



Environment & Social Progress Report # 28

By

PNPC Construction Division

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Acronyms:

APB	Agricultural Promotion Bank
ATP	Attapu
BNK	Bank account
CARD	Compensation registration form
FML	Family
GOL	Government of Lao PDR
HH	Household
OSA	Overseas Assistance
MEM	Ministry of Energy & Mines
MLO	Multi-level Outlet
MOA	Memorandum of Agreement between PNPC/SKEC and ATP on compensation and Master Plan amount
MPI	Ministry of Planning and Investment
PAD	People Affected by Disaster
PNPC	Xe-Pian Xe-Namnoy Power Company Limited
PWT	Public Works and Transportation Department
SKEC	SK Engineering Company
SW	Sedgewick (the Insurers' Loss Adjustor)
TPL	Third Party Liability (insurance)
mUSD	million United States Dollars
USD	United States Dollars
VDC	Village Development Committee

Village Acronyms:

Villages Name (acronym)	Village Name (full)
*B.MAI	Mai
B.SMT	Samoung Tai
B.THN	Thahin
B.THKK	Kokkong
B.TSC	Tasengchanh
B.HLA	Hinlath
B.TMY	Thamayort

Villages Name (acronym)		Village Name (full)
1	HDX	HatOudomxay
2	PKB	Pakbor
3	DON	Done
4	PSA	Phonsa-art
5	THDB	Thae - K.Donebok
	THTU	Thae - K.Tha Uan
	THDM	Thae - K.Donemuang
6	HYHS	Hayao - K.Hinsombat
	HYHY	Hayao - K.Hatyao
a7	MSTP	Mitsamphanh - Tapak
	MSXK	Mitsamphanh - Xekong
	MSNK	Mitsamphanh - Nonkounng
	MSTD	Mitsamphanh - Thadeua
8	NHN	Nonghin
9	XDK	Xaydonekhong
10	NKH	Nongkhae
11	PND	Pindong
12	TGA	Ta Ngao
13	SPY	Sompoy

1. EMERGENCY RELIEF ACTIONS

1.1 NUMBER OF FATALITIES

- The final number of dead and missing was announced to be 71 with death certificates being issued for each. Compensation payment for the deceased and orphans was completed in June 2019.

1.2 TEMPORARY ACCOMMODATION # 1

- Temporary accommodation #1 was completed and handed over on 5 September 2018.

1.3 TEMPORARY ACCOMMODATION # 2

- Temporary accommodation #2 was completed and handed over on 30 October 2018.

1.4 TEMPORARY ACCOMMODATION IN HOST VILLAGES

- Modular houses completed in March 2019 and SKEC completed payment of 3.4 mUSD

2. COMPENSATION

2.1 PHYSICAL SURVEY FOR COMPENSATION IN SANAMXAY

Main activities over the reporting period:

2.1.1 GLOBAL SETTLEMENT

- In November 2019, the Insurers transferred the global settlement amount of USD 49,954,000 into the PNPC bank account which is controlled by Lenders.

2.1.2 PNPC'S LOSS ADJUSTER

- PNPC contracted a Loss Adjuster to review of the claims of compensation:
 - Crawford & Company (Thailand) Limited as Claims Loss Adjuster.
- Loss Adjustment Report for village properties and businesses was finalized in December 2019.
- Loss Adjustment Report for Public Infrastructure was finalized in February 2020.

2.1.3 SUMMARY OF COMPENSATION PAYMENT

- PNPC had implemented the following compensation payments:
 - 100% payment for the Deceased
 - 100% payment for the Orphans
 - 50% advance payments for 7 Major Impacted village HH property and Vehicle claim
 - 100% payment of the loss-adjusted offer to 11 business.
 - 100% payment for the loss adjusted final settlement for Telecoms sector of the Public Infrastructure claim.
 - 100% payment for the agreed final settlement amount for 13 out of 13 Minor Villages (1,270 HHs).

