Resettlement Plan

IMPROVEMENT OF CANAL AND ROADS ALONG TAN HOA – LO GOM CANAL

PROJECT SECTORIAL NO. 4

April 2009
RESETTLEMENT PLAN

PROJECT SECTORIAL NO.4

IMPROVEMENT OF CANAL AND ROADS ALONG
TAN HOA – LO GOM CANAL

THE CLIENT
HO CHI MINH URBAN UPGRAADING
PROJECT MANAGEMENT UNIT

THE CONSULTANT
THANG LONG INFRASTRUCTURE
DEVELOPMENT JSC.

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DEFINITION OF TERMS

Involuntary Resettlement (IR): (According to definition of Policy OP 4.12 of World Bank): is unavoidable resettlement losses resulted by a development project in which affected people have no option but to rebuild their lives, incomes and asset bases elsewhere.

Resettlement Plan (RP) is a time-bound action plan with resettlement strategy, land acquisition, resettlement compensation, principles, objectives, impact, entitlement, socio-economic survey, policy framework, legal framework, mitigation measures, construction of resettlement areas, compensation costs, allowances, implementation plans of compensation, resettlement implementation arrangement and livelihood restoration after resettlement as well as monitoring and evaluation of plan implementation.

Displaced Persons (DPs) may be an individual, a household, a firm or group who is affected by revocation of land or any assets on the land where a project is carried out.

Compensation means payment in cash or in kind to replace losses of land, housing, income, and other assets caused by land revocation to get project done.

Entitlement defines a right to receive compensation and other assistance funds in resettlement and living rehabilitation program.

Replacement Cost is the method of evaluation of assets that helps determining the amount sufficient to replace for lost assets and relating transaction costs.

(i) For agricultural land, it is the market price of land having equal productive potential or locating in the vicinity of the affected land, plus the cost of any registration and transfer taxes.

(ii) For land in urban areas, it is the pre-displacement market value of equivalent area and using purpose, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.

(iii) For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality equal to or better than those of the affected; or materials used to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors’ fees, plus the cost of any registration and transfer taxes.

To determine the replacement cost, depreciation of asset and the value of salvage materials are calculated, benefits derived from the project are deducted from the valuation of an affected asset.

Census is a data collection technique of completing enumeration of all DPs and their assets through household questionnaire. Census’s objectives are (i) to prepare a complete inventory of DPs and their assets as a basis for compensation, (ii) to identify non-entitled persons, and (iii) to minimize impact of later influx of “outsiders” to project area.
Socio-economic Survey is carried out in order to prepare profile of DPs and to prepare Resettlement Plan (RP). Estimated forty percent (40%) of DPs population is surveyed through household questionnaire. The survey result is used (i) to assess incomes, identify productive activities, and plan for income restoration, (ii) to develop relocation options, and (iii) to develop social preparation phase for vulnerable groups.

Cut-off date determine eligibility for entitlement. It is normally the date census begins. The cut-off date could also be the date the project area was delineated, before the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

Vulnerable Group is defined as the indigenous people, ethnic minorities, the poor, women, children, the old, the disabled, and other socially/economically vulnerable groups who would be adversely affected from a project.

Grievance Redress procedures set out the time frame and mechanism for resolutions of complaints about resettlement from DPs. Grievance redress can be provided through informally constituted local committees with representation from key stakeholder groups. Grievances can also be addressed through formal canals; unresolved grievances will be dealt with at progressively higher levels.
SUMMARY

Introduction
This Resettlement Plan is prepared for Project Sectorial No. 4 under Ho Chi Minh Urban Upgrading Project, Phase 2. The Resettlement Plan will consist of socio-economic results (SES); statistics on project affected assets; the specific methods used to define replacement cost (price unit), the realistic compensation level and the standards; the entitlement policies relating to any add-on impacts defined through the survey; the description of resettlement sites and the rehabilitation programmes or economic/living standard restoration; implementation plan of resettlement activities; and detailed cost estimation. In which, this resettlement plan consists of the principles of policies, entitlements and eligible criteria; implementation; monitoring and evaluation, community participation and consultation and grievance redress mechanism…

Land Acquisition Scale
According to technical design, the project scale will cover improvement works of canals, canal embankments and roads along Tan Hoa – Lo Gom canal in 12 wards under 03 districts (District No.6, 11 and Tan Phu District) of the City. Accordingly, the total required land area is estimated about 86,771 m², which is all residential land.

Total project affected households (DPs) is 2,201 (with 13,206 inhabitants), in which 1,351 DPs with about 8,106 persons are fully affected and shall be displaced and 850 DPs with about 5,100 persons are partly affected by the project.

By screening, almost DPs are Kinh, Hoa people (the Hoa people have been living in District 6, 11 together with Kinh people for years and not be considered as ethnic minority under the definition of the Bank (OP 4.10) so there is no Ethnic Minority (EM) affected by project.

Mitigation Measures
During project preparation, close co-ordination between technical consultant and social consultant (RP Consultant) were required to gain two (02) targets: develop the effectiveness of the invested project and minimize land acquisition through project design.

During socio-economic survey and consultation, the consultant took many measures to minimize the project impacts (through set up proper resettlement and compensation options and make residents consensus to the project), including promulgation and community meetings for introducing project information and roles of residents during project preparation and execution phases. Simultaneously, mitigation methods for temporary impacts during construction was studied and proposed to avoid or minimize these impacts during project implementation in next phase.

Policy Framework and Entitlement
The basic principle applied for the preparation of resettlement plan is that: Displaced persons (DPs) have to be assisted with their best to improve the living standards, their income making
and productivity or at least, to keep their living standards prior to project commencement. Lacking of legal basis of land usage does not bar DPs to have the entitlements of compensation and/or allowance for economic restoration. Affected structures have to be compensated based on the “replacement cost”.

The cut off date of the project is the date when the project investment was approved and announced to the local people, which is 27th February 2004; thus cases arising after this date will be not defined as the project affected objects.

In fact, the project boundary was defined before 27/02/2004 and announced to local people when 415 PMU’s Consultant did project design and conducted community consultations with all project DPs. Furthermore, the project was approved by 27/02/2004, but budget source was not available until the HUUP’s additional financing.

Although the cut-off date is Feb.27, 2004, all DPs appeared in the list of the recent inventory, census and survey in Feb.-March 2009 will be compensated/assisted in accordance with project policies, including the ones, who are newly appeared in the census list compared to the old one of 2004

**Income Rehabilitation Programme**

The Rehabilitation Programme is one of important activities in the implementation process of resettlement and compensation. The project will participate in the City’s 156 Funding Programme (based on Decision 156/2006/QD-UBND dated Oct 27th 2006) which assist DPs in training, income generation, loan for house construction...The programme will apply mostly for relocated DPs.

Furthermore, a Revolving Fund as in Project Component No.5 will partly help residents repair their houses after their land/assets acquired partly (partly affected DPs). Simultaneously, the fund also provides loan for productivity, business, and improving income that help them stabilize their living condition. This Component is currently under progress and managed by The city’s Women Union.

**Institutional Arrangement**

Compensation and Resettlement operation will be under management and monitoring of Project Management Unit (Department of Project Component No.2) and District Compensation and Resettlement Committee (DRC) at district level will directly implement. In the implementation process, the close cooperation among site staffs, DRC, Project Management Unit, commune officers and residential groups as well as coordination with resettlement specialists of the project in process of resettlement and compensation are needed.

**Implementation Schedule**

Resettlement Plan will be implemented along with the construction works and the DPs will be compensated and displaced since June 2009.

**Consultation and Participation**

The entitlement policy in this Resettlement Plan have been prepared with the close co-operation of local authorities, NGOs, and DPs to promote their participation in the preparation and the
implementation of resettlement plan (RP). The local authorities, NGOs, and about over 700 relocated DPs were surveyed by questionnaire. All DPs were invited to participate in consultation meeting for project information dissemination, project social impact and propose some rehabilitation programmes. The information in the consultation is not only useful for preparing this resettlement plan but also for setting up of compensation options in the implementation process.

**Monitoring and Evaluation**

The implementation of the Resettlement Plan will be monitored and examined internally by PMU’s staff. At the same time, an Independent Monitoring Agency will be employed to monitor the implementation of resettlement plan and evaluate the DP’s living standards after resettlement implementation.

**Grievance Redress**

In the implementation process of resettlement plan, the grievances will be settled according to those approved in the RPF. The complaints of all DPs will be solved fairly and quickly by the authorities at the various levels and/or project staffs without any administrative fees for the grievance redress.

**Cost Estimation**

Total estimated cost of resettlement plan is 1,475,000,000,000 VND. This cost includes compensation cost of land and the project affected architectures, the income rehabilitation programs, the transition assistances, the monitoring, evaluation and administrative management and contingency.
ABBREVIATIONS

DED    Detailed Engineering Design
DMS    Detailed Measurement and Survey
DPs    Displaced Persons
DRC    District Resettlement Council
EIA    Environmental Impact Assessment
FS     Feasibility Study
HCM    Ho Chi Minh City
HUUP   Ho Chi Minh Urban Upgrading Project
LIA    Low Income Area
PC     People’s Committee
PMU    Project Management Unit
RP     Resettlement Plan
RPF    Resettlement Policy Framework
SES    Socio-economic Survey
TOR    Terms of Reference
VUUP   Vietnam Urban Upgrading Project
WB     World Bank
1 INTRODUCTION

1.1 PROJECT OVERVIEW

1.1.1 General Introduction

Vietnam is being under industrialization and modernization, so it is unavoidable that urban population has increased rapidly due to impacts of the urbanization. Meanwhile, investment for infrastructures and social services in urban areas has not caught up with demands of people. Low-income residential areas have increasingly occurred with poor and unplanned infrastructures and services, creating the dangers to the environment and public health in large scale. Hence, the GoV pays special attention to improvement with low expenses in order to solve challenges of urbanization in Vietnam.

Socialist Republic of Vietnam received a Credit loan from WB for Vietnam Urban Upgrading Project (VUUP). This project is to improve infrastructures of low-income residential areas (LIAs) which have been developing disorderly in unregulated way and lack of basic service infrastructure. In order to overcome challenges as well as settle environment and health issues not only for local residents but also for the entire city in large scale.

The VUUP helps reduce poverty in urban areas in the project area by increasing approaching capability to better basic infrastructure, housing and services for poor residents in the city. This project is under poverty alleviation and growth promoting strategy of Vietnam.

Ministry of Planning and Investment requested WB to support VUUP with the aim to improve low-income residential areas in some cities, including Ho Chi Minh, Hai Phong, Nam Dinh and Can Tho.

This is the first project in National Urban Upgrading Program to alleviate poverty, supply tertiary infrastructure and support primary and secondary infrastructure for defined low-income residential areas.

Ho Chi Minh city has population of more than 6.5 millions people, in which, about 1/3 of the total population is poor residents living in low-income areas with poor infrastructure. These areas have a big dense population and so it creates big pressures on land, housing, infrastructure and urban services.

Sub-component of Ho Chi Minh Urban Upgrading Project under VUUP is the project contributing to alleviate poverty in urban areas of Ho Chi Minh City by increasing approaching capability to better basic infrastructure, housing, service and environment for poor residents in the city. This project is under poverty alleviation and growth promoting strategy of Vietnam.
**Project Objectives:**

- Alleviate poverty in urban areas.
- Improve infrastructures, living conditions and environments of low income community; increasing living standard of the city.
- Build and develop housing sources for poor residents; provide housing credit for the poor residents in the city.
- Support authorities in house and land management to facilitate process of granting certificates on Housing Possession and Land Using.

The VUUP is executed in 4 cities, including Ho Chi Minh Urban Upgrading Project and similar components (normally 6 ones) for each city. At Ho Chi Minh city, sub-component comprises 6 following components:

**Project Component 1 (Project Sectorial No. 1 & 2):** Upgrading Tertiary Infrastructure and other basic services for Low Income Areas through cooperation programme between the community and local government.

**Project Component 2 (Project Sectorial No. 3, 4, 5 & 6):** Supply and/ or upgrading related Primary and Secondary Infrastructure to connect with upgraded Tertiary Infrastructure.

**Project Component 3 (Project Sectorial No. 7):** Supply houses and/ or blocks with cheap infrastructure price for poorest households under unavoidable resettlement from upgrading process.

**Project Component 4 (Project Sectorial No. 9):** Enhancing capability on house and land management and providing technical assistance to promote administrative management on land.

**Project Component 5 (Project Sectorial No. 8):** Credit loan programme for house improvement. Supply micro-finance to assist PAHs in reconstructing and repairing their houses.

**Project Component 6 (Project Sectorial No. 10):** Capacity building, providing technical assistance, institutional strengthening, capacity building and assisting Ho Chi Minh City’s PMU and local authority in project management.

The construction Investment is carried out for two phases with different LIAs. The project Component No. 2 is the important one, including upgrading secondary infrastructure inside and outside Tan Hoa – Lo Gom basin to support tertiary infrastructure which is being upgraded in selected LIAs under Project Component 1.

Up to now, Ho Chi Minh Urban Upgrading PMU selected consultant whose services will be funded by WB for DED work of secondary drainage culverts and sewage system in TH-LG basin (one part of Component No. 2, phase 1) directing the main carnal and this assignment has been finished. Designed construction works will be funded by WB. In order to carry out Primary infrastructure works in TH-LG basin (other parts of Component 2, phase 1), in which, improvement of primary carnal alignment is carried out, including enlarging, establish upstream culverts, embankment and providing approach roads and entertainment and amusement areas which have not been defined for sponsor. However, DED and bidding document preparation will be selected by Consultant through using the City’s budget. In addition, one budget amount of the city will be provided for EIA and RP. These two works will be implemented at the same time in coordination with DED Consultant.
The Ho Chi Minh Sub-project will be implemented in 2 phases. This assignments is in phase 1 but works will be carried out in phase 1 and phase 2. F/S report for improvement of the entire Tan Hoa -Lo Gom basin, including primary and secondary infrastructure works was completed in September 2003 (called as F/S for THLG urban upgrading and sanitation, sponsored by organization board (Belgium Technical Cooperation Team) and managed by PMU No.415. This study was assessed in aspect of feasibility and comprises preliminary technical design for combined culverts/ drain systems of Primary and Secondary of the whole basin; main improvements for this canal alignment, approach roads along canal and landscaping and amusement works; flow separating holes, sewage collection culvert and waste water pump station; waste water treatment and discharging options. The study also mentions assessments on compensation and resettlement demands of PAHs and conduct large scale community consultation meeting.

1.1.2 The Project Sectorial No. 4

LIAs mainly focus in districts of Tan Hoa – Lo Gom basin. This is the basin with poor sanitation and drainage system and easily flooded with water. Some households have legal DPs and almost households do not have. Their houses were built along cannal embankment, when implementing the project, many households must relocate for improving cannals and roads along canal embankment.

Tan Hoa – Lo Gom cannal alignment is located in the south-west of the city, expanding from the north to the south through 4 districts: Tan Binh District (Bau Cat area), Tan Phu District, District No. 11 and District No. 6. Final part of this cannal alignment is connected with Tau Hu cannal. Total population of this basin is about 750,000 people. The length of Tan Hoa – Lo Gom basin is 7.4 km. Initially, this is a small drainage pipeline with the length of about 3.5 km, discharging into Lo Gom cannal of 4km. Bordering to Tau Hu cannal, this cannal alignment is about 60m wide and 3m deep. This basin comprises commercial and industrial bases and series of buildings, including sky-scrapers and low-roofed houses.

In project preparation phase, initial surveys were implemented to define and prepare map of LIAs in the city and collect some socio-economic data as well as information on infrastructure and houses. Information results of LIAs in Component No.1 which were constructed in phase 1 (in Tan Hoa – Lo Gom basin) from December 2004 were studied. Tertiary infrastructure works of these LIAs will be connected with Secondary and Tertiary system and then connected to Primary infrastructure works in Tan Hoa – Lo Gom basin.

Designed main infrastructure works includes:

(1). Construction, improvement and upgrading of embankments and dredging canals:

Improving and upgrading canal (Sta. 0m - 4365m): including dredging, adjusting alignment, construction of embankments and bridges:

- THLG canal, opened canal, type 1: quantity of 7480m
- THLG canal, opened canal, type 2: quantity of 1250m
- Dredging and removal of sludge: quantity of 51400m³
- Bau Trau canal, opened canal, type 1: quantity of 4888m
- Ba Lai canal – Box culvert 2x4m: 178m
- Ba Lai canal – Box culvert 2x6m: 125m

**Improving and upgrading canal (Sta. 4365m - 7450m):** including dredging and installing box culverts:
- Box culvert, 2,5m x 4m: quantity of 355m
- Box culvert 2,5m x 6m: quantity of 745m
- Box culvert 2,5m x 8m: quantity of 1040m
- Box culvert 3m x 10m: quantity of 945m

(2). **Improving and constructing canal and canal embankment:**

**Upgrading canal (Sta. 0m - 4365m):** including approach road along canal canal, entertainment areas and parks, including:
- Entertainment area: quantity of 25.828m
- Approach road along canal embankment (13m wide) along canal alignment, quantity of 49.053m²
- Approach road along canal embankment (20m wide at maximum) along canal alignment, quantity of 18.510m²
- Park: quantity of 19.568m²

**Canal and canal embankment (Sta. 4365m - 7450m):** including approach road along canal canal, entertainment areas and parks, including:
- Entertainment area: need further updated
- Approach road along canal embankment (13m wide) along canal alignment, quantity of 14.401m²
- Approach road along canal embankment (20m wide at maximum) along canal alignment, quantity of 50.992m²
- Park: quantity of 2.370m²

(3). **Drain water separating holes (CSOs)** is expected to be included in canal and canal embankment sub-component of infrastructure component to facilitate management and detailed design of this sub-component.

