

SFG3934

Vietnam Stage II HCFC Phase-out

RESETTLEMENT POLICY FRAMEWORK

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Abbreviations

DD	:	Due Diligence
DMS	:	Detail Measurement Survey
DPC	:	District People Committee
GoV	:	Government of Vietnam
HCFC	:	Hydrochlorofluorocarbon
IDA	:	International Development Assistance
IZ	:	Industrial Zone
MONRE	:	Ministry of Natural Resource and Environment
OP/BP 4.12	:	Operation Policy/Bank Procedure 4.12
PAP	:	Project Affected Households
PMU	:	Project Management Unit
PPC	:	Provincial People Committee
RAP	:	Resettlement Action Plan
RPF	:	Resettlement Policy Framework
WB	:	Worldbank

Definition of Terms

Cut-off date	the date of the public announcement of the project. Project Affected Persons and local communities will be informed of the cut-off date for each Project component, and that anyone moving into the Project Component Areas after that date will not be entitled to compensation and assistance under the Project.
Eligibility	any person who at the cut-off-date was located within the area affected by the project, its sub-components, or other subproject parts thereof, and would: (i) have formal legal rights to land (including customary and traditional rights recognized under the laws of the country); or (ii) not have formal legal rights to land at the time the census begins but have a claim to such land or assets – provided that such claims are recognized under the laws of the country or become recognized through process identified in the resettlement plan. (iii) not have legal nor recognizable by laws rights to the land they are occupying they live or/and have properties/assets within the project areas before the cut-off date. Persons covered under (i) and (ii) are provided compensation for the land they lose and other assistance at full replacement cost. Persons covered under (iii) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set in this RF, if they occupy the project area prior to a cut-off date. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.
Compensation (<i>in cash or in kind</i>)	Compensation (in cash or in kind) for loss of assets and rehabilitation measures to restore and improve income as determined in consultation with project affected people (PAPs). Compensation for loss of assets will be at replacement costs.
Livelihood (income) restoration	refers to that compensation for PAPs who have loss of income sources or means of livelihoods to restore their income and living standards to the pre-displacement levels.
Replacement Cost	calculate the compensation amount for an asset and involves using current market value plus the transaction costs which may include taxes, fees, transportation, labor, etc. The market value is determined by the PMU confirmed by local authorities in consultation with the PAPs. The methods of estimation of prevailing market value should evolve over time to achieve good practice. The final RAP should be determined with the most recent information once the final details are known about the circumstances of displacement.
Resettlement	the general term related to land acquisition and compensation for loss

Vulnerable Groups and Individual at risk

of asset whether it involves actual relocation, loss of land, shelter, assets or other means of livelihood.

those who might suffer disproportionately from adverse project impacts and/or be less able to access the project benefits and compensation including livelihood restoration and assets compensations, when compared to the rest of project PAPs. Vulnerable or “at-risk” groups includes people who, by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more heavily affected by economic or physical displacement than others and who may be more limited than the population at large in their ability to claim or take advantage of resettlement assistance and related development benefits

The preparation of the RPF requires and early identification of vulnerable groups or HHs when carrying out the initial rapid socio-economic surveys, establishing a project baseline. Vulnerable groups will vary from project to project but will generally include the following in the Vietnam context:

- Poor and poorest households as identified by MOLISA and other pertinent national survey results.
- Poor rural landless households, especially those that are heavily natural resource dependent
- Poor landholders that have limited productive land (PMU/PPU may need to compare to an estimate of the minimum amount of farm land needed to be a viable farmer for a particular part of the country the project happens to occur in.
- HH and groups who may have their overall economic viability significantly impacted by the project impacts of 10% or more to their overall productive assets as may be demonstrated by the rapid socio economic baseline/assessment.
- Mentally and physically handicapped people or people in poor physical health; Infants, children and women without assistance; poorest women-headed households.
- other displaced persons identified by the PMU/PPU and who may not be protected through national land compensation or land titling., and;
- any additional groups identified by the baseline and socio economic surveys, by meaningful public consultation

I. INTRODUCTION

A. The Project

1. Vietnam ratified the Vienna Convention for the Protection of the Ozone Layer and signed the Montreal Protocol (MP) in January 1994. It ratified the London and Copenhagen Amendments in January 1994, and the Beijing and Montreal Amendments in December 2004. Through the National CFC and Halon Phaseout Plan and the National Phase-out Plan of Methyl Bromide, both funded by the Multilateral Fund (MLF) for the Implementation of the Montreal Protocol (MP), Vietnam phased out remaining CFC, Halon and methyl bromide consumption used for non-QPS.

