

# Resettlement Framework

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September 2016

PRC: Guangxi Regional Cooperation and Integration  
Promotion Investment Program

Prepared by the GPMO of Guangxi Regional Cooperation and Integration Promotion  
Investment Program for the Asian Development Bank.

## **CURRENCY EQUIVALENTS**

(as of 2 September 2016)

Currency unit	–	yuan (CNY)
CNY 1.00	=	\$0.1499
\$1.00	=	CNY6.6692

## **ABBREVIATIONS**

AAOV	–	Average Annual Output Value
AP	–	Affected Person
ADB	–	Asian Development Bank
BEZ		Border Economic Zones
DPR		Detailed Project Report
GMS		Greater Mekong Subregion
GRC		Grievance Redress Mechanism
HD		House Demolition
IR		Involuntary resettlement
LA		Land Acquisition
M&E		Monitoring & Evaluation
MFF		Multitranches Financing Facility
NSEC		North-South Economic Corridor
PRC		People's Republic of China
PPTA		Project Preparatory Technical Assistance
RF		Resettlement Framework
RP		Resettlement Plan
SME		Small and Medium Enterprise
SPS		ADB Safeguards Policy Statement

## **NOTE**

In this report, "\$" refers to US dollars.

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# 广西利用国外贷款项目工作领导小组办公室

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To: Mr. Yuebin Zhang  
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Date: 26 September 2016

Dear Mr. Zhang,

**Subject: P50050-PRC Multitranche Financing Facility Guangxi Regional Cooperation and Integration Promotion Investment Program**

A consolidated Initial Environmental Examination (CIEE) and Environmental Management Plan (EMP) covering infrastructure project components have been prepared. These reports were prepared based on available information in domestic environmental impact assessment tables (EITs), feasibility study reports and construction scheme reports prepared for the proposed project roads by local environment and local design institutes as well as site reconnaissance by the project preparation technical assistance (PPTA) consultant.

The approval of the two remaining EITs by Pingxiang Environment Protection Bureau is expected prior to ADB Management Review Meeting.

An environmental assessment and review framework (EARF) has been prepared as part of the Facility Administration Manual to select, categorize and provide guidance on environmental safeguards for subsequent tranches.

Three due diligence reports (DDRs) for Fangchenggang Training Centre for Chinese and Vietnamese Workers and SMEs, Developing of Cross-border Labor Cooperation Demonstration Park in Pingxiang Border Economic Zone and Expansion of Pingxiang Border Trade Service Center have been prepared confirming land acquisition was undertaken by local governments in compliance with national laws and regulation with no pending land and resettlement issues. A social development action plan (SDAP) covering all social risks and mitigation measures is prepared for tranche 1 of the MFF.

A resettlement framework (RF) and Ethnic Minority Development Framework (EMDF) has been prepared as part of the Facility Administration Manual to select, categorize and

provide guidance on involuntary resettlement and Indigenous People safeguards for subsequent tranches.

This is to formally advise you that there is no objection to the CIEE, EMP, EARF, DDRs, RF, EMDF and SGAP documents being posted on the ADB website according to ADB disclosure procedures. We further confirm that we will implement all required actions as set out in the CIEE, EMP, EARF, RF, EMDF and SGAP during project processing and implementation and accept ADB's supervision and inspection of CIEE, EMP, EARF, RF, EMDF and SGAP implementation and disclosure of environmental and social monitoring reports during implementation.

Thank you for your support.

Yours sincerely



Wu Tiancheng

Executive Director  
Guangxi Foreign Loan  
Projects Management Office

## I. INTRODUCTION

### A. Project Description

1. The Greater Mekong Subregion<sup>1</sup> (GMS) Cooperation Program envisions a subregion that is more integrated, prosperous, and equitable. This vision is being pursued through a "3C" strategy of enhancing connectivity, improving competitiveness, and promoting a greater sense of community. To implement this strategy, the GMS countries have adopted an economic corridor approach, whereby transport corridors will be expanded, trade and investment promoted, and economic growth stimulated. The People's Republic of China (PRC) and Viet Nam are active participants in development of the GMS North-South Economic Corridor (NSEC).

2. The PRC government has requested ADB to provide a \$450 million Multitranche Financing facility (MFF) to fund a portion of the long-term investment needs for implementing Guangxi's strategies and action plans for both the GMS and the Belt and Road Initiative.

3. This investment program will enhance cooperation between the PRC and Viet Nam under the GMS framework, and is expected to have high regional economic cooperation and integration (RCI) spill-overs, benefitting also Viet Nam's northern border provinces including Quang Ninh, Lang Son, and Cao Bang. The Investment Program will stimulate economic corridor development between Guangxi and the northern border provinces of Viet Nam by (i) promoting sustainable small and medium enterprise (SME) development and investment in the border areas; (ii) facilitating efficient cross-border financial transactions and investments; (iii) facilitating adoption of new technologies such as e-commerce to improve logistics and access to market information; (iv) upgrading cross-border transport linkages through improved physical connectivity and operational and policy coordination at key border crossing points; and (v) improving infrastructure, social- and trade-related services in border economic zones (BEZs).<sup>2</sup>

### B. Purpose of this Resettlement Framework

4. This Resettlement Framework (RF) has been prepared for the approval of the above Multitranche Financial Facility<sup>3</sup> (MFF), and to guide resettlement planning activities for (i) the proposed civil works with potential land acquisition and resettlement (LAR) impacts for subsequent tranches or (ii) unanticipated LAR impacts in the first tranche. The RF will facilitate compliance with the Safeguard Requirements 2 and 4 of ADB's Safeguards Policy Statement (SPS) 2009.

5. The first tranche of the Investment Program has been classified as Category 'C' for Involuntary Resettlement. Some infrastructure development activities are likely to take place in the following tranches, however, as the specific locations of such infrastructure development has not yet been finalized, this Resettlement Framework (RF) has been prepared to guide the subproject selection, screening and categorization, social impact assessment, and preparation and implementation of resettlement plans of subprojects (where ADB's IR policy is triggered) in accordance with the requirements

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<sup>1</sup> Guangxi Zhuang Autonomous Region and Yunnan Province are members of GMS.

<sup>2</sup> The Asian Development Bank (ADB) provided project preparatory technical assistance for Proposed Multitranche Financing Facility People's Republic of China Guangxi Regional Cooperation and Integration Promotion Investment Program (TA-9120 PRC).

<sup>3</sup> The MFF lending modality allows for the Investment Program to be split into tranches (projects). For ADB Board approval, only the first tranche is prepared with related safeguard documents. Frameworks (including this document) are prepared to guide the preparation of safeguard documents for subsequent tranches.

specified in Safeguard Requirements 2 and 4 of SPS. The classification is an ongoing process to be confirmed by ADB during detailed design or each tranche.

6. The key scope of the RF is to:

- (i) Reflect fully the national and ADB involuntary resettlement policy objectives and relevant policy principles and safeguard requirements governing preparation and implementation of subprojects and/or components;
- (ii) Explain the anticipated resettlement impacts of the subprojects and/or components to be financed under the proposed tranche;
- (iii) Specify the requirements that will be followed for subproject screening and categorization, assessment, and preparation of RPs where required;
- (iv) Describe arrangements for information disclosure and meaningful consultation with affected persons including measures to involve vulnerable groups, and grievance redress mechanism;
- (v) Describe legal framework, compensation policies, eligibility criteria and entitlements of affected persons (APs) or entities;
- (vi) Describe the requirements for mitigation or rehabilitation of living conditions and livelihoods:
- (vii) Describe implementation procedures including budgets, institutional arrangements, and capacity development requirements;
- (viii) Describe monitoring and reporting requirements; and
- (ix) Describe the responsibilities and authorities of the borrower/client, ADB, and relevant government agencies in relation to the preparation, submission, review, and clearance of subproject safeguard documents, and monitoring and supervision of safeguard plan implementation.

## **II. OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENTS**

### **A. Objective of the Resettlement Framework**

7. The objective of this RF is to ensure that subproject screening, and subsequent resettlement planning and implementation where required, complies with the ADB SPS (SR-2 for involuntary resettlement) as well as applicable laws and regulations set up at PRC national level, Guangxi regional level and concerned local level. Based on the ADB SPS, the EA (GPMO)/IAs (PMOs) formulated this RF with the assistance of PPTA team. The executing agency is Government of Guangxi, through the Foreign Loans Projects Management Office (GPMO) located in the Office of the Guangxi Project Leading Group (GPLG). The implementing agencies are: (a) Prefecture- or county-level municipal governments in (i) Fangchenggang; (ii) Qinzhou; (iii) Chongzuo; (iv) Pingxiang City; and (v) Baise, with their respective Municipal Project Leading Groups for Utilization of Foreign Loans (PLGs) to provide overall guidance to their respective municipal project management offices (PMOs); and (b) Bank of Communications Nanning Branch for financial intermediary lending (FIL) SME finance subproject.

8. This Resettlement Framework (RF) has been prepared based on the applicable laws and regulations of the PRC and ADB's Safeguards Policy Statement (SPS, 2009).

(i) Relevant ADB policies include:

- a. Safeguard Policy Statement (SPS), June 2009; safeguard requirement # 2 for involuntary resettlement
- b. Public Communications Policy, 2011
- c. Accountability Mechanism Policy, 2012.

