

# Resettlement Plan

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August 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 Chuxiong City Government for the Asian Development Bank.

## CURRENCY EQUIVALENTS

(as of 12 August 2013)

Currency unit	–	yuan (CNY)
CNY1.00	=	\$0.1633
\$1.00	=	CNY6.1219

## ABBREVIATIONS

AAOV	–	average annual output value
ADB	–	Asian Development Bank
AH	–	affected household
AP	–	affected person
CCG	–	Chuxiong City Government
CPPMO	–	Chuxiong Yi Autonomous Prefecture PMO
DMS	–	detailed measurement survey
FGD	–	focus group discussion
HD	–	house demolition
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
RP	–	resettlement plan

## 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 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

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|----------------------------|---|
| <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   |

#### **NOTE**

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

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

**Chuxiong Urban Infrastructure and  
Environment Improvement Subproject:  
Chuxiong City Road Component**

**Resettlement Plan**

**ADB-financed Project Management Office of the Chuxiong Prefecture  
Government**

**Chuxiong City Government**

**12 August 2013**

# 云南省楚雄市人民政府

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楚政函〔2013〕135号

## 楚雄市人民政府关于 利用亚行贷款云南楚雄州城市基础设施建 设项目楚雄市城市道路及附属设施建设工程项目 移民计划的承诺函

亚洲开发银行：

为认真组织实施好利用亚洲开发银行贷款的城市基础设施建设项目，我市编制了利用亚洲开发银行贷款云南楚雄州城市基础设施建设项目楚雄市城市道路及附属设施建设工程项目的移民计划，该移民计划符合中央及地方法律法规，符合亚洲开发银行非自愿性移民的相关政策要求。

该移民计划是根据项目可研报告、实地测量和社会经济调查结果编制，我市对该计划内容予以确认，并保证按计划开展用地、

安置及补偿相关工作。

在项目详细工程设计完成后，我市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洲开发银行进行确认。



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抄送：市委，市人大常委会，市政协，市纪委，市产业督导协调组。

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楚雄市人民政府办公室

2013年10月18日印

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利用亚行贷款云南楚雄州  
城市基础设施建设项目楚雄市城市  
道路及附属设施建设工程项目移民安置计划  
信息公开确认函

楚雄州亚行办：

我市已于 2013 年 10 月 21 日将经亚行审核通过的移民安置计划发送至我市国土资源局和受影响的社区、居委会和村委会，并将移民安置手册发放至受影响人。





# Yunnan Province Chuxiong Municipal Government

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Chuzhenghan [2013] No. 136

## ENDORSEMENT LETTER FOR THE RESETTLEMENT PLAN

Chuxiong City has prepared the Resettlement Plan (RP) for Chuxiong Urban Infrastructure and Environment Improvement Subproject (Chuxiong City Road Component) under Yunnan Chuxiong Urban Environment Improvement Project, which is funded by a loan from Asian Development Bank (ADB).

The RP fully Complies with requirements of the relevant laws, regulations and policies of the People's Republic of China and Chuxiong Municipal Government. It also complies with ADB's policy on involuntary resettlement.

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

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

Chuxiong Municipal Government  
October 21<sup>st</sup>, 2013



## Letter of Commitment

The Chuxiong City Government (CCG) has applied for a loan from the Asian Development Bank (ADB) for this Project through the Ministry of Finance of the People's Republic of China (the "PRC"). Therefore, this Project must be implemented in accordance with ADB's social safeguard policy requirements. This resettlement plan (RP) represents a key requirement of ADB and becomes a basis of the land acquisition, house demolition and resettlement work of this Project. This RP complies with the applicable laws of the PRC, the applicable local regulations, and ADB's Safeguard Policy Statement (June 2009).

CCG hereby acknowledges the contents of this RP, and warrants that the budgetary funds under this RP will be included in the general budget of this Project and made available on time. CCG also promises to conduct land acquisition, house demolition and resettlement in accordance herewith during project implementation. CCG has discussed the first draft of this RP with the administrative departments concerned and obtained their consensus. CCG hereby authorizes the Chuxiong Development and Investment Company Limited (CDICL) to implement this Project and the People's Government of Lucheng Town in Chuxiong City is in charge of the resettlement work, and relevant government agencies in the Project area to implement this Project and the related resettlement work within their jurisdictions.

Chuxiong City Government

Mayor (or deputy mayor in charge):

Date: \_\_\_\_\_, 2013

# Executive Summary

## 1. Introduction

1. The Chuxiong City Urban Environment Improvement Project (Road Part) is one of the subprojects of the ADB-financed Yunnan Chuxiong Urban Environment Improvement Project. This subject (hereafter called the Project) includes the construction of a quasi-expressway, a primary trunk road, a secondary trunk road and a branch road in the southeast area of Chuxiong City, and associated storm and sewer pipe works, bridges, culverts, traffic works, safety, lighting and landscaping facilities.

## 2. Range of land acquisition and resettlement

2. A total of 584.76 mu of collective land will be acquired permanently for the Project, including 477.3 mu of cultivated land (81.62%), 60.44 mu of housing land (10.34%), 39.1 mu of fishponds (6.69%) and 7.92 mu of unused land (1.35%), which affects 409 households with 1,793 persons. 10.5 mu of state-owned land will be occupied temporarily, which doesn't affect any households or units. Rural residential houses with a total area of 28,622 m<sup>2</sup> will be demolished, including 8,415 m<sup>2</sup> in masonry concrete structure (29.40%), 8,285 m<sup>2</sup> in masonry timber (28.95%) and 11,922 m<sup>2</sup> in earth timber (41.65%), affecting 87 households with 390 persons, in which 50 households with 234 households are also be affected by the land acquisition (LA). Four enterprises will need to be relocated, with a total of demolished structure area of 1,350 m<sup>2</sup>, affecting 140 workers. In addition, the Project will affect some ground attachments, such as tombs, trees and telegraph poles. One township and three communities in Chuxiong City are affected by the LA and resettlement.

3. The Project was included in state planning in 2010, and is expected to commence in 2014 and be completed in 2017. The LA, house demolition (HD), compensation and resettlement will begin in December 2013 and be completed in December 2015. The estimated resettlement costs are 201,047,600 yuan, including basic LA (occupation) costs, HD costs, taxes and contingencies, accounting for 29.88% of the budget of the Project.

## 3. Policy framework and entitlements

4. This Resettlement Plan (RP) is based on the Land Administration Law of the PRC (2004), the Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28), the Notice of the Yunnan Provincial Government on Further Strengthening Land Acquisition Administration (YPG [2004] No.55) (March 20, 2004), relevant land acquisition and resettlement regulations of Chuxiong City, and ADB's Safeguard Policy Statement (June 2009).

5. All affected persons (APs) are compensated and resettled in accordance with the above policies and regulations. Compensation for the LA includes land compensation fees and resettlement subsidies. The compensation rate for cultivated land is 80,000 yuan/mu, that for housing land 40,000 yuan/mu, that for fishponds 80,000 yuan/mu and that for unused land 6,000 yuan/mu. The compensation rate for young crops is 1,500 yuan/mu for vegetable land and irrigated land. The compensation standard for land, structures, ground attachments are based on full replacement value, without any depreciation in case of structural losses.

6. Young crop compensation fees are paid directly to the affected households (AHs), while land compensation fees and resettlement subsidies are paid to the village collective and its usage is resolved at the village congress. Based on local practices and the APs' expectation,

land compensation fees and resettlement subsidies are managed centrally by the village collective as a fund, and the income thereon produced from the fund is distributed at the year end. The fund is used subject to collective group discussion, and approved by township governments. In addition, the remaining land will be reallocated evenly.

7. The compensation rates for demolition of residential houses are 1,325.8 yuan/m<sup>2</sup> for reinforced concrete structure, 1,091.5 yuan/m<sup>2</sup> for masonry concrete, 497 yuan/m<sup>2</sup> for masonry timber and 448.8 yuan/m<sup>2</sup> for earth timber; transition subsidy is 3 yuan/m<sup>2</sup> per month (estimated at 12 months), moving subsidy 4 yuan/m<sup>2</sup>, and the compensation rate for losses from production or business suspension of commercial stores 50 yuan/m<sup>2</sup>. All commercial stores involved in the Project are integrated commercial and residential buildings, and the compensation rate for their demolition is the same as that for residential houses; early moving reward is 4,000 yuan/household (signing an agreement within 20 days).

#### **4. Resettlement and restoration**

8. Income restoration measures for the APs include (i) returning 10% of totally acquired land to affected village groups for resettlement and economic development, (ii) cash compensation, (iii) skills training and priority employment for the Project. Since the APs live in the county town or suburb mainly, their main income sources are non-farm employment and individual business, and agricultural income accounts for a low proportion of gross household income. Therefore, the LA will not affect the AHs' average income because the average loss rate is estimated at 7.47%.

9. The AHs plan to use compensation for joint bazaar construction, greenhouse construction, business advances, transport vehicle purchase and expansion of household stockbreeding. For HD and relocation, 98% of the AHs choose housing site allocation for construction by themselves and 2% unified apartment construction.

10. Chuxiong City Government (CCG) shall construct resettlement buildings in the southeast area of the city for AHs to choose or resettle rural AHs on serviced housing sites. The affected enterprises may choose either (i) cash compensation or (ii) relocation. All the four enterprises affected by the Project are affected slightly, and can be reconstructed locally without relocation. Therefore, all of them have chosen cash compensation.

11. Chuxiong City Project Management Office (CCPMO) has established a special fund of 323,500 yuan to provide skills training to laborers in the AHs (in which about 50% are female laborers). In addition, CCPMO has established a special fund of 793,300 yuan (1.1% of basic resettlement costs) to support vulnerable groups together with the city civil affairs bureau.

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

12. The affected groups and persons were informed of key information of this resettlement plan (RP), and involved in the Project by various means, e.g., meeting, interview, focus group discussion (FGD), public participation meeting and community consultation, etc, and their comments have been fully incorporated into the RP.

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

## 6. Grievance redress

14. CCPMO, CCG, and the affected town government and village committees are responsible for coordinating and settling grievances and appeals arising from resettlement. The APs may file appeals about any aspect of resettlement, including collective land acquisition, temporary land occupation, HD and compensation rates. 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).

## 7. Agencies

15. 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, and supervising the resettlement plans of each subproject, monitoring and reporting the progress of implementation progress of each RP to ADB.

16. CCPMO 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. Chuxiong Development and Investment Company Limited (CDICL) is the project implementing unit (PIU), responsible for cooperation with relevant government agencies to implement the RP. Chuxiong Project Resettlement Office under CCPMO is responsible for the detail work of preparation and implementation of the RP. Lucheng Town Government and the affected village and community committees are responsible for working with Chuxiong Project Resettlement Office in the implementation of this RP.

