Khammouane Development Project-Additional Financing (KDP – AF)

**Lao PDR: Ethnic Groups Policy Framework (EGPF)**

November 17, 2011_Final Version
## Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AF</td>
<td>Additional Financing</td>
</tr>
<tr>
<td>ALG</td>
<td>Agricultural Livelihood Grant</td>
</tr>
<tr>
<td>CRPF</td>
<td>Compensation and Resettlement Policy Framework</td>
</tr>
<tr>
<td>DAFO</td>
<td>District Agriculture and Forestry Office</td>
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<tr>
<td>DDF</td>
<td>District Development Fund</td>
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<tr>
<td>DOI</td>
<td>Department of Irrigation</td>
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<tr>
<td>ECOP</td>
<td>Environmental Code of Practice</td>
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<td>EGPF</td>
<td>Ethnic Group Policy Framework</td>
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<tr>
<td>EGDP</td>
<td>Ethnic Group Development Plan</td>
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<tr>
<td>ESMF</td>
<td>Environmental and Social Management Framework</td>
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<tr>
<td>FMM</td>
<td>Feedback and Mediation Mechanism</td>
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<tr>
<td>GoL</td>
<td>Government of Lao</td>
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<tr>
<td>KDP</td>
<td>Khammouane Development Project</td>
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<tr>
<td>LFNC</td>
<td>Lao Front for National Construction</td>
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<tr>
<td>MAF</td>
<td>Ministry of Agriculture and Forestry</td>
</tr>
<tr>
<td>OP</td>
<td>Operational Policy</td>
</tr>
<tr>
<td>PAFO</td>
<td>Provincial Agriculture and Forestry Office</td>
</tr>
<tr>
<td>PAP</td>
<td>Project Affected Person</td>
</tr>
<tr>
<td>PDF</td>
<td>Provincial Development Fund</td>
</tr>
<tr>
<td>PDO</td>
<td>Project Development Objective</td>
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<tr>
<td>PRF</td>
<td>Poverty Reduction Fund</td>
</tr>
<tr>
<td>RAP</td>
<td>Resettlement Action Plan</td>
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<tr>
<td>RIPP</td>
<td>Rice Productivity Improvement Project</td>
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PREFACE

This document is called the Ethnic Groups Policy Framework (EGPF) for Lao People’s Democratic Republic. It is developed as a standalone document to satisfy WB’s safeguard requirement on Indigenous peoples (OP 4.10). The EMPF is also connected to other safeguard instruments namely the Environmental and Social Management Framework (ESMF) and the Compensation and Resettlement Policy Framework (CRPF) of the KDP Additional Financing. The EGPF will be applied to all the subprojects and investments to be financed by the World Bank under the Project that involve Indigenous Peoples (OP 4.10).

The executing agency would remain Khammouane Province’s Department of Planning and Investment for Component 1. Implementation of Component 2 would be carried out by the national Department of Irrigation (DoI) of the Ministry of Agriculture and Forestry (MAF) as with the original project, and the implementation of the newly-established Component 3 would be carried out by the PAFO of Khammouane province who are all responsible for implementation of specific subcomponent are responsible for ensuring compliance with the EGPF, including keeping proper documentation in the project file for possible review by the World Bank.

This document is considered a living document and could be modified and changed in line with the changing situation or scope of the activities. Close consultation with the World Bank and clearance of the revised EGPF will be necessary.
KDP AF: Ethnic Groups Policy Framework (EGPF)

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Section I. Introduction

1. The project development objective (PDO) of the KDP additional financing will be the same as that of the original project i.e. to **strengthen the planning process and public financial management associated with decentralized delivery of services and infrastructure, including irrigation development in Khammouane Province.** With the additional financing, the original project would be extended for two years, and the new closing date of both the original IDA financing and the Additional Financing would be March 31, 2016. The additional financing activities will be implemented through the following three components:

- **Component 1: Provincial Capacity Building and Local Development. (existing component).** Additional financing is proposed for this component to support the following: (a) expansion of the District Development Fund (DDF) by 2 years (until 2015); (b) financing supplementary DDF to help alleviate severe rural poverty in poorer districts; (c) strengthening the DDF procedures based on the experiences from the original project and the Poverty Reduction Fund (PRF); and (d) incremental operating costs related to implementing the additional activities.

