policy framework is prepared for on-grid component. The main objective of the policy framework is to address potential adverse social impacts that result due to involuntary land acquisition and resettlement. According to the World Bank policy on involuntary resettlement, the proposed resettlement policy framework will not only apply to MV and LV activities, but also those 115kV transmission projects, which will involve certain amount of land acquisition and resettlement, since they are directly linked to the subprojects financed by the Bank.

2. Definition

Compensation means payment in cash or in kind for an asset to be acquired or affected by a project at replacement cost.

Cut-off Date is the date prior to which the occupation or use of the project area makes residents/users of the project area eligible to be categorized as affected persons. The cut-off date coincides with the date of the census of affected persons within the project area boundaries. Persons not covered in the census, because they were not residing, having assets, or deriving an income from the project area, are not eligible for compensation and other entitlements.

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.

Project Authorities refer to both Electricite du Laos (EDL) and Ministry of Industry and Handicraft (MIH), with EDL in charge of grid extension of RE Component.

Displaced Persons (DP) includes any person or persons, households, a firm, or private or public institution who, in the context of acquisition of assets and change in land usage, as of the cut-off date, on account of the execution of the project, or any of its subcomponents or part, would have their:

- (a) Standard of living adversely affected;
- (b) Right, title, or interest in any house, land (including residential, commercial, agricultural and grazing land) or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily adversely affected; or
- (c) Business, occupation, places of work or residence or habitat adversely affected, with or without displacement.

DPs includes persons or affected household and consists of all members of a household residing under one roof and operating as a single economic unit, who are adversely affected by a project or any of its components. For resettlement purposes, displaced persons will be considered as members of displaced households.

Rehabilitation means assistance provided to DPs seriously affected due to the loss of productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to improve, or at least achieve full restoration of living standards and quality of life to pre-project level.

Relocation means the physical shifting of a DP from his/her pre-project place of residence, place of work or business premises.

Replacement cost is the amount needed to replace an asset and is the value determined as compensation for:

- i. Agricultural land the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes;
- ii. Land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes;

- iii. Houses and other related structures based on current market prices of materials, transportation of material to construction site, cost of labor and contractor's fee, and cost of any registration and transfer taxes. In determining replacement cost, depreciation of the assets and value of salvaged building materials are not taken into account and no deductions are made for the value of benefits to be derived from the project;
- iv. Crops, trees and other perennials based on current market value; and
- v. Other assets (i.e. income, cultural, aesthetic) based on replacement cost or cost of mitigating measures.

Resettlement means all measures taken to mitigate any and all adverse impacts of a project on DPs property and/or livelihoods, including compensation, relocation (where relevant) and rehabilitation as needed.

Vulnerable group are distinct groups of people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement and specifically include: (i) female headed households with dependents, (ii) disabled household heads, (iii) households falling under the generally accepted indicator for poverty, (iv) elderly households with no means of support and landlessness, and (v) indigenous minorities.

3. Policy Objectives

The objectives of the resettlement policy framework will include the following elements: (1) Involuntary resettlement should be avoided or minimized through design efforts. (2) Where involuntary resettlement is unavoidable, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient compensation, assistance and rehabilitation to the DPs so that they would be at least as well off as they would have been in the absence of the project. (3) DPs will benefit from the project. (4) Project stakeholders (including DPs) are consulted and given the opportunity to participate, as practicable, in the design, implementation, and operation of the project. And (5) DPs should be assisted in their efforts to improve their livelihoods and standard of living or at least to restore them, in real terms, to pre-displacement levels.

The proposed resettlement policy should apply to all components under the project funded by the Bank and directly related projects funded by other sources. The compensation and entitlement policy should apply to all displaced persons regardless of the total number affected or the severity of impact. Particular attention is paid to the needs of vulnerable groups among those displaced: especially those below the poverty line, the elderly, women and children, and ethnic minorities.

