

# Resettlement and Indigenous Peoples Plan

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October 2013

## People's Republic of China: Yunnan Chuxiong Urban Environment Improvement Project

Prepared by the ADB-financed Project Management Office of the Chuxiong Prefecture Government and the Wuding County Government for the Asian Development Bank.

## CURRENCY EQUIVALENTS

(as of 17 October 2013)

Currency unit	–	yuan (CNY)
CNY1.00	=	\$0.1639
\$1.00	=	CNY6.0996

## ABBREVIATIONS

AAOV	–	average annual output value
ADB	–	Asian Development Bank
AH	–	affected household
AP	–	affected person
CPPMO	–	Chuxiong Yi Autonomous Prefecture PMO
DMS	–	detailed measurement survey
EM	–	ethnic minority
EMP	–	environment management plan
EMDP	–	ethnic minority development plan
FGD	–	focus group discussion
HD	–	house demolition
HH	–	household
LA	–	land acquisition
LEF	–	land-expropriated farmer
M&E	–	monitoring and evaluation
MLS	–	minimum living security
PMO	–	project management office
PRC	–	People's Republic of China
RIB	–	resettlement information booklet
REMDP	–	resettlement and ethnic minority development plan
WCG	–	Wuding County Government

## WEIGHTS AND MEASURES

<i>mu</i>	–	666.7 m <sup>2</sup>
km	–	kilometer

## GLOSSARY

<b>Affected person (or household)</b>	–	Those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (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.
<b>Compensation</b>	–	Money or payment in kind to which the people affected are entitled in order to replace the lost asset, resource or income
<b>Entitlement</b>	–	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to

<b>Income restoration</b>	–	restore their economic and social base
<b>Resettlement</b>	–	Reestablishing income sources and livelihoods of people affected
<b>Resettlement impact</b>	–	Rebuilding housing, assets, including productive land, and public infrastructure in another location
<b>Resettlement plan</b>	–	Loss of physical and non-physical assets, including homes, communities, productive land, income-earning assets and sources, subsistence, resources, cultural sites, social structures, networks and ties, cultural identity, and mutual help mechanisms
<b>Vulnerable Group</b>	–	A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation
	–	Distinct groups of people who might suffer disproportionately from resettlement effects, as specified in this plan

#### **NOTE**

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**ADB-financed Yunnan Chuxiong Urban  
Environment Improvement Project**

# **Wuding Urban Infrastructure and Environment Improvement Subproject**

## **Resettlement and Ethnic Minority Development Plan**

**ADB-financed Project Management Office of the  
Chuxiong Prefecture Government  
Wuding County Government  
17 October 2013**

# 武定县人民政府

## 利用亚行贷款楚雄州城市基础设施建设项目 武定县城市道路与河道综合治理工程 子项目移民安置计划承诺函

亚洲开发银行：

我县编制了利用亚行贷款楚雄州城市基础设施建设项目武定县城市道路与河道综合治理工程子项目的移民安置计划（RP）。

该移民安置计划符合中央及地方法律法规，并符合亚行非自愿性移民的相关政策。

该移民安置计划根据项目可研报告、实地测量和社会经济调查结果编制。我县特此对该计划内容予以确认，并保证按计划开展用地、安置及补偿等相关工作。

在项目详细工程设计完成后，我们将对该计划进行合理调整修编，并在项目正式动工前提交亚行确认。



2013年10月17日

13/10/17  
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# 武定县发展和改革局

武发改函〔2013〕221号

## 利用亚行贷款楚雄州城市基础设施建设项目 武定县市政道路与河道综合治理工程子项目 移民安置计划信息公开确认函

州亚行办：

我县已于2013年10月17日将经亚行审核通过的移民安置计划发送至我县国土资源局和受影响村组社区和村委会，并已将移民安置手册发放至受影响人。

武定县发展和改革局

2013年10月17日



# Yunnan Province Wuding County Government

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Chuzhenghan [2013] No. 136

## **ENDORSEMENT LETTER FOR THE RESETTLEMENT AND ETHNIC MINORITY DEVELOPMENT PLAN**

Wuding County Government has prepared the Resettlement and Ethnic Minority Development Plan (REMDP) for Wuding Urban Infrastructure and Environment Improvement Subproject under Yunnan Chuxiong Urban Environment Improvement Project, which is funded by a loan from the Asian Development Bank (ADB).

The REMDP fully complies with requirements of the relevant laws, regulations and policies of the People's Republic of China and Wuding County Government. It also complies with ADB's policy on involuntary resettlement.

This REMDP is based on the feasibility study reports (FSRs), site measurement and socioeconomic surveys. We hereby confirm the content of this REMDP and will guarantee that land acquisition, resettlement and compensation budget be provided according to the provisions of aforesaid REMDP.

This REMDP will be updated and approved by ADB before its implementation when the detailed design is completed.

Wuding County Government  
October 21<sup>st</sup>, 2013

# Executive Summary

## 1. Introduction

1. Wuding County Urban Environment Improvement Project (Project) is one of projects of the ADB-financed Yunnan Chuxiong Urban Environment Improvement Project, and consists of four components: (i) river management and flood control—some segments of the Wulong River, (ii) urban development—road network and attachments, (iii) urban environmental health and sustainable development—urban solid waste management, and (iv) capacity building. Components (i) and (ii) involve land acquisition (LA), house demolition (HD) and resettlement, but components (iii) and (iv) do not.

2. The river management and flood control component involves the management of a 2,500 m segment of the Wulong River, and the urban development component involves the construction of 8 urban roads with a total length of 9.45 km.

## 2. Scope of land acquisition and resettlement

3. A total of 388.67 *mu* of collective land will be acquired permanently for the project, including 386.09 *mu* of cultivated land (99.34%), 1 *mu* of fishponds (0.26%) and 1.58 *mu* of housing land (0.40%), which affects 545 households with 2,413 persons directly. Residential houses demolished for the project include (i) rural residential houses on collective land and (ii) urban residential houses on state-owned land. A total of 3,789 m<sup>2</sup> of house area will be demolished, including 820 m<sup>2</sup> of rural houses and 2,969 m<sup>2</sup> of urban houses, which affects total 18 households with 66 persons. The rural houses include 560 m<sup>2</sup> of masonry concrete (68.29%), 110 m<sup>2</sup> of earth timber (13.41%) and 150 m<sup>2</sup> of simple structure (18.29%), which affects 7 households with 28 persons, including 5 households with 21 persons also affected by LA. All urban houses are masonry concrete structure, affecting 11 households with 38 persons. The project will also affect some ground attachments, such as trees and poles. One town and five villages in Wuding County will be affected by the LA and resettlement.

4. The project was included in state planning in 2010, and is expected to mobilize in 2014 and be completed in 2017. LA, HD, compensation and resettlement process will begin in May 2014 and be completed in June 2015. The estimated resettlement cost of the project is 150.375 million, including basic LA cost, HD cost, taxes and contingencies, accounting for 29.31% of the budget of the project.

## 3. Ethnic minority affected

5. The Yunnan Chuxiong Urban Environment Improvement Project will involve land acquisition and resettlement in three counties/city, including Wuding county, Lufeng county and Chuxiong city. A total of 557 ethnic minority people will be affected by the LA and resettlement, including 512 people in Wuding County, 28 people in Lufeng County, 17 people in Chuxiong City. The minority people to be affected in Lufeng and Chuxiong include 43 Hui and two Lisu people. They will be affected by LA and resettlement equal to Han people surrounding them. They are living dispersedly in the project areas with Han people, have the same economic level, living conditions and social environment to the Han people. Therefore, the same restoration measures are prepared for both ethnic minority people and Han people in the resettlement plan of the Lufeng component and Chuxiong component, respectively.



6. In the Wuding component, the affected 512 ethnic minority people include 202 Hui people, 309 Yi people and one Dai person. The survey result indicated that in the project affected area, the affected Hui is concentrated in two groups of Xihe village while Yi is concentrated in Jiucheng urbanized community mixed with Han people. It is identified that there are no other negative impacts other than land acquisition and limited resettlements. The only action needs outlined is to prevent construction activities during mosque praying hours and to ensure consultation with the community throughout. Therefore a combined resettlement plan and ethnic minority development plan was suggested for the Wuding component.

#### **4. Policy framework and entitlements**

7. This Resettlement and Ethnic Minority Development Plan (REMDP) is based on the (i) Land Administration Law of the PRC (2004), (ii) Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28), (iii) Land Administration Regulations of Yunnan Province (September 1999, Bulletin No.31 of the 9<sup>th</sup> People's Congress of Yunnan Province), (iv) Notice of the Land and Resources Department of Yunnan Province on forwarding the Working Paper of the Ministry of Land and Resources on the Development of Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition (YPLR [2005] No.188), (v) Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102), and (vi) ADB's Safeguard Policy Statement (June 2009).

8. All affected persons (APs) are compensated and resettled in accordance with the above policies and regulations. Compensation for LA includes land compensation fees, resettlement subsidies and young crop compensation fees. The compensation rate for irrigated land is CNY90,000/*mu*, while that for housing land is CNY70,000/*mu*, and that for fishponds CNY60,000/*mu*. The compensation rates for young crops are CNY1,200/*mu* for farmland. The compensations are based on full replacement value. The cash compensations for structures, ground attachments are based on replacement value too without any depreciation, in case of structural losses. More than 80% of the compensation for LA is paid to the AHs directly at one time, or distributed averagely the registered population of affected village groups at one time, the remaining 0-20% (varying from site to site) of the compensation fee is retained by the collective or village committee for infrastructure construction, public welfare and poverty relief. It is decided by all members of village groups how to use the remained compensation.

9. The compensation rates for residential house demolition are CNY850/m<sup>2</sup> for masonry concrete structure, CNY500/m<sup>2</sup> for masonry timber structure, CNY300/m<sup>2</sup> for earth timber structure and CNY260/m<sup>2</sup> for simple structure. In addition, moving subsidy is provided in CNY2,000/household, transition subsidy CNY5/m<sup>2</sup>-month for 12 months in total and compensation for business suspension of commercial stores CNY50/m<sup>2</sup>. All commercial stores to be demolished for the project are integrated into residential buildings, and the compensation rates therefore are the same as those for residential houses. 100% compensation fees for structures, ground attachments and young crops are paid to AHs.

#### **5. Resettlement and restoration**

10. Income restoration measures for the APs include (i) returning 7% of acquired land for resettlement and economic development, (ii) cash compensation, (iii) skills training and priority employment for the project. Some land for resettlement is allocated evenly among affected households within the village group, and integrated commercial and residential buildings will be

constructed. Remaining land after that used for new house construction will be developed collectively as collective assets to construct commercial buildings or building material bazaars, and the income thereon will be distributed among the registered population in the village group.

11. The AHs plan to use compensation for joint bazaar construction, greenhouse construction, business advances, transport vehicle purchase and expansion of household stockbreeding. For HD, housing sites have been planned by the Wuding PMO in a unified manner for house reconstruction. All affected commercial stores are integrated into residential buildings, and shop fronts are planned during house reconstruction to restore their operations effectively.

12. Wuding County Government (WCG) has established a special fund of CNY140,600 to provide skills training to laborers of the 545 AHs (in which about 50% are female laborers). In addition, the Wuding PMO will use part of the fund to support 66 AHs with 75 vulnerable persons, together with the county civil affairs bureau.

13. The REMDP is developed in full consultation with the affected ethnic minority people to meet their resettlement and restoration needs. The ethnic minority people will be further consulted on the above resettlement and development measures during project implementation. Efforts have also been made to ensure participation of the ethnic minority people in the process of community development so they can work with the community committee. The participation rate of ethnic people in community development activities is not less than 50% and not less than 50% of participants will be women. Its implementation will be subject to internal and external monitoring and evaluation (M&E), and reported to ADB regularly.

## **6. Public participation and information disclosure**

14. At the project preparation stage, the Wuding PMO conducted extensive public participation activities by various means (e.g., meeting, interview, focus group discussion (FGD), public participation meeting and community consultation) under the direction of the technical assistance experts of the PPTA, and the affected groups and persons including ethnic minorities, women, the poor and elderly have been informed of key information of this REMDP, and consulted on resettlement policies, expectations, programs and restoration measures. Key points of discussion and reasonable requirements of the APs have been incorporated into this REMDP.

15. The Resettlement Information Booklet (RIB) will be distributed to the AHs at the end of October 2013. In addition, this REMDP will be distributed to the affected village groups, and made freely available to the APs at village/community committees and the Resettlement Office at any time. The REMDP will be published on ADB's website by the end of October 2013. The REMDP will be updated based on detailed measurement survey (DMS) and will be disclosed to APs and submitted to ADB for review and approval prior to award of civil works.

## **7. Grievance redress**

16. The Wuding PMO, housing and urban-rural construction bureau, and the affected town government and village committees are responsible for coordinating and settling grievances and appeals arising from the resettlement. If good faith efforts are still unsuccessful, and if there are grievances that stemmed from a violation of ADB's safeguard policy, the APs may file appeals about any aspect of resettlement, including collective land acquisition, temporary land occupation, HD, and compensation rates.

## 8. Implementation Agencies

17. Chuxiong Prefecture Project Leading Group is the executing agency of the project and responsible for the overall deployment and supervision of the project and solving problems of major issues. The Chuxiong Prefecture PMO (Chuxiong PMO) is responsible for planning the resettlement under the leadership of the Chuxiong Prefecture Project Leading Group, gathering resettlement plans of each project, and monitoring and reporting the progress of implementation progress of each RP to ADB.

18. Wuding PMO is the implementing agency (IA) of the project and is mainly responsible for organizing the resettlement work of the project, and making decisions and consultation on major issues arising from construction and resettlement. Wuding Project Resettlement Office under Wuding PMO is responsible for the detail work of preparation and implementation of the REMDP. Shishan Town Government and the affected village and community committees are responsible for working with Wuding Project Resettlement Office in the implementation of this REMDP.

## 9. Implementation schedule

19. The resettlement schedule of the project is prepared based on the progress of project construction and LA implementation. The implementation schedule is to be updated with overall project progress, as shown below:

No.	Resettlement	Task	Agency responsible	Time	Remarks
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	5 villages with 22 groups	PMO, Resettlement Office / town government	October 2013	
1.2	Disclosure of the REMDP on ADB's website		IA, PMO, ADB	October 2013	
<b>2</b>	<b>Detail Measure Survey and Resettlement Plan Update</b>				
2.1	DMS on LA and HD		PMO, Resettlement Office	April 2014	
2.2	REMDP update after detailed design and ADB approval	/	EA, PMO	May 2014	If there are any changes after the DMS.
<b>3</b>	<b>Compensation agreement</b>				
3.1	Village-level land compensation agreement	5 affected villages	Resettlement Office / AHs	May 2014	
3.2	Household land and house compensation agreements	558 AHs	Resettlement Office / AHs	June 2014	
<b>4</b>	<b>Implementation of restoration measures</b>				
4.1	Distribution of land compensation fees to AHs and land reallocation	5 affected villages	Town government, village committees	May–June 2014	
4.2	Implementation of village-level income restoration programs	5 affected villages	Village committees	2014–2015	
4.3	Income restoration through business and employment	558 AHs	Town government, village committees, APs in labor force	2014–2015	
4.4	Implementation of training program	558 AHs	Labor and social security bureau	May 2014–June 2015	
<b>5</b>	<b>Monitoring &amp; Evaluation</b>				
5.1	Baseline survey	One report	External M&E agency	May 2014	

No.	Resettlement	Task	Agency responsible	Time	Remarks
5.2	Establishing an internal M&E agency	As per the REMDP	PMO, IA	April 2014	
5.3	Recruit an external monitoring agency	One	PMO	April 2014	
5.4	Internal monitoring reporting	Quarterly (as required)	PMO, IA	From April 2014	
5.5	External monitoring reporting	Semiannual report	External M&E agency	May 2014	1 <sup>st</sup> report
				November 2014	2 <sup>nd</sup> report
5.6	External monitoring reporting	Annual report	External M&E agency	May 2015	3 <sup>rd</sup> report
				May 2016	4 <sup>th</sup> report
5.7	External evaluation and completion report	One report	IA, PMO, External M&E agency	May 2017	

Noted: IA = Wuding County Urban Construction Investment & Development Co., Ltd.

## 10. Monitoring and evaluation and reporting

20. Resettlement implementation is subject to internal and external monitoring. Internal monitoring is performed by Chuxiong PMO and Wuding PMO, and an internal progress report is submitted to ADB quarterly. Chuxiong PMO will appoint an independent agency to conduct external monitoring and evaluation (M&E) semiannually, and M&E costs are included in the resettlement budget. An external monitoring report is submitted to ADB semiannually during the resettlement implementation and annually within two years after the completion of resettlement.

## 11. Resettlement budget

21. All costs incurred during the LA and resettlement shall be included in the general budget of the project. Based on prices of June 2013, the resettlement costs of the project are CNY150.375 million, including rural LA costs of CNY35,382,200 or 23.53% of total costs, compensation fees for residential house demolition of CNY4,133,300 or 2.75% of total costs (since all affected commercial stores are integrated into residential buildings, their area has been included in demolition area), compensation fees for infrastructure and ground attachments of CNY631,000 or 0.42% of total costs, resettlement planning and monitoring costs of CNY562,100 or 0.37% of total costs, taxes and management costs of CNY94,287,800 or 62.70% of total costs, and contingencies of CNY15,037,500 or 10% of total costs.

## Glossary

<b>Affected person (or household)</b>	People (households) affected by project-related changes in use of land, water or other natural resources
<b>Compensation</b>	Money or payment in kind to which the people affected are entitled in order to replace the lost asset, resource or income
<b>Entitlement</b>	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base
<b>Income restoration</b>	Reestablishing income sources and livelihoods of people affected
<b>Resettlement</b>	Rebuilding housing, assets, including productive land, and public infrastructure in another location
<b>Resettlement impact</b>	Loss of physical and non-physical assets, including homes, communities, productive land, income-earning assets and sources, subsistence, resources, cultural sites, social structures, networks and ties, cultural identity, and mutual help mechanisms
<b>Resettlement plan</b>	A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation
<b>Vulnerable group</b>	Distinct groups of people who might suffer disproportionately from resettlement effects, as specified in this plan

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## ABBREVIATIONS

AAOV	-	average annual output value
ADB	-	Asian Development Bank
AH	-	affected household
AP	-	affected person
DMS	-	detailed measurement survey
FGD	-	focus group discussion
HD	-	house demolition
LA	-	land acquisition
LA&R	-	land acquisition & resettlement
LEF	-	land-expropriated farmer
EM	-	ethnic minority
EMP	-	environment management plan
EMDP	-	ethnic minority development plan
M&E	-	monitoring and evaluation
MLS	-	minimum living security
HH	-	household
PMO	-	project management office
PRC	-	People's Republic of China
RIB	-	resettlement information booklet
REMDP	-	resettlement and ethnic minority development plan
WCG	-	Wuding County Government

## Units

Currency unit	=	yuan (CNY)
CNY1.00	=	\$0.15
1 hectare	=	15 <i>mu</i>

# **1. Overview of the Project**

## **1.1 Introduction**

1. This REMDP is prepared for the Wuding County Urban Environment Improvement Project, one of projects of the Yunnan Chuxiong Urban Environment Improvement Project, in accordance with relevant policies and regulations of ADB, the PRC, Yunnan Province and Wuding County on LA, HD and resettlement, including the Safeguard Policy Statement (June 2009), Land Administration Law of the PRC (amended on August 28, 2004), Uniform Average Annual Output Value (AAOV) Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (May 18, 2008), Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102), and Compensation Rates for Young Crops and Ground Attachments of Wuding County (WCG [2009] No.113).

2. Wuding PMO prepared this REMDP with assistance of Chuxiong PMO and Hohai University, a consulting agency. The key data and information in this REMDP is from 4 sources: (i) the feasibility study report of the project and detailed census survey results, relevant governmental documents; (ii) information provided by functional departments concerned, e.g., policy documents, work summaries, statistics; (iii) information provided by the affected town and village groups, e.g., basic information and statistical reports; and (iv) information obtained through focus group discussions (FGDs), interviews and household (HH) questionnaire survey.

## **1.2 Description**

3. The project consists of four components: (i) river management and flood control—some segments of the Wulong River, (ii) urban development—road network and attachments, (iii) urban environmental health and sustainable development—urban solid waste management, and (iv) capacity building. Components (i) and (ii) involve land acquisition (LA), house demolition (HD) and resettlement, but Components (iii) and (iv) do not.

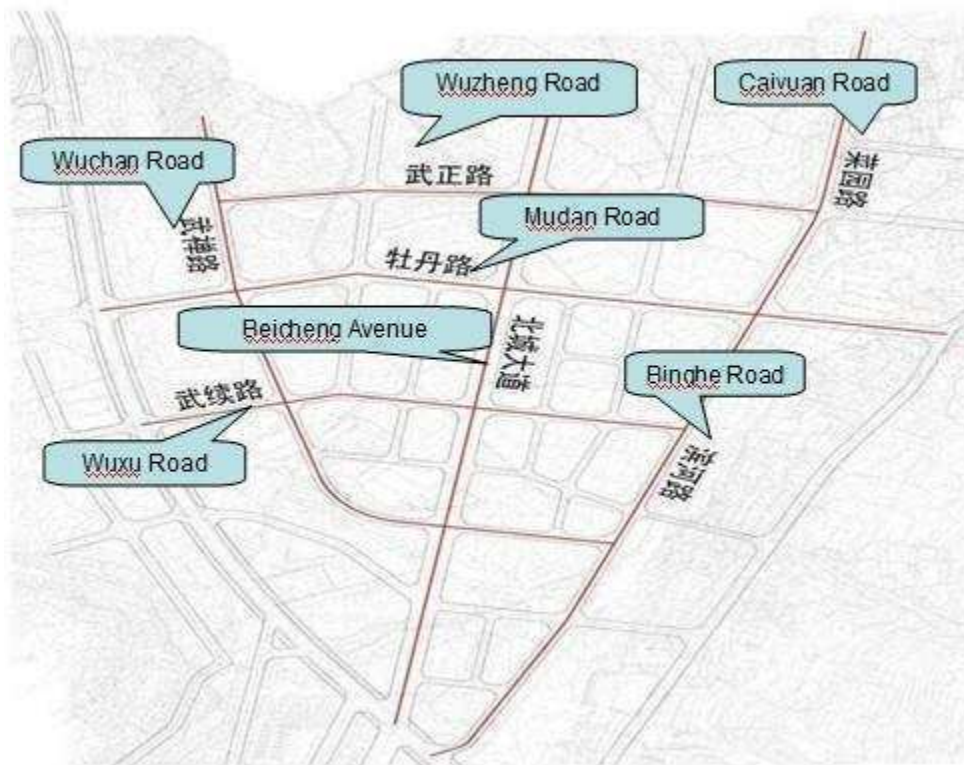
4. The river management and flood control component involves the management of a 2,500 m segment of the Wulong River, and the urban development component involves the construction of 8 urban roads with a total length of 9.45km. See Table 1-1 and Table 1-2.

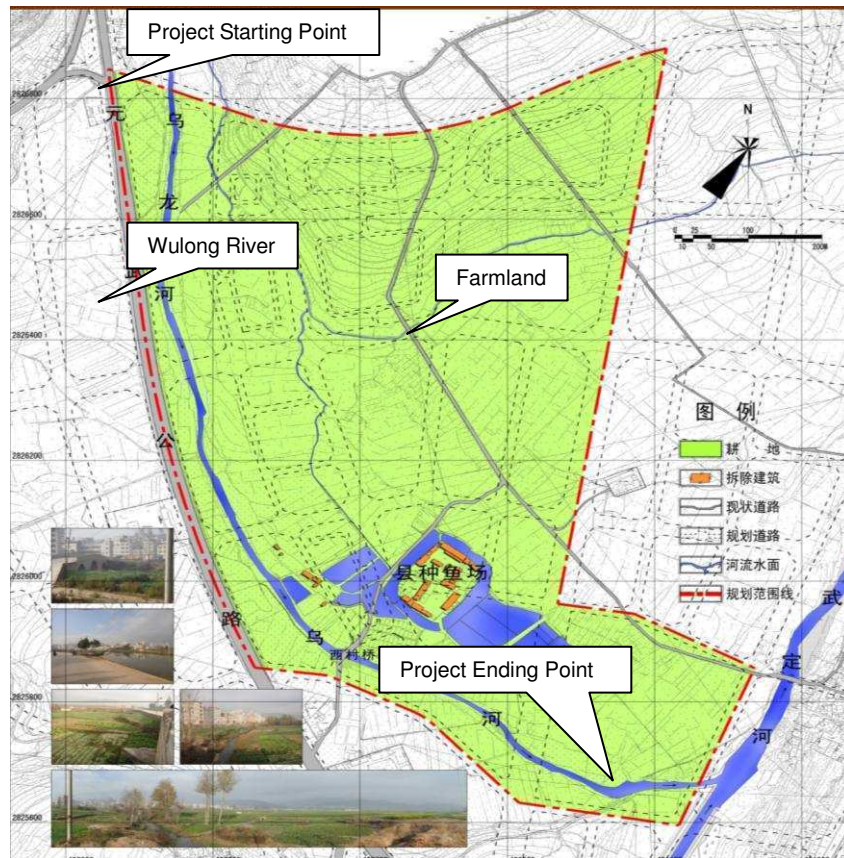
**Table 1-1: Scope of Construction of the Road Construction Component**

No.	Road	Grade	Function	Boundary line width (m)	Length (m)
1	Beicheng Avenue	Primary trunk road	Traffic, living	40	1,593.1
2	Mudan Road	Primary trunk road	Traffic, living	30	1,320.4
3	Caiyuan Road	Primary trunk road	Traffic, living	24	705.3
4	Chengbei Road	Primary trunk road	Traffic, living	32	1,475
5	Wuzheng Road	Secondary trunk road	Living	20	924.1
6	Wuxu Road	Secondary trunk road	Living	20	849.7
7	Wuchan Road	Secondary trunk road	Living	20	1,394.8
8	Binhe Road	Secondary trunk road	Living	20	1,187.9
<b>Total</b>					<b>9,450.3</b>

**Table 1-2: Scope of Construction of the River Management Component**

River	Width (m)	Length (m)
Wulong River	36	2,500

**Figure 1-1: Map of Project Roads**



**Figure 1-2: Map of Rehabilitation Section of the Wulong River**

### **1.3 Project Design Options and Implementation Schedule**

5. The project road network design is based on local master plan, traffic forecast and different functions of the project area. According to full discussion on the feasibility study report among the PPTA team, the design institute and the Wuding County Government, the recommended project road network is an appropriate design in road linear and width. Therefore, there are no further reduction of areas of acquired land and demolished houses. The project is to be constructed for four years from 2014 to 2017, and the resettlement is planned to be implemented from 2014 to 2015.

## 2. Impacts of the Project

### 2.1 Survey of Land Acquisition and House Demolition Impacts

6. During October–December 2011 and July–August 2012, the Wuding PMO and technicians from Yunnan Design Institute conducted surveys in the project area, and developed the Feasibility Study Report of the Project.

7. On this basis, the Wuding PMO with assistance of Hohai University conducted a socioeconomic survey on the AHs (involving 119 households, accounting for 21.33% of all AHs) from December 2011 to January 2012 and July to August 2012. In July and early August 2012, a resettlement willingness survey was conducted (one community FGD was held, involving 131 households, accounting for 23.48% of all AHs).

8. According to the feasibility study report (FSR) and the survey results, the project will affect five villages/communities in one town of Wuding County. See Table 2-1.

**Table 2-1: Administrative Divisions Affected by Resettlement**

<b>Town</b>	<b>Village / community</b>
Shishan	Xihe Village
	Yongning Village
	Jiucheng Community
	Beijie Community
	Zhongma Community

### 2.2 Impacts of Permanent Acquisition of Collective Land

9. 388.67 *mu* of collective land is acquired permanently for the project, including 386.09 *mu* of cultivated land (99.34%), 1 *mu* of fishponds (0.26%) and 1.58 *mu* of housing land (0.40%), affecting 545 households with 2,413 persons directly. See Tables 2-2 and 2-3.

**Table 2-2: Summary of Permanently Acquired Collective Land (by Village Group)**

Town	Village / community	Group	Permanently acquired land (mu)			Subtotal	HHs	Population
			Cultivated land	Fishponds	Housing land			
Shishan	Xihe Village	Yangliuqing	21.255			21.255	26	124
		Xiaoxi 1	19.825			19.825	15	71
		Xiaoxi 2	12.5			12.5	13	64
		Xiaoxi 3	5.61			5.61	4	15
		Daxi 2	32.14			32.14	48	216
		Daxi 3	3.66			3.66	8	39
		Qingzhensi 1	36.54			36.54	29	136
		Qingzhensi 2	38.76			38.76	30	144
		Yongji	12.77			12.77	36	159
	Yongning Village	Baiyi 1	18.66			18.66	42	188
		Baiyi 2	26.95			26.95	42	188
	Jiucheng Community	Shangjiucheng 1	25.49			25.49	56	254
		Shangjiucheng 2	30.87			30.87	53	233
		Xiajiucheng	19.08		1.58	20.66	25	119
	Beijie Community	Group 1	11			11	8	44
		Group 2	4.68			4.68	3	16
		Group 3	11.85			11.85	7	30
		Group 4	10.44			10.44	6	29
		Group 5	2.5			2.5	/	/
		Group 6	2.53			2.53	/	/
	Zhongma Community	Group 1	29.18			29.18	90	329
		Group 2	9.8	1		10.8	4	15
Total			386.09	1	1.58	388.67	545	2,413
Percent (%)			99.3	0.26	0.41	100	/	/

Note: The land acquired for Wulong River rehabilitation in Beijie Groups 2, 3, 4, 5 and 6 is collective land, involving no affected population.

**Table 2-3: Summary of Permanently Acquired Collective Land (by Component)**

Subcomponent	Permanently acquired collective land (mu)				HHs	Population
	Cultivated land	Housing land	Fishponds	Total		
Wulong River management	57.98	0	0	57.98	156	638
Chengbei Road	68.86	0	0	68.86	34	169
Caiyuan Road	26.05	0	0	26.05	40	173
Binhe Road	31.58	0	0	31.58	46	216
Beicheng Avenue	75.78	0	0	75.78	79	343
Mudan Road	49.14	0	1.58	50.72	72	387
Wuxu Road	18.64	1	0	19.64	28	102

Subcomponent	Permanently acquired collective land (mu)				HHs	Population
	Cultivated land	Housing land	Fishponds	Total		
Wuzheng Road	31.9	0	0	31.9	51	230
Wuchan Road	26.16	0	0	26.16	39	155
<b>Total</b>	<b>386.09</b>	<b>1</b>	<b>1.58</b>	<b>388.67</b>	<b>545</b>	<b>2413</b>
<b>Percent</b>	<b>99.34%</b>	<b>0.26%</b>	<b>0.41%</b>	<b>100.00%</b>	<b>/</b>	<b>/</b>

## 2.3 Temporary Land Occupation

10. The project is to be constructed in different stages. Machinery, materials and temporary sheds are stored within the boundary line of each subcomponent without occupying additional land, so the Project involves no temporary land occupation.

## 2.4 Demolition of Residential Houses and Impact Analysis

11. A total of 3,789 m<sup>2</sup> of houses will be demolished, including 820 m<sup>2</sup> of rural houses and 2,969 m<sup>2</sup> of urban houses, which affects total 18 households with 66 persons. The rural houses include 560 m<sup>2</sup> of masonry concrete (68.29%), 110 m<sup>2</sup> of earth timber (13.41%) and 150 m<sup>2</sup> of simple structure (18.29%), which affects 7 households with 28 persons, including 5 households with 21 persons affected by LA. All urban houses are masonry concrete structure, affecting 11 households with 38 persons. The project will also affect some ground attachments, such as trees and poles. See Table 2-4.

