



# **LAO PEOPLE'S DEMOCRATIC REPUBLIC**

*Peace Independence Democracy Unity Prosperity*

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**MINISTRY OF AGRICULTURE AND FORESTRY**

**COMMUNITY LIVELIHOOD ENHANCEMENT AND RESILIENCE PROJECT (P178545)**

## **ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK**

**Volume I of II – Main Report**

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## ABBREVIATIONS & ACRONYMS

A-RP	Abbreviated Resettlement Plan
CDD	Community-Driven Development
CERC	Contingency Emergency Response Component
CFA	Community Force Account
CIG	Common Interest Group
CLEAR	Community Livelihood Enhancement and Resilience Project (P178545)
DIU	District Implementation Unit
DEPA	District Engineering/Procurement Assistant
DRM	Disaster Risks Management
EG	Ethnic Groups
E&S	Environmental and Social
ESCOPE	Environmental and Social Code of Practices
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESSs	WB's Environmental and Social Standards
FGD	Focus Group Discussions
GAP	Good Agriculture Practices
GOL	Government of Lao PDR
GRM	Grievance Redress Mechanism
IEC	Information, Education and Communication
KII	Key Informant Interviews
Lao PDR	Lao People's Democratic Republic
LFNC	Lao Front for National Construction
LMP	Labour Management Procedures
LWU	Lao Women's Union
M&E	Monitoring and Evaluation
MOAF	Ministry of Agriculture and Forestry
MBO	Mass-Based Organization
PDO	Project Development Objectives
PG	Producer Group
PMU	Project Management Unit
POM	Project Operational Manual



**Community Livelihood Enhancement and Resilience Project (P178545)**

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PRF	Poverty Reduction Fund
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
SHG	Self-Help Group
SS-ESMP	Site Specific Environmental and Social Management Plan
VDP	Village Development Plan
VDC	Village Development Committee
VIT	Village Implementation Team
VSMC	Village Self-Help Group Management Committee



## DEFINITIONS

**Disadvantaged individuals/ households.** Refers to individuals or groups who are more likely affected adversely by the project impacts and/or more limited in their ability to take advantage of project benefits because of their age, gender, disabilities, health, economic and ethnic status, and so forth. Disadvantaged individuals/groups are more likely excluded from, or unable to participate fully in the mainstream consultation process, and may require specific assistance to promote inclusion. In this project, disadvantaged individuals/ groups are defined as those who have the following characteristics: i) from an ethnic group, (ii) landless/ limited productive land, (iii) female headed household with dependents, (iv) frequent lack of male labor at home (e.g. migrant workers); (v) jobless, or limited economic opportunities; (vi) family member(s) with chronic illness, or disabilities; (vii) elderlies who live on their own; (viii) very young couple with children (early marriage), (ix) live in an especially difficult circumstance, and (x) don't meet above criteria but are concurred by local community as vulnerable to poverty and need project's support to reduce their vulnerability. Disadvantaged individuals are usually from a poor, or a near poor household.

**Inclusion.** Inclusion means empowering all people to participate in, and benefit from, the development process. Inclusion encompasses policies to promote equality and non-discrimination by improving the access of all people, including the poor and disadvantaged, to services and benefits such as education, health, social protection, infrastructure, affordable energy, employment, financial services and productive assets. It also embraces action to remove barriers against those who are often excluded from the development process, such as women, children, persons with disabilities, youth and minorities, and to ensure that the voice of all can be heard.

**Indigenous Peoples.** According to the World Bank's Environmental and Social Framework, the term "Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities" is used in a generic sense to refer exclusively to a distinct social and cultural group possessing all the following characteristics – in varying degrees:

- ❖ Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; and
- ❖ Collective attachment<sup>1</sup> to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; and
- ❖ Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture, and

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<sup>1</sup> Collective attachment means that for generations there has been a physical presence in and economic ties to land and territories traditionally owned, or customarily used or occupied, by the group concerned, including areas that hold special significance for it, such as sacred sites.



- ❖ A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

**Information disclosure.** The process of disseminating project information to stakeholders to allow them to understand the risks and impacts of the project, and potential opportunities. Information disclosure should be in line with the project's Stakeholder Engagement Plan which is in line with the requirements of ESS10. It is required that the disclosure of project information include: (a) purpose, nature and scale of the project; (b) duration of proposed project activities; (c) environmental and social risks and potential impacts of the project on local communities, particularly the vulnerable/disadvantaged groups and proposed mitigation measures; (d) proposed stakeholder engagement process highlighting approach that will be taken to promote meaningful participation of project affected persons; (e) time and venue of proposed public consultation meetings, and the process by which meetings will be notified, meeting results summarized, and reported back to project stakeholders; and (f) process and means by which grievances can be received and addressed timely.

**Meaningful consultation.** Two-way process that (a) begins early in project planning process to gather initial views on project proposal and inform project design; (b) encourages stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts; (c) continues on an on-going basis, as risks and impacts arise; (d) is based on prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultation with project stakeholders in a format culturally appropriate, and in relevant local language(s) and is understandable to stakeholders; (e) considers and responds to feedback; (f) supports active and inclusive engagement with project-affected parties; (g) is free of external manipulation, interference, coercion, discrimination, and intimidation; and (h) is documented and disclosed by the Government.

**Poor individuals/ households.** Households who live below the national poverty line – as established most recently by the Government of Laos, or by the World Bank, which is LAK 280,910 per month per person (using at 2019/2020 prices). The latest national poverty line will be used during project life. Where available, poverty line for rural area should be used.

**Rural livelihoods.** On-farm and off-farm income-generating activities other than remittances. Rural livelihoods will be considered improved when they display greater household resilience to economic and climatic shocks, measured through diversification in sources of income.

**Targeted poor communities.** Participating villages, selected based on levels of poverty and vulnerability to agricultural and climate shocks.

**Vulnerable individuals/households.** In this project, vulnerable individuals/ households are defined as those who live just above the national poverty line, including 1) the near-poor, and 2) those whose income is marginally above the near-poor line. People who are from Disadvantaged Groups (as defined in this project) are considered as vulnerable group (See definition for Disadvantaged individuals/groups). For Laos PDR, the WB proposes defining the



near-poor as those whose daily per capita consumption lies between poverty line and 1.5 times the poverty line.

**Community Workers.** Individuals who provide their labor to support project implementation on a voluntary basis. By voluntary labor, it means community members are aware of their roles, responsibilities, and risks associated with their works, and confirm their free and informed consent of serving their village in the meeting minutes that are hold between them and the authority of their village. The community members understand that they can revoke freely their given consent as they wish at any time during project cycle. Under CLEAR project, community workers are local people who serve on Village Self-Help Management Committee/ Village Implementation Team, key members of the Self-Help Groups and the Producers' Group.



## EXECUTIVE SUMMARY

### **E1. Project Background**

The Project, namely the Community Livelihood Enhancement and Resilience (CLEAR or the Project), is a community-driven development (CDD) project that builds off the PRF series, while taking advantage of Lao PDR's changing rural sector and evolving policy framework. .

The Project includes a budget of US\$45 million. The Project will be implemented in seven provinces comprising four in the north (Huaphanh, Oudomxay, Phongsay, Xiengkhuang) that are benefitting from the World Bank (WB)'s supports on nutrition convergence interventions, and three in the south (Savannakhet, Saravan and Sekong). CLEAR will operate in two districts in each province, a total of 14 districts and approximately 448 villages will be selected within each district ahead of appraisal, among those considered poor based on PMT/Decree 348 data and graduation criteria, complemented with other available indicators such as distance from markets and absence of other programs. The objective is to select around 448 villages to ensure an allocation per village that can lead to visible impact of the investment. Interventions will be tailored to each type of community and about US\$47,000 will be allocated for each village. The Project comprises five components (see E2 below) including a Contingent Emergency Response Component (CERC) with no budget allocation.

The WB's Environmental and Social Framework (ESF) is applied to the Project. Eight environment and social (E&S) documents have been prepared to manage environmental and social risks/impacts induced by the project. These include an Environment and Social Commitment Plan (ESCP), a Stakeholder Engagement Plan (SEP), an Environmental and Social Management Framework (ESMF), and other E&S standalone documents prepared in connection with the ESMF i.e., a Labor Management Procedures (LMP), a Resettlement Policy Framework (RPF), and a CERC Manual as annexes . The E&S instruments (ESCP, SEP, ESMF, LMP, and RPF) will be applied to all Project activities of Components 1, 2, 3, and 4 while that for CERC Manual (Annex 6) will be applied if the CERC is activated.

This ESMF sets out the principles, rules, guidelines and procedures to assess, avoid, minimize, and measures to mitigate the E&S risks and impacts of the Project based on information currently available, including those from the RESA study. The ESMF also contains an estimated budget for the measures, and key agencies responsible for implementation of these measures. The ESMF is prepared in line the ESF and its Environmental and Social Standards (ESSs) relevant to the Project. It also identifies the E&S screening procedures for eligibility and for identification of site specific E&S issues and mitigation measures, through preparation of either Site-Specific Environmental or Social Management Plan (SS-ESMP) or an Environmental and Social Code of Practices (ESCOP) or List of Do and Don't Practices alongside other appropriate instruments such as the LMP and RPF.

### **E2. Project Objectives and Activities**

The Project aims "to improve rural livelihoods and consumption of diverse foods for targeted



poor communities, and respond promptly and effectively in case of Eligible Crisis or Emergency". The Project will contribute to promoting communities' resilience. Communities will achieve improved resilience when they are better able to withstand economic and climatic shocks, through diversification of livelihood sources and nutritious food sources, in a way that reflects their local context and that accounts for climatic changes.

The Project activities will be implemented through the following 5 components

- **Component 1: Local Economic Development and Community Capacity Strengthening Local Economic Development Initiatives Sub-Grants and Community Capacity Strengthening (US\$25.6million).** This component will be implemented through three sub-components including Subcomponent 1.1: Participatory Village Development Planning (VDP); Subcomponent 1.2: Community Capacity Strengthening; and Subcomponent 1.3: Climate-resilient Community infrastructure subprojects includes: (i) agricultural and rural access roads, outside the district's rural road network, (ii) drinking water and irrigation, (iii) village facilities for crop production or livestock and fish raising, (iv) drying platforms and storage facilities, (v) small processing facilities, and (vi) tree preservation (e.g., fencing) or tree planting.
- **Component 2: Community Livelihood Enhancement (US\$7.2 million).** This component will be implemented through three sub-components including Sub-Component 2.1: Development and Management of Self Help Groups (SHG) and Producer Group (PG); Sub-component 2.2: Income Generation and Food Security Capacity Building; and Sub-Component 2.3: Delivery of Project Grants and Management of Productive assets for SHGs, local input suppliers and PGs.
- **Component 3: Community Nutrition Interventions (US\$3.956 million).** This component will be implemented through three sub-components including Subcomponent 3.1 Promotion of demand for enhanced nutrition practices; and Subcomponent 3.2 Promotion of community-sourced nutritious food such as home nutrition gardening.
- **Component 4: Project Management, Capacity Building and Monitoring and Evaluation (US\$8.24 million).** This component will provide technical and operational assistance for the day to- day management of the Project including staff and consultants for financial management, procurement, M&E, and ESF implementation.
- **Component 5: Contingent Emergency Response Component (CERC).** This component has an initial zero value but may be financed during the project to respond to an eligible crisis or emergency.

### **E3. Positive and Potential E&S Risks and Negative Impacts**

Whilst the Project aims to deliver a range of benefits, the overall E&S risks and impacts of the Project are classified as moderate and most of them are predictable and can be mitigated through effective and timely implementation of the E&S mitigation measures..

#### **Positive Impacts:**



***CLEAR will provide direct benefits to the poorest communities, including women and ethnic groups, in rural Lao PDR*** through key project activities: construction or rehabilitation of basic and climate resilient infrastructure, livelihood activities, village Self Help Groups (SHG), including nutrition sensitive livelihood activities.

**Overall Negative Impacts/Risk and Proposed Mitigations:**

Project activities that are likely to generate moderate E&S risks and impacts at village/subproject level include:

- ***Rehabilitation of village-level infrastructure*** including (i) agricultural and rural access roads, outside the district's rural road network, (ii) drinking water and small-scale irrigation schemes, (iii) village facilities for crop production or livestock and fish raising, (iv) drying platforms and storage facilities, (v) small processing facilities, and (vi) tree preservation (e.g., fencing) or tree planting (Component 1).
- ***Provision of specialized technical assistance***, including farming techniques and information on climate resilient agriculture for improved productivity and yields, crop diversification and livestock development, targeting well performing Self-Help Groups who are able to scale up productive activities (Component 2).
- ***Support for establishment of home garden and rearing of small livestock and cooking activities***, including waste generation, safe use of agricultural inputs, and creation of other nuisance to local residents and the general public including noises, odor, and possible damages (Component 3)

***The direct minor and localized E&S risk and impact are expected from physical construction and renovation of small civil works, including:***

- Noise, vibration, dust, generation and management of construction wastes;
- Occupational health and safety (OHS) issue of Project workers and personnel who are implementing Project's activities (injured from falling subject and other construction activities, road safety, and transmitted and infected with COVID-19);
- Generation and disposal of construction wastes (organic, toxic, and hazardous);
- Potential involvement of Project staff in consuming and trading wildlife and other non-timber forest products (NTFP) while working and staying in remote village areas;
- Community Health and Safety (CHS) of those involve in Project activities and road accident including noise, vibration, dust generated during transportation of construction materials, and generation of construction wastes; and
- Exposure to an unexploded ordinance (UXO) risk, especially, for activities associated with the earth excavation.

***Indirect risk and impact are expected from:***



- Generation and management of solid waste during the operation of office facilities (including minor electronic waste from the used IT equipment procured by the Project);
- Access to and extraction of natural resources by road users while using tertiary road supported by the Project (including expansion of forestland, involving with illegal hunting and logging);
- Risks of improper use of agricultural inputs (e.g. ,pesticides, chemical fertilizers...) which result in pesticide residual, food contamination, pollution of surface water and soil contamination or downgrade in soil fertility after long-time use.
- No protection of water sources for future water supply;
- Unsafe used of water tap built by the Project which may lead the bad environment and illness in the village; and
- Potential fire at storage or processing facilities built for horticultural products and animal husbandry, solar driers supported by the Project and other nearby facilities.
- The storage of grains and processing of agriculture products will attract rodents, insects and vermin which can cause impacts such as: loss of the stored agriculture products and leptospirosis diseases or infection through direct or indirect contact with contaminated animal tissues, organs, or urine.

***The social environmental risk and impact:***

The social risks are cross-cutting and mostly exist with different stages of a subproject cycle. The following key social risks are envisaged:

- Small-scaled land acquisition minor temporary access restrictions due to infrastructure works (road, irrigation, storage facilities).
- Risks related to labour management and working conditions, including (i) employment discrimination, (ii) child labour engaged from community; (iii) occupational injuries from use and operations of heavy equipment, (iv) contraction of COVID-19); (v) road accidents due to poor road condition, (vi) risks related SEA/SH and VAC when female project workers (including community workers) travelling by motorbike to targeted villages alone (10km up to 90Km)<sup>2</sup>; (vii) temporary labour influx of construction workers is likely to increase the risk of alcohol and amphetamine consumption. Such substance abuse is often a contributing factor to accidents and incidents. It also is a contributing factor to gender-based violence.
- A lack of stakeholder engagement and risk of exclusion of vulnerable groups (such as those with a disability, female-headed households, the elderly, the poor, ethnic

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<sup>2</sup> Based on the rapid E&S assessment (RESA)



people)<sup>3</sup>.

- Fairness and accountability in selecting project beneficiary households and the vulnerable and poor households themselves do not have the ability to access project benefits (i.e. due to their marginalized status, i.e. lack info about the project due to language, distance, ethnicity, disability, gender, barriers, religion, shy, poor, etc.). Communities, including from different ethnic group backgrounds, may have concerns about elite capture of community infrastructure, if it does not benefit the whole community but only a subset of the population..
- Cultural awareness of Ethnic Group (EG) which result in miscommunication: While it is anticipated that 80-90% of project's beneficiary are ethnic minority people, most of the projects activities are designed and facilitated by the majority of project implementing members who are from Lao group. This cultural differences can pose a challenge for communication due to lacked understanding of cultural practices and social norms of each ethnic minority groups, with a view to ensure that all people from different backgrounds participate in the project in an equitable manner.
- Gender stereotype: Women are more open to information, opinions and engagement but women's views are often not taken seriously by the men.
- Community health and safety associated with (i) temporary disturbance from construction activities (noise, dust, transportation and road accidents); (ii) transmitted and infected with COVID-19); (iii) for some specialized works, such as water supply, this may entail hiring a design engineer and contractor and result in a very small labor influx; and (iv) low risk of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) due to small labor influx; (v) exposure to agricultural chemical/pesticide due to limited knowledge in agriculture good practices (GAP) among beneficiaries.

The anticipated risks can be mitigated through appropriate actions/risk management plans. Particular attention will be paid to monitor and verify compliance in the application of ESS1 (SS-ESMP/ESCOP), ESS2/ESS4 (LMP/SS-ESMP), ESS5 (RPF) as well as ESS7 and ESS10 (SEP/SS-ESMP). Meaningful engagement will be a key for managing concerns as well as the potential risks and impacts resulting from the Project activities. The engagement will need to take into consideration consent, language, and literacy, access to information, vulnerability, and cultural needs of the various groups including ethnic groups.

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<sup>3</sup> The rapid E&S assessment (RESA) informs that poorer families often do not join meetings or take part in project activities due to (i) lack of confidence; (ii) inability to pay membership fees; (iii) being excluded / not being respected by other members of the groups / being discouraged from joining the discussion by other members; (iv) lack of labor within the family and poor house conditions; (v) lack agriculture land; and (vi) lack motivation to work and/or participate in development programs.



## **E5. Environmental and Social Management Procedures**

The ESMF describes procedures for (i) application of the Negative List (Annex 2A); (ii) conducting E&S Screening and Scoping ([Annex 2B](#)) for a subproject/civil works to be selected at a village level; (iii) as a result of screening process based on the E&S screening and scoping result, preparation of SS-ESMP (Annex 3A) for moderate E&S risks subproject or application of ESCOP (Annex 3B) or List of Do and Don't Practices (Annex 3C) for construction of small civil works, waste management, conservation of water sources, prohibition on wildlife consumption and trade; and (iv) application of good agricultural practice (GAP in Annex 3D) for irrigation and on-farm activities. Other E&S instruments such as LMP to be applied to Project staff and workers; Abbreviated Resettlement Plan (A-RP) to be applied when small land donation and/or compensation is involved. It is required that the SS-ESMP that will be submitted to the WB for prior review before the ESMP is adopted for implementation on the ground. Implementation budget will be allocated while supervision and monitoring will be conducted on a monthly basis, and a six-month ESF implementation monitoring report will be submitted to WB.

## **E6. Implementation Arrangements**

Under CLEAR project, a Project Management Unit (PMU) will be established to be responsible for overall Project planning, management, supervision, and M&E while the Project activities will be implemented by local communities according to the Project Operation Manual (POM). It is expected that the PRF team will be assigned to perform the responsibility of PMU.

In each of the six Project provinces, the Provincial Agriculture and Forestry Office (PAFO), or concerned provincial agency, will appoint a Project Provincial Coordinator (PPC) who will coordinate Project implementation in respective provinces. The PPC is based in the capital of each Project province (within the existing PRF provincial office), and is responsible for facilitating the operation of district teams. The PPC reports to the Provincial Vice-Governor and keeps PAFO and relevant agencies informed of status of Project implementation. The PPC will attend annual meetings, including the board meeting held by the PMU or MAF and may be invited to attend some district meetings to discuss and provide strategic advice to resolve operational issues that may be emerging. The PPC will be provided with back up technical assistance and hands-on support by a Project/CLEAR Provincial Assistant (PPA), who is hired and contracted as a consultant and is based in the provincial office. The PPA will assist the PPC to collect, review and consolidate reports and data from the district offices and ensures that all progress reports and information from the district offices are submitted timely to the PMU.

## **E7. Consultation and Stakeholder Engagement**

During preparation of the E&S instruments, Key Informant Interviews (KII) and Focus Group Discussions (FGD) were carried out during November 2022 to January 2023.

- Consultation workshop with PRF team was conducted 25 Nov 2022 and few times later with the key objective to assess capacity of PRF to manage ESF risks.



- Key Informant Interviews (KII) with District Implementation Unit and Focused Group Discussion (FGD) have been carried during 9 to 11 January 2023 in selected villages including Ban Nong-Lae and PhaLin Village in Nonghed District, Xiengkhuang Province. The consultations were conducted as part of RESA exercise to collect data and information for preparation of E&S instruments.
- The purpose of consultation for the RESA purpose are to a) solicit feedback from some selected key project stakeholders who have been participating in PRF III on the management of E&S risk and impact; and b) use such feedback as lessons learned/opportunities for enhanced project design under CLEAR through the promotion of equal opportunities for participation and inclusion by all target project beneficiaries as well as to be more effective and practical on ways to avoid and manage the risk related to environment, health, and safety especially those related to UXO and different types and locations of civil works. The RESA consultation also looked in the following contexts (i.e. how risks/opportunities apply to different groups of people – vulnerable including ethnic minorities; different priorities, how different groups (i.e. ethnic minorities) are socially structured etc.
- Feedback, recommendations, and concerns raised during the KII and FGD have used to refine the identification of potential risks, and impacts (both positive and adverse), validate key assumptions and improve risk mitigation measures proposed in this ESMF and SEP. These processes were also used to ensure that the ESMF is known to stakeholders. More details of the KII and FGD results with list of Participants are provided in a standalone the RESA report and the project’s Stakeholder Engagement Plan (SEP).

The draft ESF documents in English (ESMF, RPF, SEP, LMP and ESCP) were disclosed on the PRF website (<http://www.prflaos.org>) on 14 March 2023 which was about 2 weeks before public consultation and before the national consultation workshop conducted on 30 March 2023. The Executive Summary of the ESMF, RPF, SEP, LMP were also disclosed in Lao language on 14 March 2023.

#### **E9. Grievance Redress Mechanism (GRM):**

The grievance mechanism seeks to resolve concerns promptly, using an understandable process that is culturally appropriate and readily accessible at no cost. Grievances can be submitted if there are concerns about any adverse impacts by the Project on the community, the environment, or on their quality of life. Stakeholders may also submit comments and suggestions. The GRM is described in full in the project’s SEP.

#### **E10. Monitoring and Reporting**

Monitoring is the method of ensuring mitigation measures are being implemented in accordance with ESMF and ESCP prepared in line with the ESF requirement. Semi-annual monitoring reports will need to be undertaken in order to:



- Improve E&S management practices;
- Ensure the efficiency and quality of the E&S assessment processes;
- Establish evidence- and results-based E&S impact assessment; and
- Provide an opportunity to report the results of the implementation of mitigation measures in future ESMPs and other project related documents.

### **E11. Budget**

ESMF implementation cost will include the cost for implementation of the ESMF, LMP, ESCP and SEP, including staff costs, training, GRM, travel for field work monitoring. The total indicative budget is estimated at US\$459,400 (Section 10). This budget does NOT include budget for compensation for land acquisition, UXO clearance, accident, workers' health insurance, and budget for implementation of SEP and specific mitigation measures in the SS-ESMP and ESCOP which will be included in the component budget.



## 1 INTRODUCTION

### 1.1 Project Background

1. The proposed Project, namely the Community Livelihood Enhancement and Resilience (CLEAR or the Project), is a new community-driven development (CDD) project that builds on the mechanisms and lessons of the Poverty Reduction Fund (PRF) series that have been implemented in Lao PDR and other CDD projects in the region taking into account the country's rural sector policy and the evolving regulatory framework and the social conditions.