2. At their 19th Meeting in September 2007, the Parties to the Montreal Protocol agreed to adjust their commitments related to the phase-out of HCFCs. As a Party to the MP and as an Article 5 country, Vietnam committed to freeze consumption of HCFCs in 2013 and to reduce HCFC consumption by 10% in 2015, by 35% in 2020, by 67.5% in 2025, 100% by 2030 while allowing for servicing an annual average of 2.5% during the period 2030 to 2040.

3. Vietnam embarked on a Stage I HCFC Phaseout Management Plan (HPMP) in 2012 that focused on the enterprises in the foam sector consuming bulk HCFC-141b, following approval of \$9.76 million by the Executive Committee (ExCom) of the MLF in April 2011. Through the Stage I HPMP, Vietnam committed to phase-out 462 MT of HCFC-141b in bulk at twelve enterprises, as well as another 812 MT of HCFC-141b in imported pre-blended polyol, equally used by these enterprises. The phase-out of this bulk HCFC-141b (equivalent to 50.8 ODP) contributes to Vietnam's 2013-2015 MP commitments for HCFC phase-out.

4. Vietnam is also a party to the United Nations Framework Convention on Climate Change and the Kyoto Protocol, with ratification occurring on 16 November 1994 and 25 September 2002 respectively. The Government of Vietnam is responding to climate change through a range of national policies including concrete GHG mitigation measures that have been undertaken throughout the past decade, as stated in its Intended Nationally Determined Contribution (INDC) of September 2015. Among the successful mitigation measures taken have been the MLF projects and activities implemented since 1995 that have resulted to date in the avoidance of emissions equivalent to more than 6 million tons of CO₂.

5. The main objective of this Stage II HCFC Phase-out Management Plan (HPMP) is to support the Government of Vietnam to meet its HCFC phase-out obligations to the Montreal Protocol between 2016 and 2021. The Stage II HPMP lays out the results and lessons learned of the first stage of HPMP implementation, provides the current status of HCFC consumption in Vietnam across sectors, updates the overarching strategy of the HPMP and sets forth an action plan to eliminate the consumption of HCFCs equivalent to 25% of the baseline, in order to meet 2020 obligations.

6. The proposed Stage II HCFC Phaseout Management Plan will include the following types of activities: (i) investment; (ii) technical assistance; and, (iii) policy and regulation. In addition, the project management unit from Stage I will need to be bolstered to handle the numerous and additional activities in Stage II.

7. **Investment.** According to the updated phase-out strategy, the Stage II national HCFC Phaseout Management Plan will consist of a series of investment focusing on remaining sectors with manufacturing: the air-conditioning, refrigeration and foam sectors. All activities will be carried out in a systematic and carefully timed manner in order to ensure maximum impact of all activities. In line with Decision XIX/6 and ExCom policy, Stage II will continue to promote as much as possible the transition to low-carbon technology. In this regard, analyses of incremental costs that were developed on the basis of conversion cost structures relevant to hydrocarbon and natural refrigerants, but also to HFOs and HFC-32. The scope of the investment interventions¹ financed under Stage II includes conversion activities to all eligible AC manufacturers (4), more than 30 refrigeration manufacturers and more than 40 foam manufacturers.

8. **Technical Assistance Activities.** To support implementation of investment interventions under Stage II, a series of public awareness campaigns on the urgent need to phase out HCFCs and the future regulatory measures to eliminate the use of HCFCs will be carried out with target groups, including consumers and manufacturers. Training activities will be conducted to increase technical capacity of local authorities in order to allow them to become more effective agents in identification and delivery of needed assistance to foam enterprises in their localities.