## 8. Implementation schedule

17. The resettlement schedule of the Project is prepared based on the progress of project construction and RP 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	3 villages with 14 groups	CCPMO, CDICL	Oct. 2013	
1.2	Disclosure of the RP on ADB's website		CCPMO, ADB	Oct. 2013	
<b>2</b>	<b>Detailed Measurement Survey (DMS) and Resettlement Plan Update</b>				
2.1	DMS on LA and HD		CCPMO, Resettlement Office	Dec. 2013	
2.2	RP update after detailed design and ADB approval	/	CPPMO, CCPMO	Dec. 2013	If there are any changes after DMS.
<b>3</b>	<b>Compensation agreement</b>				
3.1	Village-level land compensation agreement	3 villages	Land and resources bureau	Dec. 2013	
3.2	Household land and house compensation agreements	450 AHs	Resettlement Office / AHs	Jan. 2014	
<b>4</b>	<b>Implementation of restoration measures</b>				
4.1	Distribution of land compensation fees to AHs and	3 villages	Town government, village committees	Jan. – May 2014	

No.	Resettlement	Task	Agency responsible	Time	Remarks
	land reallocation				
4.2	Implementation of village-level income restoration programs	3 villages	Village committees	2013-2014	
4.3	Income restoration through business and employment	450 AHs	Town government, village committees, labor and social security bureau	2013-2014	
4.4	Implementation of training program	450 AHs	Labor and social security bureau	Dec. 2013 – Jun. 2014	
<b>5</b>	<b>Monitoring &amp; Evaluation</b>				
5.1	Baseline survey	One report	External M&E agency	Jan 2014	
5.2	Establishing an internal M&E agency	As per the RP	CPPMO, CCPMO	Dec. 2013	
5.3	Recruit an external monitoring agency	One	CPPMO	Dec. 2013	
5.4	Internal monitoring reporting	Quarterly	CPPMO, CCPMO	From Jan. 2014	
5.5	External monitoring reporting	Semiannual report	External M&E agency	Jan. 2014	1 <sup>st</sup> report
				Jul. 2014	2 <sup>nd</sup> report
5.6	External monitoring reporting	Annual report	External M&E agency	Jan. 2015	3 <sup>rd</sup> report
				Jan 2016	4 <sup>th</sup> report
5.7	External evaluation and completion report	One report	CCPMO, CPPMO	Jan 2017	

## 9. Monitoring and evaluation and reporting

18. Resettlement implementation is subject to internal and external monitoring. Internal monitoring is performed by the CPPMO and CCPMO, and an internal monitoring report is submitted to ADB quarterly. CPPMO will recruit an independent agency to conduct external monitoring and evaluation (M&E) semiannually during the resettlement implementation, and M&E costs are included in the resettlement budget. After the completion of resettlement activities, the external monitoring report will be submitted to ADB annually for two years to ensure the full restoration of living standards and livelihoods..

## 10. Resettlement budget

19. All costs incurred during LA and resettlement are included in the total budget of the Project. Based on prices of June 2013, the resettlement costs of the Project are 201,047,600 yuan, including rural LA costs of 44,493,100 yuan or 22.13% of total costs, compensation fees for HD of 26,228,400 yuan or 13.05% of total costs, compensation fees for infrastructure and ground attachments of 1,399,000 yuan or 0.70% of total costs, taxes and management costs of 107,019,300 yuan or 53.23% of total costs, and external monitoring costs of 649,100yuan or 0.32% of total costs.

## Glossary

<b>Affected persons (or household)</b>	Affected persons (APs) or affected households (AHs) = Displaced persons (DPs)
<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>Displaced Persons</b>	Displaced persons 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.
<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

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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
CCG	-	Chuxiong City Government
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
RP	-	Resettlement Plan

## Units

Currency unit	=	Yuan (CNY)
1.00 yuan	=	\$0.15
1 hectare	=	15 mu

# 1. Overview of the Project

## 1.1 Introduction

1. This resettlement plan (RP) is prepared for the Chuxiong City Urban Environment Improvement Project (Road Part), one of subprojects of the Yunnan Chuxiong Urban Environment Improvement Project, in accordance with the Land Administration Law of the PRC (2004), the Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28), the Notice of the Yunnan Provincial Government on Further Strengthening Land Acquisition Administration (YPG [2004] No.55) (March 20, 2004), and ADB's Safeguard Policy Statement (June 2009).

2. Chuxiong City PMO prepared this RP with assistance of Chuxiong Prefecture PMO and Hohai University, a consulting agency. The key data and information in this RP is from four sources: (i) information provided by the Chuxiong and CCPMOs, e.g., the Feasibility Study Report, detailed census survey results, organizational responsibilities and staffing; (ii) information provided by functional departments concerned, e.g., policy documents, work summaries, statistics; (iii) information provided by the affected town and community groups, e.g., basic information and statistical reports; and (iv) information obtained through FGDs, interviews and questionnaire survey.

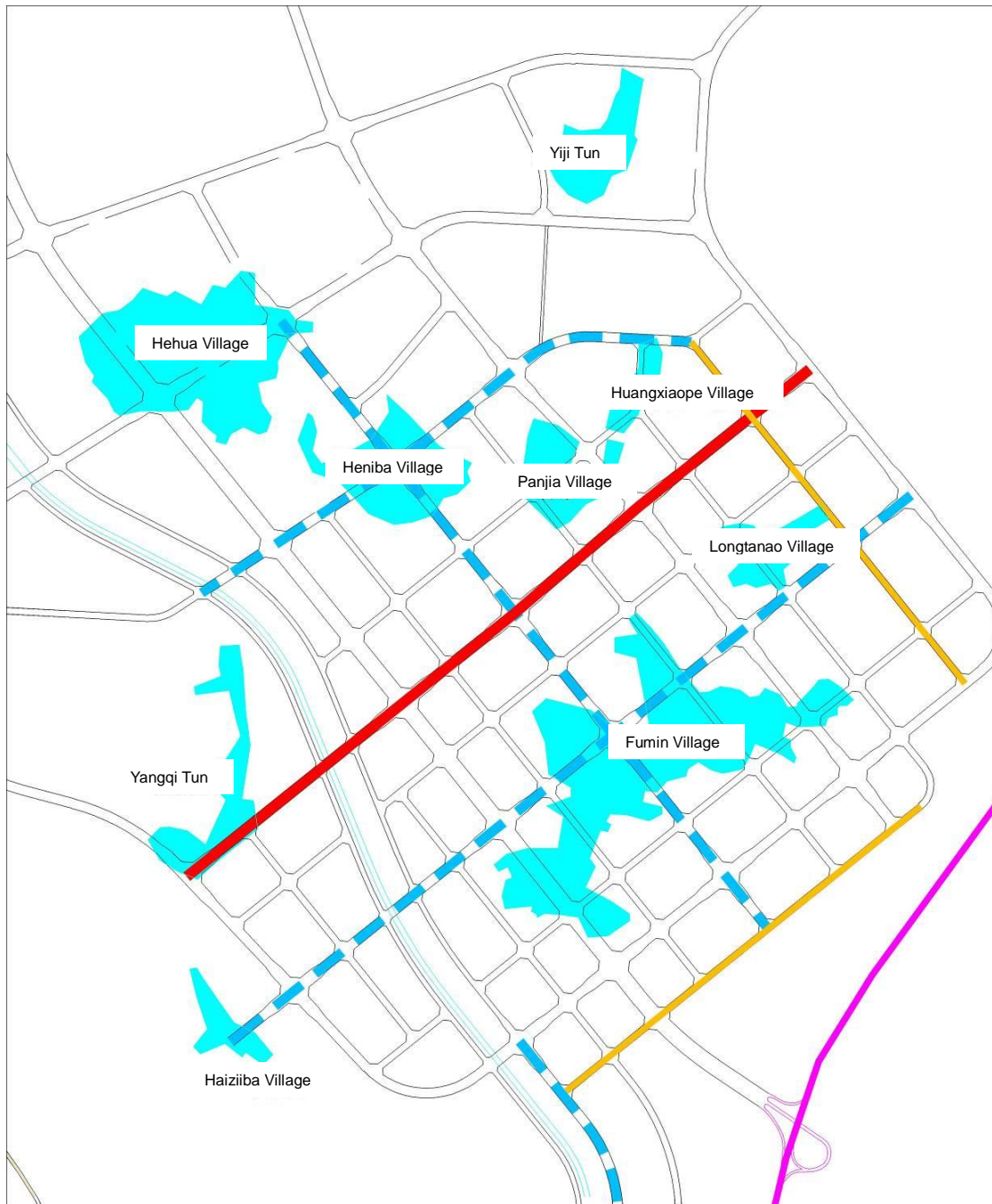
## 1.2 Description

3. This subproject (hereafter called the Project) includes the construction of four new roads, Roads 10, 11, 17 and 49, in the southeast area of Chuxiong City, and associated storm and sewer pipe works, bridges, culverts, traffic works, safety, lighting and landscaping facilities. The main impacts of the Project are (i) permanent acquisition of collective land, (ii) demolition of rural residential houses, (iii) temporary occupation of state-owned land, and (iv) partial impacts of enterprises. See Table 1-1.

**Table 1-1: Scope of Construction and Resettlement Impacts of the Project**

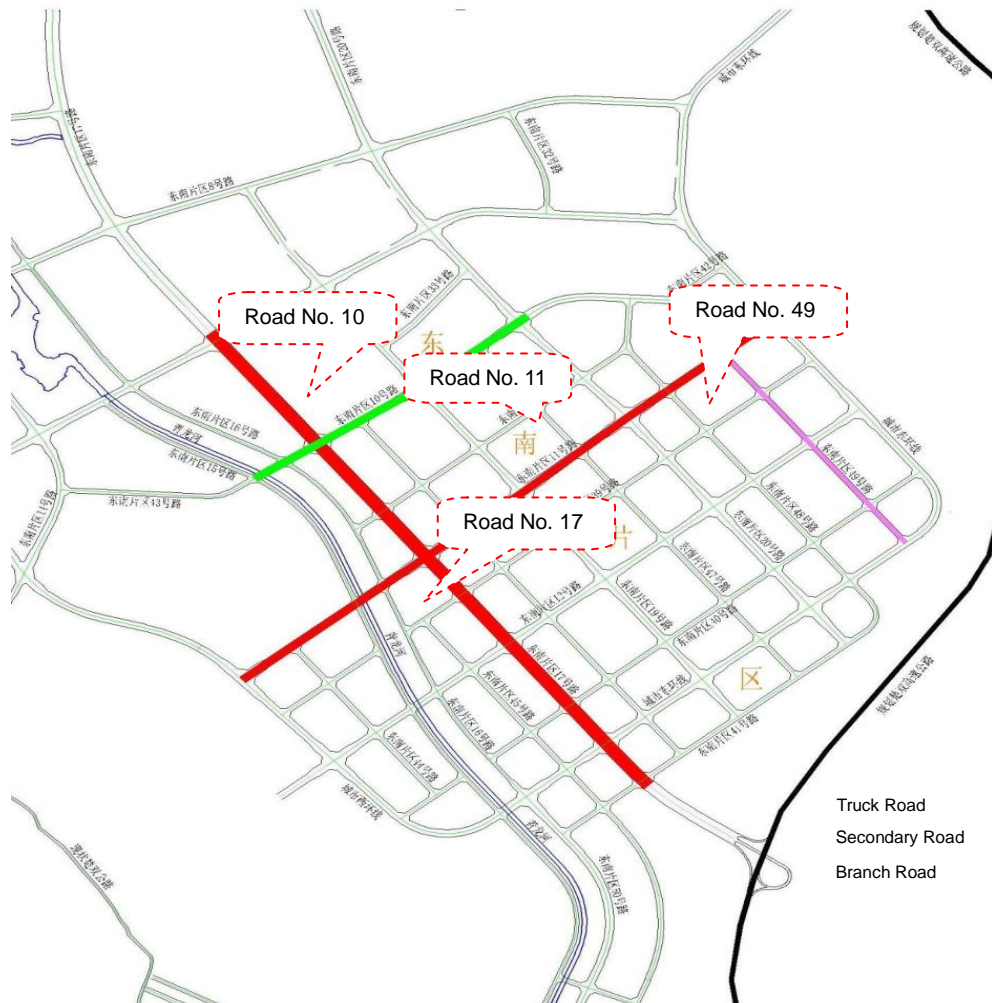
Type of impact	Community	10# road	11# road	17# road	49# road	Total
Permanent acquisition of collective land ( <i>mu</i> )	Qinglong	78.21	43.55	96.47		218.23
	Fumin		73.02	174.65	5.04	252.71
	Dadong		60.82		53	113.82
<b>Subtotal</b>		<b>78.21</b>	<b>177.39</b>	<b>271.12</b>	<b>58.04</b>	<b>584.76</b>
Demolition of rural residential houses (m <sup>2</sup> )	Qinglong	5,460	5,530			10,990
	Fumin			17,632		17,632
<b>Subtotal</b>		<b>5,460</b>	<b>5,530</b>	<b>17,632</b>		<b>28,622</b>
Temporary occupation of state-owned land ( <i>mu</i> )	Qinglong	2	1.5	1	1.5	6
	Fumin		1	2	0.5	3.5
	Dadong		1			1
<b>Subtotal</b>		<b>2</b>	<b>3.5</b>	<b>3</b>	<b>2</b>	<b>10.5</b>
Demolition impacts on enterprises (m <sup>2</sup> )	Lucheng Town		1,350			1,350

Source: Feasibility study report.



