

Nam Theun 2 Hydroelectric Project

Project Implementation Plan

Part B: Social Activities

Introduction to Part B

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1 General

This Part of the PIP focuses on NTPCs obligations and plan for implementation in relation to social aspects of the Nam Theun 2 Project.

Part B has been presented as 4 chapters as follows:

Chapter 1: Physical Cultural Resources, Project Lands, Camp Followers

Chapter 2: Health Programs

Chapter 3: Nakai Plateau Resettlement

Chapter 4: Downstream Areas Development Plans

This introduction has been included to provide an overview of some key elements of the NT2 project planning and implementation mechanisms which are relevant to all the chapters in this part of the PIP, including:

- Public Consultation, Participation and Disclosure (PCPD)
- Adaptive Management
- The Grievance Procedure

They are described in the following sections.

2 Public Consultation, Participation and Disclosure (PCPD)

This section presents some of the relevant key points relating to PCPD, mostly taken directly from the SDP Volume 1 Chapter 4, Volume 2 Chapter 5, and Volume 3 Chapter 6.

Public consultation and participation (PCPD) is playing a key role in the continued planning and in the preliminary or pilot implementation of the social and resettlement components of the NT2 Project. The objective of the PCPD is to develop and maintain avenues of communication between the Project and stakeholders in order to ensure that their views and concerns are incorporated into project design and implementation with the objectives of reducing or offsetting negative impacts and enhancing benefits from the Project. The feedback from consultations has been, and will continue to be an important component of the planning process leading to the formulation of mitigation measures and compensation plans for project affected communities.

The NT2 Project's public consultation, participation and disclosure process can be considered as a Three-Phase Process, as follows:

1. Public Consultation, Participation and Disclosure (PCPD) Phase 1: Public Consultations 1

Phase 1 public consultations were initiated to allow stakeholders and Project Affected People (PAPs) to participate in project design, both in terms of technical design of mitigation measures, and the design of the resettlement and compensation process. These were started in 1996, and to the end of 2003 there were more than 250 public consultation and participation briefings and meetings, which took place at the local, regional, national and international levels. Dialogue has been initiated with all interested groups and stakeholders who are directly or indirectly involved in the NT2 Project and who have expressed a wish to participate in the Project's public consultation program.

2. PCPD Phase 2: Public Consultations 2

Following the development of the basic project design and planning, and the incorporation of feedback from Phase 1 comments into the design, an extensive second round of detailed information dissemination and consultations was conducted. This second round (May-August 2004) provided information to all PAPs and has given them another opportunity to make proposals and thus contribute to the further refinement in the project strategy and design. This Phase also saw the progressive translation, into the Lao language, of summaries and relevant sections of the social and resettlement safeguards documents.

3. PCPD Phase 3: Disclosure

During the second phase of the Public consultation, the July 2004 version of the SDP was fully disclosed on the NT2 project's website. The full Social Development Plan, including the EMDP, RAP and Frameworks, revised according to the consultations,

will be fully and widely disclosed in both English and Lao language (a summary of the latter) according to both World Bank and ADB policies.¹

The comprehensive consultation process follows the recommendations made in the World Commission on Dams (WCD) Report, including the requirements for:

- Participation in consultation of indigenous and tribal people is a process of communication and negotiation, spanning the planning and Project cycles;
- Effective participation requiring an appropriate choice of community representatives;
- Consent of affected indigenous and tribal people should be sought prior to key points in the decision-making process;
- The manner of expressing consent will be guided by customary laws and customs, and by national laws;
- At the beginning of the process the affected people will state how they will express their consent to key decisions;
- The integrity of community processes should be guaranteed, they shall not be divided or coerced, and be free of manipulation; and
- Independent dispute resolution mechanism should be agreed with the other stakeholders at the beginning of any process.

2.1 Stakeholders

Following extensive scoping of issues and review of findings, which have been subjected to public and professional review, there is agreement that NT2 stakeholders comprise of five main groups:

- People directly affected by the Project;
- GoL officials at the district, provincial and national levels;
- The broader interested regional and national community;
- NGOs operating in the Lao PDR and particularly those in the Project area; and
- International NGOs, international organizations, and the local, regional and international media.

Those stakeholder groups that are of specific concern to the social and resettlement components of the NT2 Project can also be identified on a geographical basis, as follows:

Local

- All households and villages on the Nakai Plateau (about 1,250 households).
- Communities living along the Xe Bangfai (about 7,095 households);
- Communities downstream of the dam;
- Communities upstream of the dam (who may experience fisheries related impacts) and
- Communities with assets or land under the Project (construction) Lands.

¹ This division into three phases is most relevant for consultations with local stakeholders in the direct impact areas of the project

Regional

- Community leaders.
- GoL Agencies at the district level.
- GoL Agencies at the Provincial level.
- Businesses and contractors.

National

- GOL Ministries.
- The People of the Lao PDR.
- National media.

International

- Other international power utilities, in particular EGAT.
- World Bank.
- Asian Development Bank
- NTPC, investors and Financial Institutions.
- International NGOs.
- International media.
- Other hydroelectric dam developers.

2.2 Strategy, Methodology and Cross-cutting Issues

The NT2 Project recognizes that PCPD strengthens the decision making process in both the EAMP and the SDP and adds value to the quality of the Project. To date, consultation with the people who may be affected by the Project has been critical in resettlement planning, and the on-going PCPD outlined in will ensure it continues to play a major role in resettlement planning and then for the implementation of activities.

NTPC is committed to assisting affected households in making an informed choice about resettlement and compensation. The Provincial and District authorities, through the Resettlement Management Unit (RMU), are responsible for informing villagers well in advance about the implementation steps and giving notice, at the appropriate time, of the compensation options, and in general encouraging participation of local stakeholders in the decision-making process and implementation of the SDP.

2.2.1 Stages of Information exchange, stakeholder concerns, and participatory program design

Consultation at local, regional, national and international levels has been and will continue to progress through four main steps:

Step 1: Information collection and dissemination: This initial step aims to promote awareness. Information flows in two directions, both into and from the Project. Awareness is attained through collection of data relating to both human and physical characteristics that facilitate evaluation and planning for project implementation.

Additionally, information is disseminated to stakeholders detailing project features, project impacts and implications for altered social and physical environments.