- Further compensation payments during the reporting period:
 - Obtained BOD approval to proceed with payment of the agreed final settlement amount for the 7 major impacted village that has previously been paid 50% of their claimed amount.
 - PNPC are preparing to transfer the compensation payments to HHs bank accounts for the first four villages of Samoung Tai, Thahin, Kokkong and Thamayort (see highlights in Table 1 below).
 - Remittance of compensation payments and handover of bank account books to HHs is scheduled to be completed in August 2020. Thereafter, PNPC will prepare the payments for the remaining 3 major impacted villages.
- Compensation payment progress is presented in the table:
 - After compensation payments have been made to the 7 major impacted villages, the total compensation paid will be 26.19 MUSD.

Table 1

Location	Waterfall priority	Items of Claim	Estimated TPL claim amount (*USD)			PNPC Payment (*USD)	Remark
			Official Claim	Adjusted Claim	Settled Claim		
ATP SNX	1	Deceased	710,000	710,000	710,000	710,000	Completed RL
	1	Orphans	286,750	286,750	286,750	286,750	Completed RL
	2	B. Mai	3,156,033	2,776,550	2,776,550	1,340,581 1,435,969	AP Paid This time
	2	B. Samong Tai	1,004,204	888,404	888,404	489,513 398,892	AP Paid This time
	2	B. Thahin	1,891,259	1,677,554	1,677,554	933,989 743,564	AP Paid This time
	2	B. Khokkong	2,005,714	1,762,396	1,762,396	994,001 768,395	AP Paid This time
	2	B. Tasengchanh	1,218,203	1,069,125	1,069,125	610,765 458,360	AP Paid This time
	2	B. Hinlath	2,553,329	2,252,566	2,252,566	1,211,810 1,040,757	AP Paid This time
	2	B. Tamoryot	383,119	338,890	338,890	159,549 179,341	AP Paid This time
	2	Other 13 villages	3,515,139	3,251,369	3,251,369	3,251,369	Completed RL
	2	All houses, Land, monies, others	*14,882,221+α	11,500,000+α			α : monies, others
	3	35 BIZ Ent.	10,785,618	10,785,618	10,785,618	10,785,618	Completed RL
	4	9 Infrastructure sectors	8,006,113	8,006,113			Re submitted
	4	3 telecom	396,862	396,862	396,862	396,862	Completed RL
	5	ENV. Forest	8,149,625	4,517,832			Re submitted
	5	ENV. Water R	3,000,000	2,897,727			Re submitted
	5	ENV. Mud remove	2,295,550	2,217,293			Re submitted
Attapeu province Sanamxay district			64,239,740	55,335,051	26,196,086	26,196,086	
CHP PKS	2	B. Nongphanuane	145,405	145,405			
	2	B. Hoauychod	137,284	137,284			
Champasack province Paksong district			282,689	282,689			
Total			64,522,429+α	55,617,740+α	26,196,086	26,196,086	*47.10%

RL = Release of Liability.

2.1.4 VILLAGE SECTOR CLAIM (VEHICLES, HOUSE & HH PROPERTY)

- Overall status of claim for the Village Sector claim is as follows:
 - PNPC's Loss Adjustor has completed its loss adjustment assessment for 5 categories in the Village Sector claim for both.
 - Final settlement compensation payment has been completed for the 13 minor impacted villages (see Table 1).
- Major progress during the reporting period:
 - PNPC BOD approved the compensation payment for the agreed final settlement amount for the 7 major impacted villages.

2.1.5 PUBLIC INFRASTRUCTURE

- Overall status of claim for the Public Infrastructure is as follows:
 - Loss adjustor completed the interviews and evaluation of claims and finalized its report in February 2020.
 - Final settlement has been reached with 10 out of 10 sectors Public Infrastructure – see table below:
 - The final settlement amount is 8.3 million USD which is equivalent to 65% loss adjustment (see Table 2)
 - All GOL departments for Public Infrastructure agreed.
 - Already conducted payment and handover ceremony for the compensation payment for 3 x telecom claims.
 - A total of 3.4 billion KIP was paid to the 3 telecommunication companies
 - The handover ceremony was chaired by the Provincial and Vice Provincial Governors in April 2020
 - The remaining compensation payment for Public Infrastructure will go towards the Master Plan and construction of new public infrastructure in the new permanent villages.