Source: Feasibility study report.

**Figure 1-1: Project Area**



Source: Feasibility study report.

**Figure 1-2: Project Roads**

### 1.3 Measures to Reduce Negative Impacts

4. At the project planning and design stage, the design institute and the Client of the Project took the following effective measures to reduce any negative impacts of the Project:

- (i) strengthen the collection of basic information, make an in-depth analysis of the local present socioeconomic situation and future prospect, and identify real needs for local road construction and development;
- (ii) optimize road alignment to avoid centrally residential area and dense buildings;
- (iii) select unused state-owned land as temporary land to reduce use of farmland, and
- (iv) control widths of the project roads to reduce land acquisition as many as possible .

## 2. Impacts of the Project

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

5. According to the recommended option, the Project will affect three communities in one town in Chuxiong City. See Table 2-1.

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

City	Pile No.	Town	Communitiy
Chuxiong	10# road (15# road-49# road)	Lucheng	Qinglong
	11# road (West Ring Road-East Ring Road)		Dadong
			Fumin
			Qinglong
	17# road (9# road-41# road)		Fumin
			Qinglong
	49# road (42# road-East Ring Road)		Dadong
	Fumin		

### 2.2 Survey Methods and Process

6. During October–December 2011, CCPMO and technicians from Yunnan Design Institute conducted surveys in the Project area for preparation of the Project Proposal.

7. In December 2011, CPPMO entrusted Yunnan Design Institute to prepare the Feasibility Study Report of the Project, which has been approved by the government. The design institute conducted detail survey on local social and economic conditions, and needs for road network development.

8. On this basis, CCPMO with assistance of Hohai University conducted a sampling socioeconomic survey on the Project area on 93 AHs (accounted for more than 20% of AHs) according to the Feasibility Study Report from December 2011 to January 2012. In July 2012, CCPMO conducted in-depth public consultation activities and a resettlement willingness survey, covering the APs' employment and training needs, and preferred resettlement modes.

### 2.3 Impacts of Permanent Acquisition of Collective Land

9. 584.76 mu of collective land will be acquired for the Project, including 477.3 mu of cultivated land (81.62%), 60.44 mu of housing land (10.34%), 39.1 mu of fishponds (6.69%) and 7.92 mu of unused land (1.35%), affecting 409 households with 1,793 persons. See Table 2-2.

**Table 2-2: Summary of Permanently Acquired Collective Land**

Town	Community	Group	Permanently acquired land (mu)				Subtotal (mu)	Affected HHs	Affected population
			Cultivated land	Fish ponds	Housing land	Unused land			
Lucheng	Qinglong	Xuyang 2	21.12				21.12	25	125
		Xuyang 3	67				67	28	109
		Heiniba	47.1	15	8.19	7.92	78.21	17	74
		Yangjitun	37		14.9		51.9	18	83



Town	Community	Group	Permanently acquired land ( <i>mu</i> )				Subtotal ( <i>mu</i> )	Affected HHs	Affected population
			Cultivated land	Fish ponds	Housing land	Unused land			
	Subtotal		172.22	15	23.09	7.92	218.23	88	391
	Fumin	Shangcun 4	6.5				6.5	10	47
		Zhongcun 2	72.1				72.1	61	259
		Zhongcun 3	49.5		12.93		62.43	50	224
		Xiacun	79.61	13.5	18.57		111.68	56	233
	Subtotal		207.71	13.5	31.5	0	252.71	177	763
	Dadong	Xiaodong 1	18.13				18.13	16	75
		Xiaodong 2	10.49				10.49	13	56
Xiaodong 3		5.83				5.83	8	31	
Dadongcun		21	2.5	5.85		29.35	23	103	
Huangtupo		13.83				13.83	32	154	
Longtan'ao		28.09	8.1			36.19	52	220	
Subtotal		97.37	10.6	5.85	0	113.82	144	639	
Total			477.3	39.1	60.44	7.92	584.76	409	1793
Percent (%)			81.62	6.69	10.34	1.35	100		

**2.4 Source: Estimates made by Design Institute based on FSR, January 2012.**

## **2.5 Temporary Land Occupation**

10. State-owned roads and green spaces with a total area of 10.5 mu will be occupied temporarily for material storage, temporary sheds and road construction, involving no AP. The average period of occupation will be two years. See Table 2-3.

**Table 2-3: Summary of Temporarily Occupied Land**

Type of impact	Town	Village	10# road	11# road	17# road	49# road	Total
Temporary occupation of state-owned land (mu)	Lucheng	Qinglong	2	1.5	1	1.5	6
		Fumin		1	2	0.5	3.5
		Dadong		1			1
Subtotal			2	3.5	3	2	10.5

**2.6 Source: Estimates made by Design Institute based on FSR, January 2012.**

## **2.7 Demolition of Residential Houses and Impact Analysis**

11. All residential houses to be demolished for the Project are rural residential houses, with a total area of 28,622 m<sup>2</sup>, including 8,415 m<sup>2</sup> in masonry concrete structure (29.40%), 8,285 m<sup>2</sup> in masonry timber (28.95%), 11,922 m<sup>2</sup> in earth timber (41.65%), affecting 87 households with 390 persons, in which 50 households with 234 persons are also affected by LA. See Table 2-4.

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

Town	Community	Road	Group	Demolition area (m <sup>2</sup> )				Affected		Also affected by LA	
				Masonry concrete	Masonry timber	Earth timber	Subtotal	HHs	Population	HHs	Population
Lucheng	Qinglong	10# road	Heiniba	1,300	400	3,760	5,460	9	48	2	13
		11# road	Yangjitun	0	2,770	2,760	5,530	18	83	18	83
	Subtotal			1,300	3,170	6,520	10,990	27	131	20	96
	Fumin	17# road	Zhongcun 3	1,794	1,837	2,555	6,186	21	95	9	37
			Xiacun	5,321	3,278	2,847	11,446	39	164	21	101
	Subtotal			7,115	5,115	5,402	17,632	60	259	30	138
Total				8,415	8,285	11,922	28,622	87	390	50	234
Percent (%)				29.4	29.0	41.7	100				

**2.8 Source: Estimates made by Design Institute based on FSR, January 2012.**

12. Among the households affected by the HD, 3 households (3.45%) have a demolition area of 100 m<sup>2</sup> or less; 6 households (6.90%) have a demolition area of 100-150 m<sup>2</sup>; 30 households (34.48%) have a demolition area of 151-300 m<sup>2</sup>; 32 households (36.78%) have a demolition area of 301-450 m<sup>2</sup>; and 16 households (18.39%) have a demolition area of 451 m<sup>2</sup> or more. See Table 2-5.

**Table 2-5: Impact Levels of Residential House Demolition**

Town	Community	Number of households					
		100 m <sup>2</sup> or less	100-150 m <sup>2</sup>	151-300 m <sup>2</sup>	301-450 m <sup>2</sup>	451 m <sup>2</sup> or more	Subtotal
Lucheng	Qinglong	0	0	7	12	8	27
	Fumin	3	6	23	20	8	60
<b>Total</b>		<b>3</b>	<b>6</b>	<b>30</b>	<b>32</b>	<b>16</b>	<b>87</b>
<b>Percent (%)</b>		<b>3.45</b>	<b>6.90</b>	<b>34.48</b>	<b>36.78</b>	<b>18.39</b>	<b>100</b>

## **2.9 Demolition of Non-residential Properties and Impact Analysis**

13. The Project affects four enterprises, with a total demolition area of 1,350 m<sup>2</sup>, affecting 140 workers. See Table 2-6.

**Table 2-6: Summary of Enterprises Affected by HD**

Town	Component	Enterprise	Type of business	Demolition area (m <sup>2</sup> )		APs	Degree of impact	Remarks
				Masonry concrete	Subtotal			
Lucheng	11# road	Xincheng Co.	Enterprise	400	400	30	A small part demolished	Not to be relocated
		Dongyan Co.	Enterprise	450	450	0	A small part demolished	Closed down
		Sengui Fungi	Enterprise	300	300	40	A small part demolished	Not to be relocated
		Baicaoling Pharmaceutical	Enterprise	200	200	70	A small part demolished	Not to be relocated
Total				1,350	1,350	140		

**2.10 Source: Estimates made by Design Institute based on FSR, January 2012.**

### **2.11 Infrastructure and Ground Attachments Affected by the Project**

14. The Project affects 11 types of ground attachments and infrastructure, including toilets, tombs and trees. See Table 2-7.

**Table 2-7: Summary of Affected Ground Attachments**

Item	Unit	Qty.
Livestock pens	m <sup>2</sup>	1,610
Brick enclosing walls	m <sup>3</sup>	1,767
Earth enclosing walls	m <sup>3</sup>	1,000
Toilets	/	87
Tombs	/	7
Concrete ground	m <sup>2</sup>	3,576
Wells	m <sup>3</sup>	12
Prickly ash	Just fruit-bearing	65
Eucalyptus	Diameter at breast height 5-10cm	58
Peach	Just fruit-bearing	33
Bamboo	m <sup>2</sup>	4

**2.12 Source: Estimates made by Design Institute based on FSR, January 2012.**

### **2.13 Affected Population**

#### **2.13.1 Summary**

15. The Project affects 446 households and four enterprises with 2,089 persons in total, in which 359 households with 1,559 persons are affected by the LA only, 37 households with 156 persons by the HD only, and 50 households with 234 persons by both the LA and HD, and four enterprises with 140 workers temporarily affected by the HD. See Table 2-8.

