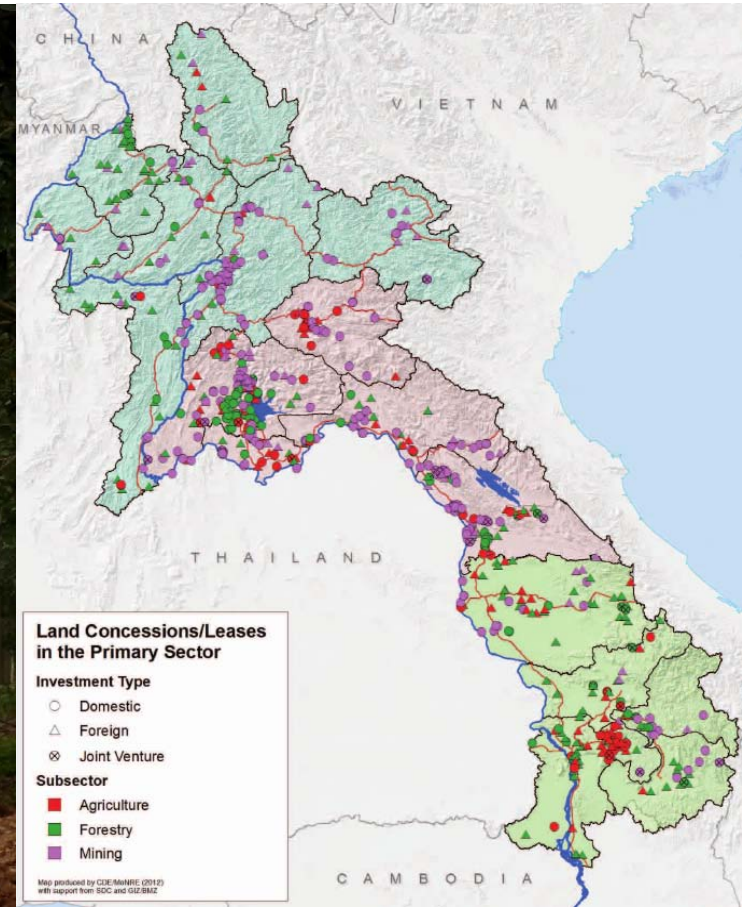
