

RECOMMENDATION: Settlement of Refugees in the Luang Prabang - Xieng
Ngum Valley

Because of the high density of refugee population around Luang Prabang and the paucity of land suitable and available for refugee relocation the problem of refugee resettlement has always been acute. This problem aggravated more so this year with the extensive enemy offensives that threatened the very outskirts of Luang Prabang city and by the tendency of the villagers in threatened areas to seek the protection of the Royal Capital.

It is readily apparent that a safety valve is needed an area that can provide room for settlement of entire villages of displaced refugees, an area in which they can obtain self-sufficiency in rice in a minimum of time and an area which offers other economic opportunities in the agricultural field, to supply the Luang Prabang market with vegetables, fruits, poultry and produce items which have been perennially in short supply in the past.

Faced with the fact that there is little if any land in the vicinity of Luang Prabang suitable for wet paddy farming that is not claimed and already developed as such, any area selected for settlement of refugees must depend, in the main, on growing of upland rice.

The most logical area to provide settlement opportunities for refugees in Luang Prabang is the valley between Muong Nane and Xieng Ngum. This valley lies south/southwest of Luang Prabang is approximately 40 kilometers long and encompasses 35,000 hectares. According to a sub-reconnaissance land classification, the area is suitable for upland crops. The soil is a deep, medium textured, silty clay loam with good moisture holding capacity. The topography is hilly with slopes ranging from 5% to 30% or more. Deep rooted crops such as trees and shrubs will produce fair yields for many years but shallow rooted crops as upland rice will be limited to two or three years.

In anticipation of utilizing the valley for refugee settlement the Chao Khoueng of Luang Prabang has declared the land for 5 kilometers on both sides of the valley as public domain.

The major remaining obstacle to developing the area into a refugee resettlement community is the lack of access into the valley. Building the proposed road along the valley linking the Mekong River at Muong Nane and RN Route 13 at Xieng Ngum provides such an access, allowing settlement for 5,000 to 6,000 families, with each family receiving sufficient land (approximately 6 - 7 hectares) to insure crop rotation of upland rice, field crops and vegetables. The proposed road is approximately 60 kilometers long with construction cost roughly estimated at \$250,000 (4,000 kilometers x 60). In addition to providing access to land for refugee resettlement, construction of the proposed road provides several other important benefits to the Lao economy.

- a. It opens a heretofore inaccessible area and provides for direct communication between two important population centers, Xieng Ngum and Muong Nane.
- b. It opens the area for commerce by road between the important rice producing Sayaboury Valley with its Nam Tan project and the market areas of Luang Prabang.
- c. Direct overland communication between the Sayaboury Valley and Vientiane would be established providing much needed competition to barge operators for transportation of commodities between Sayaboury and Vientiane.
- d. Provide a competitive basis for the shipment of surplus rice from the double cropping areas in Muong Nane and Sayaboury to rice dependent areas of Vientiane city, thereby curbing the flow of much needed foreign exchange into Thailand for import of Thai rice.
- e. Improve overall security in the area with the settling of pro-government refugees along the road in the valley.

Of the three road projects presently under consideration by the Mission Director the Office of Refugee Affairs considered the Muong Nane - Xieng Ngum project to be of first priority.