**Table 2-4: Summary of Demolished Rural Residential Houses**

Road	Community	Group	No.	Head of household	Population	Area (m <sup>2</sup> )				Remarks
						Sub total	Masonry concrete	Earth timber	Simple	
Mudan Road	Jiucheng	Xiajiu cheng	1	YMF	3	150	150	0	0	(1) No. 3-7 HHs will be affected by both LA and HD. (2) No. 6-7 HHs include business store area.
			2	YWZ	4	110	0	110	0	
			3	YWK	7	120	120	0	0	
			4	YWL	5	160	160	0	0	
			5	YLH	3	130	130	0	0	
			6	YYL	3	90	0	0	90	
			7	WTP	3	60	0	0	60	
Total					28	820	560	110	150	
Percent (%)					\	100	68.29	13.41	18.3	



**Table 2-5: Summary of Demolished Urban Residential Houses**

Road	Community	No.	Head of household	Population	Area (m <sup>2</sup> )	Remarks
					Masonry concrete	
Beicheng Avenue	Beijie	1	ZW	2	660	All areas are lawful building areas and all houses are in masonry concrete structure. Since all demolished stores are integrated into residential buildings, their demolition area is included in the area of residential houses.
		2	ZZA	5	421	
		3	ZJM	3	218	
		4	ZHQ	2	218	
		5	ZWH	3	218	
		6	ZZH	4	218	
		7	YJZ	3	218	
		8	YB	5	218	
		9	ZDW	4	218	
		10	CMY	4	218	
		11	CR	3	144	
Total				38	2,969	

## 2.5 Demolition of Commercial Houses and Impact Analysis

12. A total of 13 commercial stores with a total area of 1,275 m<sup>2</sup> are demolished for the Project, affecting 13 HHs with 44 persons. Since all affected stores are integrated into residential buildings, their area is included in the total area of residential houses. See Table 2-6.

**Table 2-6: Summary of Commercial Stores Affected by HD**

Town	Road	Community	Head of household	Affected population	Area used for commerce (m <sup>2</sup> )	Land Property	Remarks
Shishan	Beicheng Avenue	Beijie	ZW	2	120	State-owned	Since all demolished stores are integrated into residential buildings, their area is included in the total area of residential houses.
			ZZA	5	180	State-owned	
			ZJM	3	100	State-owned	
			ZHQ	2	100	State-owned	
			ZWH	3	100	State-owned	
			ZZH	4	100	State-owned	
			YJZ	3	100	State-owned	
			YB	5	100	State-owned	
			ZDW	4	100	State-owned	
			CMY	4	100	State-owned	
			CR	3	100	State-owned	
	Mudan Road	Jiucheng	YYL	3	45	Collective	
			WTP	3	30	Collective	
Total				44	1,275	/	

## 2.6 Infrastructure and Ground Attachments Affected by the Project

13. The project will affect eight types of ground attachments and infrastructure, including trees, poles and enclosing walls. See Table 2-7.

**Table 2-7: Summary of Affected Ground Attachments (by Village Group)**

Village / community	Trees		Enclosing walls (m)	Livestock pens ( m <sup>2</sup> )	Biogas tanks	10kV high-tension lines (number x km)	Low-tension lines (number x km)	Overhead cables, electric wires (number x km)	TV trunk lines (incl. poles) (number x km)
	Trees, diameter at breast height 10-20cm (non-fruit)	Trees, diameter at breast height 5-10cm (non-fruit )							
Xihe Village	42	55	173.42	0	0	0	0	0	8*0.2
Yongning Village	0	0	450	0	1	0	0	0	0
Jiucheng Community	0	0	0	240	0	5*0.1	0	0	0
Beijie Community	0	0	0	0	0	0	10*0.35	0	0
Zhongma Community	0	0	0	0	0	0	0	12*0.2	0
<b>Total</b>	<b>42</b>	<b>55</b>	<b>623.42</b>	<b>240</b>	<b>1</b>	<b>5*0.1</b>	<b>10*0.35</b>	<b>12*0.2</b>	<b>8*0.2</b>

## 2.7 Affected Population

### Summary

14. The project affects total 558 households with 2,458 persons of five villages/communities of Shishan Town, Wuding County, in which 18 households with 66 persons are affected by HD, including 5 households with 21 persons are affected by both LA and HD, and 13 households with 44 persons by commercial store demolition. Since all the 13 affected stores are integrated into residential buildings, their demolition area is included in the total area of residential houses. See Table 2-8 and Table 2-9.

**Table 2-8: Summary of Affected Population (by Village Group)**

Village/ community	Affected by LA only		Affected by HD only		Affected by both LA and HD		Affected by both HD and commercial store demolition		Total	
	HHs	Population	HHs	Population	HHs	Population	HHs	Population	HHs	Population
Xihe Village	209	968	0	0	0	0	0	0	209	968
Yongning Village	84	376	0	0	0	0	0	0	84	376
Jiucheng Community	129	585	2	7	5	21	2	6	136	613
Beijie Community	24	119	11	38	0	0	11	38	35	157
Zhongma Community	94	344	0	0	0	0	0	0	94	344
<b>Total</b>	<b>540</b>	<b>2,392</b>	<b>13</b>	<b>45</b>	<b>5</b>	<b>21</b>	<b>13</b>	<b>44</b>	<b>558</b>	<b>2,458</b>

**Table 2-9: Summary of Affected Population (by Component)**

Component	Affected by LA only		Affected by HD only		Affected by both LA and HD		Affected by both HD and commercial store demolition		Total	
	HHs	Population	HHs	Population	HHs	Population	HHs	Population	HHs	Population
Wulong River management	156	638	0	0	0	0	0	0	156	638
Chengbei Road	34	169	0	0	0	0	0	0	34	169
Caiyuan Road	40	173	0	0	0	0	0	0	40	173
Binhe Road	46	216	0	0	0	0	0	0	46	216
Beicheng Avenue	79	343	11	38	0	0	11	38	90	381
Mudan Road	67	366	2	7	5	21	2	6	74	394
Wuxu Road	28	102	0	0	0	0	0	0	28	102
Wuzheng Road	51	230	0	0	0	0	0	0	51	230
Wuchan Road	39	155	0	0	0	0	0	0	39	155
<b>Total</b>	<b>540</b>	<b>2,392</b>	<b>13</b>	<b>45</b>	<b>5</b>	<b>21</b>	<b>13</b>	<b>44</b>	<b>558</b>	<b>2,458</b>

**Affected Vulnerable Groups**

15. Total 66 vulnerable households with 224 persons are affected by the project, including 34 women-headed households, 10 households receiving minimum living security (MLS), four five-guarantee households and 18 households affected by disability. See Table 2-10.

**Table 2-10: Summary of Affected Vulnerable Groups**

Village / community	HHs	Details				Household population	Vulnerable population	Male	Female	Affected by	
		Women-headed	MLS	Five guarantees	Disability					LA	HD
Xihe Village	23	16	5	1	1	93	26	43	50	23	0
Yongning Village	21	15	2	0	4	71	22	30	41	21	0
Jiucheng Community	2	0	0	0	2	9	2	3	6	2	0
Beijie Community	2	0	0	0	2	11	2	4	7	1	1
Zhongma Community	18	3	3	3	9	40	23	19	21	18	0
<b>Total</b>	<b>66</b>	<b>34</b>	<b>10</b>	<b>4</b>	<b>18</b>	<b>224</b>	<b>75</b>	<b>99</b>	<b>125</b>	<b>65</b>	<b>1</b>

**Impacts on Women**

16. Total 1,401 females are affected by the project, accounting for 57% of all APs. See **Table 2-11**.

**Table 2-11: Summary of Affected Women**

County	Town	Village/Community	Affected females	Affected working age women
Wuding	Shishan	Xihe Village	537	348
		Yongning Village	204	146
		Jiucheng Community	351	251
		Beijie Community	69	49
		Zhongma Community	240	171
Total			1,401	1001

**Affected Ethnic Minorities**

17. Among 2,413 persons affected by the LA, 512 minority people are included, accounting for 21.22%, including 202 Hui people, accounting for 8.37% of the population affected by LA, 309 Yi people, accounting for 12.81 %, and one Dai person, accounting for 0.04%. See Table 2-12.

**Table 2-12: Ethnic Minority People Affected by LA**

Village / community	Affected by LA	Han	Ethnic minorities							%
			Total	Hui	%	Yi	%	Dai	%	
Xihe Village	968	767	201	201	99.5	0	0	0	0	39.26
Yongning Village	376	376	0	0	0	0	0	0	0	0
Jiucheng Community	606	299	307	0	0	307	99.35	0	0	59.96
Beijie Community	119	115	4	1	0.5	2	0.65	1	100	0.78
Zhongma Community	344	344	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,413</b>	<b>1,901</b>	<b>512</b>	<b>202</b>	<b>100</b>	<b>309</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>100</b>
<b>%</b>	<b>100</b>	<b>78.78</b>	<b>21.22</b>	<b>8.37</b>	<b>\</b>	<b>12.81</b>	<b>\</b>	<b>0.04</b>	<b>\</b>	<b>\</b>

18. Among 66 persons affected by HD, 3 Yi people are included, accounting for 4.55%. See Table 2-13.

**Table 2-13: Ethnic Minorities People Affected by Residential House Demolition**

Village / community	Affected by LA	Han	Yi Ethnic minorities	Percent
Xihe Village	0	0	0	0
Yongning Village	0	0	0	0
Jiucheng Community	28	25	3	100
Beijie Community	38	38	0	0
Zhongma Community	0	0	0	0
<b>Total</b>	<b>66</b>	<b>63</b>	<b>3</b>	<b>100</b>
<b>Percent</b>	<b>100</b>	<b>95.4</b>	<b>4.6</b>	<b>/</b>

19. In sum, total minority population affected by LA is 512, including 3 Yi people affected by both LA and HD. See Table 2-14.

**Table 2-14: Summary of Directly Affected Ethnic Minority People**

Village / community	Affected by LA only	Affected by HD only	Affected by both LA and HD	Total	Percent (%)
Xihe Village	201	0	0	201	39
Yongning Village	0	0	0	0	0
Jiucheng Community	304	0	3	307	60
Beijie Community	4	0	0	4	0.8
Zhongma Community	0	0	0	0	0
<b>Total</b>	<b>509</b>	<b>0</b>	<b>3</b>	<b>512</b>	<b>100</b>

20. The affected minority population of 512 includes 202 Hui people, 309 Yi people and one Dai person, accounting for 39.5%, 60.3% and 0.2%, respectively. See Table 2-15.

**Table 2-15: Distribution of Affected Ethnic Minorities**

Village / community	Affected by LA	Ethnic Minorities				Percent (%)
		Hui	Yi	Dai	Subtotal	
Xihe Village	968	201	0	0	201	39.3
Yongning Village	376	0	0	0	0	0
Jiucheng Community	606	0	307	0	307	60.0
Beijie Community	119	1	2	1	4	0.78
Zhongma Community	344	0	0	0	0	0
<b>Total</b>	<b>2413</b>	<b>202</b>	<b>309</b>	<b>1</b>	<b>512</b>	<b>100</b>
<b>Percent (%)</b>		<b>39.5</b>	<b>60.4</b>	<b>0.2</b>	<b>21.2</b>	<b>\</b>

### 3. Socioeconomic Profile

#### 3.1 Socioeconomic Profile of the Project Area

##### 3.1.1 Socioeconomic Profile of Wuding County

21. Wuding County is located in northern Yunnan Province, bordering Sichuan Province, with a land area of 3,322 km<sup>2</sup> and a population of 276,900 (2012). The county boasts rich mineral resources and superior natural conditions, and is known for nursery development and greenhouse vegetables. Industry and tertiary industries are the mainstream of the county's economy, and the pillar industries are chemicals, plastics and tobacco.

**Table 3-1: Socioeconomic Profile of Wuding County in 2012**

No.	Item	Unit	Amount
1	Land area	km <sup>2</sup>	3,322
1.1	Cultivated area	<i>mu</i>	261,786
2	Population	person	276,900
2.1	Agricultural population	person	234,500
2.2	Nonagricultural population	person	39,800
2.3	Minority population	person	151,300
3	GDP	million yuan	3,520
3.1	Primary industry	million yuan	1,270
3.2	Secondary industry	million yuan	1,110
3.3	Tertiary industry	million yuan	1,140
3.4	Per capita GDP	CNY	8,606
4	Per capita disposable income of urban residents	CNY	15,018
5	Per capita net income of farmers	CNY	3,223

##### 3.1.2 Socioeconomic Profile of the Affected Townships

22. Shishan Town affected by the project is the seat of WCG, with a land area of 407 km<sup>2</sup>. The town governs 21 villages, 4 communities, and 291 village groups, and has population of 79,348 persons, including minority population of 24,251 people, accounting for 30.5%. There are 19 ethnic groups, such as Han, Yi, Miao, and Hui. The main crops are paddy rice, corn, wheat and broad bean. The main cash crops are tobacco, Chinese yam, lotus root and pepper, and the main fruits are chestnut, walnut, cherry, apple, peach and pear.

**Table 3-2: Socioeconomic Profile of the Affected Town**

Town	HHs	Population	Agricultural population	Minority population	Cultivated area ( <i>mu</i> )	Average population per household	Per capita cultivated area ( <i>mu</i> )	Farmers' per capita net income (CNY)
Shishan	25,314	80,811	65,273	26,082	55,529	3.19	0.69	3,235

Note: The above data is based on statistics of Shishan Town in 2011.

##### 3.1.3 Socioeconomic Profile of the Affected Villages/Communities

23. The five villages/communities affected by the project have an average family population of 3-4 per household, a per capita cultivated area of 0.07-1.07 *mu*, and farmers' per capita net

income of CNY2,655–CNY6,202. The traditional crops are paddy rice and wheat. Agricultural income accounts for 1.67-10.62% of gross income. See Table 3-3.

**Table 3-3: Socioeconomic Profile of the Affected Villages**

Village / community	HHs	Population	Agricultural population	Cultivated area (mu)	Average population per household	Per capita cultivated area (mu)	Rural economic income (CNY0,000)	Per capita net income of farmers (CNY)	Percent of agricultural income (%)
Xihe Village	1,143	4,734	4,734	2,883	4	0.61	248.93	2,655.26	9.37%
Yongning Village	432	1,964	1,650	2,102	4	1.07	375.22	3,533.91	10.62%
Jiucheng Community	366	1,501	699	811	4	0.54	233.06	4,623.58	5.04%
Beijie Community	435	1,381	1,381	102	3	0.07	81.29	3,979.66	2.04%
Zhongma Community	201	645	645	85	3	0.13	103.7	6,201.55	1.67%

## 3.2 Socioeconomic Profile of the Affected Population

### 3.2.1 Basic Economic Profile of the Affected Population

24. Of the 545 households with 2,413 persons affected directly by the project, 125 households with 536 persons, accounting for 22.94% of all AHs were sampled during the field survey. See Table 3-4.

**Table 3-4: Summary of Sampling Rates in Socioeconomic Survey**

No.	Village / community	Group	AHs	Samples		Sampling rate
				HHs	Population	
1	Xihe Village	Yangliuqing	26	8	32	30.77%
2		Xiaoxi 1	15	3	12	20.00%
3		Xiaoxi 2	13	3	12	23.08%
4		Xiaoxi 3	4	1	4	25.00%
5		Daxi 2	48	10	46	20.83%
6		Daxi 3	8	2	9	25.00%
7		Qingzhensi 1	29	6	20	20.69%
8		Qingzhensi 2	30	7	25	23.33%
9		Yongji	36	7	26	19.44%
10	Yongning Village	Baiyi 1	42	8	45	19.05%
11		Baiyi 2	42	9	41	21.43%
12	Jiucheng Community	Shangjiucheng 1	56	12	60	21.43%
13		Shangjiucheng 2	53	12	46	22.64%
14		Xiajiucheng	25	4	18	16.00%

No.	Village / community	Group	AHs	Samples		Sampling rate
				HHs	Population	
15	Beijie Community	Group 1	8	2	11	25.00%
16		Group 2	3	3	9	100.00%
17		Group 3	7	2	10	28.57%
18		Group 4	6	2	9	33.33%
19		Group 5	\	\	\	\
20		Group 6	\	\	\	\
21	Zhongma Community	Group 1	90	20	87	22.22%
22		Group 2	4	4	14	100.00%
23	Total		545	125	536	22.94%

Note: The land acquired for Wulong River rehabilitation in Beijie Groups 2, 3, 4, 5 and 6 is collective land, involving no affected population, so these groups were not covered by the sampling survey.

### (i) Ethnic and gender analysis

25. The 125 sample households have a total population of 536, a total labor force of 445 and an average population of 4.29 per household. There are 23 minority households with 89 persons, mainly being Yi and Hui people, accounting for 16.6% of total population; there are 273 women, accounting for 50.93% of total population; women deal with crop cultivation and housework mainly.

### (ii) Age structure

26. Among the 536 sample persons, 105 are aged 16 years or below, accounting for 19.59%; 232 are aged 17-39 years, accounting for 43.28%; 151 are aged 40-59 years, accounting for 28.17%; and 48 are aged 60 years or above, accounting for 8.96%. See Figure 3-1.

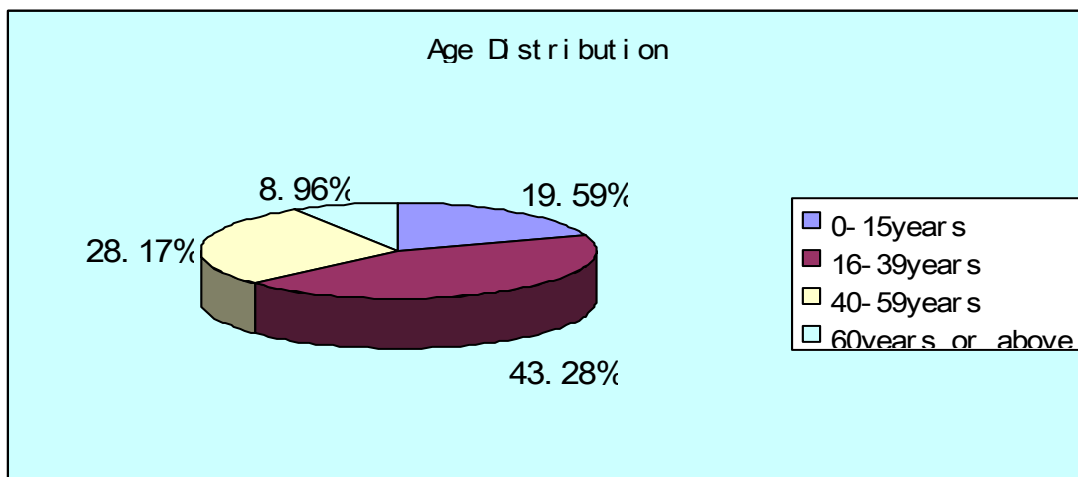


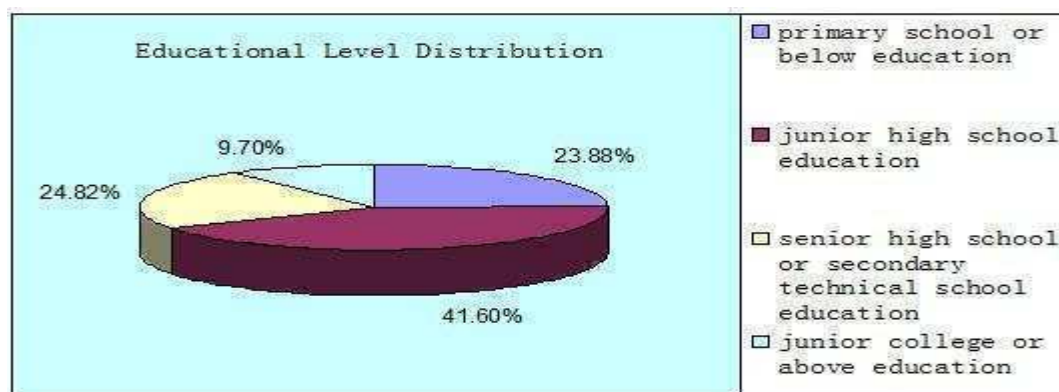
Figure 3-1: Age Distribution

### (iii) Educational level

27. Among the 536 sample persons, 128 have received primary school or below education, accounting for 23.88%; 223 have received junior high school education, accounting for 41.60%; 123 have received senior high school or secondary technical school education, accounting for



24.82%; and 52 have received junior college or above education, accounting for 9.70%. See Figure 3-2.



**Figure 3-2: Educational Level Distribution**

**(iv) Housing size**

28. The houses of the 125 sample households are in masonry concrete or earth timber structure mainly, with a total size of 16,763.75 m<sup>2</sup>, or 134.11 m<sup>2</sup> per household on average and 31.28 m<sup>2</sup> per capita.

**(v) Farmland resources**

29. The 125 sample households with 536 persons have an average cultivated area of 2.18 *mu* per household and 0.51 *mu* per capita. The cultivated land is irrigated and non-irrigated land mainly, and the main crops are paddy rice and corn. Some land is used to grow vegetables, economic forests and fruits, with average annual net income of CNY1,300/*mu*.

**(vi) Household properties**

30. Among the 125 sample households, an average household has 1.36 TV sets, 0.8 refrigerator/air-conditioner, 0.32 hi-fi, 3.05 fixed telephones / mobile phones, 1.14 bicycle / motorcycle, and 0.06 tractor / pump. Based on household properties, the AHs have a medium living standard.

**(vii) Household income and expenditure**

31. The 125 sample households with 536 persons have per capita annual income of CNY5,744.71, in which agricultural income is CNY314.05, accounting for 5.47%. The main income sources are outside employment, trading / catering services, building and transport, and 80-90% of laborers work in the county. Per capita annual expenditure is CNY3,704.19. See Table 3-5.

**Table 3-5: Sampling Survey on Household Income and Expenditure of the AHs**

Item		Household average (CNY)	Per capita (CNY)	Percent (%)
Annual household income	Agricultural income	1,347	314	5.47
	Forestry income	353	82	1.43
	Stockbreeding income	358	83	1.45
	Industrial income	379	88	1.54
	Building income	3,702	863	15.02
	Transport income	1,854	432	7.52
	Trading / catering service income	4,488	1,046	18.21
	Other nonagricultural income <sup>1</sup>	4,,886	1,139	19.83
	Labor service income	6,025	1,404	24.45
	Income from collective distribution <sup>2</sup>	893	208	3.62
	Property income	359	84	1.46
	<b>Subtotal</b>	<b>24,645</b>	<b>5,745</b>	<b>100.00</b>
Annual household expenditure	Household operating expenses	2,077	484	13.07
	Nonproductive expenses	13,644	3,180	85.86
	Other	170	40	1.07
	<b>Subtotal</b>	<b>15,891</b>	<b>3,704</b>	<b>100.00</b>

Source: Socioeconomic sampling survey on 125 households in 2012.

### 3.2.2 Survey on Expected Resettlement Modes

#### (i) Sampling resettlement willingness survey

32. In July-August 2012, the task force conducted a sampling resettlement willingness survey on the AHs, 134 households affected by LA were sampled, accounting for 24.59% of the 545 households will be affected by LA; 18 households affected by HD were sampled, accounting for 27.78% of the households affected by HD. See Table 3-6.

**Table 3-6: Statistics of Expected Resettlement Modes**

Village / community	Sampling of households affected by LA			Sampling of households affected by HD		
	All households affected by LA	Sample households	Sampling rate	All households affected by LA	Sample households	Sampling rate
Xihe Village	209	50	23.92%	0	0	0
Yongning Village	84	16	19.05%	0	0	0
Jiucheng Community	134	34	25.37%	7	2	28.57%
Beijie Community	24	22	91.67%	11	3	27.27%

<sup>1</sup> This refers mainly to individual business income other than the items listed above, such as income from hardware and electric appliance distribution, home decoration and repair.

<sup>2</sup> This refers mainly to income from the distribution of compensation fees for LA and house lease, etc.

Village/ community	Sampling of households affected by LA			Sampling of households affected by HD		
	All households affected by LA	Sample households	Sampling rate	All households	Sample household	Sampling rate
Zhongma Community	94	12	12.77%	0	0	0
<b>Total</b>	<b>545</b>	<b>134</b>	<b>24.59%</b>	<b>18</b>	<b>5</b>	<b>27.78%</b>

**(ii) Willingness survey on households affected by LA**

33. The survey findings are as follows:

- (i) **Awareness.** Among the households affected by LA, 94.8% of the respondents are aware that the project is about to be constructed and 5.2% are not quite clear. 50% of the respondents are aware and unaware of the compensation policies for LA respectively.
- (ii) **Attitude.** 97% of the respondents approve of the construction of the project and 96.3% support LA. 100% of the respondents think the project is beneficial to the state and collective, and 88.8% think it is also beneficial to individuals.
- (iii) **Distribution and use of compensation fees.** 30.6% of the respondents expect compensation fees to be fully paid to the village group, 29.9% expect compensation fees to be fully paid to the AHs, 3.7% expect compensation fees to be paid half to the village group and half to the AHs, 3% expect compensation fees to be mostly paid to the village group and a small part thereof to be paid to the AHs, and 32.8% expect compensation fees to be mostly paid to the AHs and a small part thereof to be paid to the village group.  
  

About the use of compensation fees for LA, 76.6% of the respondents expect the village group to invest compensation fees centrally (building bazaars, malls, etc.), 10.8% expect the village group to deposit compensation fees with a bank to generate interests, and 12.6% expect compensation fees to be distributed averagely to the actual registered population of the village group at a time.

About the distribution of income on compensation fees, 19.8% of the respondents choose distribution by LA area, 76.6% choose distribution by population, and 3.6% choose other distribution modes (by household, etc.).
- (iv) **Production and livelihood restoration.** After LA, 32.8% of the respondents will continue to farm, 39.6% will be converted into urban status in household registration, 47% will get employed by enterprises, 48.5% will do business, 91.8% will participate in social endowment insurance (e.g., new-type rural social endowment insurance, endowment insurance for LEFs), and 51.1% will attend skills training (employment skills, cultivation and stockbreeding skills, construction skills and catering services mainly). See **Error! Reference source not found..**

**Table 3-7: Public Opinion Questionnaire for Households Affected by LA**

No.	Question	Answer	Percentages of choices (%)								Total
			1	2	3	4	5	6	7	8	
1	Are you aware that the Project is about to be constructed?	(1) Yes; (2) Not quite clear; (3) No	94.8	5.2	\	\	\	\	\	\	100
2	Do you approve of the construction of the Project?	(1) Yes; (2) No; (3) Don't care	97	0.8	1.5	\	\	\	\	\	100
3	To whom is the Project beneficial?	(1) State; (2) Collective; (3) Individuals	100	100	88.8	\	\	\	\	\	\
4	Are you aware of the compensation policy for LA?	(1) Yes; (2) No	50	50	\	\	\	\	\	\	100
5	Are you willing to accept LA to support the Project?	(1) Yes; (2) No	96.3	3.7	\	\	\	\	\	\	100
6	After LA, you will:	(1) continue to farm; (2) be converted into urban status; (3) get employed; (4) do business; (5) participate in social insurance; (6) attend skills training; (7) other	32.8	39.6	47	48.5	91.8	51.5	\	\	\
7.1	Your family has ____ laborers.	(1) 0; (2) 1; (3) 2; (4) 3; (5) 4; (6) 5; (7) 6; (8) Over 6	\	3	31.3	20.1	26.1	9.7	6.7	3	100
7.2	How many of them do farm work mainly?	(1) 0; (2) 1; (3) 2; (4) 3; (5) 4; (6) 5; (7) 6; (8) Over 6	34.3	20.9	29.9	7.5	6	1.5	\	\	100
7.3	How many of them will need employment assistance from the government after LA?	(1) 0; (2) 1; (3) 2; (4) 3; (5) 4; (6) 5; (7) 6; (8) Over 6	42.5	14.2	27.6	9	4.5	0.7	1.5	\	100
8	What's your preferred mode of distribution of compensation fees for LA?	(1) Fully paid to group; (2) Fully paid to AHs; (3) Half to group and half to AHs; (4) Most to group and a small part to AHs; (5) Most to AHs and a small part to group	30.6	29.9	3.7	3	32.8	\	\	\	100
9	If compensation fees are paid fully or partly to the village group, what's your preferred mode of distribution?	(1) Centralized investment; (2) Depositing with a bank to generate interests; (3) One-time average distribution among the registered population	76.6	10.8	12.6	\	\	\	\	\	100
10	What's your preferred mode of distribution of any income on compensation fees?	(1) Distribution by LA area; (2) Distribution by population; (3) Other, specify	19.8	76.6	3.6	\	\	\	\	\	100
11	What are your greatest concerns about LA? Please choose top 3.	(1) Compensation fees are paid fully and timely; (2) Information on the distribution of compensation fees is transparent; (3) Livelihood or employment issues after LA are solved; (4) Participate in Project construction as labor; (5) Compensation rates are increased; (6) Land for resettlement is made available as soon as possible	55.2	37.3	40.3	17.2	6	24.6	\	\	\
12	What's your preferred type(s) of free training offered by the government	(1) Cultivation skills; (2) Construction skills; (3) Catering services; (4) Employment skills; (5) Housekeeping services; (6) Motor vehicle repair;	28.4	16.4	23.1	26.1	2.2	2.2	3.7	4.5	\

No.	Question	Answer	Percentages of choices (%)								
			1	2	3	4	5	6	7	8	Total
		(7) Driving, transport; (8) Business and management									

(iii) **Willingness survey on households affected by HD**

34. The survey findings are as follows:

- (i) **Awareness.** Among the households affected by HD, 90% of the respondents are aware that the Project is about to be constructed, and 10% are not quite clear.
- (ii) **Attitude.** 80% of the respondents approve of the construction of the Project and support HD respectively. 80% of the respondents think the Project is beneficial to the state and collective, and 60% think that it is also beneficial to individuals.
- (iii) **Resettlement.** 100% of the respondents choose housing site allocation; 40% of the respondents prefer to be resettled in the same village group, 40% prefer to be resettled in the same township, and 20% prefer to be resettled in the same village/community.
- (iv) **Concerns.** 100% of the respondents are most concerned about housing site selection, and 80% about land and housing price. 60% of the respondents are concerned about housing size and preferential loan for building new houses, respectively, and 40% about an open and transparent housing site and housing selection process. See **Error! Reference source not found..**

**Table 3-8: Public Opinion Questionnaire for Households Affected by HD**

No.	Question	Answer	Percentages of choices (%)						
			1	2	3	4	5	Total	
1	Are you aware that the Project is about to be constructed?	(1) Yes; (2) Not quite clear; (3) No	90	10	\	\	\	100	
2	Do you approve of the construction of the Project?	(1) Yes; (2) No; (3) Don't care	80	20	\	\	\	100	
3	To whom is the Project beneficial?	(1) State; (2) Collective; (3) Individuals	80	80	60	\	\	\	
4	Are you aware of the compensation policy for HD?	(1) Yes; (2) No	\	100	\	\	\	100	
5	Are you willing to accept HD and resettlement to support the Project?	(1) Yes; (2) No	80	20	\	\	\	100	
6	What's your preferred mode of resettlement?	(1) Unified construction; (2) Housing site allocation; (3) Cash compensation	\	100	\	\	\	100	
6.1	In case of housing site allocation, the government plans to construct 5-storied buildings; you expect to:	(1) be completed at a time; (2) construct 2-3 stories first, and be completed in 3 years; (3) construct 2-3 stories first, and be completed in 5 years	40	60	\	\	\	100	
6.2	In case of unified construction, what's your preferred housing size?	(1) <80 m <sup>2</sup> ; (2) 80-120 m <sup>2</sup> ; (3) 120-150 m <sup>2</sup> ; (4) >150 m <sup>2</sup>	\	\	\	\	\	\	
7	What's your preferred location of resettlement housing?	(1) The same village group; (2) The same village/community; (3) The same township; (4) Other	40	20	\	40	\	100	
8	What are your greatest concerns about HD? Please choose top 3.	(1) Housing location; (2) Preferential lending; (3) Housing size; (4) Open, transparent site/ housing selection process; (5) Land/housing price	100	60	60	40	80	\	

### 3.3 Ethnic Minority Analysis

35. The Yunnan Chuxiong Urban Environment Improvement Project will involve land acquisition and resettlement in three counties/city, including Wuding county, Lufeng county and Chuxiong city. A total of 557 ethnic minority people will be affected by the LA and resettlement, including 512 people in Wuding County, 28 people in Lufeng County, 17 people in Chuxiong City. The minority people to be affected in Lufeng and Chuxiong include 43 Hui and two Lisu people. They will be affected by LA and resettlement equal to Han people surrounding them. They are living dispersedly in the project areas with Han people, have the same economic level, living conditions and social environment to the Han people. Therefore, the same restoration measures are prepared for both ethnic minority people and Han people in the resettlement plan of the Lufeng component and Chuxiong component, respectively.