Study scale of the project is defined in 03 districts: District No. 6, Tan Phu District and District No. 11. According to proposal in project F/S, Sub-component No. 4 will be implemented in 12 wards of 03 districts, including:

- District No. 6: ward No. 5,7,8,9,10, 11,12, and 14
- Tan Phu District: Phu Trung, Hoa Thanh and Tan Thoi Hoa wards
- Districts No.11 : ward No.3
1.2 CENSUS

During the period from 12th February 2009 to 28th February 2009, the resettlement consultants conducted a socio-economic survey and inventory of all affected land/assets. Accordingly, about 40% DPs (around 800 households) were socio-economic investigated, about 100% DPs participated in community consultation meeting in which about over 700 households were recorded in the list of participants of the consultation meeting. ..

Socio-economic survey results as well as census results on affected assets are shown in next parts (Article 3.2) on the report.
2.1 OBJECTIVES

The first principle in the policy framework agreed by WB is avoiding or mitigating impacts on resettlement and taking of land. In case it is not feasible to avoid settlement, mitigation measures and/or reasonable compensation should be applied for DPs.

According to agreement and principles for implementation of urban upgrading project, it is necessary to minimize resettlement and land acquisition. Designed consultancy agencies, PMU and related authorities have made many efforts to minimize impacts on land acquisition for design phase and investment report completion phase for the project; therefore, impact scale on resettlement is limited.

Impacts on land acquisition are unavoidable due to the necessity of land acquisition for improving existing system of canals/road along the canal in District of 6, 11 and District Tan Phu. Wide range consultation between designed consultancy group and local authority, public organizations & DPs was carried out to minimize impacts caused by resettlement process. Agreed principles and instructions are considered as efforts to select optimal options and solutions in order to avoid moving residents from their existing shelters.

2.2 MITIGATION METHODS

The RP consultant studied the project detailed engineering design (DED) and defined that design consultant had made efforts to minimize project impacts. Accordingly, proposed design option is to get the following targets: (i) to improve primary drainage system to promote the effective connection of Secondary and Tertiary (project sectorial No. 3) and project sectorial No. 1; (ii) to ensure public health (sanitation conditions) and safety conditions on legal residence. The project follows principles of WB on improving current conditions, not newly constructing for planning standard of waterway sector. Dividing upstream in parts to make arrangement of traffic road over box culverts is also an option which helps limit land acquisition scale of resettlement areas along Tan Hoa – Lo Gom canal.

Therefore, in order to minimize impacts of these households, including partly affected households and those attributable indirectly to the project, the consultancy group took the following mitigation methods:

1. **Firstly**, the first action to minimize project impacts is helping households to get information on location and interests of the project as well as its impacts in order to
establish a suitable policy framework for minimizing impacts. On the other hand, if households are provided with those information, they will have spiritual and physical preparation for expected project impacts. The consultancy group carried out a community consultancy in the project area to (i) propagandize the project information and (ii) inform some expected impacts as well as land acquisition and resettlement compensation methods. After receiving information, residents generally supported the project and hoped the project would be soon executed to solve the flooding situation in the local area.

2. Secondly, improvement options of Tan Hoa – Lo Gom canal were studied and proposed to minimize impacts through option of box culvert construction and creating upper traffic lane (the location in Tan Phu District and District No.11 area). Where it is feasible for land acquisition, the project will be executed and canal will be opened (District No.6).

3. Finally, the resettlement consultant discussed with PMU’s technical groups to assess and determine project impacts and establish criteria for minimizing impacts during construction process such as setting up working safety plan (when construction activities are done next to residential areas), making proper arrangement of materials and instruments (project information signs, separators with residential areas, etc.), and preparation of construction schedule in order to minimize temporary impacts.

Through above mitigation methods, in detailed technical design phase, consultancy group will present detailed mitigation options in accordance with detailed design of each component and each location in the project area.
3.1 LAND ACQUISITION SCOPE

3.1.1 Project Map

According to the scale defined in technical design, the project sectorial No.4 will be designed and executed in 12 wards of 03 districts (out of 24 districts) in Ho Chi Minh City. Some main features of districts will be shown as below:
IMPROVEMENT OF CANAL AND ROADS ALONG TAN HOA – LO GOM CANAL
3.1.2 Overview of Project Impacts

This RP points out social impacts of improving canals, canal embankment and road along canal under project sectorial No.4, Ho Chi Minh Urban Upgrading Project. These systems will be directly connected to LIAs of project sectorial No.1 (through on-going Primary and Secondary infrastructure works of project sectorial No.2&3). Based on design standard, most important social impacts of the Project are as follows:

① Regarding impacts on land, there are totally 2,201 DPs (with 13,206 persons), in which, 1,351 households are fully affected for the purpose of project implementation; 850 households are partly affected;

② Regarding impacts on houses and architectural objects, all DPs will have affected houses and architectural objects;

③ There is no case whose agricultural land is affected.

④ Environmental impacts due to noise increase and air quality decrease during construction process.

⑤ Temporary construction brings impacts on traffic means and passers-by during construction process.

DPs will be fully compensated and assisted in accordance with RPF agreed between Vietnamese Government and WB.

Affected Areas

According to the project DED, the project will be executed in 03 districts within the city (including District No.6, 11 and Tan Phu District) and 12 wards:

⑨ District No.6: ward No. 5,7,8,9,10, 11,12 and 14

⑨ Tan Phu District: Phu Trung, Hoa Thanh and Tan Thoi Binh wards

⑨ District No.11: ward No. 3

Due diligence report of Tan Binh district: a part of the TH-LG canal inside Tan Binh district has been cleared and the civil work has been being conducted. There were 26 HHs partly affected. The compensation was completed in July, 2008 with the total compensation cost of VND 1.7 bill. All the DPs have repaired the houses and stabilized the living and were happy with the compensation. The Bank resettlement specialist has visited the site, talked to some DPs to confirm the finding.

Scope of Land Acquisition

Regarding project impact scope, some impacts may be listed as follows:
Residential land: it is estimated 86,771 m² of residential land to be affected by the project; residential land area is mainly house land, yard, auxiliary work area (on/next to canals and drains);

House/Architectures: it is estimated 58,244 m² of housing area will be affected; these are mainly temporary houses or auxiliary utilities, yards, etc... These affected houses are those occupying canal bed; the houses are mainly 4th grade and temporary ones. And some others are permanent structure.

Public land: in addition to living land of households, the project will have affects on 15,672 m² of public land; this land is managed by ward's PC.

Religious/Culture Work land: two small shrines, one oratory and three pagoda are affected, which all related agencies held meeting to mitigate their impacts.

Displaced Persons (DPs)

According to the census, there are 2,201 households with 13,206 persons who will be affected by the project, in which:

- Wholly affected (relocated Displaced households): 1,351 households
- Partly affected: 850 households
- Business affected: 284 households

3.2 PROJECT INFORMATION

According to survey results, the project sectorial No.4 will be implemented in (03) district within the Ho Chi Minh city, including District No.6, District No.11 and Tan Phu District, some basic information on above districts is shown as below:

3.2.1. General Information

Overview on current geographical and socio-economic situation at project wards in District No.6, 11 and Tan Phu districts is shown above. Besides, we also carried out SES of sub-component No.4 in all project wards (ward No.5,7,8,9,10,11,12 & 14 of District No.6; Hoa Thanh, Tan Thoi Hoa and Phu Trung of Tan Phu District; and ward No.3 of District No.11). Selected samples are as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>District</th>
<th>Project ward</th>
<th>Number of PAHS (households)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>District No. 6</td>
<td>Ward No. 5</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 7</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 8</td>
<td>69</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 9</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 10</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 11</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 12</td>
<td>43</td>
</tr>
</tbody>
</table>
Total 2,201 households (with 13,206 persons) will be affected by the project, by which averagely around 6 persons per household.

**Household Size:** there are many sub-households in a house/ family with many members, in which, about 79.6% households with 01 sub-household, 13.6% with 02 sub-households and 5.3% with 3-4 households.

### Table 2: Household Sizes

<table>
<thead>
<tr>
<th>No</th>
<th>Number of HHs</th>
<th>Quantity</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>One (01) HH in a house</td>
<td>573.0</td>
<td>79.6</td>
</tr>
<tr>
<td>2</td>
<td>Two (02) HHs in a house</td>
<td>98.0</td>
<td>13.6</td>
</tr>
<tr>
<td>3</td>
<td>Three (03) HHs in a house</td>
<td>26.0</td>
<td>3.6</td>
</tr>
<tr>
<td>4</td>
<td>Four (04) HHs in a house</td>
<td>12.0</td>
<td>1.7</td>
</tr>
<tr>
<td>5</td>
<td>Five (05) HHs in a house</td>
<td>7.0</td>
<td>1.0</td>
</tr>
<tr>
<td>6</td>
<td>Six (06) HHs in a house</td>
<td>2.0</td>
<td>0.3</td>
</tr>
<tr>
<td>7</td>
<td>Eight (08) HHs in a house</td>
<td>2.0</td>
<td>0.3</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>720</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Person per households:** about 9.7% households with 1-2 persons/a household, 44.4% households with 3–5 persons per household, 32.8% households with 6-10 persons per household, 13.1% households with over 10 persons per household. So each household has 6.3 persons in average.

**Education:** About 20% is primary school, about 24% secondary schools, about 32% high school and 24% colleague and university. The households whose children leave primary school are about 10% and secondary are 6.7% and no illiteracy case.

**Occupation and Income:** Household’s occupation are: 87.1% officers (employed by state or private sectors), and 12.9 % self employed (of which 78.7% small business, 9.3% wasted material traders and 12% personal production). About the capita’s income, income per person is rather good, only about 0.4% of households having income per capita under one mil. VND per month (under poverty line)\(^1\)

### Table 3: Summary of Capita’s Income per month

\(^1\) Poverty line in Ho Chi Minh City are under 12 millions VND/person/year (for period from 2009-2015)
Expenditure: the person’s expenditure are around 3-10 mil per person/months (around 80%), because Ho Chi Minh City is one of the biggest city in Viet Nam, significant commercial transaction and high expense...The expenditure is shown as:

Table 4: Summary of Capita’s Expenditure (capita per month)

<table>
<thead>
<tr>
<th>No</th>
<th>Expenditure per capita/month</th>
<th>Quantity</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Under 1.mil per month</td>
<td>15</td>
<td>2.08</td>
</tr>
<tr>
<td>2</td>
<td>From 1-3 .mil per month</td>
<td>197</td>
<td>27.36</td>
</tr>
<tr>
<td>3</td>
<td>From 3-5 .mil per month</td>
<td>195</td>
<td>27.08</td>
</tr>
<tr>
<td>4</td>
<td>From 5-10 .mil per month</td>
<td>234</td>
<td>32.5.0</td>
</tr>
<tr>
<td>5</td>
<td>Over 10.mil per month</td>
<td>79</td>
<td>10.97</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>720</td>
<td>100%</td>
</tr>
</tbody>
</table>

3.2.2. Status of Affected Land/House

Living Period: almost households have lived in the project area for a long time (before year 18/12/1980), about 50.8%. The rests, about 32.9% households arrived to live in current addresses before 15th October 1993, and 16.3% households arrived to live in current addresses after 15th October 1993.

Residential Status: based on survey, almost DPs have been legally living along the Tan Hoa-Lo Gom canal for years. They had BOLURC and red book record (KT1,2 &3), rarely temporary residences (KT 4). Of which, some areas (of each household’s land) are encroached the canal and/or canal’s ROW which are not entitled to be compensated for land, but assisted.

Land Status: all households have been living for years with their Land Use Right Certificate (LURC) for their main residential land, except for their encroaching upon the side of the TH-LG canal.

Housing Ownership: almost houses have been built before year 2004. The housing ownership in the project area is as follows.

Table 5: Summary of Housing Ownership

<table>
<thead>
<tr>
<th>No</th>
<th>Category</th>
<th>Quantity</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Building Permission</td>
<td>481</td>
<td>51.4</td>
</tr>
<tr>
<td>2</td>
<td>Building to be certificated</td>
<td>49</td>
<td>6.8</td>
</tr>
</tbody>
</table>
3.2.3. Social Infrastructures

**Water supply:** There are two using modes of clean water in this area: (i) having tap-water for use with separated water meters (78%) and (ii) buying tap-water for use or connecting to use (7.4%). The rate of households using water from drilled wells or deep wells is 14.6%.

**Power:** Households in the project area are supplied with electricity (100%), with about 85% households having their own watt-hour meters and 15% households use power sharing watt-hour meters.

**Phone:** About 75% having fixed telephone and 90% hand phones.

**Sanitation equipment:** About 95% households have toilets, of which about 72% toilets are connected with septic tank and 28% connected with public drainage system or directly discharge to the Tan Hoa – Lo Gom canal.

**Solid Waste Collection:** About 97% households using urban rubbish collecting service, others throw their rubbish out to the canal.

**Flooding:** About 30% households living along the canal have been flooded at the year end. In which, population in ward No.6, district 6 are suffering severe environmental impacts due to flooding situation of Tan Hoa – Lo Gom canal.

### 3.3 STATISTICS OF AFFECTED ASSETS

Based on DED, some impact on land acquisition in project as following:

- **Canal – Canal Embankment:** Total length of improved canal is expected to be 7.4 (km) with embankment on two sides of canals.
- **Canal Dredging:** Total quantity of dredged sludge is about 415.000 (m³)
- **Road:** Total length of the road which is expected to be implemented is 11.815 (m), include road of 30m, 20m, 13m width on box culvert; and road of 13m, 6m width along canal.
- **Bridges:** It is expected to newly build 10 bridges, including: 4 pedestrian bridges, 2 bridges for light trucks; 4 bridges for all types of vehicles (Tan Hoa, Dang Nguyen Can, Bau Trau and Dam Sen bridges).
- **Landscaping Areas:** there are 4 landscaping areas with the total land area of 14.120 m², be arranged along two sides of canal.

For above-mentioned items, investment scale will be presented as below:
Based on typical sections of above-mentioned items, some impacts of land recovery and architectural works/objects in project area are presented as follows:

### 3.3.1 Affects on Resident Land Acquisition

The DPs have mainly land affects. These houses are living along Tan Hoa – Lo Gom canal with the land affect level as below:

**Table 6: Summary of Impacts on Residential Land**

<table>
<thead>
<tr>
<th>No.</th>
<th>District</th>
<th>Project wards</th>
<th>Number of DPs</th>
<th>Affected square area (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Partly</td>
<td>Wholly</td>
</tr>
<tr>
<td>1</td>
<td>District No. 6</td>
<td>Ward No. 5</td>
<td>25</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 7</td>
<td>56</td>
<td>248</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 8</td>
<td>57</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 9</td>
<td>85</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 10</td>
<td>14</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 11</td>
<td>100</td>
<td>312</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 12</td>
<td>70</td>
<td>309</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 14</td>
<td>122</td>
<td>118</td>
</tr>
</tbody>
</table>

*Đoàn 1 (A-F): Đường dọc kênh hồ
  + Lý trình: Km0+000-Km4+365
  + Tổng chiều dài: L=4,365Km
  + Mật cột thủy đội từ 6m-13m

*Đoàn 2 (F-I): Đường trên cống hợp BT
  + Lý trình : Km4+365-Km4+450
  + Tổng chiều dài : L=0,085Km
  + Mật cột thủy đội từ 13m - 30m
### 3.3.2 Affects on Houses and Architectures

Impacts on houses and architecture who’s living along Tan Hoa – Lo Gom carnal are presented as follows:

**Table 7: Summary of Impacts on Houses/Architectures**

<table>
<thead>
<tr>
<th>No.</th>
<th>District</th>
<th>Project wards</th>
<th>Number of DPs</th>
<th>Affected square area (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Partly</td>
<td>Wholly</td>
</tr>
<tr>
<td>1</td>
<td>District No. 6</td>
<td>Ward No. 5</td>
<td>25</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 7</td>
<td>56</td>
<td>248</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 8</td>
<td>57</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 9</td>
<td>85</td>
<td>150</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Ward No. 10</td>
<td>14</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 11</td>
<td>100</td>
<td>312</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 12</td>
<td>70</td>
<td>309</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward No. 14</td>
<td>122</td>
<td>118</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Ward No. Tan Phu district</td>
<td>Hoa Thanh Ward</td>
<td>99</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tan Thoi Hoa ward</td>
<td>59</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Phu Trong ward</td>
<td>162</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>District No. 11</td>
<td>Ward No. 3</td>
<td>1</td>
<td>51</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TOTAL</td>
<td>850</td>
<td>1,351</td>
</tr>
</tbody>
</table>
3.3.3 Affects on Crop/Plants

In the project, there are a little case with affects on crop/plants and agricultural land because the project is mainly located in the urban area, except some cases in which plants and trees are located along carmal. However, this affected quantity is not remarkably seen and the plant managed by Ward PC (public plants/trees).

