

Resettlement Due Diligence Report

February 2011

VIE: O Mon IV Combined Cycle Power Plant

Prepared by Can Tho Thermal Power Company for the Asian Development Bank.

O MON IV THERMAL POWER PLANT

RESETTLEMENT DUE DILIGENCE REPORT

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List of Acronyms

List of Abbreviations

ADB	Asian Development Bank
CAP	Corrective Action Plan
CBO	Community Based Organization
COI	Corridor of Impact
CTTP	Can Tho Thermal Power Company (the IA)
DARD	Department of Agriculture & Rural Development
DMS	Detailed Measurement Survey
DOLISA	Department of Labour, War Invalids & Social Affairs
DP	Displaced Person
EA	Executing Agency
EVN	Electricity Vietnam (the EA)
FHH	Female Headed Household
HH	Household
HHM	Household Member
HoH	Head of household
IOL	Inventory of Losses
LURC	Land Use Right Certificate
MOT	Ministry of Transport
NGO	Non Government Organization
PC	People's Committee
RCS	Replacement Cost Study
RP	Resettlement Plan
VND	Vietnam Dong (currency)
WU	Women's Union

I. BACKGROUND

PURPOSE OF THE DUE DILIGENCE STUDY

ADB has been requested by the Government of Vietnam (GoV) to assist in financing the O Mon IV Gas-Fired Combined-Cycle Thermal Power Plant. Resettlement for the site was undertaken in 2006. To ensure compliance with ADB social safeguard requirements, ADB assisted the Can Tho Thermal Power Company (CTTP) to prepare a *Resettlement Due Diligence Report*. Based on the findings of the due diligence report, CTTP has prepared and approved this *Corrective Action Plan*.

The due diligence report examines (i) the requirements of the approved resettlement documentation and the extent to which these requirements have been satisfied by the subproject, (ii) compliance with national laws and regulations on land acquisition and social issues; and (iii) aspects where significant discrepancies exist between the observed outcomes of the resettlement implementation and objectives of ADB social safeguards policies.

The policy and regulatory framework through which the resettlement process and impacts have been viewed is ADB policy –specifically ADB's Safeguard Policy Statement (June 2009); Social Protection Strategy (2001); and Policy on Gender and Development (1988) –as well as relevant Vietnamese legislation applicable at the time resettlement was implemented.

THE PROJECT

Project Description

In order to meet power demand for national socio-economic development in period of 2006-2025, according to the National power development plan for period of 2006 -2015 with perspective up to 2025 carried out by Institute of Energy was approved by Prime Minister in Decision No. 110/2007/QĐ-TTg dated July 18, 2007, the O Mon IV power plant project is one of projects to be applied specific policies of this decision.

The O Mon IV power plant project is one of four power plant projects in the O Mon power complex including O Mon I, O Mon II, O Mon III and O Mon IV with total installed capacity up to 2,910 MW. The EA of the Project is Vietnam Electricity (EVN) and the Implementing Agency is the Can Tho Thermal Power Company Limited (CTTP). The General plan of O Mon power complex carried out by the Power Engineering & Consulting Company No. 2 (PECC2) was approved by the Ministry of Industry (Decision No. 2523/QĐ/NLKD dated September 27, 2004). However, according to conditions and construction investment progress of power projects under the current situation, PECC2 adjusted the General plan of the O Mon power complex which revised General plan was approved by the Ministry of Industry - Decision No. 7580/BCN-NL dated August 27, 2008.

The operation of the O Mon IV power plant will have an important role in power supply to meet National socio-economic development, especially in the South of Viet Nam and will improve reliability and stability for the National power system in period of 2015 – 2025.

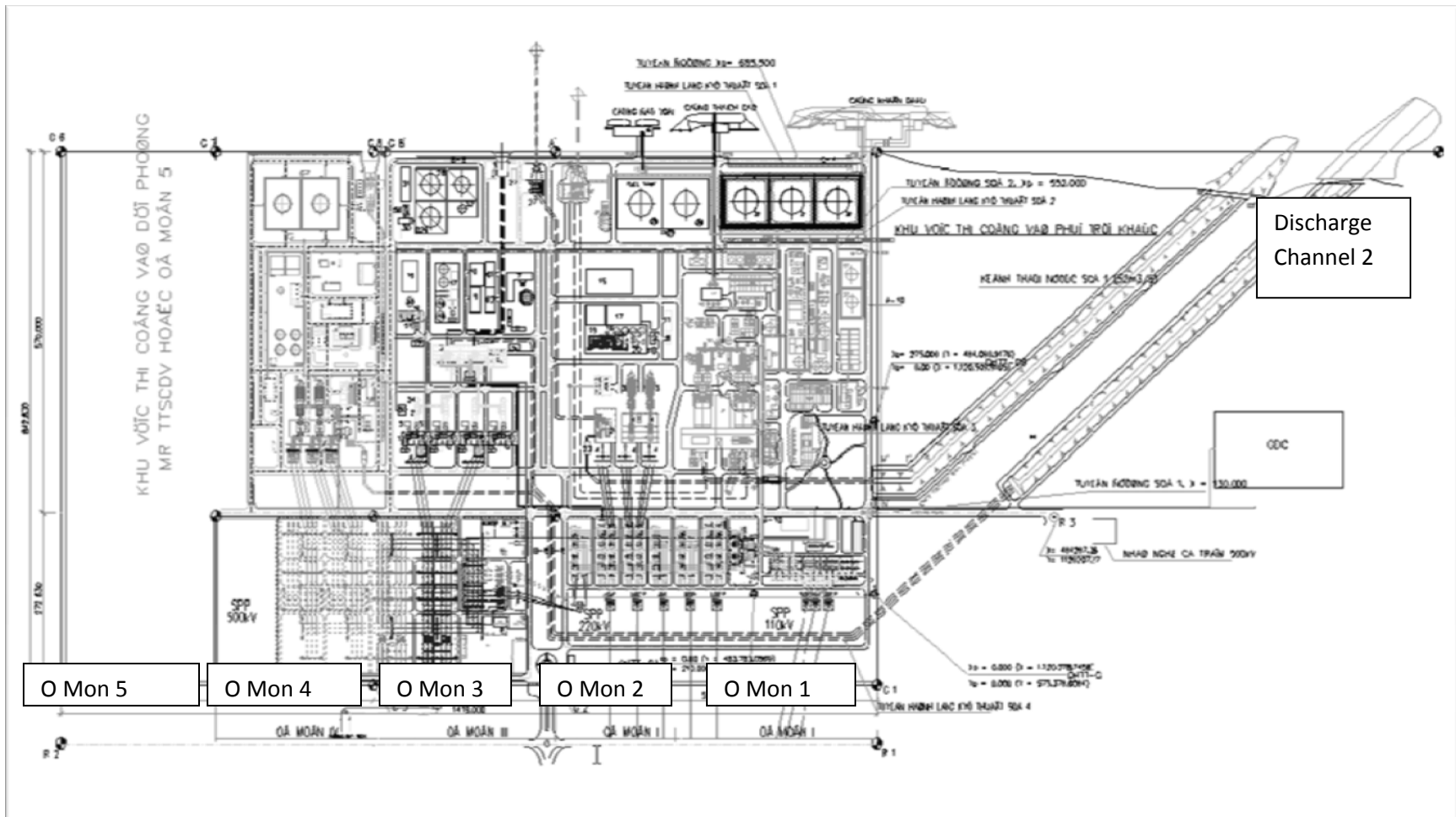
Project Location

The O Mon IV power plant locates in the area of the O Mon power complex, according to the General plan (adjusted the second time) approved by the Ministry of Industry and Trade in the text of 7580/BCT-NL dated August 27, 2008.

Project location is on the right bank of Hau River in Phuoc Thoi and Thoi An ward, O Mon district, Can Tho city, is about 18 km from Northwest of Can Tho city, 160 km from Ho Chi Minh city. It has flat surfaces which were separated by several canals, most are cultivated land.

The North of the location is the Hau River, the South is highway 91, the West is O Mon canal, the East is the road turning from highway 91 to the cement factory. (O Mon IV Power Plant – 750MW, Construction Investment Report).

Figure 1: General Layout of O Mon Power Complex



SCOPE OF THE DUE DILIGENCE STUDY

The due diligence study covers the LAR for facilities to be funded under the Project (O Mon 4 power station and Access Road No. 2) as well as facilities which are likely to be associated with O Mon 4. The associated facilities are set out below.

Table 1: Association of Key Facilities at O Mon Complex

FACILITY	ASSOCIATED	DESCRIPTION
O Mon Power Plant I&2:	NO	Existing power plants. Land acquisition occurred in 2000. There were 112 households displaced and total compensation of VND 11 billion paid. No mutual dependence between these power plants and the proposed Project. Other facilities associated with O Mon I and II include: administration centre, wharf, emergency facilities, water treatment facilities which are also independent from the proposed Project.
Substation (500kV):	YES	Located on the site of O Mon III. OM IV is reliant on this.
Switchyard:	NO	Located within the existing O Mon I&II compound. Not required for the operation of O Mon IV.
Access Road No.1:	NO	Road to the existing facility. Not essential for the construction and operation of OM IV.
O Mon Power Plant 3:	YES	18ha (+8.6ha for switchyard). LAR was undertaken the same time as for OM IV.
O Mon Stage 5	YES	22ha. LAR was undertaken the same time as for OM IV. This is identified as a storage area and potentially for a future power plant.
Discharge channel No.1:	NO	This facility serves the needs of OM I&II and is not associated with the Project.
Discharge channel No.2:	YES	This facility will serve the needs of OM IV. The associated land for this was acquired at the same time as OM IV.
Access Road No.2:	YES	6.2ha. This will be a new road connecting to Hwy 91 and will provide the main access to OM IV. Land for this acquired at the same time as for OM IV.
500KV Transmission Line:	NO	This Project is totally separate with OM IV. The substation was finished the construction and put into operation in 2010 and outcoming transmission line will be soon put into operation. OM IV will connect to this substation.
Gas pipeline:	NO	A 150km+ pipeline will be constructed overland from Ca Mau to OM to supply gas to OM IV. Although OM IV would be dependent upon the gas pipeline, the pipeline is not dependent upon OM IV. Accordingly, it is not an associated facility.

Previous Due Diligence Study

A previous due diligence study covering resettlement for the proposed project area as well as the above mentioned associated facilities was undertaken in 2007 as part of an ADB funded PPTA for preparation of the Project. The 2007 due diligence study was conducted thoroughly based on a household survey of the affected households, interviews with key informants, review of EA files and compensation records as well as public consultations and focus group discussions with affected households.

