



Stakeholder Engagement Plan

Dak Drinh Hydropower Plant Project

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CONTENTS

1.	INTRODUCTION	4
1.1	Background.....	4
1.2	Objectives.....	5
1.3	Applicability.....	5
1.4	Structure of the Report	5
2.	CRITERIA AND PERFORMANCE REQUIREMENTS.....	6
2.1.	National Regulations.....	6
2.1.1	Stakeholder Engagement	6
2.1.2	Grievance Mechanism	6
2.2	AIIB's ESP requirements	7
3.	STAKEHOLDER ANALYSIS	9
3.1	Stakeholder Identification.....	9
3.2	Stakeholder Categorisation.....	9
3.3	Ranking of Stakeholder's Interest and Influence.....	9
3.4	Stakeholder Engagement Strategies	14
4.	STAKEHOLDER ENGAGEMENT TO DATE.....	15
4.1	Stakeholder engagement as per Vietnamese regulation	15
4.2	Stakeholder Engagement during the LARC and IPP development.....	15
5.	GRIEVANCE PROCEDURE	18
5.1	Existing Complaint Procedure of Local Authority	18
5.2	Existing Grievance Procedure of Local Authority	18
5.3	Grievances Procedure Used by Local Communities.....	18
5.4	Grievance Procedure Suggested for the Project.....	19
5.4.1	Need for a Grievance Procedure	19
5.4.2	Grievance Procedure Overview	19
6.	INDIGENOUS PEOPLE AND ENGAGEMENT REQUIREMENTS	22
6.1	Identification of Indigenous Peoples in the Project	22
6.2	Consultation & Information Disclosure requirements	22
7.	FUTURE ENGAGEMENT PLAN.....	23
7.1	Future Engagement Activities	23
7.2	Stakeholder Log.....	27
8.	RESOURCES AND BUDGET	28
8.1	Resource	28
8.2	Budget	28
9.	MONITORING AND REPORTING	30

List of Tables

Table 1	Stakeholder Analysis (at the time of reporting)	11
Table 2	Summary of Stakeholder Engagement for LARC and IPP development	15
Table 3	Stakeholder Concerns	17
Table 4	Summary of engagement activities suggested for the Project	24
Table 5	Suggested Roles and Responsibilities for the SEP Implementation	28
Table 6	Proposed Budget for the SEP Programs for the First Three Year (million VND)	29
Table 8	Frequency of Internal Monitoring and Reporting on Stakeholder Engagement and Grievance Management.....	30

List of Figures

Figure 1	Project Location and Resettlement Sites	4
Figure 2	Stakeholder Mapping Matrix	10
Figure 3	Stakeholder Engagement Strategies	14

Acronyms and Abbreviations

Name	Description
AIIB	Asian Infrastructure Investment Bank
AHs	Affected Households
APs	Affected Persons
CSR	Compensation, Support and Resettlement
ESF	Environmental and Social Framework
ESP	Environmental and Social Policy
ESS	Environmental and Social Standards
HH	Household
IP	indigenous Peoples
IPP	indigenous Peoples Plan
LAR	Land Acquisition and Resettlement
LARC	Land Acquisition and Resettlement Completion
PC	People's Committee
PPC	Provincial People's Committee
SEP	Stakeholder Engagement Plan
VND	Vietnam Dong (Vietnamese Currency)

1. INTRODUCTION

1.1 Background

This report is a Stakeholder Engagement Plan (SEP) developed for Dak Drinh Hydropower Plant Project (hereinafter as “the Project”). The Project was built and currently being operated by Dak Drinh Hydropower Company (hereby as “DHC” or “the Project Owner”), a subsidiary of PV Power Group.

Dak Drinh Hydropower Plant (HPP) Project is built on the Dak Drinh river and located in two central provinces of Quang Ngai and Kon Tum of Vietnam. The HPP consists of two units with total installed capacity of 125 MW and annual average output of 527.6 million kWh. The project construction commenced in January 2011 and was officially in commercial operation in August 2014.

To create the Project site, site clearance activities including land acquisition and resettlement (LAR) were undertaken by the Government of Vietnam (GoV) as governed in the Land Law 2003 and superseded by Land Law of 2013. A high-level resettlement plan with costing was developed by the Sponsor and its consultant (Power Engineering Consulting J.S Company 2 (PECC2)) from 2005 to 2007 as part of the Project Feasibility Study. The LAR commenced from 2008 and is considered almost completed in 2016. Six communes in two provinces were affected by the LAR including: Dak Rin, Dak Nen commune of Kon Plong District, Kon Tum Province, and Son Tan, Son Dung, Son Long, Son Lien of Son Tay District, Quang Ngai Province. Eight resettlement sites (RSs) and five resettlement agriculture areas (RAs) were developed to accommodate physically and economically displaced affected people (APs). The Project location and its surrounding area including resettlement sites (RSs) are shown in Figure 1:



Figure 1 Project Location and Resettlement Sites

Source: Land Acquisition and Resettlement Audit survey, 2021

Stakeholders are those persons or organisations interested in, capable of influencing or affected by, the proposed development, involved in highlighting opportunities, risks and issues of concern.

Stakeholder engagement includes proactive communication with the public and other stakeholders through effective consultation and disclosure that is an integral part of project development. Engagement, therefore, assists the project team in considering locally relevant conditions and opinions rather than imposing incompatible designs onto an environment that is potentially socially and environmentally sensitive.

The Project is expected to be financed by the Asian Infrastructure Investment Bank (herein refer as “AIIB” or “the Bank”). AIIB, in its Environmental and Social Framework (ESF) (approved February 2016 and amended February 20219 and May 2021) highlights that “transparency and meaningful consultation are essential for the design and implementation of a Project” and therefore assert the importance of stakeholder identification, consultation, information disclosure and grievance redress during the process of project development.

This report serves as a living document detailing stakeholder mapping and engagement undertaken to date and future engagement activities to be conducted by the Project Owner to ensure on-going stakeholder engagement and appropriate grievance redress mechanism to be executed through various stages of the Project’s life cycle.

1.2 Objectives

The objectives of stakeholder engagement are to:

- Identify all the interested and affected parties (IAPs) of the Project,
- Identify the methods, timing and structures through which to share project information, and to ensure regular, accessible, transparent and appropriate consultation to IAPs,
- Identify the interests, concerns and needs of IAPs;
- Manage IAPs’ expectations through negotiation;
- Form partnership to promote constructive interaction amongst all parties; and
- Fulfil national and international requirements for consultation.

1.3 Applicability

This Stakeholder Engagement Plan is developed for the current Project design and capacity and is designed to facilitate information disclosure, consultation and participation, grievance redress mechanism including indigenous peoples located within the project area. The plan outlines the project provisions with regards to engaging with the community and also receiving feedback during the project operation.

1.4 Structure of the Report

This report includes the following sections:

- Section 1 – Introduction,
- Section 2 – Criteria and Performance Requirements,
- Section 3 – Stakeholder Analysis,
- Section 4 – To Date Stakeholder Engagement,
- Section 5 – Grievance Procedure,
- Section 6 – Indigenous People and Engagement Requirements,
- Section 7 – Future Engagement Plan;
- Section 8 – Resources and Responsibilities;
- Section 9 – Monitoring and Reporting.