Step 2: Eliciting Stakeholder Concerns: Comments from stakeholders in response to information disseminated and received during Step 1 are sought and discussion of alternatives and suggestions for mitigation activities encouraged. In this way, issues that may have been previously overlooked or outstanding concerns of stakeholders are given a forum for review. This represents a needs-assessment, and provides a base from which decisions can be made.

Step 3: Active involvement in Project Design and Implementation: Based on the decisions made in Step 2, requirements for education, training, financial and institutional strengthening are identified and integrated into project design. The process will continue during implementation so that stakeholders may be fully involved throughout the process. This process is not linear, but provides for cyclical feedback, should deficiencies at any stage be evident.

Step 4: Disclosure: Once the draft plans and policies have been finalised, then the documents are compiled, and consistency between English and Lao versions is checked. The documents are then fully disclosed to the general public, via Public Information Centres, and over the Projects website.

Once the stakeholders are identified, it is subsequently the objective of the NT2 Project to understand the views of these groups. There has been a need to plan and develop appropriate interaction and information sharing techniques for these different stakeholders. The key priorities for the design of these consultation methodologies included:

- Ensuring stakeholders were able to understand the Project and the potential Project impacts;
- Ensuring stakeholders understood the composition of NTPC and their objectives;
- For NTPC, to gain a clear understanding of stakeholders' requirements as a result of the Project.

Transparency and openness during the dissemination of information has been a priority in both the development of public consultation plans and in the implementation of public consultation processes. Thus, throughout the public consultation process it has been important to take into account the following:

- The communication techniques should be culturally sensitive and appropriate;
- The media used should be appropriate, and should recognize the high rates of illiteracy among those likely to be affected;
- The need to ensure that participation in consultation activities is not dominated by local authorities; and
- The special attention that may be required to ensure the participation of women and vulnerable groups and the consideration of their needs in the design of mitigation measures.

2.2.2 Ethnicity Issues

The consultation strategy incorporates a number of key aspects related to ethnicity. These are explained in detail in the SDP (Local Participation on the Nakai Plateau), Volume 3 Chapter 6 (Public Consultation, Participation and Disclosure for the Downstream Areas) and in Volume 4 Section 4.4.2. The process ensures that all ethnic groups, including vulnerable minorities to participate in the consultation process and to influence in an active manner the project design. This includes:

- Detailed anthropological studies as part of consultations (mostly in 1997-98) in order to identify any aspects related to livelihood, language, cosmology, social organisation, gender, material culture and leadership in order to focus discussions on relevant topics and to take into consideration ethnic identity and possible project impacts;
- Separate discussions for different ethnic groups to ensure the smaller groups are able to freely express their opinions and to encourage involvement;
- Discussions with traditional and local religious leaders to make sure that local beliefs are respected and taken into consideration in project design and mitigation; and
- Draft mitigation measures that can be modified depending on local needs of the different ethnic groups within the different project areas.

2.2.3 Language Issues

Language is an important consultation issue as it determines to a large extent whether the message is understood and information assimilated by the targeted population. As explained in the Ethnic Minority Development Plans (EMDPs), (There are 3 EMDPs, covering plateau, downstream NT and XBF and Project Lands) while there are a number of ethnic groups throughout the various Project Areas, studies on language usage has established clearly that the vast majority speak Lao, the national language, and that the different ethnic languages are for the most part confined to domestic use. Only a very small percentage of the affected population does not have a good working knowledge of Lao in the Project Area. In addition, none of the ethnic languages have any written form. Thus, it is both (a) not necessary, and (b) impossible to design written materials in each ethnic language for the purposes of consultation. For Tai and Lao dialects (spoken by Tai Bo, Phou Thay, Tai Moey and Tai Men groups), this will also not be necessary since these are dialects of Lao or languages related to Lao.

However, in order to ensure that consultations are effective, translation (or rather explanation) of technical words into ethnic languages - Brou and Vietic languages - is always an option, and during consultations and meetings in villages, such translations are sometimes provided by local village leaders or ethnic staff of District Working Groups whenever necessary. Comprehension enquiries, and the quality of discussions will determine whether this is necessary in any particular village. It is the responsibility of both the Resettlement Office (RO) of NTPC and the RMU conducting the consultations at the village level to determine whether translations are required. Thus, before discussions, comprehension checks are made, especially for women and the elderly who might have less exposure to the national language and technical (modern) words. A more detailed account of language in relation to consultations is presented in the Consultation chapters of the EMDPs.

2.2.4 Gender Issues

Participation of women in consultations sometimes requires special attention because most women are either less educated than men or have less exposure to the outside world and politics than men. In the consultations that have been conducted since 1997, efforts were made to include women and to encourage their participation by having separate women's groups. In the Phase 2 consultations in 2004, the use of gender disaggregated discussions groups and ensuring women are included in the village facilitator team ensured that women were fully involved in this phase of consultation process.

Incorporation of gender issues is also facilitated by the central role of the Lao Women's Union (LWU) at the village and District level consultations. The LWU was formed originally in revolutionary times in the 1960s and 70s to enhance women's role in the development process, and now performs a grass roots, village-by-village, communications and gender awareness role. The LWU will be central to the resolution of the resettlement and downstream community impact issues. This strategy will continue throughout the consultations and implementation of the resettlement plan.

2.2.5 Consultation Methods and Tools

Methodologies and techniques developed for public consultation have been designed to suit the needs of each target audience. These techniques also require careful consideration in order to meet the requirements of the diverse and numerous participants involved. The techniques adopted include:

- **Visual representations:** The consultation teams developed and presented to villages, and the community in general, a range of posters containing pictures, diagrams and models.
- **General village meetings:** Posters are presented to villager meetings and explained by facilitators, in the Lao language, with ethnic language clarification, when required (1997, 1998 and 2004).
- **Small group meetings:** As required, small group discussions were also undertaken, generally on specific subjects, or as part of information gathering and census activities (1997 census on the plateau and 2001 socio-economic survey on the Xe Bangfai).
- **PRA techniques:** PRA techniques were used especially in villages along the Xe Bangfai in order to investigate and clarify the possible affect of the NT2 Project on the Xe Bangfai and thus village and agricultural land.
- **Socio-economic surveys:** The main socio-economic survey of plateau PAP was undertaken in 1998, in parallel to the population and assets census. Another survey of plateau villagers will be conducted just after Financial Close. The 2001 Xe Bangfai socio-economic survey sampled families from both Xe Bangfai and Nam Katang riparian villages, and also villages along the proposed alignment of the downstream channel.