2. The Project will be implemented in seven provinces comprising four in the north (Huaphanh, Oudomxay, Phongsay, Xiengkhuang) that are benefitting from the World Bank (WB)'s supports on nutrition convergence interventions, and three in the south (Savannakhet, Saravan and Sekong). The Project provinces were selected following construction of a data-driven ranking based on poverty levels, current nutrition outcomes and vulnerability to climate-induced shocks and natural hazards. Two districts will be selected in each province, based on poverty status and operational feasibility consideration (e.g. proximity to each other, complementarity with other programs, at least one district per province with access to bank branch enabling withdrawals). About 32 villages will be selected within each district, among those considered poor based on the criteria established by the Government of Lao PDR (GOL) (Decree #348), complemented with other available indicators such as distance from markets and absence of other programs. The objective is to select around 448 villages to ensure an allocation per village that can lead to visible impact of the investment. The Project budget will be US\$45 million. Villages will be categorized into three types, based on current vulnerability levels and paths to community resilience. Interventions will be tailored to each type of community and about US\$47,000 will be allocated to a village. The Project activities will be implemented through five components briefly identified below (Section 1.3), including a Contingent Emergency Response Component (CERC) with zero budget allocation. This document also provides information on the environment and social conditions of the Project area.

### 1.2 Purpose, Scope and Application of the ESMF

3. The WB's Environmental and Social Framework (ESF) is applied to the Project. In mid-January 2023, a Rapid Environmental and Social Assessment (RESA) was conducted in Nonghed District, Xiengkhuang Province. Eight environment and social (E&S) documents have been prepared comprising an Environment and Social Commitment Plan (ESCP), a Stakeholders Engagement Plan (SEP), Environment and Social Management Framework (ESMF), and other E&S standalone documents prepared in connection with the ESMF i.e. a Labor Management Procedures (LMP), a Resettlement Policy Framework (RPF), and a CERC Manual as annexes. The E&S instruments (ESCP, SEP, ESMF, LMP, and RPF) will be applied to all Project activities of Components 1, 2, 3, and 4 while that for CERC Manual (Annex 6) will be applied if the CERC is activated. This ESMF sets out the principles, rules, guidelines and procedures to assess and



mitigate the E&S risks and impacts of the Project based on information currently available, including those from the RESA study. The ESMF contains measures and frameworks to avoid, reduce and mitigate adverse E&S risks and impacts, provisions for estimating and budgeting the costs of such measures, and information on the agency or agencies responsible for implementation of the activities and addressing the Project risks and impacts. The ESMF is prepared in line with the ESF and covers its Environmental and Social Standards (ESSs) relevant to the Project. It also identifies the E&S screening list for eligibility subprojects, screening for E&S issues and mitigation measures to be implemented including the needs for preparation of site-specific Environmental and Social Management Plan (SS-ESMP) for a subproject with moderate E&S risks, an Environmental and Social Code of Practices (ESCAP) for construction of small civil works, and other appropriate instruments such as the LMP, RPF and GAP.

4. The Project Management Unit (PMU) in close cooperation with the Project implementing entities (PIE) will be responsible for implementation of the Project activities including those related to ESF implementation and in close consultation with the WB ESF specialists. The ESMF is designed in such a way to ensure benefit of the environment and Project beneficiaries, which include potential affected people. It aims to (i) ensure that Project applies good practices relating to E&S sustainability, (ii) fulfils national and international E&S obligations; (iii) enhances non-discrimination, transparency, participation, accountability and governance; and (d) enhances the sustainable development outcomes of Project through on-going stakeholder engagement.

### 1.3 Project Objective and Components

5. **The Project Development Objectives (PDO) of CLEAR** is “to improve rural livelihoods and consumption of diverse foods for targeted vulnerable communities, and respond promptly and effectively in case of Eligible Crisis or Emergency”.

6. CLEAR is a community and local development (CLD) project that builds off the PRF series, while taking advantage of Lao PDR’s changing rural sector and evolving policy framework.

7. The Project activities will be implemented through the following five components as presented in Table 1-1 below.

**Table 1-1 Project Components and Sub-components**

Project Components	Sub-components
<b>Component 1: Local Economic Development and Community Capacity Strengthening (US\$25.6 million)</b>	<ul style="list-style-type: none"> <li> <b>Subcomponent 1.1: Participatory Village Development Planning (VDP).</b> Under this subcomponent, each village will follow a step-by-step process to prioritize needs and opportunities.           </li> <li> <b>Subcomponent 1.2: Community Capacity Strengthening.</b> This subcomponent, taking place in parallel with Subcomponent 1.1, will equip key community representatives, including women and newly selected village facilitators, with the knowledge and skills to lead the community in developing a forward-looking, inclusive vision of local development and resilience.           </li> <li> <b>Subcomponent 1.3: Climate-resilient Community infrastructure</b> </li> </ul>



Project Components	Sub-components
	<p><b>subprojects.</b> This subcomponent allocates block grants to beneficiary villages for the construction or renovation of the small infrastructure works selected through the VDP process. The range of eligible infrastructure includes: (i) agricultural and rural access roads, outside the district’s rural road network, (ii) drinking water and small-scale irrigation schemes, (iii) village facilities for crop production or livestock and fish raising, (iv) drying platforms and storage facilities, (v) small processing facilities, and (vi) tree preservation (e.g., fencing) or tree planting. The Project Implementation Manual (PIM) will include details on non-eligible infrastructure.</p>
<p><b>Component 2: Community Livelihoods Enhancement (US\$7.2million)</b></p>	<ul style="list-style-type: none"> <li>• <b>Sub-Component 2.1: Development and Management of Self Help Groups (SHG).</b> This sub-component provides training and facilitation for step-by-step self-organization of members of different households into groups. Members with higher technical and financial capacity will be encouraged to develop individual or group enterprises, focusing on the production and sales of local agricultural inputs and/or on establishing a Producer Group (PG).</li> <li>• <b>Sub-component 2.2: Income Generation and Food Security Capacity Building.</b> This subcomponent builds capacity among district staff and the project’s young graduates, who will then deliver training to SHG members on diversification of income generation and food self-production sources.</li> <li>• <b>Sub-Component 2.3: Delivery of Project Grants and Management of Productive assets.</b> SHGs, local input suppliers and PGs are eligible for project seed grants.</li> </ul>
<p><b>Component 3: Community Nutrition Interventions (US\$3.956 million)</b></p>	<ul style="list-style-type: none"> <li>• <b>Subcomponent 3.1 Promotion of demand for enhanced nutrition practices</b> This The project will adopt an integrated social and behavioral change communication (SBCC) approach to deliver activities targeting individuals, family and peer networks, and the whole community through three channels: i) community mobilization (e.g., community meetings, peer groups), ii) interpersonal communication (e.g. home visits), and iii) mass communication (e.g. social media). Women-led community nutrition groups (CNGs) will be established and trained in each community, consisting of pregnant women and mothers of children under two years, their children and other caretakers..</li> <li>• <b>Subcomponent 3.2 Promotion of community-sourced nutritious food</b> This subcomponent will support home nutrition gardening. Nutrient-dense crops suitable for cultivation in areas with limited water and land access will be promoted for home consumption and group cooking.</li> </ul>
<p><b>Component 4: Project Management, Capacity Building and Monitoring and Evaluation</b></p>	<ul style="list-style-type: none"> <li>• This component provides technical and operational assistance for the day-to-day management of the proposed project and its Monitoring and Evaluation (M&amp;E) system. It covers hiring, training and remunerating national and district PRF staff as well as the costs of village facilitators;</li> </ul>



Project Components	Sub-components
<b>(US\$8.24million)</b>	associated equipment and operating costs; accounting, procurement, financial management, internal controls, auditing, environmental and social safeguards, monitoring and evaluation and other specialized support.
<b>Component 5: Contingency Emergency Response Component (CERC) (USD 0)</b>	<ul style="list-style-type: none"> <li>• This component has an initial zero value but may be financed during the project to respond to an eligible crisis or emergency. The three village types are equally eligible for CERC in an emergency or crisis. CERC activities would build on the country’s existing disaster risk reduction (DRR) strategy, and therefore start with early warning and communications to and from the affected areas. They would prioritize access to food and safe water and provide emergency staple food and equipment for safe drinking water. Critical agricultural inputs and tools would be provided, where needed, to restart production during the following agricultural season, in alignment with MAF’s policy for recovery from disasters.</li> <li>• The PIM will include a list of eligible goods and equipment and describes the process to launch and manage the CERC, in line with the CERC ESMF. In anticipation of the potential need to launch CERC activities, the project’s DRR capacity-building activities for district staff, PRF staff and communities will build knowledge on this process and disseminate contacts to be mobilized in such an event.</li> </ul>

## 1.4 Project Design and Activities Selection

8. CLEAR tailors activities to three types of villages, defined according to their current vulnerability levels, which will simplify processes for lower capacity villages. (See Table 1-2). The project acknowledges that a “one size fits all” approach will not lead to the intended impact, given villages’ different starting socio-economic conditions and market access potential. Each selected village will be classified based on Decree 348 indicators, complemented with data available through other existing reports, on food security, average incomes, road access, drinking water supply, and time to access markets. Community representatives will be required to validate their classification at the orientation stage. Small infrastructure options under Component 1 will be similar in the three village types, but type I villages are expected to allocate a larger share of the project grant to small basic infrastructure since they have higher needs for improved road access and drinking water supply. Component 2 will differ markedly among the three village types. While improvements in both self-consumed and marketable products will be promoted in the three village types, there will be an increasing focus on the latter in type II villages, while activities in type III villages will focus on market-oriented production (see Component 2 below). Type III villages, after having further built capacity through CLEAR, may become eligible to access agrobusiness development projects funded by the World Bank or another development partner. All villages will undertake a similar set of activities under Component 3, although the range of foods promoted is expected to vary among the three types. Unlike in the PRF suite, sustainable uses of NTFP will



be supported, both for food under Component 3 and income generation under Component 2 and will play a more prominent role in most type I villages. Table 1-2 summarizes the village typology matrix.

**Table 1-2 Village Typology Matrix and Overview of Activities by Village Type**

	Type I Food security level	Type II Intermediate level	Type III Transition level
<b>Current status</b>	Remote village Limited connectivity to market Exposed to food security shocks and climate change impacts	Village with improving connectivity to market Exposed to income shocks and climate change impacts	Less remote village with improved connectivity to market, exposed to market risks and unemployment risks and climate change impacts
<b>Activities by village type</b>			
<b>Community infrastructure</b>	Basic access (e.g., access road spot improvement, bridges, drinking water) <i>Relatively higher share of village allocation amount</i>	Production oriented (e.g., drying platform, field access roads)	Groups' infrastructure needs (e.g. storage)
<b>Livelihood groups</b>	Self-help groups (without savings and credit)	Self-help groups (with savings and credit)	Self-help groups (with savings and credit) Producer groups
<b>Nutrition interventions</b>	A – Social and behavior change communication (SBCC) activities B – Promotion of nutritious foods, adapted to village resources		
<b>CLEAR community capacity building</b>	Voluntary village application process after orientation training Community capacity strengthening program for selected villagers and local staff Hamlet and village participatory process		

## 2 LEGAL AND REGULATORY FRAMEWORK

### 2.1 National Legal Framework Related to Environmental Issues

9. The Lao PDR has many laws and regulations that govern environmental and social impacts and risks assessment and management applicable for all development projects financed by both public and private sectors. The key Lao laws and regulations relevant to the EWMP Project are listed in Table 2-1 below while details are provided in Annex 1B.

**Table 2-1 National Policies and Legislations**

Subjects	Related national policies, strategies, laws, regulations
Natural Environment	<ul style="list-style-type: none"> <li>Law on Environment Protection, No. 29/NA, dated 18/12/2012;</li> </ul>



Subjects	Related national policies, strategies, laws, regulations
(Land, water, forest)	<ul style="list-style-type: none"> <li>• Law on Forestry, No. 08/NA, dated 13/06/2019;</li> <li>• Law on Aquatic and Wildlife (24 December 2007);</li> <li>• Law on Disaster Management, No. 15/NA, dated 24/06/2019;</li> <li>• Law on Water and Water Resources, No. 23/NA, dated 11/05/2017;</li> <li>• Land Law No. 70/NA (dated 21 June 2019, Amended)</li> <li>• Decree on Environmental Impact Assessment, No. 389/GOL, dated 20/10/2022;</li> <li>• The Decree on Compensation and Resettlement of People Affected by Development Projects, No. 84/GOL, dated 05/04/2016 taking into account the application of the 2017 law on land allocation and occupation issued by Ministry to Agriculture and Forests (MAF) which is also responsible for rural development;</li> <li>• Decree on Protected Area (No. 134/GOL, dated 13/5/2015);</li> <li>• Decision on the List of Projects and Activities Triggered Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA), No. 0358/MONRE, dated 24/02/2023;</li> <li>• Regulations related to pollution control and toxic chemicals and hazardous waste management issued during 2015 to 2022.</li> </ul>
Labour: OHS, child labour non-discrimination, freedom of association, worker grievance; labour code; Sexual Exploitation and Abuse/ Harassment (SEA/SH)	<ul style="list-style-type: none"> <li>• The Law on Labour Protection, No. 43/NA, dated 24/12/2013;</li> <li>• The Law on Grievance Redress, No. 023/NA, dated 09/11/2016;</li> <li>• The Law on Hygiene, Prevention and Health Promotion, No. 73/NA, dated 22/11/2019;</li> <li>• The Law on Prevention of HIV Disease, dated 01/NA, dated 29/6/2010;</li> <li>• The Law on Prevention and Control of Communicable Disease, 19 December 2017;</li> <li>• The Law on Preventing and Combating Violence against Women and Children, Law No. 56/NA, 23/12/2014;</li> <li>• The Law on the Protection of Children Rights and Benefits, No. 05/NA, dated 27/12/2006;</li> <li>• The Law on the Development and Protection of Women, No.08/NA, dated 22/10/2004;</li> <li>• The Family Law, No. 05/NA, dated 26/9/2008;</li> <li>• The Decree on Occupational Health and Safety, No. 22/GOL, dated 05/02/2019;</li> <li>• Decision on GAP for Labor Safety, Health and Welfare (No. 0540/MAF, dated 9/02/2011).</li> </ul>
Ethnic Groups including engagement	<ul style="list-style-type: none"> <li>• Constitution of the Lao PDR People's Democratic Republic (amended) No. 63/NA, 08/12/2015;</li> <li>• The Law on Lao Front for National Development, No. 49, dated 20/8/2018;</li> <li>• Decree No. 207 on Ethnic Group Affairs (2020);</li> </ul>



Subjects	Related national policies, strategies, laws, regulations
	<ul style="list-style-type: none"> <li>• The Law on Media No. 01/NA, dated 4/11/2016;</li> <li>• The Ethnic Minority Policy (1992);</li> <li>• The National Guideline on Consultation with Ethnic Groups, 2013;</li> </ul>
Government's Regulation on Food and Good Agriculture Practice and Organic Agriculture Standard	<ul style="list-style-type: none"> <li>• The Law on Food (2013);</li> <li>• Decision on Good Agriculture Practices for Produce Quality Management Standard (No 0539/MF, dated 09/02/2011);</li> <li>• Decision on Good Agriculture Practices for Environmental Management (No 0538/MF, dated 09/02/2011);</li> <li>• Decision on Good Agriculture Practices for Produce Quality Management Standards (No 0539/MF, dated 09/02/2011);</li> <li>• Law on Livestock Production and Veterinary Matters (No. 03/NA, dated 25 July 2008);</li> <li>• Regulation 2860/MAF on pest management is the latest legal document (June 2010).</li> </ul>

## 2.2 Applied World Bank Environmental and Social Standards (ESS) and E&S Instruments Prepared for the Project

### 2.2.1 Applied World Bank's Environmental and Social Standards (ESS)

10. According to the Environmental and Social Review Summary (ESRS) of the WB (Project Appraisal stage), of the WB's ten ESSs, eight ESSs, except for ESS8 - Cultural Heritage and ESS 9 – Financial Intermediaries, are applied to the Project. The applied ESSs are briefly described as follows:

#### ❖ **ESS1: Assessment and Management of Environmental and Social Risks and Impacts**

11. The objectives of ESS1 are to: a) Identify, evaluate, and manage environmental and social risks and impacts (in a manner consistent with other relevant ESSs), b) Adopt a mitigation hierarchy, c) Adopt differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing development benefits and opportunities, d) Utilize national environmental and social institutions, systems, laws, regulations and procedures where appropriate, e) Promote improved environmental and social performance, in ways which recognize and enhance Government capacity.

12. Environmental risks and impact from civil works during the construction will be limited to generation of air (mostly dust), noise, injury caused by construction activities, generation of construction wastes including removing of topsoil while those during operations would include safe use of the structures (including fire), soil/water pollution resulted from the possible use of chemical fertilizer and pesticide. The risk of UXO will also be considered when involved with the earth works, particularly for the provinces with the UXO risk. These impacts are predictable and can be mitigated through integration of mitigation measures in the subproject design, implementation of SS-ESMP and ESCOP comprising of good construction practices and pest management which will be engaging with local authority and communities to manage all



possible impacts expected from the civil works and promote protection of local environment and communities.

13. The Project activities will involve construction and/or renovation of small infrastructure and facilities as well as those related to agriculture extension, on-farm activity, livelihood enhancement, and nutrition. Following the on-going implementation practices that being use under PRF III-AF project, these Project activities will be implemented by local communities through specific agreement between local communities and PRF. For infrastructure subproject/activity, after subprojects/activities are identified/selected for each village, supported by the PRF team, DIT and VIT will conduct a feasibility study and detailed design as well as complete the E&S screening and apply site specific mitigation measures to address potential impacts of the activities. Since construction of the civil works will be done by local workers to be selected and trained to perform the function of a Village Implementation Team (VIT), PRF will also provide training to this local entity before signing a subgrant agreement. PRF team will also be responsible for supervision and monitoring of performance of the VIT.

14. For livelihood enhancement and nutrition interventions activities to be implemented under Component 2 and 3, a number of local communities specialized groups (PG, SHG, etc.) will be responsible for implementation of the activities while PRF teams (community development team and nutrition team) will provide guidance and training to local communities as well as facilitate the discussion and implementation process (through the village facilitator and/or young graduate). These teams will be responsible for integration of the ESF requirements into the planning and implementation of the activities. These implementation arrangements have been established and applied extensively under the implementation of the PRF III-AF project. *Under CLEAR, ESF management structure is proposed described in detail in Chapter 5.* Specific procedures and mitigation measures during the application of ESMP and E&S instruments are also discussed in more details in Chapter 5 of this ESMF.

15. In addition the ESMF as well as the SEP, RPF, LMP, ESCOP, and other code of conducts and manuals are developed for manage potential social risks and impacts, which may include a) lack of stakeholder engagement; (b) risk of exclusion and discrimination particularly of ethnic minorities and vulnerable groups if not adequately represented in project activities; (c) risk of elite capture, (d) risks related to the labor and working conditions of project workers; (e) small scale land acquisition and/or access restriction, (f) risk of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) and (g) child labor.

#### ❖ **ESS2: Labor and Working Conditions**

16. ESS2 aims to a) Promote safety and health at work, b) Promote the fair treatment, non-discrimination, and equal opportunity of project workers, c) Protect project workers, with particular emphasis on vulnerable workers, d) Prevent the use of all forms of forced labor and child labour, e) Support the principles of freedom of association and collective bargaining of project workers in accordance with national law, and e) Provide project workers with accessible means to raise workplace concerns.



17. It is estimated that 9,323 7,163 workers would be engaged to support project activities, including direct workers, contracted workers and community workers. Contracted worker accounts for 58.5% (5,456 people), followed by community workers (38.4%, 3,584 people), and direct workers (2.6%, 242 people), and other stakeholders working in connection with project (0.4%, 41 people). At village level, most activities have small number of people participating. For instance, for each civil work, it is estimated around 10-12 local people are involved. Given the nature and scope of infrastructure subproject at village level, VIT will function like a conventional contractor. The supply of construction materials like aggregates, cement, reinforced steel bars, etc. will be necessary for the rehabilitation and construction activities. Labour risks identified for this project include the following key types: Occupational Health and Safety, Sexual Exploitation and Abuse, Sexual Harassment, and Violence Against Children, Child Labour, Forced Labour, Discrimination and Exclusion of Vulnerable and Disadvantaged groups, etc. Labour Management Procedures (LMP) is developed to manage the aforementioned risks. VITs are responsible for managing and supervising their workers' performance, including overall supervision of implementation of labour-related provisions and labor risk management. During construction, VITs are required to implement activities, including monitoring, keeping records and reporting on terms and conditions related labour management, and grievance redress.

18. LMP is developed to manage risks and it includes the guidelines for COVID-19 prevention and treatment for workers, will be applied to all contracted workers. The additional conditions applicable to this LMP are provided in this document, including provision on maximum working hours (limited to 8 hours per day, 6 days per week) in line with national law, the typical content required for a work contract for workers, including Worker's Code of Conduct. Additionally, it is required that Employers, including VIT, enter into a written work contract with all the workers engaged under the project.

❖ **ESS3: Resource Efficiency and Pollution Prevention and Management**

19. The objective of ESS3 is a) Promote the sustainable use of resources, including energy, water, and raw materials, b) Avoid or minimize adverse impacts on human health and the environment caused by pollution from project activities, c) Avoid or minimize project-related emissions of short and long-lived climate pollutants, d) Avoid or minimize generation of hazardous and non-hazardous waste, and e) Minimize and manage the risks and impacts associated with pesticide use. Under this project, there will be some activities such as small construction and/or rehabilitation civil works such as agricultural road, irrigation, storage, processing facilities, and livelihoods and nutrition support programs that involve increased use of construction material, agricultural chemical such as pesticide, fertilizers, animal waste management. These risks will be addressed through an ESCOP provided as part of ESMF and/or site-specific ESMP (to be developed if confirmed under the ES screening proves) to address E&S risks and impacts during sub-project design, construction, and operation stages. Risk of inappropriate use of agricultural inputs is identified, particularly among beneficiaries who borrow project loan to increase their crop production. This risk will be mitigated through recommended good practice (Annex 3D) to ensure agricultural chemicals such as pesticide,



chemical fertilizers, nutrients are not overused which cause chemical residue on farm produce and affect farmers health in the long run.

❖ **ESS4: Community Health and Safety**

20. The ESS4 objectives include a) Anticipate or avoid adverse impacts on the health and safety of project-affected communities during project life-cycle from routine and non-routine circumstances, b) Promote quality, safety, and climate change considerations in infrastructure design and construction, including dams, c) Avoid or minimize community exposure to project-related traffic and road safety risks, diseases and hazardous materials, d) Have in place effective measures to address emergency events, e) Ensure that safeguarding of personnel and property is carried out in a manner that avoids or minimizes risks to the project-affected communities.

21. Under this project key risks associated to community health and safety include risk of SEA/SH, road traffic safety, contraction of communicable diseases such as COVID-19. The project' ESMF provide guidelines, code of conducts and propose mitigation measures for identification of and mitigation measures of CHS risks as well as awareness of safe usage of pesticides and herbicides and agriculture related wastes/chemical containers management based on national guidelines issues by the MOF, international guidelines/best practices.

❖ **ESS5: Land acquisition, Restrictions and Land Use and Involuntary Resettlement**

22. The objectives of ESS5 are to: a) Avoid or minimize involuntary resettlement by exploring project design alternatives, b) Avoid forced eviction, b) Mitigate unavoidable adverse impacts from land acquisition or restrictions on land use by providing compensation at replacement cost and assisting displaced persons in their efforts to improve, or at least restore, livelihoods and living standards to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher, c) Improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure, d) Conceive and execute resettlement activities as sustainable development programs, e) Ensure that resettlement activities are planned and implemented as sustainable development programs, with appropriate disclosure of information, meaningful consultation, and informed participation.