Key Findings of the 2007 Resettlement Due Diligence Report

- **Measurement of affected property:** The detailed measurement survey was conducted in a thorough and transparent manner. DPs were generally satisfied with the measurement of their affected property though there were some complaints regarding the classification of structures.
- **Compensation rates:** DPs were overwhelmingly satisfied with the compensation rates for affected property.
- **DPs that built houses on non-residential land between 1 July 2004 and 23 December 2005.** The Land & Construction Law (2003) requires that persons wishing to construct houses on non-residential land must obtain formal approval before constructing houses and that in the absence of such houses are considered illegal structures. There were 38 houses affected by LAR constructed between 1 July 2004 and the project cutoff date of 23 December 2005. Based on Decision 53/2005 of the Can Tho PPC these houses were not entitled to compensation. The due diligence report recommended that compensation for those who built houses on farming land between July 2004 and December 2005 for legitimate purposes be paid up to 50% of the full replacement cost. The second
- **DPs residing on state land:** There were a number of DPs who had built houses on the riverbank which is the river right of way and state administered land. These DPs were not considered eligible for compensation for loss of land. The due diligence report recommended that such DPs be provided with assistance of a cash grant of VND 30 million plus resettlement assistance.
- **Compensation/assistance for unregistered businesses:** The due diligence report highlighted this as an issue of gap between GoV and ADB policy but did not specify any specific cases nor propose action. GoV legislation requires that businesses be formally registered in order to be entitled to compensation and assistance when displaced by LAR.
- **Vulnerable households:** Vulnerable DPs were not adequately identified nor were their needs properly addressed. The due diligence report recommended that a special support program be put in place to assist vulnerable DPs including (i) vocational training; (ii) special allowance of VND 50 million; and (iii) monetary assistance to transfer agricultural land to residential land.

The 2007 PPTA prepared a draft retrofit resettlement plan to address the above issues. As a result of delays in processing project approval the retrofit resettlement plan was not endorsed nor formally submitted.

Given the time that elapsed since the 2007 PPTA it was considered necessary to conduct another resettlement due diligence study and prepare new recommendations based on current findings.

Conduct of the 2010 Due Diligence Study

The current resettlement due diligence study was conducted from March to September 2010. The study was based on the following methodology:

Interviews with key informants:

Interviews were conducted with

- Personnel of CTPP responsible for the management and implementation of resettlement from 2008.
- Dang Van Phien (Village Chief, Thoi Loi A, Thoi An Ward)
- Dao Thi Chang (Village Chief, Thoi Loi, Phuoc Thoi Ward)
- Do Van Tan (Village Chief, Thoi Loi A, Thoi An Ward)
- Mon District Resettlement Committee
- Owners of affected brick kilns in the project area.

Household surveys:

The survey sample represented 24% of the DP population displaced from the project and associated areas. A total of 145 DP households were interviewed using a survey questionnaire which collected information on losses experienced as a result of LAR, compensation entitlements, level of satisfaction with compensation payments. The survey also collected information on current living standards and livelihoods compared to the time of LAR to assess the appropriateness of resettlement mitigation measures. The survey questionnaire form is included as an annex to this report.

In carrying out the due diligence as many of the actual households relocated as a result of the project, including the vulnerable households were identified as possible. However, many people appear to have moved away from the immediate area and despite efforts by CTPP and the consultant to find these households, ALL of the households could not be found. The sample of 24% of all DPs represents a very substantial proportion of those who remained in the vicinity of the project area at the time of the DD. It also provides a substantive sample to inform the process and identify gaps to be filled during implementation of the CAP.

Review of Files & Requests for Supplementary Documentation

Copies of all files related to affected property and compensation payments were provided by the EA and reviewed.

II. RESULTS FROM THE DUE DILIGENCE STUDY

SCOPE OF LAND ACQUISITION & RESETTLEMENT

Land acquisition and resettlement was conducted in 2006. A total of 95.5ha was acquired (inclusive of both Project and associated facilities) displacing 601 households including 226 households required to relocate. The Project area alone comprised 30.9ha of land displacing 260 households of whom 122 were required to relocate. A summary of the LAR impacts are presented in the table below.

Table 2 Summary of LAR Impacts

Facility	Area (ha)	DPs	Relocating DPs
O Mon 3	26.6	128	57
O Mon 4 & 5 + switchyard	24.7	183	95
Drainage Channel	38	213	47
Road No. 2	6.2	77	27
Total	95.5	601	226

Policy and Standards Applied in the Original Implementation

The legal framework and principles applied in the implementation of the resettlement was the relevant national GoV legislation and Can Tho City People's Committee Decisions. The specific legal documents comprise:

- Land Law enacted in 2003;
- Decree No. 197/2004/NĐ-CP dated December 3, 2004 enacted by the Government on compensation, settlement when the Government recovers land for the use of national defense, security, for the nation's sake or public's benefit;
- Circular No.116/2004/TT-BTC of December 7, 2004 issued by Ministry of Finance to give instructions for implementation of Decree No. 197/2004/NĐ-CP dated December 3, 2004 enacted by the Government;
- Decision No.104/2005/QĐ-UBND of December 12, 2005 by Cantho City People's Committee on costs of kinds of land in Cantho City;
- Decision No.53/2005/QĐ-UB of August 11, 2005 by Cantho City People's Committee on compensation and resettlement in case of recovery of land in Cantho City by the Government;
- Decision No.4066/QĐ-UBND dated December 8, 2005 by Cantho City People's Committee on Land Project to invest the O Mon Power Plant Center construction;
- Decision No.2523/QĐ-NLKD of September 17, 2004 by Ministry of Industry on approval of O Mon Power Plant Center General Project;
- Decision No. 2859/QĐ-CT.UB of September 29, 2005 by O Mon District People's Committee on establishment of Land Acquisition and Compensation Council of the Project;
- Documents prepared by O Mon District Land Acquisition and Compensation Board on preliminary investigation and survey of the status of houses, land, structures, crops.

Compensation Policy

Policy on land compensation

- Compensation was carried out by principles as set forth in Clause 6, Decree No. 197/2004/NĐ-CP dated December 3, 2004 enacted by the Government and Circular No.116/2004/TT-BTC of December 7, 2004 issued by Ministry of Finance to give instructions for implementation of Decree No. 197/2004/NĐ-CP and Clause 6 of Decision No.53/2005/QĐ-UB of August 11, 2005 by Cantho City People's Committee;
- Conditions for compensation are based on Clause 8 of Decree No. 197/2004/NĐ-CP dated December 3, 2004 enacted by the Government and Circular No.116/2004/TT-BTC of December 7, 2004 issued by Ministry of Finance to give instructions for implementation of Decree No. 197/2004/NĐ-CP;
- Cases where compensation cannot be made were done as per Clause 7 of Decree No. 197/2004/NĐ-CP dated December 3, 2004;
- People who lived on state-owned land before October 15, 1993 are compensated with living land in an approved area and resettlement is taken into consideration;
- People who lived on state-owned land after October 15, 1993 were not compensated for the land but their crops or superstructures on such land were eligible for compensation.

Policy on house and superstructure compensation

- House and superstructure compensation was made based on:
 - Clause 18 of Decree No.197/2004/NĐ-CP dated December 3, 2004 enacted by the Government.
 - Part III of Circular No.116/2004/TT-BTC of December 7, 2004 issued by Ministry of Finance.
 - Decision No.53/2005/QĐ-UB of August 11, 2005 by Cantho City People's Committee.
 - People are compensated for their project affected land when the state recovers such land. For the case in which land does not belong to the compensation policy, people will be, depending on each case, compensated or receive a support from the authority.
- Houses or superstructures on the land will not be compensated if they are built after the project or the use of land is announced (without approval from the authority).
- Houses or superstructures on the land built after July 1, 2004 will not be compensated if the purpose of construction is against the plan of land use by the authority.

Policy Entitlements

Entitlements consisted of the following:

- Compensation in cash for houses, superstructures, crops, trees based on the unit prices issued by Land Acquisition and Compensation Council approved by Cantho City People's Committee.
- The project affected people living on the acquired land and have to relocate were entitled to:
 - Moving allowances
 - Transitional support
 - Vocational training or cash grant in lieu

- Allowance for encouragement of timely moving

Compensation Rates

- Price for land compensation was based on Decision No.104/2005/QD-UBND dated December 23, 2005 issued by Cantho City People's Committee.
 - Land for planting annual trees: 108,000 VND/m²
 - Land for planting perennial trees: 126,000 VND/m²
 - Rural living land: 400,000 VND/m²
 - Non-agriculture land: 200,000 VND/m²
 - Land for living at Road 934 area (from the power plant to Vam Thoi An): 600,000 VND/m²
 - Agriculture land inside 50m from the protection slope of Road 934: in addition to compensation for agriculture land, 20% of living land cost was paid.
 - Public land or alluvial ground: 108,000 VND/m²
- Compensation price for houses and superstructures is based on Decision No.53/2005/QD.UB dated August 11, 2005 issued by Cantho City People's Committee.
- Compensation price for crops is based on Decision No.53/2005/QD.UB dated August 11, 2005 issued by Cantho City People's Committee.

FINDINGS OF THE DUE DILIGENCE STUDY

The due diligence study approach examined the adequacy of the resettlement implementation processes as well as the outcomes of the processes to assess to what extent the resettlement plan mitigated impacts. The key outcomes assessed were comparison of household's property (land and housing), livelihoods, income levels and living standards now compared to the time of displacement.

Eligibility for Compensation –Land

Those with legalizable land holdings were compensated. This included those with Land User Rights Certificates (LURC) or eligible to obtain such. Based on compensation records reviewed by the resettlement consultants and also verified through a sample of surveyed DPs, households who were residing on the riverbank area were compensated for loss of land and at the same rate as those with LURC.

Amongst those surveyed there were no complaints regarding non-eligibility for land compensation.

Assessment: Those with legal or legalizable rights to land as well as those with stable occupation of non-legalizable land (river bank area) were compensated.

Measurement of Affected Property

Based on the information provided by surveyed households, the overwhelming majority of DPs were satisfied with the measurement of affected property –for both land and housing. There was a small number (3%) who disagreed with the measurement results and who had lodged formal grievances. The overall adequacy of the DMS process was also consistent with the 2007 due diligence findings.

Compensation -Productive land

Displaced households were compensated based on Can Tho People's Committee rates applicable at the time. For productive land this was from VND108,000/m² (paddy) to VND126,000 (garden land). The actual replacement rate in the project area at the time could not be confirmed. It is noted, however, that the project area is within urban administrative boundary of Can Tho and that the PPC rates for the project area is in 2010 typically higher than other surrounding areas.