- **Component 2: Support for Downstream Irrigation (existing component).** Under the additional Component 2 would support completion of the on-going feasibility study, develop appropriate strategy for downstream irrigation development, and provide technical assistance to the farmers regarding operation and maintenance, and agriculture (including integrated pest management) along the NT2 downstream canal. It would also continue to rehabilitate the existing irrigation schemes along the Xe Bang Fai river, including the four pump irrigation schemes in the middle Xe Bang Fai area (Xe Bang Fai and Mahaxai Districts).

- **Component 3: Rural Livelihood and Agricultural Development Support (new component).** The activities under Component 3 were included under the Component 1 of the original project and managed by the DPI; however, in light of the proposed scale up, it has been agreed to establish a component dedicated to the rural livelihood support and assign the PAFO responsible for implementing this component but the activities for additional financing will remain the same as the original project. Specifically, the following activities will be carried out under the additional financing: (a) scaling up the current Agricultural Livelihood Grants (ALG) to an additional 33 villages and piloting a competitive grant scheme for agriculture entrepreneurs; and (b) institutional strengthening for PAFO, including: (i) support for the Xe Bang Fai Agriculture Extension Center; (ii) enhancing management capacities of the PAFO, and (iii) strengthening core technical capacity of PAFO and DAFO staff to support effective demonstration and extension activities for villagers. The ALG would be provided for groups of poor farmers to start up their agriculture and livestock production with emphasis on application of organic and climate change adaptive inputs and techniques.

2. To ensure that broad community support is obtained from ethnic groups based on free, prior and informed consultations and that they receive project benefits in a culturally appropriate manner, and also in order avoid negative impacts on them, an Ethnic Groups Policy Framework (EGPF) has been developed. The EGPF forms a basis for project implementation and for monitoring and evaluation of how the project deals with indigenous
peoples issues. The EGPF follows Government of Lao PDR (GoL) regulations, and WB’s indigenous people’s policy (O.P. 4.10).

3. Section II below outlines background condition regarding ethnic groups and related regulations in Lao PDR while Section III describes the objective and basic principles of OP 4.10 and how it is applied to the KDP additional financing (the Section IV provides a technical guideline for consultation framework with ethnic groups in Lao PDR which has been applied during the original project.

Section II. Background

2.1. Overview of the Ethnic Groups in Lao PDR

4. **Definitions and Categories.** The term ‘indigenous peoples’ is not used in Lao PDR, as is also the case in Vietnam and China. Rather the term ‘ethnic groups’ that corresponds to the Lao term, *xon phao* is used to describe all ethnic groups in the country. Official terminology for the classification of “ethnic groups” according to the 1991 Lao constitution and a review by the National Edification Committee (August 2000) consists of a two-tiered system with 49 main ethnic groups and over 100 sub-groups. There are four main ethnolinguistic categories in the country: Lao-Tai, Mone-Khmer, Sino-Tibetan and Hmong-Iewmien groups.

5. In addition, there are three terms most commonly used by the government and by the population itself when describing the classification of ethnic groups in practice:

- **Lowland Lao** (mainly Lao Tai), groups living in the lowland regions of the country that for the most part cultivate paddy, practice Buddhism and are integrated into the national economy. These correspond to the Lao-Tai group and represent approximately 65% of the population.

- **‘Slope Dwellers’** (mainly Mone-Khmer), groups dominating the middle hills that for the most part practice swidden agriculture, are reliant on forest products and to some extent are isolated from the dominant lowland culture. Many groups, however, exhibit varying degrees of assimilation and adaptation to Tai-Lao culture. These groups are the original inhabitants of Southeast Asia and consist of the Austro-Asiatic or Mone-Khmer ethnic groups (approximately 25% of the population).

- **‘Highland Lao’** (Sino-Tibetan and Hmong-Iewmien), groups dwelling in the highland areas practicing swidden agriculture and include the Sino-Tibetan and Hmong-Iewmien ethnic groups. Many of these groups are relatively recent arrivals from Southern China and Vietnam and form about 10% of the population. There are also examples of these groups settling in lowland areas.