23. The Project will finance rehabilitation and new construction of small-scale infrastructure in 340 villages. These infrastructures may include (i) unpaved agricultural access roads, small bridges, (ii) drinking water and irrigation, (iii) small processing/storage/drying facilities, (iv) village facilities for crop production (such as field paths) or livestock raising (such as water tanks), and (v) tree preservation (e.g. fencing or tree planting). Given the construction, minor land acquisition is anticipated, including, for example, acquisition of a plot of land to build post-harvest facilities, or a strip of land (linear impact) to reinforce/widen an existing access road, or to extend an existing access road. The project prepared a Resettlement Policy Frameworks (RPF) to provide guidance for land acquisition and compensation payment. The RPF also has guidance for voluntary land donation which may be applied to those who are eligible for



proposing voluntary land donation as an option for affected household/individual to choose. Affected households/individual has a choice to refuse donation of land/assets if they prefer compensation payment. It is noted that construction activities that involve physical resettlement of any individual/household is not financed by the project. The RPF is applied to permanent or temporary land acquisition and economic displacement that is directly caused by the project.

❖ **ESS6: Biodiversity**

24. ESS6 aims to a) Protect and conserve biodiversity and habitats, b) Apply the mitigation hierarchy and the precautionary approach in the design and implementation of projects that could have an impact on biodiversity, c) Promote the sustainable management of living natural resources, and d) Support livelihoods of local communities, including Indigenous Peoples, and inclusive economic development, through the adoption of practices that integrate conservation needs and development priorities. The project will not involve in any primary production or harvesting of living natural resources and support any activities in the area designated as biodiversity conservation and/or protected areas as defined by Government of Laos (GOL). However, many local communities are located nearby state forestland areas. These include National Park, protected area, protection forest area and production forest area where are home to significant biodiversity. Project supported activity maybe directly and/or indirectly involved with extraction of natural resources. A list of Do's and Don't Practices is developed as part of the ESMF to prevent direct workers (staff), contracted workers and community workers from involving in any form of natural resource extraction, habitat degradation, wildlife trade and consumption. This list will apply to all project personnel while working in the village's areas, particularly; those are living near to the forestland areas. Trainings on related national regulations will be provided for the staff and workers prior to any field activity. The local communities will also be educated and encouraged to take actions to promote protection of watershed and local environment, no wildlife trade and consumption, and prevention of forest fire as part of their subproject's activities. A screening list developed as part of ESMF will be implemented ensuring that ESS6 requirements are well considered and addressed through provided a List of Do's and Don't Practices, ESCOP, and SS-ESMP as required.

❖ **ESS7: Indigenous Peoples**

25. The objectives of ESS7 are to: a) Ensure that the development process fosters full respect for affected parties' human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods, b) Promote sustainable development benefits and opportunities in a manner that is accessible, culturally appropriate and inclusive, c) Improve project design and promote local support by establishing and maintaining an on-going relationship based on meaningful consultation with affected parties, d) Obtain the Free, Prior, and Informed Consent (FPIC) of affected parties in three circumstances, e) Recognize, respect and preserve the culture, knowledge, and practices of Indigenous Peoples, and to provide them with an opportunity to adapt to changing conditions in a manner and in a timeframe acceptable to them.

26. Project activities are not expected to have a negative impact on ethnic groups; however,



many of these ethnic groups have distinctive cultural and traditional practices and they also speak different dialects, which are not understood by the main Lao Lum/Lao-Tai groups. For instance, a recent assessment revealed that most of the Hmong ethnic women, especially older ones (40+), are unable to understand, speak, read, or write Lao language. District staff from Nonghed, Xiengkhuang province also reported almost all of the Phong ethnic group people do not understand, speak, read and/or write Lao because their villages are located in remote areas. The risks are not caused by project but they are related to language barrier, a poor understanding of local practices, organizations structures, barriers and preferences, meaningful consultation leading to potential exclusion of ethnic groups from project activities, including for the selection of community infrastructure, establishment and implementation of self-help groups for livelihood programs, microfinance and nutrition. SEP is prepared by the project describing ways to effectively include the ethnic groups so that the project activities are designed with sensitivity to the cultural and linguistic barriers to participation in project activities and include measures aimed at reducing inequality in livelihood development opportunities and outcomes in predominantly ethnic areas.

❖ **ESS10: Stakeholder Engagement and Information Disclosure**

27. The objectives of this ESS are to a) Establish a systematic approach to stakeholder engagement that will help Borrowers identify stakeholders and build and maintain a constructive relationship with them, in particular project-affected parties, b) Assess the level of stakeholder interest and support for the project and to enable stakeholders' views to be taken into account in project design and environmental and social performance, c) Promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life -cycle on issues that could potentially affect them, d) Ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner and format, and e) Provide project-affected parties with accessible and inclusive means to raise issues and grievances, and allow Borrowers to respond to and manage such grievances.

28. The Project will engage many different stakeholders, which may include (a) those directly affected: people living target communities for infrastructure, agricultural activities and nutrition activities and volunteers benefitting from the capacity building, (b) line ministries: Ministry of Agriculture and forestry (MAF), Ministry of Planning and Investment (MPI), Ministry of Finance (MOF) and the Ministry of Health (MOH) (c) local government administrations: provincial and local authorities and village chiefs, (d) interested individuals and groups including: civil society organizations, women's organizations, ethnic group leaders and organizations; (e) private sector: construction companies, agribusiness, road transport companies, (f) academics, non-governmental and community based organizations working on livelihoods and nutrition (g) and development partners at the central level. Therefore, the SEP is developed to ensure that beneficiaries and affected communities will be engaged, especially regarding project infrastructure options and ensure that the Project is implemented in a socially inclusive, meaningful and culturally appropriate manner. The SEP will be implemented,



updated, and disclosed throughout the different phases of the Project life cycle.

### **2.2.2 E&S Instruments Prepared for the Project**

29. The following E&S instruments have been prepared during project preparation to manage E&S risks and impacts associated with the Project activities. These ES instruments are prepared in accordance with the ESSs that apply, and relevant national laws and regulations:

- i) The ESMF (this document) developed for CLEAR project is considering the risks and impacts defined under each applied ESS. This ESMF includes (a) Resettlement Policy Framework (RPF), (b) Labor Management Procedures (LMP), (c) Rapid Environmental and Social Assessment, (d) Contingent Emergency Response Component (CERC) Manual for Project Component 4.
- i) Stakeholder Engagement Plan (SEP) developed to identify project's affected and interested stakeholders. The SEP focuses particularly on identifying vulnerable/disadvantaged groups/individuals and ensuring how these are identified/consulted with and their views and comments are incorporated into project design to support project implementation.
- ii) Environmental and Social Commitment Plan (ESCP). The ESCP identifies material measures, actions, timeframes and the entities responsible for implementation of the mitigation measures as committed by the MAFF/PRF.

### **2.3 Gap Analysis – WB'S ESF and National Legislations**

30. This Section builds upon the information on relevant legislations of the GOL and requirements of WB's ESF. It summarizes key gaps by comparing the requirements of WB's ESF and relevant national legislations (See Table 2-2). Generally, the GOL has established a comprehensive regulatory framework including various laws, decrees, and instruction/regulation to manage environmental and social risks/impacts, and utilizing and conserving natural resources. Table 2-2 demonstrates gaps between GOL's regulations in relation to WB's ESF and its Environmental and Social Standards (ESSs) applications. For all ESSs relevant to the Project, national legislation exists, and no significant gaps have been identified (See Table 2-2). However, there are minor gaps that are identified in the ESMF and key measures are proposed to address such gaps during preparation and implementation of E&S instruments.



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Table 2-2 Gap Analysis of Legal Framework of Laos PDR vs. Relevant WB's ESSs

Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
<p>ESS1: Assessment and Management of Environmental and Social Risks and Impacts</p>	<ul style="list-style-type: none"> <li>• Conduct an environmental and social assessment of the proposed project, including stakeholder engagement.</li> <li>• Undertake stakeholder engagement and disclose appropriate information in accordance with ESS10.</li> <li>• Develop an ESCP, and implement all measures and actions set out in the legal agreement including the ESCP; and</li> <li>• Conduct monitoring and reporting on the environmental and social performance of the project against the ESSs.</li> <li>• Identification and differentiated approach towards vulnerable/ disadvantaged groups throughout project life</li> </ul>	<ul style="list-style-type: none"> <li>• A broad guidance for E&amp;S assessment is articulated in the Environmental Protection Law (2012), Article 21 (for IEE), and Article 22 (for EIA).</li> <li>• Further guidance for the conduct of ESIA and ESMP is provided in the Decree on Environmental Impact Assessment (2019).</li> </ul>	<ul style="list-style-type: none"> <li>• No capacity of the project owner to implement and monitor the ESMP is required</li> <li>• There is no provision for the “no project” option.</li> <li>• No reference to institutional capacity development and training measures.</li> <li>• No separate ESCP, SEP and/or EGEF is required by the Lao laws.</li> </ul>	<ul style="list-style-type: none"> <li>• ESMF, LMP, RPF, SEP, ESCP are required for the Project. Simplified ESMP at subproject level will be required site-specific infrastructure subproject under Project Component 1 to manage E&amp;S risks and impacts.</li> <li>• Capacity building/training on implementation of the E&amp;S instruments during the Project preparation will be provided to PIT and relevant staff at provincial and district level.</li> <li>• Ensure adequate budget is arranged for implementation of E&amp;S instruments</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	cycle.			
ESS2: Labor and Working Conditions	<p>ESS2 establishes minimum requirements in the following areas to be observed:</p> <ul style="list-style-type: none"> <li>• Terms and Conditions of Employment</li> <li>• Non-Discrimination and Equal Opportunity</li> <li>• Rights to Organize.</li> <li>• Prevention / restriction of child Labor</li> <li>• Prevention of forced Labor</li> <li>• Grievance Mechanism for Workers</li> <li>• Identification of potential hazards</li> <li>• Provision of preventive and protective measures</li> <li>• Training of workers and maintenance of training records</li> <li>• Documentation and reporting of occupational accidents, disease, and incidents.</li> </ul>	<ul style="list-style-type: none"> <li>• The employee rights and working conditions are specified in the Labor Law (2013) which has provisions that are in harmony with the Bank's ESS2;</li> <li>• In addition, the Prime Minister's Notification on the Minimum Wage of labor in Lao PDR (2018) also sets out a minimum wage of LAK 1.2million/month.</li> <li>• The Law on Grievance Redress (2016) also outlines conflict resolution procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• In Lao PDR, the Trade Union is managed under the government system which is not a collective association of workers. However, the WB's ESS2 outlines that the project will not restrict project workers from developing alternative mechanisms to express their grievances and protect their legitimate rights regarding working conditions and terms of employment. The Borrower should not seek to influence or control discriminate to retaliate against project workers who participate, or seek to participate, in workers' organization and collective bargaining or alternative mechanisms.</li> <li>• There is no specific</li> </ul>	<p>The national Labor Law (2013) is overall in harmony with ESS2 in respect to Terms and Conditions of Employment with a few exceptions. To address some of the gaps, the project's LMP includes:</p> <ul style="list-style-type: none"> <li>• Measures to protect workers, including community workers.</li> <li>• Measures to prevent SEA/SH, VAC.</li> <li>• Measures for community health and safety, including awareness of road safety, ESCOP designed for village workers.</li> <li>• Measures to Prevent Child Labor and Forced Labor.</li> <li>• Grievance Mechanism Procedures for different key issues identified as risks and impacts during project preparation.</li> <li>• LMP also sets out requirements, including:</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<ul style="list-style-type: none"> <li>• Emergency Preparedness; and</li> <li>• Remedies for adverse impacts on workers safety, including occupational health, and safety and SEA/SH.</li> </ul>		<p>national guideline for labor conflict resolution.</p>	<p>Occupational Health and Safety for Project workers, Community Health and Safety for community members, including community workers. Measures include (i) orientation training and or safety procedures will be provided to all workers including villager workers, (ii) Personal protection equipment will be provided to the workers, including village workers who may be exposed to physical hazards.</p> <ul style="list-style-type: none"> <li>• Other specific measures for Community Health and Safety are (1) requiring only professional drivers to operate project cars and requiring seatbelt use inside of them; (2) requiring drivers and passengers to wear helmets when operating project motorcycles, including private motorcycles when used for project-</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
				<p>related tasks; (3) travel by motorcycle for project-related purposes shall be during daytime (4) refrain from driving when under the influence of alcohol or any drugs, (5) measures to monitor, anticipate and avoid potential security risks while travelling, including liaison with local police and authorities and encouraging project workers to share any concerns they may have.</p>
<p>ESS3: Resource Efficiency and Pollution Prevention and Management</p>	<p>Resource Efficiency and Pollution Prevention requires project to:</p> <ul style="list-style-type: none"> <li>Promote more sustainable use of resources including energy and water and the reduction of project related GHG emissions; and</li> </ul> <p>Avoid or minimize pollution from project activities.</p> <ul style="list-style-type: none"> <li>To avoid or minimize adverse impacts on human health and the</li> </ul>	<ul style="list-style-type: none"> <li>Key legislation regarding resource efficiency and pollution prevention include the Decree on Lao PDR National Environmental Standards (2017); Ministerial Instructions on Hazardous Waste Management (2015); and the Law on Environmental Protection (2012); Decision on Pollution Control (2021), Decree on Energy Saving</li> </ul>	<ul style="list-style-type: none"> <li>Seasonal burning of waste and agricultural fields, and area-wide dust, may cause high concentrations during certain periods during the dry season both in urban and rural areas. A lack of enabling AQM framework, with unclear lines of responsibility and authority across jurisdictions or levels of government.</li> </ul>	<ul style="list-style-type: none"> <li>The project has been designed to avoid/minimize E&amp;S risks and impacts – through selection of subprojects with stringent eligibility</li> <li>Each infrastructure subproject and activities that involve increased use of agricultural chemical such as pesticide, fertilizers, and animal waste management will have a simplified ESMP that address E&amp;S risks and impacts throughout design, pre-</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<p>environment by avoiding or minimizing pollution from project activities.</p> <ul style="list-style-type: none"> <li>To avoid or minimize project-related emissions of short and long-lived climate pollutants.</li> <li>To avoid or minimize generation of hazardous and non-hazardous waste.</li> <li>To minimize and manage the risks and impacts associated with pesticide use.</li> </ul>	<p>and Efficiency (2020), National Policy on Energy Efficiency (2016), Law on Water and Water Resources (2017).</p>	<ul style="list-style-type: none"> <li>Similar to AQM, WQM also faces capacity and resource constraints including lack of guidelines, standard operating procedures (SOPs) and manuals for water quality monitoring and insufficient capacities of staffs on maintaining water quality monitoring (including limited staff knowledge and limited budgets to maintain water quality monitoring activities).</li> </ul>	<p>construction, construction, and operation stages (including tertiary road, on-farm irrigation, and storage/processing facilities).</p>
<p>ESS4: Community Health and Safety</p>	<p>The Bank's Standard requires for Community Health, Safety and Security and requires projects to:</p> <ul style="list-style-type: none"> <li>Avoid or minimize adverse impacts on the health and safety of project affected communities; and</li> <li>Ensure safeguarding project property and personnel is carried out</li> </ul>	<ul style="list-style-type: none"> <li>Key legislation for community health, safety, and security in Lao PDR include the Decree on Occupational Health and Safety (2019), Law on Road Traffic (2012), Lao PDR National UXO / Mine Action Standards (2012); and discharge / hazardous waste legislation.</li> </ul>	<ul style="list-style-type: none"> <li>Currently, there is no national law, regulation or guideline specific to community health and safety.</li> </ul>	<ul style="list-style-type: none"> <li>ESMF and LMP provide guidelines and propose mitigation measures for identification of and mitigation measures of CHS risks. Measures for community safety include (i) traffic safety, (ii) contracting or spreading of communicable disease(s), (iii) risk of exposure to pesticide due to increased used of</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<p>in accordance with relevant human rights principles and in a manner that avoids or minimizes risks to project affected communities.</p>			<p>agricultural input to enhanced crop quality and productivity.</p> <ul style="list-style-type: none"> <li>• Awareness of safe usage of pesticides and herbicides and agriculture related wastes/chemical containers management based on national guidelines issues by the MOF international guidelines/best practices</li> <li>• Code of Conduct for Project Workers on SEA/SH and list of Do's and Don'ts are provided in LMP and ESMF.</li> </ul>
<p>ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement</p>	<ul style="list-style-type: none"> <li>• Avoid or at least minimize involuntary resettlement wherever feasible by exploring alternative project designs and layouts;</li> <li>• Mitigate adverse social and economic impacts from land by: (i) Providing compensation for loss of assets at</li> </ul>	<ul style="list-style-type: none"> <li>• Key national legislation related to land acquisition and involuntary resettlement includes the Law on Land (2019); Forestry Law (2019), Law on Resettlement and Vocation (2018); and the Decree on Compensation and Resettlement (2016).</li> </ul>	<ul style="list-style-type: none"> <li>• According to the Land Law (2019), Article 130: Acquisition of Customary Land Use Rights, rights can only be assigned to individuals that can demonstrate continual use of the land for more than 20 years.</li> <li>• However, the World Bank's ESS5 articulates</li> </ul>	<ul style="list-style-type: none"> <li>• Project's Resettlement Policy Framework (RPF) (Annex 5 of ESMF) proposes measures that meet both requirements of ESS5 and Decree 84, meanwhile proposing measures that address the policy gaps between ESS5 and Decree 84:               <ul style="list-style-type: none"> <li>○ Avoidance of resettlement as the preferred option.</li> </ul> </li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<p>replacement cost; and (ii) Ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected;</p> <ul style="list-style-type: none"> <li>• Improve or at least restore the livelihoods and standards of living of displaced persons; and</li> <li>• Improve living conditions among displaced persons through provision of adequate housing with security of tenure at resettlement sites.</li> </ul>		<p>that those who suffer negative social and economic impacts as a result of the acquisition of land for a project and / or restrictions on land use may include those having legally recognized rights or claims to the land; those with customary claims to land; and those with no legally recognized claims.</p>	<ul style="list-style-type: none"> <li>○ Rights of land users without formal title.</li> <li>○ Alternative and/or substitute livelihood options.</li> <li>○ Restoration of livelihood activities</li> <li>○ Additional protection for vulnerable households</li> <li>○ Disclosure, consultation and informed participation arrangements.</li> <li>• Provisions of the RPF, in line with ESS5, will apply in the project.</li> </ul>
<p>ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</p>	<ul style="list-style-type: none"> <li>• The E&amp;S assessment will consider direct, indirect and cumulative project-related impacts on habitats and the biodiversity they support.</li> <li>• The Borrower will avoid adverse impacts on</li> </ul>	<p>EIA process provides for analysis of all potential alternatives. There is no explicit rule providing for use of land already converted and to avoid land located within protected area, water catchment and area containing high forest.</p>	<ul style="list-style-type: none"> <li>• Lack of clear reference to siting project on lands already converted.</li> <li>• In the hypothesis that no feasible alternative exists as demonstrated by an ESIA, there is no legal obligation to provide for</li> </ul>	<ul style="list-style-type: none"> <li>• A negative and preference list was prepared to eliminate subproject has have potential impact on diversity</li> <li>• Measures and process to avoid and/or minimize/mitigate impacts</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<p>biodiversity and habitats.</p> <ul style="list-style-type: none"> <li>Where the project occurs within or has the potential to adversely affect an area that is legally protected, designated for protection, the Borrower will ensure that any activities undertaken are consistent with the area's legal protection status and management objectives.</li> </ul>		<p>compensation for conversion of non-critical habitats.</p> <ul style="list-style-type: none"> <li>There is no mention of "critical natural habitats" or prohibition on investing in projects that would degrade or convert them.</li> </ul>	<p>on natural habitats included in the ESMF.</p>
<p>ESS7: Indigenous People/Sub-Saharan African Historically Underserved Traditional Local Community</p>	<ul style="list-style-type: none"> <li>Requires the Borrower to avoid adverse impacts on communities of indigenous peoples and to engage with affected communities to ensure they have given their Free Prior and Informed Consent.</li> <li>The consultations should: (i) involve representative bodies and organizations and, where appropriate, other community</li> </ul>	<ul style="list-style-type: none"> <li>The Decree on Ethnicity (2020) confirms that the GOL has special policies for ethnic, vulnerable and disadvantaged groups.</li> <li>The National Social Protection Strategy (2020) states that ethnic groups, women, children, vulnerable people and those living in remote areas are specially promoted to access education, health care and equal economic</li> </ul>	<ul style="list-style-type: none"> <li>The Land Law does not specifically mention customary to land used by ethnic and vulnerable groups who are often found to be present and have collective attachment to the forestlands in rural area in Laos. There is no sub-law registration with implementable procedures in place for registering communal</li> </ul>	<ul style="list-style-type: none"> <li>A SEP has been prepared to guide the consultation approach with ethnic minority peoples, including with vulnerable/disadvantaged groups</li> <li>In case of land acquisition, if any, the RPF will provide guidance on how an abbreviated Resettlement Plan could be prepared to avoid impact on adverse on ethnic minority peoples</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<p>members; (ii) provide sufficient time for ethnic groups' decision-making processes; and (iii) allow for the effective participation by ethnic groups in the design of project activities or mitigation measures that could potentially affect them either positively or negatively. Feedback on the project would be gathered through separate group meetings with ethnic groups, vulnerable groups, including their traditional leaders, NGOs, community-based organizations, CSOs and other affected persons.</p>	<p>activities.</p>	<p>and non-communal (individual) customary rights. This may negatively impact ethnic groups and other vulnerable communities, since excluding such communities from the benefits of land registration and overruling or replacing their actual customary land (e.g. with smaller area or poorer quality of land) could increase inequality and their vulnerability.</p>	
<p>ESS8: Cultural Heritage</p>	<ul style="list-style-type: none"> <li>Aims to protect cultural heritage through consultation procedures, community access and removal of replicable cultural heritage.</li> </ul>	<ul style="list-style-type: none"> <li>Key applicable national legislation includes the Law on National Heritage (2013), Agreement of the National Assembly on Ethnicity (2008) and the</li> </ul>	<p>No significant gap. Reference to "chance finds" is formally lacking in applicable laws and regulations.</p>	<ul style="list-style-type: none"> <li>ESMF includes a Chance Finds Procedure (Annex 3B: ESCOP) in case of encountering a cultural/archeological site.</li> </ul>



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
	<p>Provides specific requirements for chance finds, consultation, community access, removal of replicable and non-replicable cultural heritage, as well as critical cultural heritage.</p>	<p>Decree of the President of Lao PDR on the Preservation of Cultural, Historical and Natural Heritage (1997).</p> <ul style="list-style-type: none"> <li>• Mandatory reporting to authorities (Ministry of Culture and Information and EPFO). The project owner and contractor must interrupt all construction activities and measures must be adopted to preserve the vestiges uncovered by chance until the classification of those assets or until conclusion of the archaeological research shall be prescribed by the Ministry of Culture and Information. The area of archaeological patrimony accidentally revealed must be delimited, as suitable and protected under the responsibility of the project owner and contractor.</li> </ul>		



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Requirement	The World Bank ESS Requirements	Government of Lao PDR's requirements	Key Difference between WB Standard Requirements and Lao's PDR relevant to the Project	Measures included in the Project Design and ESF Preparation and implementation
<p>ESS10: Stakeholder Engagement and Information Disclosure</p>	<ul style="list-style-type: none"> <li>Requires effective community engagement through disclosure of project-related information and consultation with local communities on matters that directly affect them.</li> <li>Provides specific requirements for Stakeholder Analysis and Engagement Planning, Disclosure of Information, Consultation and Indigenous Peoples.</li> </ul>	<p>GOL's requirements are covered by various legislations, especially those on consultation and grievance including the Constitution, the Law on Government (amended 2016), the Law on Handling Petitions (amended 2016), as well a subordinate decrees such as the EIA Decree (2019) and the Compensation and Resettlement Decree (2016), as well as the Public Involvement Guideline (2012) and the Ethnic Group Consultation Guideline (2013)</p>	<ul style="list-style-type: none"> <li>There is a lack of clarity about when engagement activities can be considered meaningful. Those affected by a project can file grievances using the existing system, not a project-based system. There are also unclear procedures on public disclosure of E&amp;S documents, and on how to respond to concerns and grievances of project-affected parties</li> <li>The ethnic group consultation guideline (2013) is the sole document requiring consultation with ethnic groups. The EIA decree only requires dissemination of information to them.</li> </ul>	<ul style="list-style-type: none"> <li>The ESMF discusses the requirements of the SEP in terms of consultations and disclosure. A SEP consistent with ESS10 has been prepared.</li> <li>The SEP has been developed with GRM procedures for two main types of complaints: (i) GRM that allowed the people to file a complaint regarding project related issues and (ii) GRM/pathway referral services, which is designed to assist with GBV/SHE/VAW related issues.</li> <li>The GRM will be disclosed to project and interested stakeholders, in particular to affected people at village level.</li> </ul>



## 3 ENVIRONMENTAL & SOCIAL BASELINE CONDITIONS

31. This chapter provides a brief overview on the general E&S background in Lao PDR while Annex 1A provides specific information for the Project targeted provinces covering a) geographical location and natural conditions (river, mountain, lands, resources), b) population and ethnic compositions, c) means of livelihoods, d) SEA/SH, and e) natural disasters and unexploded ordnance. The RESA report provides an overview of the current status of the social condition at a village level especially related to gender and ethnic groups in the Project targeted areas.