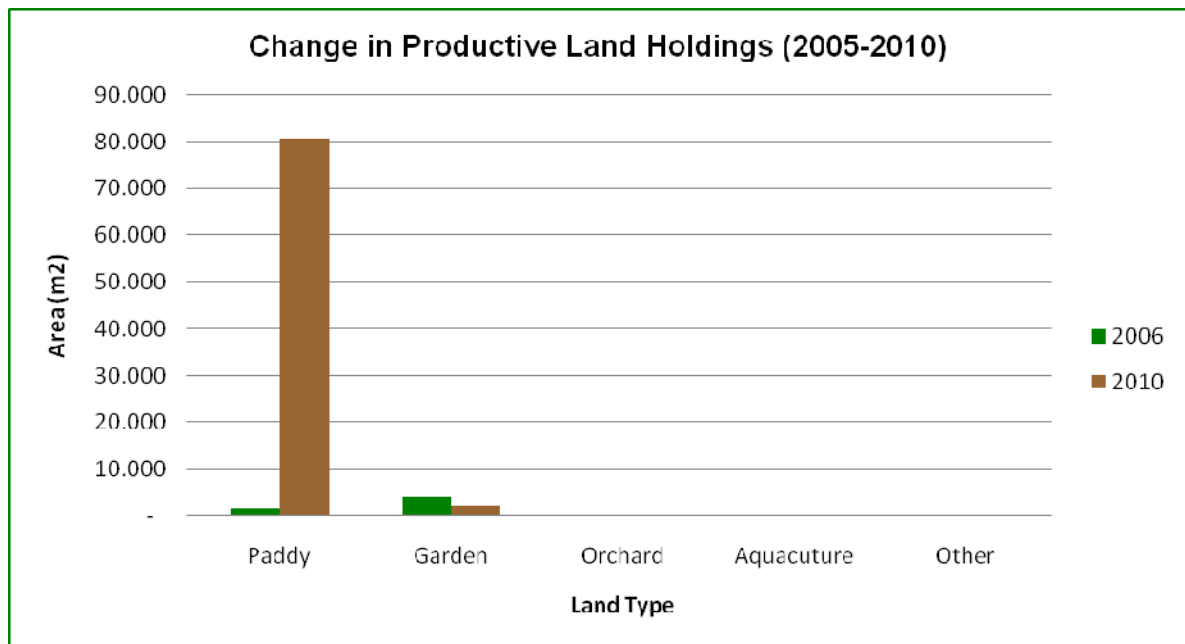
The observed outcome was that households losing productive land invariably increased their land holdings significantly. Two main mechanisms were responsible for this increase. The first and most common was that households typically purchased replacement productive land in a nearby district (especially Co Do) at a much lower unit cost than their compensation rate. O Mon being within the administrative boundary of Can Tho City typically has much higher official land valuations than neighbouring rural districts which are outside Can Tho's administrative boundary. Based on discussions with survey respondents, the main reason for purchasing the replacement land away from the project area was a conscious decision to make an opportunity out of the land acquisition and compensation by purchasing more land than they lost with the other reason being limited availability of replacement land to buy in the immediate vicinity. The second mechanism enabling households to purchase more land than they lost was that garden and orchard land was valued much higher than paddy land. There was a tendency to replace garden land especially with paddy land.

Table 3: Change in Productive Land Holdings (m²)

Land Type	2005	2010	Sum Change
Paddy	1,873	80,626	78,753
Garden	4,034	2,220	-1,814
Orchard	67	51	-16
Aquaculture	-	12	12
Other	4	3	-1
Sum	5,978	82,912	76,934

Source: Household Survey 2010

Figure 3: Change in Productive Land Holdings



Compensation -Residential Land

The compensation rate paid for residential land was VND400,000/m² –according to both compensation records and surveyed households. According to those surveyed the replacement rate in the neighbouring village (Thoi Loi) where most of those surveyed resided was VND400,000/m² at time of resettlement. The compensation rate was therefore commensurate with the replacement cost.

The average residential land holdings of surveyed households increased after displacement. As noted above, the compensation rate for residential land was typically the same as the purchase rate for the replacement residential land (VND400,000). Many households had purchased larger replacement residential lots than what was acquired by LAR –they commonly reported having a debt with the vendor of the replacement land which they paid off gradually by installment. No households interviewed reported having remaining debt for residential land.

Table 4: Change in Residential Land Holdings (m2)

Land	2005	2010	Sum Change
Residential land	162	253	92

Source: Household Survey 2010

It was noted that many affected houses were built on agricultural land (especially garden land) which was compensated at VND 126,000/m². However, many of the DPs were able to replace this with residential land where their affected land holdings were large enough OR were able to replace this land with other garden land upon which they also built a house.

With respect to place of relocation, the vast majority of the households surveyed were residing in the same ward (Thoi An) of O Mon District as where they were previously living – as well as in the same or

adjacent neighbourhood administrative units (khu vực) as before. This also included a number of respondents who purchased replacement productive land in other districts yet still made the decision to have their residences in the same location. Besides the natural bias in the survey sample in favour of those in vicinity of the project area, the surveyors were presented with anecdotal information from the village chiefs of these areas as well as interviewed households that most of those relocated from the project area remained in the same ward. The household survey asked respondents why they chose that particular location to relocate to. The most common answers were proximity to kin and friends, familiarity with the area, and familiarity with area administration.

Table 5: Distance from Affected House to New House

Distance Range (km)	# Respondents	% Respondent HHs
0.5	20	29%
1 to 5km	44	64%
10 to 15km	1	1%
15 to 20km	1	1%
Over 80	1	1%

Source: Household Survey 2010

Table 6: Reasons for Choosing Place of Relocation

Main Reason	% Respondent Households
Close to relatives	61%
Cheaper	5%
Better access to work	11%
Other (inheritance, remaining land after LAR)	23%
Total	100%

Assessment: Compensation for affected residential land was commensurate with replacement cost and the average size of residential land holdings increased.

Compensation -residential structures

The standard applied to the compensation for affected houses was the Can Tho People's Committee rates which was commensurate with replacement cost without depreciation. All those surveyed reported being compensated according to category of house at new for old rates that were adequate to reconstruct their new houses. Most respondents reported improved housing standards after resettlement. There were some complaints regarding eligibility for compensation -either for entire or part of structure which have not yet been resolved.

The observed result was that virtually all households (98%) who relocated either maintained (69%) or improved (31%) their standard of housing. Housing standards are based on common Vietnamese

categorization with Category 4 houses being single storey solid construction structures while Category 5 houses are temporary structures which require periodic replacement (commonly 5-10 years – depending on the material type). Most of the improvements in housing standards (27 out of 28 respondents) were upgrades from temporary structures to Category 4 houses. Of those whose standards of housing remained unchanged the vast majority (54 of 61 respondents) were Category 4 houses. Only 8% of respondents' replaced their Category 5 houses with the same standard. There were 2 households who reported downgrading their housing standard by replacing their Category 4 house with a Category 5 house.

Table 7: Changes in Housing Standards

Change in House Category	Total	As % Total
Improved Category	31%	
Change from Cat 4 to 3	1	1%
Change from Cat 5 to 4	27	30%
Unchanged Category	69%	
Remain the same 4 to 4	54	61%
Remain the same 5 to 5	7	8%
Lower Category	2%	
Change from Cat 4 to 5	2	2%
Total Sample	89	

Source: Household Survey 2010

Table 8: Satisfaction with Land Compensation

Remarks on Compensation Process	# Households	As % Total Surveyed
Not compensated for entire affected area	4	3%
Not compensated according to proper land use	2	1%
Not compensated	0	0%
Not in the list of affected households	0	0%
Adequately compensated	136	96%
Total	142	100%

Source: Household Survey 2010

Resettlement Assistance

Relocating households were provided with a transportation allowance of VND 2,000,000 per household.

A resettlement site was prepared by the O Mon District People's Committee for the resettlement needs of the Project as well as other land acquisition in other areas in the district. The resettlement site is in relative close proximity to the project area and is well serviced with infrastructure, though would seem to lack livelihood opportunities. The resettlement site, however, was completed well after the implementation of land acquisition and appears to have been available from only 2008. There was a very small uptake of resettlement lots at this site –only two from the immediate Project area and 8 in total from O Mon stages III-V. The availability of resettlement site potentially could have made a difference to those with very small landholdings.

There were two displaced vulnerable households who had moved in to the project area after the cut-off date and set up temporary houses along the river bank. The CTPP used their own funds from their company charity fund to resettle these families in Thoi An Ward giving them secure tenure (but not ownership) of land and houses. Additional two displaced vulnerable households had been provided the assistance of 20,000,000 VND/household by CTPP from their company charity fund to build the permanent house.

Assessment: The transportation allowance appears to have been paid consistently and sufficient. CTPP's good efforts to assist the 2 ineligible vulnerable households and 2 eligible vulnerable households are noted .

Livelihood Rehabilitation

Based on the household survey there has been a significant overall improvement in livelihood stability and incomes of the affected households. (See Livelihood Section under Household Living Standards below.) There were some limited livelihood assistance measures provided by the Project following LAR.

Households losing farming land were provided with livelihood transition assistance of free vocational training or VND 1 million per person of working age in lieu of vocational training. Based on the household survey results there was no uptake of the vocational training assistance, each eligible household instead opting for the VND 1 million cash. A common explanation to the low uptake of vocational training by eligible households was that they could not afford to undertake the training due to loss of income for the time it would take to complete a course.

Those with affected non-farm livelihoods did not received livelihood restoration assistance. This would have been consistent with existing regulations which limited assistance for affected non-farm livelihoods to employees of registered businesses who have labour contracts. However, affected non-farm DPs those need the special support were investigated by O Mon Compensation and People's Committee and approved by Can Tho People's Committee. Based on the Decision of Can Tho People's Committee, CTPP had provided the assistance of 15,000,000 VND/household for 24 households as listed in attached sheets

There were more than 90 people worked at 3 brick kilns as daily labourers without the labour contract before being displaced. Some of them have their own houses, others have living in their parent houses. There were 7 families who lived in the 3 brick kilns in the O Mon 4 area (Tien Dung, Ngoc Duong, and Nhan Nghia Brick Kilns) as agreed by brick kiln owners. Such workers could not be provided any assistance as required by the national laws, but each of these families was (according to the brick kiln

owners) provided with VND10,000,000 (approx USD 500) in severance pay from the businesses. A list of these families is attached as an annex to this report.

Assessment: The livelihood rehabilitation assistance provided was in accordance with existing government requirements. However, the assistance that was provided was invariably limited to farming households who made limited use of it. There was no livelihood assistance provided to those who were considered ineligible due to having no labour contracts. Meaningful assistance to these persons should be provided in the form of promotion of employment opportunities associated with the project construction.