(ii) Laws, regulations and policies of the PRC include:

- a. Land Administration Law of the PRC (January 1, 1999, amended on August 28, 2004)
- b. The Implementation Rules for The Land Administration Law of the People's Republic of China (effective as of January, 1, 1999, amended on July 29, 2014);
- c. The Administrative Measures for the Pre-Review of Land Use for Construction Projects of the local government (No. 42 Order of The Ministry of Land and Resources, effective as of January 1, 2009);
- d. Guidelines on Improving the System of Land Acquisition Compensation and Resettlement (the Ministry of Land and Resources made) (effective as of November 3, 2004);
- e. Real Property Rights Law of the People's Republic of China (No. 62 order of the President of the People's Republic of China, and effective as of October 1, 2007); and
- f. September, 2004 the Ministry of Land Resources promulgated Guidelines on Improving the System of LA Compensation and Resettlement (the Ministry of Land and Resources [2004] No. 238).
- g. The Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No. 28)
- h. Expropriation and Compensation of the Housing on the State-owned Land (Decree 590 of State Council, (effective from January 21, 2011).

(iii) Guangxi regional relevant laws and regulations include:

- a. Implementation Method of Guangxi Zhuang Autonomous Region for Land Administration Law (effective from September 1, 2001)
- b. Notification on Announcement for Average Annual Output Value for Land issued by Land Resource Department of Guangxi Zhuang Autonomous Region (effective from January 1, 2016)
- c. Guidelines on Improving and Managing Land Acquisition in Guangxi Zhuang Autonomous Region (effective from November 21, 2014).

## **B. ADB Policy on Involuntary Resettlement**

9. The ADB's SPS 2009 summarizes Involuntary Resettlement safeguard requirements, as follows:

10. The objectives of ADB's SPS (2009) with regard to involuntary resettlement are (i) to avoid involuntary resettlement wherever possible; (ii) to minimize involuntary resettlement by exploring project and design alternatives; (iii) to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and (iv) to improve the standards of living of the displaced poor and other vulnerable groups.

11. The involuntary resettlement safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) Involuntary acquisition of land, or (ii) Involuntary restrictions on land use or on access to legally designated parks and protected areas. It covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary.

12. The three important elements of ADB's SPS (2009) are: (i) compensation at replacement cost for lost assets, livelihood, and income prior to displacement; (ii)



assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to enhance, or at least restore, the livelihoods of all displaced persons relative to pre-project levels and to improve the standard of living of displaced poor and other vulnerable groups.

### **C. PRC Laws and Regulations**

13. The Land Administration Law of the PRC is the main policy basis of the Project. The Ministry of Land and Resources and the Guangxi Zhuang Autonomous Region Government have promulgated policies and regulations on this basis. The Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No. 28) promulgated in October 2004 defines the principles and rates of compensation and resettlement for LA, and LA procedures and monitoring system. These legal documents constitute the legal basis for resettlement in the Project.

14. The key provisions of the PRC and Guangxi Laws and Regulations:

#### **1. Document 28: State Council Decision to Deepen Reform and Strictly Enforce Land Administration, issued by State Council, October 2004**

15. Article 12: Improving land acquisition compensation practice. People's Governments at the county level and above shall adopt practical measures to ensure that the farmers whose land is acquired shall not be made worse off. It should be ensured that land compensation fees, resettlement subsidies and compensation for ground attachments and standing crops shall be provided in accordance to applicable laws and regulation in full and in time. If the land compensation fees and resettlement subsidies as stipulated by law still cannot be able to maintain the original standards of the land-losing farmers and are not adequate to cover the social insurance costs of the landless farmers, the provincial government shall approve an increase in the resettlement subsidies. If the sum of the land compensation fees and resettlement subsidies has reached the legal upper limit but still cannot maintain the original living standards of the farmers, the local government can provide additional subsidies with the use of revenues from the sales for the use of state land. The provincial government shall formulate and publicize the standard annual output or regional land prices for land acquisition in the cities and counties under the provincial jurisdiction. Land acquisition compensation shall be kept identical for identical quality of land in same locality. The full costs of land acquisition for national key development projects shall be included in the overall project budget.

16. Article 13: Properly resettling farmers whose land is acquired. People's Governments at the county level and above shall formulate concrete measures to guarantee the long-term livelihood of the farmers whose land is taken. The farmers shall be given stocks for land-taking projects that have stable revenues. In a prescribed urban zone, the local government shall place the farmers who are made landless because of land acquisition in the urban employment system, and set up a social insurance system for them. If the acquisition of collective land takes place outside the prescribed urban area, the local government shall set aside essential farmland within the administrative area or assign suitable jobs. Resettlement in distant areas should be considered for farmers who can no longer have adequate land to continue farming. The labor and social insurance departments shall cooperate with other relevant departments to provide guidance on the establishment of employment training and social insurance program for land-losing farmers.

## **2. PRC Land Administration Law**

17. The Land Administration Law of the PRC was passed at the 16th session of the Sixth Standing Committee Meeting of the National People's Congress on June 25, 1986. It was subsequently amended at the Fourth Session of the Ninth Standing Committee Meeting of the National People's Congress. The newly amended law was brought into force on January 1, 1999, according to the Decision on the Amendment to the Land Administration Law of the PRC that was adopted at the Fifth Session of the Seventh Standing Committee Meeting of the National People's Congress.

18. Article 47: Land acquired shall be compensated for on the basis of its original purpose of use.

19. Compensation for acquired cultivated land shall include compensation for land, resettlement subsidies and attachments and young crops on the acquired land. Compensation for acquisition of cultivated land shall be six (6) to ten (10) times the AAOV of the acquired land for three years preceding such acquisition. Resettlement subsidies for acquisition of cultivated land shall be calculated according to the agricultural population to be resettled. The agricultural population to be resettled shall be calculated by dividing the amount of acquired cultivated land by the average amount of the original cultivated land per person for the unit of the land is acquired. The standard resettlement subsidies to be divided among members of the agricultural population needing resettlement shall be four (4) to six (6) times the AAOV of the acquired cultivated land for three years preceding such acquisition. However, the highest resettlement subsidies for each hectare of the acquired cultivated land shall not exceed fifteen times its AAOV for the three years preceding such acquisition.

20. Standards of land compensation and resettlement subsidies for acquisition of other types of land shall be prescribed by provinces, autonomous regions and municipalities directly under the Central Government with reference to the standards of compensation and resettlement subsidies for acquisition of cultivated land.

21. Standards for compensation of attachments and young crops on the acquired land shall be prescribed by provinces, autonomous regions and municipalities directly under the Central Government.

22. For acquisition of vegetable plots in city suburbs, the land users shall pay towards a development and construction fund for new vegetable plots in accordance with the relevant regulations of the State.

23. If land compensation and resettlement subsidies paid in accordance with the provisions of the second paragraph of this Article are still insufficient to help the farmers needing resettlement to maintain their original living standards, the resettlement subsidies may be increased upon approval by people's governments of provinces, autonomous regions and municipalities directly under the Central Government. However, the total land compensation and resettlement subsidies shall not exceed 30 times the AAOV of the acquired land for the three years preceding such acquisition unless approved and financed by local government.

## **3. Expropriation and Compensation of the Housing on the State-owned Land**

24. Article 2 In order to meet the demands of public interests, for the house expropriation from units and individuals on the state-owned land, the owner of the expropriated houses (hereinafter referred to as expropriate ) should be compensated fairly.

25. Article 4 The city and the county people's governments shall be responsible for the administrative divisions of the house expropriation and compensation in their own administrative area.

26. Article 5 The house expropriation departments can entrust the implementation unit to undertake the concrete work of house expropriation and compensation, and the implementation unit cannot seek to make profit as its goal.

27. Article 7 Any organization or individual have the rights to report to relevant people's government, house expropriation department and other relevant departments the behavior against the provisions of this regulation. The relevant people's government, house expropriation department and other relevant departments that receive the report should check and deal with the report in time.

28. Article 8 In order to meet the public interests such as safeguarding the state security and promoting national economic and social development, the house expropriation is definitely needed for any of the following conditions. Then the city or county people's government can make the decision of house expropriation.

- a. the need of national defense and foreign affairs;
- b. the need of infrastructure construction for energy, transport, and water conservancy organized and implemented by the government;
- c. the need of public affairs for science and technology, education, culture, health, sports, environmental and resources protection, disaster prevention and mitigation, cultural relic protection, social welfare, and municipal utilities organized and implemented by the government.
- d. the need for low-income house organized and implemented by the government;
- e. the need for reconstruction of the dangerous houses and poor infrastructure district in accordance with the relevant provisions of the urban and rural planning organized and implemented by the government;
- f. the need for other public interests needs set by laws, administrative rules and regulations.

29. Article 10 The house expropriation department makes an initial draft for expropriation and compensation and submit to city or county people's government.

30. The city or county people's governments shall organize relevant departments to demonstrate and publish the expropriation and compensation draft to ask for public opinion, the period of which should not be less than 30 days.

31. Article 12 Before the city or county people's government makes the decision of house expropriation, the government should make a social stability risk assessment. If the amount of house expropriation is large, it should be discussed and decided by the executive meeting of the government.