36. In the Wuding component, the affected 512 ethnic minority people include 202 Hui people, 309 Yi people and one Dai person. The survey result indicated that in the project affected area, the affected Hui is concentrated in two groups of Xihe village while Yi is concentrated in Jiucheng urbanized community mixed with Han people. It is identified that there are no other negative impacts other than land acquisition and limited resettlements. The only action needs outlined is to prevent construction activities during mosque praying hours and to ensure consultation with the community throughout. Therefore a combined resettlement plan and ethnic minority development plan was suggested for the Wuding component. The following analysis has the details.

#### 3.3.1 Ethnic Minority Population in Project Area

37. Yunnan has the largest number of minority groups, as it is the origin for 26 nationalities, with 25 ethnic minorities accounting for 15 million people, some 34% of the total population. Of these minority nationalities, the Yi is the largest group, with a population of 4.95 million (or 11% of the total population). However, other ethnic groups with a population exceeding one million include the Bai, Hani, Zhuang, Dai, and Miao.

38. Wuding is an ethnic minority concentrated county of the Chuxiong Yi Autonomous Prefecture. Out of its 11 towns and townships, seven (7) are ethnic minority concentrated. Out of total 130 administrative villages, there are 99 villages with ethnic minority population over 30%, reaches 67.8% in average. Out of its total population of 271,963 in 2010, the total ethnic minority population amounts to 143,486, makes up 52.76%. Yi nationality is the largest ethnic minority group, makes up 30.05% of the total population. Other nationalities followed Yi include Lisu (10.82%), Miao (8.67%) and Dai (2.39%). Detailed ethnic minority composition in Wuding County is presented in Table 3-9.

**Table 3-9: Ethnic Minorities in Wuding County (2010)**

Items	Total	Han	Sub-total Ethnic Minorities	Yi	Bai	Hani	Zhuang	Dai	Miao	Lisu	Hui
Population	271,963	128,477	143,486	81,725	153	751	96	6,512	23,592	29,421	1,005
%	100	47.24	52.76	30.05	0.06	0.28	0.04	2.39	8.67	10.82	0.37

Source: The Sixth Census Nov. 2010.

39. The Wuding project is located in Shishan Town of Wuding County. Five administrative villages/communities will be affected by the land acquisition and house demolish. The basic socioeconomic status of the five villages/communities is presented in Table 3-10.

**Table 3-10: Population, Land and Income of the Affected Village/Community**

Village/ Community	No. of HH	Population			Average HH Size	Farmland ( <i>mu</i> )	Average Farmland per Capita ( <i>mu</i> )	Rural Annual Net Income per Capita (CNY)
		Total	Rural	Labor				
Xihe	1,143	4,734	4,734	3,168	4	2,883	0.61	4,655
Zhongma	201	645	645	410	3	85	0.13	6,202
Yongning	432	1,964	1,650	1,650	5	2,102	1.07	3,534
Jiucheng	366	1,501	699	786	4	811	0.54	4,624
Beijie	435	1,381	1,381	970	3	102	0.07	3,980
<b>Total</b>	<b>2,577</b>	<b>10,225</b>	<b>9,109</b>	<b>6,984</b>	<b>4</b>	<b>5,983</b>	<b>0.59</b>	<b>-</b>

Source: Statistics data of Shishan Town 2010 and affected village leadership interview.

40. Table 3-11 shows the ethnic minority population in the affected five administrative villages/communities and the ethnic minority population affected by land acquisition and house demolition. Among the total 512 ethnic minority APs, except 4 individuals (1 Hui, 2 Yi and 1 Dai) distributed in Beijie community, all other 508 are either distributed in Xihe village (Hui 201) or in Jiucheng Community (Yi 307). Namely, the affected ethnic minorities by resettlement are mainly in **Xihe** village and **Jiucheng** community.

41. The Yi people have their own language, which belongs to the Yi branch of the Zang-Mian Austronesian of Han-Zang Phylum. Yi characters, as the earliest syllabic script in China, were formed in the 13th century and are still used today. Due to cultural and economic exchanges with the Han, more and more Yi people, especially in urban areas, have learned to use Han language and characters in daily life now. Today most Hui in Yunnan believe in Islamism (Sunni), however, they have no their own language in daily life. They are using Han language. Dai in Wuding is a small ethnic group. They are using Han language in daily life. All affected Hui, Yi and Dai people can speak and understand Han language.

**Table 3-11: Ethnic Minorities in Affected Administrative Villages in 2010**

Item	Population			Among Ethnic Minorities					Among Affected Minorities			
	Total	Ethnic	% in Total	Hui	Miao	Yi	Lisu	Others	Total	Hui	Yi	Dai
Xihe	4,734	840	17.7	604	4	162	70	-	201	201		
Zhongma	645	70	10.9	12	-	48	10	-				
Yongning	1,964	210	10.7	1	8	163	38	-				
Jiucheng	1,501	334	22.3	3	19	307	4	1	307		307	
Beijie	1,381	43	3.1	6	-	5	6	26	4	1	2	1
<b>Total</b>	<b>10,225</b>	<b>1,497</b>	<b>14.6</b>	<b>626</b>	<b>31</b>	<b>685</b>	<b>128</b>	<b>27</b>	<b>512</b>	<b>202</b>	<b>309</b>	<b>1</b>

Source: Village Level Statistical Data and Field Interviews in 2012.

42. In the urban area, total residential ethnic minority population were 6,560 excluding additional floating ethnic population of 3,279, makes 34.5% of the total population. The ethnic minority population in the urban communities including 18 nationalities, e.g. Yi of 4,487, Lisu of 972, Miao of 304, Dai of 334, Hui of 293 and others of 131.

### 3.3.2 Profile of Resettlement Affected Ethnic Minority

43. The Project resettlement direct affected ethnic minorities are concentrating in Xihe and

Jiucheng administrative village.

### Income and expenditure

44. Xihe administrative village is a mix village with Han, Hui, Yi, Lisu and a few Miao individuals. Hui is concentrated in Qingzhengshi sub-village while Yi, Lisu and Miao scattered in other sub-villages. The project land acquisition only affects Han and Hui in Xihe village. Table 3-12 shows the comparison of land holding, income level and sources, and expenditures between Han and Hui affected population. There is no significant difference by ethnic group within Xihe.

**Table 3-12: Comparison Income and expenditure by Hui and Han AHs in Xihe Village (2011)**

Item	Ethnic Group	Han	Hui
	HH size	4.1	3.7
Land Holding	Average farmland per person (mu)	0.57	0.62
	Average forest land per person (mu)	2.39	1.37
	Average income per person (Yuan)	5647	5761
Household cash income structure	% of Non-farming income	89	92
	% of Farming income	11	8
	Average HH expenditure per person (Yuan)	4200	4311
Expenditure	% of Essential living expenditure	35	36
	% of Education and health care	27	30
	% of Social events, House building & maintenance, and Business & producing investment, etc.	38	34

Source: Field Household survey and village leader interview, 2012. Total 49 valid cases with 29 Hui household and 20 Han households.

45. Jiucheng village is a Yi-Han mix community with a few Miao and Lisu households and married in individuals. The project resettlement in Jiucheng will affect Han and Yi in three sub-villages. The affected population includes 535 people from 110 households including 307 Yi people from 36 pure Yi households, 228 Han from 26 pure Han households, and others from 48 mixed households. Namely, 44% of the affected households are Yi and Han mixed, 33% are pure Yi and the rest 23 are pure Han households. Mixed households are the main pattern. Table 3-13 shows income and expenditures between Han and Yi in Jiucheng village. No significant differences found between Han and Yi in terms of income and expenditure.



**Table 3-13: Comparison Income and expenditure by Yi and Han AHs in Jiucheng Community (2011)**

Ethnic Group		Han	Yi
HH size		4.1	4.2
Landholding	Farming land per capita (mu)	0.32	0.32
Income level and structure	Annual household income per capita (Yuan)	6497	6573
	% of farming	10.2	8.9
	% of Non-farming	89.8	91.1
Expenditure level and structure	Average HH expenditure per person (Yuan)	5200	5150
	% of Essential living expenditure	35	35
	% of Education and health care	32	31
	% of Social events, House building & maintenance, and Business & producing investment	33	34

Source: Field HH survey and village leadership interview, 2012. Total 40 cases with 11 pure Han household, 19 pure Yi and 10 mixed households. The income and expenditure of mixed HH are counted in Han meanwhile in Yi.  
 \*Farming income include plantation and livestock, Non-farming income include long term and short term waged employment, operating restaurant, running grocery store, tea house, involved in construction and house decoration business, transportation, food processing, etc.

## Education

46. Table 3-14 shows the comparison of education level of family workforce (age 16-60) among AHs of Han, Hui and Yi in Xihe and Jiucheng village. Hui and Han have higher percentage of workforce with junior high and above level of education. While Yi, Miao and Lisu have lower percentage of workforce with junior high and above level of education.

**Table 3-14: Education of workforce by Ethnic Group in Xihe and Jiucheng**

Years of Education	Ethnic Group									
	Hui		Han*		Yi		Miao		Lisu	
	No.	%	No.	%	No.	%	No.	%	No.	%
Primary or less	22	18.3	40	17.9	59	48	15	55.6	13	38.2
Junior High	69	57.5	100	44.6	54	43.9	10	37	17	50
Senior high	16	13.3	42	18.8	3	2.4	0	-	3	8.8
College, University or above	13	10.8	22	9.8	7	5.7	2	7.4	1	2.9
<b>Total</b>	<b>120</b>	<b>100</b>	<b>224</b>	<b>100</b>	<b>123</b>	<b>100</b>	<b>27</b>	<b>100</b>	<b>34</b>	<b>100</b>

Source: EM Household survey in 7 ethnic minority sub-villages, 2012. \*Han group data from PSA survey household with 224 people in old town, Xihe and Jiucheng mixed village proposed new development area.

## Occupation

47. Table 13-15 shows the comparison of Non-farming occupation among Han, Hui and Yi in Xihe and Jiucheng village. Hui people are more involved in restaurant, meat and food related business while Han and Yi are more involved in construction, transportation and house decoration related business.

**Table 13-15: Comparison of Non-farming Occupation by Ethnic AHs in Xihe Village and Jiucheng Community**

Occupation	Han	Hui	Yi
Total non-farming employment	649	166	120
Restaurant, meat and food related employment (%)	21.1	54.2	16.7
Service involved in Grocery, Tea house/ other leisure place (%)	18.2	10.8	20.8
Construction, transport and house decoration related business (%)	60.7	34.9	53.3
Casual labor in city or industrial parks (%)	9.2	16.9	9.2

Source: Village leadership interview and Household survey in Xihe and Jiucheng, 2012.

48. In the urban area, ethnic minorities are living and working in the mixed with Han. It is not easy to identify each other among the nationalities during normal social activities except Hui with special religious and food customs. The urbanization somehow facilitates the process of interactions among different nationalities in many ways and encourages the adoption of modern urban life, e.g. dressing, food, holidays, dancing and singing, marriage customs, etc.

### 3.3.3 Project Impacts Perceived by Ethnic Minorities

49. Based on the feasibility study report of the proposed project and the household survey, interview of village leaders, institutions and technical professionals, the potential project impacts include positive and negative two aspects.

#### Negative Impacts

50. **Perspective of APs:** Almost all negative impact identified by ethnic minority APs are related to resettlement including (i) compensation rate, (ii) livelihood restoration, (iii) insurance, and (iv) overall ethnic minority culture protection. Out of 50 respondents, 92.3% view the major potential negative impact of the project is land acquisition. Some 20.5% respondents view house demolition as potential negative impact. Some 10.3% of respondents think cultural degradation might be a potential negative impact depends on how the city development planning will be in the future follow up development. See table 3-16. Two board members of the Hui mosque mentioned of the potential disturbance to the religious activities of Hui during project construction. No other negative impact perceived.

**Table 3-16: Potential Negative Impacts of the Project**

Potential Negative Impact	No. of Respondent	%
Land acquisition	36	92.3
House demolition	8	20.5
Degradation of cultural features	4	10.3
Others	2	5.1

Source: Field Household survey with the affected household, 2012.

51. **Perspective of Non-AHs beneficiaries:** Survey of 30 households in Madougou (Yi, 10 HH), Shapushan (Miao, 10 HH) and Mixi (Lisu, 10 HH) and 8 focus group discussion (3 men groups, 2 women groups, 1 mixed groups and 2 villager leadership groups with total participants of 54) indicated that they do not view the project has any negative impact on them.

## Project Benefits

52. The major benefits of the proposed project include (i) better road, water supply, sanitary sewage and other street facilities and services, (ii) environmental friendly Wulong River with sewage collection and flood management system in the northern new urban development area, (iii) better solid waste management system of the existing urban area which will particularly benefit the people live in the suburban area where they are suffering the poor garbage collection practice, and (iv) employment opportunities directly created by the project, and (v) employment indirectly created through stimulation of overall economic development by promoting industrialization and urbanization.

53. All the current existing 80,000 population and the future 100,000 population are most likely the project beneficiaries. The existing urban population and the five affected villages/communities are the immediate beneficiaries.

54. During the field household survey, 99 out of 100 ethnic minority respondents perceived the project will bring benefits to them. **Table 3-17** indicated the benefits perceived by the surveyed households. The top three benefits mentioned include (i) more convenient transport, (ii) better environment and (iii) potential job opportunity in the urban area.

55. **Perspective of Non-AHs beneficiaries:** During the focus group discussions, non-AHs ethnic minorities in villages outside of direct project area rank potential indirect job opportunities as number one benefit perceived.

**Table 3-17: Potential Benefits to the Village by the Project**

Possible Benefits	No. of Respondent	% of Respondent (N=99)
Direct participate the project as unskilled labor	50	51.0
Potential employment in tourism sector stimulated through the project	39	39.8
Potential employment in the industrial parks stimulated through the project.	31	31.6
Potential employment in the urban service stimulated through the project	59	60.2
Benefit of the flood control	38	38.8
Benefit of more convenience transport/movement	91	92.9
Benefit of better living environment and health	69	70.4

Source: Social and poverty assessment HH survey in old town and new town, 2012.

56. Table 3-18 summarized project benefits and negative impact perceived by surveyed villages. Land acquisition, house demolition, construction disturbance, communicable diseases risks are the major negative impact perceived by the affected ethnic minorities. The other EM villages with no resettlement issues raised no negative impacts of the project.

**Table 3-18: Perceived Project Impacts and Coping Strategies by Surveyed Villages**

Surveyed Village*	Negative Impact	Positive Impact	Coping Strategies/ Expectations
Qingzhengshi 1 & 2 of Xihe: Hui group, located in the northern edge of Wuding County town.	Land acquisition Construction disturbance Communicable diseases risk	New business opportunities Compensation and social insurance by RP, particularly benefit the old age over 60 More convenient access to commercial center Better environment Potential to establish Hui street Tourism development Local economic development	Negotiation of LAR compensation Effective utilization of returned land for livelihood restoration Discussion of Hui Street or other options among villagers themselves, trying to chase urbanization opportunities while maintain ethnic minority culture and tradition Education efforts for chasing urbanization opportunities Opening up policies in the past three decades are the real reason of Hui non-farming business booming in Wuding and beyond, wish policies continue to facilitate private sector development Select a place build a bigger Mosque Linear park along Wulong River, more space for public
Shang Jiucheng and Xiajiucheng: Yi group	Land acquisition and house demolition Construction disturbance Communicable diseases risk	New business opportunities Compensation and social insurance by RP, particularly benefit the old age over 60 Better environment Local economic development	Negotiation of LAR compensation Effective utilization of returned land for livelihood restoration Discussion specialized market place construction Education efforts for chasing urbanization opportunity Linear park along Wulong River, more space for public.
Madougou of Jiucheng: Yi group	None	New business opportunities Potentials to move to Wuding County and enjoy better environment More potential employment opportunities	Education efforts for chasing urbanization opportunity Government facilitate more enterprises attracted to Wuding Job information sharing mechanism
Wulong Shapushan with Miao EM group: around 20 km away from Wuding county town, most villagers went to Kunming to have migrant job.	None	More potential employment opportunities, find a job in Wuding will be better than migrant to other cities far away, could back home in village every day and take care of families while work in Wuding Potential to move to Wuding County and enjoy better environment	Improve village infrastructure and roads to Wuding County Education efforts from individual households and government Job information sharing Technical training Government facilitate more enterprises be attracted Help small business operation in town through reduce taxes and fees
Pulong Mixi with Lisu ethnic minority group	None	More potential employment opportunities Children have potential to move to Wuding County and enjoy city life	Support training and education, particularly senior high school and above Improve village infrastructure, roads Government facilitate to attract more enterprises and companies to Wuding to provide more employment opportunities

Source: Field Households survey, focus group discussion and village leader interview group interview, 2012.

## 4. Legal Framework and Policies

### 4.1.1 Laws, Regulations and Policies Applicable to Resettlement

57. The resettlement policies of the Project have been developed in accordance with the laws and regulations of the PRC, and ADB's policies, including:

1) **ADB policies**

- ■ Safeguard Policy Statement, June 2009

2) **Laws, regulations and policies of the PRC**

- ■ Land Administration Law of the PRC (amended on August 28, 2004)
- ■ Notice on Further Improving the Rural Housing Site Management System, and Protecting Farmers' Rights and Interests Practically (March 2, 2011)
- ■ Urgent Notice of the General Office of the Ministry of Land and Resources on Performing the Administration of Land Acquisition and House Demolition Practically (MLA [2011] No.72)
- ■ Guidelines of the State Council on Carrying out Trials on New-type Rural Social Endowment Insurance (SC [2009] No.32)

3) **Regulations and policies of Yunnan Province**

- ■ Opinions of the Yunnan Provincial Government on Strengthening Farmland Protection and Promoting Scientific Urbanization (YPG [2011] No.185)
- ■ Notice of the Land and Resources Department of Yunnan Province on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (May 18, 2008)

4) **Regulations and policies of Chuxiong Prefecture**

- ■ Interim Measures for Basic Endowment Insurance for Land-expropriated Farmers of Chuxiong Prefecture (Announcement No.13 of the Chuxiong Prefecture Government) (September 5, 2009)
- ■ Notice of the Chuxiong Prefecture Government on Issuing the Detailed Rules for the Implementation of Basic Endowment Insurance for Land-expropriated Farmers of Chuxiong Prefecture (December 3, 2009)
- ■ Opinions of the General Office of the Chuxiong Prefecture Government on Exploring Ways of Promoting the Orderly Circulation of Rural Land Contracted Management Rights Actively (Interim) (CPGO [2009] No.22)
- ■ Notice of the Chuxiong Prefecture Government on Doing a Better Job in Minimum Living Security for Destitute Rural Residents (CPG [2007] No.49)

5) **Regulations and policies of Wuding County**

- ■ Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102)
- ■ Compensation Rates for Young Crops and Ground Attachments of Wuding County (WCG [2009] No.113)
- ■ Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG

#### **4.1.2 Abstract of ADB Policies**

##### **4.2.1 Involuntary Resettlement**

58. The displaced persons (called affected persons, or APs in the REMDP) are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (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. The APs in the project area fall into three types: (i) persons with formal legal rights to land lost in its entirety or in part; (ii) persons who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land.

59. Basic principles include:

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks.
- (ii) 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.
- (iii) 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, 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.
- (iv) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when 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.
- (v) 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.

- (vi) 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 provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vii) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- (viii) 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 nonland assets.
- (ix) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- (x) 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.
- (xi) 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.
- (xii) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- (xiii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

#### **4.2.2 Indigenous Peoples**

60. The borrower/client will undertake meaningful consultation with affected Indigenous Peoples (which includes ethnic minorities) to ensure their informed participation in (i) designing, implementing, and monitoring measures to avoid adverse impacts on them or, when avoidance is not possible, to minimize, mitigate, and compensate for such effects; and (ii) tailoring project benefits that accrue to them in a culturally appropriate manner. Meaningful consultation is a process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate

information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues. Consultation will be carried out in a manner commensurate with the impacts on affected communities.

### **4.2.3 Gender and Development**

61. ADB's gender and development policy is a critical mainstreaming strategy in promoting gender equality, and includes the following key points:

- (i) Gender sensitivity: Particular attention should be paid to women's needs and expectations in consideration of impacts of the ADB-financed project on men and women;
- (ii) Gender analysis: A systematic analysis of the project's impacts on men and women should be made to learn their economic and social connections;
- (iii) Gender planning: A special strategy that offers equal opportunities to men and women should be developed;
- (iv) Mainstreaming: ADB considers the gender issue in all aspects of the project, and encourages women to participate in decision-making in the development process actively.

## **4.2 Laws and Policies of the PRC**

62. See Appendix 1 for an abstract of laws and regulations of the PRC and policies of Yunnan Province.

### **4.3 Main Differences between ADB Policies and PRC Laws**

#### **Compensation and resettlement for houses**

- Difference: ADB policies require that compensation is based on replacement cost. Chinese laws think that depreciation is reasonable, and the compensation rate for the same structure should be lower than that for new housing.
- Solution: Compensation rates in all ADB-financed projects are based on replacement cost.

#### **Compensation for land**

- Difference: ADB policies require that compensation should be sufficient to offset any income loss, and restore long-term income-generating potential. Chinese standards are based on AAOV.
- Solution: An early-stage solution is to provide replacement land, which is hardly practical. Cash compensation is the preference of most people, though they cannot ensure the rational use of such compensation. Therefore, further technical support is needed to monitor the income of seriously affected households, especially those in vulnerable groups, and local governments should provide assistance to those in need.

#### **Compensation and resettlement of vulnerable groups**

- Difference: ADB policies require that special compensation is granted to all vulnerable groups, especially seriously affected households faced with



impoverishment. Chinese provisions do not require social analysis, and compensation is based only on the amount of loss.

■ Solution: Special funds are available to assist the vulnerable groups, who will be identified during the DMS. All measures have been specified in the REMDP.

#### **Consultation and disclosure**

■ Difference: ADB policies require APs are fully informed and consulted as soon as possible. Chinese provisions have improved the transparency of disclosure and compensation. However, APs still play a weak role in project decision-making, and the disclosure period is usually too short.

■ Solution: Consultation has begun at the early stage (before and during the technical assistance). The Lufeng PMO agrees to disclose the REMDP to APs as required by ADB.

#### **Lack of legal title**

■ Difference: ADB policies require all demolished houses, whether lawful or not, should be compensated for at the same rates. According to Chinese laws, people without local registered residence are entitled to the same compensation as local people. In addition, prevailing Chinese laws stipulate that no compensation should be provided for the acquisition of illegally owned land and houses.

■ Solution: For an ADB financed project, all APs, whether lawful or not, whether having ownership or right of use, will be protected, and provided with compensation or assistance.

#### **Resettlement monitoring, evaluation and reporting**

■ Difference: ADB requires that internal and external resettlement monitoring be conducted. However, there is no such requirement in Chinese laws, except for reservoir projects.

■ Solution: Internal and external resettlement monitoring systems have been established for all ADB financed projects, and this has been included in the REMDP. The requirements for internal and external monitoring reporting are specified in the REMDP.

#### **Indigenous Peoples policies**

■ Difference: ADB requires assessment of impacts on ethnic minorities at the project level and specific measures to be taken by the project implementing agency, whereas the PRC's preferential policies apply regardless of the project. This makes it difficult to implement project specific measures.

■ Solution: The WCG has been involved in the formulation of this REMDP and has agreed to implement the measures specified, continue consultation with ethnic minority APs and report progress to ADB.

### **4.4 Compensation Principles of the Project**

63. The principles for compensation and entitlement of the Project have been developed in accordance with the regulations and policies of the PRC and ADB, with the aim of ensuring that APs obtain sufficient compensation and assistance measures so that their production and livelihoods are at least restored to pre-project levels.

64. According to ADB's requirements, the compensation will be:

- (i) The rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs. The calculation of full replacement cost will

be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any.

- (ii) In the case of physically displaced persons, the IA will provide (a) relocation assistance, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, and civic infrastructure and community services as required; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) opportunities to derive appropriate development benefits from the project.
- (iii) In the case of economically displaced persons, regardless of whether or not they are physically displaced, the IA will promptly compensate for the loss of income or livelihood sources at full replacement cost. The IA will also provide assistance such as credit facilities, training, and employment opportunities so that they can improve, or at least restore, their income-earning capacity, production levels, and standards of living to pre-displacement levels. The IA will also provide opportunities to displaced persons to derive appropriate development benefits from the project. See **Error! Reference source not found.**

**Table 4-1: Resettlement Principles of the Project**

<b>Principles</b>	
1	Involuntary resettlement should be avoided where feasible.
2	The APs are granted compensation and rights that can at least maintain or even improve their livelihoods in the absence of the project. The rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs.
3	The APs are given compensation in full replacement cost and assistance in resettlement whether legal title is available or not.
4	If the land available to everyone is insufficient to maintain his/her livelihood, replacement in cash or in kind and other income-generating activities are provided for the lost land.
5	The IA will ensure that APs fully understand their entitlements, the method and standard of compensation, the livelihood and income restoration plan, and the project schedule, and participate in the implementation of the REMDP.
6	The IA will ensure that no physical displacement or economic displacement will occur until (i) compensation at full replacement cost has been paid to each AP for project components or sections that are ready to be constructed; (ii) other entitlements listed in the REMDP have been provided to APs; and (iii) a comprehensive income and livelihood rehabilitation program, supported by an adequate budget, is in place to help APs improve, or at least restore, their incomes and livelihoods.
7	The IA will consult ethnic minority APs and ensure their cultural traits and requirements be respected during resettlement.
8	Vulnerable groups are provided special assistance or treatment so that they lead a better life, and all APs should have an opportunity to benefit from the project. At least two members of each AH receive skills training, including at least one woman.
9	All resettlement cost is included in the project budget and sufficient to cover all affected aspects.
10	The IA and an external monitoring agency will monitor and measure the progress of implementation of the REMDP and will prepare monitoring reports to ensure that the implementation of the REMDP has produced the desired outcomes.

#### **4.5 Cut-off Date of Compensation**

65. The cut-off date for the eligibility for compensation is September 30, 2012, which was

disclosed through public participation and consultation during the Feasibility Study Report was prepared. Any newly claimed land, newly built house or settlement in the project area by the APs after this date is not entitled to compensation or subsidization. Any building constructed or tree planted purely for extra compensation is not counted in the inventory of losses.

## 4.6 Compensation Rates

### 4.7.1. Permanent Land Acquisition

66. According to the Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102), and the Compensation Rates for Young Crops and Ground Attachments of Wuding County (WCG [2009] No.113), the compensation rates for permanent LA of the Project are shown in Table 4-2.

**Table 4-2: Multiples and Rates of Compensation Fees for Collective Land Acquisition**

The AAOV Rates (CNY/mu)	Compensation multiplier	Land rate (CNY/mu)	Compensation rates for young crops of farmland (CNY/mu)	Housing land, threshing ground (CNY/mu)	Fishpond (CNY/mu)
3000	30	90,000	1,200	70,000	60,000

### 4.7.2. Compensation Rates for House Demolition

#### (i) Residential houses

67. According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), residential houses on both state-owned and collective land in Wuding County will be compensated for at replacement cost based on market appraisal, as shown in Table 4-3.

68. Three resettlement modes are available at the option of the AHs: (i) nearby relocation, for self-funded residential houses and commercial stores mainly; (ii) non-local resettlement, for houses on rural collective land mainly; and (iii) cash compensation, for all houses and attachments to be demolished.

**Table 4-3: Compensation Rates for Demolished Residential Houses and Attachments**

Table 1-1 Compensation Rates for Demolished Residential Houses and Attachments						
Item		Type of compensation		Unit	Benchmark rate (CNY)	Remarks
Houses on state-owned and collective land	House compensation	Housing land		CNY/m <sup>2</sup>	105	Actual rates are based on market appraisal (without depreciation) and not less than the benchmark rates.
		Masonry concrete		CNY/m <sup>2</sup>	850	
		Masonry timber		CNY/m <sup>2</sup>	500	
		Earth timber		CNY/m <sup>2</sup>	300	
		Simple		CNY/m <sup>2</sup>	260	
	Other compensation	Moving subsidy		CNY/HH	2,000	Paid at a time, sufficient for two moves
		Transition subsidy		CNY/m <sup>2</sup> per month	5	Usually 12 months
		Early	Over 1 month in advance	CNY/HH	2,000	Including 1 month

Item		Type of compensation	Unit	Benchmark	Remarks
	moving reward	Over half a month in advance	CNY/HH	1,500	Half a month to 1 month
		Over 1 week in advance	CNY/HH	1,000	1 week to half a month
		Punctual	CNY/HH	500	One-time

## (ii) Non-residential Properties

69. Since all non-residential properties demolished for the Project are integrated into residential buildings, they will be appraised together with residential houses. The amount is acceptable to APs. The compensation rates have been fixed according to the applicable policies and by reference to the actual prices of the main types of properties. See Table 4-4.

**Table 4-4: Compensation Rates for Demolished Non-residential Properties and Attachments**

Item	Structural type	Unit	Benchmark rate (CNY)	Remarks
Houses on state-owned and collective land	House compensation	Masonry concrete	CNY/m <sup>2</sup>	850
		Masonry timber	CNY/m <sup>2</sup>	500
		Earth timber	CNY/m <sup>2</sup>	300
		Simple	CNY/m <sup>2</sup>	260
	Other compensation	Compensation rate for losses from production or business suspension	CNY/m <sup>2</sup>	50

## 4.7.3. Compensation Rates for Infrastructure and Ground Attachments

70. The compensation rates for infrastructure and ground attachments affected have been fixed at full replacement cost based on the Compensation Rates for Young Crops and Ground Attachments of Wuding County (WCG [2009] No.113). See Table 4-5.

**Table 4-5: Compensation Rates for Infrastructure and Ground Attachments**

Item	Unit	Compensation rate (CNY)
Earth stores (including bakeries and stables)	CNY/m <sup>2</sup>	260
Enclosing walls	CNY/m <sup>2</sup>	290
10kV high-tension lines (incl. poles)	CNY/km	80,000
Low-tension lines (incl. poles)	CNY/km	40,000
Overhead cables, electric wires	CNY/km	60,000
TV trunk lines (incl. poles)	CNY/km	35,000
Trees, diameter at breast height 10-20cm (non-fruit)	CNY each	60
Trees, diameter at breast height 5-10cm (non-fruit)	CNY each	30
Biogas tanks	CNYeach	2,500

## 4.7.4. Rates of Taxes and Other Costs

71. Relevant taxes and other costs are presented in **Error! Reference source not found.**

**Table 4-6: Taxes and Other Rates on Resettlement**

No.	Item	Rate
1	LA management costs	2.8% of total LA costs
2	Farmland occupation tax	17,333.33 CNY/mu
3	Land reclamation costs	10,500 CNY/mu
4	Fees for compensated use of new construction land	9,333.38 CNY/mu
5	Basic pensions for LEFs	20,000 CNY/mu
6	Compensation fees for land quality	186,666.7 CNY/mu

## 4.7 Entitlement Matrix

72. The entitlement matrix has been established in accordance with the applicable policies in this chapter, as shown in Table 4-7.