2. CRITERIA AND PERFORMANCE REQUIREMENTS

The SEP is a component of the Environmental and Social Management Plan (ESMP) that will guide the Project's implementation through the next operation and decommissioning phases. Vietnamese regulations require public consultation to be conducted at the Environmental Impact Assessment (EIA) stage, whilst both the AIIB's ESS1 highlight the need for ongoing and appropriate communication and information disclosure between the developer and stakeholders through all stages of a project's lifecycle.

Based on the preliminary environmental and social review, this Project is classified as Category A project in accordance with the AIIB categorisation system. Category A are project activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented. Therefore, the following sections will discuss the Vietnamese regulations and AIIB's ESS requirements in relation to stakeholder engagement and grievance management specified for Category A project.

2.1. National Regulations

2.1.1 Stakeholder Engagement

Decree No. 18/2015/ND-CP dated 14th February 2015 on Strategic Environmental Assessment, Environmental Impact Assessment and Environmental Protection Commitment stipulates that community consultation is a compulsory item in the EIA process and must meet the following criteria:

With authorities: The Project Owner shall send a local EIA report to the People's Committee of the communes where the project is located and the directly affected organisations (e.g. manufactories, co-operatives) together with a written request for opinions of the authorities and organisations. These opinions will be stated in the Public Consultation chapter of the local EIA.

With communities: Consultation with the directly affected communities shall be carried out in the form of a community consultation meeting co-chaired by the project owner and the Fatherland Front and People's Committee of the commune where the project is located. All opinions of audiences attending the meeting must be sufficiently and honestly stated in the meeting minutes. These opinions and meeting minutes then will be described in and attached with the local EIA. Separate community consultation meetings are sometimes conducted for different affected communes.

2.1.2 Grievance Mechanism

The Law on Grievance 2011 issued by the National Assembly on the 11th November 2011 and taken into effect from the 1st of July 2012 shows that the raising of grievances and the settlement of grievances must comply with the law and ensure objectiveness, transparency, democracy, and timeliness. In specific, it provides the framework for grievances and the settlement of grievances against administrative decisions or acts of state administrative agencies; or competent persons in these agencies, grievances and the settlement of grievances. These grievances related to disciplinary decisions against cadres; or civil servants, and reception of citizens, management and supervision of complaint settlement work.

Circular No. 07/2014/TT-TTCP issued by the Government Inspectorate on the 31st of October 2014 and taken into effect on the 15th of December 2014 prescribes the process of receiving, categorising, investing, and resolving community grievances.

The Law on Administrative Procedures 2015 issued by the National Assembly on the 25th of November 2015, and taken into effect on the 1st of July 2016, prescribes the fundamental principles in administrative procedures; tasks, powers, and responsibilities of procedure-conducting agencies and persons. It also provides rights and obligations of procedure participants and related agencies, organisations, and individuals. Besides, it contains the order and procedures for instituting lawsuits,

settling administrative cases, executing administrative judgments and settling complaints, and denunciations in administrative procedures.

The Civil Procedure Code 2015 issued by the National Assembly and taken into effect on the 1st of July 2016, provides the basic principles in civil proceedings. It also contains; the order and procedures for initiating lawsuits at the People's Court to settle civil cases such as marriage and family, business, trade, and labour, including grievances on environmental pollution between individuals and organisations.

There is no specific legal procedure in Vietnam on how to collect and address grievances raised with respect to land acquisition after the compensation has been completed. A grievance procedure has been developed for the Project to receive and resolve Project related grievances. More details can be found in Section 5.

2.2 AIIB's ESP requirements

The AIIB's ESP of 2021 consolidates the following requirements on information disclosure, consultation and grievance redress mechanism:

Information disclosure

The Bank requires the Client to disclose environmental and social information in accordance with ESS1. In addition, to further enhance access to the environmental and social information related to Projects, the Bank also discloses the Client's documentation at time timeline as specified in Section 65 of ESP.

As early as feasible, disclose the following environmental and social information:

- Draft environmental and social assessment reports and the documents required to complement these reports (including the ESIA, ESMP, ESMPF, LARP/LAP/RP, RPF/LARPF/LAPF, IPP, IPPF, and/or other Bank-approved form of documentation),
- Information on GRM,
- Final Environmental and Social Documentation. Disclose final versions of the above reports, documents and information, and any updates to them,
- Any material changes to the disclosed environmental or social information for the Project,
- Environmental and Social Monitoring Reports, and
- Bank Signage at Project Site.

Consultation

The consultation covers Project design, mitigation and monitoring measures, sharing of development benefits and opportunities on a Project-specific basis, and implementation issues. The Bank requires the Client to engage in meaningful consultation with stakeholders during the Project's preparation and implementation. The Bank requires the Client to include a record of the consultations and list of participants in the environmental and social assessment documentation

Meaningful consultation is an interactive process to provide information and facilitate informed decision-making that:

- a. begins early in the preparation stage of the Project to provide accurate information on the proposed Project, minimize misinformation and unsupported expectations, and obtain initial views on the Project,
- b. is carried out on an ongoing basis throughout the implementation and life cycle of the Project,
- c. is designed so that all relevant parties have a voice in consultation, including national and subnational governments, the private sector, nongovernmental organizations and people affected by the Project, including, as applicable, Indigenous Peoples,

- d. provides additional support as needed so that women, elderly, young, disabled, minorities and other vulnerable groups participate,
- e. provides timely disclosure of relevant and adequate information, including availability of the Project's GRMs and of the PPM or other Bank-approved IAM, which is understandable and readily accessible to the people affected by the Project and other relevant stakeholders,
- f. is undertaken in an atmosphere free of intimidation or coercion
- g. is gender sensitive, inclusive, accessible, responsive, and tailored to the needs of vulnerable groups; and
- h. enables the consideration of relevant views of people affected by the Project and other concerned stakeholders in decision-making.

Free, Prior and Informed Consultation (FPICon) with Indigenous Peoples

The Bank requires the Client to engage in FPICon with and obtain the broad support of the affected Indigenous Peoples communities if activities under the Project would: (a) have impacts on land and natural resources subject to traditional ownership or under customary occupation or use; (b) cause relocation of Indigenous Peoples from land and natural resources subject to traditional ownership or under customary occupation or use; or (c) have significant impacts on Indigenous Peoples' cultural resources. In these circumstances, the Bank requires the Client to engage suitably qualified and experienced independent experts to assist in the identification of these activities' risks to and impacts on Indigenous Peoples.

Project-level Grievance Redress Mechanism.

The Bank requires the Client to establish, in accordance with the ESP and applicable ESSs, a suitable Project-level GRM to receive and facilitate resolution of the concerns and complaints of people who believe they have been adversely affected by the Project's environmental or social impacts, and to inform Project-affected people of its availability.