32. Before the decision of house expropriation is made, the fund of expropriation and compensation should be in full amount in place, be deposited in special account and used only for this purpose.

33. Article 13 After the decision of house expropriation was made, the city or county people's government should announce it in time. The announcement should include the house expropriation and compensation plan, the rights for the administrative reexamination and administrative proceedings and so on.

34. The city or county people's governments and the house expropriation department should do well in propagating and explaining the house expropriation and compensation.
35. The house is expropriated legally, at the same time, the use rights for state-owned land is also taken back.
36. Article 16 After the range of house expropriation is determined, it is banned to newly build, expand, rebuild houses and to change the use of houses for more unreasonable compensation; no compensation will be paid to the implementation against the regulations.
37. The house expropriation department should inform the relevant departments the above-mentioned behavior in written form to suspend relevant procedures. The written form should make the period of suspension clear, which should be no longer than one year.
38. Article 17 The compensation to expropriate by the city or county government that makes the decision of house expropriation should include the following:
- a. Compensation for the value of expropriated house;
  - b. The compensation for moving house and temporary shelters caused by house expropriation;
  - c. The compensation for production shut-down or business shut-down caused by house expropriation.
39. The city or county people's government should formulate subsidies and incentive measures to subsidize and reward the expropriated household.
40. Article 19 The compensation of the expropriated house should not be lower than the market price of the similar house on the publish date of the house expropriation decision. The value of expropriated house is decided by the qualified house evaluation organs according to the formulations of expropriated house evaluation.
41. Article 21 The expropriated household/entity can choose monetary compensation or choose house property right exchange.
42. Article 25 Based on the provisions of this regulation, the house expropriation department and the expropriate sign compensation agreement on compensation method, compensation amount, payment period, the location and area of the house for property right exchange, moving fee, temporary relocation fee or temporary shelter house, production shut-down and business shut-down loss, time limit for removal, the transition way and transition period, and so on.
43. After the signing of the agreement, if one party does not fulfill the appointed obligation in the agreement, the other party can lodge a lawsuit according to law.
44. Article 26 If the house expropriation department and the expropriate can not reach a compensation agreement during the signing period defined by the house expropriation plan, or the owner of the expropriated house is not clear, the house expropriation department reports to the city or county people's government to make compensation decision and shall make public announcement in the house expropriation range according to the provisions of this regulation and the house expropriation plan.

45. The compensation decision should be fair, including the relevant compensation agreement in Item 1, Article 25 of this regulation.

46. If the expropriate refuses to accept the compensation decision, he can apply for administrative the administrative reexamination or lodge a lawsuit according to law.

47. Article 27 The implementation of house expropriation shall compensate first and then move.

48. After the city or county people's government that makes the house expropriation decision compensates the expropriated household/entity, the expropriated household/entity should finish moving within the deadline defined by the compensation agreement or compensation decision.

49. No unit or individual can force the expropriate to move by violence, threat or illegal ways such as cutting off water supply, heat supply, gas supply, power supply and traffic, and the construction unit is banned to take part in the removal activity.

50. Article 29 The house expropriation department shall establish house expropriation and compensation files according to laws, and publish compensation for each household for expropriate in the house expropriation range.

#### **4. Implementation Method of Guangxi Zhuang Autonomous Region for Land Administration Law**

51. Article 7: The ownership of the state-owned and rural collective-owned land shall be determined by the Land Administration Law, the implementation regulation of the Land Administration Law and other laws and statutes.

52. Article 8: The rural collective-owned land is legally owned by the farmer's collectives and managed and administrated by the village collective economic bodies. If the village collective economic body is not complete, the villager committee shall manage and administrate the land. If the land in a village is owned by more than two rural collective economic bodies, each of the bodies or village group shall manage and administrate the land. If the land is owned by town/township, the rural collective economic bodies of the town or township shall manage and administer the land. If the rural collective economic body of the town or township is not complete, the town or township government shall manage and administer the land.

53. Article 21: Preparation of the yearly schedule of land use shall follow the following principle.

- a. strictly follow the overall land use plan and dominate the gross land size used for construction and protect the cultivated land.
- b. Guide the land demand by land supply, and rationally and effectively utilize the land.
- c. Preference of use of land shall be given to the key capital construction projects, and the projects supported by the state industrial policies of the region and state.
- d. Protect and improve the ecological environment and the sustainable use of the land resources.

54. Article 26: The following shall abide by in reclaiming new cultivated land in same size and quality of the cultivated land requisitioned for non-agricultural construction. (i) Within the land boundary for urban construction defined in the overall land use plan, the

local city, county government shall be responsible for organizing reclamation for implementation of the planned urban construction; (ii) Within the land boundary for construction of village or town facilities defined in the overall land use plan, the town or township government shall be responsible for organizing the rural collective economic bodies or the land occupying organization to reclamation for implementation of the planned construction of village or town facilities; and (iii) For the cultivated land occupation for construction of power generating, transportation, water conservancy, mining and military facilities beyond the land boundary for urban and rural construction defined in the overall land use plan, the land occupation organization shall be responsible for reclamation of new cultivated land.

55. Article 27: For the cultivated land occupied for non-agricultural construction, the organization or individual shall pay the reclamation fee if he has no means for reclamation.

56. Article 34: The land use organization and individual shall restore the destroyed land due to excavation, collapse and occupation during production and construction according to the State's and Regional stipulations concerning reclamation of land, and in 30 days of completing such reclamation, applies to the land administrative department of local municipality, county (city) government for inspection and acceptance. In case the land use organization or individual who has not means to conduct reclamation or whose such reclamation is not in compliance to the requirement in acceptance, he shall pay to the land administrative department of local municipality, county (city) government the land reclamation fee at a rate of CNY 20-80 per square meter. The said land administrative department shall organize the land reclamation.

57. Article 45: Each rural villager's household shall have only one piece of house plot. Construction of villager's residence shall be in compliance to the overall land use plan of the town/township, and shall be in combination of the reconstruction of the old village and take full advantages of the old house plot, idle land and waste land on hills within the village. Occupation of farmland shall be strictly limited. The area of approved new house plots shall observe the following criteria: (1) size of house plot in plain and suburban areas shall not exceed 100 square meters for each household; and (2) size of house plot in uplands and hilly areas shall not exceed 150 square meters for each household.

**5. Notification on Announcement for Average Annual Output Value for Land issued by Land Resource Department of Guangxi Zhuang Autonomous Region (effective from January 1, 2016)**

- a. Land acquisition approved by Guangxi Zhuang Autonomous Region and State Council should apply the new compensation standards.
- b. The integrated compensation consists of land compensation and resettlement subsidy. The compensation for standing crops and ground attachments, and social security fund is not included, and these 3 parts should be listed as separate expenditure.
- c. In addition to cash compensation, agricultural production resettlement, reemployment resettlement, using the land as share of the project and relocation resettlement can be applies. Skill training should be provided.

**D. Main Differences between ADB Policies and PRC Legislation**

58. The main differences between ADB involuntary resettlement policy requirements and PRC laws, together with gap-filling solutions, are summarized in Table 1 below.

**Table 1: Summary of Key Differences between ADB SPS 2009 and PRC Laws/Guangxi Policies and Gap-filling Measure**

ADB Safeguard Policy Statement	Corresponding Legal Provisions	Gap-filling Measures
<p><b>Policy Principle 1:</b> Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.</p>	<p>National legislation has no similar requirements. Lower levels of government generally are responsible for determining project preparation processes, but generally do not specifically require a separate early screening process.</p>	<p>Efforts will be made to minimize LAR impacts during FSR and further efforts will be made during detailed design.</p>
<p><b>Policy Principle 2:</b> Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.</p>	<p>According to the <i>Land Administration Law of the People's Republic of China</i>, Once a plan for compensation and resettlement subsidies for requisitioned land is decided on, the local people's government concerned shall make it known to the general public and solicit comments and suggestions from the collective economic organizations, the land of which is requisitioned, and the peasants.</p> <p><i>State Council [2004] No. 28</i>, Ministry of Land and Resources [2004] No. 238 and Guidelines on Improving and Managing Land Acquisition in Guangxi Zhuang Autonomous Region (effective from November 21, 2014 ) requires that (i) inform land acquisition condition, compensation rates, house relocation and livelihood restoration plans to affected farmers; (2) affirm the result of land acquisition surveys; (3) organize an evidentiary hearing if it is necessary (4) establish and improve GRM.</p>	<p>Consultation has begun at the early stage (before and during the ADB technical assistance phase). The Project will ensure APs are closely consulted during detailed design and will disclose the RP(s) to APs as required by ADB. The consultation and information disclosure will be continued during project implementation.</p>
<p><b>Policy Principle 3:</b> Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when</p>	<p><i>State Council [2004] number 28</i> states that (1) There are projects bring about stable profit. Farmers use land use</p>	<p>Rehabilitation and support measures will be included in the RP.</p>