**Table 4-7: Entitlement Matrix**

Type of impact	Degree of impact	APs	Compensation and resettlement policy
Permanent LA	388.67 <i>mu</i> , including 386.09 <i>mu</i> of cultivated land, 1 <i>mu</i> of fishponds and 1.58 <i>mu</i> of housing land	545 households with 2,413 persons in 22 groups of Xihe and Yongning Villages, and Beijie, Jiucheng and Zhongma Communities	<p>(1) Cash compensation: it is CNY90,000/<i>mu</i> for irrigated land, CNY70,000/<i>mu</i> for housing land, CNY60,000/<i>mu</i> for fishponds and CNY52,029/<i>mu</i> for unused land. 100% of compensations for ground attachments and young crops shall be paid to direct AHs. At least 80% of compensation for LA shall be paid to direct APs or distributed to all registered population of the affected village group averagely at one time, while remaining 0-20% (varying from group to group) of compensation for LA is retained by the village committee for infrastructure construction, public welfare and poverty relief.</p> <p>(2) Return of land: 7% of the acquired land area shall be returned to the affected village groups, and used for production and living resettlement via land development. The land will be returned according to the local policy.</p> <p>(3) Agricultural resettlement: including land transfer, crop cultivation and stockbreeding planning</p> <p>(4) Employment: The employment of LEFs will be promoted through employment by local enterprises and under the Project.</p> <p>(5) Small-amount secured loan: LEFs will be supported pursuant to applicable policies.</p> <p>(6) Skills training: 2,000 person-times will be trained for free under the Project.</p> <p>(7) Social security: Security measures will be offered pursuant to policies on endowment insurance for LEFs and new-type rural/urban endowment insurance.</p>
Residential house demolition	3789 m <sup>2</sup> , including 3,529 m <sup>2</sup> in masonry concrete, 110 m <sup>2</sup> in earth timber and 150 m <sup>2</sup>	18 households with 66 persons in Beijie and Jiucheng Communities	<p>(1) Compensation for houses is based on full replacement cost without any depreciation, the benchmark rates included (a) housing land in CNY105/m<sup>2</sup>; (b) masonry concrete in CNY850/m<sup>2</sup>; (c) masonry timber in CNY500/m<sup>2</sup>; (d) earth timber in CNY300/m<sup>2</sup>; (e) simple structure in CNY260/m<sup>2</sup>.</p> <p>(2) The AHs shall be paid moving subsidy in CNY2,000/household in total for two times of moving, a transition subsidy in CNY5/m<sup>2</sup> monthly for 12 months, and an early moving reward</p>

Type of impact	Degree of impact	APs	Compensation and resettlement policy
	in simple structure		<p>in maximum CNY2,000/household.</p> <p>(3) Two resettlement modes for rural and urban residential houses include: (a) cash compensation; and (b) concentrated housing resettlement.</p>
Commercial store relocation	13 stores with a total area of 1,275 m <sup>2</sup>	13 households with 44 persons in Beijie and Jiucheng Communities	<p>(1) Compensation for business houses is based on full replacement cost. The benchmark rates are the same to the residential houses above because the commercial houses and residential houses are integrated together.</p> <p>(2) They will receive a moving subsidy in CNY2,000/household in total for two times of moving, and compensation for production or business suspension in CNY50/m<sup>2</sup> at one time, and a transition allowance in CNY5/m<sup>2</sup> monthly for 12 months.</p> <p>(3) Demolished mixed commercial and residential buildings are subject to cash compensation, relocation to the northwest area of the county town, or nearby relocation to resettlement housing without land replacement.</p>
Women APs	\	1,401 women	<p>(1) Women have priority in employment, and at least 30% of them shall receive unskilled jobs.</p> <p>(2) Women have priority in receiving free skills training; 2,000 man-times are trained in total, in which at least 1,000 man-times (50%) are offered to female laborers.</p> <p>(3) Women receive relevant information during resettlement, and are able to participate in resettlement consultation. Special women FGDs are held to introduce resettlement policies.</p>
Vulnerable groups	MLS, five-guarantee, women-headed and disability households	10, 4, 34 and 18 households respectively	<p>(1) Priority in resettlement:</p> <p>(a) Households affected by LA: Providing land transfer information with priority and assisting in obtaining land required for production development; providing skills training, public welfare jobs and reserved jobs to laborers in these AHs, and granting small-amount secured loans to eligible AHs with priority, and including them in endowment insurance for LEFs and new-type rural endowment insurance with priority.</p> <p>(b) Households affected by HD: Special subsidies for poor conditions. An urban MLS household shall be entitled to a subsidy of CNY1,000; five-guarantee households, elderly widows and families of martyrs affected by HD who empty their houses within the specified period will receive a one-time special subsidy of CNY2,000 upon presentation of a valid certificate.</p> <p>(2) Including eligible vulnerable groups in the MLS system with priority: Eligible vulnerable groups affected by the Project will be included in the MLS system to ensure that the per capita net income of each rural AH is not less than CNY1,668/year and the per capita income of each urban AH is not less than CNY283/month.</p> <p>(3) Urban and rural medical assistance: Eligible urban and rural residents will be provided with medical assistance pursuant to the Notice of the Wuding County Government on Issuing the Interim Measures of Wuding County on Urban and Rural Medical Assistance to solve the difficulty of vulnerable groups in</p>

Type of impact	Degree of impact	APs	Compensation and resettlement policy
			medical treatment.
Ethnic minorities	the Hui nationality the Yi nationality the Dai nationality	The Hui nationality:202; The Yi nationality:309; The Dai nationality:1 512 persons in total	(1) Ethnic minorities have priority in employment, and all of them shall receive unskilled jobs. (2) Ethnic minorities have priority in receiving free skills training as well (3) Enhancement measures as specified in Section 6.
Special facilities and ground attachments	8 types, including trees and poles	Proprietors	(1) Affected special facilities are restored by proprietors after receiving compensation from the owner of the Project, or reconstructed by the owner according to the original size, standard and function. The detail standards are presented in tables 4-5. (2) Compensation fees shall be calculated and disbursed for ground attachments as stipulated. The detail standards are presented in tables 4-5.
Grievances and appeals	\	All APs	Free; all costs so reasonably incurred are disbursed from the contingencies

## **5. Resettlement and Income Restoration**

### **5.1 Impacts of Permanent Land Acquisition and Income Restoration Measures**

73. The acquisition of collective land for the project affects 545 households with 2,413 persons in 22 groups of five villages/communities in Shishan Town.

74. It is learned from FGDs with village and community officials, and representatives of the APs that based on local traditions and the APs' expectations, compensation fees for LA are distributed as follows in the five affected villages/communities: (i) the compensation fees for ground attachments and young crops are paid to AHs in 100%; (ii) 80% to 100% of compensation fees for LA (a) are distributed averagely to the registered residents of the village group at a time, or (b) paid to the AHs directly at a time; (iii) the balance (0-20% of the compensation for LA, varying from group to group) are retained by the collective or village committee for infrastructure construction, public welfare and poverty relief.

#### **5.1.1 Impact Analysis of Acquisition of Rural Collective Land**

##### **(i) Analysis of lost land resources**

75. Through a comparative analysis of the cultivated areas of each affected village before and after LA, among the five affected villages/communities, Xiaoxi Group 3 of Xihe Village has the highest income loss rate of 21.13%, Beichang Village has the lowest land loss rate of 0.61%, and the overall impact of LA on villages is low.

76. Among the affected 22 groups of the five villages/communities, six groups of Xihe Village, two groups of Yongning Village, three groups of Jiucheng Community and one group of Beijie Community have land loss rates of less than 20%, accounting for 54.55%; three groups of Xihe Village, four groups of Beijie Community and one group of Zhongma Community have land loss rates of 20%-50%, accounting for 36.36%; Beijie Group 4 and Zhongma Group 1 have land loss rates of over 50%, accounting for 9.09%. See Table 5-1.

##### **(ii) Analysis of lost income**

77. Based on an analysis of the annual lost income of the affected groups, per capita lost income ranges from CNY980 (Zhongma Group 2) to CNY120.74 (Yongji Group of Xihe Village). Since the land acquired in Beijie Groups 5 and 6 are non-contracted collective land, these two groups are not included in per capita income loss analysis. Among the other 20 groups, 14 have a per capita income loss rate of less than 10%, two have a per capita income loss rate of 10%-15% and four have a per capita income loss rate of 15% or more. See Table 5-1.

78. In Wuding County, the main crops are paddy rice and wheat. Since the county is located in hilly areas, where fields are small, uneven and sloped, which is not suitable for mechanized farming, agricultural income accounts for a low proportion to gross income. The county abounds with mineral resources, including titanium, iron, copper and lead. Yunnan Metallurgical Group is located here, and there are over 30 private smelting enterprises. Due to the unique climate of Yunnan Province, the county develops nursery cultivation actively, while industry and tertiary industries have become pillar industries, and industrial enterprises have absorbed a large amount of labor. 80% of local residents' income are from non-farm employment. In sum, the project will affect the affected households' income slightly.



**Table 5-1: Impact Analysis of Collective Land Acquisition**

Village / community	Group	Before LA				After LA			Impact of LA on groups			Income loss on AHs (yuan)			
		HHs	Population	Cultivated area (mu)	Per capita cultivated area (mu)	AHs	APs	Cultivated area acquired (mu)	Percent of AHs (%)	Percent of APs (%)	Land loss rate (%)	Annual income loss (CNY)	Average loss per household (CNY)	Per capita loss (CNY)	Percent of per capita income <sup>1</sup> (%)
Xihe Village	Yangliuqing	56	248	135	0.54	26	124	21.255	46.43	50.00	15.74	31882.5	1226.25	257.12	9.68
	Xiaoxi 1	57	234	177	0.76	15	71	19.825	26.32	30.34	11.20	29737.5	1982.50	418.84	15.77
	Xiaoxi 2	59	233	164	0.70	13	64	12.5	22.03	27.47	7.62	18750	1442.31	292.97	11.03
	Xiaoxi 3	116	459	274	0.60	4	15	5.61	3.45	3.27	2.05	8415	2103.75	561.00	21.13
	Daxi 2	87	337	145	0.43	48	216	32.14	55.17	64.09	22.17	48210	1004.38	223.19	8.41
	Daxi 3	100	398	159	0.40	8	39	3.66	8.00	9.80	2.30	5490	686.25	140.77	5.30
	Qingzhensi 1	63	243	151	0.62	29	136	36.54	46.03	55.97	24.20	54810	1890.00	403.01	15.18
	Qingzhensi 2	77	280	152	0.54	30	144	38.76	38.96	51.43	25.50	58140	1938.00	403.75	15.21
	Yongji	142	568	292	0.51	36	159	12.77	25.35	27.99	4.37	19155	532.08	120.47	4.54
	Subtotal	757	3000	1649	0.55	209	968	183.06	27.61	32.27	11.10	274590	1313.83	283.67	10.68
Yongning Village	Baiyi 1	78	375	228	0.61	42	188	18.66	53.85	50.13	8.18	27990	666.43	148.88	4.21
	Baiyi 2	94	389	219	0.56	42	188	26.95	44.68	48.33	12.31	40425	962.50	215.03	6.08
	Subtotal	172	764	447	1.17	84	376	45.61	48.84	49.21	10.20	68415	814.46	181.95	5.15
Jiucheng Community	Shangjiucheng 1	81	364	134	0.37	56	254	25.49	69.14	69.78	19.02	38235	682.77	150.53	3.26
	Shangjiucheng 2	164	685	156	0.23	53	233	30.87	32.32	34.01	19.79	46305	873.68	198.73	4.30
	Xiajiucheng	49	217	111	0.51	25	119	19.08	51.02	54.84	17.19	28620	1144.80	240.50	5.20
	Subtotal	294	1266	401	1.11	134	606	75.44	45.58	47.87	18.81	113160	844.48	186.73	4.04
Beijie Community	Beijie 1	92	226	99.44	0.44	8	44	11	8.70	19.47	11.06	16500	2062.50	375.00	9.42
	Beijie 2	51	100	16	0.16	3	16	4.68	5.88	16.00	29.25	7020	1640.00	307.50	7.73
	Beijie 3	101	330	50	0.15	7	30	11.85	6.93	9.09	23.70	17775	1692.86	395.00	9.93
	Beijie 4	70	251	16	0.06	6	29	10.44	8.57	11.55	65.25	15660	1810.00	374.48	9.41
	Beijie 5	88	319	50	0.16	\	\	2.5	\	\	5.00	3750	\	\	\
	Beijie 6	62	179	28	0.16	\	\	2.53	\	\	9.04	3795	\	\	\
	Subtotal	314	907	181.44	0.18	24	119	43	7.64	13.12	23.70	64500	1838.75	370.84	9.32
Zhongma	Group 1	105	330	40	0.12	90	329	29.18	85.71	99.70	72.95	43770	486.33	133.04	0.61

Village / community	Group	Before LA				After LA			Impact of LA on groups			Income loss on AHs (yuan)			
		HHs	Population	Cultivated area (mu)	Per capita cultivated area (mu)	AHs	APs	Cultivated area acquired (mu)	Percent of AHs (%)	Percent of APs (%)	Land loss rate (%)	Annual income loss (CNY)	Average loss per household (CNY)	Per capita loss (CNY)	Percent of per capita income <sup>1</sup> (%)
Community	Group 2	96	315	45	0.14	4	15	9.8	4.17	4.76	21.78	14700	3675.00	980.00	4.52
	Subtotal	201	645	85	0.13	94	344	38.98	46.77	53.33	45.86	58470	622.02	169.97	0.78
Total		1738	6582	2763.4	0.40	545	2413	386.09	31.36	36.66	13.97	579135	1062.63	240.01	\

Note: The land acquired for Wulong River rehabilitation in Beijie Groups 2, 3, 4, 5 and 6 is non-contracted collective land, involving no affected population, so these groups were not included in this analysis.

<sup>1</sup>Per capita incomes are 2655 yuan in Xihe, 3536 yuan in Yongning, 4621 yuan in Jiucheng, 3978 yuan in Beijie and 21681 yuan in Zhongma.

### 5.1.2 Production and Income Restoration Programs for the APs

79. Since the affected villages vary in socioeconomic conditions, the LA will affect these villages to varying degrees. Resettlement and income restoration programs for land-expropriated farmers (LEFs) should be based on the degree of the impact, each village's practical characteristics and the APs' expectations. See Table 5-2.

**Table 5-2: Summary of Expected Resettlement Modes of Households affected by LA**

Village / community	Affected HHs	Affected population	Expected resettlement mode					
			Cash compensation	Land transfer	Crop cultivation	Stock breeding	Employment	Social security
Xihe Village	209	968	209	35	69	120	127	205
Yongning Village	84	376	84	11	41	12	35	84
Jiucheng Community	134	606	134	23	57	0	65	131
Beijie Community	24	119	24	0	0	0	22	24
Zhongma Community	94	344	94	6	0	0	15	94
<b>Total</b>	<b>545</b>	<b>2,413</b>	<b>545</b>	<b>75</b>	<b>167</b>	<b>132</b>	<b>264</b>	<b>538</b>
<b>Percent (%)</b>			<b>100</b>	<b>13.8</b>	<b>30.6</b>	<b>24.2</b>	<b>48.4</b>	<b>98.7</b>

80. Based on the above expected resettlement modes, different resettlement and income restoration programs have been developed in consultation with government agencies concerned, affected village committees and representatives of the APs during the socioeconomic survey, as detailed below:

#### 5.1.2.1 Cash compensation and distribution

81. The affected village groups and households are compensated in cash, where the compensation rate for irrigated land is CNY90,000/*mu*, that for young crops CNY1,200/*mu* and that for fishponds CNY60,000/*mu*.

82. 80% to 100% of compensation fees for LA (i) are distributed averagely to the registered residents of the village group at a time, or (ii) paid to the AHs directly at a time; and the balance (0-20% of the compensation for LA, varying from group to group) are retained by the collective or village committee for infrastructure construction, public welfare and poverty relief subject to the approval of WCG. See Table 5-3. 100% of compensation fees for ground attachments and young crops are paid to AHs directly.

**Table 5-3: Summary of Distribution Methods of Resettlement Subsidies of the Affected Village Groups**

<b>Village / community</b>	<b>Group</b>	<b>Proportion retained by the village collective (Calculated by 20%)</b>	<b>One-time average distribution among the registered population plus land reallocation after retention of a portion by the collective</b>	<b>Direct payment to the AHs after retention of a portion by the collective</b>
Xihe Village	Yangliuqing	382,590	√	/
	Xiaoxi 1	356,850	√	/
	Xiaoxi 2	225,000	√	/
	Xiaoxi 3	100,980	√	/
	Daxi 2	578,520	√	/
	Daxi 3	65,880	√	/
	Qingzhensi 1	657,720	√	/
	Qingzhensi 2	697,680	√	/
	Yongji	229,860	/	√
	Subtotal	3,295,080	8	1
Yongning Village	Baiyi 1	335,880	√	/
	Baiyi 2	485,100	√	/
	Subtotal	820,980	2	0
Jiucheng Community	Shangjiucheng 1	458,820	√	/
	Shangjiucheng 2	555,660	√	/
	Xiajiucheng	343,440	/	√
	Subtotal	1,357,920	2	1
Beijie Community	Group 1	198,000	√	/
	Group 2	84,240	√	/
	Group 3	213,300	√	/
	Group 4	187,920	√	/
	Group 5	45,000	√	/
	Group 6	45,540	√	/
	Subtotal	774,000	6	0
Zhongma Community	Group 1	525,240	√	/
	Group 2	176,400	√	/
	Subtotal	701,640	2	0
<b>Total</b>		<b>6,949,620</b>	<b>20</b>	<b>2</b>

83. After receiving cash compensation and reallocated land as above, the AHs may implement the following agricultural and non-agricultural restoration measures with the assistance of the local government.

### 5.1.2.2 Return of land

84. Based on LA and HD practices of Wuding County in recent years, 7% of acquired land is returned for resettlement, and used for production and living resettlement by developing the land. 388.67 mu of collective land are acquired permanently for the Project, and 27.03 mu of land for resettlement will be reserved. WCG will pay for the land acquisition including land compensation and resettlement subsidy. However, relevant fees and taxes will be paid by the village groups when they apply the land for resettlement construction or commercial development to local national land resource bureau. After approval of the returned land by the national land resource bureau, the village group will own the amount of the returned land, but may not decide its location. According to the local social and economic development planning and function arrangement of the new developing area, the village group can select the location of their returned land with the amount approved. See Table 5-4.

**Table 5-4: Land Area to be Returned to the Affected Village Groups**

County	Town	Village / community	Group	Permanently acquired cultivated area (mu)	Returned land area (mu)
Wuding	Shishan	Xihe Village	Yangliuqing	21.255	1.488
			Xiaoxi 1	19.825	1.388
			Xiaoxi 2	12.5	0.875
			Xiaoxi 3	5.61	0.393
			Daxi 2	32.14	2.250
			Daxi 3	3.66	0.256
			Qingzhensi 1	36.54	2.558
			Qingzhensi 2	38.76	2.713
			Yongji	12.77	0.894
		Yongning Village	Baiyi 1	18.66	1.306
			Baiyi 2	26.95	1.887
		Jiucheng Community	Shangjiucheng 1	25.49	1.784
			Shangjiucheng 2	30.87	2.161
			Xiajiucheng	19.08	1.336
		Beijie Community	Group 1	11	0.770
			Group 2	4.68	0.328
			Group 3	11.85	0.830
			Group 4	10.44	0.731
			Group 5	2.5	0.175
			Group 6	2.53	0.177
		Zhongma Community	Group 1	29.18	2.043
			Group 2	9.8	0.686
Total				386.09	27.206

85. Since the affected village groups differ in LA area, the amount of returned land for each affected group is different. It is learned that returned land will be allocated and used in two modes mainly: (i) Land for resettlement is allocated evenly among households within the village group,

to be further reallocated among households; (ii) integrated commercial and residential buildings will be constructed, in which commercial stores are located on the ground floor for self-operation or lease; alternatively, land for resettlement will be developed collectively as collective assets to construct commercial buildings or building material bazaars, and the income thereon will be distributed among the registered population. The AHs expect that returned land should be preferably convenient in traffic and close to the urban area, so that urban consumption and development will promote their production and livelihood restoration.

86. The affected village groups will invest to develop the returned land according to discussion and agreement of all farmers in the affected village groups. The compensation for acquired land will be used for the investment by the village groups, while APs can use their resettlement compensation for investment to get income return. According to local economic development situation and practice, it is feasible to generate sufficient income for the APs. Returned land of the affected village groups will be allocated or used as follows:

**(i) Xihe Village**

87. In LA activities of previous other projects, the village has reserved 7% of land for resettlement, which will be distributed averagely among the AHs (968 households in total), to be further reallocated among households. On this land, integrated commercial and residential buildings will be built, and stores on lower floors may be self-operated or rented.

**(ii) Yongning Village**

88. In this village, land for resettlement will be returned at 7%. The returned land will be distributed averagely to villagers (376 households in total), who prefer the land for resettlement to be located advantageously, preferably close to the urban area so as to promote their restoration and development.

**(iii) Jiucheng Community**

89. In this community, land for resettlement will be returned at 7%, which will be distributed averagely to all households (606 households in total) for self-development in the form of integrated commercial and residential buildings (stores on the ground and second floors, and apartments on the third and fourth floors).

**(iv) Beijie Community**

90. In this community, land for resettlement will be returned at 7%, which will be distributed averagely to all households (119 households in total) for house construction or business operations.

**(v) Zhongma Community**

91. In this community, land for resettlement will be returned at 7%. Local residents expect this proportion to be increased to 15% and prefer local resettlement. They expect to construct integrated commercial and residential buildings on such land, with stores on lower floors and apartments on upper floors. The plan is for 344 households.

**5.1.2.3 Agricultural development**

92. Due to local social, economic and natural restraints, the per capita cultivated area of the affected groups is less than 1 *mu* before the LA. In addition, the affected groups will be affected by the LA to varying degrees (refer to Table 5-1). Generally, most of the AHs will still have some

remaining cultivated land, so agricultural development is one of the means of promoting the realization of the livelihood restoration objectives, including the following measures:

## **1. Land reallocation and transfer programs**

### **(i) Land reallocation program**

93. In some village groups affected by the LA, resettlement subsidies in compensation fees for the LA will be paid directly to these groups without land reallocation (e.g., Yongji Group of Xihe Village). In other groups, resettlement subsidies will be distributed averagely the registered population and the remaining land is reallocated among the affected groups so that they can continue to pursue agricultural production and reduce lost agricultural income (e.g., Beijie, Zhongma and Yongning Communities). In addition, the remaining contracted land of Jiucheng Community will be managed by the village groups as collective land (not contracted land) to earn income through lease, etc., which will be distributed among the registered population at each year end. Therefore, 16 groups affected by the project may perform land reallocation (except Yongji Group, Groups 2 and 3 of Daxi Village, Shangjiucheng Groups 1 and 2, Xiajiucheng Group), but final programs will be decided by a village congress. Land reallocation can maintain some farmland for the AHs, and ensure them to have farmland for continued farming. This program will benefit 407 households with 2,470 persons.

### **(ii) Land transfer program**

#### **a. Demand for land transfer of AHs**

94. The project will result in different land loss rates for different AHs. Although agriculture is no longer the main income source of the AHs, some AHs expect to obtain more land to continue agricultural production, provide food crops for stockbreeding or generate more agricultural income through restructuring crop planting. In addition, some AHs are no longer willing to pursue agricultural production but wish to earn land rent through land transfer. There are two modes of land transfer in Wuding County: (i) AHs may rent land in the village group, a neighboring village or even in the county; and (ii) remaining land may be leased to earn rental income.

#### **b. Policy security and land resources available for transfer**

95. In the project, AHs needing farmland for continuing to pursue agricultural production may obtain farmland by land transfer in accordance with the Administrative Measures for the Transfer of Rural Land Contracted Management Rights (Decree No.47 of the Ministry of Agriculture).

96. According to the data provided by the Wuding County Agricultural Bureau, in Q4 2011, the total amount of land transfer of Shishan Town was 2,943 *mu*, going to enterprises and major farming households mainly, as shown in Table 5-5. Therefore, the AHs that wish to continue agricultural production can obtain land resources in the county through land transfer (by land lease mainly).

97. Currently, the average price of rural land transfer (sublease) in Wuding County is CNY800–CNY1000/*mu* of cultivated land annually and CNY1,000–CNY1,200/*mu* of greenhouse or nursery. The project offers a land compensation rate of CNY72,000/*mu*, so that the village groups or households affected by the LA can use compensation fees to lease cultivated land equivalent to lost land for over 50 years. The land transfer program will benefit all the 545 households affected by the LA.

**Table 5-5: Farmland Transfer of Shishan Town in Q4 2011**

Item		Q4 2011
Total amount of land transferred (mu)		2943
Type (mu)	Subcontracting	339
	Lease	2560
	Swap	0
	Transfer	44
	Joint-stock cooperation	0
	Other modes	0
Lessees of land transferred (mu)	Transferred to major farming households	1165
	Percentage to total amount transferred (%)	39.59
	Transferred to cooperatives	140
	Percentage to total amount transferred (%)	4.76
	Transferred to enterprises	1638
	Percentage to total amount transferred (%)	55.65
Land transfer services (mu)	Amount transferred voluntarily among farmers	383
	Percentage to total amount transferred (%)	13.01
	Amount transferred based on information provided by rural organizations	2560
	Percentage to total amount transferred (%)	86.99
	Amount transferred through rural organizations	0
	Percentage to total amount transferred (%)	0
Sources of land for transfer	Cultivated area contracted by farmers	2943
	Percentage to total amount transferred (%)	100
	Non-contracted cultivated area	0
	Percentage to total amount transferred (%)	0

## 2. Crop cultivation development plan and measures

### (i) Crop cultivation development plan of Wuding County

98. According to the Twelfth Five-year Plan for Agricultural and Rural Economy Development of Wuding County, WCG will optimize crop structure on the basis of a stable sown area in order to increase unit output and quality, with focus on high-grade paddy rice, fruits, artificial fungi and other types of characteristic efficient crop cultivation. The specific plan in the project area is as follows:

- High-grade production base of food and oil crops: 5,000 *mu*
- Fruit production base: chestnut and high-grade pear, etc., with a planned area of 10,000 *mu* (5,000 *mu* improved and 5,000 *mu* nearly cultivated)
- Artificial fungus cultivation base: 100,000 m<sup>2</sup>
- Protected agriculture base: A 20 *mu* demonstration park (steel frame greenhouses) will be constructed in the Project area to cultivate such ornamental flowers as rose, lily and chrysanthemum.

### (ii) Crop cultivation development plan

- **Skills training**, two person-times per household (5 days)



- **Funds.** extending fine varieties and conducting formulated fertilization for 5,000 *mu*, granting a subsidy of CNY100/*mu*/annum; improving medium- and low-yield farmland at CNY1,500/*mu*; supporting the establishment of five farmers' specialized cooperatives with a subsidy of CNY200,000 each; developing a fruit base of 5,000 *mu* with a subsidy of CNY150/*mu* for purchasing high-grade nursery stock; cultivating artificial fungi with a subsidy of CNY1.5/m<sup>2</sup>
- **Facility support:** installing 116 solar insecticidal lamp and granting CNY60,000/*mu* for steel frame greenhouses

### (iii) Input/Output Analysis of Protected Agriculture and Characteristic Cultivation

99. Through analysis, compensation fees under the project are sufficient to support protected agriculture and characteristic cultivation. Based on preliminary estimates, the average net income of protected agriculture is CNY5,300/*mu* and that of characteristic cultivation CNY1,800/*mu*. See Table 5-6.

**Table 5-6: Input/Output Analysis of Protected Agriculture and Characteristic Cultivation**

Type of cultivation	Resettlement subsidy (CNY/ <i>mu</i> )	Average investment (CNY/ <i>mu</i> )	Average yield (CNY/ <i>mu</i> )	Average net income (CNY/ <i>mu</i> )	Remarks
Protected (greenhouse) agriculture	57,000	Greenhouse vegetables: investment in greenhouses CNY12,000, to be depreciated for 5 years, with average annual investment of CNY2,400/ <i>mu</i> ; rental CNY800/ <i>mu</i> ; investment in seeds: CNY600/ <i>mu</i> ; pesticides and fertilizers: CNY800/ <i>mu</i> ; irrigation water and electricity costs: CNY400/ <i>mu</i> ; other investment: CNY200/ <i>mu</i> ; total: CNY4,800/ <i>mu</i>	3 seasons a year, CNY11,000/ <i>mu</i>	5,300	Greenhouse vegetables: cucumber, pepper, tomato, eggplant, watermelon, edible fungi
Characteristic cultivation (specialized cash crops)	57,000	Characteristic cash crops: investment in seedlings: CNY500/ <i>mu</i> ; pesticides and fertilizers: CNY200/ <i>mu</i> ; irrigation water and electricity costs: CNY200/ <i>mu</i> ; other investment: CNY100/ <i>mu</i> ; total: CNY1,000/ <i>mu</i>	CNY2,800/ <i>mu</i>	1,800	Chestnut, high-quality pear, etc.

## 3. Stockbreeding development plan and measures

100. Stockbreeding is a characteristic agricultural activity in the project area. Therefore, great importance will be attached to stockbreeding development planning and promotion during the resettlement process.

### (i) Stockbreeding development plan of Wuding County

101. In Wuding County, Zhuang chickens and pigs are bred mainly under policy support. The plan for the construction of new livestock and poultry farms in 2012 has been developed, as shown in Table 5-9, and all households affected by LA may participate in this plan.

**Table 5-7: Types and Sizes of Stockbreeding Facilities in 2012**

No.	Type	Location	Size and scope	Gross investment	Remarks
1	Zhuang chicken	Xihe Village	200,000 chickens, standard stables, offices, forage processing rooms, septic tanks, automatic equipment	600,000	Limited to the project area only
2	Pig	Xihe Village	500 pigs, stables, offices, septic tanks, forage storerooms, equipment	400,000	

**(ii) Supporting measures for stockbreeding**

■ **Skills training:** providing free stockbreeding training every year and relevant information, and granting a subsidy of 20 yuan per capita per day

■ **Funds:**

- (i) **Free quarantine.** In order to reduce the quarantine burden on stockbreeding households, the state has cancelled livestock and poultry quarantine charges from, totaling CNY2 million per annum.
- (ii) **Breeding sow insurance.** The premium is CNY60 per breeding sow per annum, in which CNY48 is borne by central, provincial, prefecture and city finance, and CNY12 by the household. If a breeding sow dies during the insurance period, the insurance company will pay an indemnity of not more than CNY1,000, reducing economic losses arising from the death of breeding sows by over CNY2 million per annum.
- (iii) **Support for large-scale farms.** For each pig farm with an annual output of 500-999 pigs, a subsidy of CNY250,000 will be granted from central finance; for each pig farm with an annual output of 1,000–1,999 pigs, a subsidy of CNY500,000 will be granted from central finance; for each pig farm with an annual output of 2,000–2,999 pigs, a subsidy of CNY700,000 will be granted from central finance; for each pig farm with an annual output of 3,000–10,000 pigs, a subsidy of CNY800,000 will be granted from central finance. A pig farm entitled to subsidy must be characterized by human-livestock separation, centralized raising and enclosed management, and not within an area where breeding is prohibited according to law.

**(iii) Input/Output Analysis of Stockbreeding**

102. The households affected by the LA may use resettlement subsidies to purchase Zhuang chickens or pigs to earn income. It is estimated that the resettlement subsidy per *mu* of cultivated area (CNY90,000) can be used to purchase 1,285 chickens or 112 pigs, generating annual income of CNY50 per chicken or CNY500 per pig annually, respectively. See Table 5-8.

**Table 5-8: Input/Output Analysis of Stockbreeding**

Item	Purchase cost (CNY each)	Quantity	Government subsidy (CNY0,000)	Annual income (CNY each)
Zhuang chicken	25	200,000	15	50
Pig	300	500	15	500

#### **5.1.2.4 Employment**

103. The labor employment and social security agency, and village/community committees will release employment information to the APs regularly, recommend interested APs for employment, and take various measures to promote the employment of LEFs, benefiting all laborers (about 1,480) from 558 affected households.

##### **(i) Employment under the Project**

104. Since the project involves road construction, including storm and sewage lines, bridges, culverts, traffic works, lighting and landscaping, about 500 jobs will be generated at the construction stage, including about 300 skilled jobs. The APs will have priority in getting the unskilled jobs, and their wage level will not be less than the local minimum wage standard. It is also estimated that about 50 permanent jobs will be generated, which will also be first made available to the APs and 50% for female labors.

105. Half a month before employment, the client should provide employment information to the affected village/community committees for further dissemination to villagers/residents, so that local laborers may get employed voluntarily. The employer should enter into labor contracts with laborers, train employees on safety before employment, and provide income that is not less than the minimum wage standard of Wuding County in the current year to every employee (according to the Regulations on Minimum Wages of Yunnan Province (Decree No.128 of the Yunnan Provincial Government), the minimum wage standard of Wuding County is 830 yuan per month).

##### **(ii) Positions of public welfare jobs**

106. The government will offer public welfare jobs to LEFs with priority on an equal pay for equal work basis, including landscaping, environmental sanitation and traffic wardens and 50% for female labors.

##### **(iii) Positions to jobs reserved by enterprises**

107. The local government will agree with newly established or introduced enterprises in the Project area, and the APs have priority in getting the above jobs, 30% for female labors, and their wage level is not less than the local minimum wage standard.