4. Project Scope & Resettlement Impacts

The proposed on-grid component for SPRE II Project will provide access to electricity to more than 46,000 households in some 600 villages in 7 southern provinces. Table One provides a basic scope of the on-grid component, which is based on extensive consultation by branch EDLs in the concerned districts and villages, and preliminary design efforts made by EDL staff. According to the table, the total scope of the project will include construction of 1.6 million meters of 22 kV and 12.7 kV lines, and 1.2 million meters of 0.4 kV spur lines, installation of 711 transformers, and extension electricity to 613 villages and 46,382 households, which will be implemented in two and half years. The total cost of the component will amount to \$24 million with IDA financing \$16 million.

Table 1 Scope of On-Grid Component for SPRE II Project

Province				No. of Transformer				MV Line (m)			LV Line (m)
Code	Name	Village	HH	3-phase Mono SWER Sub-total				22 kV	12.7 kV	Sub-total	0.4 kV
1	Bolikhamxay	66	6,736	50	26	0	76	205,571	0	205,571	156,488
2	Khammouane	117	6,357	89	49	12	150	342,500	35,000	377,500	183,580
3	Savanakheth	163	11,197	92	74	16	183	378,198	2,740	380,938	335,910
4	Saravan	113	8,607	73	52	0	125	133,205	0	133,205	171,311
5	Sekong	31	1,818	13	18	2	33	68,256	4,714	72,970	46,595
16	Champassak	102	9,157	93	31	0	124	357,700	0	357,700	225,626
17	Attapeu	21	2,510	21	0	0	21	60,417	0	60,417	59,315
Total		613	46,382	431	250	30	711	1,545,847	42,454	1,588,301	1,178,825

The proposed on-grid component will be directly relied on a number 115kV transmission line projects to be implemented in the next few years. Among them, three such 115 kV transmission lines to be funded by other sources have already been identified and prepared for implementation. They include Thakhek and Xepon Line with 165 kilometers, Pakse and Khonphapheng Line with 164 kilometers, and BanNa and Attapeu Line with 123 kilometers. Even though they are not financed by the World Bank, since they are directly related with SPRE II on grid component, EDL agrees to apply the same resettlement policy framework to these related transmission projects. As part of best practice efforts, a set of resettlement action plans have been prepared for these three 115kV transmission line projects.

In terms of resettlement impacts, for 115kV transmission lines and substations, considerable amount of land acquisition and resettlement might be required. Based on experience in SPRE 1 Project, and design requirements, each 115kV substation will require about 1 ha of land area, and each tower base will require about 36 square meters. In addition, to ensure safe operation of transmission lines, all building structures and various trees underneath the transmission line will be removed within 25 meters right of way for 115kV transmission line. During construction, certain amount of land areas will also be required temporarily for building access road, setting up towers, and storing construction materials.

For MV and LV lines, according to technical standards and construction practices, limited amount of land acquisition and demolition might be required. For the construction of 22 kV, 12.7kV line and 0.4 kV lines, the impact will include land acquisition for the construction of poles (about 0.14 square meters per pole) and clearance of 4 - 8 meters right-of-way under the transmission lines. In addition, during construction of MV and LV lines, certain amount of temporary land occupation might be required to be used for erecting poles, storing materials, and constructing access roads.

However, given the fact that transmission line often runs through countryside, and efforts will be made during design stage to avoid built-up, the number of families that need to be relocated and buildings to be removed will be relatively small. The amount of land areas required for towers or poles will be very small. Most of farmland under the transmission line will be allowed to continue farming except for damages of some current crops during the construction. Various trees within the right of way will be removed. Following the compensation policies, all affected people will be provided with compensation at replacement values and rehabilitation measures if it is necessary, and the potential impact on their income and livelihood will be very limited.

For the first year program the impact was identified would be:

Land Acquisition and Trees for On-Grid Component for SPRE II Project for the first year program

Provinces	Number of Subprojects	Number of Villages	Land (Permanent) m ²			Trees
			Paddy	Garden	Scrub	
Bolikhamxay	5	63	88.123	53.36	108.898	7,263
Khammouane	3	35	79.885	0	195.186	1,442
Savanakheth	20	99	151.40	332.595	353.266	10,737
Champassack	14	129	347.841	291.733	811.635	12,975
Saravan	5	68	111.918	33.81	222.87	1,023
Total	47	394	779.167	711.498	2222.791	33,440

5. Legal Framework for Land Acquisition and Resettlement

In Lao PDR there are no specific laws in Lao PDR concerning the details of resettlement and compensation, other than general requirement for compensation to be provided. A national resettlement policy has been prepared by Science, Technology and Environment Agency (STEA) with the support of ADB, which is the process of being approved by Lao government.