3.3.4 Affects on Public ² and Religious/Culture Work

In the project, some public works such as village’s Community Room, Night-Watchman are to be affected. Besides, there are some religious/cultural works also affected by the project which PMU as well as the local authorities have consulted with representatives of these properties - affected religious sites and have reached to a final agreement as following:

- Three (03) cultural structures will be directly affected including Thao Duong Thien Tu Pagoda (at ward 12, district 6) – partly affected; Ngu Hanh shrine (at ward 12 district 6) – fully affected and must be removed; Binh Long shrine (at ward 8 district 6) – fully affected and must be removed.

- Other buildings outside project area, which will be affected environmentally including: Hanh Nguyen Pagoda (its back yard is next to the project boundary); Cao Dai oratory (over 100m away from the project boundary); Thien Truc pagoda (over 300m away from the project area and behind Thao Duong Thien Tu pagoda).

Description of affected religious/cultural works

Thao Duong Thien Tu pagoda is under the management of Buddhist Union of Vietnam, its area is around 700m with yards, sanctum and auxiliary structures serving for daily activities.

Ngu Hanh shrine and Binh Long shrine: small and simple structures with total area under 6m. There are no people living inside, some living near these shrine carry out the cleaning and incense. These small buildings are served for religious belief of the local communities and travellers, so they are not under any management. Local communities will assign authorized persons for carrying out the removement and arrangement for celebrations yearly. Religious activities are not professional as Thao Duong Thien Tu pagoda.

Measure of improvement:

For Ngu Hanh shrine and Binh Long shrine: they will be removed to another sites near to the previous place. The Ward PCs also commit to arrange other space nearby for re-building the new shrines for their religious reason in agreement with the local community.

For Thao Duong Thien Tu pagoda: The most affected pagoda is “Thao Duong Thien Tu” with total affected area of over 400m² and the pagoda’s wholly front – yard, and a part of centre chamber area will be acquired. However, the impact will not affect to the pagoda structure. A public consultation amongst the pagoda’s representatives and project agencies (consists of

² Note: List of public works (electric columns, lighting columns) and underground utilities (for example, water supply/drainage pipe, communication cables, etc) which needs to be relocated for construction implementation is not in this report scale.
Resettlement Plan

Ho Chi Minh Urban Upgrading Project – Project Sectorial No. 4

Infra-Thanglong

PPMU, Ward PC, CRC and the Consultant) has been held in the pagoda. Some pagoda rehabilitation options have been discussed seriously; the pagoda representatives expressed their consensus to the project implementation and expect that the project owner and Ward PC will assist the pagoda’s rehabilitation as in following:

(i) **Option 1:** adjust the technical design that mitigates the land acquisition impact on the pagoda land/assets which affect on only the front yard, not the centre chamber.

(ii) **Option 2:** partly impact on the pagoda’s land which to be compensated by “land for land” that mean, a correlative area owned by household whose are living back of the pagoda will be acquired for the pagoda by project. Though the options, the household land will be taken under the city regulation currently in addition to assistances from the pagoda (in case of the affected population’s in consensus). The pagoda also stated that, costs for rebuilding the affected structures will be funded by the pagoda themselves.

(iii) **Option 3:** Relocating the pagoda: the project owner and Ward PC assist to arrange a new space for building a new pagoda.

(iv) **Option 4:** Rebuilding the pagoda on the remaining area (about over 300m2) with a block of eight (08) floors.

Finally, the option 4 is selected. It means that pagoda will be upgraded up to 8 floors in order to have enough space for its activities. Picture of current pagoda is shown bellow:

![Current Pagoda Image](image-url)

**Compensation and Assistances**

All of these affected structures will be compensated and fully assisted by using the replacement cost for affected parts. Compensation cost will be paid to the administrative board of these religious structures. At present, it is estimated that the compensation cost for these structure is about 2.5 billion VND (two billion and five hundred million VND).

Once the project is approved, an appraisal organization will be hired to evaluate replacement cost again to be legal basis for replacement compensation to ensure the affected pagoda and shrines be fully compensated and assisted to be restored.
## Summary of Land/Architecture Acquisition

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Type of affect</th>
<th>Number of households</th>
<th>Number of Persons</th>
<th>Affect on land (m²)</th>
<th>Affect on house (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Partly</td>
<td>Wholly</td>
<td></td>
<td>Residential land</td>
<td>Public Land</td>
</tr>
<tr>
<td>1</td>
<td>District No. 6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Ward No. 5</td>
<td>25</td>
<td>4</td>
<td>29</td>
<td>175</td>
<td>456</td>
</tr>
<tr>
<td>2</td>
<td>Ward No. 7</td>
<td>56</td>
<td>248</td>
<td>304</td>
<td>1,803</td>
<td>9,682</td>
</tr>
<tr>
<td>3</td>
<td>Ward No. 8</td>
<td>57</td>
<td>76</td>
<td>133</td>
<td>828</td>
<td>3,441</td>
</tr>
<tr>
<td>4</td>
<td>Ward No. 9</td>
<td>85</td>
<td>150</td>
<td>235</td>
<td>1,369</td>
<td>9,090</td>
</tr>
<tr>
<td>5</td>
<td>Ward No. 10</td>
<td>14</td>
<td>53</td>
<td>67</td>
<td>388</td>
<td>5,235</td>
</tr>
<tr>
<td>6</td>
<td>Ward No. 11</td>
<td>100</td>
<td>312</td>
<td>412</td>
<td>2,662</td>
<td>17,224</td>
</tr>
<tr>
<td>7</td>
<td>Ward No. 12</td>
<td>70</td>
<td>309</td>
<td>379</td>
<td>2,389</td>
<td>10,670</td>
</tr>
<tr>
<td>8</td>
<td>Ward No. 14</td>
<td>122</td>
<td>118</td>
<td>240</td>
<td>1,440</td>
<td>12,064</td>
</tr>
<tr>
<td>1</td>
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<tr>
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<td>4,055</td>
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<td>Tan Phu District</td>
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<tr>
<td>10</td>
<td>Hoa Thanh Ward</td>
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<td>103</td>
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<td>2,876</td>
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<tr>
<td>11</td>
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<td>306</td>
<td>7,069</td>
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<tr>
<td>12</td>
<td>Phu Trung Ward</td>
<td>162</td>
<td>16</td>
<td>178</td>
<td>914</td>
<td>4,908</td>
</tr>
<tr>
<td></td>
<td>TOTAL 850</td>
<td>1,351</td>
<td>2,201</td>
<td>13,206</td>
<td>86,771</td>
<td>15,672</td>
</tr>
</tbody>
</table>
POLSICY FRAMEWORK AND ENTITLEMENT

4.1 POLICY FRAMEWORK

4.1.1 Legal Framework

In compliance with instructions of Ho Chi Minh People’s Committee on implementing next steps and finalizing Resettlement Plan (RP) in accordance with current regulations in order to create basic for implementation of compensation and land acquisition for the project as well as basic for RP based on the following legal documents:

Policies of Vietnamese Government: Some policies applied in this RP are defined and listed as follows:

- Revised Land Law on 26th November 2003;
- Government’s Decree No. 181/2004/NĐ-CP issued on 29th October 2004 regarding guidance on implementation of the Land Law in 2003;
- Government’s Decree No. 197/2004/NĐ-CP issued on 3rd November 2004 on compensation, assistance and resettlement when land is acquired by the State;
- Ministry of Finance (MOF)’s Circular No. 116/2004/TT-BTC issued on 7th December 2004 regarding guidance on implementation of Decree No.197/2004/NĐ-CP;
- MOF’s Circular No. Circular No. 69/2006/TT-BTC on amendments and additions to MOF’s Circular No. 116/2004/TT-BTC issued on 7th December 2004 regarding guidance on implementation of Decree No.197/2004/NĐ-CP on compensation, assistance and resettlement when land is acquired by the State;
- Government’s Decree No. 188/2004/NĐ-CP issued on 16th November 2004 regarding methods of determining land prices and price frame of land of different categories;
- MOF’s Circular No. 114/2004/TT-BTC issued on 26th November 2004 regarding guidance on implementation of Decree No. 188/NĐ-CP;
- Government’s Decree No. 198/2004/NĐ-CP issued on 3rd December 2004 on collection of land use levies;
- MOF’s Circular No. 117/2004/TT-BTC issued on 7th December 2004 regarding guidance on implementation of Decree No. 198/2004/NĐ-CP;
Government’s Decree No. 17/2006/NĐ-CP issued on 27th January 2006 on amendments and additions to some articles of decrees on implementation of the Land Law and Decree No. 187/2004/NĐ – CP on changing state-owned company into joint stock company;

Government’s Decree No. 84/2007/NĐ-CP issued on 25th May 2007 regarding additional regulations on granting land using certificate, land acquisition, implementation of land using, procedures for compensation, assistance and resettlement when the State retrieves land and settle complaints on land;


Ministry of Natural Resources and Environment (MONRE)’S Circular No. 06/2007/TT - BTNMT issued on 15th June 2007 regarding guidance on implementation of Government’s Decree No. 84/2007/NĐ-CP issued on 25th May 2007 regarding additional regulations on granting land using certificate, land acquisition, implementation of land using, procedures for compensation, assistance and resettlement when the State retrieves land and settles complaints on land;


Circular No. 05/BXD/DT issued on 9th February 1993 regarding house classification;

Decision No. 17/2008/QĐ-UBND dated 14th March 2008 regarding issuance of regulations on compensation, assistance and resettlement when land is acquired by the State in Ho Chi Minh city; and Decision No. 65/2008/QĐ-UBND dated 18th August 2008 regarding additions and amendments to Decision No. 17/2008/QĐ-UBND dated 14th March 2008 regarding issuance of regulations on compensation, assistance and resettlement when land is acquired by the State in Ho Chi Minh city;


Decision No. 89/2008/QĐ-UBND dated 20th December 2008 regarding promulgation of prices of all land types in Ho Chi Minh city;

Decision No. 156/2006/QĐ-UBND dated 27th October 2006 on establishment of fund for training and solving jobs for DPs for projects implementation in the city;

Decision No. 118/2008/QĐ-UBND dated 10th September 2008 on purchase and selling of complete apartments and land foundation transfer with technical infrastructure for the
purpose of resettlement arrangement when land is acquired by the State in the city; and Decision No. 47/2008/QĐ-UBND dated 09th June 2008 regarding additions and amendments to some articles of Decision No. 118/2008/QĐ-UBND dated 10th September 2007 on purchase and selling of complete apartments and land foundation transfer with technical infrastructure for the purpose of resettlement arrangement when land is acquired by the State in the city.

- Other related documents.

Apart from Vietnamese Government’s policies, this RP is also prepared in compliance with the following documents:

- Guideline for implementation of resettlement Plan for Vietnam Urban Upgrading Project;
- Guideline of World Bank on Involuntary Resettlement Safeguard Policy;

4.1.2 Compensation Policy

This RP is prepared based on regulations of Resettlement Policy Framework of the Project, regulations of Vietnamese Government and guideline of World Bank on Involuntary Resettlement Policy. However, in RPF which was approved by Vietnamese Government on 4th November 2003, there are many changes in some policies and guideline of both Vietnamese Government and the Sponsor. Hence, that this RP shall comply with regulations in Project Resettlement Policy Framework with updating latest regulations/policies to ensure the conformity with current situations and it is ensured that general principles of the RPF are remaining the same.

4.2 CRITERIA FOR ELIGIBILITY AND COMPENSATION

4.2.1 Project Principles

Basic principles applied for this RP is that affected persons shall be provided with assistance in efforts to improve their livelihood, income and productivity or at least, to keep their living standards prior to project commencement. Lack of legal basic shall not prevent DPs from receiving compensation and/or support for economic restoration. Affected assets shall be compensated based on Replacement Cost.

(a) All Project Affected Persons (DPs) will be compensated and/or rehabilitated disregarding land tenure status.

(b) Resettlement, rehabilitation and compensation programs should improve, or at minimum maintain the DPs pre-Project living standards and warrant their participation in Project benefits.

(c) Resettlement and land acquisition will be minimized as much as possible, by exploring all feasible alternatives.
(d) Compensation and rehabilitation will be provided as a substitution, or replacement cost paid without depreciation.

(e) The DPs will be provided full assistance for transportation and will be given a relocation allowance in addition to the compensation at replacement costs of their houses, lands and other properties.

(f) Resettlement plans will be implemented in consultation with the DPs. In the resettlement area, community infrastructure and services will be built and improved, so that the DPs will have access to these services. Financial and institutional services will be arranged for credit and other activities associated with resettlement.

(g) Effective and timely design, planning and implementation of resettlement and rehabilitation measures will be carried out to avoid unnecessary delays and the consequent inconveniences to the DPs. In addition, institutional arrangements will be made for internal and external monitoring of all important resettlement activities.

(h) Resettlement, compensation and rehabilitation programs will be timed so as to guarantee the availability of new land and residences, prior to Project construction.

(i) Land clearance will not be started before the DPs have received compensation, rehabilitation assistance and have had enough time to build their houses. There will be a special group within PMU for supervising the process of resettlement.

4.2.2 Required Measures

Measures required ensuring that resettlement has a positive outcome include:

- Consulting with potential Project-affected people on feasible measures for resettlement and rehabilitation;
- Providing Project-affected persons with options for resettlement and rehabilitation;
- Enabling their participation in planning and selecting these options;
- Providing compensation at full replacement cost for losses;
- Choosing relocation sites that provide, at a minimum, the same benefits and services as the sites they replace;
- Providing allowances, training and income support to assist in making a smooth transition;
- Identifying vulnerable groups and providing special assistance to these groups; and,
- Establishing an institutional and organizational structure that supports this process to a successful end.

4.2.3 Eligibility for Compensation and Assistance

The following DPs will be eligible to receive compensation and/or rehabilitation: all affected GOV agencies, private households, institutions or firms who are able to demonstrate through
Land Use Right Certificates (LURC), Residential Land Property Certificates (RLPC), Official residence papers, land tax receipts, or, in absence of these, by means of a commune housing record or by being listed in the DPs inventory, that prior to the RPs cut-off dates, they owned, rented, planted, or used for business or other economic enterprise the following affected items:

- Permanently or temporarily affected land;
- Houses or other structures, crops, trees, or other assets;
- Business and production; and/or,
- Suffered income losses as a result of the Project.

The eligibility of the DPs for entitlement to compensation and rehabilitation assistance is classified as: Legal, Legalizable, Non-legal and Not-entitled. The criteria for eligibility set for each certain status of ownership of Project affected property or item is in compliant with the RPF (attached as Annex 1).

### 4.2.4 Compensation Modes

- All DPs living in the Project area before the cut-off date, which is established as the date that the planned components was publicly announced, are entitled to compensation for their losses and/or to rehabilitation assistance. Lack of legal rights or titles do not make them ineligible for entitlements.
- The DPs will be compensated based on the criteria of eligibility defined later in this Section.
- The DPs will be compensated at full replacement and substitution costs, and relocated or resettled in consultation with them. The preliminary compensation rates for replacement and substitution cost will be proposed to the DPs to give them an opportunity to compare them with the prevailing market rates.
- All fees and taxes on land and/or house transfers will be waived or otherwise fees and taxes would be included in a compensation packet for land and/or house. The Provincial/City authorities will give preferential treatment to DPs reconstructing their houses on their own, and to obtain the necessary property titles and official certificates. Land will be compensated in cash or land for land according to DPs’ choice.
- DPs who want “land for land” will be rehabilitated by providing them with land plots or apartments in a new residential area nearby. The resettlement area will be planned and designed properly. All infrastructures will be provided such as paved roads, sidewalks, drainage and water supply, and main lines for electricity and telephone.
- DPs who want “cash for land” will be compensated at the replacement cost, plus a cost for fees and taxes, to be used for their own purchase of replacement land/housing.
- Compensation in cash for all residential, other construction structures and business bases will be paid at the replacement cost of these structures, without any depreciation of the structure and without deduction for salvageable materials. The DPs will be provided full assistance for transportation of personal belongings, materials for house dismantlement,
and will be given a relocation allowance in addition to the compensation at replacement costs of their houses, lands and other properties for replacement price as mentioned. The rehabilitation transition period will be minimized by providing cash compensation at least 1 month prior to the expected start-up date of the Project construction.

- For DPs relocating in a resettlement site, payment of compensation and relocation activities, including construction of houses at the relocation site, will be completed at least 30 days prior to the start of the civil works. Compensation and rehabilitation assistance must be completed at least 30 days prior to the taking of the assets for non-relocating (partly affected) DPs and 60 days for self-relocating DPs.

- Resettlement plans will be implemented in consultation with the DPs. In the resettlement area, community infrastructure and services will be built and improved, so that the DPs will have access to these services. Effective and timely design, planning and implementation of resettlement and rehabilitation measures will be conducted to avoid unnecessary delays and consequent inconveniences to the DPs.

- Institutional arrangements will be made for internal and external monitoring of all important resettlement activities.

- Financial and institutional services will be arranged for loans and other activities associated with resettlement. The method of loan repayment, installment period and amounts should be acceptable to the DPs. The installment amounts and the schedule of payments for substitution housing and/or land will be within the repayment capacities of families. The capacity to pay will be established before the DPs and the financial institutions make formal agreements.

### 4.2.5 Cut-off-date

Cut-off date for compensation and assistance for the RP under this Policy Framework is the date on which the planned project or planned specific components (affected areas) of the project was publicly announced by relevant local authorities.

All people moving into the project area after the cut-off date are non-eligible DPs. They will not receive any compensation and will be requested to vacate their premises prior to project implementation. In order to facilitate this, the Project will put at their disposal the necessary transportation means for their relocation.