9. **Policy and Regulation.** It is proposed that an import quota system to curb the supply of HCFCs be established and operational by 2012. This is critical for ensuring sustainable phase-out of HCFCs particularly in the foam and AC sectors. In addition, a ban on the use of bulk HCFC-141b in the foam sector had been issued and effective since 1st Jan 2015; HCFC-22 in the AC sector will be put in place by 2022.

B. Scope Of Potential Resettlement Impacts

10. All sub-projects will be likely implemented within project enterprises, so land related impact are not expected. However, some enterprises, with small establishments, are possibly relocated first to industrial area, which probably trigger the policy.

11. As sub-projects will only be confirmed from a long list of potential enterprises in different sectors and subproject proposals will only be prepared by the confirmed enterprises and appraised by the PMU during project implementation, RPF is prepared prior to appraisal to guide handling of relocation and potential land issues if any during preparation of the subproject proposals (during the overall project implementation stage).

C. The Project Affected Persons (PAPs)

12. The PAP include the following persons to be identified by the baseline information collected for each subproject with land taken due to the project investments, as followed:

¹ Investment activities for eleven of the enterprises under Phase 1 focused on converting to hydrocarbon technology and one to water-blown technology (a shoe sole manufacturer). Funding for the conversion of enterprises to HC technology has supported mainly the cost of: imported HC storage, pre-mixing station, high pressure foaming machines, safety systems, special ventilation and ducting systems; and locally produced or purchased fire protection equipment, nitrogen systems, back-up power systems, antistatic flooring; new presses or modification of existing presses to meet safety requirements, trials and validation of formulations, preparation of fire protection and evacuation plans, training on safe handling of pentane, and modifications of manufacturing facilities to adapt to cyclo-pentane technology.

- (a) persons whose houses are affected, totally or in part, temporarily or permanently by the project;
- (b) persons whose residential and/or agricultural land is affected totally or in part, permanently or temporarily by the project;
- (c) persons whose businesses are affected totally or in part, temporarily or permanently by the project; and
- (d) persons whose crops (annual and perennial) and/or trees are affected totally or in part by the project.

D. The Purpose of the RPF

13. The RPF is prepared as (i) a written guidance for project enterprises and/or any authorized agency if any on implementation of social safeguards and (ii) an agreement that will be committed by government (MONRE) to ensure that all activity relating to land acquisition will be in compliance with the World Bank's OP 4.12.

14. This document prepared based on the OP/BP 4.12 of the World Bank on involuntary resettlement, related land acquisition and compensation policies stipulated by GoV. The objective of this document is to ensure that all project affected persons (PAP's) will be compensated for their losses at replacement cost and provided with rehabilitation measures to assist them to improve, or at least maintain, their pre-project living standards and income earning capacity.

15. This Resettlement Policy Framework lays down the principles and objectives, eligibility criteria of PAP's, entitlements, legal and institutional framework, potential impacts on land acquisition, modes of compensation and rehabilitation, peoples participation features and grievances procedures that will guide the implementing agency on compensation, resettlement and rehabilitation of the PAP's.

II. LEGAL FRAMEWORK

16. This section reviews the legal framework and policies of the Government of Vietnam and the World Bank's policies related to land acquisition, compensation and resettlement. With the promulgation of new Land Law 2013, policy and legal framework of Vietnamese Government and practices on resettlement is more consistent in most respects with the principles of WB's policy. But, there are still some differences such as compensation/assistance for non-titled users, provision of rehabilitation assistance, monitoring and evaluation...

17. Since there are differences between the WB's policy and the Vietnamese's, the project requires a waiver of the Vietnamese Government articles of decrees and regulations concerning compensation and resettlement. Subsequently, compensation and resettlement plans will be implemented according to the project policies.