The GRM is scaled to the risks and impacts of the Project. The GRM:

- a. may utilize existing formal or informal complaint-handling mechanisms, provided that they are properly designed and implemented, and deemed by the Bank to be suitable for the Project (these may be supplemented, as needed, with Project-specific arrangements),
- b. is developed in such a manner that it does not impede access to other judicial or administrative remedies that might be available under law or through existing arbitration or mediation procedures,
- c. is designed to address affected people's concerns and complaints promptly, including gender-related concerns and complaints relating to GBV, using an understandable and transparent process that is gender sensitive, culturally appropriate and readily accessible to all affected people,
- d. includes provisions: (i) to protect complainants from retaliation, grant them confidentiality and enable them to remain anonymous, if requested; and (ii) to protect those who defend the rights of complainants to make such complaints,
- e. provides for maintenance of a publicly accessible case register and reports on grievance redress and outcomes, which are disclosed in accordance with the applicable ESS; and
- f. is required to be operational by the time implementation of the relevant Project

3. STAKEHOLDER ANALYSIS

3.1 Stakeholder Identification

During the recent stakeholder engagement, a list of stakeholders was developed by taking into account the following consideration:

- Potential Project's impacts during its life cycle, with focus on the operational phase,
- Type of stakeholder engagement mandated by laws and Project standards,
- Potentially people / organizations (directly and indirectly) affected by potential impacts in the Project's area of influence; and
- Vulnerable groups¹ required special engagement efforts.

3.2 Stakeholder Categorisation

After stakeholders had been identified and grouped, the stakeholders were categorised based on their concerns on the Project development activities. These include:

- **Environmental** – this includes alteration of current environmental baseline conditions such as emissions and local air quality, elevated noise/ disturbance levels, damage and depletion to ecological systems, generations and disposal of waste and reduction in aesthetic value of the environment, changes in resources availability, electromagnetic interference;
- **Social** – this includes economic displacement due to land acquisition, livelihoods, agricultural activities, impacts on water, community health and safety, employment of temporary/local/foreign workforce, labour safety, right of way, visual impacts, impacts of shadow flicker, utility requirements, infrastructure requirements, materials supply, etc.; and
- **Technical** – this includes feasibility, traffic safety, emergency preparedness, knowledge sharing, project management issues, etc.

3.3 Ranking of Stakeholder's Interest and Influence

To define stakeholder relationships, vulnerability, and interest in and influence on Project activities, stakeholders were assessed and mapped. Mapping was done according to influence, interest and the degree of potential impact based on the stakeholder mapping matrix as demonstrated in Figure 2.

Since the interest and influence of the stakeholder and list of stakeholders may be changed over the course of Project development, the stakeholder analysis should be updated to reflect the change.

¹ Vulnerable households are defined as meeting at least one of the following criteria:

- Poor or near-poor households certified by the Government;
- Female-headed households;
- Households with orphans or abandoned children;
- Households with an elderly person above the age of 60 living alone;
- Households with an elderly person from 80 years old without social welfare or insurance;
- Households with a physically disabled member;
- Households with a mentally disabled member incapable of work;
- Households with a member with HIV/AIDS and unable to work;
- Households with a single parent from a poor household who are raising children under the age of 16, or children aged 16-18 and attending school; and
- Households with an illiterate breadwinner.

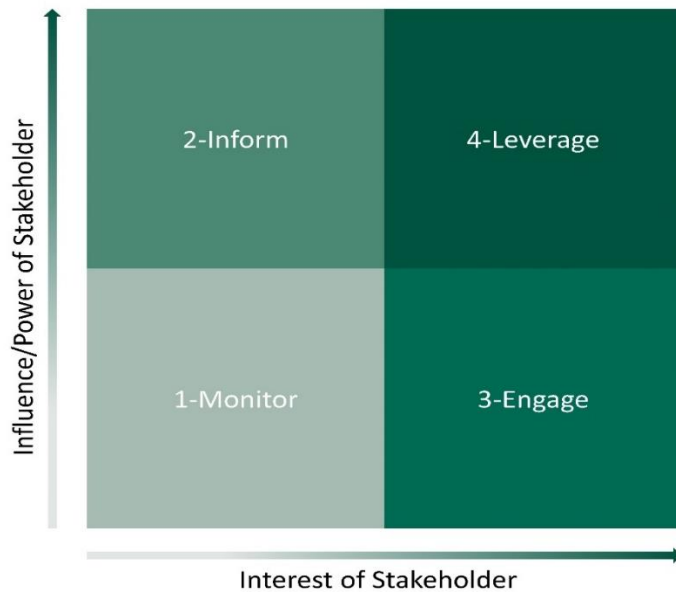


Figure 2 Stakeholder Mapping Matrix

The stakeholder mapping matrix is a tool which assists in identifying where stakeholders stand depending on their influence and interest. The influence and interest of stakeholders can be classified as low or high.

A definition of each group based on the stakeholder mapping can be summarised as follows:

1. **Monitor:** low influence and low interest. Typically, this group includes those who have limited interest and influence on the Project including the media and non-governmental organisations (NGOs).
2. **Inform:** high influence and low interest. From an impact assessment perspective, these are stakeholders that have the potential to influence Project outcomes but may not have a specific interest in impact assessment related issues. Stakeholders in this group should be kept informed on the progress of the Project development and usually include statutory consultees.
3. **Engage:** low influence and high interest. This group is also an important group and includes those groups or organisations that are not adversely affected, but whose interests determine them as stakeholders. As such, this group should be kept engaged and the Project should maintain an open channel of communications with this group throughout Project phases. Typically this group would include local communities not directly affected by the Project and authorities who have limited influence on the Project.
4. **Leverage:** high influence and high interest. This group of stakeholders is often the most important to the Project as they have the ability to influence Project outcomes and also have a high level of interest in aspects of impact assessment. Stakeholders in this group should be engaged throughout the ESIA, and for many of these stakeholders beyond the ESIA and during Project life cycle. This group of stakeholders would typically include statutory approval bodies and affected communities.

The results of stakeholder identification and categorisation are summarised in Table 1.

Table 1 Stakeholder Analysis (at the time of reporting²)

Categories	Stakeholders	Concerns			Influence	Interest	Level of Influence and Interest
		Environment	Social	Technical			
Local communities	Communities who are physically and economically displaced by the land acquisition of the Project (including Project site and resettlement sites)	✓	✓		High	High	4-Leverage
	Local communities in the Project's proximity (Dak Rin, Dak Nen commune of Kon Plong District, Kon Tum Province, and Son Dnung, Son Long, Son Lien, Son Tan communes of Son Tay District, Quang Ngai province) and the downstream area (Son Tay Disitrct) who may receive any impact from the Project's operational activities	✓	✓	✓	High	High	4-Leverage
Government and local government bodies	<i>National Authorities</i>						
	Ministry of Industry and Trade	✓	✓	✓	High	Low	2-Inform
	Ministry of Natural Resources and Environment	✓	✓	✓	High	Low	2-Inform
	<i>Provincial Authorities</i>						
	People Committee (PC) of Kon Tum Province	✓	✓	✓	High	High	4-Leverage

² Since the Interest and Influence of the stakeholder and list of stakeholder will be changed over the time of the Project development, the stakeholder analysis should be updated to reflect the change.