The cut off date of the project is the date when the project investment was approved and announced to the local people, which is 27th February 2004; thus cases arising after this date will be not defined as the project affected objects.

In fact, the project boundary was defined before 27/02/2004 and announced to local people when 415 PMU’s Consultant did project design and conducted community consultations with all project DPs. Furthermore, the project was approved by 27/02/2004, but budget source was not available until the HUUP’s additional financing.

Although the cut-off date is Feb.27, 2004, all DPs appeared in the list of the recent inventory, census and survey in Feb.-March 2009 will be compensated and assisted in accordance with
project policies, including the ones who are newly appeared in the census list compared to the old one of 2004

4.3 ENTITLEMENTS

According to policies stated in RPF, the DPs shall be entitled to compensation/assistance and resettlement as follows:

Affected Land

DPs, who have legal and legalizable affected land, depending on legal conditions, are entitled to 100% compensation of the land lost at replacement costs.

DPs having non-legal affected land are entitled to the assistance at 60% value of the land lost at replacement costs by cash.

Besides of cash compensation, the Project will find a residential area with similar conditions so that DPs get land plots to build their houses or get available apartments. The solution “land for land” or “land for apartment” will be clearly stated in the Section 5: Resettlement Site.

Affected Houses and Structures

All legal, legalizable and non-legal DPs who have affected houses and structures are entitled to 100% compensation of the house and structures lost (at replacement costs). Compensation cost reduction for depreciation or salvable materials will not be made.

All DPs (legal, legalizable and Non-legal) owning Project affected businesses and production structures, are entitled to cash compensation or rehabilitation assistance at 100% of the substitution cost.

All DPs (legal, legalizable and non-legal) owning affected fruit bearing trees or trees of commercial value, are entitled to 100% compensation or rehabilitation assistance by cash at the market value.

DPs Renting Government Houses and Structures

Relocated legal and legalizable DPs renting affected houses or structures from the Government are entitled to compensation by the following choices:

DPs choosing the relocation option will be entitled to receive a house in rent with equal rented floor area at equal standards of building and facilities and at equal rent rate.

DPs choosing the self-relocation option will be entitled to cash assistance equal to 60% of the replacement costs of the rented floor area of the structure plus 60% of the replacement costs of the rented land area. DPs who are sharing a rented house and structure will be entitled to cash assistance equal to 60% of the replacement costs of the rented floor area plus 60% of the replacement cost of the rented land, dividing total...
residence registered persons sharing rented house, and multiplying the number of registered persons in the family.

Legal and legalizable improvements made by the DPs in affected government rented properties will be entitled to compensation at 100% substitution cost by cash.

Besides, the poorest households who can not afford themselves in renting or buying a house by installments as in the above program, can be arranged to live in social apartments and after certain years they can move out for the others to move in and they can be assisted in order to get rid of very poor level. For this small component, the selected households have to pay the cost of maintenance and public security.

Business Losses / Loss of Jobs

Legal, legalizable DPs will be entitled to compensation and/or rehabilitation assistance for business losses with 100% of their real monthly income within 6 months on the basis of average monthly income of the latest year with report to the tax agency.

Non-legal DPs having Project permanently affected small businesses/production centers at home without tax declaration, are entitled to an allowance of 1.0 million VND per month for family expenses for six months.

Affected Facilities

Legal, legalizable and non-legal DPs who own Project affected facilities such as power supply and water supply systems, electric and water meters, telephone lines, deep wells, etc, are entitled to compensation in cash at 100% of the substitution cost.

Transition Assistance / Livelihood Allowance

Relocated legal, legalizable and non-legal DPs will be entitled to a transition/transport assistance to relocated sites from VND 1,000,000 to VND 3,000,000 for each household moving its dwelling within the province or city and VND 5,000,000 if it moves to another province.

Relocated legal, legalizable and non-legal DPs will be entitled to a livelihood cash allowance for six months, for one household member per month equivalent to 30 kg of rice.

All relocated DPs will be provided with house renting allowance of VND 1,000,000 for each household per month until the resettlement site or apartments are ready for them to move in.

Payment in Installments for DPs Taking Land or Apartment

When a cash adjustment is needed and the DPs have to pay an additional amount (cost of land or apartment minus cost of compensation), the DPs will be allowed to pay the adjustment amount in installments for 10-20 years. DPs will have to pay interest at low rate according to the
Province/City’s stipulation. The first amount payment (down payment) for an apartment would be at least 30% of the total amount payment.

**Bonus**

All DPs who relocate themselves on time, i.e. moving away from the Project site, will be entitled to a bonus of VND 5,000,000 at most.
5.1 DEMANDS ON RESETTLEMENT

According to project census, total 1,351 households (with about 8,106 persons) shall be relocated for success execution of the project, in which:

Table 8: Number of Relocated DPs

<table>
<thead>
<tr>
<th>No.</th>
<th>Project area</th>
<th>Relocated DPs</th>
<th>No.</th>
<th>Project area</th>
<th>Relocated DPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>District No. 6</td>
<td>1,270</td>
<td>II</td>
<td>District No. 11</td>
<td>51</td>
</tr>
<tr>
<td>1</td>
<td>Ward 5</td>
<td>4</td>
<td>9</td>
<td>Ward No. 3</td>
<td>51</td>
</tr>
<tr>
<td>2</td>
<td>Ward 7</td>
<td>248</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Ward 8</td>
<td>76</td>
<td>III</td>
<td>Tan Phu District</td>
<td>30</td>
</tr>
<tr>
<td>4</td>
<td>Ward 9</td>
<td>150</td>
<td>10</td>
<td>Hoa Thanh Ward</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>Ward 10</td>
<td>53</td>
<td>11</td>
<td>Tan Thoi Hoa Ward</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>Ward 11</td>
<td>312</td>
<td>12</td>
<td>Phu Trung Ward</td>
<td>16</td>
</tr>
<tr>
<td>7</td>
<td>Ward 12</td>
<td>309</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Ward 14</td>
<td>118</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>1,351</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As mentioned above, relocated DPs under District No. 6 are 1,270; out of 1,351 relocated DPs totally (equivalent to 94,6%). These relocated DPs encroached Tan Hoa – Lo Gom canal bed and have lived there for long time and basically their land/assets are legalized that they are entitled to compensate and resettlement.

Regarding to the house status, almost houses are 4\textsuperscript{th} grade or temporary ones and there are a little permanent structures (if any, they are located far away from Tan Hoa – Lo Gom canal). The reason of this is that local authority informed residents about improvement of Tan Hoa – Lo Gom canal (expected to be implemented in 2002-2003 period), and some adjacent project such as Hang Bang canal project (funded by ADB, currently be suspended), East-West Avenue and Water Environmental Project (funded by JICA), canal dredging project (urban transport management area known as Owner), Project No. 415 (funded by Belgium)…therefore, they still maintain such house status during past time without any improvement or upgrading.
With house and land possession status as mentioned above, some detailed impacts on land recovery and land acquisition are shown as below:

5.2 COMMUNITY CONSULTATION AND PARTICIPATION

Resettlement of households whose land is fully acquired shall be implemented following the below process:

- Relocated and displaced households are consulted on resettlement areas;
- Publicize detailed design of resettlement area;
- Clarify land lots and/or apartments in resettlement area following the principle having consultation of DPs;
- Arrange/assistance for temporary residence (in case resettlement houses have not been timely arranged)
- Relocate households to resettlement area and take measures for life restoration.

Some consulting contents on resettlement options are as bellows:

1. Firstly, because planning of Tan Hoa – Lo Gom canal was studied and approved from 2002-2004 period, residents have worried in past time. What concern them is that when the project will be commenced and how their life will be? Thus, when organizing public consultation and sociological survey, local residents participated enthusiastically.

2. Secondly, being consulted, residents showed their welcome to the project. The reason is that Tan Hoa – Lo Gom is always flooded and water always overflows to households with 01m height. Residents always live in such condition during past time.

3. Thirdly, although residents welcome the project, but they pay special attention to how their life will be after resettlement? Some issues which they are interested in: (i) they desire that the project has reasonable compensation and resettlement policies to enable them to soon stabilize their life; (ii) Resettlement areas should be agreed and completed quickly so that residents can be secure when entering this resettlement area; (iii) Residents desire to displaced to places near their current habitats for purpose of convenient business and working.

4. Fourthly, regarding resettlement house purchase, because mostly residents in the project area are poor people, it is very difficult for them to buy resettlement house. Residents request PMU to coordinate with resettlement areas in the city (especially resettlement area in District 6, 11 and Tan Phu District) to buy houses under installments mode to create favorable conditions for them to buy.

5. Fifthly, regarding to livelihood restoration program, the residents in the project affected area earn their living by many kinds of occupations like self business, small business and other services, it is expected that the project can arrange/establish a livelihood restoration program so that they can get familiar with the new living condition.
Besides, households also have many questions on compensation rate, assistance policy for poor residents in the city, project criteria for resettlement of households which are living along canals and drains... These matters will be paid attention to and solutions for these matters will be mentioned in the next part of the report.

5.3 RESETTLEMENT DEVELOPMENT

5.3.1 Resettlement Sources

Currently, Resettlement Site source for relocated DPs is divided into 3 areas which consists of Vinh Loc B Resettlement area, Resettlement site at 243 Tan Hoa Dong (located in Ward No. 14, district No. 6) and resettlement site in Ward No.11, District No. 6. The resettlement sites are presented as follow:

**Project Resettlement Sites**

*Vinh Loc B Resettlement Site*: The resettlement area borders with 3 industrial zones: Tan Tao industrial zone, Le Minh Xuan industrial zone and Vinh Loc B industrial zone, which is about 5km-6km (depending on each place) from Tan Hoa – Lo Gom. Traffic system is completely developed from Ba Hom road alignment through provincial road No.10. In the master plan of expanding urban residential area from District No. 6, Binh Tan district and Binh Chanh district as well as on socio-economic development, Ba Hom alignment is being expanded following ROW of (23m). This is also road alignment under sub-component No. 3: Improving secondary and tertiary water supply and drainage system which is under land acquisition stage.

The resettlement site that is under construction is managed by PMU-HUUP with 2,024 apartments and 531 plots. It is scheduled that about **500 apartment and 281 plots** will be completed in year 2009 and **1,774 apartments and plots** in 2010.

*Resettlement Site in No. 243 Tan Hoa Dong, Ward No. 14, District No. 6*: The resettlement area at No.243 Tan Dong Dong which is 10,976.9 m2 is located in Tan Hoa Dong road; ward No.14, District No.6. There are **656 apartments** and proposed to complete in 2011. Some samples of the resettlement site in No 243, Tan Hoa Dong are shown bellowed:
Resettlement Site in Ward No.11, District No. 6: Besides, in compliance with Decision No.47/2008/QĐ-UBND dated 9th June 2008 regarding amendments and additions to some articles of Decision No.118/2007/QĐ-UBND dated 10th September 2007 issued by City PC on mode of purchase and selling complete apartments and land foundation transfer with technical infrastructure works for resettlement arrangement when land is acquired by the State in the city area, district PCs will consider to buy apartments in district areas for the purpose of resettlement for the DPs.

The resettlement site is under construction, with two blocks of H098 and T106. The blocks are 15 floors with amount of **336 apartments and 244 apartments** in turn. Some illustration of the blocks are presented as bellowed.

Table 9: Summary of Project Resettlement Sites

<table>
<thead>
<tr>
<th>No</th>
<th>Resettlement Sites</th>
<th>Apartments/Plots to be completed</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Available</td>
<td>2009</td>
</tr>
<tr>
<td>1</td>
<td>Vinh Loc B (Dist Binh Chanh)</td>
<td>781</td>
<td>1,774</td>
</tr>
<tr>
<td>2</td>
<td>Ward 11 Apartment (Dist 6)</td>
<td>580</td>
<td>580</td>
</tr>
<tr>
<td>3</td>
<td>243 Tan Hoa Dong Apartment (Dist 6)</td>
<td>656</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>781</strong></td>
</tr>
</tbody>
</table>

As above mentioned, the projeqt will provide 781 apartments and plots for relocated DPs by the year of 2009 and 2,354 for those by year of 2010. It is said that there resettlement site are enough for those who expect to select project resettlement sites.
Other Resettlement Sites (available)

In addition to project resettlement site, there are some resettlement areas that are available in the project area, they are:

Table 10: Summary of other Resettlement Sites (available)

<table>
<thead>
<tr>
<th>No</th>
<th>Resettlement Sites</th>
<th>Apartments/Plots to be completed</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2009</td>
<td>2010</td>
</tr>
<tr>
<td>1</td>
<td>Binh Phu Apartment (Dist 6)</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>2</td>
<td>Binh Phu Apartment (Dist 6)</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>3</td>
<td>Nguyen Van Luong Apartment (Dist 6)</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>4</td>
<td>An Suong Apartment (Dist 12)</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>5</td>
<td>78 Tan Hoa Dong Apartment (Dist 6)</td>
<td>06</td>
<td>06</td>
</tr>
<tr>
<td>6</td>
<td>Huynh Van Chinh Apartment (Tan Phu)</td>
<td>09</td>
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<tr>
<td>7</td>
<td>Nhieu Loc B (Dist Tan Phu)</td>
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</tr>
<tr>
<td>8</td>
<td>Tue Tinh Apartment (Dist 11)</td>
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<td>01</td>
</tr>
<tr>
<td>9</td>
<td>Cay Mai Apartment (Dist 11)</td>
<td>01</td>
<td>01</td>
</tr>
<tr>
<td>10</td>
<td>Phu Tho A (Dist 11)</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>11</td>
<td>An Lac Apartment (Dist.6)</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>204</strong></td>
<td><strong>35</strong></td>
</tr>
</tbody>
</table>

As above stated there will be 239 apartments and plot available for relocated DPs to choose.

Consultation on relocated DP’s Resettlement

Though socio-economic survey and consultation for all relocated DPs whose land is fully acquired due to canal and canal embankment improvement was implemented at the end of February 2009, the demand for resettlement site is expressed as bellowed:

It can be seen that mostly relocated DPs expect to receive compensation by cash and to resettle themselves (equivalent to 74%). “Land for Apartments” option is selected by 12.4%, “Land for Plot” option is selected by only 13.6%. As the ratio mentioned, the resettlement sites are available and enough for the relocated DP’s demands.

Those mentioned are advantages and disadvantages of the project. The advantage is that, mostly relocated DPs have expected to resettle themselves, so there is no need to arrange so many resettlement areas; but there will be more disadvantages on social impacts as homeless, impoverish, unemployment, disorder of social structure. In order to minimize the social impacts, PMU has coordinated with 156 Programme (detailed mention in Section Rehabilitation Programme) and DRCs at District No. 6,11 and Tan Phu District to carry out consultation activities, survey on resettlement demands, simultaneously establish livelihood restoration programmes in order to ensure that these households will soon get familiar with new living environment.

Also in the consultation and the survey (in February 2009), the Consultant and PMU introduced some desired resettlement areas for relocated DPs whose land is fully acquired. These
resettlement areas are located next to project affected area and mainly built in mode of building-apartment and/or plots.

5.3.2 Resettlement Arrangement

**Resettlement Criteria and Procedures:** As mentioned above, 1,351 households are estimated to be relocated for project implementation and according to the project schedule; the project will be commenced in September 2009. If so, for these households, land acquisition and resettlement shall be commenced in June 2009 (3 months before project implementation) and continue stage by stage. In order to keep the above-said schedule, PMU (and relevant agencies) will immediately start necessary activities for the purposes of land acquisition and resettlement. Some criteria for determining the relocated DPs should comprise as following:

- Households whose residential land are acquired fully or remaining residential land is not enough for them to re-settle.
- Households who submit their application form for resettlement land/apartment provision
- Households who have no more residential land.

While consulted, 26% relocated DPs expect to receive plots or apartment (prefer to ground floor) due to their current living condition. So, PMU (or related agencies) will have further consultation/discussion with households on design and detailed planning of resettlement areas prior to implementation of land acquisition and resettlement, simultaneously collect their opinions on their expected resettlement option (plot, apartment...) through their application form for resettlement land provision made by relocated DPs with certified by Ward PC³. It is expected that the applications form should be submitted in May 2009.

After basis summary of relocated DPs and resettlement location, PMU will arrange a casual draw for resettlement plots/apartment based on the relocated DP’s demands as mentioned in their applications, then defining their specific resentment plot/apartment accordingly.

**Resettlement Allocation:** based on availability of the resettlement sites which mention in Article 5.3.1 above, the resettlement allocation will be implemented as:

- **District 6:** arrange 902 plots/apartments for relocated DPs in District 6 (out of 1,270 relocated DPs intended), including: (i) 84 apartments consist of 11 apartments in Binh Phu I (Dist.6); 16 apartment in Dist.6; 40 apartments in Nguyen Van Luong (Dist.6); 06 apartments in 78 Tan Hoa Dong (Dist.6); 11 apartments in An Suong (Dist.12); (ii) 100 apartments in An Lac (Dist. Binh Tan (handed over since 2007 and available now) and (iii) 718 apartments/plots in Vinh Loc B, (Dist.Binh Chanh).

- **District 11:** arrange 65 apartments/plots for relocated DPs in District 11 (out of 51 relocated DPs intended), including (i) 01 apartment in Tue Tinh (Dist.11); (ii) 01 apartment in Cay Mai (Dist 11) and (iii) 63 apartments/plots in Vinh Loc B.