ADB Safeguard Policy Statement	Corresponding Legal Provisions	Gap-filling Measures
<p>affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.</p>	<p>right as shares; (2) within a planned urban area, improvement of employment system and social security to safeguard AP's lives. (3) out of a planned urban area, land resettlement, employment resettlement, or displacement resettlement shall be implemented (4) carry out employment trainings.</p>	
<p><b>Policy Principle 4:</b> Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.</p>	<p>Ministry of Land and Resources [2004] 238 and Notification on Announcement for Average Annual Output Value for Land issued by Land Resource Department of Guangxi Zhuang Autonomous Region (effective from January 1, 2016 ) requires that (1) Agricultural production resettlement (2) reemployment resettlement (3) using the land as share of the project (4) relocation resettlement.</p> <p>National legislation relating to urban housing provides for independent valuation, compensation at market value, or provision of replacement housing of equivalent value at the request of affected persons. (See State Council Regulations on Collection and Compensation for Houses on State-Owned Land, 2011.) Arrangements generally assure security of tenure. Compensation rates are administratively determined through application of prescribed valuation processes.</p>	
<p><b>Policy Principle 5:</b> Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas</p>	<p>The vulnerable group will be included in the rural Minimum Living Guarantee System.</p>	<p>Special funds will be made available to assist the Vulnerable groups, who will be identified during the DMS. All assistance measures will be specified in the RP.</p>



ADB Safeguard Policy Statement	Corresponding Legal Provisions	Gap-filling Measures
provide them with appropriate income sources and legal and affordable access to adequate housing.		
<b>Policy Principle 7:</b> Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.	No similar requirements; legislation restricts compensation to those legally entitled.	Make compensation at replacement value to buildings without titles to land constructed before the cut-off time;
<b>Policy Principle 8:</b> Prepare a resettlement plan (RP) elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.  <b>Policy Principle 9:</b> Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.	Except for large-scale water sector projects, there are no specific requirements to prepare a resettlement plan.	RP will be prepared for all subproject facilities entailing IR impacts. RP will be disclosed on ADB website and in the village in local language.
<b>Policy Principle 10:</b> Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.	Refer to Article 12 of No. 28 Decree. The total resettlement cost should be included in the total project cost estimate. All compensation and administrative costs are included. Some rehabilitation measures are covered by local government. There is no requirement or budget for external monitoring.	No need.
<b>Policy Principle 11:</b> Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.	Regulations generally require compensation and other financial forms of resettlement assistance to be paid before physical or economic displacement.  No systematic provisions for resettlement supervisions throughout the project implementation period.	No need.
<b>Policy Principle 12:</b> Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the	Except for large-scale water projects, there are no requirements to monitor and evaluate outcomes, including	The requirements for monitoring and reporting are included in this RF and will be

ADB Safeguard Policy Statement	Corresponding Legal Provisions	Gap-filling Measures
objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.	impacts on standards of living of displaced persons.  There is no requirement for reporting (internal and external) and there is no disclosure of monitoring results.	further specified in the RP, as needed.

## E. Entitlement Matrix

59. In general, people eligible for compensation would include those affected in the following ways:

**(i) Land to be permanently acquired/used for the project:** This refers to (a) members of affected villages who have formal land use rights either by land take for new facilities or by adjustment of farmlands, and (b) those outsiders who are currently farming the land areas under lease arrangement. Affected persons in category a) are entitled to (i) replacement land, or (ii) land compensation at replacement cost, or (iii) other assistance/benefit sharing, or (iv) a combination of the above. Compensation should be in line with the PRC Land Administration Law (1998), and the Notification on Announcement for Average Annual Output Value for Land issued by Land Resource Department of Guangxi Zhuang Autonomous Region (effective from January 1, 2016). Based on relevant national law and provincial and local regulations, the compensation for farmland, including land compensation and resettlement subsidy will be set to at least 16 times of AAOV. For those in category b) they are entitled to compensation for lost crops and lost structures and will be assisted to arrange other lands for lease.

**(ii) Loss of structures and fixed assets, including trees and green crops:** Owners of structures and other fixed assets (regardless of whether they hold land title or building permits for structures erected prior to the cut-off date). For structures to be demolished in rural areas, compensation will be set at the replacement value, based on analysis of material costs for a replacement structure in each subproject area. For those affected urban non-registered houses if any, compensation rates based on replacement value of structures should be provided along with rehabilitation measures. For urban registered houses, compensation based on market value will be paid. The compensation for various attachments, infrastructure facilities, transition subsidy, and moving allowance will be set in accordance with the local regulations.

For non-residential structures, compensation will be set at the replacement value, based on an analysis of material costs in the subproject area. In terms of compensation for equipment relocation, moving allowance, lost wages and income during the temporary interruption, this will be determined in accordance with actual costs. For those affected non-registered business if any, compensation rates based on replacement value should be provided along with rehabilitation measures.

**(iii) Losses associated with temporary impacts:** This includes temporary land occupation, or disturbance during construction. For temporary land occupation, the compensation will be based on the AAOV, length of occupation, and cost of land reclamation.

60. A brief description of eligible criteria, types of affected persons, compensation policy is shown in the entitlement matrix (Table 2).

**Table 2: Entitlement Matrix**

<b>Type of Impact</b>	<b>Affected Person</b>	<b>Compensation Policies and Entitlements</b>
<b>Permanent land acquisition/ occupation</b>	Users of state-owned land	<ul style="list-style-type: none"> <li>a. For the affected state-owned urban land users, such as enterprises, institutions, and residents, cash compensation based on market value and negotiation will be paid for the loss of the land areas.</li> <li>b. The compensation rate will be based on the principle of replacement value and will allow the relocated land users to obtain replacement land in similar locations for rehabilitation.</li> <li>c. For the affected other urban land areas, such as unused land, river channels, and so on, administrative transfer of the land will be carried out.</li> </ul>
<b>Permanent land acquisition</b>	Owners of collectively-owned irrigated land, dry land, fruit orchard/ garden, vegetable garden, fish pond, etc.	<ul style="list-style-type: none"> <li>a. Compensation standard for various rural lands should be in line with the <i>PRC Land Administration Law (1998) and Implementation Method of Guangxi Zhuang Autonomous Region for Land Administration Law (effective from September 1, 2001)</i>. <i>Notification on Announcement for Average Annual Output Value for Land issued by Land Resource Department of Guangxi Zhuang Autonomous Region (effective from January 1, 2016)</i>, stipulates the average annual output value (AAOV) and the multiples (at least 16 times).</li> <li>b. Cash compensation will be directly paid to APs</li> <li>c. The compensation rates for green crop and other ground attachments based on replacement value will be paid directly to the APs.</li> <li>d. For land loss farmers, they will be provided with replacement farmland through land readjustment and/or replacement farmland reserved by the village committee and/or various economic rehabilitation measures, such as skill training, provision of job opportunities, and social security to ensure their incomes and/or livelihoods are fully restored and sustainable.</li> <li>e. For those village groups with no possibility of land readjustment or development, the resettlement subsidy will be paid directly to the APs, and the village groups shall manage and use the land compensation fee based on the village meeting.</li> </ul>
<b>Temporary land occupation</b>	Owners of rural land	<ul style="list-style-type: none"> <li>a. The compensation for temporary land occupation will include young crops cost, loss of output during occupation, and land reclamation cost to restore lands after use by the subproject.</li> <li>b. The compensation will be determined according to the AAOV and length of occupation time. The average time limit of the temporary land acquisition is set at two years.</li> <li>c. The compensation for land reclamation will be based on actual cost or government's standards.</li> <li>d. While the compensation for green crop and/or loss of output during land occupation will be paid directly to</li> </ul>

		APs/entities, land should be restored by the contractors or local government will restore..
<b>Structure demolition</b>	Owner of Rural Houses	<ul style="list-style-type: none"> <li>a. For rural houses to be demolished, compensation will be set at the replacement value, based on analysis of material costs for a replacement structure in each subproject area. The compensation for various attachments, infrastructure facilities, transition subsidy and moving allowance will be set in accordance with the related laws and regulations.</li> <li>b. The relocated rural households will be resettled nearby within their current villages.</li> <li>c. For each relocated household, the village will provide a replacement housing plot funded by the Project, which will be connected with roads, water supply and electricity.</li> <li>d. For those villages with no possibility of allocation of housing plot, relocation apartments will be provided.</li> <li>e. If the land is leased, the compensation for land will be paid to the owner of the land, and the compensation for structures will be paid to the owner of the houses.</li> </ul>
	Owner of Urban Houses	<ul style="list-style-type: none"> <li>a. For demolished urban houses, compensation will be set at the market value based on appraisal.. The compensation for various attachments, infrastructure facilities, transition subsidy and moving allowance will be set in accordance with the related laws and regulations.</li> <li>b. The relocated urban households will be provided with two rehabilitation options. One is to provide replacement apartment housing with better quality and similar sizes. The other option is to provide cash compensation at replacement value so APs can purchase available units on the market. The objective of these two options is to ensure that the living condition of the relocated people is restored or improved.</li> <li>c. The compensation will be paid to the owners. The renters will be informed of house demolition in advance.</li> </ul>
	Owners or users of non-residential structures	<ul style="list-style-type: none"> <li>a. For owners of non-residential structures, such as enterprises, institutions, and shops, compensation will be set at the replacement value, based on an analysis of material costs in the subproject area, plus land value if located in urban planning areas.</li> <li>b. For those enterprises that remain in their current locations with relatively minor impacts, they will make their own arrangements to build any replacement buildings based on cash compensation received. For those enterprises that need to be relocated, the project management office and the local government should assist them to identify an alternative site in accordance with the urban land use plan.</li> <li>c. In terms of compensation for equipment relocation, the moving allowance, and lost wages and income during the temporary interruption will be determined in accordance with actual costs. Equipment that is not movable will be compensated at replacement cost.</li> <li>d. For small shop owners that are affected by the</li> </ul>