Department of Natural Resources and Environment (DoNRE) of Kon Tum Province (Kon Tum DoNRE)	✓	✓	✓	High	High	
Department of Industry and Trade (DoIT) of Kon Tum Province	✓	✓	✓	High	High	
Department of Agriculture and Rural Development (DARD) of Kon Tum Province (Kon Tum DARD)	✓	✓		Low	High	3-Engage
PC of Quang Ngai Province	✓	✓	✓	High	High	4-Leverage
DOIT of Quang Ngai Province	✓	✓	✓	High	High	
DoNRE of Quang Ngai Province	✓	✓	✓	High	High	
DARD of Quang Ngai Province	✓	✓		Low	High	3-Engage
<i>District Authorities</i>						
PC of Kon Plong District	✓	✓	✓	High	High	4-Leverage
PC of Son Tay District	✓	✓	✓	High	High	
Management Board of Investment and Construction Projects of Son Tay District		✓	✓	Medium	High	3- Engage
Management Board of Investment and Construction Projects of Kon Plong District		✓	✓	Medium	High	
Son Tay District Council for Compensation and Site Clearance (Son Tay DCCSC)		✓	✓	Medium	High	
Kon Plong District Council for Compensation and Site Clearance (Kon Plong DCCSC)		✓	✓	Medium	High	
Committees of Ethnic Minority Affairs at district level		✓		Low	High	

	Divisions of Agriculture and Rural Development at district level		✓		Low	High	
	<i>Commune Authorities</i>						
	PCs of the affected communes (Dak Rin, Dak Nen, Son Lien, Son Long, Son Dung, Son Tan_	✓	✓	✓	High	High	4-Leverage
	Social Civic Unions (i.e. Farmers' Union, Women's Union and Youth Union) at the commune level	✓	✓		Low	High	3-Engage
Economically Interested Parties and Business Partners	PV Power	✓	✓	✓	High	High	4-Leverage
	Individual shareholder	✓	✓	✓	High	High	
	Vietnam Electricity (EVN)	✓	✓	✓	High	High	
	Lenders	✓	✓	✓	High	High	
Academic groups	Academic groups that will participate in project reviews in the project development (e.g. Universities)	✓	✓	✓	Low	Low	1-Monitor
Non-governmental organizations(NGOS) & Medias	World Vision Vietnam (Quang Ngai area)	✓	✓	✓	Low	Low	1-Monitor
	Plain International (Kon Tum area)	✓	✓	✓	Low	Low	
	Other NGOs that might be interested in the project development and its potential impacts	✓	✓	✓	Low	Low	
	National media	✓	✓	✓	Low	Low	1-Monitor
	Provincial media	✓	✓	✓	Low	Low	1-Monitor

3.4 Stakeholder Engagement Strategies

Based on the results of the above mapping, the Project analysed the stakeholder groups to determine the most appropriate method of engagement for each key group (see Figure 3 below). This analysis considered the groups concerns, their level of interest in the Project and their potential to be impacted (including positive/negative and direct/indirect).

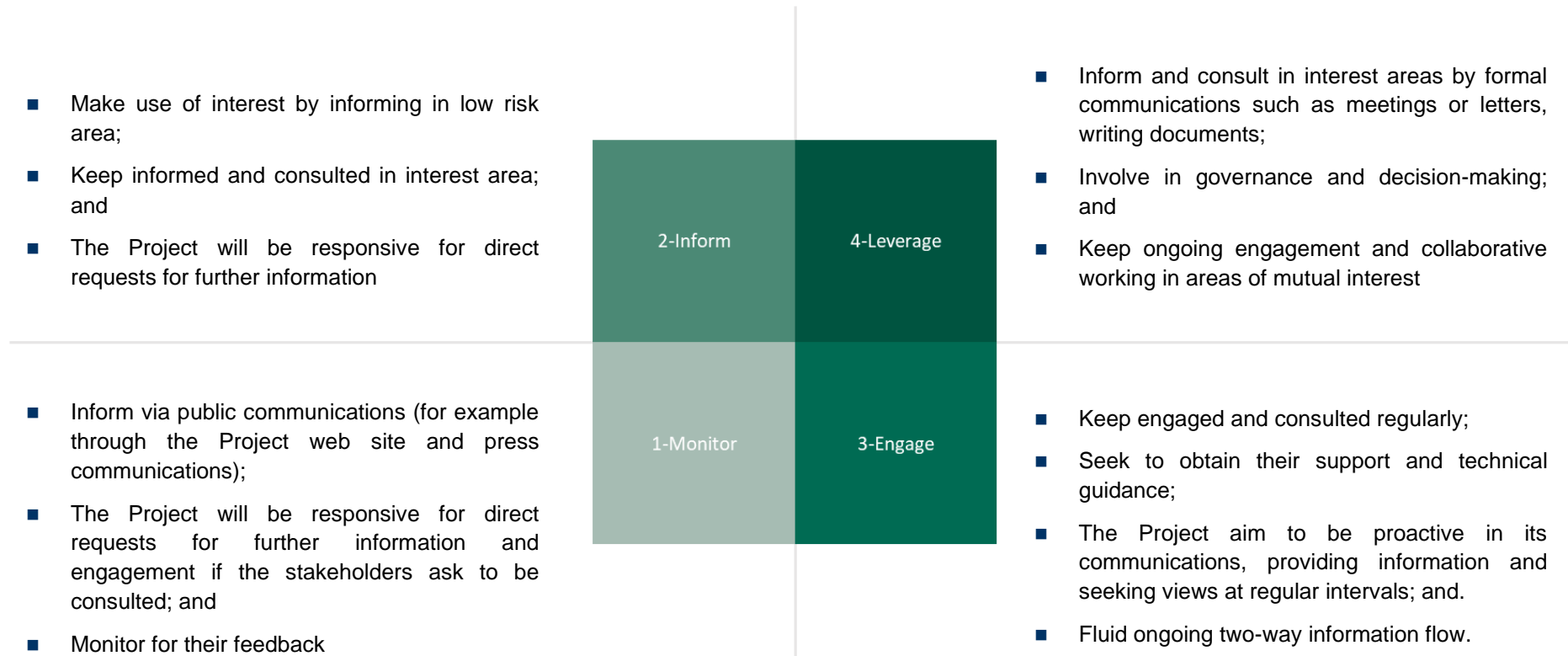


Figure 3 Stakeholder Engagement Strategies

4. STAKEHOLDER ENGAGEMENT TO DATE

4.1 Stakeholder engagement as per Vietnamese regulation

As required by Vietnam regulations, an EIA was developed by the Sponsor's consultant (Power Engineering Consulting J.S Company 2 (PECC2)) in 2007. A high-level resettlement plan with costing was developed by the Sponsor and its consultant from 2005 to 2007 as part of the Project Feasibility Study. Preparation of the regulatory EIAs included the desktop study and consultations with local authorities through written documents as part of national requirement. No socio-economic survey was conducted.

During the implementation of land acquisition and resettlement, the local authorities in collaboration with Project Sponsor organized multiple public consultation sessions for the land acquisition process and compensation policies with potentially affected communities where the project is located.