### 3.1 Environmental Conditions

#### 3.1.1 Geographical and Natural Conditions

32. Lao PDR is a land-locked country located in Southeast Asia region; it shares border with Thailand, Vietnam, Cambodia, Myanmar and China with a total area of 236,800 km<sup>2</sup>. In 2020, the country had 7.2 million people live in 18 provinces, with an estimated annual growth rate of 1.5%.

33. About 80% of the country landscape is mountainous and the remaining 20% comprising plateaus and lowland valleys along the Mekong floodplain. Approximately 58% of a total land is forest, 26.7% is potential forest (unstocked forest of regenerating vegetation and bamboos), 10.8% is agricultural land the rest proportions are water resource and infrastructure areas.

#### 3.1.2 Climate and Rainfall

34. Lao PDR is characterized by a tropical climate, influenced by the southeast monsoon which brings 70% of annual rainfall and high humidity. There are two distinct seasons: the rainy season, or monsoon, from May to mid-October and the dry season from mid-October to April. Average rainfall can be as high as 3,000 millimeters (mm) per year. The higher elevations of southern Laos can see 3,700 mm/year of rainfall, while the central areas of Savannakhet and Vientiane receive 1,400-1,700 mm/year, and northern areas may see 1,200 mm/year. Rainfall varies widely from year to year, and drought is common. Temperatures also vary from north to south and with elevation; the hot, dry season can see 40°C days along the Mekong, and the cool, dry season can see 5°C days in the uplands<sup>1</sup> shows the mean temperature and -Figure 3<sup>4</sup>. rainfall nationally during the course of the year.

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<sup>4</sup> Federal Research Division, Library of Congress. (1995). Laos: a country study. <https://www.loc.gov/item/95017235/>

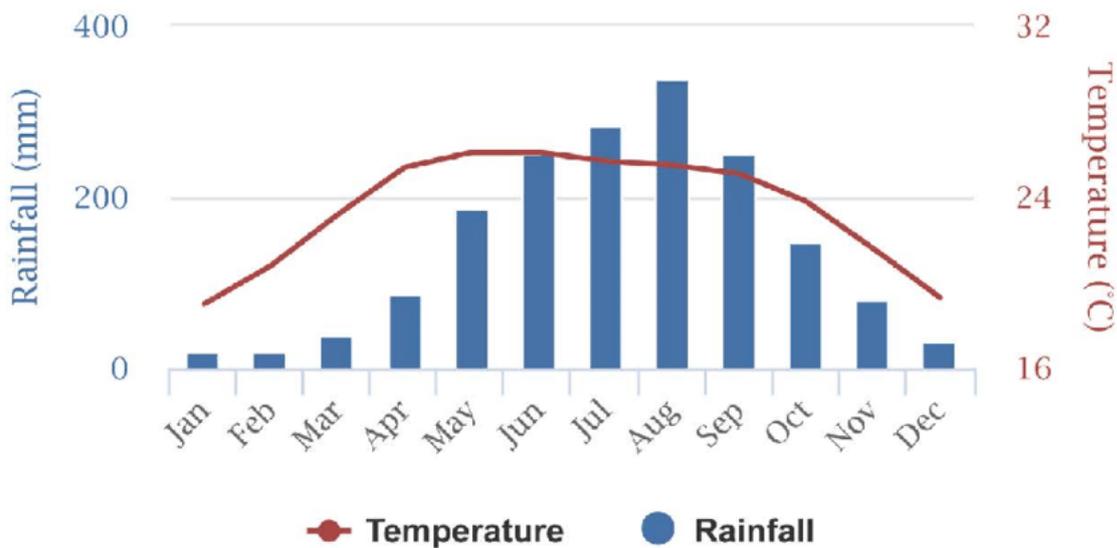


Figure 3-1 Annual Average Rainfall and Temperature for Laos<sup>5</sup>

### 3.1.3 Natural resources

35. Laos’s rich natural resources and biodiversity continue to play a key role in the country’s economic development prospects and resilience. The Lao population is directly dependent on forests, land, and related resources including non-timber forest products for livelihoods. Natural resources are furthermore critical for the national socio-economic development. Natural resource-based sectors contributed one-third of GDP in 2018, and the Lao natural capital value of assets were quantified at USD149 billion, with 78% coming from water and forests and a further 22% from agriculture. The natural resources are especially valuable in times of COVID-19 when thousands of migrant young labors return home unemployed and without income.

While Laos is rich in natural resources, environmental degradation poses a threat to sustainable development and household livelihoods. As a result of agricultural expansion, mismanaged forest plantation development, shifting cultivation and unsustainable timber harvesting, forest cover decreased from 61% in 2000 to 58% in 2015 and the target of 70% in 2020 was not achieved but postponed to 2030. The annual cost of environmental degradation is estimated at 19.3% of GDP in 2017.

36. In recent years, there has been a noticeable change in the use of land and natural resources by all ethnic groups. The driving factors, especially in central and Northern provinces include improvements in local infrastructure, such as the Chinese-Lao railway that connects agricultural investors to farmers. In Saravan and Sekong, the access road to Vietnam plays a critical role in shaping the current land-use and livelihood development landscape. In all project

<sup>5</sup> Climate Research Unit (CRU) of the University of East Anglia. Average Monthly Temperature and Rainfall for Lao, People’s Democratic Republic from 1901-2015. 2017. World Bank. [http://sdwebx.worldbank.org/climateportal/index.cfm?page=country\\_historical\\_climate&ThisCCCode=LAO](http://sdwebx.worldbank.org/climateportal/index.cfm?page=country_historical_climate&ThisCCCode=LAO)  
144 Mekong River Commission.



areas, field assessment revealed that ethnic groups' farmers, who used to NTFP and other forest products for family/household consumption, now search for these products for commercial purposes. An increasing number of ethnic groups have engaged with more stable agricultural practices and commercial crops and tree plantations also resulted in an increase in chemical use by the villagers and ethnic groups. This ESMF therefore includes measures for good agricultural practices including safe use of pesticide and toxic chemicals.

### 3.1.4 Natural Habitat

37. There are 25 National Protected Areas covering 4,076,236 hectares. In addition, MAF has been upgraded 3 National Protected Areas to be National Park, such as Nam Et – Phou Louey National Park, Nakai-Nam Theun National Park and Hin Nam No National Park. And there are 58 Provincial Protected Areas which cover 481,749 ha and 95 district protected areas covering 423,827 ha. These protected areas are an important habitat for 166 species of reptiles and amphibians, 700 birds, 90 bats and over 247 mammals. The Mekong River and its tributaries alone are reported to contain approximately 500 species of indigenous fish. In addition, there are an estimated 8-11,000 species of flowering plants.<sup>6</sup>

### 3.1.5 Natural disasters

38. Lao PDR faces high disaster risk levels. In 2019, Lao PDR was ranked 69th out of 191 countries as having extremely high exposure to flooding (ranked 6th), including, riverine and flash flooding. Lao PDR also has some limited exposure to tropical cyclones and their associated hazards (ranked 47th). Drought exposure is lower (ranked 115th) but must be monitored as hydropower development on the Mekong River significantly alters the hydrology of the region. Lao PDR's overall ranking on the Index for Risk Management (INFORM)<sup>7</sup> is somewhat exacerbated by its lack of coping capacity and to a lesser extent the vulnerability of its population.

39. In Lao PDR, climate hazards such as droughts and floods are predicted to increase and exacerbate the degradation of natural resources, lead to losses in jobs and economic growth, and increase poverty. Lao PDR faces a significant projected warmed climate against baseline conditions, with dry seasons getting longer and a projected increase in the number of hot days (> 35°C) rising from 40 days to 50-110 days per year, on average. The country is also exposed to major natural hazards with droughts and flooding becoming more severe and frequent. Lao PDR has extremely high exposure to flooding (including riverine and flash flooding) and increases in rain are projected to be between 10 and 30%, particularly in the east and south.

40. **Flooding:** is significant threat throughout much of Laos, as mapped out in Figure 1. The lower Mekong River basin benefits and suffers from the annual monsoon floods. Some projections show wet season rainfall in the northern region rising by 4.2% by the end of the

<sup>6</sup> MONRE (2019). Sixth National Report to the United National Convention on Biological Diversity (volume 6), Ministry of Natural Resources and Environment <https://www.cbd.int/doc/nr/nr-06/la-nr-06-en.pdf>

<sup>7</sup> <https://www.adb.org/sites/default/files/publication/709846/climate-risk-country-profile-lao-pdr.pdf>



century, providing extra water downstream in the Mekong Basin that could flood riverine communities, damage riverside agricultural lands, and threaten livelihoods and food security. Thus, increasing wet-season flooding and deteriorating dry-season drought are the long-term trends.<sup>8</sup> Tropical storms Goni, Linfa, and Saudel which struck Central Vietnam before moving over Laos between 28 October and 06 November 2020. As flooding from the rains peaked in Laos on 20 October, nine districts in Saravan, Savannakhet, and Sekong provinces had been affected; some 163 villages with an estimated 69,764 people needed some form of assistance with Savannakhet the hardest hit province.<sup>162</sup> At least 9,200 people were displaced, and an estimated 11,000 hectares of paddy and other crops were damaged<sup>9</sup>.

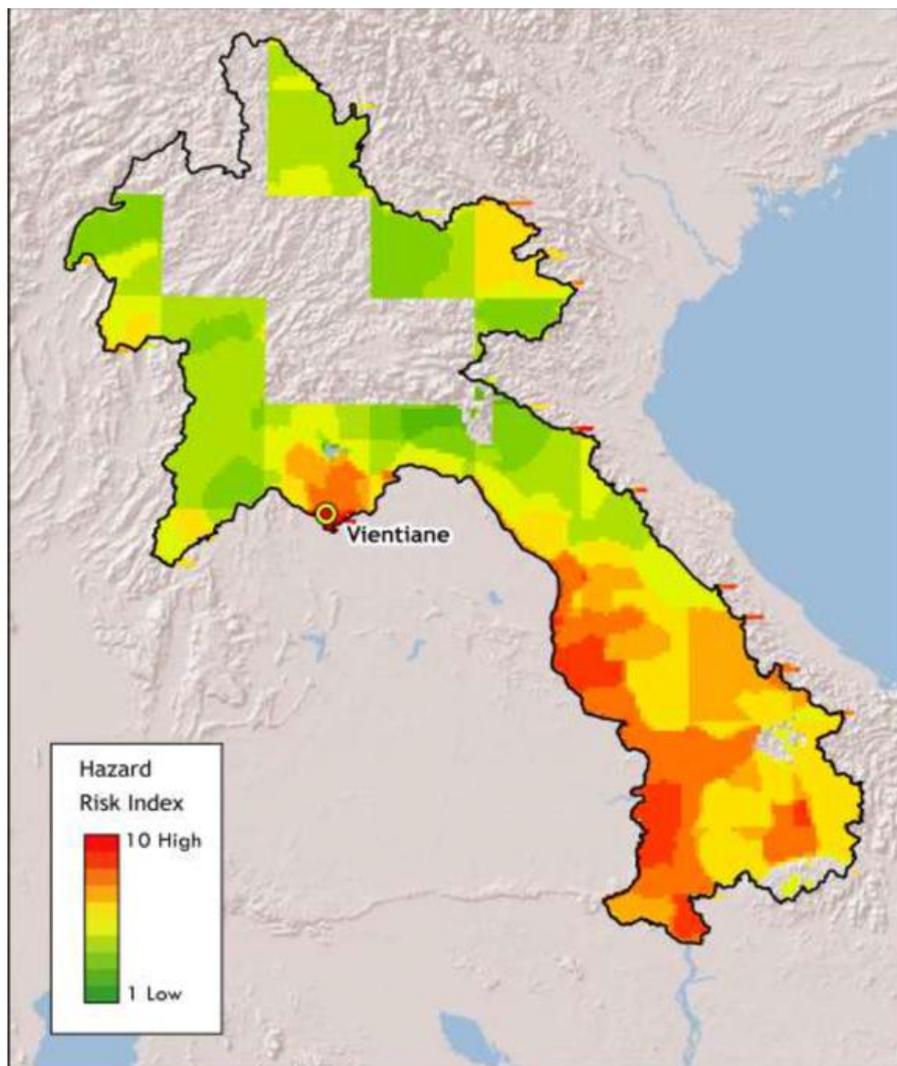


Figure 3-2 Flood Risk in Lao PDR<sup>10</sup>

41. **Drought:** Low rainfall and lower-than-average river flows in the Mekong and its

<sup>8</sup> Global Facility for Disaster Reduction and Recovery (GFDRR). Climate Risk and Adaptation Country Profile (Lao PDR). April 2011. <https://www.gfdr.org/en/publication/climate-risk-and-adaptation-country-profile-lao-pdr>

<sup>9</sup> ReliefWeb. Lao PDR: Floods and Landslides – Oct 2020. <https://reliefweb.int/disaster/fl-2020-000213-lao>

<sup>10</sup> LAO PDR Disaster Management Reference Handbook, February 2021



tributaries are among the factors in drought in the country. All of Laos is considered to have "mild risk" for drought at any given time of year. A pattern of drought has emerged in the past decade as hydropower development on the Mekong and its network within Laos artificially restricts water available to downstream communities. The Mekong River Commission is attempting to coordinate downstream countries to communicate as one to China regarding the management of River water to ensure that drought is not artificially created. Recent years have seen much lower river flows than expected based on rainfall. Figure 7 shows the expected (blue line) (versus actual) (orange line) (Mekong River water levels based on rainfall along with the volume above) (grey peaks) (or below) (black valleys) (expected river flows as measured in Lao PDR between 2015 and 2020<sup>11</sup>).

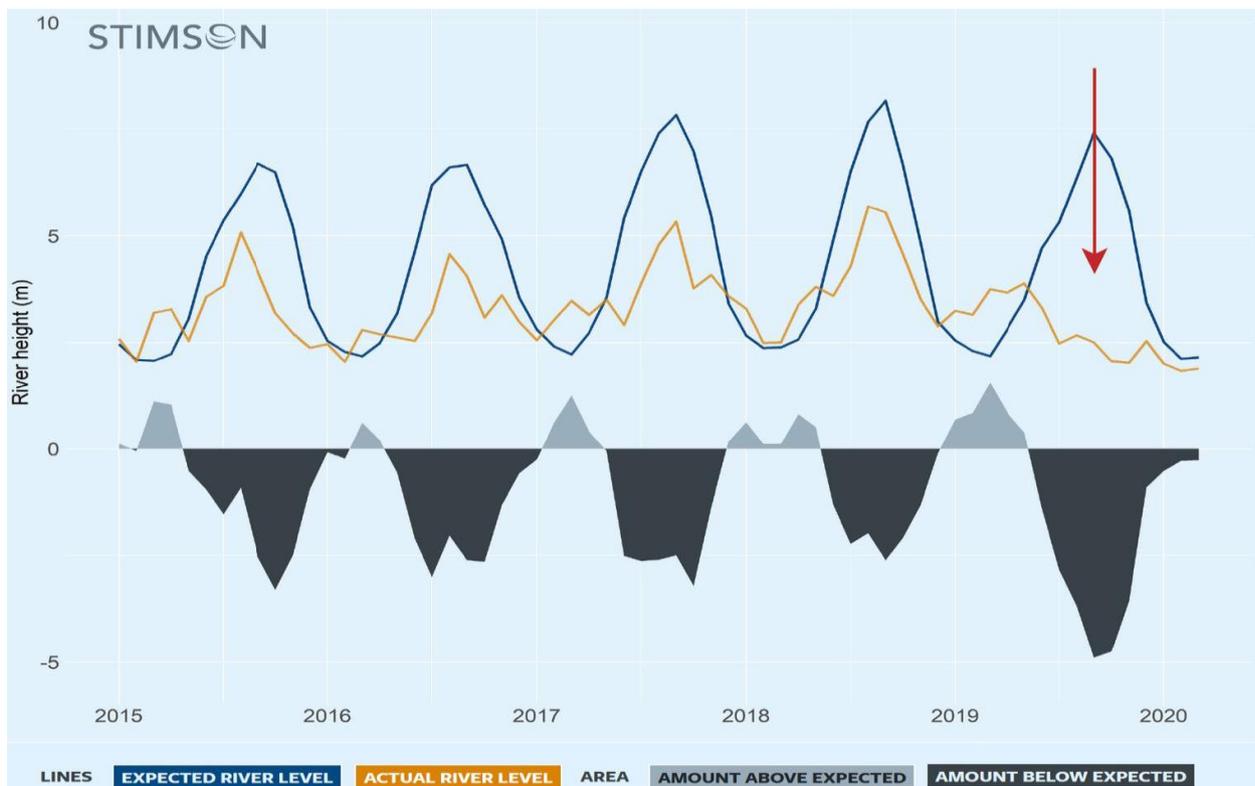


Figure 3-3 Mekong River Flows Compared to Expected Flows Based on Rainfall

42. **Landslide:** Rainfall patterns, terrain, geology, soil, and land cover in Lao PDR mean that most of the country is at some risk of landslides. Only about 5.25 % of the country is at high or very high risk, but 43.5 % is at medium risk with minimal mitigation undertaken. High landslide susceptibility zones cover about 10 % of each of the provinces of Sekong, Attapeu, Borikhamxay, and Khammouan in central and southeast parts of Laos. However, many of these zones are in conservation areas that are remote and less densely inhabited. Meanwhile, medium susceptibility zones in Attapeu and Phongsaly are home to important roads that connect the country to its neighbours, and these roads are located in mountainous areas that

<sup>11</sup> Eyler, Brian and Weatherby, Courtney. New Evidence: How China Turned off the Tap on the Mekong River. April 13, 2020. The Stimson Center: <https://www.stimson.org/2020/new-evidence-how-china-turned-off-the-mekong-tap/>



drive up maintenance costs and complicate any emergency response.<sup>12</sup>

43. **Earthquake:** Laos is vulnerable to earthquakes, but it rarely sees damaging events. The four provinces of northern Laos are at higher risk than the rest of the country. During the period 1 November 2019 –31 October 2020, Laos registered seven earthquakes. The largest was a 6.1 magnitude quake in Xayaboury in November 2019, and it came just hours after a 4.6 magnitude quake in the same vicinity of the Lao-Thai border southwest of Luang Prabang, Laos<sup>13</sup>.

## 3.2 Socioeconomic Conditions

### 3.2.1 Development overview

44. Despite being among the fastest-growing economies in the world before COVID-19, Lao's growth model is showing its limitations. Economic growth averaged about 7% over the two decades to 2019, but the economy's growth pattern was capital-intensive, resource-driven, and debt-fueled. Economic growth had been steadily decelerating from 8% in 2013 to 5.5% in 2019. Growth was predominantly driven by large foreign investments in hydropower, mining, and construction (of transport infrastructure), which provided few formal job opportunities.

45. Economic growth has been severely affected by the COVID-19 pandemic but is starting to recover gradually. Lockdowns, restrictions on economic activity, quarantine requirements, and social distancing measures have led to a reduction in employment and working hours. Real Gross Domestic Product (GDP) growth declined sharply from 5.5% in 2019 to 0.5 % in 2020, owing to the wide-ranging economic impacts of COVID-19 – including the collapse of international tourism. Growth is estimated to have recovered to 2.5% in 2021.

46. Laos has made remarkable progress in reducing poverty over the past few decades, from 46.0% to 18.6% over 1992-2018 periods. Recent estimates show that the national poverty rate fell from 24.6% in 2012 to 18.3% in 2018, due to an annual average GDP growth of about 7% during the same period.

47. Despite this progress, poverty in Laos remains high compared to its regional peers. A lack of non-farm job creation has limited gains in household income, especially at the lower end of the income distribution, weakening the impact of growth on poverty reduction and driving inequality. Despite improvement in farm incomes, poverty remains highly concentrated in agriculture. COVID-19 has set back progress on reducing poverty. Employment disruptions and remittance losses due to return migration resulted in a decline in household income, while rising prices put pressure on households' purchasing power.

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<sup>12</sup> AHA Centre. M6.4 Earthquake in Lao PDR and Thailand Flash Update #1. November 22, 2019. <https://reliefweb.int/report/lao-peoples-democratic-republic/flash-update-no-01-m-64-earthquake-lao-pdr-and-thailand-22>

<sup>13</sup> Socioeconomic Data and Applications Center (SECAC). Population Density (2000): Laos. SECAC: NASA's Earth Data. <https://sedac.ciesin.columbia.edu/data/set/grump-v1-population-density/maps?facets=region:asia&facets=theme:population>



### 3.2.2 Customary land tenure

48. In Laos PRD, particularly in rural area, land tenure is part of the customary tenure systems that exist based on traditions and agreements within communities. Although most farmers, including ethnic groups in rural areas, do not have formal land use documents, the government has been making effort to provide land titling to those who are eligible land users and the government's progress in this regards has been considerable<sup>14</sup>. Customary tenure systems include both individual and collective (communal) tenure rights, and these systems are diverse and localized. According to the Lao Land Info Working Group (LIWG), "due to the lack of research and sufficient information, these systems are not well understood and, as a result, there are gaps in, and areas of confusion around customary tenure in legislation in Lao PDR<sup>15</sup>."

### 3.2.3 Vulnerable and poor people

49. Vulnerable and poor households make up a significant part of project's intended beneficiaries (See also definition of vulnerable and poor people applied under the project). Detailed description and information on them are provided in project's Rapid Environmental and Social Assessment (RESA). However, it is important to note that field assessment results suggested that the vulnerable and poorer families often do not join meetings or take part in project activities. The reasons include: (i) lack of confidence; (ii) inability to pay membership fees; (iii) adverse experiences when they do join a meeting, such as being excluded / not being respected by other members of the groups / being discouraged from joining the discussion by other members. SEP has included special measures on how to effectively engage the vulnerable and poor in all project activities.

### 3.2.4 Ethnicity

47. There are 50 official different ethnic groups in Lao PDR, who are classified into the following ethno-linguistic families: Lao-Tai, Mon-Khmer, Sino-Tibetan, Hmong-lumien, and others (Palaungic – smaller groups such as Bid and mainly in Bokeo). Many of these ethnic groups meet the eligibility criteria of World Bank's ESS7, which can be identified by the following characteristics:

- Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation as well as to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political systems that are distinct or separate from those of the mainstream society or culture; and
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

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<sup>14</sup> Based on the draft report prepared by Chansouk Insouvanh under a consultancy with the FAO in 2021 to assist MoNRE in drafting a sub-legislation to support customary tenure.

<sup>15</sup> Derbidge, J. (2021). Safeguards in cases of land loss or expropriation, Briefing Note #5. Vientiane: LIWG.



50. Ethnic groups in the Lao-Tai ethno-linguistic family have many linguistic similarities that allow for mutual understanding, so have the groups in the Sino-Tibetan ethno-linguistic family, although distinct from the Lao language.