Assistance to Vulnerable Households

Several forms of assistance were provided to vulnerable households consisting of residential land and house for landless DPs (2 HHs), assistance of VND20,000,000 (2 households) as well as special assistance cash grant of VND15,000,000 (24 HHs). Those entitled to this assistance were selected based on a vulnerability assessment of the relevant People's Committee in December 2009. It was noted during the surveys that most of those who were officially poor at time of LAR are no longer officially poor. There were some cases noted during the household surveys and interviews with local village chiefs that are still poor and vulnerable. Typically these were households with none or very small land holdings at time of LAR.

Assessment: The assistance provided to vulnerable DPs to date was based on an official request by O Mon District People's Committee to CTPP based on a vulnerability assessment by the Thoi Loi and Thoi An People's Committees.

In carrying out the due diligence as many of the actual households relocated as a result of the project, including the vulnerable households were identified as possible. However, many people appear to have moved away from the immediate area and despite efforts by CTPP and the consultant to find these households, ALL of the households could not be found. If within 3 months of disclosure of the CAP addition vulnerable DPs are identified and requested by the relevant local People's Committees and referred to the CTPP by the O Mon District People's Committee then additional assistance will be provided as needed.

Grievance Redress Mechanism

There was a grievance redress mechanism (GRM) established for the Project which is still in place. The GRM process provided for complaints to be submitted directly to the District Resettlement Committee which is chaired by the Vice-Chairperson of the District People's Committee and includes members from the ward People's Committees and village chiefs of the affected areas, representatives from the Department of labour, War Invalids & Social Affairs, mass organizations and the CTPP (IA). Complainants have the options of resubmitting their complaints to the Can Tho City People's Committee and to the Can Tho People's Court if they are unsatisfied with the outcome.

The GRM appears to have been accessible with 400 grievances having been submitted regarding various issues covering O Mon 3 (91), O Mon 4 (118), Discharge Channel (147) and Road No. 2 (17); At the time the due diligence survey was completed it was noted that there was one grievances pending resolution. The majority of grievances appear related to eligibility for housing compensation.

Assessment: Resolution of the residual grievance is expected to be effected soon and completion of the GRM is to be covered under the loan covenant.

Consultation

According to the 2007 resettlement due diligence report consultations were conducted by the Project in December 2005 to which all affected households appear to have been invited to attend. The initial consultations provided information on the Project and upcoming activities for LAR. These sessions provided little opportunity for dialogue or discussion on mitigation measures. Supplementary consultations were conducted with affected households in 2007 assisted by the due diligence resettlement consultants.

During the due diligence survey process in 2010, the resettlement consultants observed the affected households to have an understanding of the project and of their entitlements under the existing resettlement plan.

Assessment: Effective consultation was undertaken through the above mentioned two consultation activities. When the Corrective Action Plan (CAP) for the Project is endorsed, appropriate measures will need to be included to ensure that it is effectively disclosed to the affected households. This is discussed further in CAP.

III. HOUSEHOLD LIVING STANDARDS

The household survey included questions related to socio-economic conditions and living standards. The baseline is 2005 and is reliant on information supplied by the survey respondents.

Household Income & Livelihood

Overall household incomes were reported to have increased (66%) with an increase in non-farm as well as stable income sources (especially waged and owner-operated small businesses.) This is reflected in a lower incidence of poverty and increase of household assets as an indicator of household wealth.

Most (95%) of household respondents reported their overall income levels being higher (66%) or the same (29%) as before LAR with 5% reporting lower household income levels.

Table 9: Changes in Household Income

Household Income	# Respondents	% Respondents
Lower	7	5%
Same	41	29%
Higher	93	66%

Source: Household Survey 2010

The household survey obtained information regarding livelihood of individual household members of working age. There were increases in non-farm employment and stable income sources of full-time waged employment of various types as well as owner-operated trade and services businesses. There were decreases in owner-operated manufacturing (light industry/food processing) which were almost all outside the project area (except for 3 brick kilns).

Table 10: Changes in Livelihoods

Livelihood Type	2005	As % (2005)	2010	As % (2010)	Change in % Persons
Casual Daily labour	23	6%	36	8%	3%
Full Time Wage Employment (Private)	42	11%	81	19%	8%
Part time Waged Employment (Private)	14	4%	15	3%	0%
Full Time Waged Employment (State)	34	9%	51	12%	3%
Trade/service (Owner)	34	9%	50	12%	3%
Manufacturer (Business Owner)	11	3%	5	1%	-2%
Farmer	230	58%	156	36%	-22%
House wife	7	2%	38	9%	7%
Total	395	100%	432	100%	0%

Source: Household Survey 2010

Amongst the surveyed households there was a marked decrease in the incidence of poverty based on official criteria. Poverty in the area is currently based on an average monthly per capita income of VND 250,000 to be classed as poor and VND 350,000 to be classed as near poor. This standard is based on criteria provided by the Ministry of Labour, War Invalids and Social Affairs which is revised from time to time. Based on this standard there was a 66% overall decrease in the number of poor households. No households surveyed had fallen into poverty since LAR. The increase in number of near poor households is attributable to poor households 'graduating' to a lower severity of poverty.

Table 11: Change in Incidence of Poverty

Poverty Category	2005	2010	% Change
Poor	11	4	-64%
Near Poor	1	4	400%
Total	12	8	-66%

Source: Household Survey 2010

Information on possession of household assets was collected as an indicator of improvements in household disposable income. The items were selected as those that households would typically aspire to purchase. The information below presents the percentage of households which either own or do not own the respective assets –not how many they own of each item. There were increases in all asset types with the exception of boats which is attributable to households either moving away from near the river/canal or are no longer reliant on boats (e.g. have replaced these with motorbike or have changed livelihood).

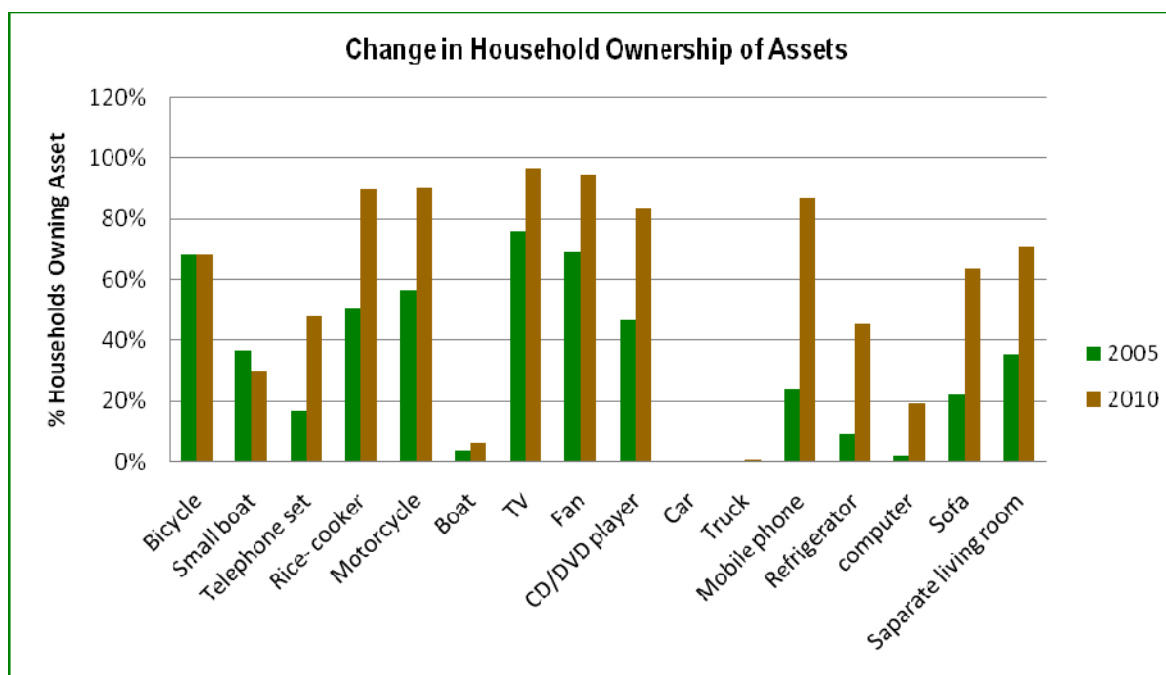
Table 12: Ownership of Household Assets

Household Asset Item	2005	2010	Total
Bicycle	68%	68%	0%
Small boat	37%	30%	-7%
Telephone set	17%	48%	31%
Rice- cooker	51%	90%	39%
Motorcycle	57%	90%	34%
Boat	4%	6%	2%
TV	76%	97%	21%
Fan	69%	94%	26%
CD/DVD player	47%	83%	37%
Car			0%
Truck	0%	1%	1%
Mobile phone	24%	87%	63%
Refrigerator	9%	46%	37%

Computer	2%	19%	17%
Sofa	22%	64%	42%
Separate living room	35%	71%	36%

Source: Household Survey 2010

Figure 4: Ownership of Household Assets



Housing Standards

There has been an overall increase in housing standards with 88% now having permanent structures with an average floor area of 170m². There was a 27% increase in the households with category 4 households (from category 5). Category 4 houses are single storey solid construction structures while category 5 houses are temporary structures which require periodic replacement (commonly 5-10 years –depending on the material type). There was a small change in total floor area of 9.5m² (5% decrease) attributable to those upgrading their house standards category 5 houses to category 4 houses with slightly smaller areas. Also as noted below most houses now have toilets.

Table 13: Change in Housing Standards

Structure Area/Category	2005	2010	% Change
Ave Floor Area (m ²)	180	170.59	-9.46
Structure Category			0.00
• 1			0.00

• 2			0.00
• 3	0	1%	1%
• 4	61%	88%	27%
• 5 (Temporary)	39%	11%	-28%

Source: Household Survey 2010

Other Living Standard Indicators

There were significant improvements in living standards based on other indicators. There is now a greater reliance on safer water sources with increased use of piped water (35% from 8%); drilled well (50% from 40%) and decreased use of surface water (5% from 46%). For sanitation 70% of households now have toilets in their homes compared to 19% before LAR and 5% using pond down from 46%. There is a slight increase in access to the electricity grid which was already high before LAR, but significant decreases in use of firewood and charcoal in favour of gas as a cooking fuel source (77% compared to 46%). Gas has the advantage of saving time for cooking but is more expensive as an initial investment outlay and for operation. All common household assets used as a proxy indicator to present changes in household disposable income increased.