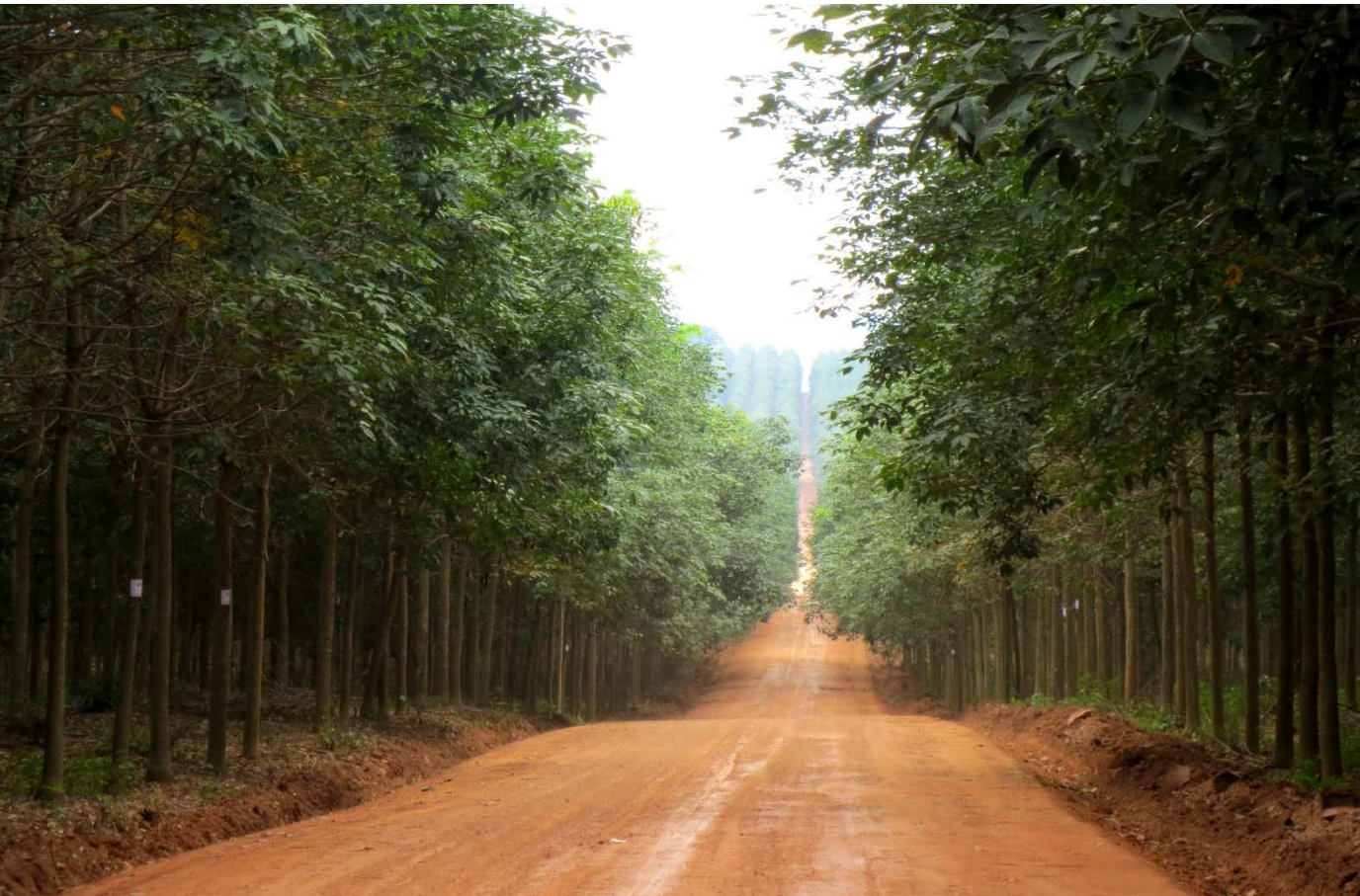