51. The Mon-Khmer has many ethnic groups and subgroups, and their languages are not mutually understood, even they are in the same main group/cluster. The same difficulties with linguistic understanding prevail among the Hmong-lumien cluster. This is because, for instance, although the Hmong, Yao and Akka are ethnic groups in the same linguistic family, their dialects are completely different. These linguistic differences pose challenges for communication and, as a result, for development in general. As government staffs often do not speak local languages, they have to work with the local project staff, village authorities, village implementation, as well as the Lao Front for National Development, the Lao Women’s Union or others as interpreters to be able to reach and communicate with local villages.

### ***Ethnic Groups in the Project Areas***

**Table 3-1 Ethnic groups in the Project Areas<sup>16</sup>**

<b>Province</b>	<b>No. of ethnic groups</b>	<b>Some of the identified main ethnic groups</b>
<b>Phongsaly</b>	28	Khmu, Hmong, Yao, Akha, Phounoy Tai Lue, Hor, Syla, Hayi, Lolo
<b>Oudomxay</b>	20	Khmu, Hmong, Yao, Akha, Lahu, Lanten, Tai Daeng,
<b>Huaphanh</b>	22	Khmu, Hmong, Yao, Tai Dam, Tai Daeng, Tai Phuan
<b>Xiengkhuang</b>	5	Khmu, Hmong, Yao, Tai (Tai Phuan, Tai Dam, Tai Daeng)
<b>Saravan</b>	14	Alak, Katou, Lavene, Yae, Pako, Phuthai, Souay, Ta-Oy, and Tong
<b>Sekong</b>	NA	Triang, Yae, Katu and Ha Luk, Brou, Broa
<b>Savannakhet</b>	N/A	Phouthai, Tai Dam, Katang, Mongkong, Vali, Lavi, Souei, Kapo, Kaleung, Ta Oi, Bru, Tri, Laha, and Katang

52. As Table 3-1 above shows, project areas consist of many different ethnic groups. Brief description of the major Ethnic Groups in the project areas, including their social and cultural characteristics is presented in Section 3.1.3 of RESA Report.

### **3.2.5 Gender**

53. The Project carried out a gender analysis to inform gender action plan and gender monitoring and evaluation plan. This analysis was commissioned by the WB’s Task Team (See more at Section 3.3 of the RESA). Information on lessons learned and results of the assessment is included in the RESA Report. The GAP is designed to address social inclusion, women

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<sup>16</sup> Note that while the assessment managed to obtain some information on the costmary and the presence of different ethnic groups in the project areas, the information is based on virtual and face-to-face interviews with the villagers, village outreach teams and district officials. In addition, online data may be not recently updated and the information provided here is only covered specific mentioned groups at the time of the assessment is taken place (January 2023) based on the informants’ points of views and may not be able to represent the same ethnic groups as well as other ethnic groups in the same province and in other provinces.



empowerment and engagement community in a gender-sensitive manner. Moreover, a field assessment in Nonghed district, Xiengkhuang province showed that there is higher percentage of women engaged in previous PRF implementation activities than men. However, the assessment results also pointed out that it is important to understand gender roles in the context of broader social norms and characteristics. For instance, some of the ethnic groups are predominantly patrilineal while others follow matrilineal structure. Therefore, decision making at household level is somewhat complex. An example is the Khmu and Trieng women often lead in making household decisions. This includes decision related to their children's education and son's selection of wife, as well as saving and spending of household income. The Khmu, and, to certain extent, the Trieng, women don't partake in decision-making regarding large assets or the children's inheritance. Instead, their husbands make decision on these. Similarly, the selection of land and forest for farming, and where to live remain men's responsibility. Hmong ethnic groups strictly follow a patrilineal structure in relation to social and household decision-making. Therefore, for Hmong women the decisions are made by their father in-law and husband or otherwise their own father and brother. If women gain independence from their parents-in-law through ownership of their own homes, they are sometimes able to consult their husband on domestic issues. During the consultation to prepare the Rapid Environmental and Social Assessment Report (RESA), though villagers said that women and women have equal rights and access to all provided facilities and project benefits, they accept that women lead and take care of household matters (which is inside the family) while men lead public matters (social activities and interaction outside the family). They also accept that it is fine for a young (single) woman to be called by a man (including village authority, project staff, etc.) to serve alcohol and entertain guests to build and maintain good relationships with villagers (See details on Section 3.3 of the RESA).

### **3.2.6 Means of Livelihood of Ethnic Groups**

54. Ethnic groups in the project provinces rely heavily on livelihoods dependent on forests, agriculture and natural resources for income and subsistence. Economic activities range from cultivation of mostly upland fields (rotational rice fields), swidden farming and rain-fed rice paddies to extensive commercial cropping. Annually, large areas of land are cleared and used by the communities for upland rice. This type of farming system is characterized by low yields and is often associated with low soil quality, limited irrigation and insecurity regarding land tenure. The project support livelihoods programs under previous PRF projects, including PRF III-AF and the assessment found that the project's livelihood and nutrition activities and nutrition enhancement activities did not result in any loss of private land or assets. Because activities also included the promotion of crop production, safeguard instruments including the simple Pest Management Plan were prepared and used to minimize and mitigate environmental and social impacts associated with livelihood and nutrition activities.

55. In recent years, there has been a noticeable change in the use of land and natural resources by all ethnic groups. The driving factors, especially in central and Northern provinces include improvements in local infrastructure, such as the Chinese-Lao railway that connects



agricultural investors to farmers. In Saravan and Sekong, the access road to Vietnam plays a critical role in shaping the current land-use and livelihood development landscape. In all project areas, field assessment revealed that ethnic groups' farmers, who used to NTFP and other forest products for family/household consumption, now search for these products for commercial purposes. An increasing number of ethnic groups have engaged with more stable agricultural practices and commercial crops and tree plantations also resulted in an increase in chemical use by the villagers and ethnic groups. This ESMF therefore includes measures for pest management and safe agricultural practices.

### 3.2.7 Food Security

56. The main sources of food security for rural community and ethnic groups in the project areas in the northern and southern parts are similar and derive mostly from shifting cultivation. Hence, forest land is used for agricultural purposes by the ethnic groups in these districts. While some of the Khmu, Phong, and Hmong have been cultivating paddies and/or using stable agricultural practices for some years, most of the Yao, Akha, Trieng, Yae, etc still rely on rotation agriculture, which poses a major risk to their food security. Apart from the Hmong, most of the identified ethnic groups in the project provinces often do not engage in economic or trading activities nor have a stable farming system, which leads to unstable living conditions. The annual yields are low, cultivation requires challenging physical labor, and practices are unsustainable, resulting in soil degradation (landslides, mass erosion events, sedimentation, riverbank cutting downstream, etc.). This ESMF include recommendations and measures for related to the management of risks related natural disaster and climate change.

57. Animal raising, especially large livestock, is very important for all ethnic groups and it has become an important source of income and livelihood. Although this aspect is not directly related to project risk; it is important to understand that many rural community, especially ethnic groups raise animal for food and economic security as well as for cultural ritual reasons. Most of the villagers prefer to raise buffalo and cattle, because of the high prices for buying and selling such large animals, but not every family or household could afford such an investment. In general, well-to-do families own cattle while poorer' and widows' families raise pigs, ducks and chickens only, which is something all households do. Large livestock are raised for a number of important reasons:

- Ritual feeding of the spirits
- Community feasts and important events such as wedding, funerals
- Visits of important persons or family members from outside the village
- Selling or exchanging for money, valuables, or clothes
- In time of need, especially sickness or crop failure for cash to buy essential food.

## 4 ENVIRONMENTAL & SOCIAL RISKS, IMPACTS AND MITIGATION

58. Whilst the project is expected to deliver a wide range of positive impacts (through various project investments that benefit directly the poor/vulnerable/disadvantage people), the



project causes some unintended adverse impacts that are mainly associated with construction of small-scaled civil works. These adverse impacts, and risks, are moderate mostly temporary, local, and manageable through proposed mitigation measures.

59. The Project's environmental and social risks and impacts are classified as "Moderate" by the World Bank's risk classification. In the section below, key environmental and social risks and impacts of the project's activities are presented. Based on these E&S risks and impacts, as well as risk and impact nature and magnitude, mitigation measures are proposed.

#### 4.1 Positive Impacts

60. ***The CLEAR Project will provide socioeconomic benefits directly the poorest communities (most of ethnic groups) in the rural areas in Lao.*** CLEAR will benefit the most vulnerable communities in rural Lao PDR. By covering approximately 340 villages, with an average population around 530 (based on average for poor districts in selected provinces), a population of about 180,000 beneficiaries will be reached. This corresponds to approximately half of the population in the 14 targeted districts. Considering the geographic targeting approach, CLEAR reaches the most vulnerable areas of the country (high incidence of poverty, weak nutrition outcomes, limited connectivity, and exposure to disasters). Non-Lao-Tai represent 70 percent of the estimated beneficiaries, given the geographic coverage of the project. Additional implementation mechanisms for outreach and inclusion of remote hamlets and marginalized community members will also ensure full access for non-Lao-Tai groups to project benefits in mixed communities. Women will also benefit significantly, both through measures ensuring their equal access across project activities and as main targeted beneficiaries for nutrition interventions and SHGs.

61. ***The project will also develop the capacity of local authorities and PRF.*** Building on the PRF series, CLEAR will continue to develop the capacity of district authorities to plan, implement and monitor local development processes in partnership with the village communities. In addition, MAF is expected to benefit from capacity strengthening activities under Component 4, such as the review of opportunities to embed community-based poverty reduction programs within MAF programs, and communication and outreach support to showcase results across GOL and the wider development community.

#### 4.2 Environmental and Social Risks and Negative Impacts and Mitigation Measures

##### 4.2.1 Environmental Risks and Negative Impacts

62. As mentioned in Section 1.4 of Chapter 1, project activities that are likely to generate environmental risks and impacts at village/subproject level include:

##### For community members:

- **Rehabilitation of village-level infrastructure** (under Component 1), including (i) agricultural and rural access roads, outside the district's rural road network, (ii) drinking



water and small-scale irrigation schemes, (iii) village facilities for crop production or livestock and fish raising, (iv) drying platforms and storage facilities, (v) small processing facilities, and (vi) tree preservation (e.g., fencing) or tree planting. (Component 1). Construction of these civil works may cause environmental and social impacts, and risks (See Table 4.1 below). The source of water for drinking water and personal use will be from both surface water (gravity fed) and groundwater. Solar power system (with no battery storage required) will be used to pump the water. For the small-scale irrigation schemes, gravity fed system (using surface water from the higher area or mountainous to the lower land) will be applied and no pumping system needed.

- **Provision of specialized technical assistance** (under Component 2), including farming techniques and information on climate-resilient agriculture for a) improved crop productivity and income, b) crop diversification and livestock development, c) upscale/commercialization of produced farm products through activities of Producers' Groups (PG) which will be formed in each village). Members in PG are selected from well performing members of Self-Help Groups for only select crop/non-farm produce that could be marketable for a select value chain (Component 2). Implementation of these activities may give rise to some environmental and health risks. If not appropriately managed, impacts that result from these risks are predictable, such as impacts from improper use of agricultural inputs such as pesticides, relevant chemicals, issues which does not only affect farm products but also affect farmers' health, and farming environment such as surface, ground water, and even the biodiversity of the farming system (e.g. reduced population of natural enemies which may trigger pest outbreak)
- **Support for establishment of home garden and development of small livestock in additional income and nutrition improvement** (under Component 3), including cooking activities, establishment of home gardening, and investment in household-level farm activities (through loan provided via Self-Help Group). These activities may cause generation of animal waste, unsafe use of chemicals, animal feed, etc. which cause local environmental impacts due to odor (from animal waste), contamination of soil and underground water (in the long run), and hygiene and environmental sanitation issues (Component 3).

**For project staff:**

- ***Risks are identified as associated with the work of around 7,000 project staff/workers*** (including Direct Workers, Contracted Workers, Community Workers, and those some governmental staff who work part-time to support project implementation. Key risks include a) road safety while travel for work, b) occupational health and safety, c) risks of contracting communicable diseases (including spreading disease such as COVID-19), d) risks related SEA/SH, and risks specific to their work and work conditions.

63. The direct environmental risk and impact are expected from:



- Physical construction and renovation civil works (noise, vibration, dust, generation and management of construction wastes);
- Occupational health and safety issue of project personnel who are implementing project's activities (injured from falling subject and other construction activities, road safety, and transmitted and infected with COVID-19);
- Potential involvement of project staff in consuming and trading wildlife and other NTFP while working and staying in remote village areas;
- Community Health and Safety (CHS) of those involve in project activities and road accident due to noise, vibration, dust generated during transportation of construction materials, and generation of construction wastes; and
- Exposure to an unexploded ordinance (UXO) risk, especially for activities associated with the earthwork.

64. Indirect risk and impact are expected from:

- Generation and management of solid waste during the operation of office facilities (including minor electronic waste from the used IT equipment procured by the project);
- Access to and extraction of natural resources by road users while using tertiary road supported by the project (including expansion of forestland, involving with illegal hunting and logging);
- Risks of improper use of agricultural inputs (e.g. pesticides, chemical fertilizers...) which result in pesticide residual, food contamination, pollution of surface water and soil contamination or downgrade in soil fertility after long-time use;
- No protection of water sources for future water supply;
- Unsafe used of water tap built by the project which may lead the bad environment and illness in the village;
- Potential fire at storage or processing facilities built for horticultural products and animal husbandry, solar driers supported by the project and other nearby facilities;
- The storage of grains and processing of agriculture products will attract rodents, insects and vermin which can cause impacts such as: loss of the stored agriculture products and leptospirosis diseases or infection through direct or indirect contact with contaminated animal tissues, organs, or urine.

#### **4.2.2 Social Risks and Negative Impacts**

65. While the social impacts of the project is overall positive, there are some inherent social risks that may affect the level of achievement of the Project's intended results – at outcome and impact levels if such risks are not effectively managed. The social risks are cross-cutting and mostly exist with different stages of a subproject cycle. The social risks and impacts that are



anticipated for this Project include:

**Impacts:**

- Rehabilitation of village-level infrastructure may cause loss of minor land slot/strips to support road/irrigation rehabilitation, and/or construction of new processing and storage facilities (to support activities of farmers and Producers' Group) at village level. Rehabilitation of existing small irrigation canals might cause minor, temporary restricted access to water for irrigation.

**Risks:**

66. In the section below, risks are identified based on two types of risks: contextual risks and project-related risks. Contextual risks are those that are inherent in the project area before project (such as traditional customs and habits, disease patterns, prevalence of social issues such as SEA/SH, gender roles of men and women as a social norms).

- **Occupational Health and Safety.** Risks related to labor and working conditions of project workers which include staff of PMU at central, district and village levels (as direct workers), local people (as contracted workers), and community workers (See details of identified risks at Section 3.2 – Key Labor Risks, in the project's LMP). OHS risks are identified as project related risks.
- **Road accidents.** This risk is identified with all project workers (around 7,000 people) but is assessed as being more likely with people with frequent road travel for project purpose. These include (in descending order of travel frequency and involvement time duration) community workers (around 2,720 local people), direct workers (around 200 people based at project area including PMU's district staff and young graduates), and contracted workers (about 5,456 local people engaged by VIT as local construction workers). This risk is also associated with community members who travel through sites where construction of civil works are underway and safety measures are not taken appropriately. OHS risks are identified as project related risks combined with contextual risks such as existing road condition, weather condition while traveling, and behavior of other road users.
- **Communicable diseases.** Since interaction between project workers and community members increased through project activities, such as village development planning meetings, training, home visits, site visits, nutrition demonstrations, etc., communicable diseases such as COVID-19, vector-borne diseases such as dengue fever (which is considered a year-round, nationwide risk in Laos with highest risk associated typically during rainy season), malaria which is region specific, and typhoid<sup>17</sup>. Communicable

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<sup>17</sup> In 2019, there were 11,477 typhoid cases found in Laos (106 cases per 100,000) of which nearly half of patients are children under 15 years of age. Typhoid is endemic in Laos with more than 11,000 cases per year



diseases such as COVID-19 could be passed from one to one if people are not aware of these risks and/or effective measures is not taken by project workers and community members to prevent the risk of contracting and spreading of such communicable diseases. Risk of communicable disease is more likely associated with non-local workers (PMU staff based in capital and district level and PMU's consultants) who visit risk-prone area. Communicable risks are identified as contextual risks which are moderated by behavior of project workers and community members. This means the more project workers and community members are aware of such risk, know how to prevent, and take actions to minimize the possibility of such risks from happening, the better the risk is managed/minimized.

- **SEA/SH.** This risk is identified for community members and project workers, particularly with female member who travel for work (e.g. attend monthly, bi-weekly meetings). Since most project workers (96%, n=6,880) are local people (village level), and no influx of workers (e.g. construction workers outside villages) is anticipated, this risk will be managed through conducting SEA/SH risk awareness raising activities targeting community member and project workers (through consultation/training), and through training of project workers and signing of workers' code of conducts. Therefore, the risk of SEA/SH is rated low.
- **Child labor and forced labor.** Both risks are identified since most project activities will be implemented in the rural, remote areas where engagement of young people under 18 years of age (child labor) is common<sup>18</sup>. Child labor in rural project area may take the form of non-paid support for their own family in agricultural and non-agricultural income generation activities. There might be cases where child is asked to work (forced) to earn cash for family during difficult time (e.g. drought) of the year. This is particularly true among very poor families. Child/forced labor may also take the form of paid casual workers for local services such as construction, delivery of good, etc. Under the CLEAR project, the project sets 18 as the minimum age requirement and procedures are proposed to support age verification (prior to job offer) and handle the cases of involving child labor if found while on board, the risks of child labor and forced labor is rated "low" (see also Section 8 – Age Requirements in project's LMP).
- **Exclusion of vulnerable individuals/groups** (e.g. those with a disability, female-headed households, the elderly, the poor, ethnic people). From consultation for RESA report,

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([https://www.coalitionagainststtyphoid.org/wp-content/uploads/2021/12/Take-on-Typhoid-Laos-Infographic\\_Nov2021.pdf](https://www.coalitionagainststtyphoid.org/wp-content/uploads/2021/12/Take-on-Typhoid-Laos-Infographic_Nov2021.pdf))

<sup>18</sup> According to the joint Child Labour Survey (2010) by Lao Government and ILO, approximately 178,000 children in Laos are engaged in child labour (around 96,000 are girls). The majority of child labourers are found in rural areas. Of these, more than 130,000 (two out of every three child labourers) are involved works defined as hazardous work. 90% per cent of child labourers work in agriculture, forestry or fishing, and seven out of 10 work more than 49 hours per week. See also the Decent Work Country Programme for the Lao People's Democratic Republic, 2022–2026 published by ILO



poorer families often do not join meetings, or take part in project activities (project activities include SHG, Infrastructure, Nutrition), due to (i) lack of confidence; (ii) inability to pay membership fees; (iii) being excluded / not being respected by other members of the groups / being discouraged from joining the discussion by other members; (iv) lack of labor within the family and poor house conditions; (v) lack agriculture land; and (vi) lack motivation to work and/or participate in development programs.

- Local communities also have concerns about elite capture of community infrastructure if it a subproject is not well planned and implemented in a manner that benefit the whole community (but only a subset of the population). Also, it was noted during consultation that in villages with mixed EG, the poor EG is being left out due to the difficulty in engaging them. Also, they are left out because they are considered for contributing to discussions in village/group meetings. Members of the major ethnic group (who are not poor) only work with each other in the same EG and do reach other beyond their EG. This risk is both contextual and project related risk. Thus, the Project Operational Manual (POM) will be updated to articulate criteria for selection of project beneficiaries (e.g. for loan borrowers).
- **Lack of Cultural Awareness for Ethnic Group (EG)** which may cause miscommunication. While it is anticipated that 80-90% of project's beneficiary are ethnic minority people, most of the project activities are designed and facilitated by the majority of project implementing members who are from Lao group. In addition, even though 96% of project workers are local people, lack of understanding of project purpose, activities, implementation approach reduce the level of participation of EGs, or affect the effectiveness of activity implementation. Therefore, it's important that project workers understand well project purpose and activities they support, command the right communication skills, and understand well the cultural practices and social norms of each ethnic minority groups that they are supporting. This risk is a contextual risk.
- **Gender stereotype.** Women are more open to information, opinions and engagement but women's views are often not taken seriously by the men. Men, especially older men do not listen to Young District Officers or Village Facilitators and often challenge their capability and knowledge. Women's groups discussions revealed that although women are encouraged to join meetings and take decisions, their decisions are sometimes disregarded and have been asked to be dropped by their male partners/authorities and male elders. Women asked whether the project can ask more men to engage in gender equality / women's / men's roles in household training. Women said that video on gender equality is very useful but the men were not watching, only women; meanwhile men are not taking the information they pass on seriously. The women asked to have more men watch the gender equality videos. While almost all consulted men and women saying that having young women serve alcohol and entertain guests is normal, the young women who have been asked to do so disagree with the statement and



prefer not to do this job. This risk is a contextual risk and will be addressed through gender mainstreaming guidance to be updated in project manual.

- Women and men have different roles to play in participating in project development. More than 90% of women engaged in the Self-Help Groups (SHG) and 100% women in the nutrition groups, while most men engaged in Infrastructure development. While all informants during RESA accepted that men and women have equal rights, many of them pointed out issues such as: (i) men not allowing their wives to attend a meeting and/or join a group and/or take a leading role in a group; (ii) women refusing to participate in a meeting / group discussion due to their husbands and/or mother in-law rejecting their request to join a meeting or a group.
- Enhanced and intensified crop production and lack of awareness of the risks and knowledge in agriculture good practices (GAP), particularly by members of Producer Group, is likely to entail increased use of agricultural inputs that expose farmers to agricultural chemical that affect their health and affect crop quality in terms of pesticide residue, and long-term chemical contamination of the soil, surface water, and groundwater.

67. Table 4-1 (below) provides a summary of E&S risks/impacts (described above) and present mitigation measures/approach.