18. The Legal Framework of the Government of Vietnam: Key national laws, decrees that govern land acquisition, compensation and resettlement in Vietnam include the following: (i) The Constitution of Vietnam, 1992 confirms the right of citizens to own a house and to protect the

ownership of the house; (ii) The Land Law No45/2013 issued on November 29th, 2013; (iii) Decree 43/2014/ND-CP dated May 15, 2014 on guiding the implementation of the Land Law; (iv) Decree 44/2014/ND-CP dated May 15, 2014 on land price; (v) Decree 45/2014/ND-CP dated May 15, 2014 on guiding levy of land use fee; (vi) Decree 47/2014/ND-CP dated May 15, 2014 on regulation of compensation, support and resettlement when land is recovered by the state; (vii) Decree 104/2014/ND-CP dated November 14, 2014 on land price framework; (viii) Circular 37/2014/TT-BTNMT dated June 30, 2014 providing detailed regulations on compensation, support and resettlement when land is recovered by the state...

19. World Bank's policy on Involuntary Resettlement (OP 4.12): The primary objective of the World Bank policy is to explore all alternatives to avoid or at least minimize involuntary resettlement. Where resettlement is unavoidable, the living standards of displaced persons should be restored or improved relative to those conditions that prevailed prior to the Project. The policy applies to the taking of land and other assets when land acquisition results in the loss of shelter, the loss of all or part of productive assets, or access to them, and the loss of income sources or other means of livelihood.

III. ELIGIBILITY AND COMPENSATION

A. Principles and Objectives

20. The principles outlined in the World Bank's Operational Policies 4.12 have been adopted in preparing this Framework. In this regard the following principles and objectives would be applied:

- (a) Acquisition of land and other assets, and physical resettlement of people will be avoided, and where not possible, minimized, or mitigated.
- (b) All PAP's residing, working, doing business or cultivating land in or surrounding areas of project enterprises/IZs before date of commencement of the project implementation are entitled to be provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels. *Lack of legal rights to the assets lost should not bar the PAP from entitlement to such rehabilitation measures.*
- (c) The rehabilitation measures to be provided are: (i) compensation at replacement cost, without deduction for depreciation or salvage materials for houses and other structures; (ii) agricultural land for land of equal productive capacity acceptable to the PAPs or in cash at replacement cost according to PAP's choice ; (iii) replacement of residential/premise land of equal size acceptable to the PAP or in cash at replacement cost according to PAP's choice; and (iv) allowances for relocation/business affected.
- (d) Replacement residential and agricultural land will be as nearby as possible to the land that was lost, and acceptable to the PAPs.
- (e) The resettlement transition period will be minimized and the rehabilitation means will be provided to the PAP's prior to the expected start-up date of works in the respective project sites.

- (f) Plans for acquisition of land and other assets and provision of rehabilitation measures will be carried out in consultation with the PAPs, to ensure minimal disturbance. Entitlements will be provided by PAPs prior to expected start-up of works at the respective project site.
- (g) The previous level of community services and resources will be maintained or improved.
- (h) Financial and physical resources for resettlement and rehabilitation will be made available where required.
- (i) Institutional arrangements will ensure effective and timely design, planning, consultation and implementation of the RAP. Effective and timely supervision, monitoring and evaluation of the implementation of RPF/RAPs will be carried out.

B. Required Measures

21. Measures required to ensure that resettlement has a positive outcome include: (i) Consulting with potential Project-affected people on feasible measures for resettlement and rehabilitation; (ii) Providing Project-affected persons with options for resettlement and rehabilitation; (iii) Enabling their participation in planning and selecting these options; (iv) Providing compensation at full replacement cost for losses; (v) Choosing relocation sites that provide, at a minimum, the same benefits and services as the sites they replace; (vi) Providing allowances, training and income support to assist in making a smooth transition; (vii) Identifying vulnerable groups and providing special assistance to these groups; and (viii) Establishing an institutional and organizational structure that supports this process to a successful end.