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³ Currently, households which are fully acquired land only verbally show their opinions on resettlement desire. It is proposed that after the project is officially approved, these households should have handwritten applications of resettlement (with confirmation of People’s Committee of ward) and submit to PMU for review as basic for consideration of resettlement for households.
- **District Tan Phu**: arrange 65 apartments/plots for relocated DPs in District Tan Phu (out of 30 relocated DPs intended), including (i) 09 apartments in Huynh Van Chinh II (Dist. Tan Phu) and 50 plots (handed over from resettlement site in Tan Binh Industrial Zone owned by TANIMEX).

**Priority Criteria in Resettlement Allocation**: As above mentioned, the resettlement allocation for relocated DPs in district of 11 and Tan Phu are enough as compared with their demands, but the settle apartment/plot’s availability in District 6 is only 902 out of 1,270 relocated DPs (as defined in the survey and census), which mean further 368 apartments/plots should be arranged and provide to them, if needed (in fact, according to the survey only 26% relocated DPs want to get land/apartments from the project. Then, the priority criteria in resettlement arrangement are applied as (i) **Priority 1**: the relocated DPs will be resettled in the available sites. (ii) **Priority 2**: for households with 1-3 sub-households, these (whole) households should be relocated first at available resettlement area. The sub-households are entitled to receive further resettlement rations in resettlement site of Vinh Loc B/Ward 11, Dist.6 which to be completed in year of 2010. During the construction time, the relocated DPs will be received temporary residence allowance (house renting). The DRC will be responsible for introducing to all relocated DPs houses for rent available in the right district, and/or if the relocated DPs cannot arrange themselves, the DRCs will actively coordinate with related agencies to set up numbers of “house for rent” in the right district, then arrange the relocated DPs for renting.

**Purchase of the apartment/land plots in Resettlement Site in installment**: According to Decision No. 118/2007/QD-UBND dated 10th September 2007 and Decision 47/QD-UBND issued by City’s PC on the mode of buying and selling apartments/plots with technical infrastructure works in order to arrange resettlement after land acquisition by the State in the city, all project relocated DPs are entitled to participate the programme. The price for the apartment/land plot is market price because the all relocated DPs are compensated at market price that the project will not cover the gap between resettlement apartment/land plot price and compensation price.

**Resettlement Steps**:

**Step 1**: Define the resettlement demand and arrange a visiting to all resettlement site.

**Step 2**: Registration for resettlement manners: apartment, plot, cost, area, location …

**Step 3**: Issue the decision for resettlement arrangement for each relocated DPs

**Step 4**: Hand over the resettlement apartment/plot, then land clearance

**Step 5**: Cash payment for the resettlement apartment/plot.

In case, compensation/assistance payments are not enough for resettlement apartment/plot expenses, enclosed with certified by ward’s PC for DP’s difficulties; the relocated DPs will be entitled for payment in installment for the difference expense within 15 years. Interest rate for the debt (as called difference expense) is calculated as same as unlimited term loan interest.

**Step 6**: Issue BOLURC to the relocated DPs.
Estimated cost for some resettlement apartment/land plots: as information provided, the estimated cost for resettlement apartment land plot for some resettlement sites as in the table bellowed:

Table 11: Estimated Cost for resettlement apartment/land plots

<table>
<thead>
<tr>
<th>No</th>
<th>Resettlement Sites</th>
<th>Estimated Cost (VND per m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vinh Loc B</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Land Plot</td>
<td>5,900,000</td>
</tr>
<tr>
<td></td>
<td>Apartment</td>
<td>8,100,000</td>
</tr>
<tr>
<td>2</td>
<td>Tan Hoa Dong</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CT 2</td>
<td>13,000,000</td>
</tr>
<tr>
<td></td>
<td>CT 3</td>
<td>13,000,000</td>
</tr>
<tr>
<td>3</td>
<td>Ward 11, Dist 6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CT 2</td>
<td>11,000,000</td>
</tr>
<tr>
<td></td>
<td>CT 3</td>
<td>11,000,000</td>
</tr>
</tbody>
</table>
6 REHABILITATION PROGRAMME

6.1 OVERVIEW

Rehabilitation programme plays an important role in implementation of the RP when DPs lose business, job and other income sources in spite of loosing houses or not. However, DPs having losses of houses and income sources are at highest risks in the project. When project negative impacts do, the DPs may get poorer or impoverish. They may lose land, jobs, houses, be separated from community and they may be suffered from disease, be lack of food, lose use rights to public assets and this makes them create social evils, for example theft or crime. Thus, rehabilitation programme is very important to the implementation of the RP and will be paid much attention. Rehabilitation programme is designed basing on results of the DPs’ consultation in large scale. Objective of this programme is to restore livelihoods of the DPs same as or better than those before the project implementation and to ensure that the DPs will get familiar with new living conditions in shortest period.

The rehabilitation programme plays an important role in reviewing approach way to improve economic conditions of DPs, this aims to strengthen skill or create opportunities for poor households or vulnerable households. In order to implement next steps of the RP, PMU of Ho Chi Minh Urban Upgrading Project will coordinate with local authorities at levels and social organizations such as Woman union, Skills Training Assistance Fund... to take actions for income restoration of DPs.

6.2 ANALYSIS OF DEMANDS

According survey results, there are totally 2,201 households suffering impacts on resident land/residential houses and other architectural objects, including 1,351 households which shall be displaced for project implementation. The DPs mainly live along canal/drain embankments or next to proposed culvert alignments of the project. These DPs are currently earning life by free business activities and many of them are employees. Mostly houses at 4th grade houses with rather small square area. Generally, DPs are poor urban residents.

The survey shows that 100% households desire to have a loan, about 80% of job generation and only 12.9% of vocational training⁴. According to consultation, these households have not determined much their demands and desires when their land is affected/acquired by the project. However, some households made following opinions: (i) support households to help them maintain their life; (ii) provide them loan for house improvement (for households whose land is partly affected) and (ii) support them with job introduction and skill training (for households

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⁴ The total may be exceed 100% m because the households can select more than one option in the questionnaire

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49/90
whose land is fully acquired) to enable them to soon get familiar with new living conditions (in project resettlement areas of the project). Basically, above demands of the DPs are in compliance with criteria/principles of the project.

6.3 PROPOSED REHABILITATION PROGRAMME

6.3.1 Budget Source

Rehabilitation programme is considered as a special component if the DPs may restore or improve their economic conditions. Persons who have low income are defined as those have no professional skill or opportunities to improve their income. Resettlement programme is to find out optimistic possibility to ensure that all resettlement areas are locations convenient for development of skills and income or combining both of them

Rehabilitation programme in the project is studied and applied following two main budget sources from:

- Revolving Fund (Component 5) of the project, and;
- Assistance fund for job solving and skills training for persons whose land is acquired for project implementation in the city

Accordingly, the project will proceed with the two programme (i) Revolving Fund under project component No5 and some skill training/job (income) generation under 156 Programme which is mentioned bellowed.

6.3.2 156 Programme Description

Purposes

Training and job assistance fund for people whose land is acquired for the purpose of investment project execution in the city (herein after called Training and Job Assistance Fund for people whose land is acquired) was established to attract financial sources of individuals, domestic and foreign organizations with the aim to assist job training and create jobs for people whose land is acquired for the purpose of investment project execution in the city to enable them to stabilize life in new living condition and income generation of 3mil. VND per household.

Participants

Those who are entitled to participate the programme should be:

(a) Households whose land is fully acquired under the project;
(b) Households whose proportion of land acquisition is over 30%;
(c) Be listed as project affected households in the project.

Accordingly, all 1,351 relocated DPs are entitled to participate the programme.

Capital Source

- City’s budget provides one part of initial amount to establish the fund.
- Contribution from Project with total 3-5% of compensation/assistance cost.
Voluntary contribution of organizations, individuals, even non-governmental organizations.

- In case the fund can not satisfy credit loan for solving jobs, Fund can mobilize from other credit sources to provide credit loans and the interest will be paid by State’s budget.

**Specific Programmes**

The programme consists of two (02) main activities of (i) training assistances (grant) and (ii) loan for job generation. **The training assistances** are also divided into two (02) main parts: primary/secondary/high school education and vocational training.

- **i.** The relocated DPs, whose children are in school age will be assisted their school fee within three (03) years, whose children are in colleague/university level will be assisted 50% fee within three (03) years and in one branch of learning. Procedure: the relocated DPs fill up the application form certified by ward PC then submitting to the 156 Programme for receiving the assistance.

- **ii.** The relocated DPs in working age who desire to change their occupation will be assisted in vocational training: (i) 3.000.000 VND/person for professional training, (ii) 250.000 VND/person/month for short term training (under 12 months) and (iii) 200.000 VND/person/month for subsistence expenses. The relocated DPs are trained and to be employed in an enterprise will be assisted 500.000 VND/person/month within 03 months. Procedure: the relocated DPs fill up the application form and get specific instruction from local Department of Labor Invalid Social Affair. After the training, the training agency will be responsible for assisting DPs in accessing to the available jobs in the city.\(^5\)

The loan for job generation will be carried out for all relocated DPs who desire to borrow to do their business feasibly and certified by ward PC

- **i.** Rate of loan: a) not more than VND 10 million for each labor; not more than VND 30 million for each household; b) not more than VND 50 million per household for labor export.

- **ii.** Time of loan: be suitable with business and productivity period of borrowing objects: a) short-term borrowing projects (service, business): maximum time cannot exceed 24 months; b) medium-term borrowing project (breeding, planting): maximum time cannot exceed 36 months and c) those borrowing loan for labor export: maximum time cannot exceed 36 months.

- **iii.** Interest for preferential loan is 2%/year (0,17%/month; 30 day for one month).

Households which have demands on **Credit Loan** for house repair will be entitled to assistance priority of the project. For VUUP generally and HUUP particularly, project Component 5 – Revolving Fund was designed to provide small credit amounts for DPs for repairing their houses at the maximum rate of VND 15 million/household.

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\(^5\) So far, a number of relocated DPs from other projects who participated in the training program have got new jobs as result of assistances from the programme.
In case business households are seriously affected on income, local authority will have suitable policies for assistance such as considering tax reduction, assist in arrange new business place and loans for business promotion. According to current policies of State and Ho Chi Minh People’s Committee, legal affected business households (with report from tax agency) will be compensated and/or rehabilitation assistance for business losses with 100% of their real monthly income within 6 months on the basis of average monthly income of the latest year with report to the tax agency; illegal affected business household will be supported VND one (01) million/household within 6 months.

Households who demands on credit assistance have to prove that they are project DPs with illustration of (i) family record book; (ii) documents relating to compensation or one copy with confirmation from ward PC\(^6\).

### 6.3.3 Institutional Arrangement

Regarding management agency, Rehabilitation Program is implemented from two capital sources, the management is also undertaken by two main agencies:

- The 156 programme is managed by the city’s DOLISA, with related counterparts as DONRE, DOC, DPI, DOF
- The Revolving Fund (Project Component 5) is managed bu Woman Union, Assistance and Vocational training managed by Social Policy Bank, CEP and housing development Fund. These operational process is implemented through survey for DPs and followed guideline of Report on Component 5: Revolving Fund.

### 6.3.4 Estimated Costs

According to regulations of Ho Chi Minh PC, cost estimation for training and job assistance will be calculated in compensation plan as mentioned in Decision No. 156/2006/QĐ-UBND dated 27\(^{th}\) October 2006, which is about 5% out of the approved compensation payment.

Beside that, cost for this programme will also be included in Component 5: Revolving Fund (Project Sectorial No.8). Accordingly, there are estimated 850 households who may participate and each households is estimated provided a loan of VND 15 million at maximum rate, if so, total amount which Component 5 of the project should arrange mobilization for the Project (project sectorial 4) is VND 20,265,000,000 (\textit{In written: Twenty two billion, two hundred and sixty five million Vietnam dong}) However, this cost will be included in cost estimation of sub-component No. 5 and will not be included in cost estimation of this report. See details on cost estimation for livelihood restoration activities in below Table 12:

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\(^6\) This report only summarizes main contents of program, objectives and principles, implementation plan, referring to sub-component 5: Revolving fund and will be implemented by Women Union in coming time (in 2009).
### Table 12: Estimated Cost

<table>
<thead>
<tr>
<th>No.</th>
<th>Income restoration program</th>
<th>Participating households</th>
<th>Estimated cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Training and Job Assistance Fund (through Social Policy Bank).</td>
<td>1.351</td>
<td>Estimated 63.8 billion VND (Equal to 5% of total project compensation cost)</td>
</tr>
<tr>
<td>2</td>
<td>Revolving Fund</td>
<td>850</td>
<td></td>
</tr>
</tbody>
</table>

#### 6.3.5 Other Assistances to the poor

In addition to above mentioned assistances, the DPs who are listed as the poor in the project area and are earning their living through delivery tricycle/four wheeled vehicle will be further assisted of (i) grant with vocational/professional training and basis assistance and (ii) preferential credit loan (for buying motorbike or investment on labor export), in which:

- Vocational training: assistance of 3,600,000 VND/person/training course
- Basis assistance: assistance of 7,000,000 VND/the poor.
- Preferential credit loan: the poor will be assisted with a loan of 50,000,000 VND/households and further 30,000,000 VND/household for labour export (from Bank for Social Policy) with interest rate of 2%/year within 03 year (plus to 4%/year assisted from the Programme)

In short, the rehabilitation programme in the project is summarized as in the table bellowed:

<table>
<thead>
<tr>
<th>No.</th>
<th>Rehabilitation Programme</th>
<th>Beneficiary</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>156 Fund Program: + Training Assistance + Credit Loan</td>
<td>All relocated DPs</td>
<td>1.351</td>
</tr>
<tr>
<td>2</td>
<td>Revolving Fund + Credit Loan</td>
<td>DPs (partly affected)</td>
<td>850 (up to 2.201)</td>
</tr>
<tr>
<td>3</td>
<td>Assistance to the poor + Vocational Training + Credit Loan</td>
<td>The poor</td>
<td></td>
</tr>
</tbody>
</table>

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7 There is totally around 3000 poor households in the Ho Chi Minh city

Ho Chi Minh Urban Upgrading Project – Project Sectorial No. 4

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7.1 INSTITUTIONAL FRAMEWORK

Agencies involved in land acquisition and resettlement activities include:

1. Ho Chi Minh People’s Committee;
2. Department of Finance;
3. Department of National Resource and Environment;
4. Department of Construction;
5. Ho Chi Minh Urban Upgrading Management Project Unit;
6. District’s PC;
7. Committee of Compensation and Land acquisition of districts
8. Ward’s PC;
9. Representatives of residential community of DPs;
10. And other relevant agencies...

7.2 RESPONSIBILITIES OF RELEVANT AGENCIES

7.2.1 Management Agency

Resettlement action implementation will related to authorities at city level, district/precinct level and ward/commune level; however, PC of Ho Chi Minh city shall take the main role.

One DRC which was established in districts shall be responsible to check, measure and prepare compensation option for projects in district area. This RP shall be legal basis for compensation and resettlement activities subject to the project implementation.

Ho Chi Minh City’s PC

PC of Ho Chi Minh city is the agency with strongest power at city level. PC shall assign PCs of districts to organize implementation land acquisition to hand over land to the project owner. PC of the City shall be responsible to:

- Appraise and approve RPs after obtaining WB’s approval for final draft versions;
- Issue decision on land acquisition to create basic for land acquisition and decision on handing over land to the Client for construction;
• Approve compensation unit price, assistance and allowance rates and assistance policies for DPs and sensitive groups following approved RPF and RP. Give instruction for resettlement house source distribution and selling price of the project;

• Instruct cooperation of related agencies and authorities of city to implement compensation and resettlement following the approved RP;

• Provide sufficient budgets for resettlement activities;

• Ensure that resettlement activities of sub-components are implemented in compliance with approved RPF and RP. Ensure that objectives of RP will be implemented after mistakes are found out through internal monitoring or independent monitoring during process of RP implementation.

7.2.2 Implementation Unit

Ho Chi Minh Urban Upgrading Management Project Unit (PMU)

PMU of Ho Chi Minh Urban Upgrading Project (PMU) is the agency which shall take responsibilities for RP implementation of Project, including:

• On behalf of the city’s PC to implement and monitor RP activities in the project scale, under management of City’s PC. Sign contract with Committee of Compensation and Land Acquisition of districts to execute land acquisition and land recovery;

• Prepare procedures on land recovery and related legal documents in order to commence the project in accordance with PF and Vietnam’s Laws;

• Implement procedures to provide compensation capital for Committee of Compensation and Land Acquisition of districts;

• Coordinate with relevant agencies to determine resettlement house source for PCs of Districts;

• Prepare, coordinate and generally monitor resettlement programmes;

• Update and/or prepare RPs in accordance with approved RP and PF, then submit to PC of City and World Bank for approval prior to implementation of approved RP;

• Popularize PCs of district to implement activities relating land acquisition and resettlement to ensure the compliance with policies and guideline on RP of the project;

• Establish procedures/model process on information strategy and organize consultation such as monthly notice to communities on project activities. Coordinate with other component and other agencies engaged in RP, implement and monitor RP;

• Check and consult PC of City on compensation price of land and other assets, coordinate with relevant agencies of province based on principles of this RPF;

• Coordinate and monitor resettlement actions in the project area;
• Guide and monitor process of detailed measurement and check, complete compensation options, prepare comprehensive tables of compensation to submit to authorities for approval;
• Establish liaison regime to ensure suitable technical and logistical assistance for agencies in charge of compensation and resettlement implementation (resettlement boundary);
• Establish standard for database on DPs of each component as well as for the whole project;
• Establish procedures on internal monitoring implementation to supervise the compliance with project policies;
• Establish procedures on monitoring coordination between the contractor and local community and ensure quick determination and compensation for impacts on public and private assets during construction;
• Select, monitor and implement following commendations of independent monitoring agency;
• Establish procedures for quickly implementing necessary adjustment methods and settling grievance redress;
• Recovery and hand over land to construction units;
• Closely coordinate with independent monitoring agency; and
• Periodically report to WB on resettlement actions.