**Table 4-1 E&S Risks and Impacts and Proposed Mitigation Measures**

Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
<b>1. General Condition</b>				
<b>1.1 Assessment and management of environmental and social risks and impacts</b>	<ul style="list-style-type: none"> <li>The potential environmental and social risks and impacts are defined below in each potential impact.</li> </ul>	<ul style="list-style-type: none"> <li>Conducts trainings on the implementation, monitoring and reporting of E&amp;S instruments (SEP, Negative List, ES Screening and Scoping, SS-ESMP, A-RP, ESCOP and GAP).</li> <li>Applies Negative List (Annex 2A) and SEP during Subproject planning and preparation of VDP.</li> <li>Conducts ES Screening and Scoping during Subproject survey and design (Annex 2B).</li> <li>As a result of E&amp;S screening process, prepare and implement SS-ESMP (Annex 3A) for moderate E&amp;S risks subproject or apply ESCOP (Annex 3B ) or List of Do and Don't Practices (Annex 3C) for construction of small civil works, waste management, conservation of water sources, prohibition on wildlife consumption and trade.</li> <li>Apply good agricultural practice (GAP) for irrigation and on-farm activities.</li> <li>Apply LMP to Project staff and workers.</li> <li>Prepare and implement A-RP when small land donation and/or compensation are involved.</li> <li>Conducts monitoring and reporting of ESF instrument Bi-Annually throughout Project</li> </ul>	ESS1-ESS 8, ESS10	PMU, DIUs, VSMCs/VITs, SHGs and PGs  After Project effectiveness, before commencement of subproject activities and thereafter maintain throughout Project implementation;



Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
		implementation.		
<b>2. Environmental Risk &amp; Impact Management</b>				
<b>2.1 Noise, dust vibration</b>	<ul style="list-style-type: none"> <li>Noise, dust, and vibration are likely generated during the rehabilitation of access roads, small irrigation and construction of processing, storage facilities...</li> </ul>	<ul style="list-style-type: none"> <li>Same as 1.1 above</li> </ul>	ESS1 ESS2 ESS3 ESS4 ESS10	PMU, DIUs, VSMCs/VITs After Project effectiveness, and thereafter maintain throughout Project implementation;
<b>2.2 Solid wastes</b>	<p>Solid waste include both domestic waste due to workers' presence at construction site and waste generated from construction process (unused materials, old materials, oil, debris...)</p> <ul style="list-style-type: none"> <li>Littering of garbage on roadsides and in the community during trainings, meetings, data collection and field survey;</li> <li>Generation and management of solid waste during the operation of office facilities (including minor electronic waste from the used IT equipment procured by the project);</li> <li>Solid waste and e-waste risks to human</li> </ul>	<ul style="list-style-type: none"> <li>Clean up the area every time after Installation, repairing and replacement works.</li> <li>Implement solid waste management as part of SS-ESMP and ESCOP.</li> <li>Incorporate waste management in the LMP.</li> <li>Training on sustainable packaging and reuse /compost of agriculture wastes.</li> </ul>	ESS1 ESS3 ESS4 ESS10	PMU, DIUs, VDC (VITs, VSMC/SHGs and PGs)  After Project effectiveness, and thereafter maintain throughout Project implementation



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	health and the environment including climate change if not disposed of in an environmentally sound and safe manner.			
<b>2.3 Occupational health and safety (OHS)</b>	<p><b>Risks associated with project workers,</b> including a) PMU staff at central, district and village levels (direct workers), b) local people (contracted workers), and village facilitators, member of VMSC/VIT (community workers).</p> <p>Key risks include:</p> <ul style="list-style-type: none"> <li>• <b>Physical Hazards</b> (accidents due to fall, falling objects, injury due to improper use of tools/heavy equipment</li> <li>• <b>Personal Protective Equipment</b> (due to lack/limited of access to proper PPE (e.g. protective clothes, gloves, shoes), or improper use.</li> <li>• <b>Working Time:</b> Late working in the afternoon, or evening may increase the risk of accident due to fatigue or limited observation</li> </ul>	<ul style="list-style-type: none"> <li>• Provide training on OHS to relevant VIT members, and workers hired by VIT, including workers who provided machinery rental services to VIT, and Community Supervisors.</li> <li>• Repeat training as needed.</li> <li>• Maintain regular supervision (to be done by Community Supervisors and VSMC).</li> </ul>	ESS4	PMU/DIU VIT/VSMC
<b>2.4 Unexploded ordinance (UXO)</b>	<ul style="list-style-type: none"> <li>• Exposure to an unexploded ordinance (UXO) risk, especially, for activities</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinate with National Regulatory Agency (NRA) for UXO survey to obtain an UXO certificate prior to</li> </ul>	ESS1 ESS4	PMU, DIUs, NRA and/or UXO clearance



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	associated with the earthwork.	commencing physical works onsite. <ul style="list-style-type: none"> <li>Conduct consultation with local people and authority to screen for risk of UXO presence in the construction area.</li> <li>Conduct ES Screening and Scoping during Sub-project survey and design (Annex 2B).</li> </ul>	ESS10	contractors
<b>2.5 Fire</b>	<ul style="list-style-type: none"> <li>Potential fire at storage or processing facilities built for horticultural products and animal husbandry, solar driers supported by the project and other nearby facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Selection of construction materials that are not flammable materials.</li> <li>Ensuring the construction of storage or processing facilities built for horticultural products and animal husbandry, solar driers are not associated with potential fire risks.</li> <li>Conducts training on prevention of potential fire for SHGs and PGs as part of Subcomponent activities.</li> </ul>	ESS1 ESS2 ESS4	DIUs, VITs, SHGs and PGs  After Project effectiveness, and thereafter maintain throughout Project implementation
<b>2.6 The issue with rodents, insects and vermin from the storage of grains and processing of agriculture products</b>	<ul style="list-style-type: none"> <li>The storage of grains and processing of agriculture products will attract rodents, insects and vermin which can cause impacts such as: loss of the stored agriculture products and leptospirosis diseases or infection through direct or indirect contact with contaminated animal tissues, organs, or urine.</li> </ul>	<ul style="list-style-type: none"> <li>Selection of construction materials that can prevent rodents, insects and vermin.</li> <li>Ensuring the construction of storage or processing facilities built to also prevent rodents, insects and vermin.</li> <li>Keep storage or processing facilities are clean and tidy to prevent or dissuade the rodents, insects and vermin.</li> <li>Apply pest control traps.</li> <li>Conducts training on pest control such as rodents,</li> </ul>	ESS1 ESS2 ESS4	DIUs, VITs, SHGs and PGs  After Project effectiveness, and thereafter maintain throughout Project implementation



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
		insects and vermin as part of storage operation manual.		
<b>2.7 Natural disasters risks</b> (e.g. flash flood/landslide/drought conditions)	<ul style="list-style-type: none"> <li>Risks of natural disasters (e.g. flash flood and erosion/landslide) due to lack of consideration of DRM and CC consideration when selection of location and design of civil works.</li> </ul>	<ul style="list-style-type: none"> <li>The Project will employ a disaster risk reduction (DRR) strategy to reinforce resilience against extreme climatic events among beneficiary communities. The project will mobilize the national DRR strategy and PRF's existing DRR manual.</li> <li>Consultation with local people and authority on history of natural disaster and any potential for risk such as flash flood and erosion/land slid).</li> <li>Integrate climate resilient into the project design.</li> </ul>	ESS1 ESS 4 ESS10	PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain throughout Project implementation;
<b>2.8 Extraction of natural resources</b>	<ul style="list-style-type: none"> <li>Access to and extraction of natural resources by road users through project supported tertiary road (e.g. expansion of forestland, illegal hunting and logging)</li> </ul>	<ul style="list-style-type: none"> <li>Apply Negative List (Annex 2A) and ES Screening and Scoping (Annex 2B) during Subproject planning, survey and design.</li> <li>As a result of E&amp;S screening, prepare and implement SS-ESMP (Annex 3A) or apply ESCOP (Annex 3B) or List of Do and Don't Practices (Annex 3C).</li> </ul>	ESS1 ESS6 ESS10	PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain throughout Project implementation
<b>2.9 Damage to historical/ cultural items/ site</b>	<ul style="list-style-type: none"> <li>Historical or cultural items could be uncovered during earthworks/excavation</li> <li>VIT's contracted workers' involvement in trafficking of local cultural objects (e.g. Buddha sculptures, religious</li> </ul>	<ul style="list-style-type: none"> <li>Implement "Chance Finds Procedure" as part of SS-ESMP (Annex 3A) and ESCOP (Annex 3B).</li> </ul>	ESS1 ESS6 ESS7 ESS10	Same as 2.3



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	items), <ul style="list-style-type: none"> <li>Entry into prohibited cultural areas (spiritual or cultural sites, graves) respected by the local community</li> </ul>			
<b>2.10 Impacts on health of human and environment</b> (due to improper use of chemical agricultural input and animal waste)	<ul style="list-style-type: none"> <li>Home gardening and Animal husbandry</li> <li>Support well performing Producers Groups to scale cultivation activities.</li> <li>Risks of improper use of agricultural inputs (e.g. pesticides, chemical fertilizers...) which result in pesticide residual, food contamination, pollution of surface water and soil contamination or downgrade in soil fertility after long-time use.</li> <li>Improper use of industrial feed.</li> <li>Improper management of manure (animal waste) from increased animal husbandry development that cause environmental impact such as odour, contamination of food and surface water...).</li> </ul>	<ul style="list-style-type: none"> <li>Apply Negative List (Annex 2A) and ES Screening and Scoping (Annex 2B) during Subproject planning, survey and design.</li> <li>As a result of E&amp;S screening, prepare and implement SS-ESMP (Annex 3A) or apply ESCOP (Annex 3B) or List of Do and Don't Practices (Annex 3C).</li> <li>Depending on the crops, and crop variety, target farmers will be trained by local extension service (engaged by the Project) to use agricultural inputs appropriately – as recommended under national agricultural extension program, such as Integrated Pest Management.</li> <li>Good Agriculture Practices will be integrated into Training Material to be developed/updated for Project use by local extension service that will be engaged by the Project as a capacity building consultant.</li> <li>Follow Procedure for E&amp;S Management Under Agricultural Extension Under Project Component.</li> <li>Where necessary, spatial planning is considered,</li> </ul>	ESS1 ESS3 ESS4 ESS10	PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain throughout Project implementation



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
		<p>particularly for activities that may raise environmental concerns about odour from animal waste, management of waste to prevent water and soil contamination, and prevention of community health, particularly diseases related to improper management of animal waste, etc.</p> <ul style="list-style-type: none"> <li>Attend training on GAP based on the production activities of beneficiary households (e.g. cultivation, animal husbandry).</li> <li>Loan borrowers (SHG and PG) are required to attend project training on the crops for which they apply project loan.</li> </ul>		
<b>3. Social Risk Management</b>				
<b>3.1 Minor land acquisition/ impacts on assets on affected land</b>	<ul style="list-style-type: none"> <li>Rehabilitation of village-level infrastructure and construction of new processing, storage facilities, etc. may require small scale land acquisition</li> </ul>	<ul style="list-style-type: none"> <li>Apply Negative List (Annex 2A) and ES Screening and Scoping (Annex 2B) during Subproject planning, survey and design.</li> <li>As a result of E&amp;S screening, prepare and implement SS-ESMP (Annex 3A) or apply ESCOP (Annex 3B) or List of Do and Don't Practices (Annex 3C).</li> <li>Prepare and implement A-RP when small land donation and/or compensation are involved.</li> </ul>	ESS5, ESS7, ESS10	PMU, DIUs, VSMCs/VITs  During subproject design and before commencement of subproject construction
<b>3.2 Community Health and Safety (CHS)</b>	Risks associated with community members <ul style="list-style-type: none"> <li><b>Traffic Safety.</b> Construction activities</li> </ul>	<ul style="list-style-type: none"> <li>Apply Negative List (Annex 2A) and ES Screening and Scoping (Annex 2B) during Subproject</li> </ul>	ESS2, ESS4, ESS10	PMU, DIUs, VSMCs/VITs)  After Project



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	<p>(uneven road, material stockpile, earthwork, open holes...) may cause traffic accident for people passing by, particularly road rehabilitation.</p> <ul style="list-style-type: none"> <li>• <b>Contracting/spreading of communicable disease.</b> Close and daily interaction among workers and between workers and community members (eating/buying things in local shops) may increase risks of COVID-19, and other communicable diseases.</li> </ul>	<p>planning, survey and design.</p> <ul style="list-style-type: none"> <li>• As a result of E&amp;S screening, prepare and implement SS-ESMP (Annex 3A) or apply ESCOP (Annex 3B) or List of Do and Don't Practices (Annex 3C).</li> <li>• Public awareness campaigns/trainings as part of Village Development Planning Meeting.</li> <li>• Train VDC, VSMC, VITs, CIGs, SHGs and PGs in respective group meetings.</li> <li>• Train vulnerable/disadvantaged group in first meeting. Repeat as needed in subsequent meeting (post-training evaluation).</li> <li>• VSMC/SHG/PG shared knowledge learned (above) to respective group members as part of project's awareness raising.</li> <li>• Before and during subproject implementation, Village Facilitator and Young Graduate could repeat such risks and measures to avoid/mitigate such risks.</li> </ul>		<p>effectiveness, and thereafter maintain throughout Project implementation</p>
<p><b>3.3 SEA/SH</b></p>	<p>Risk associated with primarily with <b>1) Female project workers</b>, including a) PMU staff (central, district and village levels), b) local workers, and c) community workers (village facilitators and member of</p>	<p>Mitigation measures for SEA/SH include the following key aspects:</p> <ul style="list-style-type: none"> <li>• Raise awareness for risk groups (in public meetings/ events...), including male members.</li> <li>• Conduct training for risk groups, particularly female</li> </ul>	<p>ESS1, ESS2, ESS7, ESS10</p>	<p>PMU, DIUs, VSMCs/VITs</p> <p>After Project effectiveness, and thereafter maintain</p>



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	VMSC/VIT...) <b>2) Female community members</b> who are beneficiaries	community members and female members of vulnerable/disadvantaged groups. <ul style="list-style-type: none"> <li>• Project workers to peruse and sign Worker’s Code of Conduct for SEA/SH.</li> <li>• Grievance Redress Procedure is disclosed to risk group, particularly female community members and female members of vulnerable/ disadvantaged groups.</li> <li>• Engage Lao WU (village level) to assist in resolution if the incidence occurs.</li> <li>• DIU/PMU’s reporting of the cases and maintains regular monitoring, and take actions as needed.</li> </ul>		throughout Project implementation
<b>3.4 Child labor and forced labor</b>	Both risks are identified, and potentially associated with young labor at village.	Key mitigation measure include: <ul style="list-style-type: none"> <li>• <b>Minimum age requirement</b> is 18 years of age for all project workers, including contracted workers engaged.</li> <li>• <b>Procedure for age verification</b> (prior to job offer) and how to handle the cases if found while on board (See Section 8 – Age Requirements in project’s LMP).</li> </ul>	ESS1, ESS2, ESS7, ESS10	PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain throughout Project implementation
<b>3.5 Exclusion of vulnerable/ disadvantaged individuals/ groups</b>	Please see Definitions of vulnerable/ disadvantaged individuals/ groups in Definitions Section of this ESMF.  People from these groups may not	Key mitigation measure include: <ul style="list-style-type: none"> <li>• <b>Identity these groups</b> for each project village (as part of Village Development Plan meeting) (See Definition section for specific groups).</li> </ul>	ESS1, ESS7, ESS10	PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	<p>participate in project meetings and events because of the following reasons: (i) lack of confidence; (ii) inability to pay membership fees; (iii) being excluded /not being respected by other members of the groups/ being discouraged from joining the discussion by other members; (iv) lack of labor within the family and poor house conditions; (v) lack agriculture land; and (vi) lack motivation to work and/or participate in development project.</p>	<ul style="list-style-type: none"> <li>• <b>Engage the groups in project’s relevant consultation meetings</b> using communication methods prepared for vulnerable groups (See Section).</li> <li>• <b>Incorporate feedback</b> from these groups (in Annual Village Development Plan) and ensure they could participate and receive socioeconomic benefit from project.</li> <li>• <b>Maintain regular contacts</b> with the groups during subproject design and during implementation activities, particularly activities that involve loan use, adoption of project’s training knowledge, and activities that promote behavior change (e.g. nutrition, home gardening).</li> <li>• Mainstreaming SEP into the POM and other technical guidelines and manuals.</li> <li>• SEP has included special consultation measures which are addressing the need of specific different groups (ethnic groups, people with disability, women, elderlies, children and disadvantaged groups).</li> <li>• Section 4 of the SEP provides measures to avoid misinterpret of information, misunderstand complaints, and social conflicts between different ethnic groups. This includes steps on how the</li> </ul>		<p>throughout Project implementation</p>



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
		views and concerns of vulnerable or disadvantaged groups will be sought during the project design and implementation, and measures to be taken to address potential barriers to the full participation of vulnerable individuals/households in project consultation. Project consultation is tailored to meet the need of specific groups.		
<b>3.6 Inequality in selecting project beneficiary household</b>	This risk is associated with: <ul style="list-style-type: none"> <li>▪ Use of PMT in selecting project beneficiaries.</li> <li>▪ In village they have various EGs, small/remote EG may be left out of consultation and subsequent participation in project activities</li> </ul>	Key steps to mitigate the risks include: <ul style="list-style-type: none"> <li>• Adopt the same definition of the poor, near-poor across project villages/and within the same village.</li> <li>• Coordinate with RRPM II project (same convergence program) to make full use of PMT results and improvement of PMT method and application.</li> </ul> To ensure small, remote, marginalized groups are included during development planning and implementation at village, use Mitigation Measures proposed in Section 3.6 – Exclusion of vulnerable/disadvantaged individuals/ groups.	ESS1, ESS7, ESS10	PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain throughout Project implementation
<b>3.7 Cultural Awareness for Ethnic Group (EG)</b>	Lack of cultural understanding, particularly social norms and farming practices of EGs may result in a) miscommunication, b) reduced communication effectiveness, c) slow or non-adoption of proposed	Mitigation measures include steps that could be followed by project workers, particularly those who have frequent interaction and work with target group in project villages. <ul style="list-style-type: none"> <li>• Step 1 – Get to know about EG</li> </ul>		PMU, DIUs, VSMCs/VITs  After Project effectiveness, and thereafter maintain



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	<p>knowledge and/or new farming practices.</p>	<ul style="list-style-type: none"> <li>• Step 2 – Prepare before fielding for consultation</li> <li>• Step 3 – Meeting with target EG group/individuals</li> <li>• Step 4 – Review and Process Consultation Feedback</li> <li>• Step 5 – Incorporate consultation feedback into project design/implementation</li> </ul> <p>Please see details of each step in SEP (Annex 3 – Facilitator’s Guide for Conducting Meaningful Consultation with Ethnic Minority Peoples)</p>		<p>throughout Project implementation</p>
<p><b>3.8 Gender stereotype</b></p>	<ul style="list-style-type: none"> <li>• Women are more open to information, opinions and engagement but women’s views are often not taken seriously by the men.</li> <li>• Men, especially older men do not listen to Young District Officers or Village Facilitators and often challenge their capability and knowledge.</li> <li>• Women’s groups discussions revealed that although women are encouraged to join meetings and take decisions, their decisions are sometimes disregarded and have been asked to be dropped by their male partners/authorities and male elders.</li> </ul>	<ul style="list-style-type: none"> <li>• Project include gender training and women-in decision making position in its implementation designs, this will include awareness raised on culture norms, unconscious-biases, expectations, and gender stereotypes</li> <li>• Public Awareness Raising (part of Community Planning Meeting)</li> <li>• Public awareness repeated through regular activities of Lao WU</li> <li>• Awareness raising to members of Self-Help Groups</li> <li>• Village women requested that men should also be targeted for gender related trainings.</li> <li>• Implementation of Gender Action Plan.</li> </ul>	<p>ESS2 ESS10</p>	<p>PMU, DIUs, VSMCs/VITs</p> <p>After Project effectiveness, and thereafter maintain throughout Project implementation</p>



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
	<ul style="list-style-type: none"> <li>• Women asked whether the project can ask more men to engage in gender equality / women's / men's roles in household training.</li> <li>• Women said that video on gender equality is very useful but the men were not watching, only women; meanwhile men are not taking the information they pass on seriously. The women asked to have more men watch the gender equality videos.</li> <li>• While almost all consulted men and women saying that having young women serve alcohol and entertain guests is normal, the young women who have been asked to do so disagree with the statement and prefer not to do this job.</li> </ul>			
<p><b>3.9 Improper use of tap water</b></p>	<ul style="list-style-type: none"> <li>• Unsafe use of tap water (provided by the project) may lead to illness in the village.</li> <li>• Lack of appropriate maintenance of water supply system may lead to water contamination which affects the health of users in the long run.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop maintenance plan to ensure water tap is maintained appropriately (e.g. periodic cleaning/clearing).</li> <li>• DIU conducts training on good hygiene handling and management as part of Subcomponent activities.</li> </ul>	<p>ESS1 ESS3 ESS4</p>	<p>PMU, DIUs, VSMCs/VITs</p> <p>After Project effectiveness, and thereafter maintain throughout Project implementation</p>



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Type of E&S Risks and Impacts	Description of E&S Risks and Impacts	Proposed Mitigation Measure	WB ESSs	Responsibility / Project Stage
<b>3.10 Water use conflict</b>	<ul style="list-style-type: none"><li>• Lack of consultation among water users prior to irrigation rehabilitation may cause risks of water use conflict following rehabilitation due to change in water access</li><li>• No protection of water sources for future water supply.</li></ul>	<ul style="list-style-type: none"><li>• <b>Consultation</b> to be conducted among water user in the command area of the target irrigation system.</li><li>• Consultation should be conducted during preparation of Village Development Plan.</li><li>• Consideration and integration of risks on water sources for future supply during Subproject design.</li><li>• Develop maintenance and operation (O&amp;M) plan to ensure irrigation channel is maintained appropriately (e.g. periodic cleaning/clearing).</li></ul>	ESS1 ESS6, ESS7 ESS10	PMU, DIUs, VSMCs/VITs  After Subproject design and operation and maintenance phase



## 5 ENVIRONMENTAL & SOCIAL MANAGEMENT PROCEDURES

68. In this Chapter, procedures for E&S management are proposed at project level. While the first procedure covers project component 1 which will be implemented by Village Implementation Team (VIT) for infrastructure subproject, the second procedure covers component 2 and 3 which will be done by Village Self-Health Management Committee (VSMC) under livelihood enhancement and nutrition activities that targeted Self-Help Group (SHG) and Producer’s Group (PG). These Procedures will be mainstreamed into existing Project Operation Manual (POM) of RPF III (Additional Financing), in relevant technical guidelines which are stand-alone but form part of the POM. The updated POM and relevant technical guidelines will be used under CLEAR project. Table 5-1 and Figure 5-1 below presents the list of E&S management instruments and procedures to be implemented by CLEAR.

69. For the CERC component, an annex to the ESMF or a specific CERC-ESMF was prepared as part of this ESMF (Annex 6) and the ESCP will include provisions for them.