The following legislation now in force, and supporting regulations (promulgated or in draft) are relevant in developing the resettlement policy framework for SPRE II Project, which will ensure that impacts of land acquisition and resettlement for the project will be adequate addressed during project planning and implementation.

Laws

For example, the Electricity Law (1997) requires that “the licensee (EDL) is responsible for ensuring that environment is protected, and that residents are compensated in cash or in kind for lost property, diminished living conditions, relocation and resettlement.”

The Land Law (1997) stipulates that in case of the public infrastructure development projects cause damage to the trees, crops or buildings of the private owner, the land and structure owners have the right to be compensated for the damage

According to the Forestry Law (1996), that forest land can be converted to other uses when necessary and if in the public interest, and subject to approval from responsible authorities. An individual or organization given permission to convert forest to another use is responsible for payment of a conversion fee, land reclamation and tree planting.

Regulations

In addition to above laws, Department of Electricity, Ministry of Industry and Handicraft also issued Environmental Management Standard Documents, which provide more details guidance on how to prepare power sector projects, which requires the project owner to prepare IEE to be approved by Ministry of Industry and Handicraft and Science, Technology and Environment Agency.

The draft National Policy on Resettlement and Compensation, which was prepared by STEA with support from ADB is being approved by Lao PDR government. Once it is adopted, it will become an important policy instrument in guiding resettlement and land acquisition activities in Lao PDR in future. The key compensation principles under the National Policy on Resettlement and Compensation are listed below, which are in general agreement with the policy requirements of ADB and the World Bank.

- Project Affected Persons will be provided compensation for their lost assets affected in full or in part, at full replacement cost.
- In case of compensation for the affected to type of land (agriculture, residential or commercial) will be through provision of “land to land” arrangement of equivalent size or productivity and at the location acceptable to the Affected Persons. If the land not available, cash compensation at full replacement cost is applied.
- If the house or structure is partially being affected by the project but the remaining structure is rendered unviable or area less than the minimum house size. Affected Persons will be entitled to compensation.
- In case of the Affected Persons affected by partial loss of structure and remaining still viable. The assistance in a form of cash or material to restore the structure is applied.
- In case of the temporary affected by the projects, there will be full compensated of the net loss of income. If the temporary use (affected) of the assets less than 6 months there will be compensated of 10% of the replacement cost of the affected assets. But if more than 6 months compensation should be negotiated with the owner of the assets.
- In case of the Persons have leased the house, structure or the form. Compensation equivalent of 3 months rental allowance if applied. There will be also assisted in finding the alternatives for rental accommodation.
- The affected persons without any legal title or ownership right to affected land or assets they occupy should be compensated and provide assistance to ensure they are not worse-off due to project.
- All previous claims and unresolved issues related to tenure status and ownership of land and other assets on each sub-project or components will be resolved before land acquisition.
- Resettlement process should be carry out in a participatory manner following the General guidelines for Public Involvement.

6. Compensation Standards

Based on the above laws, regulations, and compensation principles, and based on successful implementation experience from SPRE I Project, a set of compensation standards and valuation methods have been developed for the proposed SPRE II Project. The compensation standards and valuation method for different types of assets have been based on the replacement value principle, and consulted with branch EDLs and provincial resettlement committees.

A. Permanent Land Acquisition

For permanent land acquisition, different compensation will be paid based on different types of land areas. It is agreed that for productive farmland, mainly paddy land, the basic compensation will be 10 times of annual output value for lost farmland. The detailed formula of estimating the unit compensation rate is:

- Unit Compensation of Paddy land = Yields of the field (ton/ha/year) x Market Price of Rice x Compensation period (year)

Given the different yield of paddy and market price in different towns and provinces, the actual compensation rate will vary from province to province. For example, in some paddy fields near the town, with good irrigation, two crops could be harvested each

year. As a result, the annual yield and output value of such paddy land will be much more than those areas with only one crop each year.