- **Seminars and workshops:** Local and regional seminars and workshops and forums were held on specific resettlement issues.
- **NT 2 Project Information Centres:** The NT2 Project Information Centres were established in Vientiane, Nakai and Thakhek, these have been able to provide written material and information on the Project, deal with inquiries and requests for additional information and conduct periodic meetings with village and district representatives. This system provided access to information for people with questions. With the actual implementation of the Project, refreshed and updated Information Centre will be organised at Vientiane, Thakhek, Mahaxai and Nakai.
- **Mass media:** Information to the general public is generally disseminated through local and regional newspapers, and local and national radio and television interviews. In 2003 a project website was established (www.namtheun2.com) and all safeguards documents and other information is available to the worldwide audience.
- **Site visits:** Many field trips have been organised for stakeholders including potential project sponsors, international development and financial institutions, members of the international diplomatic corps, and local and national NGOs. Two site visits for Ambassadors and international organisations representatives in Vientiane were organized in late 2002 by the GOL and led by H.E. Mr. Soulivong Dalavong, former Minister of Industry & Handicraft. Visits for international and Lao local media was then conducted with 15 journalists and photographers, of which major international press agencies and a number of Thai press, as well as Radio Free Asia. It created a valuable basis for the media to produce a long series of media report on the Project all along 2003. Another series of three site visits for NGOs was conducted between February and March 2003, so that each group could measure in situ the actual environmental and social situation and challenges throughout the various Project areas. A total of 82 NGOs have been invited by the GOL to visit the Project site, though only 20 replied to the invitation and 15 actually attended the visits. Each visit was conducted during 3 days so that sufficient time was allowed for discussions between NGOs and the local populations. For each visits, NT2 Project experts were available to answer openly to any question, while noting the concerns and advice of each NGOs. In addition, constructive debriefings at the GOL offices in Vientiane were organized on the fourth day of each visit to allow interaction between NGO and senior government officials in a different context.

2.3 Phase 1 Consultations

The first phase of the NT2 Projects PCPD were conducted from 1997 to 2003. Details are provided in the SDP Volume 1 Chapter 4.

The first stages of PCPD were coordinated by a NTPC consultant, who was responsible for training, planning and reporting on consultation activities on the Plateau. The RMU has the overall responsibility for carrying out PCPD activities at the local level, and members have been participating since 1997. The RMU ensures that there is continuity in the consultation process through adequate representation of all interest groups. International experts continue to advise the RMU on local community participation techniques and reporting, as required during the detailed planning and implementation of the Project.

Figure 1: Key PCPD activities carried in Phase 1 (1996-2003)

Stakeholder Activity	1996	1997	1998	1999	2000	2001	2002	2003
Institutional Arrangements								
Recruitment of facilitators		██████████	██████████	██████████				
Establish RMU			██████████	██████████				
Establish DRWGs			██████████	██████████				
Establish VRCs				██████████	██████████			
National Institutions (RC)				██████████	██████████			
Training Workshops		██████	██████	██████			██████	██████
Information Dissemination								
Public Awareness Strategy		██████████	██████████	██████████	██████████		██████████	
Information Centres		██████				██████		
Newspapers	██████	██████	██████	██████			██████	██████
Videos		██████					██████	
Radio Programmes		██████████	██████████	██████████			██████████	
Website				██████				
Embassies		██████████	██████████	██████████	██████████		██████████	
Nakai Plateau								
Consultation materials preparation		██████	██████					██████
Facilitator training (manuals)		██████	██████					██████
Information dissemination	██████	██████	██████					
Planning Consultations			██████					
Integration of feedback		██████	██████					
Ongoing PCPD				██████████	██████████	██████████	██████████	
Downstream Areas								
Consultation materials preparation		██████						██████
Facilitator training (manuals)		██████						██████
Information dissemination	██████	██████						
Planning Consultations								
Integration of feedback		██████						

2.3.1 Influence of Consultations on Plateau Reservoir Resettlement Area Issues

Throughout the process there has been agreement to consult Resettlers on the Village Development Plans and to seek input and advice as to preferences of the Resettlers. Careful attention has been given to the maintenance of ethnic and cultural integrity for the affected persons has been included in the implementation of the RAP.

Selection of resettlement sites, livelihood models, housing styles and other infrastructure recommendations occurred with careful consideration of the current living and livelihood patterns of the affected persons.

2.3.2 Influence of Consultations on Selection and Preparation of Resettlement Sites

The primary factor in determining the size and location of the resettlement villages has been the preference of the Resettlers themselves, linked to the capacity of the sites to provide the necessary economic opportunities. Thus, efforts have been made to select sites within existing traditional territories because such cultural continuity and familiarity potentially reduces disruption or stress created by the resettlement process. The site selection process also includes assessment of land use capability in addition to the social and cultural aspects of territorial spirits, kinship, cultural practices and traditional resource use areas. Broad areas were identified in 1994 based on the initial discussions with the Resettlers. Areas that were originally identified met the following criteria:

- Moderately suitable for agriculture (attributes such as soil, topography, slope, drainage, etc);
- Easily accessible;
- Water supply is available the year round; and
- Near the reservoir as this was the stated preference of the villagers; and

The two broad potential resettlement areas - lowland areas (Gnommalath and Mahaxai Districts) and the Nakai Plateau - were presented to villagers in the Public Consultation and Participation Process (PCPD) in April and May 1998. The villagers' choice of the Nakai plateau as their resettlement area was due to the fact that (a) the area is part of their current traditional lands and (b) the area is on the shores of the reservoir, which the villagers could use as a fisheries resource. Thus, with the exception of two villages, the inhabitants of the Nakai Plateau have overwhelmingly chosen to remain on the Plateau, despite being offered paddy land on the plains. Most people will be relocated to areas within their existing administrative village boundaries in surroundings familiar to them. The capacity of the Nakai Plateau areas - in the eyes of the resettlers - to provide the necessary resources for the livelihood of Resettlers was assessed in participatory sessions during the 1996/97 dry season. Some of the inhabitants of two of the Plateau villages chose to separate from the villages and move together off the Plateau to a site in Bolikhamxay. This was also a result of consultation.