*Table 5-1 Overview of ES Management Measures/ Instruments*

ES Management Measures	Objective	Apply to	Timing
1. Ineligible Criteria /Negative List (Annex 2A)	To screen and avoid project financing activity likely to generate or produce substantial ES risk and impact	C1 and C2	Prior to approval of C1 implementation
2. Guideline for ES Impacts Screening and Scoping (Annex 2B)	<ul style="list-style-type: none"> <li>- Assessment of overall environmental and social risks</li> <li>- Identification of appropriate site-specific or sub-project specific ES management instruments</li> </ul>	C1	Prior to approval of C1, C2 & C3 implementation
3. Guideline and Template for Preparation of a Site-Specific Environmental and Social Management Plan (Annex 3A)	<ul style="list-style-type: none"> <li>- Include the potential impacts and mitigation measures, which should be further detailed to mitigate risks and impacts within specific locations and activities or amended as needed, including by breaking them down into impacts/mitigation during planning, implementation, and after the project or long term sustainability.</li> </ul>	C1	Prior to approval of subprojects and throughout the project implementation
4. Simple Environmental and Social Code of Practices for small civil works (Annex	<ul style="list-style-type: none"> <li>- Ensure that environmental and social risks and impacts associated with Sub-projects are identified, assessed and prevented or minimized to an acceptable level.</li> </ul>	C1	Prior to approval of C1 and throughout the project implementation



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ES Management Measures	Objective	Apply to	Timing
3B)			
5. Do and Don't Practices (Annex 3C)	<ul style="list-style-type: none"> <li>- To ensure (i) good engineering and housekeeping practices of communities; (ii) prevent injuries of project personnel and communities; and (iii) prevent direct workers (staff) and contracted workers from involving in any form of natural resource extraction, habitat degradation, wildlife trade.</li> </ul>	C1, C2, C3	Throughout the project implementation
6. Agriculture Good Practices (GAP) (Annex 3D)	<ul style="list-style-type: none"> <li>- a) Promotes use of non-chemical agriculture – through avoiding/ minimizing improper use of chemical agricultural inputs such as pesticide, chemical fertilizers, and animal feeds, and b) promote conservation of natural resources.</li> </ul>	C2 & C3	Throughout the project implementation
7. labor Management Procedures (LMP) with Worker Grievance Procedure and COC on SEA/SA and VAC, Covid-19 guidelines (Annex 5)	<ul style="list-style-type: none"> <li>- Provides measures to manage and mitigate adverse OSH risks and impacts (prevent occupational injuries and illnesses) affecting civil servants (government staff appointed from the implementing and concerned agencies at all levels), direct workers (workers hired directly by PMU, DIU) and contracted workers (employees of civil works contractors and subcontractors, service providers, employees of consulting firms)</li> <li>- Provides guidance on the social Code of Conduct (COC) to be included in works contract to address the issues related to Sexual Exploitation and Abuse (SEA), Sexual Harassment (SH), and Violence against Children (VAC) from small civil works, working and training in local communities which can have risks for infectious diseases including Covid-19 and SEA/SH</li> </ul>	C1, C2, C3 & C4	Throughout the project implementation



ES Management Measures	Objective	Apply to	Timing
8. Resettlement Policy Framework (RPF) (including livelihoods restoration) (As a standalone document)	<ul style="list-style-type: none"> <li>- Describes procedures for land acquisition and livelihood restoration in accordance with national laws and ESS5 of the ESF including screening form for Land acquisition and resettlement</li> <li>- Provides specific guidance on the compensation process and scope of an ARAP</li> </ul>	C1	- Throughout the project implementation
9. Stakeholder Engagement Plan (As a standalone document)	<ul style="list-style-type: none"> <li>- Refer to Section 7</li> </ul>	All components	Throughout the project implementation

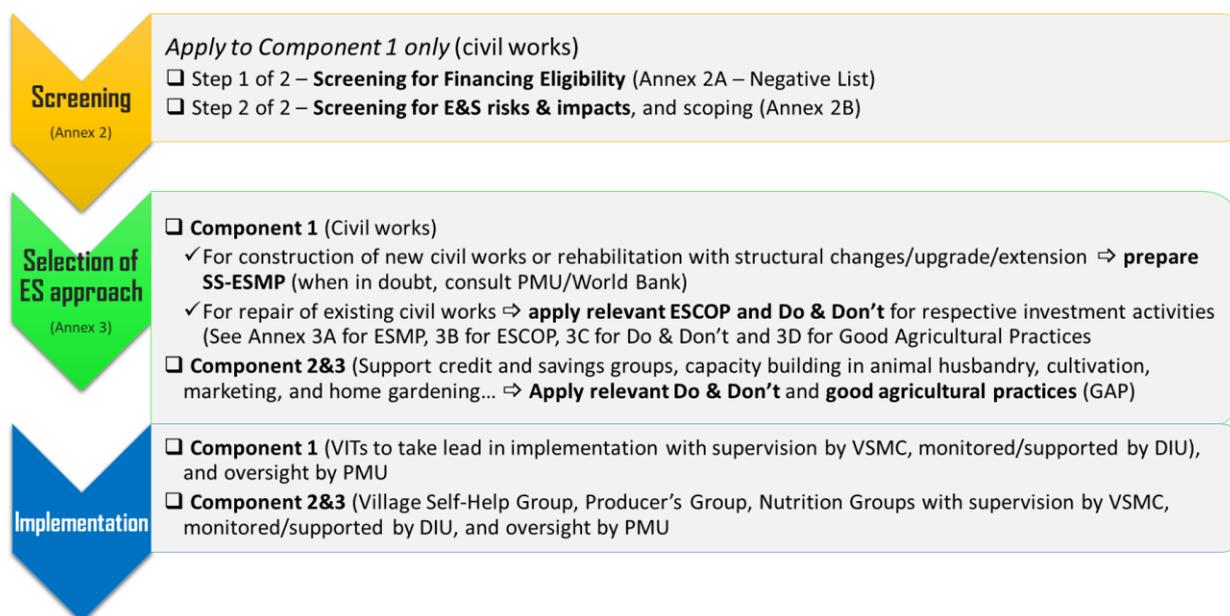


Figure 5-1 E&S Management Procedure

## 5.1 Screening and Scoping

70. **Screening for financing eligibility:** For investment under Project Component 1, a negative list of activities has been established (see details in Annex 2A) and applies to all civil works under Component 1. In each project village, Village Authority/Village Self-Help Management Committee (VSMC)/ Village Implementation Team (VIT) and District Implementation Unit (DIU) will be trained by Project Management Unit (PMU) to use the Negative List to ensure civil works that have considerable social and environment risks and impacts are not financed under the project. In addition, this negative list will also be



incorporated into the Community Force Account (CFA) Manual and will be applied at the Subproject Planning and Survey Stage during the participatory mapping process.

71. For investment activities under Component 2 (credit and savings, capacity building in animal husbandry, cultivation, marketing), and Component 3 (home gardening...), these investment are not subject to E&S screening because these activities are of small scale (household level) and as such, relevant Do and Don't List, and ESCOP, will apply to individual beneficiary households, and producer's group (See Annex 3).

72. E&S screening and scoping is designed to identify and document potential impacts arising from proposed sub-projects and advise on the appropriate next risk assessment and management processes and documentation to be undertaken. The environmental and social screening informs decision-makers about the need to implement measures or actions which avoid, minimize, mitigate or compensate for adverse impacts. Sub-projects are categorized according to the screening procedure depending on the type, location, sensitivity and scale of the project and the nature and magnitude of their potential environmental and social impacts. Sub-projects may be deemed to have minor or moderate risks and impacts depending on the type of business activity, sector and geographic location. As a result of screening process, E&S management plans such SS-ESMP (Annex 3A), or ESCOP (Annex 3B), or List of Do and Don't Practices (Annex 3C) will be confirmed, prepared and implemented.

### **Preparation and Approval of ESMP including A-RP**

73. As a results of E&S screening process (Annex 2B), the Site Specific Environmental and Social Management Plan (SS-ESMP) will be prepared for subproject (civil work) under C1 by PMU with Technical Assessment (TA) and PIU. It is required that the first SS-ESMP that is prepared for each district will be submitted to the WB for prior review before the SS-ESMP is adopted for implementation by VIT. Subsequent ESMP will not be submitted to World Bank but to PMU for review and approval. The first submission serves as lessons learned from World Bank's review and comment. The approved ESMP will be translated into Lao language and trained for DIU, VSMC and VIT. Annex 3A provides guidelines for preparation of Site-Specific ESMP for C1.

74. The SS-ESMP will identify relevant E&S risks and impacts, and propose mitigation measures. The SS-ESMP should be read together with other documents that may be required, such as LMP (Annex 4) and an Abbreviated Resettlement Plan (A-RP), if any. A-RP should follow the guidance outlined in the Resettlement Policy Framework (RPF (See Annex 5). Stakeholder engagement should follow the parameters outlined in the project's Stakeholder Engagement Plan (SEP), and ensuring the SEP is updated. PRF PMU will make sure that the SS-ESMPs (and other sub-plans if required) for the civil works consulted and disclosed prior to approval. PRF PMU will also ensure that a grievance mechanism is in place during the entire project process to address any concern or suggestion for improvement coming from the stakeholders at local or national level.



## 5.2 Adoption of Environmental and Social Code of Practice (ESCOP)

75. The ESCOP (Annex 3B) sets forth good E&S practices that all VITs and VSMCs are required to comply with to avoid/minimize E&S risks and impacts that are associated with implementation of subproject activities under Component 1 (for construction of small civil works, waste management, conservation of water sources, prohibition on wildlife consumption and trade) within each village. The ESCOP is prepared for each type of civil works that are likely implemented under the project, including Agricultural and Rural Access Roads, Drinking Water, Small Irrigation, Post-Harvest Facilities (drying/storage/processing facilities).

76. ESCOP aims to address relevant potential negative impacts from construction activities such as air pollution, noise, vibration, waste, and risks related to occupational health and safety for workers while at work, road and traffic safety, etc., and health and safety of community members that may be affected as a result of project activities and presence and the work of project workers in their community.

77. The ESCOP is subject to modification/update to meet the specific E&S risks and impacts anticipated with the nature, scope and scale of each subprojects/ activities.

## 5.3 Preparation and Adoption of List of DO and DON'T Practices

78. A list of Do and Don't Practices (Annex 3C) sets forth recommended actions that all VSMC, VITs, SHGs, PGs and Nutrition Groups are required to comply with to ensure (i) good engineering and housekeeping practices of communities; (ii) prevent injuries of project workers and communities; and (iii) prevent direct workers, contracted workers, and community workers from involving in any form of natural resource extraction, habitat degradation, wildlife trade. This Annex 3C will apply to all three project components and to project workers and community members working in the village's areas, particularly, those are living near to the forestland areas.

## 5.4 Approach to Climate Resilience and Disaster Risks Management

79. The Project will employ a disaster risk reduction (DRR) strategy to reinforce resilience against extreme climatic events among beneficiary communities. The project will mobilize the national DRR strategy and PRF's existing DRR manual. DRR evaluation before construction, the first element in this manual, will be added to the small infrastructure screening forms. This screening matrix will request equal attention to siting of infrastructure, technical design and bioengineering, careful operation, and maintenance. Under PRF III-AF, disaster risk mitigation measures have been considered and appropriate actions were carried out by PRF team during the feasibility study and detailed design of the proposed infrastructure. A disaster risk reduction (DRR) manual has been prepared for PRF III project and it will also be applied to the Project as appropriate. If possible, an early warning system between Project villages and the district level would be established and training provided as needed. This would help building readiness for CERC implementation in the event of an eligible disaster (see below). Beyond the



DRR manual, the village profiles and Village Development Plans (VDP) will include a module on climate resilience and DRR. In Components 2 and 3, diversity of the livelihood and nutrition options supported in each village will be a compulsory entry point to improve resilience.

## 5.5 Capacity Assessment, Capacity Building, Technical Assistance

80. The PRF will implement the CLEAR project, building on the institutional and implementation modality of PRF III. The PRF is an autonomous entity legally established in May 2002, in accordance with the Prime Minister's Decree (73/PM, 2002), and is run in accordance with the Decree of the Prime Minister (10/PM, 2012). It is governed by the PRF Board which is chaired by the Minister to the Government Office and consists of the Vice Ministers of the Ministry of Finance (MOF) and the Ministry of Planning and Investment (MPI), representatives of all other ministries and provincial vice-governors where the PRF operates. The PRF would continue to use the GOL's three tier organizational structure, with an increased focus at the district level.

81. Project activities may involve local communities and mass organizations, especially the Lao Women Union (LWU) and Lao Front for National Development (LFND). For CLEAR implementation, the Project will follow the existing arrangement similar to PRFIII-AF which comprises a CLEAR Project Central Office (PCO) led by the Project Management Unit (PMU) under the leadership of the Executive Director (ED). PCO will mobilize a team of consultants to provide technical assistance (TA) to PAFO and DAFO who are now responsible for planning and implementation of the Village Development Plan (VDP) process and provide capacity building to local communities. To ensure effective implementation of the ESF activities, it is important that at each project level (central, provincial, and district), there will be an ESF focal point to be responsible for ensuring timely and effective integration and/or implementation of E&S instruments including forging cooperation and engagement with key stakeholders during the planning, implementation, and M&E on project activities. The PCO will be responsible for strategic oversight, planning, coordination, M&E, and reporting to WB and GOL and other development partners (DPs) within and outside the country.

82. To assess capacity of PRF team, consultation workshops with PRF team were conducted 25 November 2022 and few times later with the key objective to assess capacity of PRF to manage ESF risks. Discussions suggested that most PRF staff have extensive experience in E&S screening and integration of safeguard measures into small infrastructure subprojects during the subproject design and now embarking on issues related to natural disaster and UXO safety. However, they will need additional training on the WB's new E&S instruments and application of the ESSs for the Project activities and update the training materials for the E&S instruments during the planning (VDP) process, technical survey and design, and M&E. Also, there are no specific E&S consultant or officers recruited at central and district level to supervise, monitor and report on the E&S activities of PRFIII. The environment related safeguard was managed and monitored by PRF Infrastructure Team while environment related safeguard including gender



and ethnic groups/social inclusion was managed and monitored by Livelihood and Nutrition Team. These E&S safeguards activities and roles were added on the existing responsibility of project team; therefore the implementation, monitoring and reporting of the E&S safeguards activities were not as effective and needs to be strengthened to meet the ESMF and ESCP requirements by recruiting one senior E&S consultant for PMU and one E&S officer per province as proposed in Section 10. More details on the assessment results are provided in RESA report and SEP.

83. Capacity assessment at local level was conducted through the RESA activity to collect data and information for preparation of E&S instruments. Key Informant Interviews (KII) with District Implementation Unit and Focused Group Discussion (FGD) were carried out during 9 to 11 January 2023 in selected villages including Ban Nong-Lae and PhaLin Village in Nonghed District, Xiengkhuang Province. The RESA aimed to a) solicit feedback from some selected key project stakeholders who have been participating in PRF III on the management of E&S risk and impact; and b) use such feedback as lessons learned/ opportunities for enhanced Project design under CLEAR through the promotion of equal opportunities for participation and inclusion by all target project beneficiaries as well as to be more effective and practical on ways to avoid and manage the risk related to environment, health, and safety especially those related to UXO and different types and locations of civil works. The RESA will also look in the contexts (i.e. how risks/opportunities apply to different groups of people – vulnerable including ethnic minorities; different priorities, how different groups (i.e. ethnic minorities) are socially structured etc.

84. **Technical Assistance:** As per the lesson learnt from the PRFIII and in order to effectively implement E&S instruments, there is a need of one E&S specialist to be recruited to assist PMU central office for overall planning, subversion, implementation, capacity building/training, and compliance monitoring and reporting of implementation of the ESMF, ESCP and SEP. She or he will work for full time for first 2 years and intermittently for the remaining years. Some of her/his key roles are to (i) conducting trainings on the implementation of ESMF, SEP and ESCP for DIUs, VITs, SHGs and PGs; (ii) prepare ESMP and A-RPs (if needed) with technical support from DIU including training on the implementation of ESMP and A-RPs for DIUs, VDCs, VITs and VSMCs; and (iii) conduct compliance monitoring and prepare Bi-Annual ESS Reports for WB. At district level, one full time E&S Officer (new graduated) per province will be recruited to assist DIUs and VITs in supervision, implementation, monitoring and reporting on the ground. She/he will consolidate monthly progress reports prepared by VDC into ESS Quarterly Reports and submit to PMU central office for compiling into Bi-Annual ESS Reports for WB.

85. Table 5-2 below summarizes the proposed ESF trainings and workshops for the CLEAR key personnel needed to strengthen capacity.



**Table 5-2 Proposed E&S Trainings and Workshops**

No.	Trainings and Workshops	Target Participants	Trainer	Timeline
1	Introduction to World Bank ESF ESSs	Key personals and E&S focal points of PRF PMU, PRF provincial coordinator and PRF districts	ESF Consultants	After Project Appraisal
2	The overview and key points of E&S instruments (ESCP, ESMF, and SEP)	Key personals and E&S focal points of PRF PMU, PRF provincial coordinator and DIUs.	ESF Consultants	After Project Appraisal
3	Application of Negative List (Annex 2A)	DIUs, VDCs, VITs, VSMCs	CLEAR E&S specialist and District E&S Officers	During sub-project planning before sub-project implementation
4	Application of E&S Screening and Scoping (Annex 2B)	DIUs, VDCs, VITs, VSMCs	CLEAR E&S specialist and District E&S Officers	During sub-project survey before sub-project implementation
5	The preparation of SS-ESMP (A-RP, ESCOP, GAP, SEP and GRM including accident reporting)	DIUs, VDCs, VITs, VSMCs	CLEAR E&S specialist and District E&S Officers	During sub-project design and approval sub-project implementation
6	The implementation of SEP including GRM	DIUs, VDCs, VITs, VSMCs	CLEAR E&S specialist and District E&S Officers	During sub-project planning and throughout the project implementation
7	The implementation and reporting of A-RP including voluntary land donation procedures and documentation	DIUs, VDC and VITs	CLEAR E&S specialist and District E&S Officers	Before project implementation
8	The implementation, ESCOP	VITs and VSMCs	CLEAR E&S specialist and District E&S Officers	During project implementation



No.	Trainings and Workshops	Target Participants	Trainer	Timeline
9	Monitoring and reporting of ESCOP	VDCs	CLEAR E&S specialist and District E&S Officers	During project implementation

## 6 IMPLEMENTATION ARRANGEMENTS

### 6.1 Ministry of Agriculture and Forestry

86. MAF is the lead agency responsible for overall project implementation. MAF will provide strategic direction and guidance in CLEAR implementation through its Administrative Board of Poverty Reduction Fund (PRF) which was established in accordance with Decree No. 10 (2012) of the Prime Minister. PRF serves as a legal entity to provide strategic direction to the program under PRF administration. Members of the administrative board of PRF include: the Chair of the Board who is the Minister, Ministry of Agriculture and Forestry. The Board has three vice chairs including Vice Minister of the Ministry of Planning and Investment, Vice Minister of the Ministry of Finance, and Vice Minister of the Ministry of Agriculture and Forestry. The PRF administrative board is responsible for:

- Select and recruit the PRF Executive Director in consultation with donor agencies;
- Endorse and review policies, rules and regulations, as well as the manual of operations;
- Endorse plans, financial disbursement and project progress reports;
- Mobilize funds to contribute to the CLEAR activities; and
- Resolve inter-agency issues at the national level.

87. In addition to project management function within MAF as to PMU of RPF, MAF also assume coordination and monitoring roles for CLEAR activities, especially at national level, through its Department of Planning and Finance. MAF also coordinate to obtain technical support from its Department of Rural Development on broad rural development strategy, and Cooperatives and Department of Technical Extension and Agro-Processing on agriculture and livelihoods development, including value chain and agricultural marketing.

### 6.2 Poverty Reduction Fund (PRF)

88. The PRF is responsible for developing and maintaining working relations and coordination activities with concerned sectors. These will be within the framework of the coordination agreements with sectors and in close cooperation with key departments of MAF (DPF/MAF and DRDC) at both central and local level. To facilitate coordination activities, PRF will hold quarterly technical meetings with relevant line ministries, and development partners.



### 6.3 Project Management Unit (PMU)

89. PMU is headed by the Executive Director (ED) who is selected and recruited by the administrative board in consultation with CLEAR donor agency. The Executive Director is entrusted with the overall management responsibility over the implementation of the CLEAR project, PMU staff, resources and offices. The executive director is accountable to the GOL through the PRF administrative board and to agencies that finance the CLEAR project implementation.

90. The Deputy Executive Director (DED) is selected and recruited by the executive director under the oversight of the PRF board and in consultation with donor agencies. S/he assists The Executive Director in day-to-day management of the CLEAR project and PMU staff, resources and offices. One of the main tasks of the deputy executive director is to closely supervise, review and monitor the implementation of project activities, and review and consolidate inputs for all project documents, including work plans, activity proposals, progress reports, and audit reports. The DED reports to the ED and will act in the absence of the ED and be accountable to the GOL through the PRF administrative board, and to donor agencies.

91. At central level, CLEAR PMU will be the PRF III AF, and they will mainly work and coordinate with the following ministries: Ministry of Finance, Ministry of Planning and Investment, Ministry of Health, Ministry of Public Works and Transport, Ministry of Education, Mass-based organizations (MBO), e.g.: Lao Women's Union (LWU), Lao Front for National Development (LFND), Lao Youth Union (LYU), Bank of Lao PRD covering Nayobai Bank (pro-poor policy)

92. **For ESMF Implementation:** One E&S specialist will be recruited to assist PMU central office for overall planning, subversion, implementation, capacity building/training, and compliance monitoring and reporting of implementation of the ESMF, ESCP and SEP. She or he will work for full time for first 2 years and intermittent for the remaining years. Some of her/his key roles are to (i) conducting trainings on the implementation of ESMF, SEP and ESCP for DIUs, VITs, SHGs and PGs; (ii) prepare ESMP and A-RPs (if needed) with technical support from DIU including training on the implementation of ESMP and A-RPs for DIUs and VITs; and (iii) conduct compliance monitoring and prepare Bi-Annual ESS Reports for WB.

#### 6.3.1 Provincial Coordinator

93. Under CLEAR project, in each of the six Project provinces, the Provincial Agriculture and Forestry Office (PAFO), or concerned provincial agency, will appoint a provincial coordinator who will coordination Project implementation in respective provinces. The Project Provincial Coordinator (PPC) is based in the capital of each project province (within the existing PRF provincial office), and is responsible for facilitating the operation of district teams. The PPC reports to the Provincial Vice-Governor and keeps the PAFO and relevant agencies informed of status of project implementation. The PPC will attend annual meetings, including the board



meeting held by the PMU or MAF and may be invited to attend some district meetings to discuss and provide strategic advice to resolve operational issues that may be emerging. The PPC is provided with back up technical assistance and hands-on support by a CLEAR Provincial Assistant (PPA), who is hired and contracted as a consultant and is based in the provincial office. The PPA will assist the PPC to collect, review and consolidate reports and data from the district offices and ensures that all progress reports and information from the district offices are submitted timely to the PMU.

### **6.3.2 District PMU or District Implementation Unit (DIU)**

94. District Implementation Unit (DIU) plays a key role in project implementation at district level. The district team work closely with, and support, the project's communities in day-to-day project implementation within the project district. The district teams is headed by a Project District Coordinator (PDC) who will be appointed by the District Agricultural and Forestry Office (DAFO), or succeeding agency. Key staff of district team includes District Coordinator, District Nutrition Officer, District Finance and Administration/ Microfinance Officer, District Assistant Engineer, Nutrition Young Graduate, and Livelihood Young Graduate. The PDC will report to the DAFO, District Vice-Governor and concerned line agencies on a regular basis (at least once per month). The PDC also reports to the PPC of the PAFO in quarterly meetings.

95. **For ESMF Implementation:** At district level, one full time E&S Officer (new graduate) per province will be recruited to assist DIUs in preparation of a ESMP for each village and supervision, implementation, monitoring and reporting on the ground. She/he will consolidate monthly progress reports prepared by VITs into ESS Quarterly Reports and submit to PMU central office for compiling into Bi-Annual ESS Reports for WB.

### **6.3.3 Village Level**

#### ***(a) Village Self-Help Management Committee (VSMC)***

96. VSMC is responsible for the day-to-day monitoring of livelihood and nutrition activities. On a weekly basis, the VSMC should record the volume of work completed under the different tasks, as well as the number of days worked by technicians and workers and the volumes of materials used or collected/supplied. Any payments made during the week should also be recorded. This information should be written down in the VSMC's Instruction and Site Logbook. When PRF staff visit the subproject, they can copy the data from the Instruction and Site Logbook. The VSMC will also be responsible for monitoring the work carried out by the workers, technicians and Community Supervisor.

#### ***(b) Village Implementation Team (VIT)***

97. In each village, a VIT will be established lead the implementation of an infrastructure subproject in their own village. Each VIT will be supported closely by CLEAR District Engineer (District Office) to ensure VIT can implement effectively E&S management for their subprojects (as described in Chapter 5). Members of VIT will be selected by the Village Self-Help Group



Management Committee (VSMC). It is required at least two third of the members on VIT be female. VIT will represent their community and is responsible for survey design, procurement, implementation/supervision, and operations and maintenance of the subproject.

### ***(c) Community Supervisor***

98. A Community Supervisor for an infrastructure subproject is appointed and contracted by VIT to assist VSMC to monitor various aspects of the infrastructure subproject. He will visit the subproject site at least two days a week but must be present on site at key time during the construction process to check if construction activities are carried out properly, quality is assured, and E&S management plan is implemented properly. The Community Supervisor will also identify and correct any defects at these key moments. The Community Supervisor will also provide capacity building to the VSMC members, and technicians and workers to be contracted by VIT for subproject construction.

## **6.4 Other Key Ministries**

99. The Project will also involve other ministries both at central and local levels. Key agencies are as follows:

- **Ministry of Planning and Investment (MPI).** As a governmental agency at ministerial level that advises the Government on investment planning and strategy, under this Project, MPI will coordinate the advisory and monitoring roles of relevant ministries (e.g. MAF, MOH, MOE) and ESCP compliance monitoring to ensure activities under CLEAR is consistent technically with other four WB financed projects that come under one convergence program that MPI<sup>19</sup> is administering.
- **The Ministry of Finance (MOF)** is the borrower and the formal point of contact between the Government of Lao PDR and the World Bank on all financial and legal matters for the credit and represents the Government of Lao PDR in discussions on these matters. MOF is expected to have reasonable capacity to deliver effectively, as it has implemented World Bank financed projects previously.
- **Ministry of Health (MOH).** As a ministerial agency that advises the Government on national health care and health development strategy, MOH will advise MAF (through CLEAR) methods and technical focus that allow CLEAR to achieve expected outcome on nutrition improvement among the target groups. The MOH will ensure the nutrition improvement approach – to be adopted under CLEAR, is consistent with that being applied under other WB financed project which is part of the WB’s Multi-Sector Convergence Approach to Reducing Malnutrition in Lao PDR.