Table 2

Infra 10 items	Claimed Amount	*Final NEGO amount	Rate	Remarks
9 items	107,247,273,221	70,453,793,188	65.69%	will be re-submitted
3 Telecommunication	4,873,876,091	3,492,387,160	71.66%	Payment process
Total	112,121,149,312	73,946,180,348	65.95%	
USD : 1/8,800	12,741,040	8,402,975	65.95%	

2.1.6 BUSINESS SECTOR

- All 35 Businesses have now agreed to their compensation amount, and the next step is to seek BOD approval to proceed with the compensation payments from the global settlement account:

- The total claimed amount was 17.5 mUSD and the total agreed adjusted amount is 10.7 mUSD. The average loss adjustment is 61% of claimed amount.
- Final settlement has been transferred to businesses owners bank accounts on 29 January 2020.
- A compensation payment handover ceremony was conducted on 31 January 2020 and the Release of Liability has been obtained from each business expect one.

2.1.7 ENVIRONMENTAL SURVEY

Main activities over the reporting period:

- Environmental impact survey was already completed with the following objectives:
 - (i) agricultural land; (ii) forestry; and (iii) water resources.
- PNPC and GOL have already reached final settlement agreement on the compensation for the Environmental claim as follows (Table 3):
 - Claim for damage to agricultural lands has been agreed at 2.3 MUSD
 - Claim for damage to rivers/stream has been agreed at 3.0 MUSD
 - Claim for damage to the forest and reforestation has been agreed at 4.5 MUSD
- GOL and PNPC have agreed that the compensation payment for Mud Removal and Water Resources can be included in the first payment after MPI approval of the ATP MOA.

Table 3

ENV 3 items	*Claimed Amount	Final NEGO amount	Rate	Remark
Forest	8,149,625	4,517,832	55.4%	Agreed
Water Resource	3,228,097	3,000,000	92.9%	Agreed
Mud removal	2,295,550	2,295,550	100%	Agreed
Total (USD)	13,673,272	9,813,382	71.8%	Completed final NEGO

2.1.8 PHYSICAL SURVEY FOR COMPENSATION IN PAKSONG

Main activities over the reporting period:

- On 24 July 2020, PNPC received letter from Champasak GOL with the official claim for Paksong District downstream of Saddle Dam D.
- The claim amount is 2.5 billion Kip and the claim is under review by PNPC.

3. REHABILITATION

3.1 GOL'S REHABILITATION PLAN

Main activities over the reporting period:

- GOL developed a Master Plan for Sanamxay District and requested funding support from the PNPC in the ATP Letter dated 30 May 2019:
 - Master Plan total cost is **\$US274M** (see Table 9)
 - The GOL's Master Plan is the long term development plan for Sanamxay and budget items are not limited to rehabilitation works related to the SD D wash-out
- Ministry of Planning and Investment (MPI) and PNPC entered into a Memorandum which sets out the guidelines to determine the amount of compensation based on proof of:
 - Reasonable cost & Reasonable quantities
 - Losses and damages within the impact area
 - Without duplication
- On 10 April, ATP GOL and PNPC/SKEC signed the MOM on the Agreement (MOA) on the amounts for Compensation and Master Plan:
 - Agreed on the amounts for Compensation and Master Plan (see Table 7)
 - Agreed to release the liability of PNPC in relation to all the compensation and Master Plan.
 - The total final settlement amount is 828,516 million KIP
 - The signing ceremony was conducted with Provincial Governor, Vice Provincial Governor, PNPC COO and SKEC Project Director.
 - Each of the Provincial Departments (i.e. PWT, DAFO, etc.) counter-signed their final settlement amount.
 - MPI have reported the MOA to PMO.
- Progress during the reporting period:
 - Deputy PM has reported the compensation and master plan status and amount to the National Assembly and a summary was stated in press release.
 - PMO Notice No. 739 dated 13 July 2020 addressed to MLSW (as chair of the NDMC), approved the MOA for compensation and master plan dated 10 April between PNPC and ATP PDMC
 - On 21 July 2020, a meeting between PNPC/SKEC and MLSW chaired by the Minister MLSW as chairman of the NDMC:
 - Agreed with PMO Notice 739 dated 13 July 2020 which approved the MOA for compensation and master plan dated 10 April between PNPC and ATP PDMC.
 - MLSW requested PNPC/SKEC to make payment in one installment. PNPC/SKEC will revert to its shareholder and consider.
 - MLSW agreed to continue to issue payment receipts and release of liability to reflect payments made.