Table 14: Change in Water Sources -Drinking

Water Source	2005	2010	HH Change as %
Rain	8%	19%	10%
Dug Well	3%	1%	-1%
Drilled well	40%	50%	10%
Canal, pond, lake..	46%	5%	-41%
Purchase	0	4%	4%
Public tap	1%	0%	-1%
Piped system	8%	35%	28%
Other	0%	0%	0%

Source: Household Survey 2010

Figure 5: Change in Water Sources -Drinking

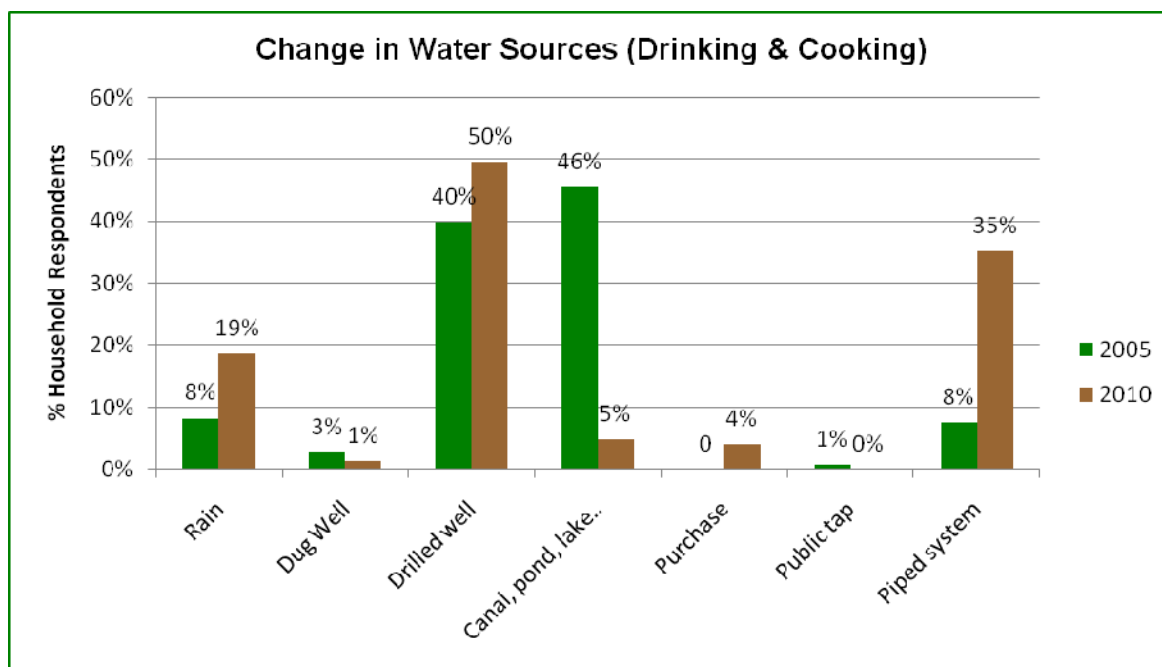


Table 15: Change in Water Sources -Washing

Water Source	2005	2010	HH Change as %
Rain water	5%	7%	2%
Dug Well water	3%	1%	-2%
Drilled well water	42%	55%	13%
Canal, pond, lake..	56%	16%	-40%
Bought water	0%	1%	1%
Public tap	1%	6%	6%
Piped water system	5%	24%	19%
Other	0%	0%	0%

Source: Household Survey 2010

Table 16: Change in Sanitation

Type of Sanitation (Toilet)	2005	2010	HH Change as %
Pit latrine	1%	0%	-1%
Pond, river, canal..	66%	11%	-54%
Toilet in house	19%	70%	51%

Other	13%	14%	1%
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Source: Household Survey 2010

"Other": most of these respondents reported using toilet of relative or neighbour

Figure 6: Change in Sanitation

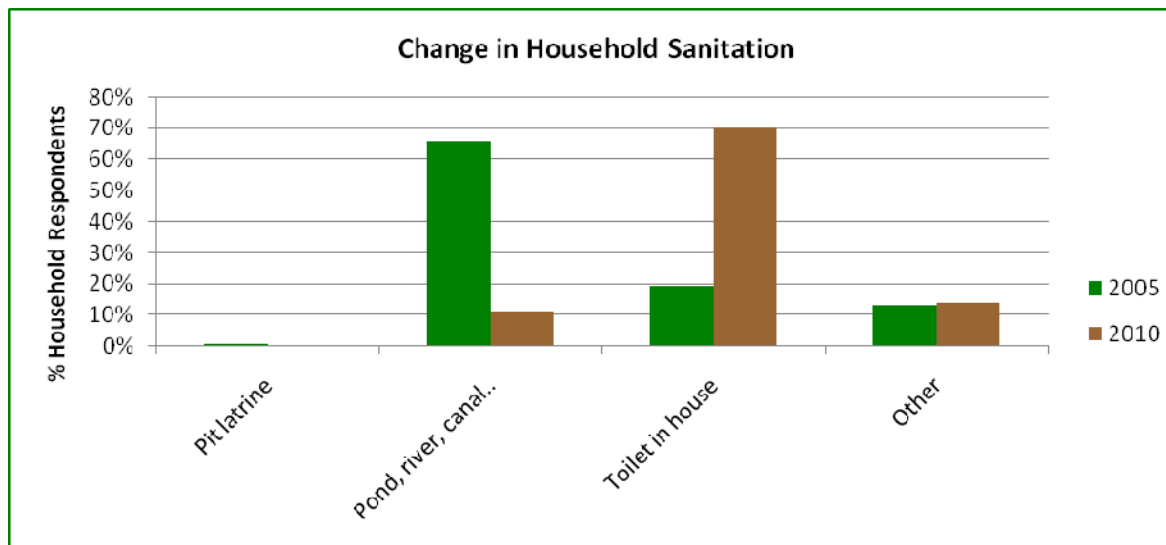
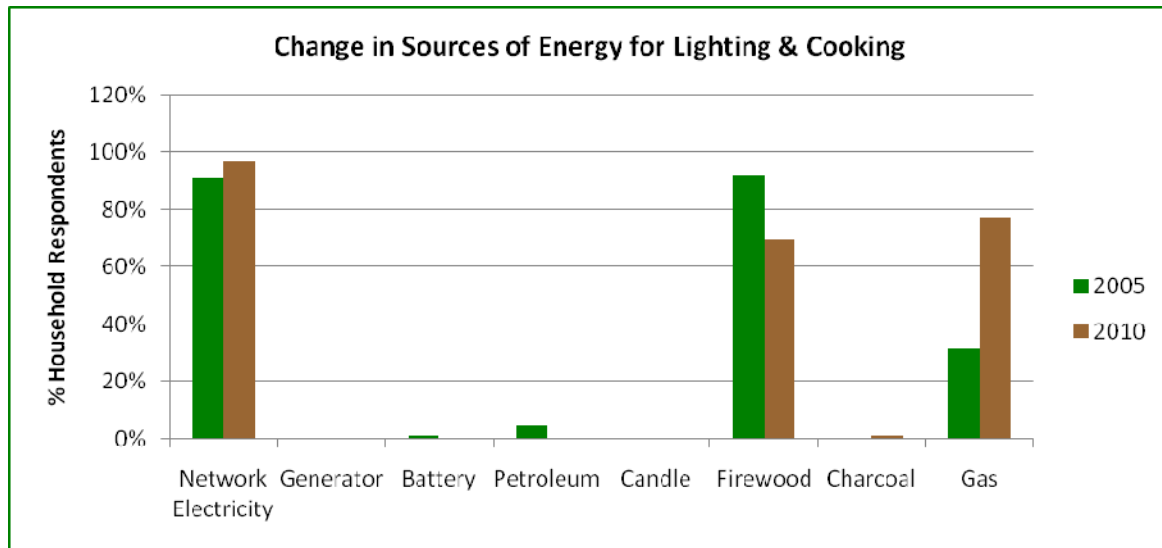


Table 17: Change in Energy

Energy Source	2005	2010	HH Change as %
Network Electricity	91%	97%	6%
Generator	0	0	0%
Battery	1%	0%	-1%
Petroleum	5%	0%	-5%
Candle	0%	0%	0%
Firewood	92%	70%	-22%
Charcoal	0%	1%	1%
Gas	31%	77%	46%

Source: Household Survey 2010

Figure 7: Change in Energy



SITUATION OF VULNERABLE HOUSEHOLDS

The 2007 due diligence study determined that there were 64 vulnerable households at the time of the study. The list of vulnerable households was based on interviews with affected households and advice from the village chiefs in the project area.

In the current study the household survey collected information on the vulnerability status of households at the time of LAR and now. The resettlement consultants also asked each of the village chiefs in the project area about the official poverty status of DP households. The results showed that there were no new cases of vulnerability. That is, there were no households which were not poor or otherwise vulnerable in 2005 but are now so. However, the resettlement consultants did identify 17 DP households who are still vulnerable. According to official investigation of O Mon Compensation Committee and approved by Can Tho people's Committee, there are 24 DP households who are still vulnerable. They were provided the special assistant of 15,000,000 VND/household by project owner. The list of vulnerable DPs and their details are presented in the table below.

Table 18: Vulnerable Households

	Commune	Name	Classification	Gender	Occupation 2010	Occupation 2005	Notes
1	Thoi Loi -Thoi An	Nguyen Van Tho	Poor	M	Retired	Daily labor	Used compensation to buy land- paid a half and will pay the rest when the seller provide LURC. They are living in the house has not finished building. All member of this family is working as daily laborers-
2	Phuoc Thoi- Thoi loi	Do Thi Dien	Poor	M	Daily labor	Daily labor	Work is not available every day, had a house built on land affected before 2004- Village Captain had certified, but her case has not beenresolved- now have a house (cat. 5) given by parents
3	Phuocthoi	Nguyen thi Nhuong	Poor	F	Elderly	Elderly	93 years Elderly mother looking after disable son- no incomes
4	Phuoc Thoi- Thoi Loi	Vo Van Hai	Near poor	M	Daily labor	Daily labor	Living in a tin house on parents land- lending this land to them to live not permanently
5	Thoi Loi- Thoi An	Huynh Mai Phuong	Poor	F	Brick Kiln worker	Brick Kiln worker	The family had to move out from the brick kiln and now living in Dong Thap- Homeless and very poor- Going back and forth to Dong Thap then come back to stay at parents house when there are not many work at the brick kiln.
6	Thoi Loi A	Nguyen Ngoc Ton	Near poor	M	Small trader	Construction worker	Built house and on parents land, have no land of their own.
9	Phuoc Thoi Thoi Loi	Huynh Van Khoi	Poor	M	Laborer in brick factory	Brick kiln	Lived in the brick kiln-Family is in difficult situation-None of the children went to school and HoH is in poor health- Current House was built by borrowing money - and now is paying back by installment
7	Thai An- Thoi Loi	Nguyen Van Le	Near poor	M	Fisherman	Fisherman	Their income based on fishing - they claimed it's so hard to get fish from the river now and struggle to cover the cost for the youngest child even though the PC have helped with the school fee
8	Thoi An Thoi Loi	Le Van Mot *	Poor	M	Daily labor	Daily labor	They live on the land which belongs to a Pagoda., Used compensation money to build this house- They had a house-Cat 5 -38 m2-affected by the project.
9	Thoi An Thoi Loi	Vo Van Son	Poor	F	Elderly	Elderly	Live on 100m2 house bought by CP money from a 160m2 affected house. Struggle because only 2 people working to care for 7- children are still young and 1 elderly
10	Thoi An Thoi loi	Tran van Hoang *	Poor	M	Working Brick kiln	Fisherman	current house is 84m2 boughttt from CP money from 80m2 affected house by Omon 4
11	Phuoc Thoi	Huynh Thi Oi	Near poor	F	Farmer	Retired	Living standard is the same -even though no longer poor as the poverty criteria has not changed
12	Phuoc Thoi Thoi Loi	Nguyen Thi Ut Het	Near poor	F	Daily labor	Daily labor	Struggle to raise the children because their work will get less when the weather not so pleasant as construction worker don't get much work during rainy season