For acquired scrub land and garden land, the compensation rate will be set at one third of compensation rate for paddy land.

Based on SPRE 1 experience, such compensation was well received among affected people. With limited land loss and adequate compensation, no significant negative impacts are expected.

B. Temporary Land Occupation

In addition to the income losses from permanent land acquisition, there will be income losses from temporary land occupation or disturbances during project construction. For such losses, compensation of lost crops at replacement value and cost of restoring land into original conditions will be paid by the project owner. Depending on length of such occupation, most of impacts will be limited to one crop loss, but for some cases, such occupation might take up more than one year with multiple crop losses. The compensation will be based on average yield and market price of lost crops. Efforts will be made by the project owner to minimize the impacts of temporary land occupation by timing the construction after planting season.

C. Structures and Assets

In Lao PDR there are no unified compensation standards for lost structures and assets. Based on relevant laws and regulations, the basic compensation principle is to provide compensation at replacement value, which will include (1) cash for lost structures sufficient to replace materials and labor to build replacement structures to an equivalent size and standard; (2) housing plot to build the replacement structure; and (3) allowance for the expense of relocation and lost of income during transfer.

For transmission line project, since affected houses are only required to move short distance from the right of way, based on experience of EdL from SPRE 1 Project, most affected houses with small size and traditional wood structure were simply moved by the villagers to nearby locations. In this case, the project owner will pay all related cost for such moving event after consultation with affected people and villages. The agreed total compensation will include new site preparation, payment for moving ceremony, and cost of additional materials for minor repairs. The project owner will ensure that all moved houses will have the same or better conditions after the move.

D. Economic Trees and Cash Crops

For the loss of various trees during the clearance of right of way under the transmission line, the general compensation principle is to provide replacement value to the affected people. After consultation with branch EDL, provincial government and affected villages, the basic formula for estimating such compensation is developed.

(1) Industry Trees:

Compensation = (Cost of land clearing + Cost of seedling) + (Cost of taking care x year of taking care)

(2) Fruit Tree:

Compensation = (Cost of land clearing + Cost of seedling) + (Cost of taking care x year of taking care) + (Cost of income x year of income)

In order to ensure that the compensation rates for economic trees are adequate for providing replacement value and restoring income and livelihood for the affected people, during resettlement preparation for individual subprojects, each province will develop a detail list of compensation rates for various trees, which will be based on agreed formula and current yield, and market prices of different crops. Such list of compensation rates will be consulted with local government and affected people prior to project implementation, which will be included in the resettlement action plans.

E. Other Compensation and Assistance

For any loss of infrastructure facilities and community services, such as roads, bridges, schools, electricity, water, and so on, EdL will provide in-kind compensation by rebuilding these facilities to their original status. Such replacement will be completed prior to the construction of transmission projects, so that the daily life of concerned communities will not be affected.

For all affected households who will be relocated due to the demolition of their houses, in addition to providing replacement land for housing construction, each affected family will be given in-kind or cash assistance by EdL to prepare the site, and construct necessary on-site infrastructures. In order to facilitate the moving for all relocated households, transfer assistance will be provided by EdL to the affected people.

In case of the line passing the honorable area of the villages like forest area and cemetery area, EdL will consult with villages to arrange a traditional moving ceremony according to village practice, and EdL will responsible for any cost related to that.

Sometimes, to express their support to grid extension project, villages eagerly to offer land areas for setting the concrete poles and decline any compensation for trees removal. In these cases, EdL will calculate the value of such losses and deduct them from the total cost towards electric connection to these villages, or provide other in-kind assistance that requires by the villages.

Based on the above compensation policy we can work out on the average the compensation rate as following:

- Permanent land acquisition

- Paddy land

Unit Compensation of Paddy land = 4 (ton/ha/year) x 1,000 (Kip) x 10 (year)

Therefore compensation rate for paddy land is 400 Kip/m²

- Garden land

Compensation for the garden land is 1/3 of the paddy land so is about 133 Kip

- Scrub land

Compensation for the garden land is 1/3 of the paddy land so is about 133 Kip

- Trees compensation

Due to Resettlement Coordination Committee was not yet set up for SPREII. Based on the experiences on EdL transmission line projects. EdL use to pay for a tree maximum is 76,600 and minimum compensation for a tree is 1,000. We are now proposing the average number of the maximum and minimum rate to be calculated for the compensation budget for Ongrid component. Therefore the compensation for one tree is about 38,800 Kip.