22. *Valuation of and Compensation for Losses:* The methodology to be used in the valuation of losses for Bank-associated Projects is based on their replacement cost. In this Project, losses comprise land, structures and other assets. Replacement cost for land includes the value of land at market price plus the cost taxes and fees to get Land Use Right Certificate (LURC). For houses and other structures, the market cost of the materials should be used to calculate the replacement cost to build a replacement structure with an area and the quality should be at least as good as those affected. For both totally and partially affected structures, compensation includes market cost of material, plus the costs of material transport, labor and contractor fees, and registration and transfer taxes. Depreciation of the asset and amount saved in materials will not form a part of replacement cost.

C. Eligibility

23. *Eligibility Criteria and Compensation:*

23.1 The displaced or project-affected people eligible for compensation will include: (a) those who have formal legal rights to land or other assets; (b) those who initially do not have formal legal rights to land or other assets but have a claim to legal rights based upon the laws of the country; upon the possession of documents such as land tax receipts and residence certificates; or upon the permission of local authorities to occupy or use the project affected plots; and (c) those who have no recognizable legal right or claim to the land they are occupying.

23.2 Persons covered under (a) and (b) are provided compensation for the land they lose, and other assistance. Persons covered under (c) are provided resettlement assistance, in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off dates defined in RPs. Persons who encroach on the areas after the cut-off date defined in RPs are not entitled to compensation or any other form of resettlement assistance.

24. *Entitlement:* Eligible PAP losing agricultural, garden, forestry or residential land due to project activities in any of its components will be entitled to two types of compensation:

- a. Residential/agricultural/garden or forestry land of equal productive capacity acceptable to the PAP. The land provided must be free from encroachment, conflict and dispute; OR;
- b. Compensation at replacement cost for land lost.

24.1 The PAP is informed of both these options. After they have been informed, they are entitled in any case to cash compensation upon their request. Compensation though land is however the preferred options in this RPF in the case that the resettlement impact is not minor. Replacement premise and agricultural land will be as close as possible to the land that was lost or in another location acceptable to the PAP.

24.2 This preference does not apply in two types of cases: (i) when the area of land lost is marginal (less than 10% of the total area), and (ii) when no land free from encroachment, conflict or dispute is available in a location acceptable to the PAP.

24.3 In the unlikely event that land is lost before harvest, the loss of standing crops and trees other than timbers will be compensated at market price. In the case of existing mature plantations, timber value will not be compensated but the benefits from the harvested timber on the affected land will accrue to the PAP.

24.4 In the unlikely event that is temporarily taken by the works under the project, the PAP will be compensated for their loss of income, standing crops and for the cost of soil restoration and damaged infrastructure.

24.5 Loss of any fixed assets will be compensated in cash at full replacement cost, and the PAP may salvage any material, for which no deduction in compensation will be made.

IV. IMPLEMENTATION ARRANGEMENT

25. This section covers activities related to the HCFC Phase II that the overall responsibility for enforcement of the Framework (and for planning and implementing subproject RAPs, if required) rests with PMU under MONRE, project enterprises and participating Provincial People's Committees (PPC). The provision of implementation arrangement serves as a written guidance or agreement that they should follow, in compliance with the aforementioned policy of the project.

A. Institutional Arrangement

26. The participating enterprises, IZ developers are responsible for carrying out the baseline survey and preparing RAPs if required and for the day-to-day implementation thereof.

27. All project provinces will arrange adequate and experience staff to make sure that RAP will be implemented smoothly as approved schedules. The PMU safeguard staff will (i) prepare a standard format for district inventories, (ii) produce an information leaflet on land acquisition and compensation, then contribution to the PAP, and (iii) organize internal monitoring.

B. Consultation, Participation and Information Disclosure

28. The local authorities, project enterprises, IZ developers and its relevant organizations, PAPs and host communities will participate throughout the various stages of the planning and implementation of RPF/RAPs. The PAPs will be fully informed of the provisions of this Framework at public meetings held by the respective agencies authorized by participating PPCs and local authorities.

29. Each PAP will be fully informed and consulted by the relevant District Peoples' Committee and/or Communes Peoples' Committees of their entitlements and rehabilitation choices under the respective.