4.2 Stakeholder Engagement during the LARC and IPP development

From 21st to 26th 2021, the Project's consultants, with support from the Project Sponsor conducted consultations with regulatory bodies from district, commune and village levels through formal meetings with local authorities, informal interviews and consultation with affected communities' representatives through key informant interviews (KIIs), focus group discussions (FGDs), and household surveys. Objectives of the stakeholder engagement activities were to:

- Update about Project progress;
- Obtain information related to socio-economic conditions of IPs and IP development policies and programs;
- Gain information on the compensation, resettlement and support of the Project to IPs in the commune;
- Attain feedback or perceptions about the Project development and recommendation for IP development; and
- Get acceptance and support from the People's Committee to conduct the survey in the area.

A summary of the activities are presented in Table 2 and summary of discussions, concerns, and recommendations generated during the sections below.

Table 2 Summary of Stakeholder Engagement for LARC and IPP development

Types of engagement	Organizations	Contents covered in the meetings
Meetings with local authorities	<ul style="list-style-type: none"> ■ Son Tan CPC ■ Dak Ring CPC ■ Dak Nen CPC ■ Son Dung CPC ■ Son Lien CPC ■ Son Long CPC 	<ul style="list-style-type: none"> ■ Update about Project progress; ■ Obtain information related to socio-economic conditions of IPs and IP development policies and programs; ■ Gain information on the compensation, resettlement and support of the Project to IPs in the commune; ■ Attain feedback or perceptions about the Project development and recommendation for IP development; and ■ Get acceptance and support from the People's Committee to conduct the survey in the area.
Focused group discussion	<ul style="list-style-type: none"> ■ Indigenous people ■ Vulnerable people 	<p>Each group was addressed with a different approach, the following information was collected from the interviewed groups:</p> <ul style="list-style-type: none"> ■ Demographic information of the affected villages;

	<ul style="list-style-type: none"> ■ Women ■ Economical displacement community ■ Host community ■ Concentrated resettlement community ■ Self-resettlement community 	<ul style="list-style-type: none"> ■ Main livelihoods in this community; ■ Vulnerable status (i.e. gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status that may be more adversely affected by the Project development); ■ Support from authorities, other organisations for local community (type of support); ■ Perception on the Project and any concerns linked to the Project development; and ■ Cultural activities/local traditions in this community.
Key informant interviews	Village heads and village secretaries of the affected villages	<p>The following information was collected:</p> <ul style="list-style-type: none"> ■ Historical demographic information of the affected villages; ■ Infrastructure and services status; ■ Main livelihoods in the area and income from those livelihoods; ■ Public security and health status of local community; ■ Education and employment status; ■ Available unions in the area and role of women as well as youth in local activities; ■ Advantages and disadvantages of local community and support from authorities, other organisations for them.
Household	151 households	<p>The following information was collected:</p> <ul style="list-style-type: none"> ■ Family status and demographics; ■ Vulnerable status (i.e. gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status that may be more adversely affected by the Project development); ■ Livelihoods and employment (i.e. their livelihoods/employment); ■ Household income and expenses; ■ Housing and land (i.e. land use and land tenure); ■ Education background (i.e. education level of members in the surveyed households); ■ Health status/profile and health care practice; ■ Access to and availability of public facilities (i.e. electricity, water supply, etc.); ■ Engagement with community and society; ■ Perception on the development of the Project and its engagement activities; and ■ Perception about land acquisition, compensation and livelihood restoration.

Source: Socio-economic survey conducted in June 2021

Concerns and suggestions raised during the stakeholder engagement activities are summarized in

Table 3 Stakeholder Concerns

Concerns	Details
Compensation	<p>Compensation paid to the affected households happened in 2008-2014, however, there are still some pending issues including:</p> <ul style="list-style-type: none"> ■ Pending compensation payment for the households in Kon Plong district ■ Pending payment for compensation and assistance for AHs in Son Tay district due to lawsuit of Son Tay District Council for Compensation and Site Clearance (DCCSC)
Livelihood restoration	<p>Ca Dong communities are a natural resource dependant so the loss of land and the land-based livelihood led to a vulnerable status to those households. To be specific, they lose their source of food (vegetables, fish, frog, and snails) collected in nature (springs and forests) when they were in the old place. In the new places, collecting food from nature is difficult due to long distance to their production land, nearby forests and springs</p>
Land Use Rights Certificates -	<p>Only 63.1% of the surveyed PD households confirmed that they had received LURC for their residential land. 34.52% had not received the book and this population are mainly from Dak Nen commune, Kon Plong district</p>
Infrastructure of the resettlement site -	<p>In general, people are satisfied with the resettlement site infrastructure and standard of living. They recognized that the Project supported to develop local infrastructure for resettlement areas such as electricity supply, water supply, house building, and road improvement. Access to public services such as schools and health station as well as agricultural products transport are convenient in resettlement areas. However, there are some remaining concerns such as:</p> <ul style="list-style-type: none"> ■ The housing design is not culturally appropriate and living area is limited and smaller than their original places, especially for extended families with many children. ■ Domestic water supply system is not functioned well leading to lack of domestic water for use ■ some roads got deteriorated after a few years of construction that caused difficulties for transportation, especially transporting the cultivation products
Conflict with the host community	<p>It was explained through meetings with local authorities that pending payment to AHs in Kon Plong District has led to some outstanding issues regarding conflict between the host community of RAs and AHs. To be specific, due to the incomplete payment for agriculture land acquired from host communities to build the RAs, people from the host community banned the displaced people living in the RS from conduct farming on their allocated RA land. This issue happened in all of the RA host communities in Kon Plong District, including the Xo Luong RA, Dak Lai RA and Dak Luk RA. The conflict seems to be more serious in the Tu Ret village where fights between villagers happened a few years ago. Until now, compensation for land acquisition for host communities' households has not been completed. This put many displaced households in Xo Luong RS and Dak Lai – Dak Luk RS in difficult situations that because they lack production land for livelihood development.</p>

Source: Socio-economic survey conducted in June 2021

5. GRIEVANCE PROCEDURE

5.1 Existing Complaint Procedure of Local Authority

According to the Law on Grievances 2011, when a stakeholder has any complaint against activities of an individual or organisation, that stakeholder may log a complaint to the People's Committee at commune level. The People's Committee at commune level will need to determine whether that complaint is under their authorisation. If yes, the People's Committee will collaborate with relevant authorities, organisations or individuals to investigate and address the complaint. A complaint resolution decision will be issued by the People's Committee and sent to the Stakeholder. If the complaint is not under the communal People's Committee authorisation, the People's Committee will forward that complaint to the relevant authorities and inform the stakeholder for their acknowledgement. In cases where the complainant disagrees with the complaint resolution decision, he/ she may follow the Grievance Procedure (as mentioned in Section 5.2) to lodge a grievance against such decision. He/she may re-lodge a new complaint to a higher administrative level (i.e. district or provincial levels).

5.2 Existing Grievance Procedure of Local Authority

As described in Section 2.1.2, the *Law on Grievances 2011* and *Law on Administrative Procedures 2015* provide regulations, requirements, and procedures for issues regarding grievances and/or lawsuits against administrative decisions or the administrative act, respectively.