2.3.3 Influence of Consultations on Village Configurations

PCPD teams undertook extensive community consultation in 1997 and 1998 to elicit preferences on village configuration. In 1997 this involved the Resettlers developing 'dream maps' showing features they would envisage as part of their new village. The results of this map-making exercises reveal that villagers wanted the following features for their new villages:

- Orientation along roads with each house having road access. This is different to the traditional villages where the orientation is along the river. The road is seen as representing progress and a link with the outside world that offers markets and potential wage labour.

- Improvements such as electricity, access to running water and privately owned rather than community shared toilets. The preference was for each household to have their own garden area.
- Non-residential buildings such as the school, dispensary, pump-house, village hall and religious structures should be located outside residential areas, as they are in traditional villages.
- Surrounding the village, the Resettlers requested fields for growing rice and crops such as corn, sugar cane or larger plots for vegetables. Some of the maps villagers drew located forests and grazing areas further afield.

2.3.4 Influence of Consultations on House Design

House designs have also been developed through consultation. The design incorporates aspects of traditional house designs. The home (heun) has a private sphere consisting of sleeping quarters, a public sphere for receiving guests and entertaining (verandah) and a production sphere (kitchen for cooking food, washing and growing spices and vegetables). These new structures encompass traditional features including: a verandah, kitchen area, two doors in accordance with kinship taboos, a construction on poles with two ladders (to the kitchen and to the verandah) with an odd number of rungs, and doors which open in a direction other than the west. No house will be smaller than the original dwelling, and the actual size will depend on the number of inhabitants (RAP, 2002).

2.3.5 Influence of Consultations on Pilot village

With the implementation of the development of the Ban Nong Boua Pilot Village Relocation the consultation process has been tested and proven extremely successful. Villagers have been consulted and they have participated fully in a range of activities and decisions, such as:

- The arrangement and allocation of housing plots, according to a fourfold division of clans in this particular village;
- The arrangement and location service buildings, such as the school, nursery etc;
- The new idea to build a children's nursery;
- The arrangement and allocation of agricultural fields;
- The design of each dwelling, which is entirely the families choice;
- The participation of the families in building their own dwelling under the supervision of a qualified carpenter, resulting in differences in details that express the owners' individual tastes and desires.

2.3.6 Influence of Consultations in Downstream Areas

A purpose-built downstream channel was designed to accommodate the release of discharged water from the power station. This represented substantive additional cost to overall Project costs and was an alternative to channelling the water into the Nam Kathang which would have caused environmental and social impact to riparians of the Nam Kathang. The current design of the downstream channel minimizes the resettlement and social impacts. It will be stone or concrete lined and partially above natural ground level, thus allowing a reduction in width and reduction in land requirements. The detailed routing for the downstream channel will be based on the results of consultations with people directly affected.

2.4 Phase 2 Consultations

In 2004, the PCPD entered Phase 2, a second round of extensive consultations with all stakeholders at the local, regional, national and international levels with the objective of finalising of the project design, including all social and resettlement strategies and procedures. At the local level, the NTPC Resettlement Office (RO) continues to provide technical support to the GoL RMU office, which has the lead role in the PCPD activities.

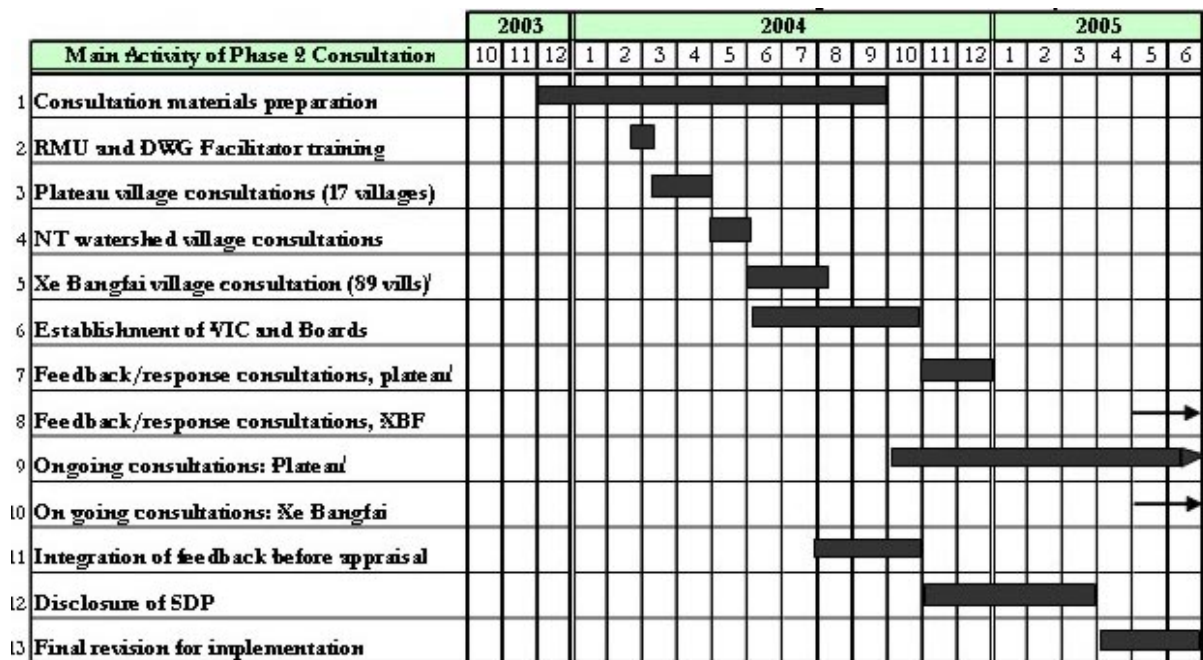
Local level consultations are primarily conducted using interactive workshops and presentations, backed up by the provision of translated summaries of sections of the RAP and EMDP in Lao, and the placement of posters illustrating expected project impacts. This phase of consultations was organised and conducted in three groups, representing the three main groups of PAPs to be consulted: (i) plateau resettlers, (ii) villagers along the Xe Bangfai, and downstream Nam Theun (iii) villagers with assets under Project Lands. A fourth group - the NPA villagers - is dealt with in the SEMFOP.