30. Information Disclosure: In addition to public notification to affected persons and their community, this resettlement policy framework and resettlement plan, if required must be available in the public information city centers, the Info Shop in Washington DC and Vietnam Development Information Center (VDIC) in Hanoi.

C. Procedure for RAP/Due Diligence Preparation

Due Diligence Review

31. As sub-projects will only be confirmed during project implementation, that the Bank will review when and how the land was acquired or being acquired for the Industrial Zone and the enterprise relocation plan at the preparation stage of sub-projects. For each sub-project which require involuntary resettlement, if the land has been acquired before the sub-grant agreement is signed, a due diligence review of the land acquisition process will be undertaken by the TT to confirm whether there is any legacy issues. The procedures for undertaking land due diligence review is presented as bellowed:

- (i) PMU under MONRE submits to the Bank, a report containing general information on the actual status of the resettlement and compensation on the proposed project enterprises (within the selected IZ) as part of the package required for the subproject loan appraisal submission procedures.
- (ii) World Bank undertakes a due diligence (DD) of the resettlement and compensation in the selected area. The DD serves to confirm that involuntary resettlement and compensation in the proposed IZs is completed or substantially advanced. It will confirm that was undertaken following government norms and regulations and for general consistency with Bank policies and objectives. Additionally, it should confirm pending issues as per

Grievances and Redress Mechanisms reports of the pertinent authorities, recommending actions to be followed.

32. The DD report method used for gathering the information, includes desk review of documents issued by the Provincial, District and Communes levels, methods for gathering and analyzing the qualitative and quantitative information gathered in the field, results of the interviews with PAPs, and analysis of other pertinent issues and documents related to involuntary resettlement and land compensation on a case-by-case basis.

33. In particular attention will be paid to official documentation that certifies the stages accomplished for the planning and implementation of the involuntary resettlement. Information gathered will include:

- Number of people displaced
- Entitlements of people displaced;
- Eligibility criteria used for compensation payments according to the government regulations
- Types of land and methods used for valuing the land according to the government regulations
- Compensation status
- Description of grievances mechanisms
- Description of consultations and its outcomes
- Programs implemented for income restoration, including allowances paid and capacity building programs
- Resettlement schedule and dates of compensation payments completion
- Grievance and redress mechanism in place and in operation
- Legacies or liabilities pending
- Disclosure of information to affected people

Preparation of RAPs

34. An abbreviated RAPs if applicable will be prepared for subprojects (as part of the sub-project proposals) to handle the relocation and potential land issues. Possible social issues if any outside resettlement will be reviewed as an annex to the generic EMP, as no significant social issues are expected.

Abbreviated Resettlement Plan

35. An abbreviated resettlement plan is established when the impact involves less than 200 PAPs or PAPs are with minor impact (losing less than 10% of their productive assets or no physical relocation). The abbreviated resettlement plan shall be made pursuant to each Project phase and submitted to the Worldbank for approval.

36. Each Abbreviated Resettlement Plan will cover the following minimum elements: (1) a census survey of displaced persons, and valuation of assets; (2) description of compensation and

other resettlement assistance to be provided: (3) consultation with displaced persons about acceptable alternatives; (4) institutional responsibility for implementation and procedures for grievances redress; and (5) a timetable and budget.

37. In the case some displaced persons, lose more than 10% of their productive assets or require physical relocation, the plan also covers a socioeconomic survey and income restoration measures. The Abbreviated Resettlement Plan will be completed by no later than four months prior to the estimated date for commencement of the works under the project phases. Each Abbreviated Resettlement Plan will be furnished to the World Bank for consideration no later than three months prior to the actual initiation of the works under the Project. Compensation, resettlement and rehabilitation activities will only commence after the World Bank has found acceptable the respective Abbreviated Resettlement Plan and the participating PPCs has approved it. The compensation, resettlement and rehabilitation activities will be completed before awarding the contracts of civil works under each sub-project.

Full Resettlement Plan

38. When the impact involves more than 200 PAPs and there are households losing 10% or more of their productive assets or having to be relocated, a full Resettlement Plan (RP) will be prepared by the respective provinces in accordance with the provisions of this Framework, and then submitted to the World Bank for its concurrence.