# Evaluating the state of large-scale land acquisitions in the Lao PDR



**giz**



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and Cooperation SDC

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# Context

- Large-scale land investments are increasing globally and in the Lao PDR
- “Turning land into capital” policy in the Lao PDR
- Evidence of negative impacts and lack of compliance
- 2012 Prime Ministerial Decree No. 13
- Lack of comprehensive database on investments





# The State Land Lease and Concessions Inventory (SLLCI)

- First systematic inventory of land investment data in Laos (2007-10)
- Implemented by Ministry of Natural Resources & Environment (MoNRE) with support from GiZ, SDC & CDE
- Database contains key investment info:
  - Area granted, capital invested, investor origin
  - Spatial location for 53% of projects (points)

## Concessions and Leases in the Lao PDR

Taking Stock of Land Investments



Oliver Schönweger

Andreas Heinimann

Michael Epprecht

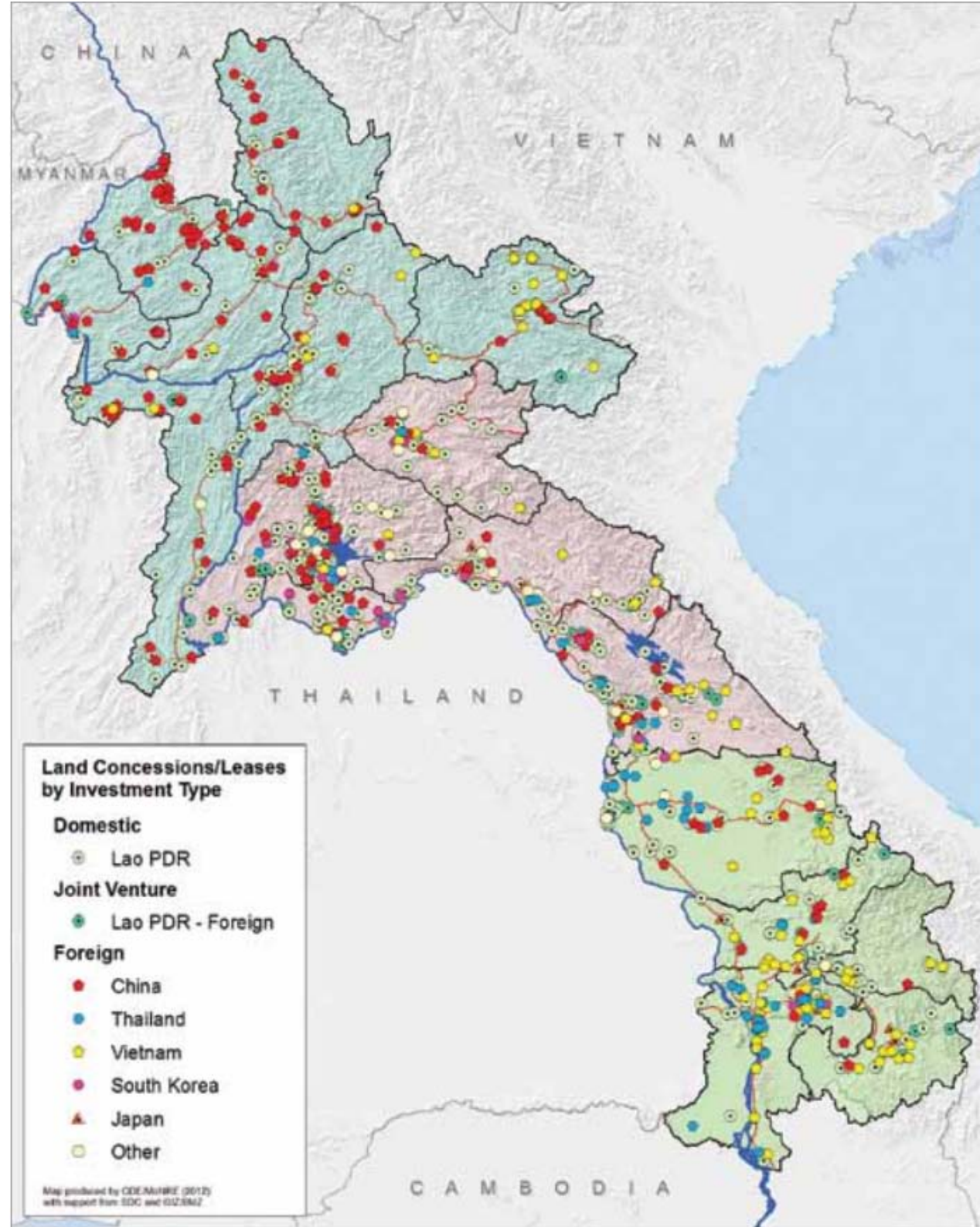
Juliet Lu

Palikone Thalongsengchanh

2012

# Results of the SLLCI

- 2,642 projects
  - 1,532 concessions
  - 1,107 leases
- 1.1 million ha of land conceded to investors
  - Mining: 549,000 ha
  - Agriculture & forestry: 440,000 ha
- Average concession size: 800 ha



# Updating & improving the database

- Areas of improvement:
  - Progress and status of each project
  - Spatial data (points and polygons)
  - Evaluation of impacts or quality of investment
  - Institutionalization of data collection and sharing process