In particular, when a stakeholder has grounds that an administrative decision or administrative act is unlawful or directly infringes upon their rights and lawful interests, that stakeholder may make a first-time complaint against the individual who has issued such an administrative decision or the agency that manages the person who has enacted such administrative act, or institute an administrative lawsuit at court in accordance with the *Law on Administrative Procedures 2015*. The time limit for settling a first-time grievance does not exceed 30 days after the grievance is accepted. For a complicated case, this time limit may be prolonged but must not exceed 45 days after the grievance is accepted. In deep-lying or remote areas with difficult travel conditions, the time limit for settling a grievance is 45 days after the grievance is accepted. For a complicated case, this time limit may be prolonged but must not exceed 60 days after the grievance is accepted.

In cases where the grievant disagrees with the first-time grievance resolution decision, or the grievance remains unsettled although the prescribed time for resolution has lapsed, he/she may make a second-time grievance with the direct superior of the competent persons responsible to settle the first-time grievance or initiate an administrative lawsuit at court in accordance with the *Law on Administrative Procedures 2015*. Such timeframe of the second submission is 45 days for normal cases or up to 60 days for complicated cases. In remote areas, due to difficulties in transportation, the grievance time can be extended to 60 days and 70 days for normal and complicated cases, respectively.

In cases where the grievant disagrees with the second-time grievance resolution decision or the grievance remains unsettled though the prescribed time for resolution has lapsed, he/she has right to institute either:

An administrative lawsuit at court in accordance with the *Law on Administrative Procedures 2015*; or
Activities of the individual or organisation which are considered violating the related regulations and affecting the benefits of the grievant in accordance with the *Code of Civil Procedure 2015*.

5.3 Grievances Procedure Used by Local Communities

To date, there is no stakeholder record regarding the Dak Drinh Hydropower Project. Although there are grievances relating to compensation and resettlement, they were all reflected verbally through the People' Council's meeting and never submit a written grievance form due to their low level of education.

As suggested in the below section, the Project Owner is responsible for the community grievance procedure to disclose, consult and record any grievances related to the Project implementation.

5.4 Grievance Procedure Suggested for the Project

5.4.1 Need for a Grievance Procedure

An effective stakeholder engagement process, which includes proactively providing access to information on a regular basis and conducting consultations to listen to the stakeholder concerns and feedback, can help to prevent grievances from arising in the first place. However, projects with high potential of environmental and social impacts, often result in grievances from project stakeholders. Therefore, a grievance procedure needs to be developed and implemented to ensure that project related grievances can be identified, documented, solved and monitored.

A grievance procedure should be in place from the beginning of the social and environmental assessment process and should be maintained throughout the project life cycle. As with the broader process of stakeholder engagement, it is important that the Project stays informed and involved in the grievance procedure so that decisive action can be taken when needed to avoid escalation of disputes.

Apart from land-related complaint, during the Project development, other types of disputes that Sponsor might encounter from individuals, families, community groups, non-governmental or community based-organizations, or local governments include but not limited to:

- Minor and one-time problems related to Project construction and operations;
- Claims over policy or procedural issues; and
- Significant and larger repetitive problems resulting in significant adverse impacts on larger populations.

5.4.2 Grievance Procedure Overview

To allow community grievances to be incorporated into Project decision-making and to allow key messages to be accurately communicated, all grievances should be recorded in the issues/ grievances register as a means of maintaining transparency throughout any action taken relating to a grievance.

Community grievances can be submitted to the Project through different lines of communication such as: grievance boxes which can be placed in the office of the affected commune People's Committee; at a site office of the Sponsor; directly via a telephone hotline to the grievance team of the Project; or directly submitted to a person in charge of community liaison (e.g. Community Liaison Officer (CLO)) of the Project.

Community grievance procedure is generally designed for different levels of redress, corresponding to the scale and seriousness of the complaint. Therefore, classification of the complaint is an important step.

The Sponsor should appropriately recruit and allocate human resources to manage the procedure. A team of CLO should be established under the management of the CSR Manager. Ideally, persons with social and community management backgrounds should be recruited and assigned as CLO and this could include members of the local community who have the requisite skill set.

Details of each step in a community grievance procedure are illustrated in the following text.

Step 1: Receive and log grievance (1 working day)

The grievance should be received by the Project representative. Ideally a member of a communication or community relations function (e.g. CLO) should be responsible for this.

The CLO logs the grievance using the Grievance Form and ensures that it is captured in a Grievance Log in order to monitor actions taken in resolving the grievance.

Step 2: Acknowledge grievance (approximately 3 working days)

The CLO should communicate, and it should be documented in writing, with the grievant acknowledging receipt of the grievance and providing information on the proposed steps and the anticipated timeframes for resolving the grievance.

The date of receiving the grievance shall be record in the Grievance Form.

Step 3: Classification of grievance and forward to relevant department (approximately 3 working days)

The CLO should review and classify the grievances based on its nature.

Grievances relating to resettlement: will be forwarded to the Land Fund Development Center of Thuan Bac District who is in charge of the implementation of the compensation, support and resettlement process for the Project for their resolution. Before forwarding such type of grievance, the CLO should record the nature and root causes of the grievances for the grievance following up and monitoring.

Grievances relating to the Project activities: can be classified into two level of its complexity, which are:

Simple grievances: for one-off grievance, and the grievances are considered local (family to small area level) in nature and do not relate to Project's impacts; or

Complex: for the grievances that are either recurring and/or potentially affect the community (large group to village or commune level) and/or relate to Project's impacts.

It is noted that any grievance that needs involvement of third party (e.g. technical expert, authority), the Project Owner needs to contact the relevant third party for their advice or resolution responsibilities.

Step 4: Investigate and resolve grievances relating to the Project activities (approximately 15 working days)

In the event that the grievances are assessed simple such as asking for further information about the Project and Project related procedure, direct interaction between the CLO and the grievant(s) shall be conducted. Solutions can then be developed and implemented.

In the event that the grievances are considered as complex, immediate intervention of related parties such as senior managers, EPC contractor, and/or village head, local authorities to seek their advice and then propose a resolution which is agreed by the parties in the discussion. The Project should assign resources to set up a Grievance Committee. Members of this Committee typically include CSR Manager (Site Manager and other related managers, if needed), and during the construction phase, managers of the EPC Contractor shall be involved to discuss and resolve the issues relating to their activities.

Depending on the complexity of the grievance, the CLO may need to seek approval of:

If the solutions are not accepted by the grievant(s), the CLO should conduct consultation with the grievant(s) to obtain further detailed clarification on the issues and to try and agree upon a mutual solution. Minutes of consultation session shall be kept in the Grievance Log. If a mutual solution cannot be obtained through consultation, third parties could be asked to be involved. The third-party can provide advice or facilitation in a way that is acceptable to all parties

In addition, where mediation is desired, academic or other local institutions may be sought out to play an "honest broker" role in mediating between the Project and stakeholder groups.

Step 5: Follow up on grievance (approximately 10 working day)

Grievances relating to resettlement: the CLO should work closely with the Authority to follow up with the resolution process of this type of grievance from the grievance review, resolution to the implementation of the proposed resolution to ensure no grievances will be left unsolved or pending too long.