39. Each RP will include: (1) description of the project; (2) project potential impacts; (3) objectives; (4) socio-economic studies; (5) legal framework; (6) institutional framework; (7) eligibility; (8) valuation and compensation for losses; (9) resettlement measures; (10) site selection, site preparation and relocation; (11) housing, infrastructure, and social services; (12) environmental protection and management; (13) participation and consultation; (14) integration with host populations; (15) grievances procedures; (16) organizational responsibilities; (17) implementation schedule; (18) cost and budget; and, (19) monitoring and evaluation.

40. Each RP will be completed by no later than six months prior to the estimated date for commencement of the works. Each RP will be furnished to the World Bank for consideration by no later than three months prior to the actual initiation of the works under the Project. Rehabilitation and assistance activities will only commence after the World Bank has found acceptable the respective RP and participating PPCs has approved it. Rehabilitation and assistance activities will be completed before awarding contracts of civil works under each sub-project.

Preparation of Resettlement Plan

41. Preparation works for the sub-project need the communal participation and an analysis of all aspects inclusive a social assessment and evaluation. In a planning phase of the subproject, the following procedures are implemented:

Step 1: Based on the project preliminary design, determine whether the subproject belongs to which of the following types (according to the levels of resettlement impact) as: (i) no

resettlement impact, (ii) minor resettlement impact²; and (iii) considerable resettlement impact. The item (ii) requires Abbreviated Resettlement Plan and the Item (iii) require a Full Resettlement Plan.

Step 2: Completion of the detail designs for the subproject based on PAPs consultation and professional engineers to avoid resettlement impact as much as possible.

Step 3: If subprojects fall into cases (ii) and (iii) as mentioned above, social assessment and evaluation surveys will be required. Social assessment including household member statistic and household survey is implemented for households who may be affected. The survey contains socio-economic information collection of PAPs, determines affected types, affected level and property inventory. The census survey (or the DMS) establishes the cut-off date for the eligibility of entitlement with the participation of local concerned authorities of all levels.

In parallel with the household surveys, affected households consultation will continue to determine their specific expectations and demand. This result of consultation should be included in the RAP. Survey on market prices of land, farm produces and assets from every government of city, urban district, and ward/commune as well as in the market will make foundation for RAP cost estimation.

Step 4. Formulation of a RAP. The Eligibility and Entitlement in this framework should be used for each subproject components. In addition, number of affected persons and assets, total compensation amount for each type of effect should be determined.

Step 5: Approval of RAP: Resettlement Action Plan should be disclosed before submission to the Bank, for review and determine whether it conform to the requirements of OP 4.12. While the RAP is satisfactory to the Bank's requirement, this report will be approved by local authority, and will be re-disclosed publicly.

In case resettlement impact is considered minor, the participating provincial authority will be responsible for the preparation, approval and implementation of the subproject resettlement plan. And post review for the subproject RP will be implemented by IDA/WB during the implementation phase.

D. Complaints and Grievances

42. The PAPs are entitled to the complaints relating to their interests and responsibilities in the project implementation: Entitlement to compensation, compensation policy and unit price, land acquisition, resettlement and other interests relating to the support program of rebuilding. The PAP's complaints should be presented in written documents.

First Stage - Commune/Ward People's Committee

43. An aggrieved PAPs may bring his/her complaint to the One Door Department of the Commune/Ward People's Committee, in writing or verbally. The member of CPC/WPC at the One Door Department will be responsible to notify the CPC/WPC leaders about the complaint for solving. The Chairman of the CPC/WPC will meet personally with the aggrieved PAPs and

² Impacts are considered "minor" if the affected people are not physically displaced and less than 10% of their productive assets are lost)

will have 30 days following the receiving date of the complaint to resolve it. The CPC/WPC secretariat is responsible for documenting and keeping file of all complaints handled by the CPC/WPC.