**Table 2-8: Summary of Affected Population**

No.	Item	Lucheng								Subtotal	
		10# road		11# road		17# road		49# road			
		HHs	Persons	HHs	Persons	HHs	Persons	HHs	Persons	HHs	Persons
1	Residents	24	109	151	668	189	812	82	360	446	1,949
	Affected by LA only	15	61	133	585	129	553	82	360	359	1,559
	Affected by HD only	7	35	0	0	30	121	0	0	37	156
	Affected by both LA and HD	2	13	18	83	30	138	0	0	50	234
2	Enterprises			4	140					4	140
Total		24	109	155	808	189	812	82	360	450	2,089

### 2.13.2 Affected Vulnerable Groups

16. The vulnerable groups include 29 households with 32 persons affected, in which four households are affected by both the LA and HD, and the other 25 households by the LA only. They including 10 MLS households with 10 persons, 3 five-guarantee households with 4 persons and 16 households with 18 persons affected by disability. See Table 2-9.

**Table 2-9: Summary of Affected Vulnerable Groups**

City	Town	Village	MLS HHs		Five- guarantee HHs		HHs with disability persons		Total	
			HHs	APs	HHs	APs	HHs	APs	HHs	APs
Chuxiong	Lucheng	Qinglong	5	5	0	0	3	3	8	8
		Fumin	0	0	3	4	7	9	10	13
		Dadong	5	5	0	0	6	6	11	11
Total			10	10	3	4	16	18	29	32

### 2.13.3 Impacts on Women

17. 1,073 females are affected by the Project, accounting for 51.36% of all APs. No household composed only of a single female laborer arising from bereavement of spouse, divorce or abandonment has been identified among all the AHs. Female residents will be more convenient to travel for their daily life and family care after the road network construction. They will have opportunity to be hired by the project during the project construction and operation. They will participate in public awareness related to traffic safety.

### 2.13.4 Affected Ethnic Minorities

18. The affected population is composed essentially of Han people, and there are only four minority persons in Yi and Lisu, all introduced into the project area by marriage.

### 3. Socioeconomic Profile

#### 3.1 Socioeconomic Profile of the Project Area

##### 3.1.1 Socioeconomic Profile of Chuxiong City

19. Chuxiong City is located in the central northern part of Yunnan Province, and is the political, economic and cultural center and window of reform and opening up of Chuxiong Yi Autonomous Prefecture. The city governs 11 towns and 4 townships, with a territory of 4,433 km<sup>2</sup> and a population of 510,500 (2010).

20. In 2010, the city's GDP was 16.42737 billion yuan, and the contribution of primary (agriculture), secondary (manufacture and construction) and tertiary (services) industries to its national economic growth were 6.3%, 59.5% and 34.2%, respectively.

**Table 3-1: Socioeconomic Profile of Chuxiong City**

No.	Item	Unit	Chuxiong City
1	Land area	km <sup>2</sup>	4,433
1.1	Cultivated area	0,000 <i>mu</i>	34.74
2	Population	people	510,458
2.1	Agricultural population	people	354,132
2.2	Nonagricultural population	people	156,326
3	GDP	0,000 yuan	1,642,737
3.1	Primary industries	0,000 yuan	163,780
3.2	Secondary industries	0,000 yuan	937,198
3.3	Tertiary industries	0,000 yuan	541,759
3.4	Per capita GDP	yuan	32,181
4	Per capita disposable income of urban residents	yuan	17,006
5	Per capita net income of farmers	yuan	4,434

##### 3.1.2 Socioeconomic Profile of the Affected Town

21. **Lucheng Town** is a political, economic and cultural center of Chuxiong City, with a territory of 372 km<sup>2</sup>, a cultivated area of 28,006 mu, including 23,518 mu of irrigated land and 4,488 mu of non-irrigated land, and a population of 221,400. The city governs 16 urban communities, 6 villages and 275 village and community groups.

22. In 2010, the town's gross social and economic income was 12.243 billion yuan, urban residents' per capita disposable income 17,006 yuan, and rural per capita net income 5,537 yuan.

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

23. The three rural communities affected by the Project have an average population of 4 per household, a per capita cultivated area of 0.32-1.26 mu, and per capita income of 3,845-6,128 yuan. The traditional crops of the affected communities are paddy rice and wheat. The affected villages are located advantageously beside the trunk roads to be constructed, where the non-agricultural economy is developed, agriculture is no longer a major income source, and the main income sources are industry and service industries.

**Table 3-2: Socioeconomic Profile of the Affected Communities in 2010**

Town	Community	HHs	Population	Agricultural population	Labor force	Cultivated area (mu)	Average population per household	Per capita cultivated area (mu)	Farmers' per capita net income (CNY)
Lucheng	Qinglong	528	2,247	2,206	1,983	3,306	4	1.47	6,128
	Fumin	891	3,730	3,689	3,411	3,194	4	0.86	4,486
	Dadong	366	1,501	1,392	1,195	2,365	4	1.58	3,845

**3.2 Source: Lucheng Town statistics, 2011.**

### **3.3 Socioeconomic Profile of the Affected Population**

24. According to the estimate of 446 AHs with 1,949 persons affected directly by the Project, 93 households with 428 persons were sampled, accounting for 20.85%. See Table 3-3.

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

No.	Town	Community	Group	Number of AHs	Samples		Sampling rate (%)
					HHs	Population	
1	Lucheng	Qinglong	Xuyang 2	25	6	25	24.00
2			Xuyang 3	28	6	26	21.43
3			Heiniba	24	4	97	16.67
4			Yangjitun	18	6	13	33.33
5		Fumin	Shangcun 4	10	2	10	20.00
6			Zhongcun 2	61	12	35	19.67
7			Zhongcun 3	62	10	41	16.13
8			Xiacun	74	12	34	16.22
9		Dadong	Xiaodong 1	16	4	21	25.00
10			Xiaodong 2	13	5	9	38.46
11			Xiaodong 3	8	2	12	25.00
12			Dadongcun	23	6	35	26.09
13			Huangtupo	32	7	31	21.88
14			Longtan'ao	52	11	39	21.15
Total				446	93	428	20.85

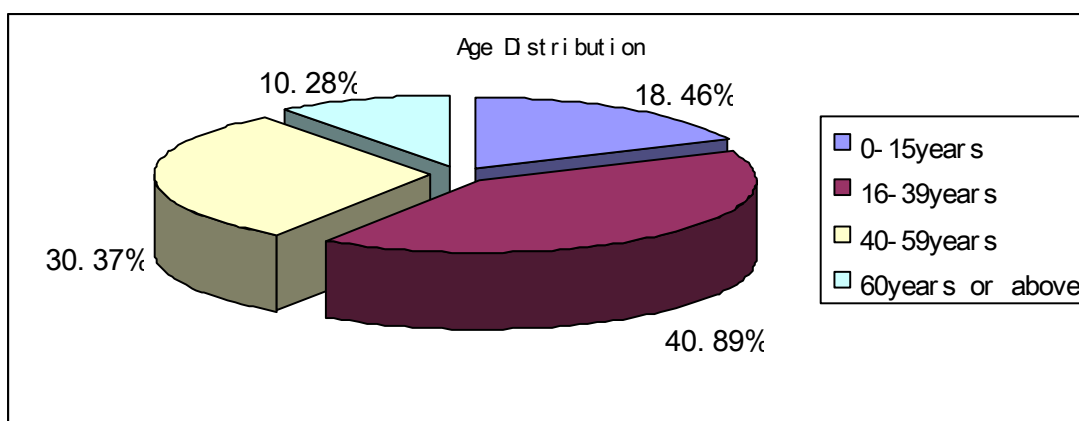
**3.4 Source: Resettlement consulting team of Hohai University, January 2012.**

#### **(i) Ethnic and gender analysis**

25. The 93 sample households have 344 laborers and an average population of 4.6 per household. There is one minority household with 4 persons, being Yi and Hui people, accounting for 0.93% of total population; there are 213 females, accounting for 49.77% of total population; women deal with crop cultivation and housework mainly.

#### **(ii) Age structure**

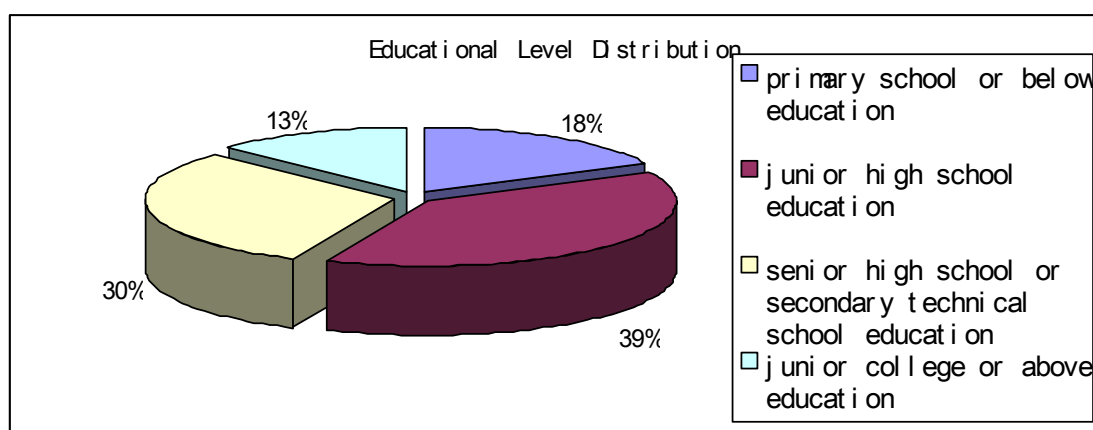
26. Among the 428 sample persons, 79 are aged 0-15 years, accounting for 18.46%; 175 are aged 16-39 years, accounting for 40.89%; 130 are aged 40-59 years, accounting for 30.37%; and 44 are aged 60 years or above, accounting for 10.28%. See Figure 3-1.



**Figure 3-1: Age Distribution**

**(iii) Educational level**

27. Among the 428 sample persons, 75 have received primary school or below education, accounting for 17.52%; 168 have received junior high school education, accounting for 39.25%; 130 have received senior high school or secondary technical school education, accounting for 30.37%; and 35 have received junior college or above education, accounting for 12.85%. See Figure 3-2.



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

**(iv) Housing size**

28. The houses of the 93 sample households are in masonry concrete or earth timber structure mainly, with a total size of 24,266.49 m<sup>2</sup>, 260.93 m<sup>2</sup> per household on average and 56.7 m<sup>2</sup> per capita.

**(v) Farmland resources**

29. The 93 sample households with 428 persons have an average cultivated area of 4.97 mu per household and 1.08 mu per capita. The cultivated land is irrigated and non-irrigated land mainly, and the main crops are paddy rice and corn. Average annual net income is about 500 yuan per mu.

**(vi) Household properties**

30. Among the 93 sample households, an average household has 1.31 TV sets, 0.73 refrigerator / air-conditioner, 0.28 hi-fi, 2.98 fixed telephones / mobile phones, 0.76 bicycle / motorcycle, and 0.07 tractor / pump. Based on household properties, the AHs have a medium living standard.



**(vii) Household income and expenditure**

a. Annual household income

31. Among the 93 sample households, average annual household income is 27,384.28 yuan, including agricultural income of 1,473.27 yuan, accounting for 5.38%; and average annual household net income is 14,334.46 yuan. The major income sources are non-farm employment and self-business operations. Women are usually engaged in both farming and handicrafts. Male laborers mostly work locally or outside on non-farm employment.

b. Annual household expenditure

32. Average annual gross household expenditure is 16,587.93 yuan, in which productive expenditure is 3,677.54 yuan, accounting for 22.17%; nonproductive expenditure 12,767.73 yuan, 76.97%; and tax payment 142.66 yuan, accounting for 0.86%. See Table 3-4.