Compensation and Resettlement Committee at District level (DRC)
The DRC shall be responsible to:

• Establish and implement RP of the project;
• Prepare master plan on compensation of the project;
• Prepare detailed compensation option of each project;
• Employ consultancy unit to determine land compensation price for calculation of compensation and assistance for households whose land is acquired;
• Take responsibility for land checking and recovery, complete compensation coupons, prepare comprehensive tables on compensation to submit them to authorities for approval and directly give compensation amount to DPs after receiving compensation capital;
• Prepare RP and procedures on land to arrange resettlement for DPs;
• Settle grievance redress of DPs on compensation policies and rights;
• Instruct ward’s PC in implementation of land acquisition as well as resettlement actions;
• Pay special attention to demands and desires of sensitive group (ethnic groups) and sensitive persons (children, old persons, hosts who are females/singles)
Close coordination with Independent Monitoring Agency.

Finally, in order to ensure the relocated DP’s house renting issue, the DRC will assign at least one staff who is responsible for assisting DPs in getting houses or apartments rented for them to live temporarily during transition period.

**People’s Committees at ward level (WPC)**

(WPC) shall be responsible to:

- Assign commune staff to support resettlement actions implementation in that wards/communes;
- Support other agencies and organizations, including PMU to promulgate information and conduct meetings with community and consult DPs; conduct meetings to popularize land recovery policies of the project, notice master plan and detailed compensation option;
- Support other agencies and organizations, including PMU to survey the persons of households, replacement cost/price, detailed measurements and other resettlement activities;
- Participate in activities relating to land recovery and distribution, resettlement, assistance for restoration and other social development supports;
- Support DPs in activities relating to resettlement and living standard restoration. Inform DPs on compensation schedule and monitor compensation implementation. Sign compensation records with DPs;
- Check list of poor persons and handicapped persons who are affected by the project;
- Ensure to sufficiently implement settlement regime of grievance redress for DPs. Make records complaints and kept in files. Support and consult DPs to quickly settle grievance redress; and.
- Collect legal documents on affected house and other assets of possessors. Prepare reports on verifying land source and using time of DPs to create basis for compensation and resettlement committee to calculate compensation price for DPs.

**Other functional authorities**

Apart from above direct agencies, there is participation of Departments with functions to support land acquisition and compensation process:

- Department of Construction: is responsible to make balance for resettlement house source for DPs (if any)
- Department of Finance (City’s compensation appraisal council): appraise unit price for land compensation, compensation option and selling price of resettlement apartments, all problems relating compensation and resettlement policies.
- DONRE: prepare procedures and submit them People’s Committee of the City’s to issue decision on land acquisition as basic for land acquisition and decision on land handing over for construction
7.3 COOPERATION OF AGENCIES

People’s Committee

City’s Appraisal Council on compensation
1. Vice Director of MOF: Chairman
2. DONRE: Vice Chairman
3. Ministry of Construction
4. Some other departments
5. PC of District/ward with project

Department of Finance

Compensation Council of district/ward level project
1. Chairman/Vice Chairman (Chairman of Council)
2. Departments of District/ward
3. Representatives of PMU
4. Representatives of PC
5. Representatives of households

PMU

Committee of compensation and land acquisition of district/

Repre. of PMU at district level

Support District council to prepare general option, compensation option and compensation payment

Households

Measurement, price application
8.1 MAIN ACTIVITIES

The project includes components and main activities, in which includes methods that ensure participation of DPs in project implementation. In ensuring a successful project, main activities need include a implementation plan with obvious time. This helps to evaluate the implementation progress of the project. In the beginning of project, a plan need to be designed and lasted during implementation and complement stage. In RP, main contents need to be implemented from the beginning to the end of the project, namely:

a. Inform cutoff date and compensation limit: inform fully to all DPs about entitlement, RP policies, including: entitlement, policies, compensation level, time, complaint and complaint settlement. Resettlement Information book (RIB) is prepared by PMU and provided to DPs or informed in ward and hamlet meetings, community consultation. Besides, leaflet, posters are also provided to each DP, attached in public areas such as ward PC, health station, school ... Announce policies on land recovery of the project, decision on approval of investment project and approval of project design ...

b. Socio-economic survey at the project area

c. Develop legal framework and entitlement for the project

d. Develop the plan of building resettlement area

e. Develop rehabilitation programme

f. Implement compensation, allowance, resettlement and rehabilitation programme

g. Evaluate project impacts on DPs: One year after the project completion, socio-economic survey is carried out in order to evaluate project impacts on beneficiaries and DPs. This survey results will be basis for evaluating project impacts on community and a basis for making lessons learnt for project activities and design in the future.

8.2 IMPLEMENTATION STEPS

Order, compensation and resettlement procedures are based on Government’s Decree 84/2007NĐ-CP of 25th May 2007 and Decision 17/2008/QĐ-UBND of 14th March 2006 of Ho Chi Minh city’s PC regarding promulgation of regulations on compensation, assistance and resettlement when land is acquired by the State in Ho Chi Minh city. Based on above legal basis and with organization structure and coordination among concerning agencies as mentioned above, basic compensation and resettlement activities will be implemented following below steps:
Step 1: **Determination and announcement of land acquisition policy**

Determination and announcement of land acquisition policy are based on appraisal document of and use demand of Department of Natural Resources submitting to Ho Chi Minh City’ PC for approval. Ho Chi Minh’s PC issued documents of land use acquisition policy or document of investment location acceptance.

District’s PC is responsible for steering open release of land recovery policy, regulations on land recovery, compensation, assistance and resettlement when the land is acquired by the State for purposes of national defense, public benefit and economic development.

Ward’s PCs is responsible for posting openly land recovery policy at headquarter of ward’s and at position of residential activities zone where there is land use acquisition policy, announcing publicly on mass media at commune level (where there is radio speaker system).

**Step 2: Preparation of cadastral documents for acquired land**

Based on land use acquisition policy of Ho Chi Minh City’s PC, Department of Natural Resources and Environment direct land use right registration offices and its levels to prepare for cadastral documents.

Adjust cadastral map suitably to the current status and abstract of cadastral map with places that already have official cadastral map or abstract of cadastral map for places that haven’t got official cadastral map;

Correct and make copy cadastral documents (cadastral books) to submit to CRC;

Make a list of acquired land plots with contents: number of pages, number sign of plot, name of land user, square of plot with the same use purpose, land use purpose.

**Step 3: Prepare, appraise and approve general option on compensation, assistance and resettlement**

DRCs (with participation of the Client’s representatives) prepare general option on compensation, assistance and resettlement (hereafter called general option) based on data and documents supplied by Department of National Resources and Environment and one (01) copy to Department of Finance for appraisal. General option has main contents as follows:

a. Basis for option preparation;

b. Synthetic statistics on square of all land types, land level for agricultural land, number of map pages, number of plots; estimated value of assets on land;

c. Synthetic statistics on number of HHs, people, labor in land acquisition area, in which clearly specify number of job-changed labors, number of DPs;

d. Estimation of compensation, assistance rate; estimate location, area of resettlement site or resettled house, means of resettlement;

e. Estimation of supporting measures to resolve employment and job-changed training plan;

f. List of works, works of GOV, institutions, religious agencies, DPs community and estimation of location to displace;

g. Number of relocated graves and estimation of location to displace;
h. Cost estimation to realize the option;
i. Financial source to realize the option;
j. Implementation progress rate.

Within fifteen (15) days since the receiving date of general option, district/ward’s Department of Finance coordinates with Department of Natural Resources and Environment and concerned parties to appraise the option and submit it to Chairman of District/ward’s PC for approval.

Within seven (07) days since the receiving date of Department of Finance’s submittal, Chairman of District/ward’s PC is responsible for consideration and signing approval decision for the general option.

**Step 4: Land acquisition announcement**

After general option is approved, DRCs are responsible to inform land users about land acquisition reasons, estimations on the rate of compensation; assistance and resettlement; measures on changing jobs and job settlement; displacement time and assignment of acquired land stated in general option.

Land users have right to based on regulations of law to comment, submit or request DRCs to give explanation for the above-said contents.

**Step 5: Decision on land acquisition**

Based on approval decision of City’s PC for the project and written instructions of City’s PC on land acquisition for project implementation, district’s PC issues decision on land acquisition in project affected area after twenty (20) days since the receiving date of official decision.

**Step 6: Grievance redress settlement for land acquisition decision**

In land acquisition implementation, if there is any complaints from residents, Ward’s PC will collect their opinions and letters of complaint and send them to higher competent agencies for consideration.

If there is no decision on grievance redress settlement, land acquisition will be still continued. In case competent agencies settle complaints with decision that land acquisition in the past is illegal, implementation of land acquisition shall be stopped; governmental agencies who issued a land acquisition decision shall make decision on cancellation of that land acquisition decision and compensate for losses (if any) caused by land acquisition decision. In case competent agencies settle complaints with decision that land acquisition in the past is legal, acquired land users shall obey the land acquisition decision.

**Step 7: Inventory and detailed list of affected assets**

The organization in charge of compensation; assistance and resettlement is responsible for delivering leaflet, inventory guideline to DPs to prepare compensation, allowance and resettlement option.

DPs enumerate square, land category, position of land, number, quality of current assets on acquired land, number of persons, number of labors..., propose resettlement desires (if any) and send them to agencies in charge of compensation, allowances and resettlement.
Step 8: **Prepare compensation and resettlement option**

The organization in charge of compensation; assistance and resettlement shall take application of price for compensation and assistance option based on table of detailed compensation quantity of DPs, minutes of inventory, documents on land origin, list of person statistics, social policy households and price unit, compensation and assistance policies for DPs.

Compensation and assistance option shall present sufficiently quantity, numbers, type, price unit, ratio, remaining quality (for affected assets calculated for depreciation calculation) of assets attached to compensated land of DPs and other basis for calculation.

Step 9: **Approval of compensation option**

After completing compensation option based on DPs’ contribution opinions, agencies in charge of compensation submit continent authorities for appraisal and approval.

Step 10: **Open compensation and allowance option**

After compensation and resettlement option is approved by authorized agencies, agencies in charge of compensation and resettlement implementation agency is responsible to open compensation and allowance option, including plan and time for payment of compensation and allowance, plan and time for removal and relocation for the purpose of land acquisition.

Step 11: **Implement payment for compensation, allowance and resettlement**

In 15 days since the approval date of compensation and assistance option, concerned agencies shall be responsible to give payment for compensation and allowance for DPs.

In case of resettlement, CRC is responsible to compensate, acquire land, hand over houses or land, land use right certificate, and house possess certificate for DPs prior to land acquisition. In case there is an agreement between CRC and DPs on receiving dwelling-houses and dwelling-land after land acquisition, it is required to implement following written agreement with signatures of both parties.

Step 12: **Land acquisition and recovery**

PCs of all levels co-ordinate with public organization to campaign DPs to implement well the decision on land acquisition, receiving compensation and allowance based on approved option, relocate on-ground architectural objects and assets, and hand over land following required schedule.

Along with steps mentioned above, after obtaining approval for detailed design, PMU should mobilize by employment of resettlement experts to support the project and independent monitoring agency to independently monitor the compensation and resettlement implementation of the project. Resettlement consultancy expert shall be responsible to support PMU to internally monitor the implementation of the agency in charge of compensation and assistance and independent monitoring agency shall periodically monitor the implementation of compensation and land acquisition of the project.

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8.3 IMPLEMENTATION PLAN

(see next page)
# Implementation Schedule for Compensation and Resettlement

<table>
<thead>
<tr>
<th>Activities/Time</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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<td>2</td>
<td>3</td>
<td>4</td>
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</tr>
</tbody>
</table>

### 1. Project Implementation Plan

1. Approval of Pre-F/S Report  
2. Detailed Engineering Design (DED)  
3. Submission of DED  
4. Tendering  
5. Construction

#### E. Process of Compensation, Assistance and Resettlement

1. Draft and Publicise Land Acquisition Policy  
2. Preparation of Cadastral Documents for Acquired Land Area  
3. Preparation, Appraisal and Approval of RAP Report  
4. Promulgate Project Policy Framework  
5. Notice on Land Acquisition  
6. Decision on Land Acquisition  
7. Establishment of DRC  
8. Inventory and Detailed Statistics of Affected Land Assets  
9. Preparation of Compensation, Assistance and Resettlement Option  
10. Publicize Compensation Option  
11. Payment for Compensation  
12. Land Clearance  
13. Rehabilitation Program  
14. Internal and External Monitoring

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Ho Chi Minh Urban Upgrading Project – Project Sectorial No. 4  
Infra-Thanglong  
63/90
9.1 OBJECTIVES AND POLICIES

Objectives of consultation and participation are as follows:

a) Ensure satisfaction for DPs and related agencies who issues decisions on involuntary resettlement entitled to them;

b) Minimize negative impacts caused by involuntary resettlement;

c) Avoid possible conflicts during project implementation.

It is regulated in WB’s policy that DPs shall be informed and consulted carefully on resettlement and compensation options. Consultation for DPs is the starting point for resettlement activities. DPs may worry about losses of subsistence means and community or worry that they are not ready for complicated negotiation on interests. Participating in resettlement plan preparation and management brings opportunities for DPs to participate in decisions on what affected their life. Resettlement implementation without consultation may lead to improper and ineffective strategy. Without consultation, DPs may disagree the project and create social difficulties to remarkably prevent the project from objective completion and even make the project cost increased. Therefore, if there is consultation, original objection about project can be changed to constructive consultation.

For Vietnam, one next step in increasing democracy at basic level is Instruction No. 30-CT/TW of the Central Committee of the Vietnamese Communist Party in “Construction and implementation of basic democratic regime” and Decree No. 29/1998/NĐ-CP on this matter. The key of this legal document is the well-known sentence: “people know, people discuss, people do, people check”

- Ordinance No. 34/2007/PL-UBTVQH11 point out matters which local authorities and community have opinions before authorized agencies make decision; including establishment of compensation and resettlement option relating to the project and work in ward/commune area.

- Article 39, clause 2, Land law 2003 request to open matters relating resettlement such as reasons, land recovery plan, relocation plan, general compensation plan, land acquisition for DPs.

If so, consultation and participation is a change in project implementation in Vietnam. Both local residents and persons in charge of project implementation also lack of experience in this field. It is necessary to pay attention to the following points to encourage relative agencies to participate in consultation process in the project:
a) Determine and attract related agencies, especially DPs to participate in consultation and participation;

b) Establish a strategy for participation in project plan preparation, implementation, monitoring and evaluation;

c) Raised detailed requirements for strategy of information promulgation, establish procedures to enable DPs to negotiate about their benefits and interests;

d) Attract related agencies to participate in making decision at different project implementation steps (for example, compensation modes, referring opinions of residents on compensation modes and implement schedule, etc.);

e) Prepare a schedule to implement activities such as strategy of information provision, compensation level and modes, interests, situation and plan of relocation.

f) Establish procedures for grievance redress settlement.

9.2 PROCESS OF CONSULTATION AND PARTICIPATION

9.2.1 Consultation during project preparation process

At beginning of project preparation, local authorities and heads of administrative agencies at all levels were informed about the proposed project, its objectives and implementation. They were carefully consulted and also actively participated in discussions on the development demands, priorities as well as their awareness about project objectives. Local authorities were consulted on social impacts and measures which may be applied to minimize negative and implicit impacts and to improve benefits of local residents. Local authority was also consulted about agreement and their commitments in implementing policies in approved RPF.

In the middle of February 2009, a socio-economic survey and inventory/ measurement of affected land/assets in large scale was conducted in 3 districts and 12 wards. Survey team conducted socio-economic survey by 40% households and making inventory of 100% households who are partly and/or fully affected by the project.

Besides, community consultations (discussed with project affected community group) were also carried out to collect qualitative information such as person status, income sources, desires on compensation rate, borrowing demands, etc. After being officially approved, the project with objectives, components and main activities will be publicized through national and local press and television for residents’ information.