##### **(iv) Lending, exemption, support and subsidization measures to promote business startup and employment**

108. The Measures for the Implementation of Lending, Exemption, Support and Subsidization of Yunnan Province (Interim) was issued in accordance with the Notice of the People's Bank of China, the Ministry of Finance, and the Ministry of Human Resources and Social Security on Further Improving the Management of Small-grant Secured Loans, and Promoting Business Startup and Employment (PBC [2008] No.238), and Some Opinions of the Yunnan Provincial Government on Encouraging Business Startup and Promoting Employment (YPG [2009] No.1) in order to encourage laborers to start up businesses and promote employment. From 2009, governments and agencies concerned provide supporting measures in terms of credit support, tax exemption, startup services and financial subsidies to first-time entrepreneurs in our province.

### **5.1.2.5 Skills training**

109. In addition to cash compensation, a special program on skills training for the project has been developed to offer skills training to LEFs and those affected by LA. Four sessions for about 2,000 person-times will be conducted with two weeks for each sessions.

#### **(i) Subjects**

110. Laborers with registered residence in Wuding County, affected by LA or HD, aged 18 years or more, and having been educated to some extent. The Wuding County Labor and Social Security Bureau will issue a certificate of professional qualification or special skills as a voucher of training.

#### **(ii) Scope**

111. Based on the local industry mix and market demand, skills training will be focused on crop cultivation, stockbreeding, services and building. The main types of work available for training include vegetable grower, fruit tree grower, poultry/livestock raiser/breeder, bricklayer, farm machinery operator/repairer, motorcycle repairer, stonecutter, painter, electric welder, tailor, concrete worker, waterproofing worker, masonry worker, etc.

112. Employment training for LEFs will be strengthened so that they can get employed more easily. Free employment information and training will be provided to them, especially for those aged 18-35 years. In the first half of 2010, over 450 person-times of LEFs were trained in total, and 210 LEFs recommended for employment in other provinces and locally. More jobs will be generated to broaden channels of employment. There are 8,965 LEFs of labor age in Shishan Town. The government will place them to jobs in project construction, including farm produce bazaars, hotels and guesthouses, or assign stalls to them with priority in order to create stable income sources for them. LEFs will also be encouraged to start up businesses under preferential policies. Currently, 21 land-expropriated households have received small-grant poverty reduction loans, and eight are entitled to the lending, exemption, support and subsidization policy.

#### **(iii) Organizational structure**

113. WCG has established the county leading group for reemployment of surplus rural labor, and the Wuding County Labor and Social Security Bureau will provide skills training.

#### **(iv) Funding**

114. The skills training budget of the project is CNY200,700, which will be disbursed from county finance. Training costs include organizational funds, teaching material, printing, evaluation, practice and certificate costs, and trainers' remuneration, to be disbursed by the Wuding County Labor and Social Security Bureau. See Table 5-9.

**Table 5-9: Summary of Employment Training Programs in the Project Area in 2013 to 2014**

Town	Number of sessions	Person-times trained per annum		Scope	Agency responsible	Funding source
		Males	Females			
Shishan	4	250	250	Vegetable grower, fruit tree grower, poultry/livestock raiser/breeder, bricklayer, farm machinery operator/repairer, motorcycle repairer, stonecutter, painter, electric welder, tailor, concrete worker, waterproofing worker, masonry worker, animal quarantine inspector, animal disease controller, etc.	Wuding County Labor & Social Security Bureau	Special fiscal funds

### 5.1.2.6 Social security

#### (i) Endowment insurance for LEFs

115. In order to conduct basic endowment insurance for LEFs properly, protect their lawful rights and interests, and provide for their long-term livelihoods, WCG has enacted the Interim Measures for the Basic Endowment Insurance for Land-expropriated Farmers of Wuding County (WCG [2010] No.11). According to these measures, subjects of endowment insurance for LEFs are registered members of rural collective economic organizations who have enjoyed contracted management rights to collective land, whose land has been acquired completely, substantially or partly by the government. According to regulations related to Law of Rural Land Contract of PRC, the insurance shall cover the registered members who are aged 16 years old or above (including those whose HuKou in the affected villages), and whose land is acquired by the national land and resource bureau; those under the age of 16 years upon acquisition will participate in social insurance when attaining 16 years.

116. According to the policy, an LEF aged 16-59 years old should contribute endowment insurance premiums for 15 years of CNY50,940 (including government subsidy), and one aged 60 years or more should contribute premiums for 10 years of 33,960 yuan (including government subsidy). Therefore, LEFs aged 60 years or more should contribute CNY20,367–CNY27,168 (for different contribution levels ranging from 60% to 80%) at a time to participate in endowment insurance for LEFs of Wuding County. In the project, the average acquired land area per household is 0.73 *mu*, and the amount of cash compensation per household is CNY12,600–CNY44,100 (for land loss rates from 20% to 80%), then every household can afford this insurance of 0.46–2.17 person. Having participated in endowment insurance for LEFs, each insured person will receive a pension of CNY209 per month, which is sufficient to cover the monthly loss of CNY17.5–CNY61.3 per household. See Table 5-10.

**Table 5-10: Calculation of Contribution and Benefit Levels of Endowment Insurance for LEFs**

Contribution level <sup>a</sup> (%)	Contribution at a time <sup>b</sup> (CNY)	Individual and collective's contribution (CNY)	Acquired land area per household ( <i>mu</i> )	Cash compensation per household (CNY)	Number of insured per household <sup>c</sup>	Monthly pension (CNY)	Monthly lost land income per household (CNY)
60% (substantially LEFs)	33,960	20,367	0.49	44,100	2.17	209	61.3
80% (partly LEFs)	33,960	27,168	0.14	12,600	0.46	209	17.5

Notes:

<sup>a</sup> For substantial LEFs, individual and village collectives will contribute to 60% of the insurance, while for partly LEFs, individual and village collectives will contribute to 80%.

<sup>b</sup> For LEFs with 60 years old and over, they need to pay for 10 years insurance at one time.

<sup>c</sup> If deducted the part to be paid by village collectives, the number should increase.

## 2. New-type rural social endowment insurance

117. According to the plan for the Implementation of Trials on New-type Rural/Urban Social Endowment Insurance of Wuding County, the farmers affected by LA in the project may participate in new-type rural social endowment insurance as follows:

### (i) Insured

118. All urban and rural residents with registered residence in Wuding County, having attained 16 years (excluding students at school) and having not participated in basic endowment insurance for urban employees may be insured voluntarily. Students at school, military servicemen and those being reeducated through labor cannot be insured.

### (ii) Fund raising

119. The new-type rural social endowment insurance fund consists of individual contribution, collective subsidy and government subsidy.

**Individual contribution.** There are 5 contribution levels for rural residents, from 100 yuan to 500 yuan, and 10 levels for urban residents, from 100 yuan to 1,000 yuan, to be chosen by the insured voluntarily. After contribution as stipulated, the insured will be entitled to provincial, prefecture and county contribution subsidies. Endowment insurance premiums will be contributed annually.

**Collective subsidy.** Eligible village collective economic organizations should subsidize individual contribution at a level resolved at the village congress. Other social groups, and social and economic organizations are encouraged to subsidize individual contribution.

**Government subsidy.** The new-type rural social endowment insurance funds at the central, provincial, prefecture and county levels should subsidize individual contribution.

### (iii) Benefit

120. Any rural resident having participated in new-type rural social endowment insurance and made contribution as stipulated will receive pensions on a monthly basis when attaining 60 years.

121. Personal pension consists of a basic pension and an individual account pension, and will be paid on a lifelong basis.

Personal pension = basic pension (CNY60/month) + (balance of individual account /139)

122. In sum, diversified resettlement measures are available to the APs under the project and cover the APs extensively. See Table 5-11.

**Table 5-11: Summary of Livelihood Restoration Measures for APs**

Village / community	Affected HHs	Affected population	Coverage of diversified livelihood restoration measures					
			Cash compensation	Agricultural resettlement	Employment	Secured loan	Skills training	Social security
Xihe Village	209	968	209	77	127	97	102	205
Yongning Village	84	376	84	42	35	35	63	84
Jiucheng Community	134	606	134	56	65	48	75	131
Beijie Community	24	119	24	6	22	20	24	24
Zhongma Community	94	344	94	3	15	63	50	94
<b>Total</b>	<b>545</b>	<b>2413</b>	<b>545</b>	<b>184</b>	<b>264</b>	<b>263</b>	<b>314</b>	<b>538</b>
<b>Percent (%)</b>			<b>100</b>	<b>33.8</b>	<b>48.4</b>	<b>48.3</b>	<b>57.6</b>	<b>98.7</b>

### 5.1.3 Resettlement and Restoration Programs for Key Affected Village Groups

123. Based on the land and income loss analysis, Xiaoxi Group 3, Xiaoxi Group 1 and Qingzhen Group 1 of Xihe Village will suffer relatively serious income losses, with a per capita income loss rate of 21.13%, 15.77% and 15.18% respectively. In order to ensure that the APs have access to various opportunities so as to improve or at least restore their production level and living standard, not only the acquired land, buildings and attachments will be compensated for, production resettlement programs suited to the affected village groups' practical conditions have been developed on the basis of extensive consultation with APs and group leaders.

124. Xiaoxi Group 3, Xiaoxi Group 1 and Qingzhen Group 1 are affiliated to Xihe Village, where Xiaoxi Group 3 has 116 households with 459 persons, Xiaoxi Group 1 has 57 households with 234 persons and Qingzhen Group 1 has 66 households with 243 persons. The main income sources are employment and other non-agricultural sources. Xiaoxi Group 3 has a cultivated area of 274 *mu*, Xiaoxi Group 1 has 177 *mu* and Qingzhen Group 1 has 151 *mu*. 5.61 *mu* of cultivated land of Xiaoxi Group 3 will be acquired for the project, and its per capita cultivated area will be 0.6 *mu* and 0.58 *mu* before and after the LA, affecting 4 households with 15 persons. 19.825 *mu* of cultivated land of Xiaoxi Group 1 will be acquired for the project, and its per capita cultivated area will be 0.76 *mu* and 0.67 *mu* before and after the LA, affecting 15 households with 71 persons. 36.54 *mu* of cultivated land of Qingzhen Group 1 will be acquired for the project, and its per capita cultivated area will be 0.62 *mu* and 0.47 *mu* before and after the LA, affecting 39 households with 136 persons. Since this village is close to the urban area and per capita cultivated area is 0.55 *mu*, the main income sources of villagers are outside employment and business, e.g., building, catering, transport and individual operations, and agricultural income accounts for 10-15% of gross income only. Villagers don't think the LA can affect their livelihoods

greatly, and all AHs expect cash compensation. The AHs think that after the LA, labor will be released from land and will have more time for employment or individual operations to earn more income. Therefore, getting employed or pursuing individual operations is the main means of income restoration.

125. Through the consultation, the income restoration measures that may be taken by Xihe Village are as follows:

- (a) **Crop restructuring.** (i) Xiaoxi Group 3 have a remaining cultivated area of 268.39 *mu* after the LA, 0.58 *mu* per household on average. Necessary engineering and biological measures may be taken to rehabilitate such land to improve productivity. This group will shift from traditional crops such as paddy rice and rape to artificial fungi with higher economic value through crop restructuring. With a planned area of 11 *mu*, crop restructuring will generate net additional income of CNY4,00/*mu* and total additional income of CNY44,000 per annum, benefiting 18 persons with per capita additional income of CNY2,444. (ii) Xiaoxi Group 1 will have a remaining cultivated area of 157.175 *mu* after LA, 0.67 *mu* per capita. The group will shift from traditional crops such as paddy rice and rape to rose, lily and other flowers with higher economic value through crop restructuring. With a planned area of 31 *mu*, crop restructuring will generate net additional income of CNY6,000/*mu* and total additional income of CNY186,000 per annum, benefiting 80 persons with per capita additional income of CNY2,325. (iii) Qingzhen Group 1 will have a remaining cultivated area of 114.46 *mu* after LA, 0.47 *mu* per capita. The group will shift from traditional crops such as paddy rice and grape to chestnut and fruits with higher economic value through crop restructuring. With a planned area of 111.08 *mu*, the crop restructuring will generate net additional income of CNY3,200/*mu* and total additional income of CNY355,456 per annum, benefiting 142 persons with per capita additional income of CNY2,503. See Table 5-12.

**Table 5-12: Summary of Crop Restructuring Programs of Xiaoxi Group 3, Xiaoxi Group 1 and Qingzhen Group 1**

Group	Income restoration measure	Unit	Qty.	Investment		Income			
				Unit price (CNY/ <i>mu</i> )	Investment (CNY)	Net income per unit (CNY)	Net income (CNY)	Beneficiary population	Additional income (CNY)
Xiaoxi 3	Crop restructuring	<i>mu</i>	11	4,000	44,000	4,000	44,000	18	2,444
Xiaoxi 1	Crop restructuring	<i>mu</i>	31	5,300	164,300	6,000	186,000	80	2,325
Qingzhen Group 1	Crop restructuring	<i>mu</i>	111.08	1,500	166,620	3,200	355,456	142	2,503

It is estimated that the annual income of Xiaoxi Group 3 will be reduced by CNY11,415, that of Xiaoxi Group 1 by CNY38,272 and that of Qingzhen Group 1 by CNY59,880. The above income restoration measures will bring additional income of CNY44,000 to the AHs in Xiaoxi Group 3, CNY186,000 to those in Xiaoxi Group 1 and CNY355,456 to those in Qingzhen Group 1. Therefore, the living standard of the APs will be restored and improved. See Table 5-13.



**Table 5-13 Income Restoration Program of Xihe Village**

Group	Reduced annual income (CNY/year) (A)	Additional income from restoration measures (CNY/year) (B)	Increased income (A-B) (CNY/year)
		Crop restructuring	
Xiaoxi 3	11,415	44,000	32,585
Xiaoxi 1	38,272	186,000	147,727.5
Qingzhen 1	59,880	355,456	295,576

- (b) Xihe Village Committee plans to develop large-scale Zhuang chicken and pig breeding. It has two Zhuang chicken and pig farms each, raising 2,000-3,000 chickens and 100-500 pigs each. The government grants a subsidy of 50,000-100,000 yuan per annum to each major breeding household, and offers stockbreeding training to expand marketing channels. The village committee plans to expand the scale of Zhuang chicken breeding to over 1,000 chickens, which will bring generate total additional income of 50,000 yuan, benefiting 109 persons with per capita additional income of 396.83 yuan. In this way, the village committee wishes to promote the employment of more rural surplus labor, thereby increasing the APs' income and promoting their self-development.
- (c) Reconstruction of 50 characteristic residential houses. The Xihe Village Committee is planning the reconstruction of 50 characteristic residential houses with its own investment to build a commercial and residential street with Hui characteristics. Commercial stores in these houses will be made available to affected villagers at preferential prices for tertiary operations, such as catering. This will benefit 235 persons in total.

126. Through the above measures, the income of the APs is expected to be restored in early 2014.

## **5.2 Resettlement Program for Demolition of Residential Houses**

127. Rural residential houses with a total area of 820 m<sup>2</sup> will be demolished for the Project, affecting 7 households with 28 persons, and urban residential houses a total area of 2,969 m<sup>2</sup> will be demolished, affecting 11 households with 38 persons. The demolished rural houses are characterized by unsound supporting facilities, aged structure, and poor day-lighting and ventilation conditions and the demolished urban houses also have such problems as inconvenient traffic and poor environment. The HD and resettlement activities will provide an opportunity for the AHs to improve residential conditions.

128. All the 18 households affected by the HD expect to obtain a housing site of the same size on the basis of compensation for houses and attachments through appraisal. Through survey and consultation, the resettlement modes for rural and urban residential houses include: (i) cash compensation; and (ii) unified resettlement.

### **5.2.1 Cash Compensation**

129. According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), all houses and attachments to be demolished may receive cash compensation.

- (i) The building area and use of any house to be demolished on state-owned land shall be based on the certificate of title.
- (ii) Houses on rural collective land shall be based on appraisal.

130. Appraised prices of houses demolished for the project will be without depreciation, and not less than the set benchmark rates (including land price). All compensation fees are paid to the AHs to construct houses themselves or purchase resettlement housing.

### 5.2.2 Non-local Resettlement

131. According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), ground attachments are compensated for at appraised price, and a housing site of the same size is provided. In addition, resettlement housing is planned in a unified manner and constructed by AHs themselves.

132. The land area and building area for resettlement of each AH are as follows:

- (i) Any affected household with an occupied land area of 30–100 m<sup>2</sup> may choose Layout A (100.4 m<sup>2</sup>), E (114.75 m<sup>2</sup>) or F2 (76.32 m<sup>2</sup>) for resettlement; one with an occupied land area of 101–150 m<sup>2</sup> will be resettled at 150 m<sup>2</sup> of land area; one with an occupied land area of 151 m<sup>2</sup> will be resettled at 200 m<sup>2</sup> of land area. Any extra land area of not more than 20 m<sup>2</sup> will be paid for at CNY1,000/m<sup>2</sup>, any extra land area of 21–30 m<sup>2</sup> will be paid for at CNY1,200 /m<sup>2</sup>, extra land area of 31–40 m<sup>2</sup> will be paid for at CNY1,400/m<sup>2</sup>, extra land area of 41–50 m<sup>2</sup> will be paid for at CNY1,600/m<sup>2</sup>, extra land area of 51–60 m<sup>2</sup> will be paid for at CNY1,800/m<sup>2</sup>, and extra land area of 61–70 m<sup>2</sup> will be paid for at CNY2,000/m<sup>2</sup>.
- (ii) For any affected household with an occupied land area of not more than 30 m<sup>2</sup>, no housing site will be provided, and cash compensation will be granted at CNY2,000/m<sup>2</sup>. If the existing housing site of any affected household is over 200 m<sup>2</sup>, at most two housing sites of 100 m<sup>2</sup> each will be provided, and any excess will be compensated for at CNY2,000/m<sup>2</sup>.
- (iii) Road, water and electricity supplies and basic ground condition of housing sites will be provided by the government, and resettlement housing is planned and designed in a unified manner, and constructed by AHs themselves. See Figure 5-2.
- (iv) Based on the willingness survey, all 11 households affected by HD in Beijie Community and seven in Jiucheng Community have chosen non-local resettlement.

133. The basic information on the resettlement community in the north area of Shishan Town is as follows:

134. The north area is a service area integrating administration, commerce and tourism, with a land area of 296.66 ha or about 30,000 km<sup>2</sup>, including 263.99 ha of urban construction land and 33 ha of non-urban construction land, with a population of 30,000. See Table 5-14.

**Table 5-14: Overview of Resettlement Community Planning in North Area of Shishan Town**

No.	Item	Unit	Value	Percent (%)
I	Gross land area	ha	5.5046	\
	Land area of municipal roads	ha	1.3311	\
	Planned land area	ha	4.1753	100
1	Construction land	ha	1.3244	31.73
2	Land for roads and squares	ha	2.0741	49.7
3	Land for landscaping	ha	0.775	18.57
II	Gross building area	m <sup>2</sup>	54402	\
1	Residential area	m <sup>2</sup>	37211	\
2	Commercial area	m <sup>2</sup>	16926	\
3	Area of other supporting facilities	m <sup>2</sup>	264	\
III	Total number of households	/	369	\
IV	Building density	%	31.73	\
V	Floor area ratio	%	1.3	\
VI	Green space ratio	%	18.57	\
VII	Total number of parking spaces	/	144	



**Figure 5-1: Bird's-eye View**



**Figure 5-2: Drawing of Resettlement Buildings of Resettlement Community**



**Figure 5-3: Real Photo of Resettlement Site**

### **5.3 Resettlement Program for Demolition of Commercial Stores**

135. According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), demolished mixed commercial and residential buildings are subject to (i) cash compensation, and (ii) relocation to the northwest area of the county town.

136. Two resettlement modes are available for demolished commercial stores—(i) cash compensation, and (ii) non-local resettlement. In case of non-local resettlement, a shop front in the north area may be chosen; in case of local resettlement, the store will move back after the completion of the project. In addition, each affected store is paid CNY50/m<sup>2</sup> in compensation for losses due to production or business suspension.

137. 13 commercial stores with a total area of 1,275 m<sup>2</sup> will be demolished for the project, affecting 44 persons. Since all demolished stores are integrated into residential buildings, their demolition area is included in the demolition area of residential houses. See Table 5-15.

**Table 5-15: Summary of Resettlement Modes for Affected Commercial Stores**

Town	Road	Community	Head of household	Affected population	Area of store to be demolished (m <sup>2</sup> )	Nature of land	Destination of resettlement	Remarks
Shishan	Beicheng Avenue	Beijie	ZW	2	120	State-owned	(1) Non-local: north area of the county town; (2) Local: swimming pool plot	Since all demolished stores are in integrated into residential buildings, their demolition area is included in the demolition area of residential houses.
			ZZA	5	180	State-owned		
			ZZM	3	100	State-owned		
			ZLX	2	100	State-owned		
			ZJM	3	100	State-owned		
			ZZH	4	100	State-owned		
			ZZG	3	100	State-owned		
			YJZ	5	100	State-owned		
			YB	4	100	State-owned		
			ZDW	4	100	State-owned		
			CMY	3	100	State-owned		
	Mudan Road	Jiucheng	WTP	3	45	Collective		
			YYL	3	30	Collective		
Total				44	1,275	/		

#### 5.4 Women's Development Measures

138. During the resettlement process, women's rights and interests will be fully protected, and women will be allowed to play an important role in socioeconomic and resettlement activities. According to the site survey and discussion with female representatives of APs and the Women Federation Association, the women like to participate in public consultation related to the resettlement and express their expectations. Most of them including women headed households are concerned about (i) receiving compensation on time; (ii) improving agricultural production with limit farmland; and (iii) operating small business at home or at agricultural products fair or market with the compensation or small loan. In addition, they hope they can get support in skill training and development in cultivation and agricultural production, stockbreeding and services in order to increase their income. The measures to promote women's development under the Project include:

##### (i) Startup fund for women

139. In order to provide greater support to women's business startup and employment, the Women's Federation of Chuxiong Prefecture issued the Notice on Establishing a Special Fund for Women's Business Startup and Employment of Chuxiong Prefecture together with the Finance Bureau of Chuxiong Prefecture. Since the average cultivated area per household will be reduced, women will spend more time and effort on business startup, so they will enjoy priority in applying for startup funds. The detailed provisions of this policy are as follows:

##### Source and purposes of startup funds:

140. Startup funds will be disbursed from prefecture finance in its budget and used mainly supporting outstanding women who take the lead in business startup and employment promotion.

### **Subjects of support:**

141. Urban laid-off women, female graduates of secondary technical schools, rural women, female LEFs, returned farmers and disabled persons who wish to startup businesses or having difficulty to get employed.

### **Uses of startup funds:**

142. Circulating fund for women's business startup: 70% of startup funds will be used to provide compensated circulating support to women or businesses with development potential, operating honestly and in good faith, and performing well in employment but having financial difficulty during business startup. Each entrepreneur or business may be granted 10,000-30,000 yuan. The term of repayment is usually one year, or may be extended to two years in special cases.

### **(ii) Women enjoy equal participation and decision-making rights in the development of resettlement programs.**

143. During the public consultation process, and at village or village group meetings at which resettlement programs are discussed, women should enjoy equal participation and decision-making rights, and not less than 30% of attendees should be women. In addition, the Resettlement Office should be represented by women. Chuxiong PMO and Wuding PMO shall pay more attention to requirements, comments and complains of female APs, and solve problems of affected women in a timely manner. Any decision related to the resettlement shall involve female representatives.

### **(iii) The compensation agreement must be signed by the couple.**

144. In order that a couple of an AH has equal right to know the compensation rates of the Project and equal right to dispose of compensation fees, all AHs in the Project agree that the couple should sign together to receive compensation fees. Chuxiong PMO and Wuding PMO shall supervise and check it when sign the agreement between village committees and AHs.

## **5.5 Assistance Measures for Vulnerable Groups**

145. A support fund for vulnerable groups of CNY150,600 (0.06% of basic resettlement costs) will be established under the project to support vulnerable groups affected by the project.

146. The main affected vulnerable groups are MLS households, five-guarantee households, households affected by disability and women-headed households. In the affected population, 18 households with 23 persons fall into vulnerable groups. During the whole resettlement process, the PMO, IA and local government will not only subject vulnerable groups to living and production resettlement as planned, but will also provide certain assistance to improve their living and production conditions. The key measures are as follows:

### **(i) Giving priority to vulnerable groups in resettlement measures**

147. During resettlement, affected vulnerable households will have priority, including:

#### **Households affected by LA:**

■ Providing land transfer information with priority and assisting in obtaining land

- required for production development;
- Providing skills training, public welfare jobs and reserved jobs to laborers in these AHs, and granting small-amount secured loans to eligible AHs with priority;
- Including them in endowment insurance for LEFs and new-type rural endowment insurance with priority.

#### **Households affected by HD:**

- According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), an urban MLS household shall be entitled to a subsidy of CNY1,000 per month; five-guarantee households, elderly widows and families of martyrs affected by HD who empty their houses within the specified period will receive a one-time special difficulty subsidy of CNY2,000 upon presentation of a valid certificate.”

#### **(ii) Including eligible vulnerable groups in the MLS system with priority**

148. According to Wuding County’s MLS policy for urban and rural residents, eligible vulnerable groups affected by the Project will be included in the MLS system and receive MLS benefits so as to ensure that the per capita net income of each rural AH is not less than 1,668 yuan/year and the per capita income of each urban AH is not less than 283 yuan/month.

#### **(iii) Providing urban and rural medical assistance to eligible vulnerable groups**

149. Urban and rural medical assistance can be provided to eligible vulnerable groups to solve their difficulty in receiving medical care. Vulnerable groups can participate in all medical care as normal residents but don’t need to pay basic cost by selves for the medical care. For rural vulnerable groups, a fund in the new rural cooperative medical care system (NRCMS) has been established. And it will pay the participation fee of the NRCMS on behalf of residents entitled to the rural poor or low income households.

### **5.6 Infrastructure Restoration Program**

150. Affected special facilities and ground attachments are restored by proprietors after receiving compensation from the Wuding PMO.

## **6. Ethnic Minorities Resettlement and Development Measures**

### **6.1 Ethnic minority consultation and public participation**

#### **6.1.1 Consultation methods and process**

151. During the preparation of the project feasibility study reports, environmental impact assessment and resettlement plans, consultations were conducted with governmental agencies, villagers, enterprises, local groups and other people to be affected by the project to discuss environmental concerns, land acquisition and resettlement issues, and economic development potentials. Around one third of the participants are ethnic minority representatives of potential APs and beneficiaries.

152. From July to December 2011, a pre-PPTA consultant team was hired to conduct a study on “New approaches to river rehabilitation and flood management”. Initial consultations were conducted to collect comments and suggestions on river rehabilitation options from various government agencies of Wuding, Lufeng and Chuxiong county/municipality<sup>3</sup>.

153. Starting from the PPTA field assessments in May 2012, a number of participatory assessment sessions, consultations, discussions and interviews were held with over 2200 people in Wuding, including around one third of the minority population in the project area. Participants included individual villagers, urban residents, staff of the Ethnic Affairs Bureau, Industrial park committee, tourism bureau, Development and Reform Bureau, business owner and employees. The assessments, surveys and discussions provided the quantitative and qualitative materials that were used to prepare the REMDP for the Wuding components and also has been used as the basis for identifying the potential project impacts and assessing their significance.

154. Methods and tools used include (i) field visiting to collect basic information on the project impact from project beneficiaries and APs; (ii) household survey to understand family situations, life status and living conditions; (iii) focus group discussion to know expectation and requirements of affected people; (iv) interview with representatives of households, villages or communities to find potential impacts, coping strategies and support needed; (iv) interview with government agencies, development organizations and industrial parks to identify existing programs helping the poor and ethnic minorities take advantages of the project benefits stimulated, and (v) desk study to collect relevant secondary data and information.

155. The survey result indicated that in Wuding project affected area, the affected Hui is concentrated in two groups of Xihe village while Yi is concentrated in Jiucheng urbanized community mixed with Han. There are no other negative impacts other than land acquisition and limited resettlements were identified. The only action needs outlined is to prevent construction activities during mosque praying hours and to ensure consultation with the community throughout. Therefore a combined REMDP was suggested.

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<sup>3</sup> Initial consultation found that Lufeng and Chuxiong project components had few Ems, so further studies focused on Wuding.



### 6.1.2 Public participation activities for ethnic minorities at the project preparation stage

156. The project components and scope identification is an evolving process which involved a series of public participation and consultation with ethnic minority groups. See Table 6-1.

**Table 6-1 Public participation activities for Ethnic Minority people at the preparation stage**

<b>Time</b>	<b>Organized by</b>	<b>Participants</b>	<b>Key Activities</b>	<b>Key Outputs/Issues raised</b>
Before July 2011	Chuxiong Prefecture PMO	Design institute, county DRC, Construction Bureau and Water works Bureau	1. Reviewing project components and scope 2. Comparing and Soliciting options balancing project costs and RP impacts. 3. Estimate APs including EM APs.	1. The proposed scope of construction was disclosed to project sites communities in Wuding, Lufeng and Chuxiong. 2. Hui and Yi ethnic minorities (EM) might be affected by land acquisition and house demolish. 3. Potential affected communities were informed; feedback procedures were initiated through community leaders.
July-Dec. 2011	Prefecture PMO and ADB consultant Team	Wuding, Lufeng and Chuxiong County/City PMO, Affected Aps Along Longchuan River and Lufeng	1. Study on new approaches of river rehabilitation and flood management. 2. Updating project progress and Estimating EM Aps 3. Identify social and EM issues to be further studied during PPTA. 4. Consulting potential Aps along Longchuan river to collect feedback about project options.	1. Confirm Wuding project will affect EM. 2. Chuxiong Longchuan river rehabilitation may or may not affect EM depends on which section will be included in the project. 3. Conduct assessment of impacts on EM follow ADB requirements for Indigenous Peoples. 4. Resettlement plan should be prepared prior PPTA. 5. All potential APs including EMs interviewed expressed full support to the project with proper resettlement plan developed. Earlier disclosures of resettlement arrangement, particularly compensation rate were expected. 6. Both Han and EM potential beneficiaries are more interested in the indirect job opportunities likely stimulated by the consequent urban expansion.
May 2012	Chuxiong Prefecture PMO and PPTA team	Wuding, Lufeng and Chuxiong County/City PMO	Inception training including EMP, RP, EMDP and PSA.	1. EMDP should be prepared following ADB SPS 2009. 2. EM (both APs and beneficiaries) will be surveyed to ensure full consideration of EM needs.
June 2012	Chuxiong Prefecture PMO, Wuding PMO and PPTA team	Xihe village affected Han and Hui HH, Beneficiaries of business EM owner	Socioeconomic survey test	1. Learning major issues concerned by Hui, Yi APs and EM business owner of the tourism site and commercial area. Land compensation rate, percentage of return land for resettlement and endowment insurance for LEFs. Both AP and non-AP EM are very much looking forward the indirect employment creation through stimulation of urbanization. All expressed their supporting attitude to the project. 2. Refining survey questions related to EM in

<b>Time</b>	<b>Organized by</b>	<b>Participants</b>	<b>Key Activities</b>	<b>Key Outputs/Issues raised</b>
				terms of resettlement and inclusiveness.
July 2012	Chuxiong Prefecture PMO, Wuding PMO and PPTA team	Affected EM HH Beneficiary EM HH	Socio Economic and EM survey	1. Total 150 ethnic minority households surveyed. 2. Learn income and expenditure structure, education, occupation, of EMs. Non-farming income increased significantly in the past 30 years in all surveyed villages. All ethnic minority groups have benefited from the urbanization and industrialization some way. 3. Issues concerned still concentrate in resettlement. In addition accommodate different EM group culture in public space raised. A participatory urban planning mechanism might be a good start.
July 2012	Chuxiong Prefecture PMO, Wuding PMO and PPTA team	Affected EM households and Beneficiary EM HH	FGD	1. Production and living conditions of EMs 2. Affects and benefits 3. Attitude towards the project and needs of EMs. 4. Socio-economic development trends and EMs inclusiveness. 5. Issues concerned 6. Comments and suggestions on project design and implementation 7. Participation in the project implementation and future urban development planning
July 2012	Chuxiong Prefecture PMO, Wuding PMO and PPTA team	Village leaders of Affected and beneficiary EM village/ community	In- Depth interview	1. Trends of social economic development of the EM village 2. Comparison to neighbor village or community 3. Non-farming income and urbanization 4. Village development needs 5. Issues concerned 6. Participation in the project implementation and in future urban development planning
May to September 2012	Chuxiong Prefecture PMO, Wuding PMO and PPTA team	Institutions work on ethnic minority development, e.g. EM Bureau, Civil affairs bureau, WF, labor & social security bureau, land & resources bureau, etc.	1. In- Depth interview 2. Review policies on ethnic minorities	1. The development of ethnic minorities and women in project area 2. Relevant policies and ongoing projects dealing EMs' concerns collected from the field survey and consultation. 3. Suggestions on the Project from the agencies concerned.
September –December 2012	Wuding PMO	Xihe and Jiucheng Affected HH	Feedback and supplementary survey	1. Comparison between Han and Hui APs in Xihe village 2. Comparison Han and Yi APs in Jiucheng community.
June to July 2013	Wuding PMO	Shishan Town government, Xihe and Jiucheng Affected HH, Land	Feedback consultation with the draft REMDP	1. Agreed to establish EM teams in each of the 5 affected villages and the budget 2. Agreed to add budget for EM M&E in the resettlement M&E budget

Time	Organized by	Participants	Key Activities	Key Outputs/Issues raised
		Bureau, EM Affairs Bureau, Wuding DRB		3. Agreed to allocate government existing non-skill training program budget to the project affected area to target EM APs

### 6.1.3 Public participation plan for EM during project implementation

157. At the implementation stage, PMO will further promote the public participation of EM village/communities. See Table 6-2 for the public participation plan.