6. Lao PDR is characterized by a variety of cultural groups. Although their numbers have differed, specialists mostly agree on the following classification: there are four main ethno-linguistic groups, including the majority Lao-Tai which comprises 66 percent of the population. These four groups are further subdivided into 49 officially recognized sub groups, and again into more than 200 smaller groups (See Table 1 for a summary of the main characteristics associated with the four ethno-linguistic groups).
### Table 1: Ethnicity of Population

<table>
<thead>
<tr>
<th>Ethno-Linguistic</th>
<th>Language Family</th>
<th>Summary Characteristics</th>
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<tbody>
<tr>
<td>Tai Kadai</td>
<td>Lao Phoutai</td>
<td>65% of the population, living mostly along the economically vibrant Mekong corridor along the Thai border or in Northern lowlands; settled cultivators or urban dwellers; migrated into Lao PDR since the 13th century; Buddhists.</td>
</tr>
<tr>
<td>Austroasiatic</td>
<td>Mon Khmer</td>
<td>24% of the population, living mainly in highland areas in the North and Central South, smaller groups (Khmu) live also in the Northern lowlands; the most diverse ethnic group and the first one to inhabit large areas of Lao PDR; animist and shifting cultivators; fairly assimilated due to hundreds of years of interaction with Lao-Tai, single communities live in isolation as hunter-gatherers.</td>
</tr>
<tr>
<td>Hmong - Lu Mien</td>
<td>Hmong Yao</td>
<td>8% of the population, living mainly in mid- and upland areas in the North; Hmong is the largest subgroup; animist with strong ancestor cults, although many converted to Christianity; typically shifting cultivators, migrated to Lao PDR in the 19th century.</td>
</tr>
<tr>
<td>Chine – Tibetan</td>
<td>Tibeto Burman</td>
<td>3% of the population, living mainly in poorly-connected upland areas in the North; animist and shifting cultivators; migrated to Lao PDR in the 19th century.</td>
</tr>
</tbody>
</table>

7. Ethnic poverty in Lao PDR still remains concentrated in upland areas inhabited largely by remote ethnic communities. Moreover, the cultural and linguistic differences are greater among many of these upland communities. Actually, often due to their remote location, the ethnic groups have comparatively less access to government services. As such, this higher incidence of poverty makes them more vulnerable socially and economically. Furthermore, even though the quantitative analysis of the Lao Expenditure and Consumption Surveys (LECS) shows that poverty fell from 39 per cent in 1997-98 to 27.6 percent in 2007-08, there still exist wide regional and ethnic discrepancies.

*Rural poverty at 38 percent is far higher than urban poverty at 20 percent, and the majority Lao Tai group have a 19 percent poverty incidence while for the Mon Khmer the figure is more than twice as high at 47 percent.*

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2 LECS4, 2007/2008
Table 2: Ethnic Group Poverty Patterns in Lao PDR, 2007/8

<table>
<thead>
<tr>
<th></th>
<th>% of National Population</th>
<th>Incidence of Poverty Headcount Index (% of pop.)</th>
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<tbody>
<tr>
<td><strong>Total Lao PDR</strong></td>
<td>100.0</td>
<td>27.6</td>
</tr>
<tr>
<td><strong>By Geographic Area</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>31.0</td>
<td>19.7</td>
</tr>
<tr>
<td>Rural</td>
<td>69.0</td>
<td>37.6</td>
</tr>
<tr>
<td>Rural with all-season road</td>
<td>53.4</td>
<td></td>
</tr>
<tr>
<td>Rural without all-season road</td>
<td>46.6</td>
<td></td>
</tr>
<tr>
<td><strong>By Ethnic Group</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lao-Tai</td>
<td>65</td>
<td>19</td>
</tr>
<tr>
<td>Mon-Khmer</td>
<td>24</td>
<td>47</td>
</tr>
<tr>
<td>Hmong-Iu Mien</td>
<td>8</td>
<td>43</td>
</tr>
<tr>
<td>Chine-Tibet</td>
<td>3</td>
<td>42</td>
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</table>

Source: World Bank 2008 based on LECS4

Challenges Faced by Vulnerable Ethnic Groups and the experience under the original project

8. The challenges faced by vulnerable ethnic groups in Lao PDR can be grouped into three areas. The first is linked to transitions taking place in the uplands. Indeed, the market-economy, the changes taking place at the village level (for example mixed villages) and issues related to land use, have a direct impact on ethnic groups’ lifestyles and quality of life; and may contribute to increasing the ethnic groups’ vulnerabilities. In fact, it appears that vulnerable ethnic groups may not be able to make the most out of the market-economy opportunities with women being the least able to. Secondly, institutional changes, such as the creation of the khumban committees, also have a direct impact on vulnerable ethnic groups insofar as they demonstrate the difficulties faced by these groups in accessing information and being represented in decision-making; thus, contributing to negotiation discussions that may be imbalanced. Lastly, the changes mentioned above, also have an impact on traditional gender roles that may lead to persistent gaps between men and women, especially those belonging to vulnerable ethnic groups.