9.2.2 Consultation during project implementation

During project implementation, PMUs shall, with supports of project consultants, undertake the following assignments:

- Provide information for DRCs through training seminars. Provide detailed information about policies of Project and implementation procedures;

- Publicize information and consult DPs during project implementation;
• Make comparison for publicized annual unit price and expected compensation price of the project; confirm land recovery scale and impacts on assets based on results of Detailed Measurement Survey (DMS) with consultation to DPs;

• District PCs will promulgate land acquisition policies and invite households to participate in the project dissemination and its legal basic;

• Each household will participate in measuring and checking assets as well as signing drawings on released house-land area with signatures, and list affected assets and losses;

• Households will participate in preliminary consideration of compensation option, deduction table, compensation amount for each household;

• Each household has the right to reflect and raise their questions about compensation calculation. Those questions shall be satisfactorily answered in order. Each household also has the right to raised matters relating to resettlement such as selling price, installments, procedures for certifying BOLURC in new residences, etc;

• After that, DRCs will put price into application, calculate compensation and complete compensation option for affected assets of DPs. PMU will present information on interests entitled to DPs in next consultation with households;

• Then, compensation option for affected shall clearly point out affected assets and compensation rights entitles to DPs and shall be signed by DPs to show their agreement with evaluation results. Any questions of DPs on contents of option shall be confirmed at this moment;

• Send letter/questions relating to resettlement options to DPs:
  o To inform them about resettlement option (clearly explain about consequence of each selected option), if any;
  o Request DPs to confirm their selections about resettlement option and their preliminary confirmation about location of resettlement area. Households whose land is fully affected will have a chance to visit expected resettlement area for selection;
  o Request DPs to clearly state services which they are using such as education/health care/ market and approach distance of services.

• Consult DPs on their desires about assistance and restoration option. This part is entitled to persons who are seriously affected and sensitive persons. DRCs will inform DPs about option and right to receive technical support before requesting them to clearly present desires about restoration assistance.

Community Meeting
Prior to approval of detailed design, the Consultant will conduct community meeting at each affected ward to provide additional information to the DPs and create opportunities for them to participate in open discussion on detailed design, resettlement policies and its procedures. In specific conditions and reflection, ward PCs or residential groups will conduct meeting to provide information relating to the project, compensation policies, and confirmation of household’s land using status.
9.2.3 Publicization of information

Apart from officially informing to DPs and their community, the RPF and RP shall be available at authorities of city PC, districts’ PC, wards’ PC, project wards and Info Shop in Washington city and Vietnam Information Development Center (VDIC) in Hanoi.

9.3 Results of Community Consultation

Before, during and after completion of SES and preliminary inventory of project affected assets, the consultant conducted consultation with related agencies in implementation of compensation and resettlement including staff of local authority; heads of residential groups and residential community.

Before implementing survey, the consultant worked with local authorities at all levels in order to inform of project implementation generally and execution of SES for project affected assets particularly, accordingly authorities at levels have closely coordination during survey process.

After the survey complete, the consultant worked with local staff to report results of the survey, simultaneously collect information relating compensation and resettlement activities in areas, advantages, disadvantages, lessons of experiences; propose options on RP preparation, establish a organization system (temporary) for the purpose of monitoring and continuous performance in next phases. Proposed staffs who participate in compensation activities of each project will include chairman of wards, cadastral staff (and urban staff) and some heads of residential areas.

In the period from 17th February 2009 to the end of 19th February 2009, the Consultant conducted community consultation to inform and consult residents on project policy as well as entitlements in the project as follows:
Table 5: Community Consultation Schedule on Land Acquisition and Resettlement

<table>
<thead>
<tr>
<th>No.</th>
<th>Locations</th>
<th>Time</th>
<th>Contents/Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ward</td>
<td>Date</td>
<td></td>
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<tr>
<td><strong>District No. 6</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Ward No. 14</td>
<td>17/2</td>
<td>8:00 – 11:00</td>
</tr>
<tr>
<td>2</td>
<td>Ward No. 12</td>
<td>17/2</td>
<td>14:00 – 16:00</td>
</tr>
<tr>
<td>3</td>
<td>Ward No. 11</td>
<td>18/2</td>
<td>8:00 – 12:00</td>
</tr>
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<td>4</td>
<td>Ward No. 10</td>
<td>18/2</td>
<td>14:00 – 16:00</td>
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<td>Ward No. 9</td>
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<td>8:00 – 12:00</td>
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<td>6</td>
<td>Ward No. 8</td>
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<td>14:00 – 16:00</td>
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<td>7</td>
<td>Ward No. 7</td>
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<tr>
<td>8</td>
<td>Ward No. 5</td>
<td>17/2</td>
<td>14:00 – 16:00</td>
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<tr>
<td><strong>District No. 11</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Ward No. 3</td>
<td>18/2</td>
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<td><strong>Tan Phu District</strong></td>
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<tr>
<td>10</td>
<td>Phu Trung</td>
<td>18/2</td>
<td>8:00 – 12:00</td>
</tr>
<tr>
<td>11</td>
<td>Hoa Thanh</td>
<td>19/2</td>
<td>14:00 – 16:00</td>
</tr>
<tr>
<td>12</td>
<td>Tan Thoi Hoa</td>
<td>19/2</td>
<td>14:00 – 16:00</td>
</tr>
</tbody>
</table>

**Elements:** There are about 40 - 50 households in each public consultation.

**Duration:** Two and half hour

**Introduction:**
Leaders of Ward introduce targets and participants of the consultation.

Consultant will:
- Introduce sub-component 4
- Introduce works in the local area
- Expected impacts in the local area
- Proposed mitigation measures
- Proposed compensation options: implementation organization and plan, proposed unit price for application (only state that unit price is calculated following replacement rate based on market price and the price regulated by PC);

**Discussion:**
Discuss and collect opinions of residents.

**End of consultation:**
Leaders of local authority and households signed on the minutes of consultation.
Main contents of public consultation focus on the following issues:

(a) Agreement and support of residents in the local area to the project implementation and land recovery;

(b) Compensation options and compensation price is informed to residents and obtaining opinions of residents prior to implementation;

(c) Inform and consultation to residents on implementation plan of land recovery and acquisition.

(d) Expected resettlement option and location;

(e) Desires of residents on livelihood restoration programmes after resettlement;

(f) Other discussions by residents, etc.

In these discussions, residents focus on issues relating to relocation and resettlement; in which they are interested in project progress, expected resettlement locations, resettlement mode, etc. These contents were mentioned in detailed in Part 5: Resettlement Site, so it is not necessary to mention in this content. (See details in Part 5: Resettlement Site)
10.1 RESPONSIBILITY

Agencies which take responsibility for grievance redress and complaint settlement during compensation and land acquisition process includes PC of City, relevant authorities, compensation and land acquisition council at different levels, PCs at different levels in project affected areas. Depending on functions and tasks of each level, settlement regime of grievance redress and complaints of DPs will be regulated following legal documents issued by the State.

In order to enable DPs to have opportunities to present their complaints on compensation and resettlement, procedures on grievance redress will be established for the project. The objective is to quickly settle complaints of DPs in compliance with procedures. Grievance redress regime will be designed in simple, understandable, quick and fair way. With settlement of grievance redress at each project level, project implementation progress will possibly be more effective. If DPs do not agree with decision on compensation, assistance and resettlement, they can offer grievance redress following regulations and laws.

Settlement of grievance redress on decision on compensation, assistance, land acquisition and resettlement and responsibilities in settlement of grievance redress, grievance redress validity and settlement procedures shall be implemented following regulations at Article 138, Land Law 2003 and Article 63, 64 Government’s Decree No. 84/2007/ND-CP dated 29th October 2004 on dealing grievance redress at Decree No. 136/2006/ND-CP

However, during waiting time for grievance redress settlement, persons whose land is acquired shall implement decision on land acquisition and hand over land following the schedule and plan required by authorities.

For cases of grievance redress regarding administrative decision on land management which is not regulated at Article 162, Decree No. 181/2004/ND – CP, it shall implement following regulations and laws on grievance redress.

10.2 GRIEVANCE REDRESS PROCEDURES

Grievance redress or suggests which relates to any fields in RP, including determining value of project affected assets shall be settled as following:

Step 1: If there is any individual have complaints or suggestion on any fields of compensation, land acquisition and resettlement programme, they may send their complaints in written to PCs of wards/ communes which shall be responsible to solve grievance redress of DPs within 15 days.

Step 2: If any DPs disagree with settlement as mentioned in Step 1, they may send their complaints to DPC or district resettlement and compensation council or DRC shall consider to settle grievance redress and complaints of households.
Step 3: If any DPs disagree with settlement of DPC, they may send their complaints to City People’s committee (CPC) or CRC within 15 days since the receiving date of district’s decision. CPC or CRC shall settle grievance redress within 15 days since the receiving date of complaints.

Step 4: If DPs disagree with settlement of CPC or CRC, they may send their complaints to district People’s court within 15 days since the receiving date of settlement decision at Province/City level.

Those send complaints shall be released from administrative fee and legally assisted.
Process of Grievance Redress

**Step 1**

If DPs complains about resettlement and rehabilitation programme, they can present orally or send document to representative of ward/commune. Ward/commune authority will record and settle these complaints. Ward/commune people' committee (W/CPC) will settle them within 15 days.

**Step 2**

If DPs disagree with settlement of W/CPC, DPs can send their complaints to district people’s committee (DPC) or district resettlement and compensation board (DRCB) within 30 days since receiving settlement of W/CPC. Chairman of DPC will settle these complaints within 15 days.

**Step 3**

If DPs disagree with settlement of DPC, DPs can send complaints to City People’s committee (CPC) or CRC within 45 days since receiving settlement of Chairman of DPC and DCRB; CPC and CRC will settle these complaints within 15 days.

**Step 4**

If DPs disagree with city’s settlement they can send complaints to People’s court within 45 days since receiving settlement of Chairman of CPC and CRC.
11.1 INTERNAL MONITORING

Implementation process of RP will be regularly monitored and checked by PMUs of City where the project is located with coordination with PC of district, PC of province and IDA.

Internal monitoring and checking shall:

a) Make clarification for information provided by DPs and evaluate damaged assets, review compensation, land acquisition and resettlement based on regulations of RPF and RP.

b) Monitor whether manpower in charge of RP implement in accordance with design and planning or not.

c) Make clarification for capital sources for project implementation, provide PMU information, for example, capital is use timely and for right purposes as requested and approval in RP or not.

d) Archive all complaints and settlement options and ensure that grievance redress is solved following regulated time as mentioned above.

11.2. EXTERNAL MONITORING

One independent monitoring agency or one independent consultancy will implement regular monitoring or evaluation of RP implementation. This agency may be research center or institute or non-governmental organization (NGO), or independent monitoring agencies with experienced and qualified staff following TOW approved by WB.

In addition, in order to verify information collected through PMU’s internal monitoring reports, independent monitoring agency will contact and interview about 20% of DPs in each Province/City, independent monitoring will started 6 months after RP commencement in order to:

a) Determine if procedures on participation and receiving compensation amount of DPs are implemented in accordance with PRF and RP or not;

b) Evaluate if objective of PF is to improve or at least ensure the living standards of DPs as they had prior to project implementation or not;

c) Collect quality evaluation information on socio-economic impacts during project implementation on DPs;

d) Request adjustments in RP implementation depending on certain cases in order to achieve objectives of this PF.
Objective of external monitoring and evaluation

The external and evaluation aims to review the implementation and evaluation outputs of resettlement objectives, change of living standard and livelihood, economic restoration and social base of DPs, effectiveness, impact and entitlement of DPs, demand and minimize measures, and study experiences in setting up and planning for policies in the future.

**Approach and Methodology**

a. General approach used for monitoring operation and evaluating impacts in order to ensure participation of concerning agencies especially woman group and venerable group. Monitoring tools include: quantities and qualitative methods.

b. Survey households basing on representative sample, not based on gender and vulnerable group in order to collect data on basic indicators of entitlement delivery, effectiveness, impacts and sustainability.

c. Focus group discussion (FGD) need allow monitoring organizations to consult fields of concerning agencies (local authority, resettlement staff, community leaders and most important is DPs).

d. Important interview: Choose well – experienced local authority, worker and individual in implementation of resettlement.

e. Community meetings: organize community meetings at resettlement site to collect data on implementation of resettlement.

f. Directly observation: observe at site on implementation of resettlement, interview group and individual in order to examine data.

g. Unofficial/ interview: survey unofficially DPs, native people, worker, resettlement and organization without using sample.

h. For special issues, use depth-interview DPs and native people of different group to evaluate resettlement’s impacts.
12.1 LEGAL FRAMEWORK

According to PF of Vietnamese Government and regulations of Ho Chi Minh city, compensation for affected land and assets by the project will be calculated based on following legal documents:

- Government’s Decree No. 197/2004/NĐ-CP issued on 3\textsuperscript{rd} November 2004 on compensation, assistance and resettlement when land is acquired by the State;
- Government’s Decree No. 188/2004/NĐ-CP issued on 16\textsuperscript{th} November 2004 regarding methods of determining land prices and price frame of land of different categories;
- Government’s Decree No. 84/2007/NĐ-CP issued on 25\textsuperscript{th} May 2007 regarding additional regulations on granting land using certificate, land acquisition, implementation of land using, procedures for compensation, assistance and resettlement when the State retrieves land and settle complaints on land;
- Government’s Decree No.123/2007/NĐ-CP dated 27\textsuperscript{th} July 2007 on amendments and additions to some articles of Decree No. 188/2004/NĐ-CP on methods of determining land prices and assorted-land price frame;
- Decision No. 17/2008/QĐ-UBND dated 14\textsuperscript{th} March 2008 regarding issuance of regulations on compensation, assistance and resettlement when land is acquired by the State in Ho Chi Minh city;
- People’s Committee’s Decision No. 12/2008/QĐ-UBND dated 20\textsuperscript{th} February 2008 regarding standard price frame for providing investment for construction: Decision No. 64/2008/QĐ-UBND dated 31\textsuperscript{st} July 2008 regarding additions and amendments to Decision No. 12/2008/QĐ-UBND dated 20\textsuperscript{th} February 2008 regarding standard price frame for providing investment for construction in Ho Chi Minh city; and Decision No. 92/2008/QĐ-UBND dated 26\textsuperscript{th} December 2008 regarding promulgation of adjustments when applying Decision No. 12/2008/QĐ-UBND dated 20\textsuperscript{th} February 2008 and Decision No. 64/2008/QĐ-UBND dated 31\textsuperscript{st} July 2008 issued by Hai Phong People’s Committee;
- Decision No. 89/2006/QĐ-UBND dated 20\textsuperscript{th} December 2008 regarding promulgation of prices of all land types in Ho Chi Minh city;
- Decision No. 156/2006/QĐ-UBND dated 27\textsuperscript{th} October 2006 on establishment of fund for training and solving jobs for DPs for projects implementation in the city;
- Decision No. 118/2008/QĐ-UBND dated 10\textsuperscript{th} September 2007 on purchase and selling of complete apartments and land foundation transfer with technical infrastructure for the purpose of resettlement arrangement when land is acquired by the State in the city; and Decision No. 47/2008/QĐ-UBND dated 09\textsuperscript{th} June 2008
regarding additions and amendments to some articles of Decision No. 118/2008/QĐ-UBND dated 10th September 2007 on purchase and selling of complete apartments and land foundation transfer with technical infrastructure for the purpose of resettlement arrangement when land is acquired by the State in the city; and

- The RPF of Vietnam Urban Upgrading Project.

12.2 CAPITAL SOURCE

Budget for the RP implementation will be one part of Government’s counter-part fund (Budget is taken from Ho Chi Minh People’s Committee). Ho Chi Minh People’s Committee will provide counter-part fund for implementation of compensation and resettlement and it will be included in total investment cost of the Project.

12.3 REPLACEMENT COST SURVEY

Method which is used to determine value of losses in projects funded by WB is based on “REPLACEMENT PRICE”. This project, includes losses on urban land, construction works and other assets. For urban land with same area, value shall be calculated following replacement price in consideration of public facilities and social services, plus registration cost and transfer tax. For residential houses and other construction works, values are determined market prices of construction materials so as to build a replacement house with area and quality at least same as the old one, or to repair affected structures plus costs for material transport, manpower, tendering, and registry and transfer tax. Depreciation of assets and values of materials which may be utilized by DPs shall not be deducted.

Unit Price for Land Compensation

For the purpose of reference, the Consultant collected unit price of road faced land from real estate market with different sources:

- Decision No. 89/2008/QĐ-UBND issued on 20th December 2008 on issuance of prices on land of different categories in Ho Chi Minh City;
- “Mua and Ban” newspaper; information from real estate transaction places and centers;
- Reference made to unit price of some projects in adjacent areas;
- Consult local community and DPs.

Through survey on replacement price and working with local community and authorities and with reference to “Buying and Selling newspaper, some information of market land price is determines as follows:

**Applied method – Direct comparison method**

Determination of land price following direct comparison method shall be implemented following below steps:

a- Step 1: Survey and collect information

- Determine locations of land lots, free land lot (land without construction works on it) in comparison with land lots and blocks which need to be valued for information collection.
For each land type, price should be determined with selection of 3-5 land lots, free land lot in adjacent area, land lot which needs to be valued and successfully transferred in the market (including direct transaction among individuals and organizations; winning in auction on land using right, successful transaction on real estate transaction bourse) with characteristics in similarity with land lots and land blocks which need to be valued on land type, scale, structure, legal characters and land using objectives.

- Duration for information collection:

Information to be collected in the period nearest to the time of survey to determine price of land lots or land blocks which need to be valued.

In case information cannot be collected as required above, it is necessary to collect information on transaction and transfer of land using right in 1 year period counting to the time of survey to determine land price.

- Information need to be collected:

  + Location;
  + Existing land use situations (land type, scale or area, and dimension, topography, assets on land, current land using objectives, land using objectives following planning);
  + Conditions on structures;
  + Environment (including natural environment like landscape, water source, air, noise, …and social environment like social order and security, intellectual standards of the people);
  + Legal characteristics (planning on land use, construction planning at locations of land lots, land block; land use certificate, completion degree of financial obligations on land following regulations of law, etc.);
  + Time of successful transfer, transaction or auction on success land use right; price level of successful transfer, transaction or auction on success land use right;
  + Time and conditions of transaction, transfer and payment.