7. Criteria and Eligibility for Compensation

The compensation and rehabilitation will be provided for all displaced persons under the following conditions:

- if their land area or income source will be removed due to land acquisition of the project;
- if their houses (or residential plots) will be demolished or partly damaged due to the land acquisition;
- if their other properties (crops, trees, and other facilities) or access to these properties will be removed or damaged due to land acquisition or construction of the project.

All displaced persons, regardless of their legal status, will be provided compensation and rehabilitation based on the policies adopted by EdL. Lack of legal paper of their customary rights of occupancy certificates shall not be an obstacle for obtaining compensation for them. It should also cover resettlement resulting from complementary activities that are not part of the Bank-assisted investment projects, but are necessary to achieve its objectives as set forth in the project documents. The policy applies to all displaced persons regardless of the total number affected or the severity of impact. Particular attention is to be paid to the needs of vulnerable groups among those displaced: especially those below the poverty line, the elderly, women and children, indigenous groups and ethnic minorities.

8. Institutional Arrangement

For on-grid component of SPRE II Project, three levels of institutions will be involved in the process of resettlement planning and implementation. The first level is the EdL headquarter office, which will be responsible for overall project planning and implementation for on-grid component. Within EDL Headquarter Office, two separate offices will be involved with resettlement operation. One is SPRE II project office, and the other is Environmental Office. The second level of organization is EdL Branch Offices in seven provinces, which will be responsible for implementing actual grid extension activities and coordinating with local authorities. The third level of organization is the Resettlement Coordination Committees (RCC) of 7 provinces, which consist of officials from both key provincial departments and relevant districts. These three levels of organizations will form the institutional network to ensure smooth implementation of resettlement activities in according to both resettlement policy framework and resettlement action plan approved by the World Bank.

EdL Headquarter Office

There are two separate offices in EdL Headquarter Office are involved in this project. One is SPRE II Project Office and the other is Environmental Office. The SPRE II

Project Office is responsible for overall project preparation, and implementation coordination with WB and Provincial EdL Branch Offices. The Environmental Office is responsible for preparing all required documentation concerning the environmental and social aspects following both WB and Lao regulations. So the Environmental Office is going to assign at least one resettlement staff at each province that receiving SPRE II project to be responsible for resettlement implementation. The Environmental Office will be responsible to monitor and supervision resettlement implementation by Provincial Branch in order to ensure they are in compliance with the adopted Resettlement Policy Frameworks and RAP. In addition, the Environmental Office is also responsible for conducting internal resettlement monitoring and preparing resettlement progress report, which will be submitted to DOE, STEA and the Bank each quarter during the project implementation.

Provincial EdL Branch Offices

The actual construction of MV and LV subprojects will be carried out Provincial EdL Branch Offices in 7 provinces. Each EdL Branch needs to have at least one official who would be responsible for the environment and social aspect of the operation. This person will be responsible for conducting preliminary survey on land acquisition and resettlement and preparing resettlement data sheet for each subproject. He will work closely with both planning and technical departments in provincial EDL branch offices during project implementation. In case for some subproject with serious resettlement impact, he will be responsible to assistance consultant hired by EDL Headquarter to develop a full resettlement action plan.

Resettlement Coordination Committee of Local Governments

There are two levels of RCCs. One is at provincial level with members from key provincial departments and relevant district governments. This type of RCC will be mainly responsible for project with significant land acquisition and resettlement, such as 115kV transmission projects. The other is at district level, with members from key departments of district government and relevant villages. Such RCCs will be mainly responsible for implementation of MV and LV subprojects. For these two types of RCCs, their main functions include (1) participating in alignment selection with EDL staff; (2) conducting consultation and negotiation with affected villages and individuals on compensation policy and rehabilitation measures; (3) assisting EDL in distribution of compensation and entitlements; and (4) addressing grievance or complaints during resettlement implementation.