- The meeting agreed that MPI will issue an approval letter the PNPC to approve the MOA for compensation and master plan dated 10 April between PNPC and ATP PDMC.
- MPI have drafted the letter to issue central-level approval letter to PNPC to agree upon the MOA dated 10 April between PNPC and ATP PDMC.

Table 4

Division		GOL (Revised)	Negotiation [A]	Compensation Cover [B]	Final Negotiation [A-B] Million KIP
I. Compensation	1. Deceased & Orphans	8,598.2	8,598.2		8,598.2
	2_1. Impacted House	130,883.6	98,162.7		98,162.7
	2_2. Family Section_ Others	134,933.1	116,393.7		116,393.7
	1) 7 Village	103,999.9	87,781.7		87,781.7
	2) 13 Village	30,933.2	28,612.0		28,612.0
	3. Business	154,235.3	94,913.4		94,913.5
	4. Infrastructure	112,606.9	73,910.8		73,910.7
	5. Environment	115,883.6	83,413.8		83,413.8
	1) Agricultural land	19,512.2	19,512.2		19,512.2
	2) Forest	68,932.6	38,401.6		38,401.6
	3) River & Pond	27,438.8	25,500.0		25,500.0
		SUM	657,140.7	475,392.6	
II. Maseter Plan	1_1. DPWT Permanent House	303,050.8	207,876.0	-98,162.7	109,713.3
	1_2. DPWT Others	1,575,606.2	91,262.3	-23,406.6	67,855.7
	2. DAFO	160,546.0	89,767.5	-30,778.9	58,988.6
	3. DLSW	113,720.1	74,350.2		74,350.2
	4. DES	57,127.4	14,637.3	-11,055.6	3,581.7
	5. DEM	89,515.4	39,347.7	-3,261.6	36,086.1
	6. Health	28,192.6	4,135.1	-1,587.3	2,547.8
		SUM	2,327,758.5	521,376.1	-168,252.7
Total		2,984,899.2	996,768.7	-168,252.7	828,516.0

3.2 REHABILITATION OF KHOKKONG AND THA OUAN

Ban Khokkong and Tha Ouan were cleaned to allow evacuees to return to their village.

- Cleaning of Khokkong was completed and almost all HHs have returned home.

3.3 ROAD & BRIDGES

Construction of eleven (11) new bridges after one bridge washed away with the surge and several old wooden bridges have limited capacity on Road 18A.

- 10 out of 11 bridges have been completed (4 under SKEC funding).

