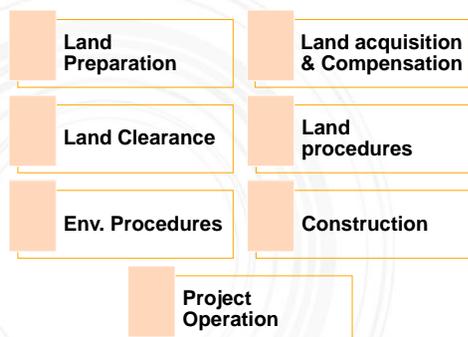


## INVESTMENT IMPLEMENTATION



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## IMPLEMENTATION

### Land Preparation

- Mapping the land, boundaries, land rights and uses.
- Define the status of existing properties on land (See Eg. 8)
- Involve stakeholders in the process.
- Publicize the results of mapping and surveys, land users/owners list.

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## Example 8: Cultural conflict

▪ A local cemetery within the area of a Vietnamese investor's plantation was violated by the company. According to the local people, the village's cemetery, used to include 47 gravesites. The company flattened the whole area, leaving only one big tree still alive in the area that used to be the cemetery. Although the people reported this, it did not persuade the company, who responded that Lao people do not have cemeteries but cremate their dead. Actually, this is true for the ethnic Lao majority, but not for the Brau ethnic people in this area who bury the dead according to their traditional customs. Up to now, the company has not taken any responsibility for destroying the graves (The locals also reported the two staff who flattened the graves).

▪ (Source: Field research in Laos, 15-23 May 2016)

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## IMPLEMENTATION

### Compensation

- Negotiation
- Cooperation model between company and communities in implementing projects

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## IMPLEMENTATION

### Land Clearance

- Notification of implementation plan
- Time selection;
- Method selection;
- Dealing with properties on land;
- Dispute Resolution

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## IMPLEMENTATION

### Land procedures

- Completing land procedures for legal status (certificates)
- Completing financial obligation related to land allocation and land certification

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## IMPLEMENTATION

### Environment procedures

- Completing EIA approval procedure
- Informing stakeholders of approved EIA report
- Construction
  - Completing the construction procedure
  - Applying mitigation methods to minimize socio-env. impacts arising from construction activities
- Construction
- Equipment

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People and Nature Reconciliation

## IMPLEMENTATION: Operation

1. Labor issues
2. Environment issues
3. Security issues
4. Reporting issues

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People and Nature Reconciliation

## OPERATION: Labor issues

1. Local employment plan
2. Foreigner employment plan
3. Transparent and publicly recruitment process
4. Working environment
5. Developing company's culture (See Eg. 13)
6. Developing company's good reputation (See Eg.14 & Eg. 17)
7. Cooperation between company and communities

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People and Nature Reconciliation

### Example 13: Teamwork

- In rubber production, 90% of high yield is attributed to the work of teams with high productivity. To ensure productivity, a Vietnamese company divides labor into teams. Each team's leader is Vietnamese, and the deputy is a Laotian who is paid an allowance of accountability to complete the timesheets of workers in the team. The Vietnamese team leader is responsible for checking the timesheet of Vietnamese workers, while the Laotian deputy is responsible for Laotian workers. Each team has a notebook to note down the yield, signed by workers on a daily basis. They can easily calculate their remuneration and cross check with payment at the end of each month. In 2015, the company completed its target 51 days early and was awarded a bonus amount of 150 million kip which was evenly distributed to both Laotian and Vietnamese workers without any discrimination.
- At the beginning of every year, the company informs all workers about the ranking criteria including technical standards, required working time, outputs and bonus on the occasion of Lao New Year. Written guidance in Lao language is distributed to every team. Ranking results and quantity are reported by teams. Based on the annual funding for bonus, the company does not distribute it evenly; the bonus rate is identified based on evaluation ranking to encourage hard workers.

(Source: Field research in Laos, 15-23 May 2016)

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People and Nature Reconciliation

### Example 14: Improving livelihood of workers and communities

- A Vietnamese company has studied and applied various approaches to improve the income of laborers who are in exceptionally difficult circumstances. During the first years of the plantation, when the trees had not grown enough, intercropping was encouraged. Even if the people didn't have enough money, the company could lend them money or buy their products. Villagers raised animals, such as geese and chickens in places with sufficient water. In Vietnam, coffee is also intercropped in the shade of rubber trees to increase income.

(Source: Field research in Laos, 15-23 May 2016)

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People and Nature Reconciliation

### Example 17: Corporate Social Responsibility (CSR)

- "In my point of view, CSR policy means that labor use must be accompanied by technical training; labor protection policies must be applied for workers doing hard jobs; and we must ensure that we contribute to the development and construction of public works and comply to Lao policies and laws including tax.
- "I have just been assigned here for a month and a half, but I observe that there are more than 30 children who are not going to school, since they follow their parents who are working on the farm. So, in the coming time, the company will organize Lao language classes for them. I and my staff will also participate in this class to communicate better with local communities."

(A Vietnamese investor in Laos)

(Source: Field research in Laos, 15-23 May 2016)

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People and Nature Reconciliation

## OPERATION: Environment issues

1. Environmental management plan (See Eg. 18);
2. Compliance with pesticide and chemical use to minimize adverse impacts (See Eg. 19);
3. Cooperation with local communities for environmental protection

## Example 11: Environmental issues

- A Vietnamese company “used to use a lot of pesticides, then it was requested by PAFO to stop. As a result, the company’s pesticide use reduced by 80%. The local people reported the company to the district officer, who imposed a fine and requested the company to stop using pesticides and improve the environmental situation, but so far there has not been any improvement.
- “Waste from fertilizer, pesticides, and workers’ hygiene are discarded in a disorderly way due to workers’ limited awareness. Vietnamese workers’ houses have toilets, but houses for Lao workers don’t. The shelters for seasonal workers also don’t have toilets, which causes pollution.
- “Building temporary houses for workers next to rivers and springs is not appropriate. Currently, there are about 40 workers living in this area. Additionally, the company has also built houses and office in locations close to rivers and springs. The people are afraid that the rivers and springs will be polluted by human waste and pesticides.”

*(Representative from surrounding community)*

*(Source: Field research in Laos, 15-23 May 2016)*

## Example 19: From limitation to business advantage

- The use of fertilizer and pesticides in Laos is not welcome since most of Laotians are Buddhists
- Lao Gov. prohibited weed-killer utilization and restricted the use of pesticides. Currently, in case that pesticide is used, Vietnamese workers must be in charge of spraying rather than Laotians. The workers are not allowed to work at the farm within one week after spraying.
- The company identified the area as a key for hi-tech agriculture development such as coffee, vegetables and flowers. This area has an advantageous climate and traditional cultivation habits based on nature, so land is not polluted as in Vietnam. The company has chosen to develop a cultivation process of clean coffee using organic fertilizer, aiming to establish a clean coffee trademark in the Boloven plateau. This involves strict procedures and higher demand for more skilled labor. Whereas the people are familiar with extensive cultivation, that’s why they need to be trained and provided with technical assistance.”

*(A Vietnamese investor in Laos)*

*(Source: Field research in Laos, 15-23 May 2016 and Vietnam, 12-19 June 2016)*

## OPERATION

**Security issues:** Closely incorporate with local authorities and communities

### Reporting issues

1. Tax report,
2. Reporting to local authorities: labor, environment protection;
3. Reporting to investment authorities in Vietnam