2.4.1 Plateau Downstream Nam Theun and Xe Bangfai Phase 2 Consultations

The general approach of the Phase 2 of Consultations (July-September 2004) included the following:

- Consultation materials development
- Facilitator training - development of techniques and tools
- Whole village workshop and focus group discussion of project mitigation
- Follow-up and on-going consultations

Figure 2: Schedule for main activities of Phase 2 Consultations, up to Financial Close



As detailed in the SDP, disclosure and consultations have been carried out more recently at 14 villages along the tributaries to Nam Theun of Nam Phao/Nam Katha, Nam Kheo, and Nam Ngoy.

2.4.2 Project (construction) Lands Consultations

The Phase 2 Consultation with PAPs in relation to Project (construction) Land impacts is somewhat different from the Plateau and the Xe Bangfai and Nam Theun consultations because:

- On the one hand, the exact area to be impacted (required to be acquired and then handed over to the contractor and/or the NTPC) is not yet known - and will only be known progressively as engineering designs and land requirements are finalised.
- On the other hand, if a villagers land, asset or livelihood is impacted by a Project Land - needs to be acquired - then this impact is known to be total (although it may be either permanently or temporarily required - but in most cases the former);
- Project Land impacts will be assessed and compensation given and effected in a relatively short period of time, probably over a period of 1 to 3 years, compared to 8 or so years programs for the Plateau and the Xe Bangfai ;
- In most cases relocation will not be required; and
- Project lands are distributed over a large area, with a range of village and land use types, and a range ethnic types etc.

For this reason, the consultations in relation to Project Lands are closely linked to - are an integral part of - land and assets and livelihood restoration and compensation negotiations with villages and then affected families. The following consultations activities are being conducted:

Remote Information gathering and materials preparation

The initial gathering of spatial data and information via detailed satellite imagery already undertaken is not actually public or participatory consultation, and the rationale and process for this activity is described in Volume 4 of the SDP. Nonetheless, the result of this study - which presents villagers' lands and assets underlying the various project lands polygons based on surface areas and location defined in the CA, must be prepared for dissemination, explanation and discussion with PAP villagers

Socio-economic survey and Participatory Land and Village Appraisal

A socio-economic survey of all potentially affected persons, together with population census. At the same time village PRA will investigate in each village land and forest use of that village, both in and around the Project Land polygon.

Information dissemination

Concurrent to the socio-economic survey and village PRA, information and data on the project lands and assets and land assessed to be under or affected by these Project

lands is being disseminated to each village. This will take the form of a large satellite photo/map displayed in the village. If the village has no appropriate notice board, then one will be installed by the Project.

Also disseminated to PAPs will be an explanation of their entitlements and the potential compensation schemes and measures.

Land and assets registration

Also concurrent with the socio-economic survey and the information dissemination, the Projects Lands land and assets registration process is being implemented.

Compensation planning consultations (and compensation agreements)

One to two months after the information dissemination, socio-economic survey and land/assets registration, village consultations are held to discuss and finalize the compensation measures to be adopted. This includes:

- a review of the project impacts;
- review of the socio-economic data; and
- review of potential compensation schemes.

NTPC's RO and the RMU will integrate results of consultations into the planning of detailed compensation plans and updated resettlement plans.

Compensation agreements

Consensus and agreements in relation to the compensation program will be formalized by the drafting and signing of a Compensation Agreement with each land and assets holder affected.

Figure 3: Schedule for (Phase 2) Consultations with PAPs in Project Lands

Main Activity of Phase 2 Consultation	2003			2004												2005						
	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	
1 Information gathering																						
2 Materials preparation																						
3 Socio-economic survey																						
4 Participatory Land and Village Appraisal																						
5 Information dissemination																						
6 Land and assets registration																						
7 Compensation planning consultations																						
8 Compensation agreements																						
9 Ongoing PCP																						

2.5 Phase 3 - Disclosure

2.5.1 Main stages of Disclosure

The continued process of consultation is key to the finalisation of the social and resettlement safeguards documents and implementation plans. At various key stages in this development, documents have been released to the general public for comments and translations have been made into Lao and Thai. The following sections of what has now become the SDP were released to the public or posted on the NTPC Internet site prior to 2004. This includes several earlier versions of the SDP (then called the Draft Resettlement Action Plan) released in May 1997 and subsequently at the beginning of 1999 (1998 version of the Plateau RAP), was available as a hard copy and via electronic mail.). Other reports on local consultations and reviews and evaluations related to various social aspects of the project.

2.5.2 Disclosure prior to Appraisal

For the period prior to Appraisal, consultations were ongoing regarding detailed project planning. This will occur at three levels and at each level the appropriate documents were made public.

Local level: The consultation at the local level are primarily conducted by recurrent, interactive workshops and presentations, backed up by the provision of translated summaries of sections of the RAPs and EMDPs in Lao, and the placement of posters illustrating expected project impacts. The main groups of PAPs consulted were (i) plateau resettlers, (ii) villagers along the Xe Bangfai, and (iii) villagers with assets under Project Lands. Villages downstream Nam Theun were also consulted prior to appraisal

National: This includes consultation with national NGOs and mass organizations; GoL authorities involved with the implementation activities and other GoL stakeholders, as well as the general public. This has been done primarily by workshops and presentations with translations of summaries of the available documents. For the GoL organizations involved with implementation (including STEA who review and clear the documents for GoL) there has been interactive reviews and training processes, along with the distribution of operational manuals for Project implementation based on the Concession Agreement and Safeguards documents.

International: This has included consultation with donors, international NGOs, and Thai stakeholders. It involved several public meetings (in Vientiane, Bangkok, Tokyo, Paris, and Washington). Prior to these events, the English form of the advanced draft version of supporting safeguards documents and summaries/extracts of major contracts were made available, along with a Thai and Japanese version of the summary safeguard document (SESIA), on the Project website www.namtheun2.com. Updated documents or sections of documents continue to be posted on this website, as they become available.

2.5.3 Disclosure at Appraisal

In order to meet the requirements of the disclosure policy, the documents, revised based on the consultations above, were made available to all project stakeholders before appraisal and a full 120 days before board of directors consideration for approval (to meet the US ED requirement). At this time the GoL implementers

(including STEA who will review and clear the document) were given a full translation of the revised document. The disclosure for the local project affected people was done through an information and outreach program, and making the Lao documents available to them. The remainder of the groups were provided a full revised version of the document in the appropriate language.