		<p>Project, cash compensation will be provided based on replacement value of damaged assets, plus moving and transition allowances, and lost wages during transition. Special assistance will be provided to enable businesses to relocate to a good commercial area, including start-up expenses.</p> <p>e. Affected workers will be assured of continued employment, either by the enterprises or by local government and such costs will be included in the compensation paid by the Project. Workers will receive salaries for a minimum of 3 months due to work stoppage or loss of employment.</p> <p>f. The project office and local government should provide assistance to them during the process of relocation and rehabilitation.</p>
<p><b>Loss of ground attachments</b> (Green crops, economic trees and other ancillary facilities (wells, drying grounds, etc.) caused by permanent or temporary land occupation)</p>	<p>Property/ asset owner (whether having legal title to land or not)</p>	<p>a. Collective and individual assets will be compensated at replacement cost or reconstructed in accordance with the "original function, the original scale and standards", and the costs will be included in the project cost and paid by contractor directly to the property/asset owner.</p>
<p><b>Damage to public infrastructure</b> (electricity, water lines, irrigation, drainage, roads)</p>	<p>Owner or in charge departments</p>	<p>a. All the common facilities affected by the Project shall be rehabilitated and rebuilt according to the actual conditions affected by the Project, the original standard, scale and function, and the new requirements. The compensation funds shall be planned according to the rehabilitation plan, and provided to the relevant public departments in charge of special facilities to organize the implementation. The compensation payable where public facilities are affected will be determined in accordance with the relevant regulations and estimates quota, with reference to the unit costs for similar subproject areas.</p>
<p><b>Impact on Vulnerable households</b></p>	<p>Vulnerable households<sup>4</sup> that are impacted by any of the above categories</p>	<p>a. Assistance will be provided to ensure there are no short term losses of income and that these households will be better off after the Project.</p> <p>b. Provision of labor for house reconstruction.</p> <p>c. Priority to obtain project related employment opportunities.</p> <p>d. Provision of house renting (lowest cost) information.</p>

## F. Cut-off Date

61. The cut-off date for the eligibility for compensation is the date on which EA announces the LA/HD notice. Any newly claimed land, newly built house or settlement in the project area by the APs after this date will not be entitled to compensation or subsidization. Any building constructed or tree planted purely for extra compensation will not be counted in the DMS.

<sup>4</sup> Vulnerable groups refer to individuals and households below the minimum living standard of each city/county, as well as orphans, the disabled, the mentally handicapped, and women-headed households.

### III. SCREENING OF SUBPROJECTS AND PREPARATION OF RESETTLEMENT PLAN

#### A. Screening of Subproject

62. For all of the Guangxi Regional Cooperation and Integration Promotion and Investment Program subprojects where land acquisition and resettlement is necessary, individual RPs must be prepared and implemented according to the policies set out in this RF. Following the ADB's operational procedures for involuntary resettlement, the first tranche of this MFF has been classified as Category 'C' for Involuntary Resettlement, so no RPs have been prepared; nonetheless, due diligence reports were prepared to assess IR impacts that occur prior to ADB involvement (early 2016).

63. The project will screen all subproject facilities for subsequent tranches during preliminary or detailed design to identify potential IR impacts. Firstly, further screening will be undertaken through site visits and consultations with potential APs to understand the existing local land use and ownership arrangements and the proposed project components and potential IR impacts. The following steps are required for the screening:

- Preparation of village level project maps showing existing conditions (housing, access roads, irrigation systems, contracted farmland, land use designations and current land use (i.e., vacant lands or uses that vary for official designation).
- Preparation of overlay maps identifying the proposed facilities and their boundaries (redlines) based on detailed design drawings.
- Verification of the land use rights and leases, including any disputes.
- Visit to and observation of the proposed construction works.
- Consultations with villagers to assess if the proposed works will adversely affect any person(s), groups or entities (as defined in this RF).
- Preparation of a screening report summarizing the main findings, including (i) brief description of the proposed facility site including village maps; (ii) description of subproject facility and types of works; (iii) description of proposed land use changes compared with the current use; (iii) IR impact findings identified by the DI; (iv) process and outcome of consultations with farmers and stakeholders (records of meetings, etc.); and (v) confirmation whether any further actions are required (i.e., need to prepare a RP) or not (i.e., no IR impacts or risks). The screening checklist is in **Appendix 1**.

#### B. Due Diligence for Subprojects with prior IR Impacts

64. In case of subprojects with prior land acquisition or involuntary resettlement, the PMO will conduct due diligence to determine if there are any outstanding compensation or resettlement issues, or unresolved grievances or related areas of reputational risk to ADB. If there are any outstanding involuntary resettlement issues, the PMO will report these to ADB and prepare corrective measures in the form of a retrofit plan to achieve compliance with ADB's IR requirements. The retrofit plan should be disclosed to affected persons and submitted to ADB for review and approval.

#### C. Procedure for Assessment of Impact and Preparation of RP

65. If the screening process identifies potential IR impacts, the next step would be to consider design modifications to avoid or reduce the degree of impacts. This will be an iterative process involving consultations between the APs and the design institute. Once the designs have been optimized and approved by the related PMO, if all IR impacts have been avoided, no further action is required. If some IR impacts remain, a RP will be

prepared. For this to be effective, the screening must be done together with the preliminary or detailed design process; it should not be done after designs are finalized.

66. RPs will be prepared in accordance with ADB's SPS (2009) and this RF (see outline in Appendix 2), in close collaboration with those affected. Each RP will establish appropriate safeguards including compensation measures to offset any losses to ensure no person is made worse off. The RPs will be prepared by the PMOs with the assistance of their consultants as needed, disclosed to affected persons, and reviewed and approved by the PMO prior to the PMO's submission to ADB for review and approval.

67. For preparation of the RP, the PMOs will organize the design institutes to carry out a detailed and 100% census survey based on final design, and sample socio-economic survey of APs with at least 20% of affected households or entities. The socio-economic survey should collect relevant information to understand baseline conditions and to analysis the impacts of LA, LO and HD impacts.

68. The RP will be prepared based on the analysis of impacts; and will include income restoration plan, land adjustment plan, compensation standards, house relocation plan and other mitigation measures, as required. Based on the assessment of impacts, the PMO will need to formulate the plan of compensation for losses, and where impacts are significant, the additional measures to restore lost income or assets. Compensation will be negotiated based on minimum published rates from relevant government agencies with additional discussion as required to ensure compensation at replacement value and adequate livelihood restoration. The compensation rates will be specified in each RP. Plans may also include measures to provide temporary or new infrastructure that is affected during construction. Each RP will include a budget for RP implementation, identifying the source of funds and an implementation schedule linked with the civil works. Construction of civil works will not commence until (i) ADB has approved the RP; and (ii) compensation has been paid, and/or replacement land has been allocated to affected persons. For contracts financed by ADB, contracts will not be awarded until the final RP has been approved by ADB. Finally, each RP will specify the requirements for the resettlement implementation supervision, monitoring and reporting (see guidelines in Section VI).

69. After review and endorsement by PMO, each RP will be submitted to ADB for approval. The PMOs, independent resettlement monitoring agency, and ADB project team will supervise and monitor the resettlement implementation for individual subprojects.

#### **IV. CONSULTATION, PUBLIC PARTICIPATION AND INFORMATION DISCLOSURE**

70. Each subproject with IR impacts should undertake public consultation and information disclosure within the project area with APs. Knowledge and acceptance of the proposed compensation policies and rehabilitation measures for the APs is a precondition for ADB approval of each RP.

71. In order to engage with the community and enhance public understanding on the Project and address the issues pertaining to resettlement, various types of APs and other stakeholders will be consulted through group discussions, meetings and individual interviews during the DPR and RP preparation of sub-projects. The opinions of the stakeholders and their perceptions will be obtained during these consultations and the RP will document these and explain how APs' concerns have been addressed.

72. To encourage meaningful participation by project stakeholders, enhance project benefits, improve project design and ensure effective implementation of all project activities, further information disclosure, consultations and participation by targeted groups will be planned during project design and implementation. The scope of information disclosure, consultations and participation includes explaining to and seeking feedback from APs about detailed scope and schedule of all proposed construction activities, land and facility improvements, land occupation, need for compensation, employment opportunities provided to local farmers, training, and non-agricultural support measures. The main purpose of such activities will be to allow the APs to understand the proposed project activities and obtain their agreement for carrying out such activities, so that they have a better idea how the project will benefit them. The information disclosure, consultation and participation work of this project is the responsibility of the PMO.

73. The subsequent consultation activities completed will be described in the RPs, as well as the consultation and participation activities to be carried out for RP implementation. To ensure the affected persons' opinions and suggestions are fully considered, public participation will precede the design and implementation of the resettlement measures. Public participation will be part of the whole process of planning, design, implementing, and monitoring the RP.