9. Implementation experience of the original project is that, since most subprojects are very small in scale, no major environmental and adverse social impacts have been encountered. Under the original project, seven (7) ethnic groups namely: Lao; Phouthai; Chaly; Ngouane, Tri; and Kri in Component 1 and Makong for Component 2 were found to reside where project activities were implemented. Both Components 1 and 2 conducted public consultations and participatory rapid assessment prior to the commencement of project activities and their broad community support was obtained based on the free, prior and informed consultations. They were participated and supported by the village representatives of the Lao Front for National Construction (LFNC) who translated and explained to the ethnic groups, in the languages of the ethnic groups, the objectives of KDP, planning processes, types of investments and prospective benefits, possible negative impacts and applicable safeguard policies. They were done prior to the commencement of project...
activities and their broad community support was obtained based on the free, prior and informed consultations. Minutes of consultations and findings of participatory rapid assessment were prepared for both Components prior to funding any investments. Under the Component 1 of the original project, it followed the bottom-up approach of identifying and prioritizing investments at the village level as per the project Operational Manual. The “negative list” is developed in the project Operations Manual, which states activities unacceptable to ethnic minorities either in ethnically homogenous or mixed village, or activities that will have adverse impacts on ethnic minorities within the village and/or in neighbouring villages, cannot be funded.

12. As for Component 2 of the original project, all affected households belong to the Makong ethnic group. They participated and involved in consultation-planning meetings; topographic and measurement surveys; construction-implementation and monitoring of the civil works. They were also provided support to re-establish the Water User’s Associations in each irrigation scheme including pilot activities on Sustainable Rice Intensification (SRI).

13. To ensure that all issues and concerns were addressed and resolved, the KDP has utilized the existing government Grievance mechanism within the villages and districts with Committees that represents staff from Lao Front National Construction (LFNC) and Lao Women Union (LWU). As of to date, there were no complaints or issues raised by any ethnic groups during the original project. Ethnic groups fully participated in the planning and implementation processes, and there has not been any subproject that is not acceptable to the majority of villagers involved.

2.2 Legal Framework and Regulations

14. Constitution of Lao PDR, ratified in 1991, uses the term “citizens of all ethnicity” throughout the document. It specifically recognizes the need to incorporate the concerns of ethnic groups in developing policy in all sectors, and has reaffirmed its commitment to strengthen the rights of all ethnic groups in various congresses, conferences, decrees, and laws since the 1980s (Articles 8 and 22). Article 75 of the Constitution specifically indicates that “the Lao language and script are the official language and script.

15. The 1992 Ethnic Minority Policy of the Lao PDR³ towards ethnic minorities identifies three essential tasks: (i) strengthening political foundations, (ii) increased production and opening of channels of distribution in order to convert subsistence-based economics towards market-based economics, and (iii) a focus on the expansion of education, health and other social benefits. Of direct relevance to this Project this 1992 Policy states that the Lao PDR must discourage ethnic minorities from continuing their practices associated with shifting cultivation through arranging for permanent livelihoods for such groups so that the benefits of other forms of agriculture outweigh those associated with shifting cultivation. Basically the Lao PDR considers that many of its upland minorities (and this especially includes the Khmou and Hmong) observe “backward traditions that are reflected in their production lifestyle”. In practice the Lao PDR realizes that it is quite impractical to change all these “backward” practices it attributes to ethnic minority groups because even many Lowland Lao are involved in some forms of upland agriculture.

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³ Known under its full title as Resolution of the Party Central Organization Concerning Ethnic Minority Affairs in the New Era
Section III. Key Issues and Application of EGPF to KDP

3.1 World Bank’s Operational Policy: Indigenous People (OP 4.10)

16. The WB’s Operational Policy 4.10 (Indigenous Peoples) requires that special planning measures be established to protect the interests of ethnic groups with a social and cultural identity distinct from the dominant society that may make them vulnerable to being disadvantaged in the development process.