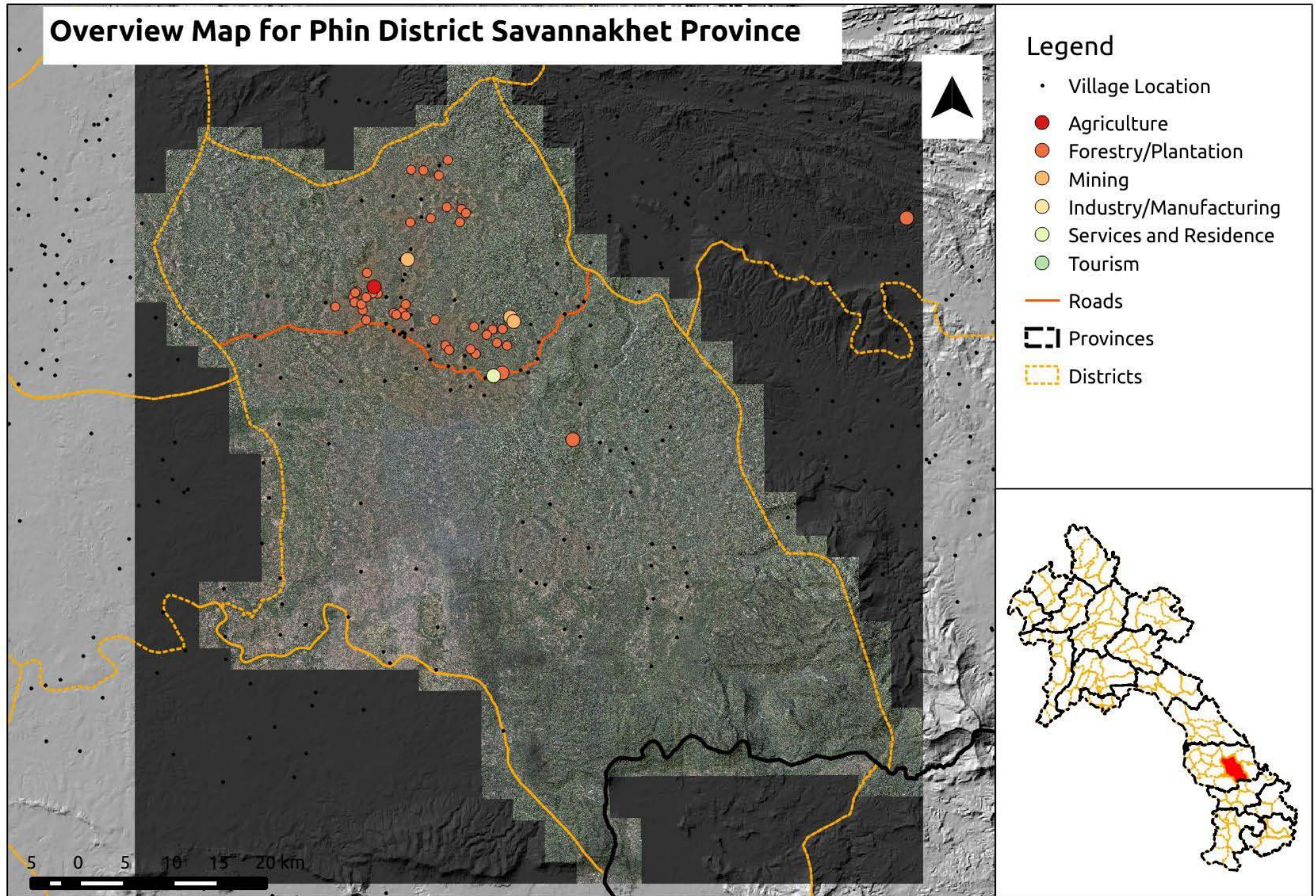


- Acquire concession data from investments documents
- Acquire spatial data from survey maps, GIS shapefiles and remote sensing imagery
- Consult with local government partners, companies, and villages to validate the data