74. At the stage of drafting and finalizing the RPs, each PMO will disclose the related RP to the affected persons. The draft RPs will be disclosed to APs at least 1 month ahead of ADB review. If there are changes to the final RP, it will be disclosed again after being approved by ADB. ADB will also disclose the RPs on its website upon approval; this will include the formal endorsement letters from local government/PMOs.

## **V. GRIEVANCE REDRESS MECHANISM**

75. During implementation of the RP, APs' complaints may arise because of problems or change to the actual subproject implementation activities that had not been foreseen when the RP was prepared. In order to ensure that the APs can voice their complaints when any problem arises in connection with the land acquisition and/or resettlement of the APs, a grievance redress procedure is defined within this RF and will be included in the RPs.

A project level grievance redress mechanism (GRM) will be established to receive, manage and address any social issues which may arise due to the project. The project agencies will ensure that potentially affected communities are informed on GRM at an early stage. The purpose of this procedure is to provide a mutually satisfactory means for rapid response to any AP's complaint, to avoid any likelihood of a complicated legal procedure.

76. The detailed procedure is as follows:

- a. If any AP does not agree with the compensation or resettlement plan, he/she can voice his/her complaint to the village or residential committee. The village or residential committee should keep records, consult with the local resettlement office and provide a reply to the AP within 2 week.
- b. If the AP is not satisfied with the reply, he/she can appeal to the township or sub-district resettlement working office, which will take records, consult with the local resettlement office and provide a resolution to the AP within 2 week.



- c. If the AP still does not accept the proposed resolution, then he/she can appeal directly to the PMO, which is the main organization responsible for the whole subproject. The PMO should make a record of any appeal and provide a resolution within 1 week.
- d. If the dispute still cannot be resolved, then the AP can appeal to the GPMO. The GPMO is responsible for keeping records of all appeals, and the resultant resolutions.

77. APs also have the right to use alternative channels at any time: (i) go through an administrative appeal according to the *Administrative Procedure Law of PRC*, or (ii) go directly to the People's Court.

78. APs will be aware of their right to appeal through the participatory meetings and from distribution of the resettlement information booklet by following the new provisions in the land administration law and regulations. The Project will also publicize information through the mass media and collect the APs' opinions and suggestions, which will then be investigated and resolved through all necessary administrative levels in a timely manner.

Any costs incurred to receive documents and address grievances will be paid by the PMO or with regard to relevant laws and regulations (no charges need to be paid by complainants).

79. The tracking and documenting of grievance resolutions by the PMO will include the following elements: (i) tracking forms and procedures for gathering information from project personnel and complainant(s); (ii) regular updating of the GRM database by the Social safeguard Officer in each PMO; (iii) processes for informing stakeholders about the status of a case; and (iv) a simple but effective filing system, so that data can be retrieved for reporting purposes, including reports to ADB.

80. The aggrieved persons may also express grievance to the external monitor, who would then report it to the local PMO and GPMO.

81. Alternatively, the aggrieved person(s) may submit a complaint to the ADB's Project Team to try to resolve the problem. If good faith efforts are still unsuccessful, they may submit their complaint to ADB's Accountability Mechanism (2012).<sup>5</sup> The first step requires good faith efforts to resolve the problem with the ADB Project Team.

## **VI. INSTITUTIONAL ARRANGEMENTS**

### **A. Key Institutions**

82. The GPMO will be responsible for management of the overall investment program implementation. The PMOs for the subprojects are the IAs who have the subproject specific responsibility to implement the RPs in conjunction with local government agencies according to this RF. The GPMO will authorize the PMO of each subproject city to conduct regular (quarterly or semi-annual) monitoring, supervision and reporting of the resettlement implementation as per the requirements of this RF and subproject RPs. The institutions to be responsible for the planning, management, implementation and monitoring of the resettlement activities include:

- (i) GPMO for Guangxi Regional Cooperation and Integration Promotion Investment Program,

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<sup>5</sup> <http://www.adb.org/Accountability-Mechanism/default.asp>.

- (ii) PMO for each subproject,
- (iii) Village (Residential) Committee, and Villagers' Group,
- (iv) Selected Design Institutes for FSR/detailed design report,
- (v) Selected Design Institutes for Resettlement Planning, and
- (vi) Selected Independent Resettlement Monitoring and Evaluation Institution.

83. In the RP for each subproject, details should be presented on the staff, responsibility, and relationship of these institutions that are required. In addition, assessment of institutional capacity and resources capacity should be carried out, based on which, detailed training programs will be developed and included in the RP. Although the GPMO has extensive experience, most staff of the subproject PMOs have had less exposure to implementing foreign loan funded projects, and with ADB resettlement policy requirements. Additional training for resettlement staff from each subproject will be included in the individual RPs.

## **B. Resettlement responsibilities of the Institutions**

84. **EA (GPMO).** Its primary duties are to organize resettlement work of this Investment Program, take charge of policy development of the resettlement activities in the implementation areas of subprojects, endorse this RF, and organize and coordinate relationship of the resettlement agencies at all levels.

85. **IAs (PMO for each subproject).** Its main duties are to take charge of policy development of the resettlement activities in the implementation areas of this subproject, endorse the RP(s) and organize and coordinate relationship of the related agencies (land resource bureau, house demolition bureau, etc), and report to GPMO. The PMO will provide support to the design institutes and external M&E agency. A resettlement office will be set in the PMO.

86. **Affected village/community committees:** providing land contracting information, assisting in the surveys, reallocate housing sites and contracted land after land acquisition and house demolition, providing information on affected vulnerable groups, carrying out community mobilization and publicity, assisting technicians in measurement, valuation, negotiating and signing the resettlement agreements.

87. **Design institute for FSR/detailed design report:** preparing the project design and defining the range of land acquisition and house demolition.

88. **Design Institutes for Resettlement Planning:** It will conduct the detailed impact measurement survey and socio-economic household survey, consultation with the APs and prepare the RP.

89. **Independent Resettlement Monitoring and Evaluation Institution.** It will observe all aspects of the implementation of RP and, conduct M&E of relocation and resettlement work, and submit external M&E report of resettlement to the PMO and ADB.

## **VII. IMPLEMENTATION SCHEDULE**

90. The RP implementation schedule will vary from subproject to subproject. In general, the subproject implementation will consist of the three major phases, namely (i) project and RP preparation, (ii) land acquisition and house demolition, and (iii) resettlement and rehabilitation of APs. In line with the principles laid down in this RF, the GPMO and PMOs will ensure that project activities are synchronized between the resettlement plan implementation activities as well as the subproject implementation. The GPMO and PMOs will ensure that no physical or economic displacement of

displaced households will occur until: (i) compensation at full replacement cost has been paid to each displaced person for project components or sections that are ready to be constructed; (ii) other entitlements listed in the resettlement plan are provided to the displaced persons; and (iii) a comprehensive income and livelihood rehabilitation program, supported by adequate budget, is in place to help displaced persons, improve, or at least restore, their incomes and livelihoods. Furthermore, all RPs will be revised during detailed design, and the updated RPs will be approved by government and ADB and disclosed prior to implementation.

## **VIII. BUDGET AND FINANCING**

91. The project implementing units (PIUs) of each subproject will bear all costs related to permanent land acquisition, house demolition, temporary land occupation and ground attachments compensation, if there are IR impacts. Actual costs of compensation and rehabilitation will be specified in each RP. The cost evaluation and budget will be included in every RP and will specifically mention — cash or in-kind measures (e.g., replacement land, land adjustment, benefit sharing, etc.). All affected persons have rights to compensation, rehabilitation and other support measures if they are adversely impacted by loss of land, income or property assets.

92. Resettlement policies identified in the RF provide the basis for calculation of resettlement compensation and other costs. Resettlement compensation shall be paid in full to the individual, entity or collective suffering from loss of land or other property. The procedures through which the compensation is disbursed will be specified in each RP. The basic principle is that fund flows will be as direct as possible, to minimize the coordination, arbitration and other intermediate links. The budget of the RP will include contingency expenses, usually about 10% of the total RP budget, to meet the needs of cost increase or unexpected resettlement expenses.

93. The costs for monitoring, supervision, grievance redress, reporting and engaging the external monitor will be borne by each PMO as part of their project administration budgets. These costs will be included in the individual RPs.

## **IX. MONITORING AND REPORTING**

94. Both internal and external monitoring and evaluation of the resettlement screening and RP implementation will be carried out to ensure all APs and communities are compensated adequately and timely, and that their lands, incomes and property assets are restored or adequately compensated in cash or kind as early as possible, in accordance with the principles set out in the RF.

### **A. Internal Monitoring**

95. The PMOs will be responsible for the internal resettlement monitoring activities. The monitoring work will include reviewing the main implementation milestones, evaluating the resettlement impacts, and if necessary revising the subproject RPs (e.g., due to change in scope). The PMO will be responsible for ensuring the effective performance of the resettlement institutions during resettlement implementation, including strengthening the coordination between different institutions. PMOs will prepare quarterly progress reports for submission to ADB as the routine review and monitoring of resettlement implementation issues. The reports would include any suggestions for consideration and future action. An outline of internal monitoring report is enclosed in **Appendix 3**.