For all grievances: The CLO is responsible for seeking the grievant(s) responses/feedback on the implementation of the resolutions. The implemented resolutions shall also be recorded in the Grievance Form and kept in place as required. These activities are considered as follow up actions.

Step 6: Documentation and reporting (approximately 5 working days)

All follow-up actions shall be tracked in the Grievance Log of the Project.

The CLO is responsible for maintaining all records in the Grievance Log.

The CLO is responsible for preparing periodical reports to the CSR Manager about the resolution of each grievance processed by the CLO. The report will include the resolution and closure process.

6. INDIGENOUS PEOPLE AND ENGAGEMENT REQUIREMENTS

6.1 Identification of Indigenous Peoples in the Project

The presence of Ca Dong people in the Project area was confirmed through the Indigenous People Plan (IPP).

ESS3 also indicated the four following characteristics to confirm a distinct social and cultural group as Indigenous Peoples:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the nature resources in these habitats and territories;
- Customary cultural, economic, social and political institutions that are 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.

An analysis of these four characteristics was provided in the IPP report and confirmed that the Ca Dong people are considered as IPs. They fulfil all four characteristics mentioned in the ESS3.

6.2 Consultation & Information Disclosure requirements

There is a wide spectrum of engagement levels when it comes to the different stakeholders. ESS1 and ESS3 require that the Project “engage in free, prior and informed consultation (FPICon) with and obtain the broad support of the affected Indigenous Peoples communities if activities under the Project would: (a) have impacts on land and natural resources subject to traditional ownership or under customary occupation or use; (b) cause relocation of Indigenous Peoples from land and/or limitations on access to natural resources subject to traditional ownership or under customary occupation or use; or (c) have significant impacts on Indigenous Peoples’ cultural resources”. However, given the fact that the Project completed construction and started operation since 2014, requirement for obtaining FPICon is not appropriate at this time of reporting.

ESS1 and ESS3 also recommend that the Project conducts a meaningful consultation process that results in the informed participation of the affected IP communities. Meaningful consultation involves designing and implementation of consultation process that:

- involves Indigenous Peoples’ representative bodies and organizations (e.g., councils of elders, village councils or chieftains) and, where appropriate, other community members;
- provides sufficient time for Indigenous Peoples’ decision-making processes; and
- allows for Indigenous Peoples’ effective involvement in the design of Project activities or mitigation measures that may affect them either positively or adversely

ESS3 also requires disclosure of the draft IPP, including documentation of the consultation process and the results of the social impact assessment in a timely manner in accordance with the applicable provisions of ESS 1. Adequate documented evidence of such engagement should be provided.

Future engagement and consultation with local communities of the Project (see Section 7) requires the compliance of meaningful consultations as described above.

7. FUTURE ENGAGEMENT PLAN

7.1 Future Engagement Activities

Apart from the key stakeholder engagement activities in the early stage as discussed above, other identified stakeholders shall be engaged by the Sponsor. A summary of engagement activities suggested for the Project to be conducted during the Project life cycle is presented in Table 4.

This list of key activities is by no means definitive and will be adapted by the Sponsor to further reflect local conditions and concerns as they arise. Annual activities and associated budgets will be prepared each year, by the CSR Department to ensure continuous improvement in adaptive management

Table 4 Summary of engagement activities suggested for the Project

#	Topics	Purpose and Expected outcome	Methodology	Involved Parties	Frequency
1	Disclosure of the Project Grievance Redress mechanism	For affected people to be fully aware of the grievance procedure, it requires ongoing information dissemination on this topic.	<ul style="list-style-type: none"> ■ Public meetings with local authorities and APs. ■ Handout/leaflets in Vietnamese summarizing key points of the GRM will be made available for local communities. ■ The Project shall ensure that the information should be disclosed in appropriate ways that can reach all affected people (e.g. illiterate people, blindness, etc.), especially vulnerable group. 	<ul style="list-style-type: none"> ■ Affected Community ■ Local authorities at commune, district and province level 	As soon as the GRM gets approved and agreed by the Bank
2	Consultation on Draft IPP	For the APs to be consulted and provide their opinions about the information provided in the draft IPP, including proposed IPP programmes and implementation schedule	<ul style="list-style-type: none"> ■ Public meetings with local authorities and APs ■ Handouts/leaflets summarizing key points of the draft IPP 	<ul style="list-style-type: none"> ■ Affected Community ■ Local authorities at commune, district and province level 	After the draft IPP is developed and reviewed and agreed by the Bank
3	Disclosure of Final IPP	For Project-based stakeholders to be informed about the above RP content.	<ul style="list-style-type: none"> ■ Display in the village/ commune office and Project local commune office ■ Handouts/leaflets summarizing key points of the final IPP 	<ul style="list-style-type: none"> ■ Affected Community ■ Local authorities at commune, district and province level 	After final IPP is approved
4	ESMR	For stakeholders to be updated with the environmental and social management status of the Project.	<ul style="list-style-type: none"> ■ The ESMR or a summary of ESMR shall be posted at the affected community areas (i.e. village heads houses, commune bulletin board). Contact details of CSR Officer shall be stated in the poster/flyer of the ESMR for any queries from affected community on the ESMR. 	<ul style="list-style-type: none"> ■ Affected Community ■ Government and Local government bodies 	Ongoing during the operation. Specific frequency is subject to decision of lenders.

#	Topics	Purpose and Expected outcome	Methodology	Involved Parties	Frequency
			<ul style="list-style-type: none"> 5The ESMR summary should be in Vietnamese language, preferably in tabular format and easy for affected community to understand. 		
5	Consultation and disclosure for any external stakeholder-related environmental and social management plans (ESMPs) that will be developed in future (e.g. Emergency Response Plan, Community Health and Safety Management Plan)	<p>The Project may need to develop number of environmental and social management plans in future to manage the environmental and social performance of the Project during construction and operation. Where relevant, in particular with influence on external stakeholders, the management plans shall be disclosed to and consulted with the related stakeholders.</p> <p>Documents of the consultation shall keep (i.e. list of participants, issues raised, and suggestions).</p>	Depending on requirements of each management plan, the consultation could be different. For example: Emergency Response Plan shall be disclosed to and sought for approval of the relevant authorities of some relevant elements (e.g. fire-fighting and prevention). After obtaining the approval, the Emergency Response Plan will be publicly disclosed to the local authorities and local communities.	Relevant authorities for approval, where relevant; Affected community.	<p>Consultation: During the development of the management plans</p> <p>Disclosure: When the management plans are confirmed as final.</p>
6	Any major changes of the project development (e.g. opportunities of the Project during operation phases	Changing during the Project development may affect the stakeholders. Therefore, stakeholders shall be informed and consulted about any changes relating to the project development that may affect stakeholders, so that they are aware of any potential impacts/issues/ opportunities of project. Documents of the consultation shall keep (i.e. list of participants, issues raised, and suggestions).	Depending on what changes/ impacts/issues/ opportunities the disclosure and consultation will be organized appropriately, via either formal or informal engagement.	Will be identified based on the changes, impacts, issues, or opportunities	One-off as changes/ potential impacts/issues/ opportunities made or provided.
7	Updated stakeholder list	To ensure that the Project Sponsor is aware of new stakeholders, their interest and influence level to apply appropriate engagement strategy and approach to be	Review and update the stakeholder list including stakeholder analysis, categorization, and mapping and engagement strategies for each stakeholder groups. Any major change regarding stakeholder list or engagement	All stakeholders	Annually during operation phase