3.4 PERMANENT NEW VILLAGES & NEW AGRICULTURAL LANDS

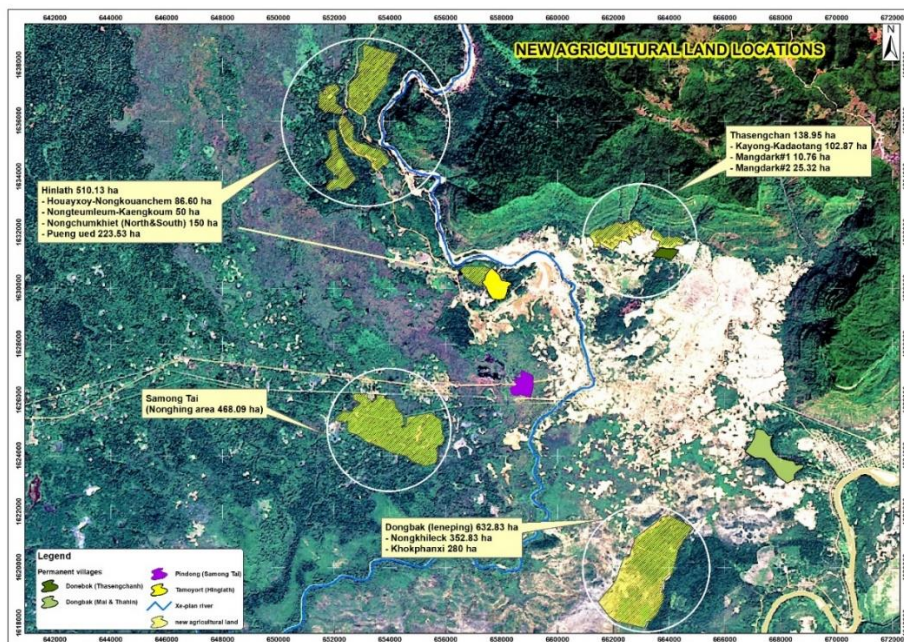
- UXO of the 4 permanent new village urban areas is 100% completed
- Land clearing of the 4 permanent new village areas is 100% completed

- UXO clearing of the new agricultural land is 100% completed.
- Land clearing of the new agricultural lands is ongoing with 90-100% progress.

Table 5

No	Location	Area (ha)	Villages for	Land clearing		UXO clearing	
				Company by	Progress	Company by	Progress
1	Dong Bak	120	Main/Thahin	Heungmixay Co.Ltd	100%	UXO LAO	100%
2	Done Bok	60	Tasengchanh	Bounthavonezup & Southipasong Co.,Ltd	100%	NPA	100%
3	Tamoryot	70	Hinlath	Phameung Co.,Ltd	100%	UXO LAO	100%
4	Pindong	56	Samoung-tai	Douangdy Co.,Ltd	100%	UXO LAO	100%
①	Hinlath zone	510.13	New Agricultural land	11 companies	90%	UXO UNEOD	100%
②	Tasengchanh zone	138.95	New Agricultural land	4 companies	96%	UXO UNEOD	100%
③	Samoung-tai zone	468.09	New Agricultural land	6 companies	100%	Phanveela UXO	100%
④	Dong Bak zone	632.83	New Agricultural land	26 companies	100%	UXO UNEOD	100%

*not including the additional 390 ha of agricultural lands allocated by GOL.



- Construction progress for the public infrastructure (school, health center and doctors' accommodation) is presented in Table 7:
- Construction progress for the new permanent houses is presented in Tables 6 and 7:
 - The Government of Thailand has increased the number of permanent houses it will support from 36 to 45 houses. Construction of the 45 new permanent houses donated by the Government of Thailand is 90% completed.
 - Construction of the 25 new permanent houses donated by Japan-Lao now 64% completed.

- PNPC/SKEC have agreed with the ATP Provincial Governor to support 24.5 MUSD for the construction of 700 new permanent houses:
 - ATP GOL have appointed Vangseng Construction Company to construction the permanent house
 - Construction commencement date was June 2020 due to the Covid-19 situation. The construction period is 20 months.
 - ATP GOL and PNPC/SKEC have agreed on 30% first payment for the house construction and ATP GOL have forwarded a letter requesting payment. Under PNPC review.
 - ATP GOL report to Deputy Prime Minister states that monitoring and inspection will be the responsibility of the government.
 - Whilst there are four standard house design types, the Director General of PWT stated that HHs have some options such as title colour, paint colour, some flexibility is moving walls, etc.
 - The contractor has commenced construction in 3 out of 4 of the new villages.
 - Construction has commenced on 317 out of 700 (45%) houses funded by PNPC/SKEC (see Table 7). This includes foundation excavation, brick work for ground beams, Rebar fixing and lean concrete work
 - Overall construction progress is 0.3%
- ATP GOL have announced the commencement of construction of the water supply for the new permanent villages:
 - Water supply construction has not yet commenced.
- ATP GOL has commenced construction of the irrigation system:
 - Construction of the concrete culvert for irrigation channel is ongoing with approx. 25% progress.
- ATP GOL have divided 958 home plots in the new villages and issued land certificates for 538 home plots in the new villages. Issuance of land certificates is still ongoing