- Conditions of information:

Above information shall be collected from results of transfer and transaction on actual land use right in the market in normal conditions as regulated in Article 2, clause 2 of Decree No. 123/2007/N-CP.

b- Step 2: Comparison and analysis of information:

Based on surveyed and collected information in Step 1, implement combination, analysis and comparison to similar and different criteria among land lots and land blocks which need determination of price.

c- Step 3: Adjust differences on price among land lots and land blocks in comparison with land lots and land blocks which need to be valued for required land lots.

Estimated prices of land lots and land blocks which need to be valued are calculated following adjustment of differences on price among compared land lots and land blocks as bellow:

\[
\text{Estimated value of land lots and land} = \text{Transfer price on land use right of each compared land} \pm \text{Adjustment rate on price from differences of each land lot and land block in}
\]
blocks which need to be valued comparison with land lot and land block which need to be valued

d- Step 4: Determine price of land lot which need to be valued by adopting the average number of price rates of 3 - 5 compared land lots and land blocks for which price adjustment is made in Step 3.

Table 6: Reference table of land price in market

<table>
<thead>
<tr>
<th>No.</th>
<th>Location (District/Ward)</th>
<th>Name of Road</th>
<th>Unit price of PC (VND/m²)</th>
<th>Proposed unit price (VND/m²)</th>
<th>Market price (According to Mua &amp; Ban Newspaper dated 18-20/02/2009)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Road Surface</td>
<td>Alley</td>
</tr>
<tr>
<td>1</td>
<td>Quan 6</td>
<td>Phuong 5</td>
<td>Hau Giang 17.100.000</td>
<td>35.000.000</td>
<td>21.000.000</td>
</tr>
<tr>
<td>2</td>
<td>Phuong 7</td>
<td>Lo Gom 6.100.000</td>
<td>13.000.000</td>
<td>7.800.000</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Phuong 8</td>
<td>Nam 2008</td>
<td>Pham Van Chi 7.500.000</td>
<td>22.200.000</td>
<td>13.320.000</td>
</tr>
<tr>
<td>4</td>
<td>Phuong 9</td>
<td>Lo Gom</td>
<td>6.100.000</td>
<td>9.000.000</td>
<td>5.400.000</td>
</tr>
<tr>
<td>5</td>
<td>Phuong 10</td>
<td>Nguyen Van Luong 7.300.000</td>
<td>17.000.000</td>
<td>10.200.000</td>
<td>Facing road, NVL, 4,2x12m, cast 2 sheets, 1 building, pink book, 120 SJC taels</td>
</tr>
<tr>
<td>6</td>
<td>Phuong 11</td>
<td>Nguyen Van Luong 11.000.000</td>
<td>23.000.000</td>
<td>13.800.000</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Phuong 12</td>
<td>Hau Giang 17.100.000</td>
<td>28.000.000</td>
<td>16.800.000</td>
<td>54.7m²; construction area xd 95.5m²; CQH, 1.5billion</td>
</tr>
<tr>
<td>8</td>
<td>Phuong 14</td>
<td>Nguyen Van Luong 13.200.000</td>
<td>30.000.000</td>
<td>18.000.000</td>
<td>56m² (ground floor, casted building, pink book) 1.95 billion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hau Giang 17.100.000</td>
<td>35.000.000</td>
<td>21.000.000</td>
<td>Alley 4m; 8,3x14m, 4th grade house, unplanned, 200 SJC ounce</td>
</tr>
<tr>
<td>8</td>
<td>Phuong 14</td>
<td>Nam 2008</td>
<td>Tan Hoa 7.300.000</td>
<td>24.540.000</td>
<td>14.724.000</td>
</tr>
</tbody>
</table>
## Unit Price for Architectural Compensation

Houses in project affected area are mainly 4th grade and temporary houses; there are very little houses of permanent brick structures. The reason is that this area is studied and planned for improvement of Tan Hoa – Lo Gom canal from 2002-2004 period. Thus, households in this area have not upgraded their houses in past years.

For houses and other construction works in the project, their values are defined following material price in the market at the time of compensation rate determination as to build a replacement house with the quality and area same as the old one, or as to repair one part of affected structure, plus cost for material transport, manpower, tendering, registration and transfer fee. Depreciation is not made for assets and salvaged materials are not deducted.

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**Ho Chi Minh Urban Upgrading Project – Project Sectorial No. 4**

**Infra-Thanglong**

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Having considered latest policies issued by the City that the compensation unit price of architectural objects and assets in the project area following Decision No. 12/2008/QĐ-UBND dated 20th February 2008 of Ho Chi Minh City regarding promulgation of standard price table on investment capital for project construction in Ho Chi Minh City are similar to market price. So the Price can be applied at the time being. Based on proposed unit price, estimated compensation and assistance cost is determined in following part: Cost estimation.

### 12.4 COST ESTIMATION

Costs for resettlement compensation includes costs for RP preparation and implementation, cost for administration and management to be estimated for the following items:

- Compensation cost for affected land and other assets in the project area;
- Costs for rehabilitation programmes and other special assistance for sensitive groups (policy households, households owned by women, handicapped persons, poor households, etc.);
- Assistance amount, allowances, bonus for DPs following expected plan;
- Costs for DRCs and local staff in charge of RP implementation.
- Cost for employment of local experts and independent monitoring consultant;
- Contingency: following latest Land Law, in January of every year, People’s Committee of province will issue unit price of land and following experience, land price will gradually increase annually in most cases.

Detailed list of impacts and cost estimation for active areas will be divided into categories and shown as below:
Table 13: Summary of Total Compensation and Resettlement Cost

<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Amount (VND)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Land compensation cost</td>
<td>1,122,347,962,400</td>
</tr>
<tr>
<td>1</td>
<td>Living land</td>
<td>1,122,347,962,400</td>
</tr>
<tr>
<td>B</td>
<td>Compensation cost for house, architectural objects</td>
<td>155,219,753,650</td>
</tr>
<tr>
<td>1</td>
<td>House/architectural</td>
<td>155,219,753,650</td>
</tr>
<tr>
<td>C</td>
<td>Livelihood restoration program</td>
<td>94,313,385,803</td>
</tr>
<tr>
<td></td>
<td>Assistance for relocation</td>
<td>4,053,000,000</td>
</tr>
<tr>
<td></td>
<td>Assistance for life stabilization</td>
<td>5,404,000,000</td>
</tr>
<tr>
<td></td>
<td>Assistance for jobs</td>
<td>2,702,000,000</td>
</tr>
<tr>
<td></td>
<td>Bonus for timely dismantlement</td>
<td>8,880,000,000</td>
</tr>
<tr>
<td></td>
<td>Assistance for temporary residence</td>
<td>8,106,000,000</td>
</tr>
<tr>
<td></td>
<td>Small Business Assistance</td>
<td>1,290,000,000</td>
</tr>
<tr>
<td></td>
<td>Rehabiliattion Programme [5% x (A+B)]</td>
<td>63,878,385,803</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,371,881,101,853</strong></td>
</tr>
<tr>
<td></td>
<td>Independent Monitoring Agency (0.5%)</td>
<td>6,859,405,509</td>
</tr>
<tr>
<td></td>
<td>Management cost (2%)</td>
<td>27,437,622,037</td>
</tr>
<tr>
<td></td>
<td>Contigency (5%)</td>
<td>68,594,055,093</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,474,772,184,491</strong></td>
</tr>
<tr>
<td></td>
<td>Make round</td>
<td><strong>1,475,000,000,000</strong></td>
</tr>
<tr>
<td></td>
<td>USD</td>
<td><strong>83,333,333.33</strong></td>
</tr>
</tbody>
</table>

*In written: One thousand, four hundred and seventy five billion VND*
## Summary of Cost Estimation for Land/Asset Acquisition

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Type of affect</th>
<th>Number of HHs</th>
<th>Affect on land (m²)</th>
<th>Affect on house (m²)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Partly</td>
<td>Wholly</td>
<td>Living land</td>
<td>Unit price</td>
<td>Amount</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>District No. 6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Ward No. 5</td>
<td>25</td>
<td>4</td>
<td>29</td>
<td>456</td>
<td>7,800,000</td>
</tr>
<tr>
<td>2</td>
<td>Ward No. 7</td>
<td>56</td>
<td>248</td>
<td>304</td>
<td>9,682</td>
<td>4,800,000</td>
</tr>
<tr>
<td>3</td>
<td>Ward No. 8</td>
<td>57</td>
<td>76</td>
<td>133</td>
<td>3,441</td>
<td>5,400,000</td>
</tr>
<tr>
<td>4</td>
<td>Ward No. 9</td>
<td>85</td>
<td>150</td>
<td>235</td>
<td>9,090</td>
<td>8,400,000</td>
</tr>
<tr>
<td>5</td>
<td>Ward No. 10</td>
<td>14</td>
<td>53</td>
<td>67</td>
<td>5,235</td>
<td>10,200,000</td>
</tr>
<tr>
<td>6</td>
<td>Ward No. 11</td>
<td>100</td>
<td>312</td>
<td>412</td>
<td>17,224</td>
<td>16,800,000</td>
</tr>
<tr>
<td>7</td>
<td>Ward No. 12</td>
<td>70</td>
<td>309</td>
<td>379</td>
<td>10,670</td>
<td>21,000,000</td>
</tr>
<tr>
<td>8</td>
<td>Ward No. 14</td>
<td>122</td>
<td>118</td>
<td>240</td>
<td>12,064</td>
<td>15,600,000</td>
</tr>
<tr>
<td>9</td>
<td>District No. 11</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Hoa Thanh ward</td>
<td>99</td>
<td>4</td>
<td>103</td>
<td>2,876</td>
<td>7,200,000</td>
</tr>
<tr>
<td>11</td>
<td>Tan Thoi Hoa ward</td>
<td>59</td>
<td>10</td>
<td>69</td>
<td>7,069</td>
<td>10,200,000</td>
</tr>
<tr>
<td>12</td>
<td>Phu Trung ward</td>
<td>162</td>
<td>16</td>
<td>178</td>
<td>4,908</td>
<td>12,600,000</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>850</td>
<td>1,351</td>
<td>2,201</td>
<td>86,771</td>
<td>1,122,347,962,400</td>
</tr>
</tbody>
</table>

Ho Chi Minh Urban Upgrading Project – Project Sectorial No. 4
Infra-Thanglong: 82/90
Total amount for compensation/assistance and resettlement of project sectorial No.4 is 1,475,000,000,000 VND (in written: One thousand, four hundred and seventy five billion dong), equal to USD 83,3 million. This amount is expected to be paid in 3 years, starting from 2009 and finishing in 2011. Disbursement progress of compensation, assistance and resettlement cost is shown in the below table:

### Table 14: Disbursement Progress

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of cost</th>
<th>Demand of annual investment capital (million USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2008</td>
</tr>
<tr>
<td>A</td>
<td>Direct cost</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Construction cost</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tax</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Compensation and resettlement cost</td>
<td>26,6</td>
</tr>
<tr>
<td>5</td>
<td>Contingency</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Other costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

### 12.5 INFLATION INDEX

Estimated cost for compensation, assistance and resettlement of the project is calculated following price rate in 2008 and will be updated during preparation of project compensation option. Compensation and assistance rate for livelihood restoration will be annually updated based on actual inflation rate. Inflation index in first six (06) months of the year 2009 is 15% (estimated), PMU and CRC will define this inflation rate and submit it to relevant agencies for review in order to adjust total compensation rate at the implementation time (if necessary).
ANNEX 1: ENTITLEMENT MATRIX
ANNEX 2: LIST OF DISPLACED PERSONs
ANNEX 3: COMMUNITY CONSULTATION
ANNEX 4: LAND ACQUISITION BOUNDARY
ANNEX 1: ENTITLEMENT MATRIX
## Annex 1: Entitlement Matrix

<table>
<thead>
<tr>
<th>Type of entitlement</th>
<th>Definition of entitled Person</th>
<th>Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Loss of land (residential)</strong></td>
<td>(a) Legal/ legalizable user of Project affected land.</td>
<td>PAPs are entitled to compensation at 100% of replacement cost of lost land at market value. <strong>Or</strong> PAPs receive a land plot in the resettlement area plus cash adjustment. <strong>Or</strong> PAPs buy an apartment with cash compensation received and pay the difference in installments for 10-20 years with low interest.</td>
</tr>
<tr>
<td></td>
<td>(b) Non-legal user without land use right</td>
<td>PAPs are entitled to cash compensation and or rehabilitation assistance for land at 60% of replacement cost of land lost. <strong>Or</strong> PAPs buy an apartment with cash compensation received and pay the difference in installments for 10-20 years with low interest, if needed.</td>
</tr>
<tr>
<td></td>
<td>(c) User of land under dispute</td>
<td>PAPs are entitled to cash compensation and or rehabilitation assistance for land at from 60% to 100% of the replacement cost of the land lost. PAPs may not be eligible for immediate compensation until the dispute is resolved (amount will be deposited in an escrow account).</td>
</tr>
<tr>
<td><strong>2. Loss of houses and structures</strong></td>
<td>(a) Legal/legalizable and non-legal owner of affected houses and structures</td>
<td>PAPs are entitled to compensation and or rehabilitation assistance at 100% substitution cost of the affected house and structure in materials, cash or a combination of the two. No deduction will be made for depreciation or salvageable materials.</td>
</tr>
<tr>
<td><strong>3. Loss of rented Government structures and land</strong></td>
<td>(a) Legal and legalizable renters of Project affected houses and land</td>
<td>PAPs are entitled to the following compensation choices: PAPs choosing the relocation option are entitled to rent a house with equal rented floor area, the same standard of building and facilities and at an equal rent rate as the house lost. PAPs choosing the self-relocation option are entitled to cash assistance in an amount equal to 60% of the substitution costs of the rented floor area plus 60% of the replacement costs of the rented land area. Self-relocating PAPs who are sharing a rented house are entitled to cash in an amount equal to 60% of the substitution cost of the rented floor area plus 60% of the replacement cost of the shared rented land.</td>
</tr>
<tr>
<td></td>
<td>(b) Legal and legalizable renters of affected upgraded house</td>
<td>PAPs are entitled to compensate the cost of upgraded house.</td>
</tr>
<tr>
<td>Type of entitlement</td>
<td>Definition of entitled Person</td>
<td>Entitlement</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>(c) Legal and legalizable affected additional structures build in rented house</td>
<td>PAPs are entitled to compensate the cost of the additional structures built in rented house.</td>
<td></td>
</tr>
<tr>
<td>(a) All eligible owners of affected big business</td>
<td>PAPs are entitled to cash compensation at 100% of the monthly turnover of business lost for six months based on the average monthly turnover declared for the latest year paid to the tax Department</td>
<td></td>
</tr>
<tr>
<td>(b) All eligible owners of affected small business</td>
<td>PAPs are entitled to cash compensation of 1,000,000 VND per month per family having small business lost for six months.</td>
<td></td>
</tr>
<tr>
<td>(c) All eligible owners of affected trees and crops</td>
<td>PAPs are entitled to cash compensation at 100% of substitution cost of lost fruit bearing trees or lost trees of commercial value and at market price for crops.</td>
<td></td>
</tr>
<tr>
<td>(a) All eligible owners of affected privately owned utility lines and meters</td>
<td>PAPs are entitled to compensation at 100% of the replacement costs in cash as follows: PAPs are also entitled to assistance to have these lost utilities installed on time at the relocated site.</td>
<td></td>
</tr>
<tr>
<td>(b) All eligible owners of affected public utilities</td>
<td>PAPs are entitled to compensation at 100% of the replacement costs as follows: All cost for relocation and rehabilitation of affected public utilities OR Cash compensation at 100% of the substitution cost of public utilities lost.</td>
<td></td>
</tr>
<tr>
<td>(a) All eligible relocated PAPs</td>
<td>Relocated PAPs are entitled to transition assistance by cash in an amount of 5,000,000 VND/ PAP at most depend on PAP have to relocate in or out of their provinces/cities.</td>
<td></td>
</tr>
<tr>
<td>(b) All eligible relocated PAPs</td>
<td>Relocated PAPs are entitled to a livelihood cash allowance of: 180,000 VND per month for 6 months for each PAP. All relocated DPs will be provided with house renting allowance of VND 1,000,000 for each household per month until the resettlement site or apartments are ready for them to move in.</td>
<td></td>
</tr>
<tr>
<td>Legal and legalizable PAPs losing jobs</td>
<td>PAPs are entitled to assistance to seek new job. OR PAPs are entitled to training for new skills: this provision will be accompanied by a cash subsidy of 500,000 VND per month per PAP for six months.</td>
<td></td>
</tr>
<tr>
<td>Eligible PAPs moving out of the Project area on time</td>
<td>PAPs are entitled to a cash bonus of 5,000,000 VND/PAF.</td>
<td></td>
</tr>
<tr>
<td>For PAPs having social subsidization from the GOV</td>
<td>These PAPs will be assisted 1,000,000/household</td>
<td></td>
</tr>
</tbody>
</table>
ANNEX 2: LIST OF DISPLACED PERSONs
ANNEX 3: COMMUNITY CONSULTATION
ANNEX 4: LAND ACQUISITION BOUNDARY