#	Topics	Purpose and Expected outcome	Methodology	Involved Parties	Frequency
		able to obtain their concerns and suggestions for consideration and addressing.	<p>requirement should be considered for a need of updating the SEP.</p> <p>Ongoing stakeholder identification through the day-to-day engagement with external parties. Workshop or discussion among internal staff to analyse, categorize and map out engagement strategies.</p>		
8	Undertake stakeholder perception surveys	To obtain perceptions of stakeholders towards the Project.	<p>Structured surveys via stratified sample interview or other mechanism (i.e. phone surveys), or combined with other survey activities to reduce consultation fatigue.</p> <p>Include a certain proportion of vulnerable in the survey to ensure perception of this group will be recorded.</p>	Key stakeholders in Leverage and Engage groups	Annually during operation phase

7.2 Stakeholder Log

The SEP will be a “living” document, continually updated and evolving throughout the Project as new stakeholders emerge and consultation activities are undertaken. It will incorporate a stakeholder log, recording all activities and consultation responses, and tracking each of these to the point they are “closed-out”. The SEP might vary as interests and concerns may vary through the life cycle as well as the stakeholders, these can vary as well.

The stakeholder log will record the following information for each entry:

- stakeholder organisation;
- contact details;
- issues and concerns raised;
- actions for follow-up;
- responsibility and deadline; and
- confirmation of close-out.

The Project is responsible for maintaining the Stakeholder Log during the development of the Project therefore it is recommended that it identifies a person in charge for the log and its maintenance and update.

Besides, record keeping throughout the process of the SEP plays a key role in the efficiency of SEP implementation. During the operation phase, the CLO will be in charge of documenting and reporting stakeholder engagement activities to the CSR Manager. The key information to be covered includes:

- when and where the engagement activities took place;
- list of attendees;
- discussed topics;
- results from discussion; and
- commitments (if any).

It is noted that once engagement occurs, local community and other interested parties may also want to receive feedback from the Project to know how their concerns will be addressed. Therefore, the results of the periodic monitoring on the implementation of the SEP shall be disclosed and considered as feedback to local communities.

In addition, it is necessary to report back periodically to communities and other stakeholder groups how the Project has been responding to the grievances received. Grievance monitoring is considered as a good approach to provide such information to stakeholders. In particular, the report should contain the name of the individual or organisation; the date and nature of the complaint or concern; any follow-up actions taken; the final result; and how and when this decision was communicated to the grievant.

8. RESOURCES AND BUDGET

8.1 Resource

The implementation of the SEP is led strategically by the Corporate Social Responsibility (CSR) Manager and Project Director with support from a social or community liaison officer (CLO) officer who directly implements the activities of the SEP. Roles and responsibilities of such positions are proposed as outlined in Table 5.

Table 5 Suggested Roles and Responsibilities for the SEP Implementation

Roles	Responsibilities
Project Director	<ul style="list-style-type: none">■ Plan and allocate human and financial resources for implementation of CSR activities; and■ Appoint a CSR Manager and CLO for ongoing oversight of the implementation of the SEP
CSR Manager	<ul style="list-style-type: none">■ Review and approve the stakeholder engagement plan for the Project;■ Report the implementation of engagement activities including grievance procedure to the Project Director;■ Report to Lenders on engagement activities and grievance resolution implementation progress on the frequency agreed with the Lenders;■ Monitor the compliance of the contractor and subcontractors' performance on stakeholder engagement and grievance redress;■ Lead the solving of grievances;■ Participate in the Grievance Committee of the Project;■ Ensure engagement activities and grievance resolution will be implemented in compliance with the approved SEP;■ Supervise the implementation of engagement activities and grievance resolution process;■ Proactively assess the need for other necessary engagement activities and request the CLO to update the SEP accordingly;■ Review the updated SEP before sending to the Project Director for his/her review; and■ Lead the grievance mechanism monitoring and report to the Project Director and other relevant parties as required.
CLO Officer(s)	<ul style="list-style-type: none">■ Implement engagement activities in compliance with the SEP;■ Update the SEP annually from the date of SEP is approved by the CSR Manager;■ Conduct the monitoring of the SEP continuously as required;■ Conduct the SEP reporting as required;■ Report to CSR Manager about the implementation plan and results of engagement activities, including grievance management, on a monthly basis during construction and quarterly during operation;■ Receive, log, acknowledge and classify grievances;■ Participate in solving the grievances;■ Ensure grievances are documented properly and that the database of grievances is updated regularly including details of any grievance resolutions; and■ Seek advice of CSR Manager as any issues occurring during engagement activities.

In addition to the in-house resource as described above, the Sponsor will consider engaging a third-party with relevant technical expertise and experience in social performance, particularly the community

engagement work to support with the SEP implementation. This is to ensure that consultation, disclosure and grievance management activities are carried out objectively and in a culturally appropriate manner.

8.2 Budget

Budget for implementation of engagement activities will be included in the financial plan of the Project. The budget is intended to be allocated annually based on the specific engagement activities plan to be conducted in the year. Budget for human resource is not included in this proposed amount.

Table 6 Proposed Budget for the SEP Programs for the First Three Year (million VND)

Activities	Year 1	Year 2	Year 3
Communication material development and production (i.e. printing)	10	10	10
Meeting costs (refreshments, transport)	20	20	20
Event costs (meeting fees, refreshments, venue hire, transport)	20	20	20
Perceptions surveys.	30	30	30
Total	80	80	80

9. MONITORING AND REPORTING

Through various communication channels such as: surveys; town hall meetings; and periodic one-on-one meetings; the Project will monitor and collect feedback from stakeholders. Separate reports shall be compiled for stakeholder engagement activities and grievance. The results of the stakeholder engagement process will be included in an ESMR. The frequency of the disclosure of the ESMR is defined in Table 7. The Project should include the following information on the stakeholder engagement activities in the ESMR:

- place and time of public consultative meetings (including other types of engagement activities);
- information on the participants;
- issues and concerns raised during the consultative meetings;
- list of number and types of grievances raised in the reporting period and the number of resolved and/or outstanding grievances; and
- information on how the issues raised during the meetings were taken into consideration by the organisation in charge of the Project implementation.

The Reports will also include a summary of implemented corrective measures intended to address any grievances.

Table 9.1 provides frequencies of the internal monitoring and reporting on stakeholder engagement activities, including grievance management. It is noted that the internal reporting including reporting among the staff, officers, and managers as identified in Section **Error! Reference source not found.** External reporting describes submission of the monitoring reports to lenders for their review. Frequency of external monitoring of SEP implementation will be subject to discussion with Lenders and, as such, it yet to be defined.

Table 7 Frequency of Internal Monitoring and Reporting on Stakeholder Engagement and Grievance Management

Phase	Monitoring	Reporting	Updating the SEP
Operation phase	Continuous	Annually	Annually or when new “leverage” and “engage” stakeholders are identified, or when new engagement activities are required, whichever comes first