In order to improve institutional capacity of these institutions, during the first phase of loan, technical assistance will be provided, especially for staff in EdL Branch Office and provincial resettlement coordination committees. They will range from participating in World Bank resettlement policy training to holding a series of workshops in Laos on resettlement planning, implementation and income generations. These training activities include (1) sending key EdL resettlement staff to participate in resettlement and social assessment training sponsored by the World Bank; and (2) inviting international consultant or World Bank staff to Laos to carry out a series of workshops on resettlement policies, planning and implementation. It is hoped that through these training activities, EdL staff will have a better understanding of World Bank resettlement policies, more sensitive to the needs of project affected people, and are better prepared to carry out resettlement planning and implementation in accordance with adopted resettlement policy framework. The detailed cost of these training activities will be developed and included in the project.

9. Implementation Process

Based on current practice of MV and LV activities and consultation with EDL staff and provincial officials, for implementation of each subproject, the following steps will be made by the resettlement staff of EDL in order to ensure the resettlement policy framework is being complied.

Survey/Design

During preliminary design for each subproject, the resettlement staff of branch EDL will be involved. This is a first step to see wherever the resettlement impact can be avoided, mitigate or minimize as much as possible. He or she will participate in alignment survey and prepare a survey form regarding potential impact on land acquisition and resettlement. A sample of such form and guideline for conducting the survey will be provided by EDL headquarter staff. The survey form will include scope of subproject, potential impact, and affected individuals.

Develop Resettlement Action Plan

Based on such datasheet, decision will be made whether a full RAP is required for the proposed subproject. Only those subprojects with serious resettlement impacts (e.g. more than 200 persons or significant loss of farmland) will require a full RAP. In this case, EDL headquarter environment unit will be responsible for prepare the RAP based on the resettlement policy framework and submit it to the Bank for review prior to implementation.

For those subprojects with minor resettlement impacts, based on resettlement policy framework and consultation between EDL and RCCs, a data sheet needs to be prepared which include three basic sections (1) the scope of impacts (name and quantities of affected assets) (2) detailed compensation rates and rehabilitation measures for affected assets, and (3) total amount to pay to the affected people.

Consultation with Affected People

The prepared data sheets and resettlement plan or compensation policies will be consulted with local governments, affected villages and individuals. The comments and feedback from local governments and affected people will be reviewed by EDL management and considered in the RAP finalization.

Disclose the RAP policy to the Affected People

After finalization of the RAP or datasheet with detailed compensation standards and rehabilitation measures by EDL, they will be disclosed to the affected people and villages. The public disclosure of RAP could be carried out by holding public meeting, putting up notice in the affected villages, or distributing resettlement information booklet to the affected people.

Sign Compensation Contract and Pay Compensation to the Affected People

The final step of resettlement implementation is to sign compensation contract and delivery payment to the affected people, which should be completed prior to project implementation. However, if house relocation and substantial land loss taking place, such payment need to be completed at least three months prior to construction, which will give the affected people reasonable time to complete new houses and move their belongings. During the implementation, EdL staff will pay such amount directly to each affected household in the presence of local government representatives.

10. Timeframe.

Upon the approval of the loan made for SPRE II by Worldbank. In each Provincial EdL Branch Office will have to work with local authorities to set up Resettlement Coordination Committee immediately. EdL will need to present their work plan for each subproject to these committees including proposed compensation rate.

(Note: SPRE 2 technicians are now consult with EdL Branch for final agreement of the time schedule for each subproject).

All compensation will need to be agreed and delivered before any actual construction work start at any villages.

11. Reporting and Approval

For the first year program, EdL Branch offices prepared all datasheet and consultation with DPs. Environmental Headquarter summarized all the information in to this RAP and this will be sent to WB for review.

12. Resettlement Funding, Cost Estimate, Flow of Funds and Contingencies

The cost of potential land acquisition and resettlement will be included in the total project cost for SPRE II Project. EdL will ensure sufficient funding available to cover all resettlement related cost for MV and LV activities under SPRE II Project.

During project implementation, detailed cost estimate of the compensation and resettlement will be developed after details survey of each subproject.