**Table 3-4: Sampling Survey on Household Income and Expenditure of the AHs**

Item		Percent (%)	Average income per household (CNY)	Per capita income (CNY)
Annual household income	Agricultural income	5.38	1,473.27	368.32
	Forestry income	2.13	583.29	145.82
	Stockbreeding income	2.08	569.59	142.40
	Industrial income	1.73	473.75	118.437
	Building income	10.75	2,943.81	735.95
	Transport income	7.53	2,062.04	515.51
	Trading and catering service income	15.13	4,143.24	1,035.81
	Other nonagricultural income	18.3	5,011.32	1,252.83
	Employment income	30.7	8,406.97	2,101.74
	Collective distribution income	4.13	1,130.97	282.74
	Property income	2.14	586.02	146.51
	<b>Subtotal</b>	<b>100</b>	<b>27,384.28</b>	<b>6,846.07</b>
Annual household expenditure	Productive expenditure	22.17	3,677.54	919.39
	Nonproductive expenditure	76.97	12,767.73	3,191.386
	Tax payment	0.86	142.66	35.66
	<b>Subtotal</b>	<b>100</b>	<b>16,587.93</b>	<b>4,146.98</b>

**(viii) Survey on Expected Resettlement Modes**

33. The survey findings are as follows:

**88 sample households affected by LA:**

- Awareness: 75% of the respondents are aware the Project, 14.8% are not quite clear, and 10.2% are unclear.
- Attitude: 97.7% of the respondents agree to the construction of the Project, and, 2.3% don't care.
- Expected resettlement modes: 93.2% of the respondents are unwilling to

continue to farm; 89.8% are willing to be converted into urban status in household registration; 94.3% are willing to participate in social security; and 63.6% are willing to attend skills training. See Table 3-5.

**20 sample households affected by HD:**

- Awareness: 80% of the respondents are aware that the Project, and 20% are not quite clear.
- Attitude: 90% of the respondents agree to the construction of the Project, and 10% don't care.
- Concerns about resettlement: 25% of the respondents are concerned about housing location; 65% of them are concerned about preferential loan for house building or agriculture production; 5% about housing size and layout; 45% about an open and transparent housing / site selection process; and 15% about land / housing price.
- Housing resettlement: 95% of the respondents require resettlement on new housing plots, they prefer to exchange housing, and 5% agree with resettlement in housing constructed in a unified manner. See Table 3-6.

**Table 3-5: Public Opinion Questionnaire for Households Affected by LA**

No.	Question	Answer	Percentages of choices (%)					Total
			1	2	3	4	5	
1	Are you aware that the Project is about to be constructed?	(1) Yes; (2) Not quite clear; (3) No	75	14.8	10.2	\	\	\
2	Do you approve of the construction of the Project?	(1) Yes; (2) No; (3) Don't care	97.7	0	2.3	\	\	\
3	To whom is the Project beneficial? (Multiple choices allowed)	a) State: (1) Yes; (2) No	98.9	1.1	\	\	\	\
		b) Collective: (1) Yes; (2) No	100	0	\	\	\	\
		c) Individual: (1) Yes; (2) No	96.6	3.4	\	\	\	\
4	Are you aware of the compensation policy for LA?	(1) Yes; (2) No	52.4	47.6	\	\	\	\
5	Are you willing to accept LA to support the Project?	(1) Yes; (2) No	95.3	4.7	\	\	\	\
6	After LA, are you willing to continue to farm?	(1) Yes; (2) No	6.8	93.2				
7	After LA, are you willing to be converted into urban status in household registration?	(1) Yes; (2) No	10.2	89.8				
8	After LA, are you willing to get employed?	(1) Yes; (2) No	54.5	45.5				
9	After LA, are you willing to do business?	(1) Yes; (2) No	35.2	64.8				
10	After LA, are you willing to participate in social insurance?	(1) Yes; (2) No	94.3	5.7				
11	After LA, are you willing to attend skills training?	(1) Yes; (2) No	63.6	36.4				
12	If your lawful rights and interests are infringed on, do you know that you may file an appeal?	(1) Yes; (2) No	100	\	\	\	\	\

**Table 3-6: 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	80	20		\	\	\
2	Do you approve of the construction of the Project?	(1) Yes; (2) No; (3) Don't care	90	0	10	\	\	\
3	To whom is the Project beneficial? (Multiple choices allowed)	a) State: (1) Yes; (2) No	100	0	\	\	\	\
		b) Collective: (1) Yes; (2) No	100	0	\	\	\	\
		c) Individual: (1) Yes; (2) No	90	10	\	\	\	\
4	Are you aware of the compensation policy for HD?	(1) Yes; (2) No	70	30	\	\	\	\
5	Are you willing to accept HD and resettlement to support the Project?	(1) Yes; (2) No	100		\	\	\	\
6	What's your preferred mode of resettlement?	(1) Unified construction; (2) Housing site allocation	5	95				
7	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	35	25	40			
8	In case of unified construction, what's your preferred housing size?	(1) 120-150 m <sup>2</sup> ; (2) Other	95	5				
9	What's your preferred location of resettlement housing?	(1) The same community group; (2) The same village/community; (3) The same township; (4) Other	30	60	10			
10	If your lawful rights and interests are infringed on, do you know that you may file an appeal?	(1) Yes; (2) No	100	\	\	\	\	\
11	What are your greatest concerns about HD?	(1) Housing location; (2) Preferential lending; (3) Housing size; (4) Open, transparent site/ housing selection process; (5) Land/housing price	25.0	65.0	5.0	45.0	15.0	
12	Your preferred location of resettlement housing	(1) The same group; (2) The same village/community; (3) The same township	30.0	60.0	10.0			
13	Your preferred mode of housing resettlement	(1) Housing constructed in a unified manner; (2) New housing plots for self-construction	5.0	95.0	\	\	\	\

### 3.5 Overview of the Affected Enterprises

34. Four enterprises are affected by the Project. See Table 3-7.

**Table 3-7: Summary of Impacts of Non-residential House Demolition**

Name	Main business	Work force	Where		Annual turnover (0,000)	Annual profit (0,000)	Average annual pay per employee (CNY)		Property owned or leased?	Rent (CNY/year)
			Males	Females						
							Contracted	Casual		
Xincheng Co.	Timber processing	30	15	15	10	4	18,000	15,000	Leased	2,100
Dongyan Co.	Bankrupt	0	0	0	0	0	0	15,000	Leased	2,100
Sengui Fungi	Fungus processing	40	15	25	30	12	25,000	15,000	Leased	3,000
Baicaoling Pharmaceutical	Medicine production	70	40	30	50	15	30,000	18,000	Leased	3,000

## **4. Legal Framework and Policies**

### **4.1 Laws, Regulations and Policies Applicable to Resettlement**

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

#### **(i) ADB policies**

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

#### **(ii) Laws, regulations and policies of the PRC**

- Land Administration Law of the PRC (amended on August 28, 2004)
- Notice of the Ministry of Land and Resources on Doing a Better Job in Land Acquisition Management (June 2010)
- Measures for the Preliminary Examination and Management of Land Used for Construction Projects (Decree No.27 of the Ministry of Land and Resources) (November 1, 2004)
- Notice on Further Improving the Rural Housing Site Management System, and Protecting Farmers' Rights and Interests Practically (March 2, 2011)
- Guidelines of the State Council on Carrying out Trials on New-type Rural Social Endowment Insurance (SC [2009] No.32)

#### **(iii) Provincial and local regulations and policies**

- 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)

#### **(iv) Regulations and policies of Chuxiong Prefecture**

- Notice of the Chuxiong Prefecture Government on Doing a Better Job in Minimum Living Security for Destitute Rural Residents (CPG [2007] No.49)
- Notice of the Women's Federation and Finance Bureau of Chuxiong Prefecture on Establishing the Special Fund for Supporting Women's Business Startup and Employment (CPWF [2010] No.19)
- Interim Measures for Basic Endowment Insurance for Land-expropriated Farmers of Chuxiong Prefecture (Announcement No.13 of the Chuxiong Prefecture Government) (September 5, 2009)

#### **(v) Regulations and policies of Chuxiong City**

- Notice of the Chuxiong City Government on Updating Replacement Cost Rates for Different Types of Houses (CCG [2010] No.182)
- Notice of the Chuxiong City Government on Issuing the Administrative Measures for Collective Land Acquisition of Chuxiong City (CCG [2010] No.183) (October 2010)
- Notice of the Chuxiong City Government on Issuing the Administrative Measures of Chuxiong City for Compensation for Houses on Collective

Land (CCG [2010] No.184)

- Notice of the Chuxiong City Government on Issuing the Administrative Measures of Chuxiong City for the Relocation and Resettlement of Land-expropriated Farmers in Urban Construction (CCG [2010] No.185)
- Notice of the Chuxiong City Government on Issuing the Implementation Plan for the Relocation and Resettlement of Land-expropriated Farmers in the Southeast New Town (CCG [2010] No.187)
- Notice of the Chuxiong City Government on Issuing the Measures of Chuxiong City for Basic Endowment Insurance for Land-expropriated Farmers (CCG [2010] No.186)

## **4.2 Abstract of ADB Policies**

### **4.2.1 Involuntary Resettlement**

36. The displaced persons (called affected persons, or APs in the RP) 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.

37. 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 Gender and Development**

38. ADB's gender and development policy is a critical mainstreaming strategy in promoting gender equality, and includes the following key points and a separate gender action plan was prepared for the project:

- 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;
- Gender analysis: A systematic analysis of the project's impacts on men and women should be made to learn their economic and social connections;
- Gender planning: A special strategy that offers equal opportunities to men and

women should be developed;

- 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.

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

39. See Appendixes 1 and 2 for an abstract of laws and regulations of the PRC, and policies of Yunnan Province.

#### **4.4 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 RP.

##### **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 RP 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 RP. The requirements for internal and external monitoring reporting are specified in the RP.

## **4.5 Compensation Principles of the Project**

40. 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.

41. 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 (i) 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; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) 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.

**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 RP.
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 RP 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	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.
8	All resettlement cost is included in the project budget and sufficient to cover all affected aspects.
9	The IA and an external monitoring agency will monitor and measure the progress of implementation of the RP and will prepare monitoring reports to ensure that the implementation of the RP has produced the desired outcomes.

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

42. The cut-off date for the eligibility for compensation is May 30, 2013, which was disclosed after the Feasibility Study Report is adopted. 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.

#### **4.7 Compensation Rates**

##### **4.7.1 Collective Land Acquisition**

43. According to the relevant law and regulations of PRC and Yunnan Province, compensation fees for cultivated land acquisition include (i) land compensation fees, (iii) resettlement subsidies and (iii) compensation for green crops. It is found that the compensation rates for the LA of Chuxiong City are higher than the uniform AAOV rate for LA of Yunnan Province of 52,029 yuan/mu, so compensation can make up the annual loss per mu (see Table 4-3). Based on an average net income from farming (500 yuan/mu), the compensation is equivalent to 100 years of agricultural income. The compensation is acceptable to the AHs, and meet ADB's requirement for compensation in full replacement cost.