2.5.4 Revision and final Disclosure for implementation

After appraisal and board approval, any required revisions will be made to project planning documents, and then these documents will be made available to the various stakeholders. Of particular importance is the GoL implementers and the project affected people who will be given a full Lao translation. The project affected people will also have the services of an information and outreach program available to them. The remainder of the groups will be provided a revised full version of the document in the appropriate language.

2.6 Institutional Arrangements for Local Level PCPD

The GoL and NTPC have, and will continue to work together for the public consultations and disclosure process, with the NTPC providing technical and managerial support as required. The World Bank and ADB also assist by the provision of loans and assistance to engage experts in the fields of participatory consultation.

GOL

The earlier Phase 1 consultations (1997-98) were led by the GoL's RMU with the assistance and input from NTPC Consultants. On the downstream area, and due to the large number of villages, the GoL formed teams to visit each village for consultations. These teams were composed of staff from each district's Resettlement Working Groups, and staff engaged especially for the consultation process. They were given training in PRA by NTPC hired experts. On the plateau, the RMU took the lead role, with some support from Nakai DRWG staff. NTPC provided the short-term services of a social scientist.

The 2nd Phase of consultations in mid-2004 have been led again by the GoL who has now formed its own Public Consultations team, with independent international (regional) consultants engaged to provide training and facilitation. This unit is managing the local level consultation and disclosure process, and assist the District level staff to form teams to work in villages. As required, the District units also ensure the technical assistance in areas relevant to the PAPs, such as rural livelihoods, health care and community development. Thus, the composition of teams is flexible, combining the experience and knowledge of those who have already been involved in PCPD with new expertise.

Village facilitator teams

The second phase saw the main institutional focus shift from NTPC and GOL to the village. Village consultation teams have been formed and these not only conducted the initial round of Phase 2 consultations, but will continue to be the facilitators for the ongoing consultation both on the plateau and along the Xe Bangfai.

One conclusion of the earlier consultation experiences was the need for a representative body at the village level that would work with district government organisations and line agencies, RMU and various experts and advisors at the local level. The composition of this group should reflect the various interest groups at the local level and thus aim to ensure that all stakeholders are represented. One important task of the First Round of the 2004 Consultations was to obtain agreement at each village for the selection of this body of 10 persons. The general composition consists of the following elements and balances:

- Village Leaders and traditional leaders (formal and informal leadership balance)
- Male and female members (gender balance)
- Elderly, middle-aged (able-bodied adults) and youth members (age balance)
- Members of all ethnic groups (ethnic/language balance)
- Members with good communication skills and illiterates (education balance)

Groups of village facilitators were selected and then immediately trained to perform their first task, that is consultations about the NT2 project following one-day of training, and under the supervision of Consultation Experts in the Nakai Plateau, Xe Bangfai and Nam Theun villages.

NTPC

NTPC has also formed a team of national and regional level consultations officers, to liaise with, support, and where necessary provide training and actual assistance in the field, to the GoL PCP teams. A crucial role of NTPC’s RO is to coordinate and ensure that GoLs PCD Unit is provided with, and understands, the full range of information relating to the NT2 project, especially resettlement and compensation aspects as relevant to the PAPs in the various zones of the project.

NTPC’s PCD team is primarily responsible - in close cooperation with the RMU - for the production of posters, maps and photos and translation, facilitation manuals and any other consultation materials and tools. The NTPC PCD staff also assist the field teams to develop strategies and working methodologies.

Notwithstanding the above general institutional arrangement, the actual responsibilities for, and content of, any particular consultation and disclosure depends on the timing and the target audience. The following Table 1 outlines the institutional arrangements for the previous conduct of the Phase 1 consultation process, and Table 2 outlines the sharing of institutional responsibilities for the management and implementation of the ongoing (Phase 2) consultation and disclosure (phase 3) process.

Table 1: Institutional Arrangements for Phase 1 PCDP at Each Level

Level	Institutional Arrangements	Comments
National	Resettlement Committee (RC) headed by the Director of Rural Development Committee at the State Planning Committee (under the Vice-PM) Composition: Governor of Khammouane Province	Responsible for policy and legal framework, ensuring the RAP is carried out according to schedule and budget, and co-ordination of GoL agencies

Level	Institutional Arrangements	Comments
	is the Chairman, other appointed members.	
National	STEA	Responsible for overseeing policy and regulations at the national level and for coordinating monitoring
National	LNF	Responsible for overseeing all issues related to ethnic minorities
National	NT2 Office and NTPC Composed of PPCP facilitators and international and national technical experts	Responsible for information dissemination, coordination of consultations, reporting and quality control
National and Local	Resettlement Management Unit (RMU) Composed of National, Provincial and District representatives Appointed positions by GOL	Responsible for day to day management of resettlement activities in all project areas
District	District Resettlement Working Groups (DRWGs) Composed of relevant district personnel and technical support staff Members seconded from GOL representatives at the District Level	Responsible for linkages between resettlement activities and village organizations Workshops and training ongoing by NTPC and international and national consultants
District and Local	Lao Women's Union (LWU) Representatives at the Provincial and District levels appointed by GOL Local LWU members elected by villagers LWU represented in RMU, DRWGs and VRCs	Responsible for linkages between resettlement activities and women's concerns Workshops and training ongoing by NTPC and international and national consultants
Local	Village Resettlement Committees (VRCs) Composed of elected members of the village GoL	Responsible for carrying out resettlement activities such as village layout, organizing the actual relocation and monitoring the progress of the livelihood scenarios Workshops and training ongoing by NTPC and international and national consultants
Local	10 Village Facilitators Composed of a balance of leadership, gender, ethnic groups, age and skills/education	Responsible for carrying out consultations and representing a diversity of interests at the local level, as well as acting as intermediaries between formal leadership and organisations and the affected people.