**Table 6-2 Public Participation Plan for EM Villages/Communities at the Implementation Stage**

Stage	Type	Activities	Mode	Participants	Agencies responsible
	Project design	<p>Establish participation team for participating the project design, and later on extending the participation to the future urban development planning:</p> <ol style="list-style-type: none"> <li>1. Consult EM groups to ensure the linear park along Wulong River rehabilitation in different sections reflecting culture characteristics of Yi, Miao, Lisu, Hui, Dai, etc. Similar as the road/street design, e.g. light pole, etc.</li> <li>2. Providing house design of ethnic minority styles for APs to choose and adaptation.</li> </ol> <p>This could be a starting point to be extended later on to the follow-up urban development planning to ensure accommodation of ethnic minority needs in urban development, such as:</p> <ol style="list-style-type: none"> <li>3. Circulate the new urban area development plan by ethnicity and collect feedback from each ethnic minority group in Wuding to ensure their expectations are integrated in the plan</li> </ol> <p>Accommodate each ethnic minority's cultural traits in certain street or space that make them feel home in the county town. i.e., Miao square, Yi park, Lisu street, Hui street, Dai court, etc. in the new urban area development.</p> <ol style="list-style-type: none"> <li>4. Collect and promote ethnic minority music, dancing, dressing and food by various events.</li> </ol>	<ol style="list-style-type: none"> <li>1. EM representative team meeting</li> <li>2. Community plenary Meeting</li> <li>3. EM festival events</li> </ol>	<ol style="list-style-type: none"> <li>1. Design institute</li> <li>2. Affected EM households</li> <li>3. Representatives team of Each EM groups.</li> </ol>	<p>PMO Wuding Development and Reform Bureau (WDRB) and Ethnic Minority Affairs Bureau (EMAB) IAs</p>

Stage	Type	Activities	Mode	Participants	Agencies responsible
		5. Ensure the city life diversified with different ethnic minority cultures.			
Implementation	Project construction	1. Identifying jobs that can be generated by the Project. 2. Developing the selection criteria for construction workers, offering jobs to EMs, the poor and women first, and fixing the pay level for workers. 3. Respecting the dietary and religious customs of EM employees, particularly Hui. 3. Giving skills, safety, ethnic cultural and religious training to employees. 4. Participating in the construction design at the implementation stage to mitigate the impact on EM. 5. Mitigating noise pollution and traffic inconvenience during implementation.	1. Community plenary meeting 2. Community congress 3. Participation in project construction	1. Persons involved in construction, incl. Yi, Hui, women, the poor 2. PMO 3. Owner 4. Construction agency	PMO, owner, IA
	Traffic safety and management education	Giving publicity to traffic safety and management knowledge Activities for EMs Activities for women Activities at schools, entities and community	TV, newspaper, bulletin, brochure, slogan, leaflet, community activities, community congress, etc.	1. Yi, Hui, Miao and Lisu APs and communities, especially female residents 2. PMO 3. Owner	PMO, owner
Monitoring & feedback	Participatory M&E mechanism	Internal supervision mechanism External M&E	Interview, FGD, questionnaire survey	1. M&E agency 2. Yi and Hui APs and communities 3. PMO 4. Owner	
	Community supervision / management	Establishing a community supervision / management team	Community congress, incl. representatives of Yi and Hui, the poor, women and other special groups	1. Yi and Hui communities 3. Owner 4. PMO	PMO, owner, Yi and Hui communities
	Grievance redress	Establishing the grievance redress mechanism of the Project	1. Issuing the Project Appeal & Grievance Form to Yi and Hui communities so that residents can raise their comments timely. 2. Setting up an appeal hotline at the PMO. 3. Collection of comments and suggestions by the community.	1. Yi and Hui APs and community residents 2. PMO 3. Owner	PMO, owner, Yi and Hui communities

## 6.2 Ethnic minority needs analysis

### 6.2.1 Needs for the Wuding project components

158. In the affected villages/communities, all people including Han, Yi, Hui, Lisu and Miao, participated in the group discussion and ranked the sanitation, sewage, road, volume of water in Wulong river, and garbage along Wulong river bank as the top 5 areas to be improved. No big differences among ethnic minority groups.

### 6.2.2 Attitude to resettlement and development

159. The project affects 512 minority persons in total including 202 Hui, 309 Yi and 1 Dai.

160. Specific survey on Hui and Yi group on willingness of LA indicated that no significant differences among between EM and Han in terms of awareness, attitude, distribution of compensation fees, production and livelihood restoration. Details see table 6-3.

- (i) **Awareness.** Willingness survey on the project affected HH by land acquisition indicated that 95-97% of the people aware the project is about to be constructed and 2-5% are not quite clear, no significant difference among ethnic minorities. About the awareness of the compensation policies of LA, Hui is 60% and 40% of aware and not quite clear respectively
- (ii) **Attitude to LA.** 97% of the Hui respondents and 96% of Yi respondents approve of the construction of the Project. 97% of Hui and 95% of Yi respondents support LA. 100% of the respondents think the Project is beneficial to the state and collective, and 90% think it is also beneficial to individuals.
- (iii) **Distribution and use of compensation fees.** 31% of Hui and 32 of Yi respondents expect compensation fees to be fully paid to the village group, 31% Hui and 32% Yi expect compensation fees to be fully paid to the AHs, 6% of Hui and 5 of Yi % expect compensation fees to be paid half to the village group and half to the AHs, 6% of Hui and 5% of Yi expect compensation fees to be mostly paid to the village group and a small part thereof to be paid to the AHs, and 26% of Hui and Yi expect compensation fees to be mostly paid to the AHs and a small part thereof to be paid to the village group.
- (iv) **Production and livelihood restoration.** After LA, 24% of Hui and 26 of Yi respondents will continue to farm, 41% of Hui and 32% of Yi will be converted into urban status in household registration, 41% of Hui and 53% of Yi hope to get employed by enterprises, 62% of Hui and 47% of Yi will do business, 90% of Hui and 89% of Yi will participate in social endowment insurance (e.g., new-type rural social endowment insurance, endowment insurance for LEFs), and 41% of Hui and 58% of Yi will attend skills training (employment skills, cultivation and stockbreeding skills, construction skills and catering services mainly).

**Table 6-3 Willingness Survey on LA affected HH**

Item	Hui*	Yi*	Han (Including 23 ethnic minorities)**
No. HH	29	19	134
Awareness the project is about to be constructed	Aware: 97% Not quite clear: 3%	Aware: 95% Not quite clear: 5%	Aware: 95% Not quite clear: 5%
Awareness of the compensation policies of LA	Aware: 60% Not quite clear: 40%	Aware: 50% Not quite clear: 50%	Aware: 50% Not quite clear: 50%
Attitude	Approve: 97% Support: 97% View the project is beneficial to the state and collective: 100% View the project is also beneficial to individual: 90%	Approve: 95% Support: 95% View the project is beneficial to the state and collective: 100% View the project is also beneficial to individual: 90%	Approve: 97% Support: 96% View the project is beneficial to the state and collective: 100% View the project is also beneficial to individual: 89%
Distribution and use of compensation fees	(1) Fully paid to group: 31% (2) Fully paid to AHs: 31% (3) Half to group and half to AHs: 6% (4) Most to group and a small part to AHs: 6% (5) Most to AHs and a small part to group: 26%	(1) Fully paid to group: 32% (2) Fully paid to AHs: 32% (3) Half to group and half to AHs: 5% (4) Most to group and a small part to AHs: 5% (5) Most to AHs and a small part to group: 26%	(1) Fully paid to group: 30.6% (2) Fully paid to AHs: 29.9% (3) Half to group and half to AHs: 3.7% (4) Most to group and a small part to AHs: 3% (5) Most to AHs and a small part to group: 32.8%
Production and Livelihood restoration	Continue farm: 24% Converted into urban status in HH registration: 45% Employed by enterprise: 41% Do business: 62% Participate in social endowment insurance: 90% Attend skills training: 41%	Continue farm: 26% Converted into urban status in HH registration: 32% Employed by enterprise: 53% Do business: 47% Participate in social endowment insurance: 89% Attend skills training: 58%	Continue farm: 32.8% Converted into urban status in HH registration: 39.6% Employed by enterprise: 47% Do business: 48.5% Participate in social endowment insurance: 91.8% Attend skills training: 51.1%

Source: Sampling resettlement HH survey and EM survey.

\* From EM survey.

\*\*From resettlement survey.

161. Hui affected HHs are concentrated in Qingzhengshi group 1 and 2 of Xihe village. Yi are concentrated in Jiucheng community. All of them will be affected by LA. Out of them, 3 Yi in Jiucheng community will be affected by house demolition. According to in depth focus group discussion, the resettlement wishes of Hui and Yi in land acquisition, housing restoration as shown in Table 6-4. All the 4 EM individuals (2 Yi, 1 Hui and 1 Dai) affected by LA in Beijie community are introduced in the project area by marriage. All of them chose to follow their family decision.

**Table 6-4: Resettlement and development Needs of Affected EM**

Affected EM population	Resettlement needs	
The Project affects a Hui population of 201* in Qingzhengshi sub-village of Xihe	LA	<ol style="list-style-type: none"> <li>1. Continue to farm on the remaining land but restructure from traditional grain plantation to high value added crops.</li> <li>2. Earlier information disclosure</li> </ol>
	Livelihood rehabilitation	<ol style="list-style-type: none"> <li>1. Developing large scale raising of “zhuang” chicken which have very good demand in Kunming and Chuxiong city.</li> <li>2. Reconstruction of 50 characteristic residential houses. The Xihe Village Committee is planning the reconstruction of 50 characteristic residential houses with its own investment to build a commercial and residential street with Hui characteristics. Commercial stores in these houses will be made available to affected villagers at preferential prices for tertiary operations, such as catering. This will benefit 235 persons in total.</li> <li>3. Receive nonagricultural skills training.</li> <li>4. Receive government support in employment information.</li> <li>5. Receive jobs under the Project.</li> <li>6. Receive support in social security.</li> </ol>
The Project affects a Yi population of 307 in Jiucheng Community	LA	<ol style="list-style-type: none"> <li>1. Continue to farm on the remaining land but restructure from traditional grain plantation to high value added crops.</li> <li>2. Earlier information disclosure</li> </ol>
	Livelihood restoration	<ol style="list-style-type: none"> <li>1. Developing large scale raising of “zhuang” chicken and pig which have very good demand in Kunming and Chuxiong city.</li> <li>2. Receive “return land” commercial schemes as well.</li> <li>3. Receive nonagricultural skills training.</li> <li>4. Receive government support in employment information.</li> <li>5. Receive jobs under the Project.</li> <li>6. Receive support in social security.</li> </ol>
	HD	All 3 Yi affected by HD chosen non-local residential resettlement like others.
Affected 4 individuals (2 Yi, 1 Hui and 1 Dai) by LA in Beijie Community	LA	All four of them are married in individuals and they chose to follow their family decision

### 6.3 Ethnic minority resettlement and development measures

162. The REMDP is developed in full consultation with the affected ethnic minority people to meet their resettlement and restoration needs. The ethnic minority people will be further consulted on the above resettlement and development measures during project implementation. Efforts have also been made to ensure participation of the ethnic minority people in the process of community development so they can work with the community committee. The participation rate of ethnic people in community development activities is not less than 50% and not less than 50% of participants will be women. Its implementation will be subject to internal and external monitoring and evaluation (M&E), and reported to ADB regularly.

163. In order to further protect the rights and interests of EM, and promote their restoration and development effectively, special measures have been developed, as shown in Table 6-. Efforts have also been made to ensure participation of the EM people in the process of community development so they can work with the community committee. The participation rate of EM should reflect the population ratio in each community and not less than 50% of participants will be women. Its implementation will be subject to internal and external M&E, and reported to ADB regularly.

164. Further consultation will be conducted during the implementation of the REMDP as indicated in table 6-2.

165. The REMDP will be submitted to ADB for review and approval, and uploaded to ADB website. The final REMDP will then be disclosed to the targeted villages – Xihe and Jiucheng.



**Table 6-5 Special Measures for Affected EM Communities**

<b>Action</b>	<b>Taken by</b>	<b>Duration</b>	<b>Notes</b>	<b>Type of cost</b>	<b>Funding source</b>	<b>Budget (CNY0'000)</b>	<b>Key M&amp;E indicators</b>
1. Establishing community development participation team	Five affected village/ Community Committee  PMO	Implementation stage	1. Participating in the publicity of resettlement policies 2. Participating in resettlement implementation and management 3. Collecting feedback by EM group on project implementation design related to river bank linear park and street facility selection. 4. The participation rate of EM people is not less than their population ratio and not less than 50% of participants are women.	Operating costs	Project budget Shishan Township Gov't	30 (1 each village for 5 village in 3 years)	1. Participation rate of EM people 2. Meeting report on community development activities 3. No. of comments and suggestions on project implementation design
2. Offering job opportunities with priority	PMO Contractor	Implementation stage	1. Offering Project related job opportunities at the implementation and operation stages first 2. Job opportunities arising from local economic development after project completion 3. The participation rate of EM people is not less than 50% and women not less than 30%.	Wages	Contractor Labor Bureau	0 (provide by employers )	1. Number of jobs generated 2. Hui, Yi, Lisu and Miao population employed (APs, others) 3. Average pay of EM population employed 4. Gender disaggregation
3. Offering free skills training, and capacity building of self-employers	PMO IA	Implementation stage	1. Nonagricultural skills (Building, farm machinery operator/repairer, motorcycle repairer, stonecutter, painter, electric welder, tailor, concrete worker, waterproofing worker, masonry worker, etc.) 2. 100 Yi and Hui APs trained, of which 50% are women. 3. Miao, Lisu and other poor EM trained as well.	Training funds	Government special funds	60 (for 3 years)	1. Types of training 2. Person-times trained, time, frequency and duration 3. Satisfaction of trainees 4. Subsequent employment of trainees 5. Gender disaggregation
4. Protection of Hui communities from construction disturbances	IA, Contractor	Implementation stage	1. Prohibiting construction noise during Hui religion events near their village 2. Waste water and solid waste management, particularly no pork meat related waste disposed near the Hui village	Training and management costs	Project budget	Included in EMP	1. No. of orientation training regarding ethnic minority religions and participants 2. No. of resolution of complaints
5. Offering central resettlement sites to meet Hui and Yi needs in house reconstruction	PMO IA	Implementation stage	Offering central resettlement sites.	3 supplies and 1 leveling costs of resettlement site	Resettlement budget	Included in resettlement costs	1. Resettlement of minority population 2. Neighborhood relations of minority population

<b>Action</b>	<b>Taken by</b>	<b>Duration</b>	<b>Notes</b>	<b>Type of cost</b>	<b>Funding source</b>	<b>Budget (CNY0'000)</b>	<b>Key M&amp;E indicators</b>
6. Offering public activity places to meet Hui, Yi, Miao, Dai, Lisu cultural needs	PMO IA	Implementation stage	Plan public activity places of certain sizes along the Wulong river bank linear park to meet EM cultural needs	Public space construction costs	River improvement budget	Included in project construction cost of river rehabilitation	1. Types of public activity places 2. Sizes of public activity places 3. Actual use of public activity places
6. M&E costs		Whole process	Third party M&E costs of REMDP implementation (once during project implementation and once after implementation)	Participatory M&E costs	Project budget	10 additional budget in resettlement M&E	
Total						Total CNY100,000 is additional for EM community development)	

## **7. Resettlement Organizational Structure**

### **7.1 Resettlement Implementation and Management Agencies**

#### **7.1.1 Organizational Setup**

166. Since resettlement is a very comprehensive task that needs the assistance and cooperation of various departments, the relevant departments shall participate in and support resettlement implementation. Each affected township or village has one or two chief leaders responsible for resettlement. The agencies responsible for the LA and the HD in the Project are:

- Chuxiong Prefecture Project Leading Group
- Chuxiong Prefecture PMO (CPPMO)
- Wuding County Project Leading Group
- Wuding County PMO
- Wuding Resettlement Office
- Shishan Town Government
- Village (community) Committees
- Design Institute
- External REMDP M&E agency
- Other agencies, e.g., land and resources bureau, HD management office, women's federation, labor and social security bureau

#### **7.1.2 Organizational Responsibilities**

##### **(i) Chuxiong Prefecture Project Leading Group**

167. The Chuxiong Prefecture Project Leading Group is headed by the deputy prefecture head in charge of urban construction, and is the leading agency responsible comprehensively for the overall deployment of the Project and solving major issues. The group is composed of the directors-general of the prefecture construction bureau, planning bureau, land and resources bureau, and water resources bureau, the deputy mayor of Chuxiong City in charge of urban construction, and the deputy head of Wuding County in charge of urban construction. The group meets regularly as necessary or upon request.

168. Main responsibilities in resettlement: responsible comprehensively for the overall deployment of the Project and solving major issues

##### **(ii) CPPMO**

169. CPPMO is the working body of the Chuxiong Project Leading Group and the executing agency of the Project.

170. Main responsibilities in resettlement: planning the resettlement work of the project PMOs under the leadership of the Chuxiong Project Leading Group, and gathering their resettlement plans and progress for regular reporting to ADB

##### **(iii) Wuding County Project Leading Group**

171. The Wuding PMO is the working body of CPPMO, responsible for the project management, coordination, supervision, direction, quality assurance and annual planning, and the follow-up monitoring of the implementation thereof, reporting to CPPMO regularly, coordinating the implementation of city-level responsibilities and obligations in legal documents

entered into the ADB, and causing the timely completion thereof.

172. Main responsibilities in resettlement: organizing the resettlement work of the project, developing the local policy on resettlement activities, coordinating relations among resettlement agencies at all levels, coordinating the work of the departments concerned at the preparation and implementation stages, and making decisions and consultation on major issues arising from construction and resettlement

**(iv) Wuding Resettlement Office**

173. Main responsibilities in resettlement: assisting the design agency in defining the project area, conducting the DMS and saving data; assisting in preparing the REMDP and implementing resettlement; selecting resettlement officials for operational training; organizing public consultation, and communicating resettlement policies; directing, coordinating and supervising LA and resettlement activities and progress; implementing resettlement, disbursing resettlement costs according to the agreement and handling grievances of APs; carrying out internal monitoring, preparing internal monitoring reports and reporting to the Wuding PMO regularly; and assisting in external monitoring activities

**(v) Shishan Town Government**

174. The town resettlement office is headed by the leader responsible of Shishan Town, and composed of key officials of the land and resources office, police office, civil affairs office and villages. The main responsibilities are:

- (i) Participating in the survey of the Project, and assisting in the preparation of the REMDP;
- (ii) Organizing public participation, and communicating the resettlement policies;
- (iii) Implementing, inspecting, monitoring and recording all resettlement activities within the town;
- (iv) Settling the house demolition and reconstruction formalities;
- (v) Responsible for the disbursement and management of land compensation fees;
- (vi) Supervision LA, HD and house restoration;
- (vii) Reporting LA, HD and resettlement information to the Wuding PMO;
- (viii) Coordinating and handling conflicts and issues arising from its work.

**(vi) Village (community) Committees**

175. The resettlement working team of a village committee or village group is composed of its key officials. Its main responsibilities are:

- (i) Participating in the socioeconomic survey and DMS;
- (ii) Organizing public consultation, and communicating the policies on LA and HD;
- (iii) Organizing the implementation of agricultural and nonagricultural resettlement activities;
- (iv) Reporting the APs' opinions and suggestions to the competent authorities;
- (v) Providing assistance to displaced households with difficulties

**(vii) Design Institute**

176. At the planning and design stage, it will survey the physical indicators of LA and HD, environmental capacity, usable resources, etc. accurately, and assist the governments in the Project area in developing resettlement programs, preparing budgetary investment estimates for compensation for LA and HD, and preparing the relevant drawings.

177. At the implementation stage, it will submit the design documents, technical

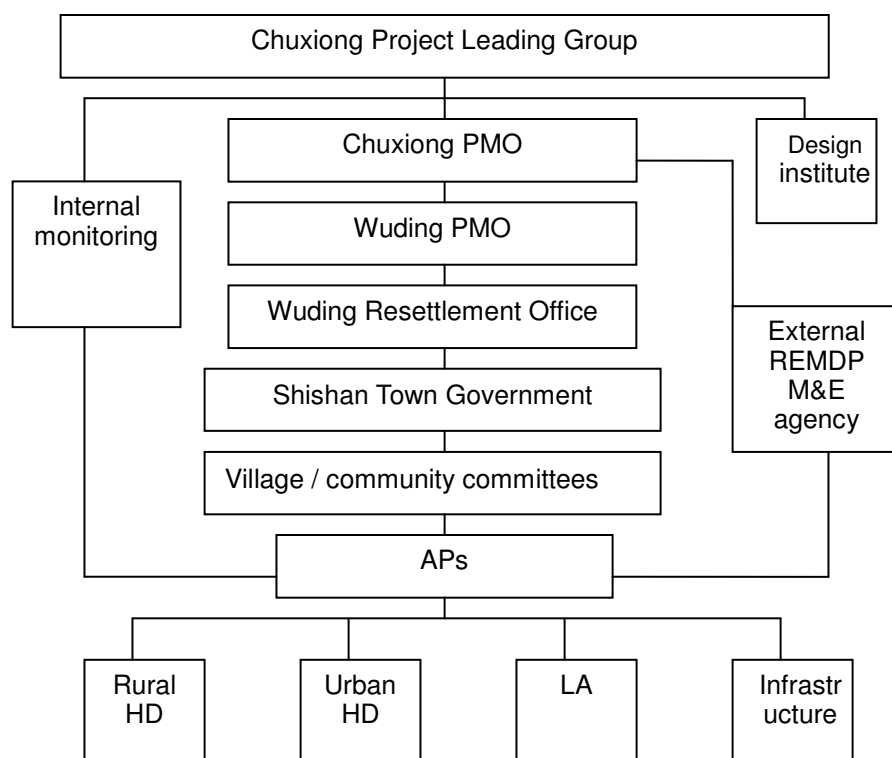
specifications, drawings and notices to the owner timely, make design disclosure to the PMOs of all levels.

**(viii) External REMDP M&E Agency**

178. The owner will employ a qualified M&E agency as the external M&E agency. Its main responsibilities are:

- (i) observing all aspects of resettlement planning and implementation as an independent M&E agency, monitoring and evaluating the effectiveness of resettlement and the social adaptability of the APs, particularly ethnic minorities, women and vulnerable APs, and submitting M&E reports to ADB;
- (ii) Providing technical advice to the Resettlement Office in data collection and processing.

**7.1.3 Organizational Chart**



**Figure 7-1 Resettlement Organizational Chart**

**7.2 Staffing and Equipment**

**7.2.1 Staffing**

In order to ensure the successful implementation of the REMDP work, all resettlement agencies

of the Project have been provided with full-time staff, and a smooth channel of communication has been established. See Table 6-1.

**Table 7-1: Staffing of Resettlement Agencies**

Agency	Number of Staff		Composition
	Males	Females	
Chuxiong Prefecture Project Leading Group	3	2	Civil servants
CPPMO	2	2	Civil servants, technicians
Wuding PMO	2	1	Civil servants, technicians
Wuding Resettlement Office	2	2	Civil servants
Shishan Town Government	1	1	Civil servants
Village (community) committees	3	3	Village officials and representatives of APs
Design agency	2	1	Engineers
External M&E agency	Some		Resettlement and social experts

## 7.2.2 Equipment

179. All resettlement agencies of the Project have been provided basic office, transport and communication equipment, including desks and chairs, PCs, printers, telephones, facsimile machines and vehicles.

## 7.2.3 Organizational Training Program

180. In order to ensure the successful implementation of the resettlement work, the resettlement staff must be trained under the leadership of CPPMO and the Chuxiong Project Leading Group.

181. A staff training and human resources development system for the municipal-, county-, township- and village-level resettlement agencies will be established. Training will be conducted in such forms as expert workshop, skills training course, visiting tour and on-site training. See Table 6-2.

182. **Table 7-2** The scope of training includes, and the training budget for resettlement agencies is 200,000, which has been included in the resettlement budget. See Table 6-2:

○	ADB's resettlement policy and principles
○	Differences between ADB and PRC policies
○	Resettlement implementation planning and management
○	Points requiring attention during resettlement implementation
○	REMDP M&E

**Table 7-2: Operational Training Program for Resettlement Agencies**

No.	Agency responsible	Scope	Trainees	Time	Costs
	A	B	C	D	(CNY0,000)
1	Wuding Project Leading Group	Learning resettlement experience from ADB-financed projects in other provinces	Resettlement office staff	2014-2015	2.7
2	External M&E agency	ADB's resettlement policy	Resettlement office staff	Apr. 2014	2.8
3	External M&E agency	Updates of state policies on LA	Resettlement office staff	Jun. 2014	2.4

No.	Agency responsible	Scope	Trainees	Time	Costs
	A	B	C	D	(CNY0,000)
		and HD			
4	Wuding Project Leading Group	Experience and lessons in resettlement from other places	Resettlement office staff	Aug. 2014	2.2
5	Wuding Project Leading Group	Computer operation and data processing	Resettlement office staff	Apr–May 2014	2.1
6	IA	Resettlement procedures and policies for ADB-financed projects	Town resettlement office, village resettlement teams	May 2014	2.5
7	IA	Resettlement policies and practice	Town resettlement office, village resettlement teams	Jun. 2014	2.7
8	Wuding PMO	Learning international experience in resettlement	Resettlement staff of component PMOs	2014-2015	2.6
<b>Total</b>					<b>20</b>

183. In addition, the following measures will be taken to strengthen institutional capacity:

- (i) Define the responsibilities and scope of duty all resettlement agencies, and strengthen supervision and management;
- (ii) Provide adequate financial and technical support, and improve technical equipment, such as PC, monitoring equipment and means of transportation, etc.;
- (iii) Select staff strictly, and strengthen operational training for administrative staff and technicians to improve professional proficiency;
- (iv) Select female officials appropriately and give play to women's role in resettlement implementation;
- (v) Establish a database and strengthen information feedback to ensure a smooth information flow, and leave major issues to the Project Leading Group;
- (vi) Strengthen the reporting system and internal monitoring, and solve issues timely; and
- (vii) Establish an external M&E mechanism and an early warning system.

## 8. Public Participation and Grievance Redress

### 8.1 Public Participation

184. According to relevant policies and regulations of ADB, the PRC, Yunnan Province and Wuding County on resettlement and social impacts, it is very necessary to conduct public participation at the preparation and implementation stages in order to protect the lawful rights and interests of the APs, reduce grievances and disputes, and realize the resettlement objectives properly by developing sound policies and implementation rules on resettlement, preparing an effective REMDP, and organizing implementation properly.

#### 8.1.1 Public Participation at the Preparation Stage

185. Since October 2011, Yunnan Design Institute and the task force of Hohai University have conducted a series of socioeconomic survey and public consultation activities (with at least 30% of participants being women) under the direction of technical assistance experts. At the preparation stage, the PMO, IA and design agency conducted extensive consultation on LA and resettlement. See Table 7-1 for the participation activities at the preparation stage. A resettlement information booklet (RIB), as shown in Appendix 2, will be distributed in March 2014. The REMDP will be updated based on the DMS and will be disclosed to the APs and submitted to ADB for review and approval prior to start the LAR activities and approval of civil works contract awards. After ADB approval, the updated REMDP will also be disclosed to APs and posted on ADB's website.

**Table 8-1: Public Participation Activities at the Preparation Stage**

Date	Organizer	Participants	Number of participants		Purpose	Key points
			Males	Females		
2011.5-2011.8	Yunnan Design Institute	APs, village officials, technicians	105	45	Feasibility study, field investigation, DMS	<ul style="list-style-type: none"> <li>Introducing the background and purpose of the Project</li> <li>Minimizing farmland occupation</li> <li>Minimizing resettlement impacts</li> </ul>
2011.9-2011.12	Yunnan Design Institute	Reps. of government agencies and APs	406	174	REMDP preparation, socioeconomic survey	<ul style="list-style-type: none"> <li>Assisting in the DMS</li> <li>APs expressed strong need for the Project</li> <li>Socioeconomic survey and DMS</li> </ul>
2012.1	Hohai University, Yunnan Design Institute	Reps. of government agencies and APs	140	60	Preparation of income restoration programs	<ul style="list-style-type: none"> <li>Consultation on compensation programs</li> <li>Development of restoration and development programs</li> </ul>
2012.7.27-8.3	CPPMO, Hohai University	Officials and APs in the affected village groups	20	9	Public consultation	0-20% of compensation fees for LA will be retained by the collective or village committee as the public welfare fund; the balance will be distributed averagely at a time based on the registered population of the village group, or paid to the AHs at a time. 7% of the acquired land area will be returned to the affected village groups, and distributed averagely to the registered population or managed by the collective for bazaar



Date	Organizer	Participants	Number of participants		Purpose	Key points
			Males	Females		
						construction, etc., and the income thereon will be distributed averagely to the registered population. Since agricultural income accounts for about 10% of gross income, the AHs think LA will affect their production and livelihoods slightly. They support the employment policy of the Project, and are willing to attend free skills training, especially walnut and chestnut cultivation, and nonagricultural skills. All villagers aged above 60 years have participated in new-type rural endowment insurance, and the AHs are willing to participate in endowment insurance for LEFs.
2013.10	CPPMO	APs, village groups	\	\	Disclosure of REMDP or RIB	✧ Disclosure of compensation rates and appeal channels
2013.10	ADB website	APs, village groups	\	\	Disclosure of the first draft of the REMDP	✧ Disclosure of compensation rates and appeal channels
2014.4-5	Chuxiong PMO, Wuding PMO	Reps. of government agencies and APs	\	\	Update REMDP based on the DMS	✧ Submission of updated REMDP to ADB for review and approval prior to start the LAR activities and approval of civil works contract awards. After ADB approval, the updated REMDP will also be posted on ADB's website for disclosure

### 8.1.2 Participation Plan at the Implementation Stage

186. With the progress of project preparation and implementation, the Wuding PMO will conduct further public participation. See Table 7-2.

**Table 8-2: Public Participation Plan of the Project**

Purpose	Mode	Time	Agencies	Participants	Topic
LA announcement	Village bulletin board, village meeting	March 2014	Wuding PMO, development & reform bureau, land & resources bureau, highway bureau, town and village officials	All APs	Disclosure of LA area, compensation rates and resettlement modes, etc.
Announcement of compensation and resettlement program for LA	Village bulletin board, village meeting	March 2014	Wuding PMO, development & reform bureau, land & resources bureau, highway bureau, town and village officials	All APs	Compensation fees and mode of payment
DMS results	Field	March–April	Wuding PMO,	All APs	Finding out anything omitted

Purpose	Mode	Time	Agencies	Participants	Topic
verification	investigation	2014	development & reform bureau, land & resources bureau, highway bureau, town and village officials		to determine the final impacts Preparing a detailed list of lost land and properties Preparing the sample compensation agreement
Determination / implementation of income restoration program	Village meeting (many times)	Before implementation	Wuding PMO, development & reform bureau, land & resources bureau, highway bureau, town and village officials	All APs	Discussing the final income restoration program and the program for use of compensation fees
Housing site selection	Village meeting	3 months before HD	Land & resources bureau, town and village officials	All APs	/
Training program	Village meeting	Mar. 2014 – Jun. 2015	Labor & social security bureau, town and village officials	All APs	Discussion of training needs
Monitoring	Public participation meeting	Mar. 2014 – Mar. 2016	Town and village officials	All APs	1) Resettlement progress and impacts 2) Payment of compensation 3) Information disclosure 4) Livelihood restoration

## 8.2 Grievances and Appeals

187. Since public participation is encouraged during the preparation and implementation of the REMDP, no substantial dispute is expected to arise. However, unforeseeable circumstances may arise during this process. In order to address issues effectively, and ensure the successful implementation of project construction and land acquisition, a transparent and effective grievance redress mechanism has been established. The basic grievance redress system is as follows:

Stage 1: If any right of any AP is infringed on in any aspect of land acquisition, property demolition and resettlement, he/she can report this to village committee. The village committee or the AP may resort to the town government to solve the issue. The town government shall record such appeal and solve it together with the village committee or the AP within two weeks.