O MON Thermal Power Station IV Project

13	Phuoc Thoi	Pham Thi Lai	Near poor	F	Trade/service	Trade/service	No more land for farming - have to spend more on food
14	Thoi Loi	Bui Van Ly	Near poor	M	Daily Labour	Daily labor	Small land Holding
15	Thoi Loi	Ho Than thuong	Near poor	M	Fisherman	Fisherman	Realize on fishing in the local area- not much business since the project taken place.
16	Phuoc Thoi	Vo Van Van	Near poor	M	Construction worker	Construction	This daily work is not stable and have to travel far - have no land for farming
17	Phuoc Thoi	Hue Van Thang	Poor	M	Wage work	Wage work	Have no land - cat. 5 house built in 3.5metter wide land X10metter. The land was lent by a relatives and a haft from the PC Phuoc Thoi and he is still paying interest to the bank(borrow money to built house but was not compensated

TABLE OF SUPPORTING EXPENSES FOR 24 LOCAL HOUSEHOLDS**Project: O Mon Power Center**

Enclosed Decision No. 2974/QĐ-UBND dated October 28, 2010 by Chairman of Cantho City People's Committee

No	Full name	Supporting Rate	Total
1	Vo Van Bay	15.000.000	15.000.000
2	Bui Van On	15.000.000	15.000.000
3	Ngo Thi Be	15.000.000	15.000.000
4	Ngo Thi Trinh	15.000.000	15.000.000
5	Danh Deo	15.000.000	15.000.000
6	Nguyen Thi Le Hoa	15.000.000	15.000.000
7	Nguyen Minh Son	15.000.000	15.000.000
8	Do Thi Dien	15.000.000	15.000.000
9	Nguyen Thi Chinh	15.000.000	15.000.000
10	Tran Van Manh	15.000.000	15.000.000
11	Tran Van Dung	15.000.000	15.000.000
12	Nguyen Van Cuoc	15.000.000	15.000.000
13	Do van Theo	15.000.000	15.000.000
14	Nguyen Thanh Trinh	15.000.000	15.000.000
15	Hue Van Thang	15.000.000	15.000.000
16	Vo Van dung	15.000.000	15.000.000
17	Nguyen Van Lien	15.000.000	15.000.000
18	Hue Van Dong	15.000.000	15.000.000
19	Nguyen van Hong	15.000.000	15.000.000
20	Hue Van Giao	15.000.000	15.000.000
21	Tran Thi Mung	15.000.000	15.000.000
22	Pham Huu Ly	15.000.000	15.000.000
23	Tran Quang Lien	15.000.000	15.000.000
24	Truong Van Binh	15.000.000	15.000.000
Total			360.000.000

IV. RECOMMENDATIONS

Measurement of affected property: This was overwhelmingly conducted accurately with very few complaints which are addressed through the grievance redress mechanism. No action is required.

Eligibility for Compensation –Land: Those with legalizable land holdings (those with LURC or eligible to obtain such) were compensated. It is noted that those occupying river embankment (non-legalizable state administered land) in a settled manner were compensated for affected land and structures as per other DPs with legalizable land holdings. No action is required.

Compensation -Productive land: The compensation rate paid was according to the Can Tho PPC decision in 2005. The compensation rates varied according to land type (VND108,000/m² –paddy, to VND126,000 -garden land). DPs surveyed overwhelmingly increased their productive land holding area by purchasing land in neighboring communes/districts at lower unit cost. No action is required as compensation provided was at replacement cost

Compensation -Residential land: The compensation rate paid was VND400,000/m² which was equivalent to the market rate in neighbouring village (Thoi Loi) where most of those surveyed resided. No action is required.

Compensation - residential structures: DPs were compensated according to category of house without depreciation. All reported that the unit compensation rates were adequate. Most DPs reported improved housing standards after resettlement. There were some complaints regarding eligibility for compensation - either for entire or part of structure which were addressed during the grievance redress process. No action required.

Assistance – Resettlement: Those surveyed tend to have stable residences. No action required.

Assistance – Livelihood: Households losing farming land were provided with livelihood restoration assistance. However, DPs with affected non-farm livelihoods did not receive livelihood restoration assistance due to absence of labour contracts. Based on interviews with brick kiln owners and other brick kiln workers their general situation seems to be unstable. Action required. It is recommended that former permanent brick kiln workers be provided with assistance in the form of promotion of employment opportunities on the project –especially during the construction phase.

Assistance – Vulnerable DPs: Several forms of assistance were provided to vulnerable households consisting of residential land and house for landless DPs (2 HHs), assistance of VND20,000,000 (2 households) as well as special assistance cash grant of VND15,000,000 (24 HHs). Those entitled to this assistance were selected based on a vulnerability assessment of the relevant People's Committee in December 2009. Most who were vulnerable in 2005 are no longer so. However, the due diligence survey did identify 17 DP households who were still vulnerable. Action required. The assistance provided to vulnerable DPs to date was based on an official request by O Mon District People's Committee to CTPP based on a vulnerability assessment by the Thoi Loi and Thoi An People's Committees. It is recommended that if within 3 months of disclosure of the CAP addition vulnerable DPs are identified and requested by the

relevant local People's Committees and referred to the CTP by the O Mon District People's Committee then additional assistance will be provided as needed.

Grievance Redress Mechanism: There is one residual grievance pending resolution. Action required. Resolution of the residual grievance is expected to be effected soon and completion of the GRM is to be covered under the loan covenant.

Consultation & Disclosure: Action required. It is recommended that appropriate disclosure arrangements for the Corrective Action Plan be agreed and included in CAP. No action required for consultation. The CAP will need to be disclosed to DPs to satisfy ADB disclosure requirements prior to loan appraisal.

V. ANNEXES

Annex A: Corrective Action Plan (CAP)

OMON IV THERMAL POWER STATION

RESETTLEMENT - CORRECTIVE ACTION PLAN

Prepared for the Can Tho Thermal Power Company (CTTP)

February 2011

INTRODUCTION

Background

ADB has been requested by the Government of Vietnam (GoV) to assist in financing the O Mon IV Gas-Fired Combined-Cycle Thermal Power Plant. Resettlement for the site was undertaken in 2006. To ensure compliance with ADB social safeguard requirements, ADB assisted the Can Tho Thermal Power Company (CTTP) to prepare a *Resettlement Due Diligence Report*. Based on the findings of the due diligence report, CTTP has prepared and approved this *Corrective Action Plan*.

The Corrective Action Plan is based on the due diligence report which examined (i) the requirements of the approved resettlement documentation and the extent to which these requirements have been satisfied by the subproject, (ii) Compliance with national laws and regulations on land acquisition and social issues (Gender, indigenous people, health and safety etc.; and (iii) aspects where significant discrepancies exist between the observed outcomes of the resettlement implementation and objectives of ADB social safeguards policies.

Policy Framework

The due diligence work was based on the requirements of:

- ADB's Safeguard Policy Statement (June 2009)
- Social Protection Strategy (2001)
- Policy on Gender and Development (1988);

DUE DILIGENCE METHODOLOGY & KEY FINDINGS

Due Diligence Methodology

The due diligence exercise was completed by an International Resettlement Specialist and two National Resettlement Specialists. The following provides an outline of the methodology used:

- Detailed review of all resettlement documentation including acquisition plans prepared under Vietnamese Law at the time of acquisition, reports prepared by Vattenfall as part of an earlier ADB TA, current ADB resettlement and social policy requirements, relevant National Decrees, Provincial and District decisions at the time of acquisition;
- Meetings with CTTP, the District Resettlement Committee and other relevant authorities;
- Social survey and Rapid Social Assessment. Over 140 households were surveyed by the consultants which represents a sample size of 24%%. The social survey and rapid social assessment process was designed to determine:
 - The nature of the impacts experienced by DPs
 - The level of resettlement compensation received
 - Whether livelihoods and living standards had improved or deteriorated as a result of the project and the compensation provided

- If negative impacts were identified, whether these were affecting certain groups more than others
- Report preparation.

Key Findings

The due diligence report generally found that the resettlement process adopted at the time does not deviate significantly from ADB requirements. Because of the timing involved (now over 4 years ago) some of the deviations from policy cannot be remedied effectively now. Others however, can be.

FINDINGS OF THE DUE DILIGENCE STUDY

The due diligence study approach examined the adequacy of the resettlement implementation processes as well as the outcomes of the processes to assess to what extent the resettlement plan mitigated impacts. The key outcomes assessed were comparison of household's property (land and housing), livelihoods, income levels and living standards now compared to the time of displacement.

Eligibility for Compensation –Land

Those with legalizable land holdings were compensated. This included those with Land User Rights Certificates (LURC) or eligible to obtain such. Based on compensation records reviewed by the resettlement consultants and also verified through a sample of surveyed DPs, households who were residing on the riverbank area were compensated for loss of land and at the same rate as those with LURC. Amongst those surveyed there were no complaints regarding non-eligibility for land compensation. Those with legal or legalizable rights to land as well as those with stable occupation of non-legalizable land (river bank area) were compensated.

Measurement of Affected Property

Based on the information provided by surveyed households, the overwhelming majority of DPs were satisfied with the measurement of affected property –for both land and housing. There was a small number (3%) who disagreed with the measurement results and who had lodged formal grievances. The overall adequacy of the DMS process was also consistent with the 2007 due diligence findings.