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<sup>19</sup> The convergence program comprises of five projects, including Reducing Rural Poverty and Malnutrition; Health and Nutrition Services Access; Additional Financing to the Poverty Reduction Fund (III); Scaling-Up Water Supply, Sanitation, and Hygiene; Early Childhood Education; and the Learning and Equity Acceleration.



- **Ministry of Public Works and Transport.** The MPWT advised the project on strategic and technical advice on road standard design of tertiary roads which will be financed at village level under Project Component 1.

### 6.5 Agencies at Provincial and District Levels

100. In addition to the roles of relevant governmental agencies at provincial and district level (such as PAFO and DAFO – as mentioned in Section 6.2 above), other provincial agencies are expected to support the Project, primarily in the role of advisory, collaboration, follow-up support, and monitoring. These agencies include mass organization including Women’s Union, Lao Front for National Construction (LFNC), Lao Youth Union (LYU).

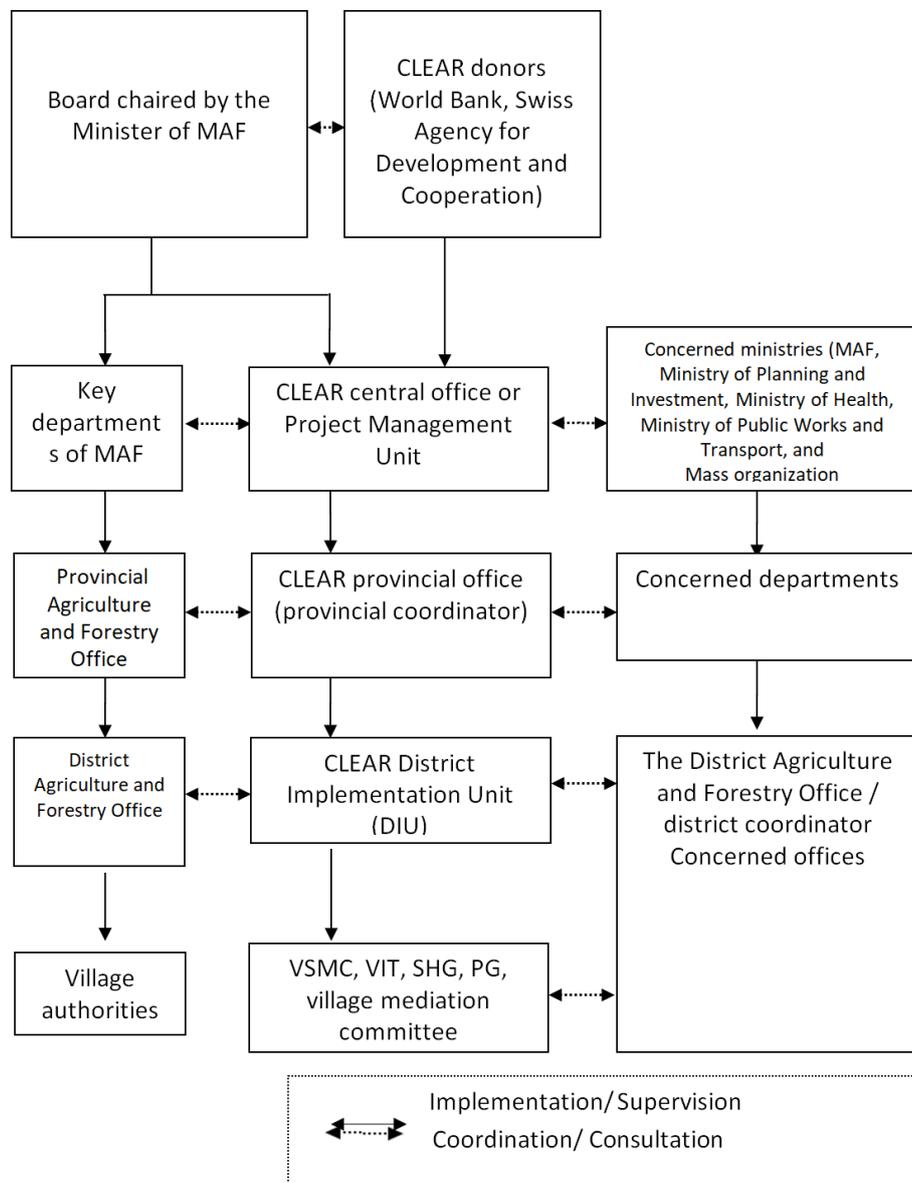


Figure 6-1 Oversight Arrangements for CLEAR Project



Community Livelihood Enhancement and Resilience Project (P178545)

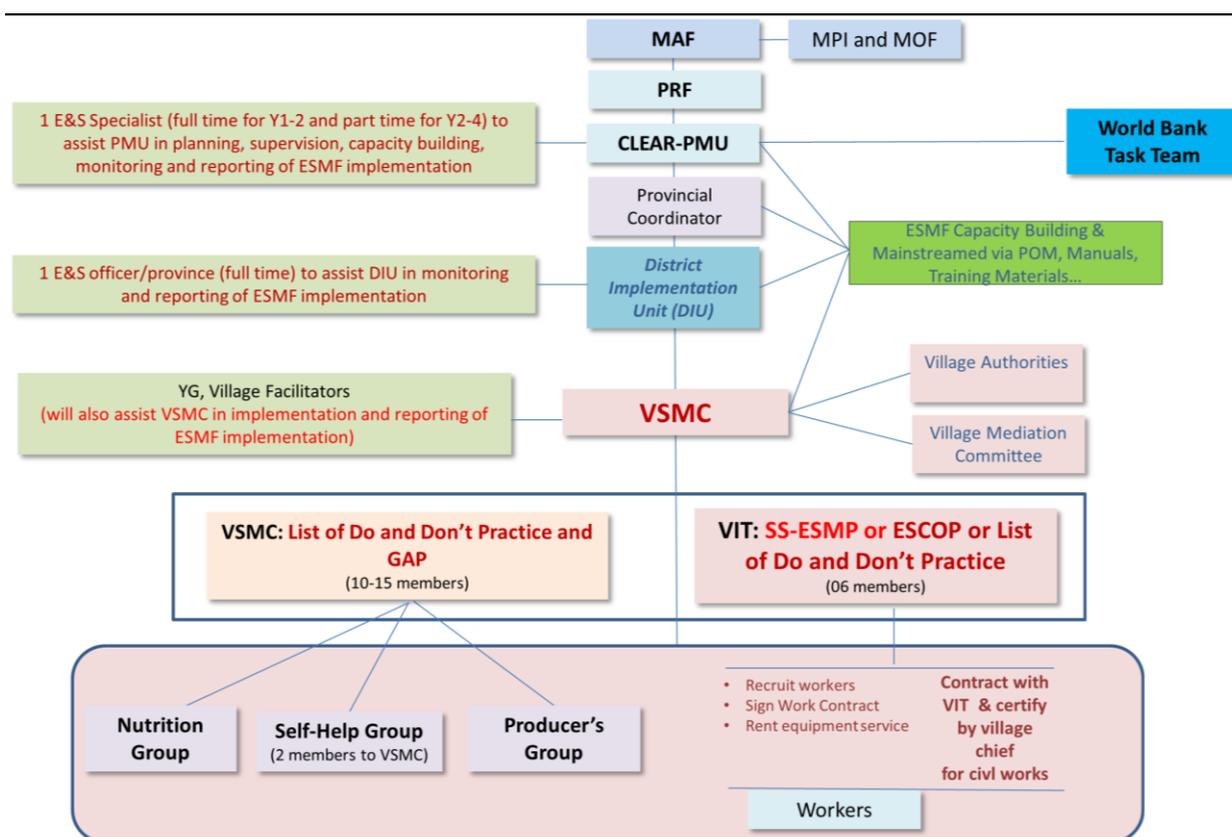


Figure 6-2 ESMF Implementation Arrangement

## 7 STAKEHOLDER ENGAGEMENT & INFORMATION DISCLOSURE

101. The objectives of the Stakeholder Engagement Plan are to:

- Offer opportunities for stakeholders to raise their concerns and submit their opinions, to incorporate this into the project when possible, and to provide this feedback to stakeholders.
- Create avenues for complaints handling and grievance management.
- Create opportunities for information sharing and disclosure.
- Foster strong project community relationships.
- Ensure meaningful consultation and the consideration of stakeholder's expectations and concerns into the implementation arrangements for the program, including feedback on environmental and social mitigation measures and their implementation.

102. In order to achieve this, the project will:

- Provide meaningful information in a format and language that is readily understandable.



- Provide information in advance of consultation activities when possible.
- Disseminate information in a manner and location easy for stakeholders to access it.
- Establish a two-way dialogue that gives the Project and stakeholders the opportunity to exchange views and information, and have issues heard and addressed.
- Ensure inclusiveness in representation of views, including those of women, the elderly people living with a disability, ethnic peoples, and other vulnerable people, as necessary.
- Ensure any obstacles to participation that are identified are removed so that views of different stakeholders can be obtained.
- Ensure there are clear mechanisms for responding to people's concerns, suggestions, and/or grievances.
- Incorporate feedback of stakeholders into project design, and report back to stakeholders.
- Monitor stakeholder engagement activities and include project stakeholders in monitoring to the extent possible.
- Incorporate stakeholder engagement as part of the Project management responsibilities of the EPFO, MPWT and MONRE, and ensure staff, especially the Environment and Social focal persons are equipped with specific responsibilities and budget.

103. The project has engaged stakeholders at various stages: during the initial design of landfill, and will continue during detailed design, prior to civil works commencing and during, and post-civil works. Engagement will vary in each stage of the project life. More details on stakeholder engagement please see the Stakeholder Engagement Plan as a stand-alone document. The SEP will be dynamic and flexible to changes throughout the project life. The SEP should be read together with other project documents (ESMF, ESCP, SS-ESMP, A-RP and ESCOP).

## **7.1 Consultations during Project Preparation**

104. Consultation workshop with PRF team was conducted 25 Nov 2022 and few times later with the key objective to assess capacity of PRF to manage ESF risks.

105. Key Informant Interviews (KII) with District Implementation Unit and Focused Group Discussion (FGD) have been carried during 9 to 11 January 2023 in selected villages including Ban Nong-Lae and PhaLin Village in Nonghed District, Xiengkhuang Province. The consultations were conducted as part of Rapid E&S Assessment exercise to collect data and information for preparation of E&S instruments.



106. The purpose of consultation was to a) solicit feedback from some selected key project stakeholders who have been participating in PRF III on the management of ES risk and impact; and b) use such feedback as lessons learned/ opportunities for enhanced project design under CLEAR through the promotion of equal opportunities for participation and inclusion by all target project beneficiaries as well as to be more effective and practical on ways to avoid and manage the risk related to environment, health, and safety especially those related to UXO and different types and locations of civil works. The Rapid ESA will also look in the contexts (i.e. how risks/opportunities apply to different groups of people – vulnerable including ethnic minorities; different priorities, how different groups (i.e. ethnic minorities) are socially structured etc.

107. Feedback, recommendations, and concerns raised during the KII and FGD have used to refine the identification of potential risks, and impacts (both positive and adverse), validate key assumptions and improve risk mitigation measures proposed in this ESMF and SEP. These processes were also used to ensure that the ESMF is known to stakeholders. More details of the KII and FGD results with list of Participants are provided in the RESA report and the Project's SEP.

108. The draft ESF instruments (ESCP, ESMF, SEP, LMP, and RPF) was disclosed on 14 March 2023 and hosted a national consultation workshop on 30 March 2023 where broad and extensive stakeholders from entire the country were invited to express their views through various communication tools (email, WhatsApp, phone, SMS and joined workshop physically and/or virtually). The national consultation was organized in two modes (face-to-face and virtual formats) with the objective to better understand project activities, project design, types of potential environmental and social risks and proposed management instruments. The Workshop allowed the project to:

- Consult with and collect feedback from participants on the draft E&S instruments,
- Provide stakeholders with opportunities to express their views on project risks, impacts, and mitigation measures proposed in the draft E&S instruments;
- Allow the project to consider and respond to questions and concerns raised by participants; and
- Foster better understanding and application of the ESF instruments.

109. There were about 150 people joined the Workshop, of which more than 90 people joined virtually (See list of Participants in SEP). These participants include (i) Departments within MOFA, (ii) various government line agencies at the Central, provinces and district levels, especially those which are located in the six project provinces, (iii) private sector development, (iv) development partners, (v) representative of villages and ethnic groups, and (vi) students who came to learn from and observed the workshop as part of their practical training, The issues and concerns raised by the stakeholders (detail information is included in SEP) were collected and incorporated in the development of the ESF instruments as well as project design



as some of the concerns raised were related to technical implementation of the project (e.g. adding some project activities, adding district, creating village models, etc).

110. Key discussions points raised by different stakeholders, including key decision-makers from various departments within the MOAF and other key stakeholders from the central, potential targeted provinces, districts and villages have helped the design of project engagement strategies that are suitable in the local context of the Lao PDR, specifically relative to the context of community livelihood development and resilient building.

111. The environmental and social risks discussed are mostly related to rural access road conditions, rural ethnic groups labour and income/earning support, cultural and languages differences due to project scope that covered rural areas where ethnic groups reside. The E&S instruments have efficiently incorporated these concerns in ESMF, SEP, LMP and RPF. Other relevant concerns which are raised and required project to address include provisions of (i) insurance coverage (health safety and security) for field staff, young graduates (staff that are planned to hire by the project to facilitate project activities at the village level), village workers (villagers which will be hired for lead/facilitate project activities lead sell-help groups, nutrition groups, etc.), and (ii) special treatment toward young women workers (whether she is a young facilitator/or a village-lead groups) who are pregnant. The pregnant women should be not travelling in a bad road condition where she might risk miscarriage. These issues were unable to address at the workshop and they have been forwarded to the project management team for further addressing in its project design in the processing of project negotiation.

112. Other issues, which are not directly related to the Project caused risks, are also raised and discussed (e.g. natural disasters-flood, wildfire, drought, emergency repose, animals' diseases, seasonal diseases outbreak, misuse of chemical/pesticide/herbicide). While the Project has incorporated these concerns to its risks management and provided some guidance, for instance, under its SS-ESMP, ESCOP and GAP, these risks are responsibilities by different sectors and thus the management plans are also required good collaboration from different stakeholders.

113. The SEP includes full details of the consultations carried out during project preparation, including concerns/comments and should be read together with this ESMF.

## **7.2 Consultations during Project Implementation**

114. Stakeholders will be kept informed as the project develops, including reporting on project environmental and social performance and implementation of the stakeholder engagement plan and grievance mechanism. The site specific ES instruments will also be disclosed and consulted on site with local communities. The CLEAR shall report bi-annually to the public before and during construction when the public may experience more impacts and annually during implementation. Consultations on specific activities (ESMPs and A-RP) shall be undertaken. More details are provided in SEP.



### 7.3 Reporting Back to Stakeholders

115. The Stakeholder Engagement Plan will be periodically revised and updated as necessary in the course of the CLEAR implementations in order to ensure that the information presented herein is consistent and is the most recent, and that the identified methods of engagement remain appropriate and effective in relation to the project context and specific phases of the development. Any major changes to the project related activities and to its schedule will be duly reflected in the SEP.

## 8 GRIEVANCE REDRESS MECHANISM

116. A Grievance Redress Mechanism (GRM) will be established, as required by the WB's ESS10. Specifically, the project's grievance redress procedures are expected to:

- Address concerns promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all project-affected parties, at no cost and without retribution. The mechanism, process or procedure will not prevent access to judicial or administrative remedies. PRF will inform the project-affected parties about the grievance process in the course of its community engagement activities, and will make publicly available a record documenting the responses to all grievances received;
- Handle grievances in a manner that is culturally appropriate and is discreet, objective, sensitive and responsive to the needs and concerns of the affected people. The mechanism will also allow for anonymous complaints to be made and addressed.

The project's grievance mechanism will include:

- Different ways in which users can submit their grievances, which may include submissions in person, by phone, text message, mail, email or via a web site;
- A log where grievances are registered in writing and maintained as a database;
- Procedures is publicly announced, setting out length of time complainants can expect to wait for acknowledgement, response and resolution of their grievances;
- Transparency about the grievance procedure, governing structure and decision makers; and
- An appeals process (including the national judiciary) to which unsatisfied grievances may be referred when resolution of grievance has not been achieved.
- An option where complainants who are not satisfied with the proposed resolution could seek resolution through mediation.

117. The GRM seeks to resolve concerns promptly, using an understandable process that is culturally appropriate and readily accessible at no cost. Grievances can be submitted if someone believes the Project is having a detrimental impact on the community, the



environment, or on their quality of life. Stakeholders may also submit comments and suggestions.

118. The PMU will be responsible for receiving and resolving in a fair, objective, and constructive manner, all concerns or complaints raised in related to the Project. Their broad responsibilities of the grievance management include:

- Developing and publicizing the grievance management procedures.
- Receiving, reviewing, investigating, and keeping track of grievances.
- Adjudicating grievances.
- Monitoring and evaluating fulfillment of agreements achieved through the grievance mechanism.

119. More details on GRM provided in SEP.

## 9 MONITORING AND EVALUATION, AND REPORTING

120. The purpose of E&S monitoring, and evaluation (at specific time interval) is to evaluate if E&S implementation under the project, particularly those at subproject/village level, is in compliance with the principles and requirements set forth in subproject's ESMP, and in line with project's ESMF. MAF is responsible for overall monitoring and evaluation of E&S implementation process of the Project whereas PMU is in charge of day-to-day E&S monitoring and evaluation of project activities at provincial, district and village levels.

121. Monitoring carried out by PMU will cover all E&S risks and impacts identified in site-specific subprojects, including other project activities at provincial and district levels, and in line with E&S risks and impacts, including mitigation measures, proposed in project's ESMF. PMU will monitor how the identified E&S risks and impacts are avoided, or minimize/mitigated by relevant project stakeholders, particularly VIT (who is directly responsible for implementation of infrastructure subproject at village level), and by other committees established to support project implementation at village level such as village self-help management committee, village mediation committee, village development committees, self-help groups and producer groups.

122. To build E&S capacity and to promote the ownership of project activities for local people at the village level, VSMC monitoring of E&S issues is adopted for this project – as part of CDD project implementation approach. This is also because of the small-scaled infrastructure at village level which could be handled by community members and local skilled workers how will be trained under the project prior to commencing the E&S monitoring and evaluation.

123. At project level, PMU who is staffed with E&S officers (at central, provincial and district level) will conduct regular E&S monitoring and evaluation of E&S screening, implementation, and management at subproject/village level. PMU will prepare and submit quarterly E&S



monitoring reports, as part of PMU's Project Progress Report, to the WB (See Annex 7A for proposed monitoring measures and Annex 7B for Bi-Annual E&S Monitoring Template). Monitoring of E&S implementation will be vis-à-vis E&S mitigation measures that are described for each of subproject's ESMP and as approved by PMU's provincial office.

124. Quarterly monitoring reports from the PRF district will include:

- List of consultations held, including locations and dates, name of participants and occupations.
- Main points arising from consultations including any agreements reached.
- Performance on GRM implementation including record of grievance applications and status of grievance addressed and pending.
- Monitoring data on environmental and social measures detailed in the ESMPs and/or other applicable reports.
- Assessment of compliance with E&S measures in accordance with the ESMP covering SS-ESCOP, SEP including GRM, and LMP including COC on SEA/SH and VAC).
- Number of trainings of community groups and workers in environmental and social issues (if any).

125. The PRF PMU will prepare a consolidated six-month monitoring report and submit to the WB which in addition to the above data will include:

- Number of national, regional, and/or provincial staff and counterparts trained on ESF compliance.
- Number of ESMPs/other plans prepared and number cleared by WB.
- Number of technical recommendations provided during supervision and monitoring that has been implemented.

126. These reports will be filed to permit easy retrieval and indicators will be incorporated into the Project M&E system.

127. Monitoring will also cover grievance redress, implementation of SEP (if necessary), and implementation of the SEP. Monitoring of environmental and other social impacts should focus on ensuring that all environmental and social mitigation measures are implemented as per the ESMP covering SS-ESCOP, LMP and COC on SEA/SH and VAC).

128. Data should be gender-disaggregated as much as possible. How and when monitoring indicators will be measured should be defined in the ESCOP and other relevant plans.

129. Monitoring and evaluation of the social impacts should at least measure the following:

- Impacts and benefit sharing with Ethnic Groups if applicable as per the SEP



- Number of women working on the subproject;
- Number of training sessions/courses provided to women and vulnerable groups, and the impacts of these trainings (i.e. whether knowledge on a topic was enhanced, on HIV/AIDS or Covid-19 for example);
- Number of trainings conducted with translation into relevant ethnic languages.
- Efficacy of the grievance redress mechanism (for the community and for workers);
- Incidence of SEA/SH and VAC and whether community members feel grievance redress methods are appropriate;
- Age of workers and that all workers have contracts in place with adequate pay that is at least the minimum wage;
- Training provided to workers, use of PPE and other LMP related aspects
- Other monitoring indicators as may be described in the ESMP or other related project documents.

130. **Accident Reports:** Reports of the circumstances of any significant accident occurring during the implementation will be promptly informed by the PRF PMU to the World Bank within 48 hours. Specific reports related to the incident will be prepared and submitted as required by the WB. PRF PMU will follow the WB's ESIRT guidelines in processing and reporting the incidents by conducting root cause analysis, corrective action plans including recommendations to avoid future incidence, as well as monitor and audit implementation of agreed recommendations. Please see Annex 7C Accident Reporting Procedure and Form.

## 10 COSTS AND BUDGET

131. ESMF implementation cost will include the cost for implementation of this ESMF including staff costs, ESMF training, GRM, travel for field work monitoring. The total indicative budget is estimated at US\$459,400 (Table 10-1). This budget is NOT including budget for compensation and resettlement, UXO clearance, accident, workers' health insurance, IEE preparation (if needed) and budget for implementation of SEP and specific mitigation measures in the SS-ESMP and ESCOP which will be included in the component budget.



**Table 10-1 Estimated Budget for the ESMF Implementation**

No.	Description	Notes	Total (US\$)
<b>1</b>	<b>E&amp;S Consultant</b>		<b>276,000</b>
1.1	One qualified E&S Specialist	Full time for first 2 years and intermittent for the remaining year	108,000
1.2	Seven (7) District E&S Officers (new graduates)	One full time per province (or two districts)	168,000
<b>2</b>	<b>Capacity building</b>		<b>70,000</b>
2.1	Training and capacity building on the implementation of E&S instruments		70,000
<b>3</b>	<b>Implementation of SEP including GRM</b>		<b>21,000</b>
3.1	GRM implementation	Development of GRM tools, training and grievance redress process)	21,000
3.2	SEP	Included in budget for Component budget	
<b>4</b>	<b>Monitoring and Evaluation of ESMF (ESMP, ESCOP, and SEP including GRM)</b>		<b>92,400</b>
4.1	PMU level – E&S Specialist	2 times/year x 7 provinces x 4 years	57,400
4.2	District monitoring level	Monthly monitoring: 10 days per month per district (14 districts)	35,000
<b>Total</b>			<b>459,400</b>



## ANNEXES

[Please see Volume II of this ESMF for the Annexes]

- Annex 1A: Environmental and Social Baseline of the Six CLEAR Provinces
- Annex 1B: Description of Relevant National E&S Legal Frameworks
- Annex 2A: Negative List
- Annex 2B: E&S Screening and Scoping Form
- Annex 3A: Guideline and Template for SS-ESMP
- Annex 3B: Environmental and Social Codes of Practices (ESCOP)
- Annex 3C: A List of Do and Don't Practices
- Annex 3D: Good Agriculture Practices
- Annex 4: Labour Management Procedures (LMP)
- Annex 5: Resettlement Policy Framework (RPF)
- Annex 6: Contingent Emergency Response Component (CERC) Manual
- Annex 7A: Proposed Monitoring Measures and Indicators
- Annex 7B: Bi-Annual E&S Monitoring Report Template
- Annex 7C: Accident Reporting Procedure and Form
- Annex 8: Rapid E&S Assessment Report