Second Stage - At District People's Committee (DPC)

44. If after 30 days the aggrieved affected household does not hear from the CPC, or if the PAPs is not satisfied with the decision taken on his/her complaint, the PAPs may bring the case, either in writing or verbally, to any member of the DPC or the DRC of the district. The DPC in turn will have 30 days following the receiving date of the complaint to resolve the case. The DPC is responsible for documenting and keeping file of all complaints that it handles and will inform the DRC of district of any decision made. Affected households can also bring their case to Court if they wish.

Third Stage - At Provincial People's Committee (PPC)

45. If after 30 days the aggrieved PAP does not hear from the DPC, or if the PAP is not satisfied with the decision taken on his/her complaint, the PAP may bring the case, either in writing or verbally, to any member of the PPC or lodge an administrative case to the District People's Court for solution. The PPC has 45 days within which to resolve the complaint to the satisfaction of all concerned. The PPC secretariat is also responsible for documenting and keeping file of all complaints that it handles. Affected households can also bring their case to Court if they want.

Final Stage - Court of Law Decides

46. If after 45 days following the lodging of the complaint with the PPC, the aggrieved PAP does not hear from the PPC, or if he/she is not satisfied with the decision taken on his/her complaint, the case may be brought to a court of law for adjudication. Decision by the court will be the final decision.

47. Decision on solving the complaints must be sent to the aggrieved PAPs and concerned parties and must be posted at the office of the People's Committee where the complaint is solved. After three days, the decision/result on solution is available at commune/ward level and after seven days at district or city level.

48. PAP's will be exempted from all administrative and legal fees.

E. Supervision, Monitoring and Evaluation

The Bank will carry out monitoring during project implementation focused on subjects identified in the DD/RAP. Monitoring will be integrated as part of the project overall supervision during implementation. Monitoring will look at:

- Resettlement and compensation payments completion
- Assessment of whether the compensation, assistance, resettlement done by local government/IZ owners are in line with the objective of Bank's OP 4.12. In particular the project will monitor livelihood restoration of affected peoples in the project area

- Ensure all people's claims on the pending activities are solved
- Collaborative activities between the IZ and the Bank to anticipate any adverse impacts arise during implementation will be in place ensuring adequate documentation as part of all missions' Aide Memoires.

For all subprojects, collaborative activities between the IZ and the Bank to anticipate any adverse impacts arise during implementation will be in place ensuring adequate documentation as part of the entire mission's Aide Memoires.

At project level during implementation the Bank in all cases will: (i) monitor completion of compensation payment if cases with substantially advanced compensation and minor remaining activities to be carried out; (ii) will issue annual reports on the status of affected households' livelihood restoration through means of compensation and other support and allowances to ensure compliance with the Vietnamese Laws and regulations and consistency with the Bank's OP Operational Policy 4.12. In doing so, the Bank will continue to monitor and assess that all affected peoples in the project area have restored their incomes, and that income opportunities and provision of requirements such as training, support with allowances and other needs identified were provided. Income restoration through land replacement will look at the fulfillment of impacted people's preferred options, for those who depend on land-based livelihoods.

49. *Internal Monitoring:* Implementation of RPF/RAPs will be periodically supervised and monitored by the respective PMU under MONRE in a close coordination with the respective participating Provincial Peoples' Committees at different administrative units. The findings will be recorded in quarterly reports to be furnished to implementing agencies and PPCs.

F. Implementation Schedule

50. A detailed implementation schedule of the various activities will be undertaken by the social safeguard staff should be developed in connection with implementation plan for the project implementation.

51. Payment of rehabilitation and furnishing of other restoration/assistance entitlements (in cash or in-kind), and relocation if that be the case, have to be completed prior awarding contracts for civil works.

G. Costs And Budget

52. The RPF/RAPs will include detailed cost of rehabilitation and other restoration/assistance entitlements and relocation of PAPs, if that be the case, with a breakdown by agricultural land, residential land, business land, houses, businesses and other assets. The cost estimates will make adequate provision for contingencies.

53. Sources of funding for the various activities will be clearly specified, funds for implementing RPF/RAPs will be from counterparts – project enterprises/participating PPCs.