Compensation -Productive land

Displaced households were compensated based on Can Tho People's Committee rates applicable at the time. The observed outcome was that households losing productive land invariably increased their land holdings significantly. Two main mechanisms were responsible for this increase. The first and most common was that households typically purchased replacement productive land in nearby districts at a much lower unit cost than their compensation rate. The second mechanism enabling households to purchase more land than they lost was that garden and orchard land was valued much higher than paddy land. There was a tendency to replace garden land especially with paddy land.

Compensation -Residential Land

The compensation rate paid for residential land was VND400,000/m² –according to both compensation records and surveyed households. According to those surveyed the replacement rate in the neighbouring village (Thoi Loi) where most of those surveyed resided was VND400,000/m² at time of resettlement. Compensation for affected residential land was commensurate with replacement cost and the average size of residential land holdings increased.

Compensation -residential structures

The standard applied to the compensation for affected houses was the Can Tho People's Committee rates which was commensurate with replacement cost without depreciation. All those surveyed reported being compensated according to category of house at new for old rates that were adequate to reconstruct their new houses. Most respondents reported improved housing standards after resettlement. There were some complaints regarding eligibility for compensation -either for entire or part of structure which have not yet been resolved. The observed result was that virtually all households (98%) who relocated either maintained (69%) or improved (31%) their standard of housing.

Resettlement Assistance

Relocating households were provided with a transportation allowance of VND 2,000,000 per household. A resettlement site was prepared by the O Mon District People's Committee for the resettlement needs of the Project as well as other land acquisition in other areas in the district. The resettlement site, however, was completed well after the implementation of land acquisition. There was a very small uptake of resettlement lots at this site with only two from the immediate Project area and 8 in total from O Mon stages III-V. There were 7 households displaced from three brick kilns (which was both their place of work and residence) who received no resettlement assistance.

Livelihood Rehabilitation

Based on the household survey there has been a significant overall improvement in livelihood stability and incomes of the affected households. The livelihood rehabilitation assistance provided was in accordance with existing government requirements. However, the assistance that was provided was invariably limited to farming households who made limited use of it. There was no livelihood assistance provided to those who were considered ineligible due to having no labour contracts which was consistent with government regulations. .

Assistance to Vulnerable Households

Several forms of assistance were provided to vulnerable households consisting of residential land and house for landless DPs (2 HHs), assistance of VND 20,000,000 (2 households) as well as special assistance cash grant of VND15,000,000 (24 HHs). Those entitled to this assistance were selected based on a vulnerability assessment of the relevant People's Committee in December 2009. It was noted during the surveys that most of those who were officially poor at time of LAR are no longer officially poor. There

were some cases noted during the household surveys and interviews with local village chiefs that are still poor and vulnerable. Typically these were households with none or very small land holdings at time of LAR. The assistance provided to vulnerable DPs to date was based on an official request by O Mon District People's Committee to CTPP based on a vulnerability assessment by the Thoi Loi and Thoi An People's Committees.

In carrying out the due diligence as many of the actual households relocated as a result of the project, including the vulnerable households were identified as possible. However, many people appear to have moved away from the immediate area and despite efforts by CTPP and the consultant to find these households, ALL of the households could not be found. The sample of 24% of all DPs represents a very substantial proportion of those who remained in the vicinity of the project area at the time of the DD. It also provides a substantive sample to inform the process and identify gaps to be filled during implementation of the CAP.

It is recommended that if within 3 months of disclosure of the CAP additional vulnerable DPs are identified and requested by the relevant local People's Committees and referred to the CTPP by the O Mon District People's Committee then additional assistance will be provided as needed.

Grievance Redress Mechanism

There was a grievance redress mechanism (GRM) established for the Project which is still in place. The GRM process provided for complaints to be submitted directly to the District Resettlement Committee which is chaired by the Vice-Chairperson of the District People's Committee and includes members from the ward People's Committees and village chiefs of the affected areas, representatives from the Department of labour, War Invalids & Social Affairs, mass organizations and the CTPP (IA). Complainants had the options of resubmitting their complaints to the Can Tho City People's Committee and to the Can Tho People's Court if they are unsatisfied with the outcome. The GRM appears to have been accessible with 400 grievances having been submitted regarding various issues covering O Mon 3 (91), O Mon 4 (118), Discharge Channel (147) and Road No. 2 (17). At the time the due diligence survey was completed it was noted that there was one grievance pending resolution. The majority of grievances appear related to eligibility for housing compensation. Resolution of the residual grievance is expected to be effected soon and completion of the GRM is to be covered under the loan covenant.

Consultation

Effective consultation was undertaken in 2007 as part of corrective measures to supplement the December 2005 consultations. When the Corrective Action Plan (CAP) is endorsed, appropriate measures will need to be included to ensure that it is effectively disclosed to the affected households.

THE CORRECTIVE ACTION PLAN

Principles of the Corrective Action Plan

The following Principles have been developed for the CAP.

All actions in the CAP shall be:

- Implementable and practical from a social development and cost perspective
- Targeted to poor and vulnerable APs
- Fair, and not create community division.

Key proposed actions and Costs

Table 1 below summarizes the issues requiring corrective action and also provides a remedy to the non-compliances. Justification has been provided for the recommended strategy. See Table 3 for summary of due diligence assessment

Table 19: Summary of Issues Requiring Corrective Action

	ISSUE	ANALYSIS	STRATEGY	JUSTIFICATION
7	Assistance - Livelihood	Permanent workers (seven households) in three brick kilns who had no labour contracts were not compensated for lost income or provided assistance consistent with national laws.	An employment strategy will be developed to provide project affected people with employment during construction and operation of the project. This strategy is to target project affected people with priority for those households previously employed by the brick kilns on the site.	ADB Social Safeguards require that resettlement plans provide measures to address economic displacement - including loss/disruption of employment and livelihoods.

8	Assistance - Vulnerable	Several forms of assistance were provided to vulnerable households consisting of residential land and house for landless DPs (2 HHs), assistance of VND 20,000,000 (2 households) as well as special assistance cash grant of VND15,000,000 (24 HHs). Those entitled to this assistance were selected based on a vulnerability assessment of the relevant People's Committee in December 2009.	The assistance provided to vulnerable DPs to date was based on an official request by O Mon District People's Committee to CTPP based on a vulnerability assessment by the Thoi Loi and Thoi An People's Committees. If within 3 months of disclosure of the CAP addition vulnerable DPs are identified and requested by the relevant local People's Committees and referred to the CTPP by the O Mon District People's Committee then additional assistance will be provided as needed.	ADB Safeguards Policy requires the resettlement plans provide assistance and support to vulnerable households to enable them to improve their living standards to at least minimum acceptable national standards. Those who are still under the poverty line would require supplementary assistance.
10	Consultation & Disclosure	Public consultations were conducted with DPs in December 2005 prior to LAR. The Corrective Action Plan will need to be disclosed to DPs	No action required for consultation. The CAP will be disclosed to DPs to satisfy ADB disclosure requirements prior to loan appraisal (see the attached Public Information Brochure)	ADB requires disclosure of resettlement plans including corrective action plans. The borrower/client will provide relevant resettlement information, in a timely manner, in an accessible place and in a form and language(s) understandable to affected persons and other stakeholders. For illiterate people, suitable other communication methods will be used.

Table 20: Available Approved Resettlement Budget

ITEM	TOTAL (VND)	TOTAL (USD)
Total Budget for Project LAR as approved by MOIT in the Feasibility Study	188,892,000,000	10,214,796
Actual payments disbursed to DPs (as of Nov 2010)	111,273,421,267	6,017,382

Remaining budget	77,618,578,733	4,197,414
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Implementation and Monitoring

The measures required under the Corrective Action Plan are to be monitored and reported on by the Project Implementation Consultant and be included within their regular reporting to ADB.

ANNEX B: Due Diligence Matrix

Table 21: Due Diligence Matrix

ISSUE		ANALYSIS	STRATEGY	JUSTIFICATION
1	Measurement of affected property	Overwhelmingly conducted accurately.	No action required	
2	Eligibility for Compensation -Land	Those with legalizable land holdings compensated (those with LURC or eligible to obtain such). It is noted that those occupying river embankment (non-legalizable state administered land) in a settled manner were compensated for affected land and structures as per other DPs with legalizable land holdings.	No action required. Note IA's efforts in resolving assistance to those displaced from riverbank	All legalizable land was compensated as well as vulnerable groups without entitlement to land user rights certificates
3	Compensation - Productive land	Compensation rate from VND108,000/m ² (paddy) to VND126,000 (garden land). Replacement rate in the project area at the time not known. Noted however that project area is within urban administrative boundary of Can Tho and the PPC rates for project area typically higher than other areas. DPs surveyed overwhelmingly increased their productive land holding area by purchasing land in neighboring communes/districts at lower unit cost.	No action required	Compensation provided at replacement cost

4	Compensation - Residential land	<p>Compensation rate VND400,000/m² for residential. Replacement rate in neighbouring village (Thoi Loi) where most of those surveyed resided was VND400,000/m² at time of resettlement. Compensation was at replacement cost.</p> <p>It is noted that many affected houses were built on agricultural land (esp. garden land) which was compensated at VND 108,000/m² to VND 126,000/m². However, many of the DPs were able to replace this with residential land where their affected land holdings were large enough OR were able to replace this land with other garden land upon which they also built a house.</p>	<p>No action required</p> <p>No action required</p>	<p>Land compensation for residential land was provided at replacement cost.</p> <p>Land compensation for land used for residential purposes (generally garden land) but not officially classified as residential land was compensated at replacement cost for the official land category and was typically large enough to enable DPs to replace this residential land.</p> <p>Poor DPs generally had very small land holdings. While the compensation rate in such cases was provided at replacement cost, it was typically insufficient to enable purpose of alternative residential land in nearby areas were lots were larger than those lost.</p>
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5	Compensation - residential structures	<p>DPs compensated according to category of house without depreciation. All reported that the unit compensation rates were adequate. Most DPs reported improved housing standards after resettlement.</p> <p>There were some complaints regarding eligibility for compensation -either for entire or part of structure which have not yet been resolved.</p>	See grievance redress mechanism	
6	Assistance - Resettlement	<p>-Resettlement site: this seems to have been completed after implementation of LAR (2008). Little subsequent uptake of resettlement lots (8 for all O Mon project). The availability of resettlement site may have made a significant difference to those with very small landholdings.</p> <p>Those surveyed were generally noted to have stable residences.</p>	No action required	