**Table 4-1: Multiples and Rates of Compensation Fees for Collective Land Acquisition**

Town	Grade	Cultivated Land (CNY/mu)	Compensation rate for young crops		Housing land (CNY/mu)	Fishponds (CNY/mu)	Unused land (CNY/mu)
			Vegetable and irrigated land (CNY/mu per annum)	Compensation for fishpond losses (CNY/ton)			
Lucheng	1	80,000	1,500	2,000	40,000	80,000	6,000

**Table 4-2: Comparison between Compensation Rates of Yunnan Province and the Project**

Town	Grade	Compensation rate for LA in the Project (A) (CNY/mu)	Uniform AAOV rate of Yunnan Province (B) (CNY/mu)	Increased (A-B) (CNY/mu)
Lucheng	1	80,000	72,184	7,816

## 4.7.2 Compensation Rates for House Demolition

### 4.7.2.1 Residential houses

44. According to the applicable provisions, all urban residential houses on state-owned land and rural residential houses on collective land are compensated for at full replacement cost based on market appraisal, which is not less than the benchmark compensation rates for the HD fixed for the Project. In addition to compensation for the HD, the households affected by HD also receive a moving subsidy, a transition subsidy and other subsidies. Housing plots for resettlement is available for the displaced households, and the plot for resettlement is decided by the village congress, preferably within the same group. Road, water and electricity supplies and land preparation of housing sites are provided by the IA, and the relevant costs are included in the construction budget of the Project.

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

Type of impact		Structural type	Unit	Benchmark rate (CNY)	Remarks
Demolition of houses on state-owned and collective land	House compensation	Housing land	CNY/m <sup>2</sup>	60	Compensation rates for houses are based on market appraisal but not less than the benchmark rates fixed for the Project.
		Masonry concrete	CNY/m <sup>2</sup>	1,091.5	
		Masonry timber	CNY/m <sup>2</sup>	497	
		Earth timber	CNY/m <sup>2</sup>	448.8	
	Other compensation	Moving subsidy	CNY/m <sup>2</sup>	4	Applicable to two relocations; 600 yuan per household for a housing size of not more than 150 m <sup>2</sup>
		Transition subsidy	CNY/m <sup>2</sup> per month	3	From the date of emptying and handing over the house to the completion of resettlement housing
		Early moving reward	CNY per household	4,000	Emptying and handing over the house
				2,000	
				1000	

#### 4.7.1.2 Non-residential properties

45. Non-residential structure is demolished along with residential houses because they are integrated together. The compensation rates are presented in Table 4-4.

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

Type of impact		Structural type	Unit	Benchmark rate (CNY)	Remarks
Demolition of houses on state- owned and collective land	House compensation	Reinforced concrete	CNY/m <sup>2</sup>	1,570	All commercial stores involved in the Project are in mixed commercial and 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, including partial demolition of buildings of enterprises.
		Masonry concrete	CNY/m <sup>2</sup>	1,091.5	
		Masonry timber	CNY/m <sup>2</sup>	497	
	Other compensation	Compensation rate for losses from production or business suspension	CNY/m <sup>2</sup>	50	

#### 4.7.3 Compensation for Infrastructure and Ground Attachments

46. The compensation rates for infrastructure and ground attachments affected by the Project based on replacement cost are presented in Table 4-5.

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

Item	Unit	Compensation rate
Livestock pens	CNY/m <sup>2</sup>	224.5
Brick enclosing walls	CNY/m <sup>3</sup>	402
Earth enclosing walls	CNY/m <sup>3</sup>	118
Toilets	Masonry, simple	600
Tombs	Masonry, simple (yuan each)	1040
Concrete ground	CNY/m <sup>2</sup>	39
Wells	CNY/m <sup>3</sup>	362.4
Prickly ash	Just fruit-bearing (CNY each)	60
Eucalyptus	Diameter at breast height 5-10 cm (CNY each)	10
Peach	Just fruit-bearing (CNY each)	40
Bamboo	m <sup>2</sup>	40

#### 4.7.4 Rates of Taxes and Other costs

47. The other relevant costs including various taxes and administration fee are presented in Table 4-6.

**Table 4-6: Tax Rates on Resettlement**

No.	Item	Tax rate	Policy basis
1	Land reclamation costs	CNY10,500/ <i>mu</i>	Measures of Yunnan Province for the Collection and Utilization of Land Reclamation Costs (YPGO [2009] No.34)
2	Fees for compensated use of new construction land	CNY9,333.38/ <i>mu</i>	Notice of the Ministry of Finance, the Ministry of Land and Resources, and the People's Bank of China on Adjusting the Policy on Fees for Compensated Use of New Construction Land (CZ [2006] No.48), Notice of the Ministry of Finance, and the Ministry of Land and Resources on Adjusting Collection Levels of Fees for Compensated Use of New Construction Land in Some Areas (CZ [2009] No.24)
3	Fee for quality of cultivated land <sup>1</sup>	CNY186,667.6/ <i>mu</i>	Opinions of the Yunnan Provincial Government on Strengthening Farmland Protection and Promoting Scientific Urbanization (YPG [2011] No.85)
4	Farmland occupation tax	CNY14,666.7/ <i>mu</i>	Measures for the Implementation of Farmland Occupation Tax of Yunnan Province (Decree No.149 of the Yunnan Provincial Government, October 30, 2008)
5	Basic pensions for LEFs	CNY20,000/ <i>mu</i>	Interim Measures for Basic Endowment Insurance for Land-expropriated Farmers of Yunnan Province (YPG [2008] No.226)
6	LA management costs	2.1% of total LA costs	Notice of the Yunnan Provincial Planning Commission and Finance Department on Adjusting Management Cost Rates for Land Acquisition (YPF [2003] No.46)

#### 4.8 Entitlement Matrix

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

<sup>1</sup> According to Chuxiong Prefecture PMO, 70% of the fee will be returned to Chuxiong City, and 10% of the fee will be returned to Chuxiong Prefecture after the land approved by land and resources department.

**Table 4-7: Entitlement Matrix**

Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
Permanent LA	584.76 mu, including 477.3 mu of cultivated land, 39.1 mu of fishponds, 60.44 mu of housing land and 7.92 mu of unused land	409 households with 1,793 persons in Qinglong, Fumin and Dadong Communities, Lucheng Town	<ul style="list-style-type: none"> <li>(i) Cash compensation: The compensation rates are 80,000 yuan/mu for cultivated land, 80,000 yuan/mu for fishponds, 40,000 yuan/mu for housing land and 6,000 yuan/mu for unused land. Land compensation fees and resettlement subsidies are managed centrally by the village collective, and the income thereon is distributed at the year end. These funds are used mainly for collective investment (e.g., bazaar construction on returned land) and public welfare (e.g., infrastructure construction, benefit distribution and poverty relief). Funds are used subject to collective discussion, and approved by town levels. In addition, the remaining land will be reallocated evenly amongst all rural villagers. The compensation for ground attachments and young crops are paid to their proprietors.</li> <li>(ii) Agricultural resettlement: including land readjustment, crop cultivation and stockbreeding planning</li> <li>(iii) Employment: The employment of LEFs will be promoted through employment by local enterprises and under the Project.</li> <li>(iv) Small-amount secured loan: LEFs will be supported pursuant to applicable policies.</li> <li>(v) Skills training: 2,000 men-times will be trained for free under the Project.</li> <li>(vi) Social security: Security measures will be offered pursuant to policies on endowment insurance for LEFs and new-type rural/urban endowment insurance.</li> </ul>	Measures for land compensation allocation, land reallocation and production investment (cultivation and irrigation skills, tertiary industries, etc.) will be determined by the village meeting. Training will be approved and supervised by the government at the next higher level.
Residential house demolition	28,622 m <sup>2</sup> , including 8,415 m <sup>2</sup> in masonry concrete structure, 8,285 m <sup>2</sup> in masonry timber structure and 11,922 m <sup>2</sup> in earth timber structure	87 households with 390 persons in Qinglong and Fumin Communities	<ul style="list-style-type: none"> <li>(i) House compensation: at full replacement cost for different structural types and quality levels</li> <li>(ii) The AHs will receive a moving subsidy and a transition subsidy.</li> <li>(iii) All 87 households affected by HD will receive compensation for their houses and attachments through market appraisal. The resettlement modes available for residential houses include: a) resettlement in storied buildings; b) cash compensation; c) resettlement on housing sites and otherwise.</li> </ul>	The resettlement community is located in the Southeast New Town, with the three supplies and one leveling provided by the IA.
Relocation of enterprises	4 enterprises with a total area of 1,350 m <sup>2</sup>	140 workers	<ul style="list-style-type: none"> <li>(i) Affected properties are compensated for at the rates for non-residential houses (see Table 4-4).</li> <li>(ii) They will receive a moving subsidy, and compensation for losses from production or business suspension.</li> <li>(iii) Local government will assist them to find a new location to buy or lease.</li> </ul>	
Women	/	1,073 women	<ul style="list-style-type: none"> <li>(i) 750 persons are in working age.</li> <li>(ii) Women have priority in employment, and at least 320 persons will receive unskilled jobs.</li> </ul>	

Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
			(iii) Women 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. (iv) Women will receive relevant information during resettlement, and are encouraged to participate in resettlement consultation. Special women FGDs will be held to introduce resettlement policies.	
Vulnerable groups	MLS households	10 households with 10 persons	(i) Laborers in vulnerable households have priority in receiving training and job opportunities. Two members (at least one woman) of each AH will receive livelihood training and prior job opportunities, e.g., participation in project construction. (iii) Each affected vulnerable household will receive a destitution subsidy of 2,000 yuan.	
	Five-guarantee households	3 households with 4 persons		
	Households affected by disability	16 households with 18 persons		
Special facilities and ground attachments	11 types, including toilets, trees	Proprietors	(i) 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. (ii) Compensation fees are calculated and disbursed for ground attachments as stipulated.	
Grievances and appeals	/	All APs	Free; all costs so reasonably incurred will be paid by the Project from the contingencies.	

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

### **5.1 Impacts of Permanent LA and Resettlement Programs**

49. The acquisition of collective land for the Project affects 409 households with 1,793 persons in 14 groups of three communities (villages) in Lucheng Town.

50. Based on FGDs with community officials, and representatives of the APs that in the three affected communities, land compensation fees and resettlement subsidies are managed centrally by the village collective, and the income thereon is distributed at the year end. The funds are used mainly for collective investment and public welfare (e.g., bazaar construction on returned land infrastructure construction, benefit distribution and poverty relief), and used subject to collective discussion, and approved by town levels. In addition, the remaining land is readjusted evenly to make up for the losses of AHs. Thus, all AHs are affected to the same extent. Therefore, land losses of the affected households and groups are analyzed.

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

51. The acquisition of collective land for the Project affects 409 households with 1,793 persons in 14 groups of three communities in Lucheng Town, and 584.76 mu of collective land will be acquired in total.

##### **5.1.1.1 Analysis of lost land resources**

52. Through a comparative analysis of the cultivated areas of each affected community before and after the LA, land loss rate ranges from 8.51% (Dadong Community) to 27.86% (Fumin Community).

53. Among the 14 groups of three communities, 10 groups have a land loss rate of less than 20%, accounting for 71.4%, and the other four groups have a land loss rate of 30%-54%. See Table 5-1.