17. The Policy defines that ethnic groups can be identified in particular geographical areas by the presence in varying degrees of the following characteristics:

(a) a close attachment to ancestral territories and to the natural resources in these areas;
(b) self-identification and identification by others as members of a distinct cultural group;
(c) an indigenous language, often different from the national language; and
(d) presence of customary social and political institutions.

18. As a prerequisite for Project approval, OP 4.10 requires the borrower to conduct free, prior and informed consultations with potentially affected ethnic groups and to establish a pattern of broad community support for the Project and its objectives. It is important to note that the OP 4.10 refers to social groups and communities, and not to individuals. The primary objectives of OP 4.10 are:

- to ensure that such groups are afforded meaningful opportunities to participate in planning that affects them;
- to ensure that opportunities to provide such groups with culturally appropriate benefits are considered; and
- to ensure that any project impacts that adversely affect them are avoided or otherwise minimized and mitigated.

19. In the context of KDP additional financing, the ethnic groups in the Project areas are likely to receive a long term benefits through the continuous support on community investments; agricultural improvement and livelihood activities in target areas. Nonetheless, the EGPF was developed to provide measures to ensure that free, prior and informed consultations would be conducted leading to a broad community support to the project. Should such broad community support not be obtained, the project will not be implemented in areas resided by such ethnic groups. Also, it provides measures so that they will participate in and benefit from the KDP-AF in a culturally appropriate manner; and that any negative impact would be mitigated. Subsections 3.2, 3.3, and 3.4 below describe the activities to be carried out during implementation of KDP Additional Financing.

3.2 Principles and Procedures Applied to KDP-AF and Implementation Experience

20. Implementation experience of the original project is that most subprojects are very small and no major environmental and adverse social impacts were encountered. In addition, these ethnic groups are among the potential beneficiaries and they fully participated in the planning and implementation process and there has not been any subproject that is not
acceptable to the majority of villagers involved. Decisions on the investments and activities are made by villagers themselves, through a negotiation process, and with information provided by Component offices.

21. Each Component offices during implementation of the KDP-AF will continue to ensure that free, prior and informed consultations are undertaken, in a language spoken by, and location convenient for, potentially affected ethnic groups in which their rights and culture are respected. The views of ethnic groups are to be taken into account during preparation and implementation of investments, while respecting their current practices, beliefs and cultural preferences. The outcome of the consultations will be documented into the Project documents. If broad community support is not obtained after free, prior and informed consultations, project activities will not be implemented in the area resided by the ethnic minorities.

22. The responsible local authorities or concerned Component will prepare an Ethnic Group Development Plan (EGDP) for all subprojects in consultation with representatives from ethnic groups and Lao Front for National Construction (LFNC). These will include consultation processes conducted, opinions expressed by participating ethnic minorities and measures that will be taken to ensure so ethnic villagers would receive project benefits in a culturally appropriate manner and address negative impacts that may arise due to the implementation of the project. The EGDP will be disclosed locally.

Section IV. Technical Guidelines for Consultation Framework with Ethnic Groups Affected by Investment

23. Like the original project, the additional financing will continue to incorporate the need to promote a ‘meaningful’ participation by ethnic groups by providing measures to ensure that free, prior and informed consultations would be conducted leading to a broad community support to the project in a culturally appropriate manner. However, in the additional financing, an EGDP would be developed if proposed investments are carried out where ethnic groups are present. The EGDP will be prepared for all subprojects that will include consultation processes conducted, opinions expressed by participating ethnic minorities and measures that will be taken to ensure so ethnic villagers would receive project benefits in a culturally appropriate manner and address negative impacts that may arise due to the implementation of the project. This is to ensure that ethnic groups are (i) consulted in matter relating to each investments, (ii) provided opportunities for participation in decision making related to the investments and demonstrate their to broad community support to investments, and (iii) provided opportunities for participation in KDP activities and benefit from them, should they so desire. The priority investments to be financed under the additional financing will be identified and implemented in line with the principles and procedures of the EGPF. A feedback mechanism will be continuously supervised and monitored. Consultations with and participation of ethnic groups, their leaders and local government officials will be an integral part of the process.