Table 6: Percentage Construction Progress for Permanent Houses

Description	Donation				PNPC/SKEC		Total P-House (Houses)	
	*GOT		Japan-Lao / UNHABIT					
B. Dong Bak-MH	21	20.64	46	29.85	354	1.50	421	51.99
B. Hinlath-M	-	-	-	-	166	0.45	166	0.45
B. Donebok	24	19.72	20	12.07	77	0.08	121	31.87
B. Pindong	-	-	-	-	103	-	103	-
Plan / Actual	45	40.36	66	41.92	700	2.03	811	84.31
Progress	89.7%		63.5%		0.29%		10.4%	

*GOT : Government of Thailand (Increased 36 to 45)

Table 7: Number of Houses Where Construction has Commence for PNPC/SKEC Funded

House Type	DongBak-MH		DoneBok		Hinlath Mai		Pindong		Total	
2Floor H-Con'c	169	99	37	9	38	15	34	-	278	123
Wood	145	81	31	15	106	68	56	-	338	164
Villa	36	20	9	2	22	8	13	-	80	30
2Floor Con'c	4	-	-	-	-	-	-	-	4	-
Plan/Commenced	354	200	77	26	166	91	103	-	700	317

Table 8

No	Location	Area (ha)	Villages for	Work progress		
				Items	Remarks	Progress
1	B.Dong Bak-mai hinkham	120	Mai/Thahin	*Internal Road L=19.27km	Saysetha Co.LTD	100%
				Access road to NAL L= 7km	Will be checked	100%
				4 Schools with office	Will be checked	100%
				Permanent House (6x8) (Fund by GOT)	5 x 4con. = 20units	66.5~100%
				Permanent House (6x8) : (Fund by Japan-Lao/UNHA.)	46unit by 6con.	7~53%
				Permanent House(2F.HC)	96+73 unit	0.3 / 0.1
				Permanent House(wooden)	45+100 unit	0.3 / 0.1
				Permanent House(Villa)	24+12 unit	0.1 / -
				Permanent House(2F.Con.)	4 unit	-
2	B.Done - Bok	60	Tasengchanh	*Internal Road L=13.1km	Attapeu ENG Co.LTD	100%
				Access road to NAL L= 3.6km	Will be checked	100%
				Village Hall	Lyxeua Khammuane	43%
				2 Primary school (Fund by *GOT)	Will be checked	100%
				New School (8x14) by GOT	Lao Samphan Co.LTD	100%
				Warehouse (8x12)	Bounthavonesap Co.,LTD	100%
				Permanent House (7.5x7.8) (Fund by GOT)	4 x 4con. = 16units	100%
				Permanent House (6x8) (Fund by GOT)	9units	42%
				Permanent House (6x8) : (Fund by Japan-Lao/UNHA.)	20unit by 3con.	26.3~50.3%
				Permanent House(2F.HC)	37 unit	-
				Permanent House(wooden)	31 unit	0.1%
				Permanent House(Villa)	9 unit	-
3	B.Hinlath -mai	70	Hinlath & Tamayod	*Internal Road L=8.54km	Lyxeua Khammuane	92.3%
				Access road to NAL L=2.9km	Will be checked	100%
				School No.1 (40x8)	Lyxeua Khammuane	100%
				Kindergarten (8x17.5)	will be checked	100%

3.5 EMERGENCY ACTION PLAN

An Emergency Acton Plan for Dams has been developed by SKEC with triggers and actions in the event of an emergency with one of the dams including saddle dams.

Main activities over the reporting period:

- PNPC and KLIC conducted EAP refresher training for internal (i.e. key PNPC and KLIC staff). This was completed in July 2020.
- PNPC and KLIC are preparing to conduct the EAP refresher training for GOL and Village Heads. PNPC and KLIC have coordinated with the relevant GOL and letter have been issued to schedule the training. This is scheduled is now early August 2020.