Table 2: Staffing Plans for Phase 2 Consultation Activities

NTPC – 4 staff	RMU – 3 staff	District WGs – 14 permanent staff (teams formed as required, from District agency staff)
1. Consultations Manager (responsible for all consultation programmes)	PAP Consultations Manager	Nakai PCD team: 2 people (permanent)
2. Plateau and downstream NT Consultations Assistant	Materials Development Officer	Gnommalat PCD team: 2 people (permanent)
3. Xe Bangfai Consultations Assistant	Consultations Officer	Mahaxai PCD team: 2 people (permanent)
4. Project Lands Consultations Assistant	TA – Consultations Expert(s) supported by ADB and WB	Xe Bangfai PCD team: 2 persons (permanent)
5. TA – Ethnic Consultation and Development		Nong Bok PCD team: 2 persons (permanent)
		Xaibouly PCD team: 2 persons (permanent)
		Khamkeut PCD team: 2 persons (permanent)

2.7 Consultation Process – Implementation stage

The following factors will be considered during implementation:

- Existing village organisations and structures and what roles these will have in consultations and implementation arrangements for resettlement and monitoring
 - Formal Village Organisations, including, where appropriate:
 - village headman and assistant
 - Section Leaders and Assistants
 - Council of Village Elders
 - Advisory Councils for Disputes or Grievance Committee
 - The Lao Front for National Construction
 - Youth Organization
 - Lao Women’s Union
 - Informal Village Organisations
 - Village Elites
 - Lao Socialist Party
 - Ritual Leaders
 - Clan leaders
 - Priests
 - Mediums
 - Monks
- Ethnic representation in leadership and the strengths and weakness of leadership in general

From the point of view of ethnicity, it is necessary to introduce a number of measures to ensure that ethnic issues are always included in the consultation process during implementation and monitoring. The following measures will be adopted:

- Training of RMU and Nakai DRWG in ethnic awareness as part of the ongoing consultation process – need to ‘mainstream’ ethnic issues
- Continued support for Village Facilitators and strengthening their role in the consultation process –meetings and workshops will be conducted to encourage and monitoring their involvement
- Supervision of the consultations process by International Community Development and Ethnic Manager and Lao Assistants on NTPC staff
- Independent monitoring unit and the POE need to pay special attention to the performance of local GoL organisations in relation to ethnic issues

3 Adaptive Management

The Concession Agreement, Schedule 4 Part 1, Section 16.7, states:

Adaptive Implementation:

Both the GOL and the Company acknowledge that due flexibility is needed when implementing the Resettlement Works described in this Part, and acknowledge that, upon agreement between the GOL and the Company, the budgets for those items included in this Part identified as “Limited by Scope” may be reallocated to purchase other materials or equipment as needed.

Adaptive management will be applied to resettlement in three general ways:

Programmatic:

Recognising that while the NTPC has made its best efforts to develop realistic and effective programs, these programs will be implemented over a relatively long time frame - around 8 to 10 years, in rapidly changing socio-economic and bio-physical environment.

In addition, it is not a normal development program as such, but a large resettlement program of a type and scale not previously undertaken in the Lao PDR, or even the region.

Therefore, while the SDP has developed detailed plans, it is often noted that the implementation of these plans will require the choice of various options, and that this choice will depend on:

- the wishes and requirements of the affected villagers
- the success of pilot programs
- the results of detailed surveys etc immediately prior to implementation
- the actual occurrence of impacts, some of which at the moment are best prediction only

Plans, and the management of the implementation of these plans, must be able to adapt to these changing circumstances.

Institutional:

Both NTPC and the GOL are jointly responsible for the management of the social and resettlement program. However, these two parties have different strengths and weaknesses. The CA has tried to allocate responsibility between one or the other, but in reality, the management roles of these two parties will have to adapt on a case by case basis.

Financial:

As noted in the CA, where the scope (or unit costs) of a program are less than originally planned, then these savings can be transferred to support another program.

In terms of the three main impact and program areas the adaptive management issues are:

Nakai Plateau Resettlement Program:

While the range of livelihood options are an extension of current livelihoods - agriculture, livestock, fisheries and forestry, many of the components have few precedents elsewhere on Lao. Thus, it is recognised that planning to date will need to be modified as experience of the 'new' activities - by both the NTPC/GOL and the villages - is gained, and as the real productivity and economic effectiveness of the new enterprises becomes apparent. Even at the resettler family level, it will be necessary to adapt 'livelihood management' behaviour based on experience gained and productiveness of each enterprise.

However, the wide range of the livelihood options allows for such an adaptive and flexible approach.

Project (Construction) Land:

Compensation options must be based on (a) the requirements of the impacted households and (b) the options for livelihood restoration in the area of the impacted household, which in many cases are not entirely defined at this stage

In addition, the actual land requirement of the NTPC/HC is still not known for some important and large areas.

Therefore, the management of this program must be flexible in relation to these aspects.

Downstream Areas:

It is in this Area that adaptive management will be the most required. While the types of impacts are well known, the magnitude of these impacts is still a prediction at this stage. In addition, the type of compensation and livelihood restoration, especially for fisheries and riverbank garden impacts, is not yet defined, awaiting closer consultations and planning on a village by village basis. Therefore, the management of this program will need to be extremely adaptable.

Implementation of Adaptive Management

Adaptive Management will be put in operation by formal incorporation into the monitoring and evaluation, and into the planning and approval procedures

Monitoring and evaluation input into adaptive management: The implementation and the success - both direct and indirect - of program and sub-program implementation, will be assessed by both internal and external monitors. A specific requirement of these monitors will be to assess if any changes or adaptations are required to:

- the programs strategy as detailed in the SDP,
- the implementation Plans (i.e. Additional Plans) as detailed in the PIP and AIP; and/or
- the management of these Plans.

Such an assessment and any resultant recommendations will be provided in specific sections of monitoring reports. Such recommendations would be considered a trigger to the consideration and possible approval of adaptive management at either the strategy (SDP), or implementation plan (PIP, AIP) level.

Program planning and approval of adaptive management: Based on both monitoring reports and on the advice or initiative of NTPC and GOL program managers, specific sections of monthly and six monthly reports will be dedicated to assessing and recommending if any changes or adaptations are required to (a) the programs strategy as detailed in the SDP, (b) the implementation Plans (Additional Plans) as detailed in the PIP and AIP; and/or (c) the management of these Plans.