# Initial results: investment database





# Detailed Map for Phin District Savannakhet Province



## Legend

• Village Location

— Roads

□ Area granted

□ Area Use

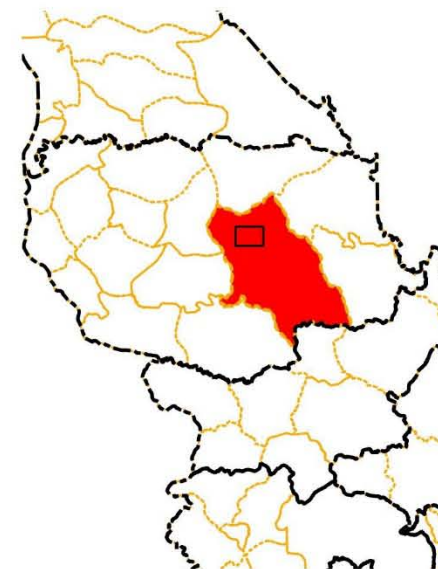
▬ Provinces

▬ Districts

phin

phin\_mask

0.5 0 0.5 1 1.5 km





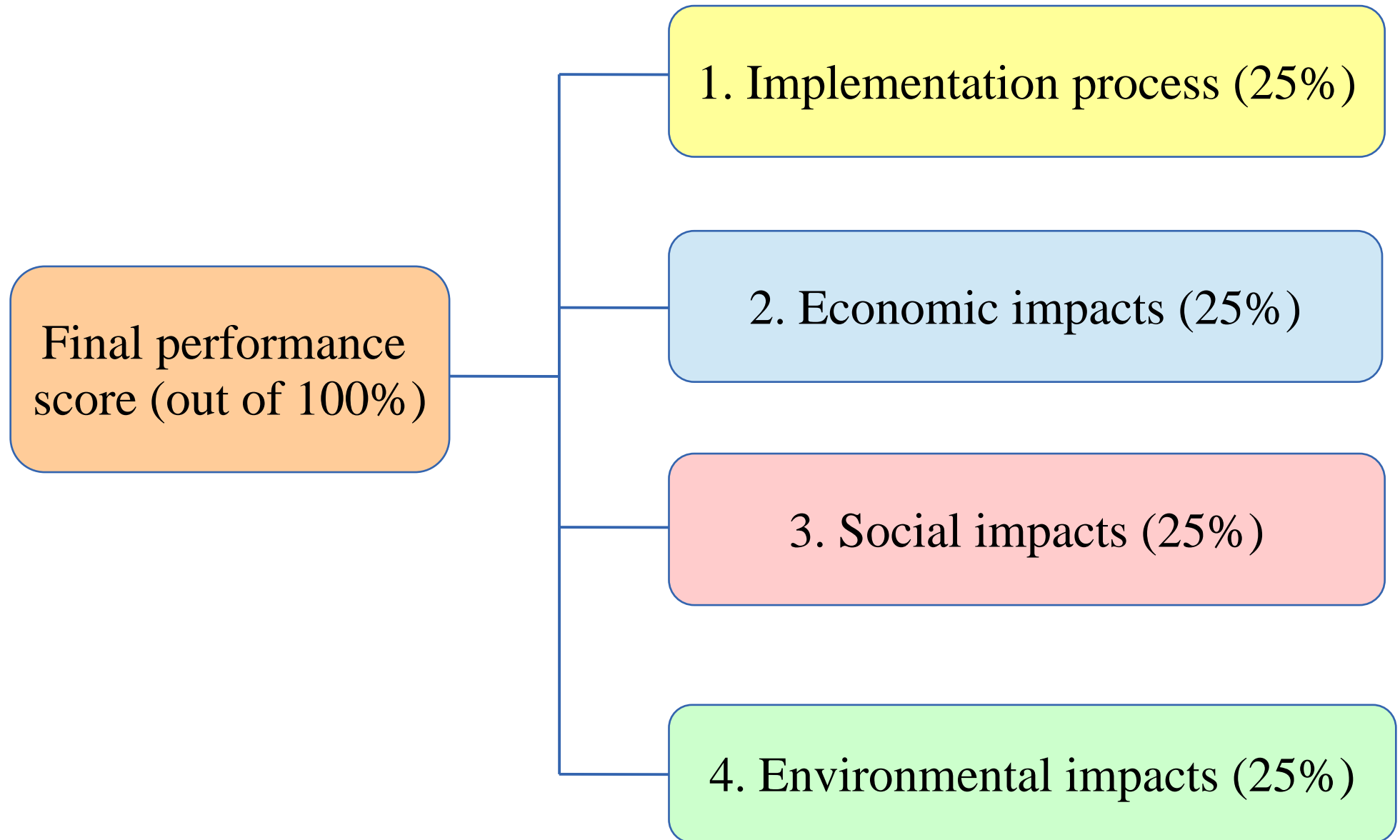
# Methodology: quality of investment

- Structured, closed-ended questionnaires conducted with government, company, and village stakeholders
- Mobile device based questionnaires (ODK collect)
- Evaluate and rate quality of all investments greater than 10 ha
- Potential integration with spatial database