4.1. Preliminary Screening and Participatory Rapid Assessment

- Preliminary Screening

24. The KDP Safeguard Focal Persons to be assigned for each Component will conduct a desk review of existing literature and interview knowledgeable individuals, as the preliminary
ethnic minority screening of respective Components. They will prepare a table of villages in
the project Component area where ethnic groups are known to reside. They will not visit
villages at this stage, however, if project staff visit villages where no Ethnic Groups are
known to reside and find ethnic groups there, such villages will be included in the table and
the relevant Safeguard Focal Person(s) will visit such villages to conduct participatory rapid
assessment.

- **Participatory Rapid Appraisal**

25. In villages where ethnic groups reside, the Component Safeguard Focal Person will
conduct free, prior and informed consultations through a series of meetings, including
separate group meetings: ethnic village chiefs; ethnic men; and ethnic women, especially
those who live in the zone of influence of the proposed work under subproject. Discussions
will focus on investments impacts, positive and negative; and recommendations for design of
investments.

26. Prior to the visit, a notice to the communities and ethnic group informing their leaders
that responsible KDP Component offices and local authorities and consultation will be
conducted on the proposed and identified investments. The notice will request that the
communities invite to the meeting representatives of farmers, ethnic group leaders, Water
User Associations, women associations and village leaders for discussion on the
investments.

27. Responsible local authorities shall conduct a participatory rapid appraisal in order to
determine, among other things, broad community support; barriers for ethnic groups to
receive project benefits in a culturally appropriate manner and measures to overcome the
barriers; and negative impacts that may entail from project activities and measures to
address them.

- **Ethnic Group Development Plan (EGDP)**

28. Based on the consultation meetings and participatory rapid appraisal, responsible local
authorities, together with component safeguard focal person and in coordination with LFNC,
will prepare an Ethnic Group Development Plan (EGDP). The EGDP for all subprojects
affecting ethnic group (positively or negatively) will include, at minimum, the demographic
data of the IP; the description of the methodology and results of the free, prior and informed
consultation meetings; comments provided and negative/positive impacts identified by
participants; measures to address negative impacts and steps to ensure ethnic group receive
projects benefits in a culturally appropriate manner, if relevant. It will be disclosed locally.

29. A series of training will be provided to all implementers and local agencies so
consultations and participatory rapid assessment with Ethnic Groups will be conducted
adequately. The Lao Front for National Construction (LFNC) will be invited as a resource
person to provide training and perspectives of the Government of Lao on ethnic policy in
Laos.
30. The figure below illustrates the process of initial screening through participatory rapid appraisal, and specific steps that will be taken during the process.

4.2. Implementation arrangement

31. KDP Component offices will be responsible for providing training to project staff and local authorities to undertake the work of consultation, screening, social impact assessment, analyses and preparing EGDPs.

32. Each KDP Component offices and local authorities of individual investments are responsible for implementing EGPF (arrange adequate staff and budget).

4.3 Monitoring

33. Implementation of the EGPF will be regularly supervised and monitored by the KDP Component Safeguard Focal Persons to be assigned from each of the 3 Component offices and local authorities of the investment project. The findings and recommendations will be recorded in quarterly reports and to be furnished to the World Bank.

34. Project activities will be subjected to external monitoring by the appropriate agencies and/or an independent qualified consultant to assess if they are implemented in line with the EGPF. The external monitoring agency or consultant should be hired under terms of reference that specify frequency of monitoring, sampling and interviewing methods, and reporting requirements. Monitoring reports should be maintained by project management unit and made available to the World Bank supervision team.
4.4. Schedule

35. The EGPF should have an implementation schedule that is coordinated with the investments implementation. Consultation meetings for investments with ethnic groups should be undertaken before investments designs are finalized. Monitoring should take place at the recommended times during and after civil work.

4.5 Budget

36. A total budget of 40,000US$ would be allocated for training, implementation and monitoring of all safeguard frameworks including the EGPF.

4.6 Reporting/Documentation

37. The consultations and rapid appraisal assessment results will be the basis for preparing EGDP which will be developed if proposed investments are carried out where ethnic groups are present. The EGDP will document the results of consultations that led to broad community support to project activities, possible barriers for ethnic groups to receive project benefits in a culturally appropriate manner, and/or some negative impacts other than those that are addressed under project Resettlement Action Plans. The component offices will prepare and submit the EGDPs to the World Bank for clearance before the implementation of investments begins.