##### **5.1.1.2 Analysis of lost income**

54. Based on an analysis of the annual lost income of the AHs, per capita lost income ranges from 954.73 yuan (Heiniba Group, Qinglong Community) to 134.71 yuan (Huangtupo Group, Dadong Community); Heiniba Group has the highest income loss rate of 15.58%, followed by Xuyang Group 3, Qinglong Community (15.05%) and Yangjitun Group (10.91%), and the income loss rates of AHs in the other 11 groups are less than 10%. See Table 5-1. The income loss rate at the groups level will be considerably less in most cases, will would be the aveage loss for villages once the cultivated land is readjusted.

55. In Lucheng Town, the main crops are paddy rice and wheat. Since the town 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. Many laborers in the three communities engage in transport and construction work mainly, and mostly work outside. The three communities have their own community-run enterprises, mostly brickyards and stock farms, so that surplus labors work in these enterprises to earn wage income. Some women and elderly people operate shop fronts or lease their houses for extra income due to the town's vicinity to the urban area. Therefore, there is almost no household that relies only on agricultural income.



Table 5-1: Impact Analysis of Collective Land Acquisition

Town	Community	No.	Village group	Before LA				After LA				Impact of LA			Income loss of AHs (yuan)			
				Number of HHs	Population	Cultivated area (mu)	Per capita cultivated area (mu)	Affected HHs	Affected population	Cultivated area (mu)		Per capita cultivated area after LA (mu)	Percent of HHs (%)	Percent of population (%)	Land loss rate (%)	Annual income loss (yuan)	Average loss per household (yuan)	Per capita loss (yuan)
Lucheng	Qinglong	1	Xuyang 2	61	301	109	0.36	25	125	21.12	0.29	40.98	41.53	19.38	31680	1267.20	253.44	4.14
		2	Xuyang 3	40	182	126	0.69	28	109	67	0.32	70.00	59.89	53.17	100500	3589.29	922.02	15.05
		3	Heiniba	181	695	520	0.75	17	74	47.1	0.68	9.39	10.65	9.06	70650	4155.88	954.73	15.58
		4	Yangjitun	182	767	243	0.32	18	83	37	0.27	9.89	10.82	15.23	55500	3083.33	668.67	10.91
	Fumin	5	Shangcun 4	40	156	111	0.71	10	47	6.5	0.67	25.00	30.13	5.86	9750	975.00	207.45	4.62
		6	Zhongcun 2	120	503	202.3	0.4	61	259	72.1	0.26	50.83	51.49	35.64	108150	1772.95	417.57	9.31
		7	Zhongcun 3	81	346	224.27	0.65	50	224	49.5	0.51	61.73	64.74	22.07	74250	1485.00	331.47	7.39
		8	Xiacun	81	313	166.33	0.53	56	233	79.61	0.28	69.14	74.44	47.86	119415	2132.41	512.51	11.42
	Dadong	9	Xiaodong 1	33	150	173.6	1.16	16	75	18.13	1.04	48.48	50.00	10.44	27195	1699.69	362.60	9.43
		10	Xiaodong 2	30	139	142.2	1.02	13	56	10.49	0.95	43.33	40.29	7.38	15735	1210.38	280.98	7.31
		11	Xiaodong 3	32	128	111.5	0.87	8	31	5.83	0.83	25.00	24.22	5.23	8745	1093.13	282.10	7.34
		12	Dadongcun	82	371	371.01	1	23	103	21	0.94	28.05	27.76	5.66	31500	1369.57	305.83	7.95
		13	Huangtupo	41	192	171	0.89	32	154	13.83	0.82	78.05	80.21	8.09	20745	648.28	134.71	3.50
		14	Longtan'ao	63	277	196.6	0.71	52	220	28.09	0.61	82.54	79.42	14.29	42135	810.29	191.52	4.98
Total				1,700	7234	4,859.47		409	1,793	477.3								

### 5.1.2 Livelihood Restoration Measures for LEFs

56. The main livelihood restoration measures available to LEFs include:

- (i) **Return of land:** 10% of the acquired land area is returned to the affected village groups, and used for production and living restoration. This land is used to build stores or bazaars for rent, and all APs will receive rental income.
- (ii) **Agricultural resettlement:** Compensation fees are used for crop cultivation or stockbreeding, and middle-aged people engaged in crop cultivation or stockbreeding is provided with agricultural skills training to increase the value of remaining land.
- (iii) **Placement to public welfare jobs:** The government will offer public welfare jobs to LEFs with priority, especially vulnerable groups and middle-aged women.
- (iv) **Assistance for employment:** The government will provide employment information to the APs and encourage local enterprises to employ the APs with priority. In addition, vocational skills training will be provided to young employees under the Project.
- (v) **Land readjustment:** After the LA, the collective community may readjust its remaining land and contract to interested AHs. Some AHs may contract land in other villages or communities. The local government's support for the work is required.
- (vi) **Self-employment:** e.g., doing small business, running a restaurant or transport.
- (vii) **Endowment insurance:** All APs with per capita cultivated area of less than 0.3 mu are included in endowment insurance, and pensions are paid to men attaining 60 years or women attaining 55 years. There are four groups meet this criterion, which are Xuyang 2, Yangjitun, Zhongcun2, and Xiacun.

### 5.1.3 Income Restoration Analysis of LEFs

57. Resettlement and income restoration programs for land-expropriated farmers (LEFs) are based on the degree of 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**

Community	Affected HHs	Affected population	Expected resettlement mode					
			Cash compensation	Land adjustment	Crop cultivation	Stock breeding	Employment	Social security
Qinglong	88	391	88	12	8	5	42	88
Fumin	177	763	177	65	4	18	98	177
Dadong	144	639	144	20	11	10	73	144
<b>Total</b>	<b>409</b>	<b>1793</b>	<b>409</b>	<b>97</b>	<b>23</b>	<b>33</b>	<b>213</b>	<b>409</b>
<b>Percent (%)</b>			<b>100</b>	<b>23.72</b>	<b>5.62</b>	<b>8.07</b>	<b>52.08</b>	<b>100</b>

58. 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:

### 5.1.3.1 Cash compensation and land adjustment

59. The affected groups and households are compensated in cash and resettlement subsidies, where the compensation rate for cultivated land is 80,000 yuan/mu (excluding young crop compensation fees), that for fishponds 80,000 yuan/mu and that for unused land 6,000 yuan/mu. The compensation for ground attachments and young crops are paid directly to their proprietors.

60. After receiving cash compensation and readjusted land, the AHs can implement the following agricultural and nonagricultural restoration measures with the assistance of the government, and the affected groups can also lead the APs to develop the collective economy.

### 5.1.3.2 Reserve of land

61. According to the applicable policy of CCG, 10% of the acquired land is allocated to each affected group and distributed evenly among the AHs. AHs that need to rebuild houses will be allocated with the land. Usually mixed commercial and residential buildings are constructed, with stores on lower floors for individual operations or rent as an income source. The land is allocated and used subject to case by case discussion at the village congress. 584.76 mu of cultivated land will be acquired for the Project, so 58.476 mu of land will be allocated for resettlement at the rate of 10%, as shown in Table 5-3.

**Table 5-3: Land to be Allocated the Affected Community Groups**

Town	Community	Group	Permanently acquired land area (mu)	
			Cultivated area	To be returned
Lucheng	Qinglong	Xuyang 2	21.12	2.112
		Xuyang 3	67	6.7
		Heiniba	47.1	4.71
		Yangjitun	37	3.7
	Subtotal		172.22	17.222
	Fumin	Shangcun 4	6.5	0.65
		Zhongcun 2	72.1	7.21
		Zhongcun 3	49.5	4.95
		Xiacun	79.61	7.961
	Subtotal		207.71	20.771
	Dadong	Xiaodong 1	18.13	1.813
		Xiaodong 2	10.49	1.049
		Xiaodong 3	5.83	0.583
		Dadongcun	21	2.1
		Huangtupo	13.83	1.383
		Longtan'ao	28.09	2.809
	Subtotal		97.73	9.773
Total			477.3	47.73

62. Allocated land can be used in 3 modes mainly: (i) Land for resettlement is allocated evenly within the village group, to be further reallocated among households; (ii) Integrated commercial and residential buildings, and/or bazaars or supermarkets are developed collectively by the village group, in which commercial stores are located on the ground floor, and apartments are located on the second floor and above, where stores are distributed among households

evenly for self-operation or lease, or leased by the village collective and rental income is distributed among the registered population at each year end, while apartments are allocated among households evenly or sold to village group members at cost price; (iii) If the amount of returned land is small, it will be reserved for future allocation or utilization along with returned land in other projects. Returned land of the affected village groups will be allocated or used as follows:

**(i) Qinglong Community**

63. In LA activities of past projects, the village groups of this community has reserved 10% of land for resettlement, on which integrated commercial and residential buildings will be built collectively by village groups. The commercial stores are located on the ground and second floors, owned collectively for lease, and the rental income is distributed among the registered population, while apartments are located on the third floor and above for 88 households. These apartments will be allocated evenly among the registered population, and each household will be allocated an apartment by paying for any size difference. This program has been approved and the resettlement site has been chosen, but has not been constructed yet. All groups affected by the Project like to adopt this program. The total land compensation fees and resettlement subsidy the community can obtain is 13,777,600 yuan. It will be monitored to ensure fair allocation among the AHs and others.

**(ii) Fumin Community**

64. Among the 4 affected village groups of Xinhe Community, 20.771 mu of land is returned in total, on which integrated commercial and residential buildings are developed. These buildings have 6 floors, where commercial stores are located on the ground and second floors, and apartments on Floors 3-6 for 177 households. These stores are owned collectively, and rental income will be distributed among the registered population, while the apartments will be allocated evenly among the registered population and owned individually. The returned land under the Project will also be used in this manner. The total land compensation fees and resettlement subsidy which the community could obtain is 16,616,800yuan.

**(iii) Dadong Community**

65. In this community, the returned land is allocated and used in two modes mainly: (i) collective development of integrated commercial and residential buildings by the village group, to be detailed at a village congress; and (ii) average allocation within the village group, to be further reallocated among households. The land compensation fees and resettlement subsidy which the community could obtain is 7,818,400yuan.

**5.1.3.3 Agricultural resettlement**

66. Due to local social, economic and natural restraints, the per capita cultivated area of the affected groups is less than 1.2 mu before the Project. The land loss rates of 10 groups are less than 20%, accounting for 71.43% of all affected groups. In sum, the AHs still have some remaining land, so agricultural development is one of the means of promoting the realization of the livelihood restoration objectives, including the following measures:

**(i) Land reallocation and transfer programs**

***Land readjustment program:***

67. After compensation fees are distributed evenly in the group, the remaining land is readjusted among its population. The allocation program will be discussed at the village congress and submitted to the town government for approval.

***Land transfer (sublease) program:***

68. Although the overall land loss rate in the Project is low, still some AHs will lose much land. Therefore, the Client expects to ensure that the AHs wishing to continue to pursue agricultural production obtain more land resources through land transfer. Of course, land transfer will be made voluntarily.

69. According to the data provided by the city agriculture and forestry bureaus, as of December 30, 2011, rural land transfer had involved 6,113 households in 12 townships, accounting for 7.55% of all farmland contracting households; the total amount of land transferred was 12,612 mu, accounting for 3.8% of the total area of contracted farmland, an increase of 764 mu from 11,848 mu in 2010, showing that land transfer is very active in Chuxiong City. See Table 5-4.