# Methodology: Evaluation





# Methodology: Evaluation

## 1. Implementation process (25% of total score)

Land cleared in relation to  
survey boundary (5% of sub-score)

*(Legal references: PM Decree 135, Forestry Law 2007, Investment Promotion Law 2009)*

Free, prior, and informed consent  
of communities (5% of sub-score)

*(Legal references: PM Decree 135, PM Decree 192)*

Project progress (5% of sub-score)

*(Legal references: PM Decree 135)*



# Methodology: Evaluation

## 2. Economic impacts (25% of total score)

Provision of compensation and method of determining compensation rates (5% of sub-score)

*(Legal references: PM Decree 192 on compensation)*

Delivery of community-level infrastructure (roads, electric lines, schools) (5% of sub-score)

*(Legal references: PM Decree 192 on compensation)*

Payment of concession fees, royalties, and taxes (5% of sub-score)

*(Legal references: PM Decree 135, PM Decree 192)*

# Methodology: Evaluation

## 2. Social impacts (25% of total score)

```
graph TD; A[2. Social impacts (25% of total score)] --- B[Labor practices (5% of sub-score)]; A --- C[Safety procedures and medical benefits (5% of sub-score)]; A --- D[Impact on local food security (5% of sub-score)];
```

### Labor practices (5% of sub-score)

*(Legal references: Labor Law 2006)*

### Safety procedures and medical benefits (5% of sub-score)

*(Legal references: PM Decree 135, Land Law 2003)*

### Impact on local food security (5% of sub-score)

*(Legal references: NGPES)*



# Methodology: Evaluation

## 2. Environmental impacts (25% of total score)

Legality of forest types cleared (5% of sub-score)

*(Legal references: Forest Law 2007)*

Environmental and Social  
Impact Assessment (5% of sub-score)

*(Legal references: PM Decree 135, PM Decree 112 on Environmental Impact Assessment, Forest Law 2007, Investment Promotion Law 2009)*

Water, air, and soil pollution (5% of sub-score)

*(Legal references: Law on Environmental Protection 1999)*

# Initial results: quality of investment scores

<b>Company:</b>	<b>Rubber plantation, Phin district</b>	<b>Rubber plantation, Viengphoukha district</b>	<b>Coal mine, Viengphoukha district</b>
<b>Implementation process (25)</b>	11.4	12.9	14.6
<b>Economic impacts (25)</b>	12.2	8.3	8.3
<b>Social impacts (25)</b>	12.5	22.5	18.8
<b>Environmental impacts (25)</b>	7.5	25	16.3
<b>Total score (100)</b>	<b>43.7</b>	<b>68.7</b>	<b>58.0</b>



# Evaluation break-down

Indicator: village consent (implementation process)

Data source: village committee interviews

Company:	Rubber plantation, Phin district	Rubber plantation, Viengphoukha district	Coal mine, Viengphoukha district
Village freely consented or refused to concede land (5 points)		✓	
Village consented to concede land, but did not feel free to refuse (2.5 points)	✓		
Village was not asked for consent (0 points)			✓

# Evaluation break-down

Indicator: food security (social impacts)

Data source: village interviews

Company:	Rubber plantation, Phin district	Rubber plantation, Viengphoukha district	Coal mine, Viengphoukha district
Food security has increased as a result of the project (5 points)		✓	✓
The project has not impacted food security (2.5 points)			
Food security has decreased as a result of the project (0 points)	✓		



# Evaluation break-down

Indicator: pollution (environmental impacts)

Data source: village, government interviews

Company:	Rubber plantation, Phin district	Rubber plantation, Viengphoukha district	Coal mine, Viengphoukha district
Negligible air, water, & soil pollution has resulted from the project (5 points)		✓	
Moderate pollution has resulted from the project (2.5 points)			
Significant amounts of pollution have resulted from the project (has major impacts upon village livelihoods) (0 points)	✓		✓

# Integration with global studies

- Comparability with UNCTAD & World Bank study on impacts of agricultural land investments
- Results of global study on impacts informs questionnaire for Laos study
- Enables cross-national comparison, potential research & evaluation models for other countries





ຂອບໃຈເດີ້!  
Thank you!



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and Cooperation SDC

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