4.7. Transparency and Feedback Mechanism

38. The KDP has set up the Feedback and Mediation Committees (FMC) at the district and provincial levels, composed of concerned departments, local officials, village chiefs, PAP representatives, ethnic groups, women representatives, mass organizations will also act as feedback officers. All feedbacks will be properly documented by both the district authority; village offices; responsible Component offices and addressed through consultations in a transparent manner and in their own local dialect aimed at resolving matters through consensus.

39. It is the purpose of the Feedback and Mediation Mechanism (FMM) is to ensure that the KDP has in place a system to receive feedback from ethnic groups, assuring that their concerns and issues are resolved effectively and expeditiously. Such a system is expected to enable the KDP to be fully responsive to its beneficiary communities and empower the ethnic groups who are the principal target of the KDP.

(a) Integration of Ethnic Group Procedure into KDP process

<table>
<thead>
<tr>
<th>KDP project cycle</th>
<th>Key messages and measures to promote better inclusion of ethnic groups</th>
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<tbody>
<tr>
<td>(1) Introduction of KDP AF concept and training of KDP</td>
<td>KDP Safeguard focal persons inform the local authorities and line agencies on the project development objectives of the project</td>
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**staff, local authorities, volunteers, and communities**

including presentation of the ESMF, CRPF and EGPF.

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<tr>
<td>(2) Assessment and Prioritization of Investments which includes preliminary ethnic minority screening of proposed investments</td>
<td>Local authorities, under the support of Component Safeguard Focal Persons, conducts a free, prior and informed consultations with representatives of Ethnic Groups who reside in areas where project activities are carried out; identify and assess possible positive and negative environmental and social impacts on Ethnic Groups; identify barriers for Ethnic Groups to receive project benefits in a culturally appropriate manner, and seek to establish broad community support to project activities. Explain Feedback Mechanism (FM) to the Ethnic Groups which is detailed in the ESMF, CRPF and EGPF including feedback and mediation handling process.</td>
</tr>
<tr>
<td>(3) Participatory Planning meeting and Rapid Appraisal</td>
<td>This would raise awareness of ethnic groups about their role and responsibility for a sustainable investments including clear understanding of expected negative social and environmental impacts; compensation; voluntary contribution, issues related to required operation and maintenance; and fine-tuning of investment designs taking into account community needs and constraints. Discuss specific actions as required by the policies as applicable to the selected subprojects; inclusion of specific safeguard requirements or Engineering Code of Practice (ECOP) in the bidding and contract document. Screen or identify whether possible land acquisition and resettlement of ethnic groups are required. Identify measures to mitigate the possible impacts as per the CRPF and EGPF. Assigning representative from ethnic groups in the FMC.</td>
</tr>
<tr>
<td>(4) Design and preparation of subproject</td>
<td>Subprojects constructed in targeted villages Supervision and monitoring on performance of safeguards particularly the implementation of EGDP, if any; Land donation or documentation of voluntary contribution as per CRPF process must be completed before construction begins. Concerns and issues of from ethnic groups are addressed through the FMC.</td>
</tr>
<tr>
<td>(5) District meeting to endorse kumban integrated development plan (applicable only to Component 1)</td>
<td>Inform information related to mitigation of potential negative impacts during operation such as road safety, water source protection, Local ethnic interpreters will be mobilized to help with translation and facilitating the ethnic people as deem necessary. IEC materials or visual aids will be developed and used for training ethnic farmers to improve their understanding, if deemed necessary.</td>
</tr>
<tr>
<td>(6) Implementation of sub-projects</td>
<td>Reporting the progress</td>
</tr>
<tr>
<td>(7) Community technical training</td>
<td>Local ethnic interpreters from LFNC will be mobilized to help with translation and facilitating the ethnic group</td>
</tr>
<tr>
<td>(9) Official transfer of infrastructures to communities</td>
<td>EC materials will continue to be used for field visits ethnic people to improve their understanding as necessary</td>
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<td></td>
<td>Ensure representation and participation of ethnic groups at the ceremony.</td>
</tr>
<tr>
<td></td>
<td>Local ethnic interpreters will be mobilized to help with translation and facilitating the ethnic people as deem necessary.</td>
</tr>
</tbody>
</table>

*If broad based consent of Ethnic Groups cannot be established, the project will stop operating.*