7	Assistance -Livelihood	<p>-Households losing farming land: Livelihood transition assistance of VND 1 million per person of working age in lieu of vocational training;</p> <p>-DPs with affected non-farm livelihoods: Would seem to have not received livelihood restoration assistance. (This would have been consistent with GoV regulations as either (i) non-registered businesses or (ii) workers without labour contracts). GoV regulations do not require compensation/assistance to workers without labour contracts. Workers in the brick kilns had no labour contracts and were not compensated for lost income or provided assistance. Case of one former brick kiln worker surveyed reported that he has been employed by contractor on site preparation work. Based on interviews with brick kiln owners and other brick kiln workers their general situation seems to be very unstable.</p>	<p>An employment strategy will be developed to provide project affected people with employment during construction and operation of the project. This strategy is to target project affected people with priority for those households previously employed by the brick kilns on the site.</p>	<p>ADB Social Safeguards require that resettlement plans provide measures to address economic displacement -including loss/disruption of employment and livelihoods.</p>
8	Assistance -Vulnerable	<p>Several forms of assistance were provided to vulnerable households consisting of residential land and house for landless DPs (2 HHs), assistance of VND 20,000,000 (2 households) as well as special assistance cash grant of VND15,000,000 (24 HHs). Those entitled to this assistance were selected based on a vulnerability assessment of the relevant People's Committee in December 2009.</p>	<p>The assistance provided to vulnerable DPs to date was based on an official request by O Mon District People's Committee to CTPP based on a vulnerability assessment by the Thoi Loi and Thoi An People's Committees. If within 3 months of disclosure of the CAP addition vulnerable DPs are identified and requested by the relevant local People's Committees and referred to the CTPP by the O Mon District</p>	<p>ADB Safeguards Policy requires the resettlement plans provide assistance and support to vulnerable households to enable them to improve their living standards to at least minimum acceptable national standards. Those who are still under the poverty line would require supplementary assistance.</p>

			People's Committee then additional assistance will be provided as needed.	
9	Grievance Redress Mechanism	<ul style="list-style-type: none"> -GRM mechanism in place; - GRM appears accessible with 400 grievances having been submitted regarding various issues covering O Mon 3 (91), O Mon 4 (118), Discharge Channel (147) and Road No. 2 (17); -at the time of the survey it was noted that there was one grievances pending resolution; -majority of grievances appear related to eligibility for housing compensation; 	Resolution of the residual grievance is expected to be effected soon and completion of the GRM is to be covered under the loan covenant.	SPS require borrowers to establish GRMs that address affected persons' concerns and complaints promptly, using an understandable and transparent process that is gender responsive, culturally appropriate, and readily accessible to the affected persons at no costs and without retribution.
10	Consultation & Disclosure	<p>Public consultations were conducted with DPs in December 2005 prior to LAR.</p> <p>The Corrective Action Plan will need to be disclosed to DPs</p>	<p>No action required for consultation.</p> <p>The CAP will be disclosed to DPs to satisfy ADB disclosure requirements prior to loan appraisal (see the attached Public Information Brochure)</p>	ADB requires disclosure of resettlement plans including corrective action plans. The borrower/client will provide relevant resettlement information, in a timely manner, in an accessible place and in a form and language(s) understandable to affected persons and other stakeholders. For illiterate people, suitable other communication methods will be used.

ANNEX C: Household Survey Form

1. Address				
City / Province:		District		
Commune/ward:		Hamlet/village:		
House hold registration number::		Number in the DP list:		
2. Headed house hold information				
Name HoH:		Gender :	1. Male 2.Female	Age
Marital statute :	1. Married; 2. Widow ; 3. Divorce/ Separate; 4. Single			
Ethnicity:	1. Vietnamese; 2. Khmer; 3. Chinese; 4. Other _____ (specified)			
Name of person being interviewed		Telephone number		
3. House hold member				
		Male	Female	Total
1	Member			
1.1	0-4 years old			
1.2	5-14 years old			
1.3	15-60 years old			
1.4	>60 years old			
2	Member attending school			
2.1	5-14 years old			
2.2	15-24 years old			
3	Employment statute of member in working age (15 years +)			
3.1	Working full time			
3.2	Part time/casual labor			
3.3	Non- working and looking for job			
3.4	Not working or retired and not looking for job(not include house work)			
4. Categorized house hold				
		Now	Before land acquisition	<i>Poor house hold category bases on the classification of MOLISA</i>
1.	Poor			
2.	Close to poor			
3.	Elderly without assistant			
4.	Disable			
5.	Female Headed House Hold (FHH)			
6.	FHH is currently working (or used to work)			Yes/No
<i>If FHH is currently working please indicate by ***</i>				

5. Land/ Asset affected by which part of Omon project _____

6. Income and job training

	Gender	Age	Main income (Ghi rô)			Training (After Land acquisition)		
			Before land acquisition	Now	Reason to change job	Job category	Length of the course (month)/ year*	What type of center 1. Province; 2. Private 3. Other
1								
2								
3								
4								
5								
6								
7								

* Ex., completed a 3 months course in 2007- then interviewers will mark as:"3/2007" –This does not mean March 2007.

6.1 Monthly average income: _____

6.2 Compare to income in 2006 with now : 1. Lower; 2. Same; 3. Higher

7. House Hold Assets (Please specify number of items own by each house hold):

Type of asset	Number		Type of Asset	Number	
	Now	Before Land Acquisition		Now	Before Land Acquisition
1- Moto bike			9- Living room (no one sleep in this room) (yes/no)		
2- TV			10- Rice cooker		
3- Telephone set			11-Electrict fan		
4- Mobile phone			12 CD/DVD		
5- Bicycle			13- Refrigerator		
6-Small boat			14- Computer		
7- Boat			15-Car		
8- Sofa no)			16-Truct		

8. Living condition

		Now	Before Land Acquisition		
1.	Water source: Drinking / Cooking			1. Rain water 2. Dick Well 3. Drill Well	5. Bought water 6. Public tap 7. Supply from Government water system 8. Other
2.	Water source: Washing / bathing			4. Cannel, river, pond, lake	
3.	Sanitary:			1. Pit latrine 2. Pond, river 3. Toilet inside the house	4. Public toilet 5. Other(Specify)
4.	Lighting source:			1. Electric 2. Generator 3. Battery	4. Oil 5. Candle 6. Other
5.	Energy source- cooking :			1. Electric 2. Wood 3. Coal	4. Gas 5. Other

* Include toilet with septic tank build outside the house.

9. Land

			Land holding After Land acquisition							Land holding before Land acquisition				
			Location			Owning by?	Year of Purchase ?	How much/ m2?	Land use statute					
Type of land	Area (m2)	Number of lot	Ward / Commune	District/Province	Distance from the affected land (km)	1. Bought; 2. In heritage; 3. Renting; 4. Provided by government; 5. Other			1. Use for own resident/ cultivation 2. Renting out	Area (m2)	Number of lot	LURC? 1. Yes 2. No	Affected (Y/N)	Compensated? (Y/N)
Residential														
Paddy														
Garden														
Orchard														
Aquaculture														
Other														

K. Affected land

K.4 Complain or comment on land compensation?

- ☐ 1. Not compensation for the right amount of land affected
☐ 2. Not compensation for the right type of affected land
☐ 3. Not compensation
☐ 4. Not in the resisted compensation list
☐ 5. Satisfy with the compensation
☐ 6. Other (Specify)

New Land

L.1.6 Does compensation enough to buy new land?

☐ 1. yes ☐ 2. No

Additional note (If there is any):

10. Housing

Did your family have to move house because the project? 1. Yes 2. No

Current House		Affected House	
Location:		Location:	
Area (m2):		Area (m2):	
Category		Category:	
Owner ship?:	1. Yourself; 2. Parents; 3. Sibling; 4. Children; 5. Other relatives; 5. Other(Not related)	Ownership:	1. Yourself; 2. Parents; 3. Sibling; 4. Children; 5. Other relatives; 5. Other(Not related)
Year the house was built?:		Year the house was built?:	
Built or bought?	1. Build 2. Buy	Was this house affected?	1. Yes 2. No
		Was this house compensated?	1. Yes; 2. No

J New house and resettlement

J.1 Reason choosing this house to live:

☐ 1. Close to relatives, ☐ 2. Cheaper, ☐ 3. Better access to live hood ☐ 4. Other:

J.3 How do you own this house

☐ 1. Buy ☐ 2. inherit ate ☐ 3. rent ☐ 4. Provide by the Government ☐ 5. Other (If buy, please proceed question 5)

J.5 How much did you paid per M2 for this house?VND

J.6 Do you have LURC?.....☐ 1.yes ☐ 2. No/Not yet

J.6.2 (If not or not yet, will it be eligible to have LURC granted? Yes/ No)

J.8 Compensation is enough to buy/build/this house? ☐ 1. Yes ☐ 2.No

N Current living condition

N.1 Has your family living standard change since resettlement?

☐ 1. Yes ☐ 2. No

N.2 Better?.....☐ 1. Yes ☐ 2. No

How?.....

N.3 Worst?☐ 1. Yes ☐ 2. No

How?.....

What purpose your family has used the compensation for

P.Is there any comment or problem you would like to raise?

Interviewed by: _____ / Date ____ / ____ / 2010

ANNEX D: List of Displaced Employees from Brick Kilns

Table 22: List of Brick Kiln Permanent Employees

No	Name	Household member	No. Household Members who worked at brick kiln	Remarks
1	Huynh Van Bun	4	2	Used to live in brick kiln since 1992 with wife and worked full time, after the Brick kiln closed down, they left homeless. Now living with parent on renting house. Daily labored at construction site with son-wife is working as daily labor for construction material supply shop
2	Huynh Van Dam	4	3	Lived and worked in the brick kiln since 1986 with family(3 people) . After the brick kiln closedown, they invested money in pig farm, but did not success -they went to work in "Song Hau" then back home and now still looking for job. They live with parents at the moment.
3	Huynh Mai Phuong	5	4	Lived and worked in the brick kiln since 1992 with family- Husband and 2 daughter were working full time- now working in a brick kiln in Dong Thap- as daily labor-live in parents house.
4	Tran Van Hoang	5	5	Lived and worked I the brick kiln since 1996. live in a house built by CP money from the land affected by Omon 4 which on parents land. Now the whole family is working as daily laborers and hopes to have more stable jobs.
5	Huynh Van Be	6	4	This elderly couple and 2 children were working in the brick kiln from 1990 as full time workers- now retired and their children are now working as daily laborer in a different brick kiln. They live in a house given from their parents.
6	Le Minh Tien	3	2	Worked and lived in the brick kiln full time. Now daily labor - live in parents house
7	Huynh Minh Tan	4	2	Husband and wife lived and worked in the brick kiln full time-now working as daily labor. They got 16m2 compensated for the hut in the brick kiln- the sum was 16 mil and they had used for living after the brick kiln closed down. They live in a 32 m2 house built by money given by the brick kiln owner and land given by parents

Report of Grievances (PDF file)

Household Survey Data (Excel File)

Compensation Payments (Excel File)

2007 Resettlement Due Diligence Report (electronic PDF file)