96. The internal monitoring will include:

1. Updates of implementation schedules and progress of the last quarter and works/actions planned in the next quarter;
2. The allocation of housing sites, house reconstruction, and relocation activities;
3. Assessment of implementation progress and the quality of the replacement facilities for the resettled people and their productive activities;
4. Investigation, coordination and provision of suggestions to deal with any issues that arise (previously or newly) for the resettlement institutions and the APs during the resettlement implementation process;
5. Oversight on the restoration of family income once relocation and resettlement has been completed;
6. Measures taken for vulnerable groups or individuals;
7. The allocation, disbursement, and use of resettlement compensation;
8. Assessment and support for participation and consultation during the implementation period;
9. Progress on resettlement training and its effectiveness in livelihood promotion; and
10. Implementation issues and proposed follow-up actions.
11. The PMO will be responsible for preparing and submitting to ADB an annual resettlement summary report and a final comprehensive resettlement completion report once all resettlement activities have been finished.

## **B. External Monitoring**

97. According to ADB's policies, one qualified, independent and experienced resettlement agency will be engaged as the independent resettlement monitor.

98. The external monitor will conduct follow-up M&E of IR screening process and resettlement activities periodically, monitor resettlement progress, quality and funding, and give advice. It will also conduct follow-up monitoring of the APs' production level, income level and standard of living, and submit M&E reports to the PMO and ADB. See Appendix 4 for the terms of reference for external M&E.

### **1. Scope and Methods of External Monitoring**

#### **a. Baseline survey**

99. The external monitor will conduct a baseline survey of households in the affected villages and village groups affected by land acquisition or by house demolition to obtain baseline data on the monitored displaced households' production level and standard of living. The production level and standard of living survey will be conducted annually to track variations of the APs' production level and standard of living. This survey will be conducted using such methods as household survey (sample size: 20% of the households affected by land acquisition to be sampled randomly and 100% of AHs by house demolition, 100% of the affected village groups), random interview, focus group discussions and field observation to acquire necessary information. Qualitative and quantitative evaluation will be made on this basis.

#### **b. Periodic M&E**

100. During the implementation of the RP, the external monitor will conduct periodic follow-up resettlement monitoring semi-annually of the following activities by means of field observation, household survey and random interview:

- Payment and amount of compensation;

- Adequacy and effectiveness of consultation and participation;
- Preparation and adequacy of the resettlement site;
- House rebuilding;
- Relocation of the affected persons to new housing;
- Training of local official and livelihood training for APs;
- Support for vulnerable groups and improved living standards;
- Restoration and rebuilding of infrastructure and special facilities;
- Production and livelihood restoration measures;
- Relocation and/or rehabilitation of affected businesses or shops
- Compensation for lost properties and attachments;
- Compensation for lost work in affected businesses or shops;
- Payment and adequacy of transition subsidy;
- Timetables of the above activities (applicable at any time);
- Effectiveness of resettlement organizations;
- Effectiveness of GRM and complaint resolution;
- Use of compensation fees for collective land and income of APs;
- Income growth of households through income restoration measures; and
- Whether affected persons have benefited from the subproject.

**c. Public consultation**

101. The external monitoring agency will attend public consultation meetings held during resettlement implementation to evaluate the effectiveness of public participation.

**d. Grievance redress**

102. The external monitor will visit the affected villages and groups periodically, and inquire with the subproject PMOs and town resettlement offices and implementing agencies that accept grievances about how grievances have been handled. It will also meet complainants, assess the status of problem resolution and, where necessary, propose corrective measures and advice for existing issues so as to make the resettlement process more effectively.

**2. External Monitoring Reporting**

103. The external monitor will submit monitoring or evaluation reports to ADB and the PMO semi-annually during resettlement implementation, followed by two annual evaluation reports.

## APPENDIX 1: INVOLUNTARY RESETTLEMENT IMPACT CATEGORIZATION CHECKLIST

1. The EA will submit to ADB the Involuntary Resettlement Impact Categorization Checklist for each subproject. The project management Consultants will prepare the checklist based on field survey.

Land Acquisition and Resettlement Issues	Yes	No	Not Known	Remarks
<b>A. For Subprojects with Prior Land Acquisition or Resettlement</b>				
1. Did the subproject require any permanent land acquisition or temporary land occupation? If yes, provide information on				Please determine the arrangements made by the local/provincial government on matters pertaining to land acquisition , compensation and resettlement and rehabilitation.  If there are outstanding issues that are likely to be noncompliant with ADB's Safeguards Policy Statement and the Resettlement Framework, prepare a corrective action plan (CAP)
– Name of village/s and county where subproject is located and from whom land was acquired				
– Total land area occupied by the subproject				
– Status of land acquisition for the facility/subproject				
– Information on status of payment of compensation				
– Type of land acquired (i.e. land classification prior to subproject construction)				
– Amount paid by the government agency to original land users for land and/or fixed assets				
– Name of local government agency who handled land acquisition and resettlement activities				
– Number of persons/households affected by land acquisition by the Government				
2. During the ground clearing works for the subproject, was there any				
– Demolition of residential houses and relocation of affected persons?				
– Demolition of commercial structures or any other structures?				
– Loss of businesses and other livelihoods?				
– Loss of crops and trees				
3. Are there any outstanding grievances or unpaid compensation?				
<b>B. For Subprojects with New/Additional Land Acquisition or Resettlement</b>				
1. Will the subproject require acquisition of collectively owned land, state-owned land or land held by community under traditional, customary and usufruct rights?				If yes, compensation at replacement cost may be required and details outlined in a resettlement plan (RP)
2. Will access to common properties (e.g. burial grounds, community facilities, public grazing lands, forest, etc) be restricted by subproject activities?				If yes, mitigation measures accepted by the affected community need to be outlined in an RP.
3. Will land acquisition result in loss of				If yes, prepare a

housing and/or affect other structures?				resettlement plan (RP).
4. Are there any non-titled people whose living arrangements and/or livelihoods will be affected by the subproject?				If yes, livelihood restoration measures should be developed and described in the RP.
5. Will there be loss of agricultural plots?				
6. Will there be losses of crops, trees, and fixed assets?				
7. Will there be loss of businesses or enterprises?				
8. Will there be loss of incomes and livelihoods?				
9. Will any social or economic activities be affected by land use-related changes?				

<b>IR Impact Category</b>		<b>Plan Required</b>	Prepared by: (Subproject Staff) Name and Signature: Designation: Date:
<b>A</b>	Significant Impact	RP/CAP	Approved by: ( ) Name and Signature: Designation: Date:
<b>B</b>	Not Significant	RP/CAP	
<b>C</b>	No impact	None	

## **APPENDIX 2: RESETTLEMENT PLAN OUTLINE**

1. This outline is part of the ADB SPS Safeguard Requirements 2. A resettlement plan is required for all projects with involuntary resettlement impacts. Its level of detail and comprehensiveness is commensurate with the significance of potential involuntary resettlement impacts and risks. The substantive aspects of the outline will guide the preparation of the resettlement plans, although not necessarily in the order shown.

### **A. Executive Summary**

2. This section provides a concise statement of project scope, key survey findings, entitlements and recommended actions.

### **B. Introduction and Project Description**

3. This section:

- (i) provides a general description of the project, discusses project components that result in land acquisition, involuntary resettlement, or both and identify the project area.
- (ii) describes the objectives of the RP; and
- (iii) describes the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision.

### **C. Scope of Land Acquisition and Resettlement**

4. This section:

- (i) discusses the project's potential impacts, and includes maps of the areas or zone of impact of project components or activities;
- (ii) describes the scope of land acquisition (provide maps) and explains why it is necessary for the main investment project;
- (iii) summarizes the key effects in terms of assets acquired and displaced persons; and
- (iv) provides details of any common property resources that will be acquired.

### **D. Socioeconomic Information and Profile**

5. This section outlines the results of the social impact assessment, the census survey, and other studies, with information and/or data disaggregated by gender, vulnerability, and other social groupings, including:

- (i) define, identify, and enumerate the people and communities to be displaced;
- (ii) describe the likely impacts of land and asset acquisition on the people and communities displaced taking social, cultural, and economic parameters into account;
- (iii) discuss the project's impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups; and
- (iv) identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

### **E. Information Disclosure, Consultations, and Participation**

6. This section:



- (i) identifies project stakeholders, especially primary stakeholders;
- (ii) describes the consultation and participation mechanisms to be used during the different stages of the project cycle;
- (iii) describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;
- (iv) summarizes the results of consultations with displaced persons (including host communities), and discusses how concerns raised and recommendations made were addressed in the resettlement plan;
- (v) confirms disclosure of the draft resettlement plan to displaced persons and
- (vi) includes arrangements to disclose any subsequent plans; and
- (vii) describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with displaced persons during project implementation.

## **F. Grievance Redress Mechanism**

7. This section describes mechanisms to receive and facilitate the resolution of displaced persons' concerns and grievances. It explains how the procedures are accessible to displaced persons and gender sensitive.

## **G. Legal Framework**

8. This section:

- (i) describes national and local laws and regulations that apply to the project and identify gaps between local laws and ADB's policy requirements; and discuss how any gaps will be addressed.
- (i) describes the legal and policy commitments from the EA for all types of displaced persons;
- (ii) outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes, and livelihoods; and set out the compensation and assistance eligibility criteria and how and when compensation and assistance will be provided.
- (iii) describes the land acquisition process and prepare a schedule for meeting key procedural requirements.