Formal review and internal approval of significant modifications required to the SDP, PIP or AIP will firstly be undertaken during the joint 6 monthly meeting of the resettlement communities, including the RMU and the NTPC, including the RO. These 6 monthly meetings will have specific sessions dedicated to (a) Plateau Resettlement, (b) Project Lands and (c) Xe Bangfai, (d) downstream Nam Theun, and each of these sessions will have time set aside for a joint forum with (i) relevant village representatives and (ii) non-commercial implementing partners. It is at these sessions that adaptive management - recommended modifications to Plans or Implementing arrangements - will be reviewed, based on briefing papers prepared by NTPC's RO, or any other concerned stakeholder.

Any modifications to the programs strategy and planning documents approved (or recommended) by the RC/NTPC and stakeholder forum will be passed on to the IFIs/Lenders for their approval or non –objection as per the process outlined in cl8, P3, sch 11 of the CTA..

4 Grievance Procedure

To ensure that the basic rights and interests of resettlers are protected, that concerns are adequately addressed and that entitlements are delivered, a grievance procedure has been designed for the NT2 Project. An independent Grievance Committee will be established. It will be chaired by a senior provincial official, probably from the Justice Department, with other members the Lao Women's Union, the Ethnic Council, civil society, a resettled villager representative and a member of the Resettlement Committee. Justice departments at district and provincial levels are already responsible for resolving village conflicts and property disputes, while the LWU and Ethnic Council are active in solving problems faced by village women and the elderly.

If an affected person or group of persons is not satisfied with the compensation package or if, for any reason, the compensation does not materialize according to the CA, he or she has the right to make a claim. There are three basic steps to resolve grievances, as depicted in Figure 4.

The first step is for a householder or a group of householders to approach the Village Resettlement Committee (VRC) to present their grievance and allow its consideration at the lowest level of the resettlement hierarchy, where frequently issues can be resolved through discussions and adjustments. If the VRC cannot resolve the complaint or if the claimant is not satisfied with their decision, the next step can be taken, either by the claimant or the VRC on his/her behalf.

The second step is to present the grievance or complaint to a Grievance committee to be formed at the District level. This committee will be based in the District court, but will also have representatives from all relevant departments, as they will be in a good position to resolve issues brought to their attention by affected individuals. This Committee must respond to any claim within 15 days.

At this district level the NTPC's RO and the GOLs RMU would be primary witnesses in order to both:

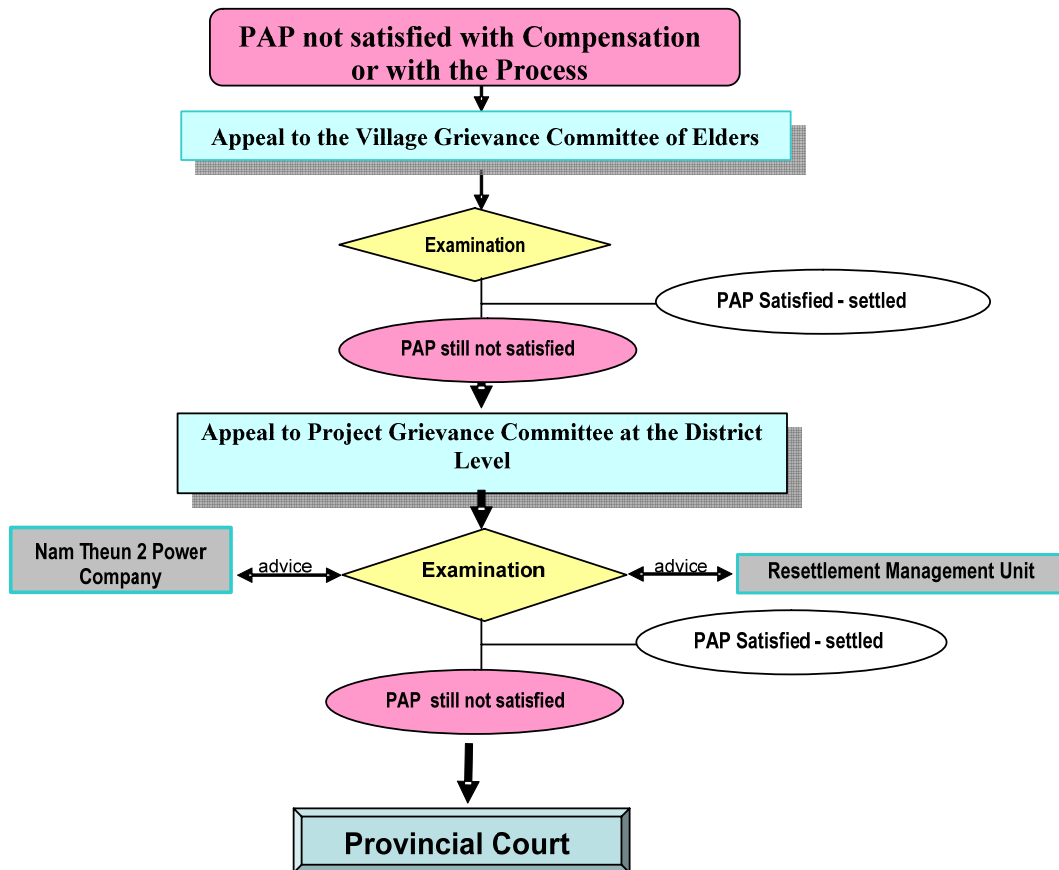
- respond to the claimants grievance in terms of prior activities undertaken etc; and
- ensure that the claim is reviewed within the context of the existing policy, regulations, procedures and entitlement limits, and that the compensation awarded does not go beyond established matter of practice or outside the limits of the budgets.

The findings of the Grievance Committee are binding on the RMU and RO. The Committee must maintain a public book showing all claims received and the decisions made, which must be made within 30 days. The Grievance Committee cannot award compensation that goes beyond what is established as a matter of practice or what would be outside the limits of the budgets within which they are operating. If the above action does not yield any results, then the claimant has the right to present their case to Provincial Court. Access to the Court is obviously a last resort. It will be in

the interest of the RO and the RMU to resolve issues before they are brought to the Committee.

A conflict between RO and RMU would in the first instance be resolved at the RC level. If this is not acceptable to either party, then the matter will be reviewed by the Vice Prime Minister responsible for NT2. If still no agreement is reached, the matter shall be handled according to the Consultation and Dispute Procedures set forth in the CA.

Figure 4: The Grievance Procedure



Appropriate RO staff will be involved in the Examination Process as required on a case by case basis.

Source: SDP