For each subproject, the total resettlement budget submitted by EdL Branch will be reviewed and approved EdL Headquarter. After receiving the letter of approval from EDL headquarter, EdL Branch will make funds available for implementing land acquisition and resettlement. It is proposed that at each branch EDL, a special resettlement account will be set up for SPRE II activities, so that the resettlement expenses from each province could be regularly monitored by EDL headquarter in comparison with progress of physical components.

Based on the scope of the impacts and compensation rate above we can roughly calculate the compensation budget for the first year program as:

Scope of impact	Amount	Unit rate	Total
Paddy land	779.167 m ²	400 (Kip)	311,667 (Kip)
Garden land	711.498 m ²	133 (Kip)	94,629 (Kip)
Scrub land	2222.791 m ²	133 (Kip)	295,631 (Kip)
Trees	33,440 trees	38,800 (Kip)	1,297,472,000 (Kip)
Grand total:			129,8173,927 (Kip)

13. Consultations with, and participation of, and disclosure in planning, implementation

During the preparation of each subproject, consultation was organized with affected persons and village representative.

Information was collected in datasheet in each affected village and consulted with villages. Generally, consultation results from villages were village agreed with the project. There were also some discussion about land acquisition for the project (for erection of the concrete pole) which will passing through paddy land, garden land etc and some tree will be also needed to be remove. Most of affected people agreed with those affects and willing not to get compensation for those loss and will help EdL to cut those trees and assist EdL with their labour if needed for project construction work.

This RAP will be translate in to lao language and displace for further public consultation.

14. Grievance Redress Mechanism

The affected people will be given many opportunities to review the survey results and compensation policies during the process of resettlement planning and implementation. However, during implementation, various issues might be encountered by the displaced people. In order to resolve these concerns effectively and timely, a grievance redress mechanism will be set up. The affected people will be notified about such mechanism before the resettlement implementation.

If a person is not satisfied with his or her compensation or rehabilitation measure, he could voice his complaint to the affected village head or district resettlement coordination committee. The village head or district resettlement coordination committee will give him an answer within two weeks. (In the case of 115kV transmission project, they will directly go to provincial resettlement coordination committee). If he still does not agree with the solution, he could appeal directly to EDL branch office, who will give him a reply within two weeks. If he still does not agree with the decision, he could appeal to EDL headquarter office. A special grievance committee will be established within EDL to address these issues. The EDL Grievance Committee will make a final decision within two weeks. If he still does not agree with the decision, he could go the court as a last option.

15. Resettlement Monitoring and Evaluation Arrangement

Following the requirements of the World Bank, during the project implementation, both internal and external resettlement monitoring and evaluation exercises will be carried out in order to monitor resettlement implementation and ensure all affected people are compensated adequately and their income and livelihood are restored after resettlement and rehabilitation.

Internal Monitoring

The internal resettlement monitoring will be carried out by EDL headquarter environment unit, and its staff from branch EDLs. The main purpose is for EDL to have an overview of the resettlement progress of on-grid component during project implementation. Every quarter, branch EDL resettlement staff will report resettlement implementation for each subproject to EDL headquarter environment unit. EDL headquarter environment unit staff will compile these branch EDL reports into an overall resettlement progress report for the whole component, which will be submitted to the World Bank as part of quarterly report for the project.

The report will include two parts. The first part is text section, which will provide detailed explanation on resettlement progress, fund allocation, and issues and problems as well as

solutions in the implementation. The second part includes a set of tables, which provides a comparison between actual implementation for compensation delivered, amount of houses demolished, amount of new houses constructed, etc. and those in the resettlement action plan.

External Monitoring and Evaluation

For those subprojects with serious impact (more than 200 people are affected), an external resettlement monitoring and evaluation agency will be selected to carry out external resettlement monitoring and evaluation. The selected institution should have extensive experience in similar activities. The main objective is by independently monitoring and evaluating the resettlement implementation, to see whether the objective of resettlement is achieved; and to provide basic assessment on resettlement implementation and restoration of livelihood for the affected people.

The scope of monitoring and evaluation includes the implementation progress, resettlement policies, delivery of compensation and replacement land, changes of income and livelihood among affected people, consultation and participation and development of local communities. The method of resettlement monitoring and evaluation will be based on a combination of sample household survey and rapid appraisal in the field.