## **H. Entitlements, Assistance and Benefits**

9. This section:

- (i) defines entitlements and eligibility of displaced persons , and describes all resettlement assistance measures (includes an entitlement matrix);
- (ii) specifies all assistance to vulnerable groups, including women, and other special groups; and.
- (iii) outlines opportunities for displaced persons to derive appropriate development benefits from the project.

## **I. Relocation of Housing and Settlements**

10. This section:

- (i) describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensure that gender concerns and support to vulnerable groups are identified);

- (ii) describes alternative relocation sites considered; community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs;
- (iii) provides timetables for site preparation and transfer;
- (iv) describes the legal arrangements to regularize tenure and transfer titles to resettled persons;
- (v) outlines measures to assist displaced persons with their transfer and establishment at new sites;
- (vi) describes plans to provide civic infrastructure; and
- (vii) explains how integration with host populations will be carried out.

#### **J. Income Restoration and Rehabilitation**

11. This section:

- (i) identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;
- (ii) describes income restoration programs, including multiple options for restoring all types of livelihoods (e.g. project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
- (iii) outlines measures to provide social safety net through social insurance and/or project special funds;
- (iv) describes special measures to support vulnerable groups;
- (v) explains gender considerations; and
- (vi) describes training programs.

#### **K. Budget and Financial Plan**

12. This section:

- (i) provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during loan implementation.
- (ii) describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items)
- (iii) includes a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement costs.
- (iv) includes information about the source of funding for the resettlement plan budget.

#### **L. Institutional Arrangements**

13. This section:

- (i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
- (ii) includes institutional capacity building program, including technical assistance, if required;
- (iii) describes role of NGOs, if involved, and organizations of displaced persons in resettlement planning and management; and
- (iv) describes how women's groups will be involved in resettlement planning and management

**M. Implementation Schedule**

14. This section includes a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. The implementation schedule should cover all aspects of resettlement activities synchronized with the project schedule of civil works construction, and provide land acquisition process and timeline.

**N. Monitoring and Reporting**

15. This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of displaced persons in the monitoring process. This section will also describe reporting procedures.

**APPENDIX 3: OUTLINE OF INTERNAL RESETTLEMENT/SOCIAL MONITORING REPORT**

<b>Section</b>	<b>Contents</b>
<b>Summary and milestone</b>	An executive summary including status on RP milestones. Include Table on Milestone.
<b>Introduction</b>	<p>Brief background on the project/subproject and progress status (works)</p> <p>The status of project's/subproject's resettlement category and planning documents (original, updated or new plans) on resettlement/social safeguards</p> <p>Institutional arrangements for resettlement and social aspects (staff, consultants, grievance redress mechanism, translation of documents, etc.)</p> <p>Approval of budget and compensation standards for land acquisition and resettlement</p> <p>Preparation of detailed implementation schedule</p> <p>Arrangement for the monitoring (internal monitoring, external monitoring, etc.)</p>
<b>Monitoring Activities for this period</b>	<p>Methodology for monitoring</p> <p>Monitoring Period - what period the monitoring covers</p> <p>Main monitoring activities – site visits, consultations, survey etc</p>
<b>Monitoring Results</b>	<p>Update of LAR progress based on recent technical design and construction, including any change in scope.</p> <p>Explanation of any additional impacts and whether RP update needed.</p> <p>Update on compensation standards</p> <p>Progress and performance in implementation of RPs and related social plans (how their plans have been implemented, what are the outputs, etc.)</p> <p>Results on consultations, participation and grievance redress (whether they have been effective)</p> <p>Compliance on disclosure (whether reports have been submitted, posted on website)</p> <p>Whether the implementation complies with the approved</p>

	<p>RPs Whether any issues and corrective measures identified to achieve compliance. If yes, actions with target dates and responsible agency/person)</p> <p>Include Tables on key aspects, including:</p> <p>Impacts Update Standards Update LAR Progress Resettlement housing site preparation Income/livelihood rehabilitation measures Assistance to vulnerable groups Consultation and Disclosure Grievances</p>
<p><b>Summary, Conclusions and Follow-up Actions</b></p>	<p>Summary of main findings;</p> <p>Main issues identified and corrective actions noted;</p> <p>A table on follow-up action, which can be updated each period to track completion of actions required.</p>
<p><b>Attachments</b></p>	<p>Monitoring checklist (based on items identified in the RP)</p> <p>Photographs</p>

## **APPENDIX 4: SAMPLE TERMS OF REFERENCE FOR THE EXTERNAL MONITOR**

### **A. Introduction**

1. Monitoring and evaluation will include, but will not be limited to, (i) the progress and effectiveness of the implementation of the RP; and (ii) the evaluation of income restoration and post-resettlement conditions of the affected persons (APs) and affected communities, including host communities.

### **B. Objectives and Requirements of Monitoring and Evaluation**

2. The objectives of monitoring and evaluation are to assess whether the RP is implemented on schedule and within budget and whether the goals and principles of the RP are achieved. Specifically, monitoring and evaluation will focus on the following aspects of the APs' situation and the resettlement process.

- Social and economic situation prior to and after land acquisition and/or resettlement;
- Timely disbursement of funds and compensation payments to APs;
- Measures taken to restore APs' income/livelihoods;
- Functioning of the grievance redress mechanism
- Social adaptability after resettlement, where required;
- Restoration of APs' incomes/livelihood, including vulnerable groups
- Special items related to the vulnerable groups;
- Condition and quality of land temporarily acquired when it is returned to the original land users;
- and,
- Living conditions and economic status of APs following resettlement in comparison to the "without project" scenario.

3. Monitoring and evaluation will include (i) the verification or establishment of a socio-economic baseline of the APs prior to actual land acquisition, physical displacement/relocation, loss of assets or disruption of businesses (as relevant); (ii) verification of internal monitoring data and reports; (iii) the regular monitoring of their house demolition and displacement/relocation to new housing (as relevant) and adjustment during subproject implementation; and (iv) evaluation of their situation for a period of two years after land acquisition or house displacement (as relevant). In addition, qualitative and quantitative evaluation will be made on the sustainability of living conditions of APs. Investigation will include consultations and observations with APs, IAs, local officials, village leaders, as well as a quantitative sample survey of at least 20% of affected households. Focus group discussions will be conducted with male and female APs, vulnerable groups and others.

4. If the findings of the M&E indicate significant compliance gaps, the external monitor will work with the EA and/or PMO to prepare a corrective action plan (CAP) in cooperation with the relevant stakeholders, to address pending issues. The external monitor will also monitor and report on the implementation of the CAP.

### **C. Monitoring Indicators**

5. Monitoring will include process, output and outcome indicators. The monitoring framework and formats stipulated in the RPs will be adopted. The following general indicators should be covered where relevant.

- Disbursement of entitlements to APs and enterprises/businesses: compensation, relocation, housing, cultivated farmland, and employment as specified in the RP.
- Provision of relocation options, progress of distribution of cash compensation/housing plots and relocation houses, ; the compensation for construction of houses should at least be replacement cost; the APs must receive their compensation prior to dispossession and other entitlements and allowances as stipulated in agreements.
- Development of economic productivity: re-allocation of cultivated land, land restoration, job opportunities available to APs, number of APs employed or unemployed as a result of the subproject.
- Standard of living: Throughout the implementation process, the trends in standards of living will be observed and the potential problems in the way of restoration of standards of living will be identified and reported. The Monitor will carry out a tracer survey of baseline AHs before and after the completion of resettlement implementation to document the standards of living and the conditions of the APs for 2 years.
- Restoration of public infrastructure: all necessary infrastructure should be restored at least up to a standard equal to the standard at the original location; the compensation for all infrastructure should be sufficient to reconstruct it to the same quality
- Resettlement sites. Land for resettlement sites should be acquired in a timely manner and public infrastructure provided prior to commencement of house construction. Long transition period should be avoided through good planning and scheduling of resettlement activities and house demolition.
- Effectiveness of resettlement planning. Adequacy of assets measurement, entitlements, sufficiency of budget, and timeliness of mitigation measures.
- Level of satisfaction of APs: level of satisfaction of APs with various aspects of the resettlement program; the effectiveness of the grievance redress mechanism will be reviewed and the speed and results of grievance redress measures will be monitored.
- Social adaptability of vulnerable groups: impacts on children, ethnic minorities and other vulnerable groups, public participation, APs' attitudes and reaction to post resettlement situation, implementation of preferential policies, income restoration measures, and improvements in women's status in villages.
- Other impacts. The monitor will verify if there are unintended impacts on employment and incomes.

#### **D. Special Considerations**

6. Special attention will be paid to women, ethnic minorities, as well as the poor and other vulnerable groups during monitoring; these include:

- The status and roles of women: Closely monitor any change in women's status, function and situations. At least 40% of APs surveyed will be women.
- Differential impacts on ethnic minority groups. Closely monitor their socioeconomic status to ensure that they have not been marginalized. Monitoring indicators should be disaggregated by gender, income level and ethnicity.
- Care and attention to vulnerable groups: Closely monitor living conditions of the poor, the elderly, persons with disability, single female headed households and other vulnerable groups after resettlement, to ensure that their livelihood and/or living condition is improved.
- Monitoring and evaluation will provide information on the utilization and adequacy of resettlement funds.