Stage 2: If the appellant is dissatisfied with the disposition of Stage 1, he/she may file an appeal to the Wuding Project Resettlement Office after receiving such disposition, which shall make a disposition within 2 weeks.

Stage 3: If the appellant is dissatisfied with the disposition of Stage 2, he/she may file an appeal to the Wuding PMO or Chuxiong Prefecture PMO after receiving such disposition, which shall make a disposition within 2 weeks.

Stage 4: If the appellant is dissatisfied with the disposition of Stage 3, he/she may file an appeal to competent administrative authorities level by level in accordance with the Administrative Procedure Law of the PRC for arbitration after receiving such disposition.

At any point, if the appellant is dissatisfied with the arbitration award, he/she may bring a

suit in a civil court in accordance with the Civil Procedure Law of the PRC.

188. The APs may also express grievance to the external monitoring agency, who would then report it to Wuding County resettlement office, Wuding Land and Resource Bureau, and Chuxiong PMO. Alternatively, the APs may submit a complaint to the ADB's Project Team to try to resolve the problem. If good faith efforts are still unsuccessful, and if there are grievances that stemmed from a violation of ADB's safeguard policy, the APs may appeal directly to ADB in accordance with ADB's Accountability Mechanism (2012)<sup>4</sup>.

189. All agencies will accept grievances and appeals from the APs for free, and costs so reasonably incurred will be disbursed from the contingencies. During the whole construction period of the Project, these appeal procedures shall remain effective to ensure that the APs can use them to address relevant issues. The above grievance redress system will be communicated to the APs at a meeting or through the RIB, so that the APs know their right of appeal. In addition, the appeal process will be published to affected population on mass media.

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<sup>4</sup> Before submitting a complaint to the Accountability Mechanism, the APs should make a good faith effort to solve their problems by working the concerned ADB operation department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism – <http://www.adb.org/Accountability-Mechanism/default.asp>.

## 9. Resettlement Budget

### 9.1 Resettlement Budget

190. All costs related to LA and resettlement shall be included in the total budget of the Project. Based on prices of June 2013, the resettlement costs of the Project are 150.375 million yuan, including rural LA costs of 35,382,200 yuan or 26.70% of total costs, compensation fees for residential house demolition of 4,133,300 yuan or 2.75% of total costs (since all commercial stores are integrated into residential buildings, their area has been included in demolition area), compensation fees for infrastructure and ground attachments of 631,000 yuan or 0.42% of total costs, resettlement planning and monitoring costs of 562,100 yuan or 0.37% of total costs, taxes and management costs of 94,287,800 yuan or 62.70% of total costs, and contingencies of 15,037,500 yuan or 10% of total costs. See Table 8-1.<sup>5</sup>

**Table 9-1: Resettlement Budget**

No.	Item	Unit	Compensation rate (yuan/unit)	Qty. (unit)	Budget (0,000 yuan)	Percent (%)
1	<b>Basic resettlement costs</b>	<b>0,000 yuan</b>	\	\	4014.63	26.70
1.1	Compensation fees for permanent LA	0,000 yuan	\	\	3538.22	23.53
1.1.1	Cultivated land	mu	90000	386.09	3474.82	23.11
1.1.2	Housing land	mu	70000	1.58	11.06	0.07
1.1.3	Fishponds	mu	60000	1	6.00	0.04
1.1.5	Young crop compensation fees	mu	1200	386.09	46.34	0.31
1.2	Compensation fees for HD	0,000 yuan	\	\	413.33	2.75
1.2.1	Masonry concrete structure	m <sup>2</sup>	850	3529	299.97	1.99
1.2.2	Masonry timber structure	m <sup>2</sup>	500	0	0.00	0.00
1.2.3	Earth timber structure	m <sup>2</sup>	300	110	3.30	0.02
1.2.4	Simple structure	m <sup>2</sup>	260	150	3.90	0.03
1.2.5	Transition subsidy	yuan/m <sup>2</sup> per annum	60	3789	22.73	0.15
1.2.6	Moving subsidy	yuan/household	2000	18	3.60	0.02
1.2.7	Early moving reward	yuan/household	2000	18	3.60	0.02
1.2.8	Compensation for losses from production or business suspension	yuan/m <sup>2</sup>	50	1275	6.38	0.04
1.2.9	Resettlement land costs	yuan/household	99796.82	7	69.86	0.46
1.3	Compensation fees for ground attachments	0,000 yuan	\	\	63.10	0.42
1.3.1	Earth stores (including bakeries and stables)	yuan/m <sup>2</sup>	260	240	6.24	0.04
1.3.2	Brick enclosing walls	yuan/m	290	623.4	18.08	0.12
1.3.3	10kV high-tension lines (incl. poles)	yuan/km	80000	0.5	4.00	0.03

<sup>5</sup> The cost of developing resettlement sites is not included, as it is financed from the local gov't finances. If we have new sites proposed, that cost should be indicated in the updated REMDP.

No.	Item	Unit	Compensation rate (yuan/unit)	Qty. (unit)	Budget (0,000 yuan)	Percent (%)
1.3.4	Low-tension lines (incl. poles)	yuan/km	40000	3.5	14.00	0.09
1.3.5	Overhead cables, electric wires	yuan/km	60000	2.4	14.40	0.10
1.3.6	TV trunk lines (incl. poles)	yuan/km	35000	1.6	5.60	0.04
1.3.7	Trees, diameter at breast height 10-20cm (non-fruit)	yuan each	60	78	0.48	0.00
1.3.8	Trees, diameter at breast height 5-10cm (non-fruit)	yuan each	30	19	0.07	0.00
1.3.9	Biogas tanks	yuan each	2500	1	0.25	0.00
<b>2</b>	<b>Supporting fund for vulnerable groups (0.35% of basic costs)</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>14.06</b>	<b>0.09</b>
<b>3</b>	<b>Resettlement planning and monitoring costs</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>56.21</b>	<b>0.37</b>
3.1	Resettlement planning and design costs	0,000 yuan	\	\	24.09	0.16
3.2	REMDP M&E costs	0,000 yuan	\	\	32.11	0.21
<b>4</b>	<b>Training costs (0.5% of basic costs)</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>20.07</b>	<b>0.13</b>
<b>5</b>	<b>Taxes and fees on LA</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>9428.78</b>	<b>62.70</b>
5.1	LA management costs (2.1% of basic costs)	0,000 yuan	\	\	112.41	0.75
5.2	Farmland occupation tax	yuan/mu	14666.74	386.09	566.27	3.77
5.3	Land reclamation costs	yuan/mu	10500	386.09	405.40	2.70
5.4	Fees for compensated use of new construction land	yuan/mu	9333.38	386.09	360.34	2.40
5.5	Basic pensions for LEFs	yuan/mu	20000	388.67	777.34	5.17
5.6	Land quality deposit	yuan/mu	186666.7	386.09	7207.01	47.93
<b>6</b>	<b>Contingencies (10% of total costs)</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>1503.75</b>	<b>10.00</b>
<b>3-6</b>	<b>Subtotal</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>11008.81</b>	<b>73.21</b>
<b>7</b>	<b>Total</b>	<b>0,000 yuan</b>	<b>\</b>	<b>\</b>	<b>15037.50</b>	<b>100.00</b>

## 9.2 Resettlement Investment Schedule and Funding Sources

191. All resettlement funds of the Project are from WCG. Before or during project construction, the investment plan will be implemented in stages in order not to affect the production and livelihoods of the AHs. See Table 8-2.

**Table 9-2: Resettlement Investment Plan**

Year	2013	2014	Total
Amount of investment (0,000 yuan)	13533.8	1503.75	15037.50
Percent (%)	90	10	100

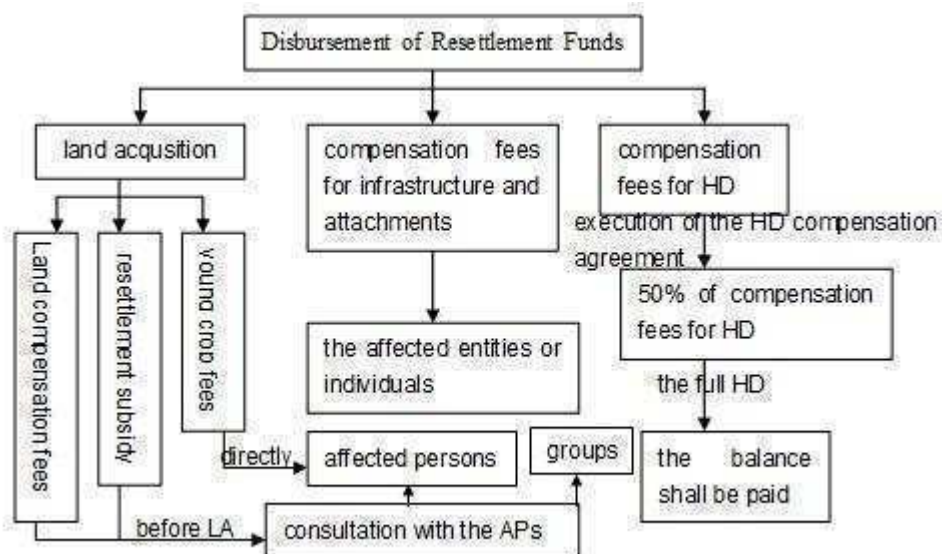
## 9.3 Disbursement and Management of Resettlement Funds

192. Land compensation fees and resettlement subsidies should be used in full consultation with the APs; young crop fees are paid directly to the affected persons; compensation fees for

infrastructure and attachments are paid to the affected entities or individuals.

193. To ensure that the resettlement funds are available timely and fully, and the APs' production, livelihoods and income are restored, the following measures will be taken:

- (i) All costs related to this REMDP shall be included in the general budget of the Project;
- (ii) Land compensation fees and resettlement subsidies shall be paid up before LA so that all APs can be resettled properly.
- (iii) 50% of compensation fees for HD shall be paid to the APs upon execution of the HD compensation agreement, and the balance shall be paid upon full HD.
- (iv) In order to ensure the successful implementation of LA and resettlement, financial and supervisory agencies shall be established at all levels to ensure that all funds are disbursed timely and fully. The flow of fund for different items of payment see Figure 9-1.
- (v) The resettlement costs may be increased due to the change of the Project area, the modification of the compensation fees and inflation, but the IA will ensure that compensation fees are fully paid. The budget shall be modified as necessary in the updated REMDP.



**Figure 9-1: Flow Scheme of Resettlement Fund Distribution**

## 10. Resettlement Implementation Plan

### 10.1 Principles for Resettlement Implementation

194. According to the implementation schedule of the Project, the Project will be constructed from 2013 to 2016. In order that the resettlement schedule links up the construction schedule of the Project, the LA will begin in March 2014 and be completed in June 2014. The basic principles for resettlement implementation are as follows:

- LA and HD should be completed at least 3 months prior to the commencement of construction, and the starting time will be determined as necessary for LA, HD and resettlement. There will no commencement of related civil works until all compensation is paid and all livelihood rehabilitation measures are in place.
- During resettlement, the APs shall have opportunities to participate in the Project. Before the commencement of LA and HD, the range of the LA will be disclosed, the RIB distributed and public participation activities conducted properly. And
- All compensation fees will be paid to the affected proprietors directly and fully within 3 months of approval of the compensation and resettlement program for LA. No entity or individual should use such compensation fees on their behalf, nor should such compensation fees be discounted for any reason.

### 10.2 Resettlement Implementation Schedule

195. The general resettlement schedule of the Project has been drafted based on the progress of project construction, LA and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See Table 9-1.

**Table 10-1: Resettlement Implementation Schedule**

No.	Resettlement	Task	Agency responsible	Time	Remarks
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	5 villages with 22 groups	PMO, WUCID	Oct. 2013	
1.2	Disclosure of the REMDP on ADB's website		IA, PMO, ADB	Oct. 2013	
<b>2</b>	<b>REMDP and budget</b>				
2.1	REMDP and budget approval (compensation rates)	150.375 million yuan	County government, PMO	Mar. 2014	
2.2	Village-level income restoration programs	5 affected villages	Village committees	Mar. 2014	
2.3	REMDP update after detailed design	/	EA, PMO, WUCID	May 2014	If there are any changes after the DMS.
<b>3</b>	<b>DMS</b>				
3.1	DMS on LA and HD		WUCID	Apr. 2014	
<b>4</b>	<b>Compensation agreement</b>				
4.1	Village-level land compensation agreement	5 affected villages	Resettlement Office / AHs	May 2014	

No.	Resettlement	Task	Agency responsible	Time	Remarks
<b>5</b>	<b>Implementation of restoration measures</b>				
5.1	Distribution of land compensation fees to AHs and land reallocation	5 affected villages	Town government, village committees	May – Jun. 2014	
5.2	Implementation of village-level income restoration programs	5 affected villages	Village committees	2014-2015	
5.3	Income restoration through business and employment	558 AHs	Town government, village committees, labor force	2014-2015	
5.4	Implementation of training program	558 AHs	Labor and social security bureau	Mar. 2014 – Jun. 2015	
5.5	Identifying vulnerable households and implementing assistance measures	75 APs	Civil affairs bureau, PMO	2014 -2015	
5.6	Identifying and hiring households for employment under the Project	200 APs	PMO, labor force, contractor	Jun. 2014– Dec. 2016	
<b>6</b>	<b>Capacity building of resettlement agencies</b>				
6.1	PMO staff training	15 persons	ADB	May 2014	
6.2	Training of county, town and village officials	400 persons	PMO, labor and social security bureau	Jun. – Jul. 2014	
<b>7</b>	<b>M&amp;E</b>				
7.1	Baseline survey	One report	External M&E agency	May 2014	
7.2	Establishing an internal M&E agency	As per the REMDP	PMO, IA	Apr. 2014	
7.3	Appointing an external monitoring agency	One	PMO	Apr. 2014	
7.4	Internal monitoring reporting	Quarterly (as required)	PMO, IA	From Mar. 2014	
7.5	External monitoring reporting	Semiannual report	External M&E agency	May 2014	1 <sup>st</sup> report
				Nov. 2014	2 <sup>nd</sup> report
7.6	External monitoring reporting	Annual report	External M&E agency	May 2015	3 <sup>rd</sup> report
				May 2016	4 <sup>th</sup> report
7.7	External evaluation report	One report	IA, PMO	May 2017	
<b>8</b>	<b>Public consultation</b>		IA	Ongoing	
<b>9</b>	<b>Grievance redress</b>		IA	Ongoing	
<b>10</b>	<b>Disbursement of compensation fees</b>				
10.1	- Disbursement to the IA	Initial funds		May 2014	
10.2	- Disbursement to villages	Most funds	IA	May – Jun. 2014	
11.3	- Disbursement to AHs	Most funds	IA, village committees	Aug. 2014	
<b>12</b>	<b>Commencement of civil construction</b>				
12.1	Construction of the Project		WUCID	Oct. 2014	

IA = Wuding Project Management Office, WUCID = Wuding County Urban Construction Investment & Development Co., Ltd.



## **11. Monitoring and Evaluation**

196. In order to ensure the successful implementation of the REMDP and realize the objectives of resettlement properly, land acquisition, property demolition, social impacts and resettlement activities of the Project shall be subject to periodic M&E according to ADB's resettlement policy, including internal and external monitoring.

### **11.1 Internal Monitoring**

197. The internal resettlement monitoring agencies of the Wuding PMO, finance bureau and other departments concerned (e.g., land and resources bureau). The Wuding PMO shall develop a detailed internal monitoring plan for land acquisition and resettlement, including:

- (i) Investigation, coordination of and suggestion on key issues of the resettlement and implementing agencies during implementation;
- (ii) Restoration of the household income of the APs after LA;
- (iii) Restoration and resettlement after HD;
- (iv) Restoration and resettlement of ethnic minorities, woman and vulnerable persons;
- (v) Payment, use and availability of compensation fees for resettlement;
- (vi) Level of public participation and consultation during resettlement;
- (vii) Resettlement training and its effectiveness; and
- (viii) Establishment, staff training and working efficiency of resettlement management agencies.

198. The Wuding PMO shall submit an internal monitoring report to Chuxiong PMO and ADB quarterly. Such report shall indicate the statistics of the past 6 months in tables, and reflect the progress of LA, resettlement and use of compensation fees.

### **11.2 External Monitoring**

199. According to ADB's policies, the Chuxiong PMO shall employ a qualified, independent and experienced resettlement agency as the external REMDP M&E agency.

200. The external M&E agency shall conduct follow-up M&E of resettlement activities periodically, monitor resettlement progress, quality and funding, and give advice. It will also conduct follow-up monitoring of the APs' production level and living standard, and submit M&E reports to the Chuxiong PMO and Wuding PMO. Chuxiong PMO shall submit the external M&E report to ADB semianually.

#### **11.2.1 Scope and Methodology of External Monitoring**

##### **(i) Baseline survey**

201. The external M&E agency will conduct a baseline survey on the villages affected by LA to obtain baseline data on the sample AHs' production level and living standard. The production level and living standard survey will be conducted semiannually to track variations of the APs'

production level and living standard. This survey will be conducted using such methods as panel survey (sample size: 20% of households affected by LA and 100% of households affected by HD, to be sampled randomly but with a representative sample of affected ethnic minority households), random interview and field observation to acquire necessary information. A statistical analysis and an evaluation will be made on this basis.

## (ii) Periodic M&E

202. During the implementation of the REMDP, the external M&E agency shall conduct periodic follow-up resettlement monitoring semiannually of the following activities by means of field observation, panel survey and random interview:

- Payment and amount of compensation fees;
- Training;
- Support for ethnic minorities, women and vulnerable persons;
- Restoration and reconstruction of infrastructure and special facilities;
- Production resettlement and restoration;
- Compensation for lost properties;
- Timetables of the above activities (applicable at any time);
- Resettlement organization;
- Use of compensation fees for collective land and income of the APs;
- Income growth of labor through employment; and
- If the APs have benefited from the Project.

## (iii) Public consultation

203. The external M&E agency will attend public consultation meetings held during resettlement implementation to evaluate the effectiveness of public participation.

## (iv) Grievance redress

204. The external M&E agency will visit the affected villages and groups regularly, and inquire the township government and IA that accept grievances about how grievances have been handled. It will also meet complainants, and propose corrective measures and advice for existing issues so as to make the resettlement process more effective.

### 11.2.2 External Monitoring Reporting

205. The external M&E agency will submit a monitoring or evaluation report to ADB and the PMO semiannually. See Table 10-1.

**Table 11-1: Resettlement M&E Schedule**

Item	Report	Date
1	Socioeconomic Baseline Survey Report	May 2014
2	Monitoring Report (No.1)	May 2014
3	Monitoring Report (No.2)	Nov. 2014
4	Monitoring Report (No.3)	May 2015
5	Monitoring Report (No.4)	May 2016
6	Post-evaluation and Completion Report	May 2017

### 11.3 Post-evaluation

206. After project implementation, the theory and methodology of post-evaluation will be applied to evaluate the Project's resettlement activities on the basis of M&E to (i) confirm the

REMDP objectives have been met and (ii) to obtain successful experience and lessons in land acquisition and property demotion as a reference for future work.

## Appendix 1: Relevant Laws and Policies of the PRC

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 for land acquisition and resettlement, land acquisition procedures, and monitoring system, and the Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238) play a similar role. These legal documents have become the legal basis for resettlement of the Project. The key provisions of the above policies are as follows:

### Abstract of the Land Administration Law and Relevant Policies

Item	Key points	Index
Land ownership	The People's Republic of China resorts to a socialist public ownership i.e. an ownership by the whole people and ownerships by collectives, of land. The State introduces the system of compensated use of land owned by the State except the land has been allocated for use by the State according to law.	Article 2 of the Land Administration Law of the PRC
Application for construction land	Any unit or individual that need land for construction purposes should apply for the use of land owned by the State according to law; Whereas occupation of land for construction purposes involves the conversion of agricultural land into land for construction purposes, the examination and approval procedures in this regard shall be required.	Articles 43 and 44 of the Land Administration Law of the PRC
	All applications for land use for construction shall be accepted by the administrative department in charge of land of the county government in a unified manner, and submitted to higher authorities level by level after examination by the county government. If the acquisition or use of land for construction involves farmland conversion, the administrative department in charge of land of the county government shall file an application, which shall be submitted to higher authorities level by level after examination by the county government. In case of acquisition or use of woodland, or acquisition or use of land in the urban planning area, the land user shall obtain the approval of the forestry and construction departments at or above the county level, and go through the construction land approval formalities as stipulated herein. The approved construction land must be used for the approved purpose and its use shall not be altered without authorization. If the change of use is necessary, Article 56 of the Land Administration Law of the PRC shall apply.	Article 17 of the Land Administration Regulations of Yunnan Province
Land acquisition authority	The acquisition of basic farmland exceeding 35 hectares outside the basic farmland, and other land exceeding 70 hectares shall be approved by the State Council. Acquisition of land other than prescribed in the preceding paragraph shall be approved by the governments of provinces, autonomous regions and municipalities and submitted to the State Council for the record.	Article 45 of the Land Administration Law of the PRC
	The acquisition of not more than 35 hectares of cultivated land other than basic farmland, and not more than 70 hectares of other land than cultivated land shall be approved by the provincial government.	Article 20 of the Land Administration Regulations of Yunnan Province

Item	Key points	Index
Land acquisition announcement system	<p>For the acquisition of land by the State the local governments at and above the county level shall make an announcement and organize the implementation after the approval according to the legal procedures.</p> <p>After the plan for land compensation and resettlement fees is finalized, related local governments shall make an announcement and hear the opinions of the rural collective economic organizations and peasants whose land has been acquired.</p> <p>Rural collective economic organizations shall make public to its members the receipts and expenditures of the land compensation fees for land acquired and accept their supervision.</p>	Articles 46, 48 and 49 of the Land Administration Law of the PRC
Compensation rates for land acquisition	<p>In acquiring land, compensation should be made according to the original purposes of the land acquired.</p> <p>Compensation fees for land acquired include land compensation fees, resettlement fees and compensation for attachments to or green crops on the land. The land compensation fees shall be 6-10 times the average output value of the three years preceding the acquisition of the cultivated land. The resettlement fee shall be calculated according to the number of agricultural population to be resettled. The number of agricultural population to be resettled shall be calculated by dividing the amount of cultivated land acquired by the per capital land occupied of the unit whose land is acquired. The resettlement fees for each agricultural person to be resettled shall be 4-6 times the average annual output value of the three years preceding the acquisition of the cultivated land. However, the maximum resettlement fee per hectare of land acquired shall not exceed 15 times of the average annual output value of the three years prior to the acquisition.</p>	Article 47 of the Land Administration Law of the PRC
	<p>(1) Acquired vegetable land or irrigated land shall be compensated for at 8-10 times the average annual output value (AAOV) of the three years prior to acquisition of such land, acquired irrigable land, garden land or lotus root pond at 7-9 times, acquired rain-fed farmland or non-irrigated land at 6-8 times, crop rotation land at 6 times, and pasture land or fishpond at 3-5 times; (2) Acquired newly reclaimed farmland that has been cultivated for less than 3 years shall be compensated for at twice the AAOV, and the investment in development shall be compensated for; (3) Acquired housing land, threshing ground or sunning ground shall be compensated for based on the original land type; (4) The compensation rate for allocated state-owned farm, forest farm, pasture or fishing ground shall be based on subparagraphs (1), (2) and (3) of this paragraph. The compensation rate for acquired or allocated woodland shall be as stipulated by the state.</p>	Article 23 of the Land Administration Regulations of Yunnan Province
Temporary land use	<p>Users who use the land temporarily should use the land according to the purposes agreed upon in the contract for the temporary use of land and should not build permanent structures. The term for the temporary use of land shall not usually exceed two years.</p>	Article 57 of the Land Administration Law of the PRC
	<p>If state-owned or collectively owned land is to be used temporarily for project construction, geologic investigation or any other purpose, an application shall be filed along with the application for construction land and approved by the administrative department in charge of land; in case of separate application for temporary land use, it shall be approved by the administrative department in charge of land of the county government in case of non-cultivated land, by the administrative department in charge of land of the prefecture or municipal government in case of cultivated land, or the administrative department in charge of land of the provincial government in case of basic farmland.</p>	Article 31 of the Land Administration Regulations of Yunnan Province

Item	Key points	Index
	Temporary land use in the urban planning area shall be first approved by the municipal administrative department in charge of construction before submission for approval. The user of temporarily used land shall use the land for the approved purpose and shall not construct any permanent building thereon. The period of temporary land use shall not exceed 2 years in general.	

**Key Provisions of SC [2004] No.28 and MLR [2004] No.238, and Their Application**

SC [2004] No.28—Improvement of Compensation and Resettlement Systems for Land Acquisition		MLR [2004] No.238
Article 12 Improvement of measures for compensation for land acquisition	<p>County-level and above local governments shall take practical measures so that the standard of living of LEFs is not reduced by land acquisition.</p> <p>Land compensation, resettlement subsidy and compensation for ground attachments and crops shall be paid in full and timely pursuant to law. If the land compensation and resettlement subsidy pursuant to the prevailing laws and regulations are insufficient to maintain the former standard of living of the LEFs or to pay the social security expenses of farmers who lose all land due to land acquisition, governments of provinces, autonomous regions and municipalities directly under the central government shall approve an increased resettlement subsidy. If the sum of the land compensation and the resettlement subsidy attains the statutory upper limit and is still insufficient to maintain the former standard of living of the LEFs, local governments may pay a subsidy from the income from compensated use of state land.</p> <p>Governments of provinces, autonomous regions and municipalities directly under the central government shall fix and publish the uniform AAOV rates or integrated land prices for land acquisition of all cities and counties, so that the same price applies to the same kind of land. For key construction projects of the state, land acquisition expenses must be listed in the budgetary estimate in full.</p>	<p>Fixation of uniform AAOV rates</p> <p>Determination of uniform AAOV multiples</p> <p>Fixation of integrated land prices for land acquisition areas</p> <p>Distribution of land compensation</p>
Article 13 Proper resettlement of LEFs	<p>County-level and above local governments shall take specific measures to guarantee long-term livelihoods of LEFs.</p> <p>For projects with a stable income, farmers may become a shareholder using the right to use of land used for construction approved pursuant to law.</p> <p>Within the urban planning area, local governments shall bring farmers who lose all land due to land acquisition into the urban employment system, and establish a social security system; out of the urban planning area, in acquiring land collectively owned by farmers, local governments shall reserve necessary arable land or arrange appropriate jobs for LEFs within the same administrative area; farmers without land who do not have the basic living and production conditions shall be subject to non-local resettlement.</p> <p>The labor and social security authorities shall propose guidelines for the employment training and social security systems for LEFs as soon as possible.</p>	<p>Resettlement for agricultural production</p> <p>Resettlement by reemployment</p> <p>Resettlement by dividend distribution</p> <p>Non-local resettlement</p>

SC [2004] No.28—Improvement of Compensation and Resettlement Systems for Land Acquisition		MLR [2004] No.238
Article 14 Improvement of land acquisition procedures	<p>During land acquisition, the ownership of collective land of farmers and the right to contracted management of farmers' land shall be maintained.</p> <p>Before acquisition is submitted for approval pursuant to law, the use, location, compensation rate and mode of resettlement of the land to be acquired shall be notified to LEFs; the survey results of the present situation of the land to be acquired shall be confirmed by rural collective economic organizations and farmers to be affected by land acquisition; if necessary, the land and resources authorities shall organize a hearing in accordance with the applicable provisions. The materials for notification to and confirmation by the LEFs shall be taken as requisite materials for approval for land acquisition.</p> <p>Accelerate the establishment and improvement of the coordination and judgment mechanism for disputes over compensation and resettlement for land acquisition to protect the lawful rights and interests of LEFs and land users. Approved matters of land acquisition shall be disclosed unless in special cases.</p>	<p>Disclosure of information on land acquisition</p> <p>Confirmation of land acquisition survey results</p> <p>Organization of land acquisition hearing</p>
Article 15 Strengthening Supervision over the implementation of land acquisition	<p>If the compensation and resettlement for land acquisition has not been implemented, the acquired land shall not be used forcibly.</p> <p>Governments of provinces, autonomous regions and municipalities directly under the central government shall formulate the procedures for the distribution of the land compensation within rural collective economic organizations on the principle that the land compensation is used for rural households affected by land acquisition mainly.</p> <p>Rural collective economic organizations affected by land acquisition shall disclose the receipt, disbursement and allocation of land compensation fees to their members and accept supervision. The agricultural and civil affairs authorities shall strengthen the supervision over the allocation and use of land compensation fees within rural collective economic organizations.</p>	<p>Disclosure of approval items of land acquisition</p> <p>Payment of compensation and resettlement expenses for land acquisition</p> <p>Post-approval supervision and inspection of land acquisition</p>

**Appendix 2: Resettlement Information Booklet**

**ADB-financed Yunnan Chuxiong Urban  
Environment Improvement Project**

**Wuding County Project**

**Resettlement Information Booklet**

Wuding County Government

February 2013



## 1. Background and Significance of the Project

1. Wuding County is an inevitable place between Yunnan and Sichuan Provinces. In order to improve the environment of the county, accelerate economic development and urbanization, and give better play to the county's role in the central Yunnan economic region, Wuding County Government decided to implement the Wuding County Urban Environment Improvement Project to improve the county's urban environment.

## 2. Overview of the Project

2. The Wuding County Urban Environment Improvement Project is a project of the ADB-financed Yunnan Chuxiong Urban Environment Improvement Project, and consists of: (i) urban development—road network and attachments; (ii) river management and flood control—Wulong River channel; (iii) urban environmental health and sustainable development—urban solid waste management; and (iv) capacity building. Components (i) and (ii) involve land acquisition (LA), house demolition (HD) and resettlement, but Components (iii) and (iv) do not.

3. The urban development component involves the construction of 8 urban roads with a total length of 9,450.289m, and the river management and flood control component involves the management of a 2,500m segment of the Wulong River.

4. The Project was included in state planning in 2010, and is expected to break ground in 2013 and be completed in 2016. LA, HD, compensation and resettlement will begin in March 2013 and be completed in June 2014.

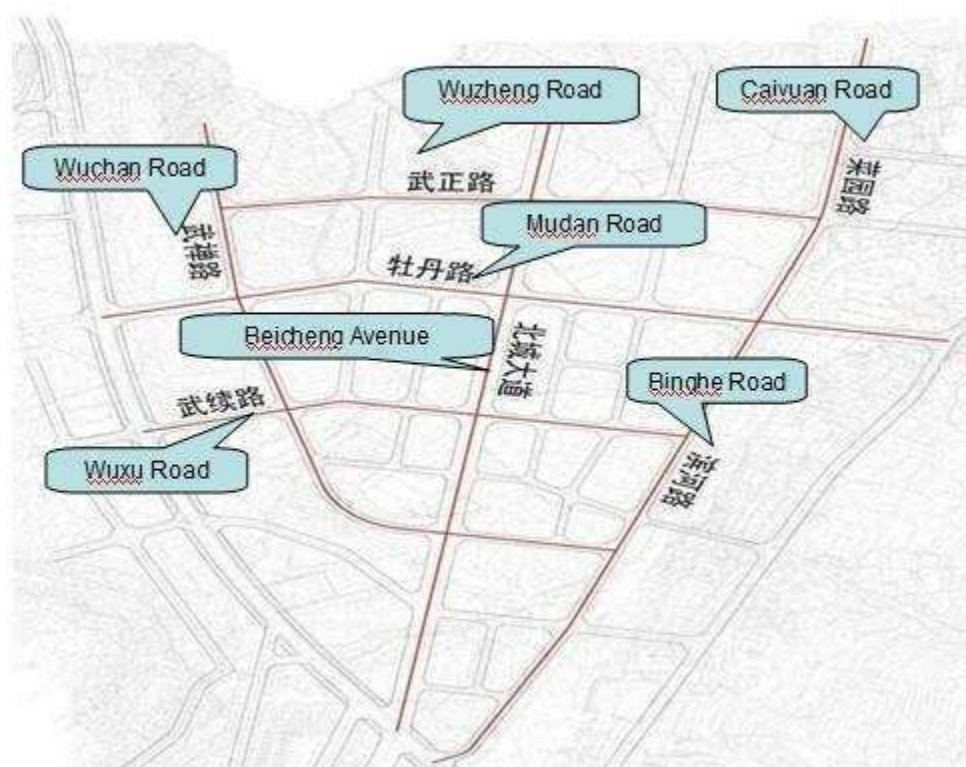


Figure 1: Map of Project Roads

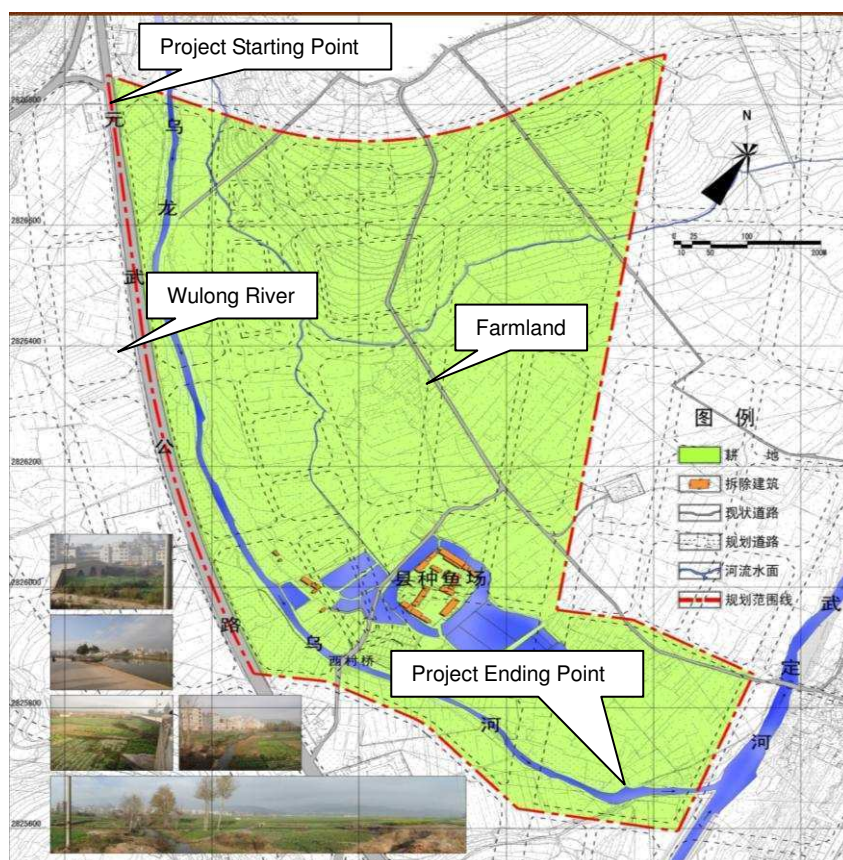


Figure 2: Map of Rehabilitation Section of the Wulong River

### 3. Resettlement Implementation Schedule

5. LA, HD and resettlement will begin in May 2014 and be completed in June 2015, as shown in Table 1.

Table 1: Resettlement Implementation Schedule

No.	Resettlement	Task	Agency responsible	Time	Remarks
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	5 villages with 22 groups	PMO, Resettlement Office / town government	Oct. 2013	
1.2	Disclosure of the REMDP on ADB's website		IA, PMO, ADB	Oct. 2013	
<b>2</b>	<b>Detail Measure Survey and Resettlement Plan Update</b>				
2.1	DMS on LA and HD		PMO, Resettlement Office	Apr. 2014	
2.2	REMDP update after detailed design and ADB approval	/	EA, PMO	May 2014	If there are any changes after the DMS.
<b>3</b>	<b>Compensation agreement</b>				
3.1	Village-level land compensation agreement	5 affected villages	Resettlement Office / AHs	May 2014	
3.2	Household land and house compensation agreements	558 AHs	Resettlement Office / AHs	Jun. 2014	
<b>4</b>	<b>Implementation of restoration measures</b>				

No.	Resettlement	Task	Agency responsible	Time	Remarks
4.1	Distribution of land compensation fees to AHs and land reallocation	5 affected villages	Town government, village committees	May – Jun. 2014	
4.2	Implementation of village-level income restoration programs	5 affected villages	Village committees	2014 - 2015	
4.3	Income restoration through business and employment	558 AHs	Town government, village committees, APs in labor force	2014 - 2015	
4.4	Implementation of training program	558 AHs	Labor and social security bureau	May 2014 – Jun. 2015	
<b>5 Monitoring &amp; Evaluation</b>					
5.1	Baseline survey	One report	External M&E agency	May 2014	
5.2	Establishing an internal M&E agency	As per the REMDP	PMO, IA	Apr. 2014	
5.3	Recruit an external monitoring agency	One	PMO	Apr. 2014	
5.4	Internal monitoring reporting	Quarterly (as required)	PMO, IA	From Apr. 2014	
5.5	External monitoring reporting	Semiannual report	External M&E agency	May 2014	1 <sup>st</sup> report
				Nov. 2014	2 <sup>nd</sup> report
5.6	External monitoring reporting	Annual report	External M&E agency	May 2015	3 <sup>rd</sup> report
				May 2016	4 <sup>th</sup> report
5.7	External evaluation and completion report	One report	IA, PMO, External M&E agency	May 2017	

#### 4. Impacts of the Project

6. Five village/communities in Shishan Town, Wuding County will be affected by LA and HD, which are Xihe and Yongning Villages, Jiucheng, Beijie and Zhongma Communities. See Table 2. 388.67 mu of collective land will be acquired permanently for the Project, including 386.09 mu of cultivated land (99.34%), 1 mu of fishponds (0.26%) and 1.58 mu of housing land (0.40%), affecting 545 households with 2,413 persons. Residential houses demolished for the Project include rural residential houses on collective land and urban residential houses on state-owned land, where houses with a total area of 820 m<sup>2</sup> on collective land will be demolished, including 560 m<sup>2</sup> in masonry concrete structure (68.29%), 110 m<sup>2</sup> in earth timber structure (13.41%) and 150 m<sup>2</sup> in simple structure (18.29%), affecting 7 households with 28 persons, in which 5 households with 21 persons will also be affected by LA; houses with a total area of 2,969 m<sup>2</sup> on collective land will be demolished, all in masonry concrete structure, affecting 11 households with 38 persons. The Project will also affect some ground attachments, such as trees and poles. One town and five villages in Wuding County will be affected by LA and resettlement.

**Table 2: Administrative Divisions Affected by Resettlement**

Component	Subcomponent	Town	Village / community
Road construction	Chengbei Road	Shishan	Xihe Village
	Caiyuan Road	Shishan	Yongning Village
	Binhe Road	Shishan	Yongning Village, Jiucheng Community, Beijie Community
	Beicheng Avenue	Shishan	Xihe Village, Jiucheng Community, Beijie Community
	Wuchan Road	Shishan	Xihe Village, Jiucheng Community, Zhongma

Component	Subcomponent	Town	Village / community
			Community
	Wuxu Road	Shishan	Xihe Village, Jiucheng Community, Zhongma Community
	Wuzheng Road	Shishan	Xihe Village, Yongning Village
	Mudan Road	Shishan	Xihe Village, Yongning Village, Jiucheng Community, Beijie Community
River rehabilitation	Wulong River rehabilitation	Shishan	Xihe Village, Jiucheng Community, Beijie Community, Zhongma Community

## 5. Legal Framework and Policies

7. The resettlement policies of the Project have been developed in accordance with the laws and regulations of the PRC, regulations and policies of Yunnan Province, Chuxiong Prefecture and Wuding County, and ADB's policies.

### 5.1 ADB policies

- Safeguard Policy Statement, June 2009
- Gender Checklist, February 2003

### 5.2 Laws, regulations and policies of the PRC

- Land Administration Law of the PRC (amended on August 28, 2004)
- Notice on Further Improving the Rural Housing Site Management System, and Protecting Farmers' Rights and Interests Practically (March 2, 2011)
- Urgent Notice of the General Office of the Ministry of Land and Resources on Performing the Administration of Land Acquisition and House Demolition Practically (MLA [2011] No.72)
- Guidelines of the State Council on Carrying out Trials on New-type Rural Social Endowment Insurance (SC [2009] No.32)

### 5.3 Regulations and policies of Yunnan Province

- Opinions of the Yunnan Provincial Government on Strengthening Farmland Protection and Promoting Scientific Urbanization (YPG [2011] No.185)
- Notice of the Land and Resources Department of Yunnan Province on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (May 18, 2008)

### 5.4 Regulations and policies of Chuxiong Prefecture

- Interim Measures for Basic Endowment Insurance for Land-expropriated Farmers of Chuxiong Prefecture (Announcement No.13 of the Chuxiong Prefecture Government) (September 5, 2009)
- Notice of the Chuxiong Prefecture Government on Issuing the Detailed Rules for the Implementation of Basic Endowment Insurance for Land-expropriated Farmers of Chuxiong Prefecture (December 3, 2009)
- Opinions of the General Office of the Chuxiong Prefecture Government on

Exploring Ways of Promoting the Orderly Circulation of Rural Land Contracted Management Rights Actively (Interim) (CPGO [2009] No.22)

- Notice of the Chuxiong Prefecture Government on Doing a Better Job in Minimum Living Security for Destitute Rural Residents (CPG [2007] No.49)

## 5.5 Regulations and policies of Wuding County

- Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102)
- Measures for the Implementation of Basic Endowment Insurance for Land-expropriated Farmers of Wuding County ([2010] No.11)

## 6. Key Compensation Rates

### 6.1 Compensation Rates for Key Land Types

8. According to the Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102), the Compensation Rates for Young Crops and Ground Attachments of Wuding County (WCG [2009] No.113), and ADB's Safeguard Policy Statement (June 2009), the compensation rates for permanent LA of the Project are shown in Table 3.

**Table 3: Compensation Rates for Permanent LA**

Town	Area rating	Land rate	The AAOV Rates (yuan/mu)	Compensation multiplier	Compensation Rates for Young Crops of Farmland (yuan/mu)	Housing land, Threshing ground (yuan/mu)	Fishponds (yuan/mu)
Shishan	1	90,000	3,000	30	1,200	70,000	60,000

### 6.2 Compensation for Young Crops

9. According to the Land Administration Regulations of Yunnan Province, young crops on affected cultivated land will be compensated for at the actual output value per harvest of the current season. See Table 4.

**Table 4: Compensation Rates for Young Crops**

No.	Land type	Compensation rate (yuan/mu)
1	Farmland	1200

Source: Notice of the Wuding County Government on the Announcement and Implementation of the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim) (WCG [2009] No.102)

### 6.3 Social Security for LEFs

10. According to the Interim Measures for Basic Endowment Insurance for Land-expropriated Farmers of Yunnan Province, the basic pension for LEFs consists of 3 parts:

- (i) Government subsidy: During LA, the government will appropriate not less than 20,000 yuan/mu based on the land rating to be used specifically for basic

- endowment insurance;
- (ii) Collective subsidy: to be disbursed from not less than 20% of land compensation fees;
- (iii) Individual contribution: to be disbursed from not more than 50% of resettlement subsidies

#### 6.4 Compensation Rates for House Demolition

11. According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), residential houses on both state-owned and collective land in Wuding County will be compensated for at replacement cost based on market appraisal, as shown in Table 5. Three resettlement modes are available at the option of the AHs: (1) nearby relocation, for self-funded residential houses and commercial stores mainly; (2) non-local resettlement, for houses on rural collective land mainly; and (3) cash compensation, for all houses and attachments to be demolished.

**Table 5: Compensation Rates for Demolished Residential Houses and Attachments**

Item		Type of compensation		Unit	Benchmark rate (yuan)	Remarks
Houses on state-owned and collective land	House compensation	Housing land		yuan/m <sup>2</sup>	105	Actual rates are based on market appraisal and not less than the benchmark rates.
		Masonry concrete		yuan/m <sup>2</sup>	850	
		Masonry timber		yuan/m <sup>2</sup>	500	
		Earth timber		yuan/m <sup>2</sup>	300	
		Simple		yuan/m <sup>2</sup>	260	
	Other compensation	Moving subsidy		yuan	2000	Paid at a time, sufficient for two moves
		Transition subsidy		yuan/m <sup>2</sup> per month	5	Usually 12 months
		Early moving reward	Over 1 month in advance	yuan/HH	2000	Including 1 month
			Over half a month in advance	yuan/HH	1500	Half a month to 1 month
			Over 1 week in advance	yuan/HH	1000	1 week to half a month
			Punctual	yuan/HH	500	One-time

12. Since all non-residential properties demolished for the Project are integrated into residential buildings, they will be appraised together with residential houses. The compensation rates have been fixed according to the applicable policies and by reference to the actual prices of the main types of properties. See Table 6.

**Table 6: Compensation Rates for Demolished Non-residential Properties and Attachments**

Item		Structural type	Unit	Benchmark rate (yuan)	Remarks
Houses on state-owned and collective land	House compensation	Masonry concrete	yuan/m <sup>2</sup>	850	All commercial stores involved in the Project are integrated into residential buildings, and moving and transition subsidies are paid in compensation for residential houses based on market price. Any final appraised price will not be less than the benchmark rate specified for the Project.
		Masonry timber	yuan/m <sup>2</sup>	500	
		Earth timber	yuan/m <sup>2</sup>	300	
		Simple	yuan/m <sup>2</sup>	260	
	Other compensation	Compensation rate for losses from production or business suspension	yuan/m <sup>2</sup>	50	

### 6.5 Compensation Rates for Infrastructure and Ground Attachments

13. The compensation rates for infrastructure and ground attachments affected by the Project have been fixed at replacement cost based on the Compensation Rates for Young Crops and Ground Attachments of Wuding County (WCG [2009] No.113). See Table 7.

**Table 7: Compensation Rates for Infrastructure and Ground Attachments**

Item	Unit	Compensation rate (yuan)
Earth stores (including bakeries and stables)	yuan/m <sup>2</sup>	260
Enclosing walls	yuan/m <sup>2</sup>	290
10kV high-tension lines (incl. poles)	yuan/km	80000
Low-tension lines (incl. poles)	yuan/km	40000
Overhead cables, electric wires	yuan/km	60000
TV trunk lines (incl. poles)	yuan/km	35000
Trees, diameter at breast height 10-20cm (non-fruit)	yuan each	60
Trees, diameter at breast height 5-10cm (non-fruit)	yuan each	30
Biogas tanks	yuan each	2500

### 6.6 Assistance Measures for Vulnerable Groups

14. During the whole resettlement process, the PMO, IA and local government will not only subject vulnerable groups to living and production resettlement as planned, but will also provide certain assistance to improve their living and production conditions. The key measures are as follows:

#### (i) Establishing a support fund for vulnerable groups

15. A support fund for vulnerable groups of 140,500 yuan will be established in the resettlement costs of the Project, used to support vulnerable groups affected by the Project. Five-guarantee households, MLS households, households affected by disability, old people living alone, women-headed households, and other vulnerable households affected by LA and/or HD will receive a support subsidy of 2,000 yuan.

#### (ii) Giving priority to vulnerable groups in resettlement measures

16. During resettlement, affected vulnerable households will have priority, including:



**Households affected by LA:**

- Providing land transfer information with priority and assisting in obtaining land required for production development;
- Providing skills training, public welfare jobs and reserved jobs to laborers in these AHs, and granting small-amount secured loans to eligible AHs with priority;
- Including them in endowment insurance for LEFs and new-type rural endowment insurance with priority.

**Households affected by HD:**

17. According to the Notice of the Wuding County Government on Issuing the Opinions on the Implementation of Resettlement for House Demolition for Shishan Avenue Construction (Phase 2) in the Old Town Reconstruction Project (WCG [2009] No.38), an urban MLS household shall be entitled to a subsidy of 1,000 yuan per month; five-guarantee households, elderly widows and dependents of martyrs affected by HD who empty their houses within the specified period will receive a one-time special difficulty subsidy of 2,000 yuan upon presentation of a valid certificate.”

**(iii) Including eligible vulnerable groups in the MLS system with priority**

18. According to Wuding County’s MLS policy for urban and rural residents, eligible vulnerable groups affected by the Project will be included in the MLS system and receive MLS benefits so as to ensure that the per capita net income of each rural AH is not less than 1668 yuan/year and the per capita income of each urban AH is not less than 283 yuan/month.

**(iv) Providing urban and rural medical assistance to eligible vulnerable groups**

19. Eligible urban and rural residents will be provided with medical assistance pursuant to the Notice of the Wuding County Government on Issuing the Interim Measures of Wuding County on Urban and Rural Medical Assistance to solve the difficulty of vulnerable groups in medical treatment. See Section 4.6.4 for details.

**6.7 Resettlement Budget**

20. The total resettlement costs of the Project are 150.375 million yuan.

**7. Entitlement Matrix****Table 8: Entitlement Matrix**

<b>Type of impact</b>	<b>Degree of impact</b>	<b>APs</b>	<b>Compensation and resettlement policy</b>	<b>Measures</b>
Permanent LA	388.67 mu, including 386.09 mu of cultivated land, 1 mu of fishponds and 1.58 mu of housing land	545 households with 2,413 persons in 22 groups of Xihe and Yongning Villages, and Beijie, Jiucheng and Zhongma Communities	(1) Cash compensation: The compensation rate for irrigated land is 90,000 yuan/mu, that for housing land 70,000 yuan/mu, that for fishponds 60,000 yuan/mu and that for unused land 52,029 yuan/mu. Except that compensation fees for ground attachments and young crops will be paid to AHs, 0-20% (varying from group to group) of compensation fees for LA will be retained by the collective or village committee for infrastructure construction, public welfare and poverty relief; the balance will be distributed averagely at a time based on the registered population of the village group, or paid to the AHs at a time.	Measures for land compensation allocation, land reallocation and production investment (cultivation and irrigation skills, tertiary industries, etc.) will be determined by the village meeting.



Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
			<p>(2) Return of land: 7% of the acquired land area will be returned to the affected village groups, and used for production and living resettlement via land development.</p> <p>(3) Agricultural resettlement: including land transfer, crop cultivation and stockbreeding planning</p> <p>(4) Employment: The employment of LEFs will be promoted through employment by local enterprises and under the Project.</p> <p>(5) Small-amount secured loan: LEFs will be supported pursuant to applicable policies.</p> <p>(6) Skills training: 2,000 men-times will be trained for free under the Project.</p> <p>(7) Social security: Security measures will be offered pursuant to policies on endowment insurance for LEFs and new-type rural/urban endowment insurance.</p>	Training will be approved and supervised by the government at the next higher level.
Residential house demolition	3789 m <sup>2</sup> , including 3,529 m <sup>2</sup> in masonry concrete, 110 m <sup>2</sup> in earth timber and 150 m <sup>2</sup> in simple structure	18 households with 66 persons in Beijie and Jiucheng Communities	<p>(1) Compensation for houses is based on replacement cost without regard to depreciation.</p> <p>(2) The AHs will receive moving and transition subsidies.</p> <p>(3) All the 18 households affected by HD expect to obtain a housing site of the same size on the basis of compensation for houses and attachments through appraisal. Through survey and consultation, the resettlement modes for rural and urban residential houses include: 1) cash compensation; and 2) non-local resettlement.</p>	The resettlement community is the Shishan Avenue community in the northern county town, with the three supplies and one leveling provided by the IA.
Commercial store relocation	13 stores with a total area of 1,275 m <sup>2</sup>	13 households with 44 persons in Beijie and Jiucheng Communities	<p>(1) Compensation for houses is based on replacement cost.</p> <p>(2) They will receive a moving subsidy, and compensation for losses from production or business suspension.</p> <p>(3) Demolished mixed commercial and residential buildings are subject to cash compensation, relocation to the northwest area of the county town, or nearby relocation to resettlement housing without land replacement.</p>	Since all the 13 demolished stores are in integrated into residential buildings, their compensation is included in that for residential houses.
Women	\	1,401 women	<p>(1) Women will have priority in employment, and at least 30% of them will receive unskilled jobs.</p> <p>(2) Women will have priority in receiving free skills training; 2,000 men-times will be trained in total, in which at least 1,000 men-times (50%) will be offered to female laborers.</p>	

Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
			(3) Women will receive relevant information during resettlement, and are able to participate in resettlement consultation. Special women FGDs will be held to introduce resettlement policies.	
Vulnerable groups	MLS, five-guarantee, women-headed and disability households	10, 4, 34 and 18 households respectively	<p>(1) Priority in resettlement: ①Households affected by LA: Providing land transfer information with priority and assisting in obtaining land required for production development; providing skills training, public welfare jobs and reserved jobs to laborers in these AHs, and granting small-amount secured loans to eligible AHs with priority, and including them in endowment insurance for LEFs and new-type rural endowment insurance with priority</p> <p>②Households affected by HD: Special difficulty subsidies. An urban MLS household shall be entitled to a subsidy of 1,000 yuan; five-guarantee households, elderly widows and dependents of martyrs affected by HD who empty their houses within the specified period will receive a one-time special difficulty subsidy of 2,000 yuan upon presentation of a valid certificate.</p> <p>(2) Including eligible vulnerable groups in the MLS system with priority: Eligible vulnerable groups affected by the Project will be included in the MLS system to ensure that the per capita net income of each rural AH is not less than 1668 yuan/year and the per capita income of each urban AH is not less than 283 yuan/month.</p> <p>(3) Urban and rural medical assistance: Eligible urban and rural residents will be provided with medical assistance pursuant to the Notice of the Wuding County Government on Issuing the Interim Measures of Wuding County on Urban and Rural Medical Assistance to solve the difficulty of vulnerable groups in medical treatment.</p>	
Ethnic minorities	the Hui nationality the Yi nationality the Dai nationality	The Hui nationality:202;The Yi nationality:309;The Dai nationality:1 Total 512 persons	<p>(i) Ethnic minorities have priority in employment, and all of them shall receive unskilled jobs.</p> <p>(ii) Ethnic minorities have priority in receiving free skills training as well</p>	
Special facilities and	8 types, including	Proprietors	(1) Affected special facilities will be restored by proprietors after receiving compensation	

Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
ground attachments	trees and poles		from the owner of the Project, or reconstructed by the owner according to the original size, standard and function. (2) Compensation fees will be calculated and disbursed for ground attachments as stipulated.	
Grievances and appeals	\	All APs	Free; all costs so reasonably incurred will be disbursed from the contingencies	

## 8. Resettlement Organization

21. Since resettlement is a very comprehensive task that needs the assistance and cooperation of various departments, the departments concerned will participate in and support resettlement implementation. Each affected township or village has one or two chief leaders responsible for resettlement. The agencies responsible for LA and HD in the Project are:

- Chuxiong Prefecture Project Leading Group
- CPPMO
- Wuding County Project Leading Group
- Wuding PMO
- Wuding Resettlement Office
- Shishan Town Government
- Village (community) committees
- Design agency
- External M&E agency
- Other agencies, e.g., land and resources bureau, HD management office, women's federation, labor and social security bureau

## 9. Grievances and Appeals

22. Since public participation is encouraged during the preparation and implementation of the REMDP, no substantial dispute will arise. However, unforeseeable circumstances may arise during this process. In order to address issues effectively, and ensure the successful implementation of project construction and land acquisition, a transparent and effective grievance redress mechanism has been established. The basic grievance redress system is as follows:

Stage 1: If any right of any AP is infringed on in any aspect of land acquisition, property demolition and resettlement, he/she can report this to village committee. The village committee or the AP may resort to the town government to solve the issue. The town government shall record such appeal and solve it together with the village committee or the AP within two weeks.

Stage 2: If the appellant is dissatisfied with the disposition of Stage 1, he/she may file an appeal to the Wuding Project Resettlement Office after receiving such disposition, which shall make a disposition within 2 weeks.

Stage 3: If the appellant is dissatisfied with the disposition of Stage 2, he/she may file an appeal to the Wuding PMO or Chuxiong Prefecture PMO after receiving such disposition,

which shall make a disposition within 2 weeks.

Stage 4: If the appellant is dissatisfied with the disposition of Stage 3, he/she may file an appeal to competent administrative authorities level by level in accordance with the Administrative Procedure Law of the PRC for arbitration after receiving such disposition.

Stage 5: If the appellant is still dissatisfied with the arbitration award, he/she may bring a suit in a civil court in accordance with the Civil Procedure Law of the PRC.

23. The APs may also express grievance to the external monitoring agency, who would then report it to Wuding County resettlement office, Wuding Land and Resource Bureau, and Chuxiong PMO. Alternatively, the APs may submit a complaint to the ADB's Project Team to try to resolve the problem. If good faith efforts are still unsuccessful, and if there are grievances that stemmed from a violation of ADB's safeguard policy, the APs may appeal directly to ADB in accordance with ADB's Accountability Mechanism (2012)<sup>6</sup>.

24. All agencies will accept grievances and appeals from the APs for free, and costs so reasonably incurred will be disbursed from the contingencies. During the whole construction period of the Project, these appeal procedures will remain effective to ensure that the APs can use them to address relevant issues. The above grievance redress system will be communicated to the APs at a meeting or through the RIB, so that the APs know their right of appeal. In addition, the appeal process will be published to affected population on mass media.

## **10. External Monitoring**

25. According to ADB's policies, the Chuxiong PMO shall employ a qualified, independent and experienced resettlement agency as the external resettlement M&E agency.

26. The external M&E agency shall conduct follow-up M&E of resettlement activities periodically, monitor resettlement progress, quality and funding, and give advice. It will also conduct follow-up monitoring of the APs' production level and living standard, and submit M&E reports to the Chuxiong PMO and Wuding PMO. Chuxiong PMO shall submit the external M&E report to ADB semiannually.

27. The external M&E agency will submit a monitoring or evaluation report to ADB and the PMO semiannually. See Table 9.

**Table 9: Resettlement M&E Schedule**

<b>Item</b>	<b>Report</b>	<b>Date</b>
1	Socioeconomic Baseline Survey Report	May 2013
2	Monitoring Report (No.1)	May 2013
3	Monitoring Report (No.2)	Nov. 2013
4	Monitoring Report (No.3)	May 2014
5	Monitoring Report (No.4)	May 2015
6	Post-evaluation and Completion Report	May 2016

<sup>6</sup> Before submitting a complaint to the Accountability Mechanism, the APs should make a good faith effort to solve their problems by working the concerned ADB operation department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism – <http://compliance.adb.org/>

## **Appendix 3: Terms of Reference for External Monitor**

### **1. Purpose of resettlement monitoring and evaluation**

1. According to ADB's resettlement policy, the resettlement of the Project will be subject to external monitoring and evaluation. The land acquisition and resettlement of the project will be tracked and evaluated by checking the progress, funds and management of land acquisition, house demolition and resettlement, and making a comparative analysis of the variation and restoration of the production level and standard of living of APs. Monitoring and evaluation reports are submitted to Chuxiong PMO and then ADB regularly (twice a year during the implementation period). Information and suggestions will also be provided as a reference for decision-making. Through external monitoring and evaluation, ADB and the implementing agency can fully understand if the land acquisition and resettlement is implemented on schedule and is accordance with the quality standard, point out existing issues, and propose suggestions for improvement.

### **2. Scope of resettlement monitoring and evaluation**

- (1) Monitoring and evaluation of implementation progress of land acquisition and house demolition, including:
  - (i) progress of land acquisition;
  - (ii) progress of temporary land occupation;
  - (iii) demolition and relocation of affected households; and
  - (iv) restoration of infrastructure.
- (2) Monitoring and evaluation of availability and utilization of funds, including:
  - (i) availability of funds; and
  - (ii) utilization of funds (planned vs. actual).
- (3) Monitoring and evaluation of the standard of living of APs, including:
  - (i) production level and standard living of AP before LA&R;
  - (ii) production level and standard living of AP after LA&R; and
  - (iii) comparative analysis and evaluation of production level and standard living of AP before and after LA&R
- (4) Capacity evaluation of the implementing agency, public participation, complaints and appeals:
  - (i) Ethnic minority representatives in public participation and consultation for resettlement site planning and design;
  - (ii) Ethnic minority culture, commerce, business, etc in new resettlement sites and the project area.

### **3. External monitoring agency**

2. The external resettlement monitoring and evaluation work of the project shall be undertaken by an external monitoring agency entrusted by the Chuxiong PMO and accepted by ADB.

### **4. Organization of resettlement monitoring and evaluation**

3. The Chuxiong PMO shall entrust the external monitoring agency to take charge of the survey, data collection and computational analysis for monitoring and evaluation, and to review

the corresponding findings.

4. The external monitoring agency shall set up a “resettlement monitoring and evaluation taskforce of the Project”, whose task is to monitor and evaluate the resettlement work of the project, prepare the monitoring and evaluation outline, select monitoring targets, take charge of field survey, monitoring and in-house analysis, and prepare resettlement monitoring and evaluation reports according to the ADB Policy on Involuntary Resettlement.

5. During the field monitoring and survey by the taskforce, the Choxiong PMO and IA shall offer assistance in staffing and traffic.

## **5. Methods of resettlement monitoring and evaluation**

6. A combination of field survey, computational analysis and comprehensive expert evaluation shall apply to monitoring and evaluation.

7. The survey shall be conducted comprehensively. The progress, funds, organization and management of implementation shall be surveyed in all aspects, while the displaced households shall be subject to sampling survey.

8. The sampling survey shall be based on random sampling to track the fixed households in the typical sample. Sampling rates: 10-20% of severely affected HHs and a number of others, such as vulnerable HHs, ethnic minority HHs.

9. The complete survey shall be conducted in the methods of structured survey (questionnaire survey), discussion and literature search, etc.

10. Tracer surveys, using the baseline survey questionnaire, will be applied to assess the change in living standard, livelihoods and income. This will be the basis to determine whether resettlement has been successfully completed.

11. Except written materials, photos, audio and video records, real objects shall also be collected.

## **6.1 Monitoring Indicators**

12. The baseline survey, as well as the follow up monitoring and post-project evaluation, will cover and not limited to the following socioeconomic indicators of targeted HHs:

- Level of education of adults by gender
- Occupation of adults but gender
- Land area by type
- House type (quality)
- Housing area
- Income by source
- Expenditure by type
- Major assets ownership

■ Cropping pattern (cultivated area of each crop).

## 6.2 Regular Monitoring and Evaluation

13. During the implementation of the REMDP, the external monitoring agency will monitor the following indicators (fully or partly) twice a year:

- (i) Disbursement and amount of compensation fees;
- (ii) The survey and coordination of and suggestions for key issues of AP and the implementing agency during implementation;
- (iii) The restoration and resettlement of the vulnerable groups, support to the vulnerable groups;
- (iv) Restoration and reconstruction of ground affiliated and special facilities;
- (v) Resettlement and restoration of production and livelihoods;
- (vi) Compensation for property losses;
- (vii) Schedule for the above activities (applicable at any time);
- (viii) Use of compensation fees for land and income of the displaced persons ;
- (ix) Increase in employment income of labor;
- (x) Whether the affected people benefit from the project;
- (xi) Degree of satisfaction or problems identified;
- (xii) The degree of participation and consultation of AP during implementation; and
- (xiii) Resettlement training and its results.

## 7. Reporting of external resettlement monitoring and evaluation

14. The external monitoring agency shall submit a resettlement monitoring report to the Chuxiong PMO, and Chuxiong PMO shall submit the report to ADB semiannually.

Item	Report	Date
1	Socioeconomic Baseline Survey Report	May 2013
2	Monitoring Report (No.1)	May 2013
3	Monitoring Report (No.2)	Nov. 2013
4	Monitoring Report (No.3)	May 2014
5	Monitoring Report (No.4)	May 2015
6	Completion Report	May 2016

## 8. Monitoring Budget

15. A total budget for all subprojects is about CNY1,213,600, including CNY321,100 from this subproject that is 0.21% of the total resettlement cost of this subproject.