**Table 5-4: Farmland Transfer in 2011**

<b>Mode of transfer</b>	<b>Amount (mu)</b>	<b>Percent (%)</b>
Lease	11002	87.23
Swap	63	0.50
Subcontracting	1436	11.39
Joint-stock cooperation	100	0.79
Other modes	11	0.09

70. Currently, the average price of rural land transfer (sublease) in Chuxiong City is 800 yuan/mu per harvest or 1,000-1,200 yuan/mu per annum, in which the main mode of land transfer is lease to enterprises and major farming households. The land transfer program will benefit all the 409 households affected directly by LA in the Project.

**(ii) Crop cultivation development plan and measures**

**(a) Crop cultivation development plan of Lucheng Town**

71. According to the 12<sup>th</sup> Five-year Plan for Agricultural and Rural Economy Development of Chuxiong City, the specific plan in the Project area is as follows:

- Malting barley raw material base: extending the cultivation of malting barley around Lucheng Town
- High-grade paddy rice base: developing medium-altitude high-quality non-glutinous rice around Lucheng Town
- High-grade rapeseed base: developing “double-low” rapeseed around Lucheng Town
- Protected agriculture base: Local residents will be encouraged to develop flower greenhouses (steel frame) to cultivate such ornamental flowers as rose, lily and chrysanthemum.

**(b) Crop cultivation development plan**

72. Chuxiong City Agriculture Bureau has established a greenhouse vegetable fund of 4 million yuan to support large-scale greenhouse vegetables, which is used specifically for infrastructure construction. These greenhouses are owned by the agriculture bureau, and used by farming households or enterprises.

**(c) Input/output analysis of protected agriculture and characteristic cultivation**

73. 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 will be 7,000 yuan/mu and that of characteristic cultivation 2,400 yuan/mu. See Table 5-5.

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

Type of cultivation	Resettlement subsidy (yuan/mu)	Average investment (yuan/mu)	Average yield (yuan/mu)	Average net income (yuan/mu)	Remarks
Protected agriculture	80,000	Greenhouse vegetables: investment in greenhouses 12,000 yuan, to be depreciated for 5 years, with average annual investment of 2,400 yuan/mu; rental 1,000 yuan/mu; investment in seeds: 600 yuan/mu; pesticides and fertilizers: 400 yuan/mu; irrigation water and electricity costs: 400 yuan/mu; other investment: 200 yuan/mu; total: 5,000 yuan/mu	3 seasons a year, 12,000 yuan/mu	7,000	Greenhouse vegetables: cucumber, pepper, tomato, eggplant, watermelon, edible fungi
Characteristic cultivation	80,000	Characteristic cash crops: annual rental: 800 yuan/mu; investment in seedlings: 300 yuan/mu; pesticides and fertilizers: 200 yuan/mu; irrigation water and electricity costs: 200 yuan/mu, other investment: 100 yuan/mu; total: 1,600 yuan/mu	4,000 yuan/mu	2,400	Chestnut, high-quality pear, etc.

**(iii) Stockbreeding development plan and measures**

**(a) Planning of key project**

74. In Fumin Community, a major pig breeding, organic fertilizer and fresh meat processing project will be constructed under the leadership of Yunnan Zelong Farm Product Development Co., Ltd. The investment in this project is 1.48 billion yuan. When completed, this project will generate an annual profit of 646.33 million yuan and 1,500 jobs for the area.

75. It is found that the LEFs in the Project mostly take greenhouse vegetables as the future direction of agricultural development, while stockbreeding is small in scale in Lucheng Town. There is one major stockbreeding household in each community, which will be entitled to the following supporting measures:

**(b) Measures for farmers' stockbreeding training**

76. Stockbreeding training is conducted at the city, township and village levels. In the past year, the Lucheng Town Government has held three stockbreeding training courses, with 250 trainees in total, and specialized technicians have been assigned to the town and villages five times to support six stockbreeding households.

#### **5.1.3.4 Employment**

##### **(i) Social employment**

77. Chuxiong City is an important industrial county in central Yunnan, Leading enterprises in the 5 pillar industries can at least provide 500 jobs to the affected population. In addition, CCG would organize human resource fairs regularly and offer social employment information of at least 3,000 person-times, and community/village committees would provide employment information to residents/villagers, and organize those interested to apply for jobs. The APs may get employed voluntarily. For example, at the 2012 summer labor exchange fair organized by CCG, 1,073 skilled, public welfare and ordinary jobs were offered to the public for the entire city, including 565 for men, 335 for women and 173 for both men and women. Social employment will benefit the whole labor force (1,793) of the 409 AHs.

##### **(ii) Placement to jobs reserved by enterprises**

78. In addition, the local government shall agree with newly established or introduced enterprises in the Project area, where these enterprises can reserve 5%-10% of their jobs for the APs. This program will be implemented from 2013 for at least 3 years, and it is expected that at least 100 jobs will be available to the APs per annum, thereby benefiting at least 300 APs in total.

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

79. At the construction and operating stages, the Project will offer about 1,000 unskilled jobs to the APs, including 200 skilled jobs and 800 temporary unskilled jobs. In addition, at least 50 jobs of subsequent maintenance and environmental sanitation will be available. The APs will have priority in getting the above jobs, and their wage level will not be less than the local minimum wage standard.

80. Half a month before employment, the Project 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/contractor 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 Chuxiong City in the current year to every employee.

##### **(iv) Position of public welfare jobs**

81. The government will offer public welfare jobs to LEFs with priority. The CCG, public institutions, government agencies and enterprises and village/community committees can offer at least 200 public sector jobs to the public annually, such as accountants, office workers, wardens, security guards and cleaners, which will be first made available to the APs of the Project, especially laborers in vulnerable households, and unskilled middle-aged women at a wage level not less than the minimum wage standard of Chuxiong City in the current year. For example, at the 2012 summer labor exchange fair organized by CCG, 114 public welfare jobs were offered by the civil affairs bureau, town government and community committees, and first made available to the APs.

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

82. In order to encourage and promote business startup and employment, the Yunnan Provincial Government has enacted lending, exemption, support and subsidization measures. Since 2009, governments at all levels have provided supporting measures to persons engaged in independent business startup.

#### 5.1.3.5 Skills training

83. It is learned that most of the AHs are willing to attend skills training, with particular interest in farm machinery and vehicle operation and repair, building, cooking, computer, greenhouse vegetable cultivation and silkworm breeding. Therefore, a special program on skills training for the Project has been developed to offer skills training to LEFs and those affected by HD, 2500 person-times will be conducted under the Project.

##### (i) Trainees

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

**Scope:** skills training on farm machinery and vehicle operation and repair, building, cooking, computer, greenhouse vegetable cultivation and silkworm breeding mainly, as detailed below:

**Training on major agricultural and rural projects:** Farm machinery operators and repairers, biogas workers and maintainers, and rural construction workers will be trained mainly in support of the implementation of such projects as subsidization for farm machinery purchase, animal and plant quarantine, biogas construction and rural dilapidated house reconstruction.

**Training on farmers' specialized cooperatives:** Management professionals who are good at management, skilled and able to lead farmers to become rich through cooperation will be trained to promote the rapid, normative development of farmers' specialized cooperatives, and make agricultural production more organized.

**Training on agricultural service system:** Livestock and poultry breeders, rural brokers and plant protectors will be trained mainly to provide talent support for the development of the agricultural service system.

**Training on farm product processing:** This training will be oriented mainly to farmers about to enter and having just entered tobacco, tealeaf, vegetables, walnut and other farm product processing enterprises, and focused on local characteristic food processing techniques.

**Training on specialized farmers:** This training will be focused on rural tourism in order to guide trainees to get employed nearby based on rural social and economic development.

**Guiding training:** This training will be oriented to farmers working outside, and focused on urban knowledge, right and interest protection, work safety, AIDS prevention and treatment, disaster prevention and reduction in order to improve their adaptability to the new living and working environment.

##### (ii) Institutional and funding arrangements

85. Training activities are implemented by Lucheng Town Labor and Social Security Office, and training costs are disbursed from special funds of the government and not included in the budget of the Project.



### 5.1.3.6 Social security

#### (i) Endowment insurance for LEFs

86. According to the Notice of the Chuxiong City Government on Issuing the Measures of Chuxiong City for Basic Endowment Insurance for Land-expropriated Farmers (CCG186), subjects of endowment insurance for LEFs are registered members of rural collective economic organizations who have enjoyed contracted management rights to collective land since September 2009, whose land has been fully or substantially acquired by the government according to law (per capita cultivated area is less than 0.3 mu after LA), and who are aged 16 years or above.

- (i) **Contribution level and raising:** The level of contribution to basic endowment insurance for LEFs shall not less than the MLS standard for urban residents of the current year published by the city civil affairs bureau. An LEF aged 16-60 years should contribute endowment insurance premiums for 15 years, and one aged 61 years or more should contribute premiums for 10 years.
- (ii) **Proportions of contribution:** Basic endowment insurance premiums shall be borne by the individual, village collective and government proportionally, where the sum of the individual contribution and collective subsidy shall not be more than 60%, the government subsidy not less than 40%, and the collective subsidy not less than 15% in principle.
- (iii) **Basic pension:** Any insured having attained 60 years and paid stipulated premiums in full may receive a basic pension monthly until death at a rate not less than the MLS standard for urban residents of the current year published by the city civil affairs bureau.

**Table 5-6: Calculation of Contribution and Benefit Levels of Endowment Insurance for LEFs**

Contribution level (%)	Annual contribution (yuan)	Accumulated individual contribution for 15 years (yuan)	Acquired land area per household (mu)	Cash compensation per household (yuan)	Number of insured per household	Basic pension (yuan/month)	Individual account pension (yuan/month)	Monthly pension (yuan)	Monthly lost land income per household (yuan)
20% (fully LEFs)	32,220	6,444	0.86	68,800	10	71.6	35.8	107.4	107.5
60% (largely LEFs)	32,220	19,322	0.81	64,800	3	71.6	107.3	178.9	101.25
80% (partly LEFs)	32,220	25,776	0.76	60,800	2	71.6	143.2	214.8	95

- (iv) **Fully LEFs** (contracted collective cultivated land is fully acquired): The individual and the village collective economic organization contribute 20%, and government subsidy accounts for 80%.
- (v) **Largely LEFs** (per capita contracted area of collective cultivated land is less than 0.3 mu): The individual and the village collective economic organization contribute 60%, and government subsidy accounts for 40%.
- (vi) **Partly LEFs** (per capita contracted area of collective cultivated land is 0.3 mu or more): The individual and the village collective economic organization contribute

80%, and government subsidy accounts for 20%.

87. According to the policy, an LEF aged 16-60 years should contribute endowment insurance premiums for 15 years of 32,220 yuan, and one aged 61 years or more should contribute premiums for 10 years of 21,480 yuan. Therefore, LEFs aged 16-60 years affected by the Project should contribute 6,444-25,776 yuan (for different contribution levels ranging from 20% to 80%) at a time to participate in endowment insurance for LEFs of Chuxiong City. In the Project, the average acquired land area per household is 0.81 mu, and the amount of cash compensation per household is 64,949.4 yuan, so that 2-10 persons making one-time contribution can be afforded per household on average. Having participated in endowment insurance for LEFs, each insured will receive a pension of 107.4-214.8 yuan per month, which is sufficient to cover the monthly loss of 95-107.5 yuan per household. The deficiency of 72 yuan below the MLS standard for urban residents of 179 yuan in the current year received by each fully LEF per month will still be disbursed from the pool account. Therefore, the compensation received by the households affected by LA is largely sufficient to cover insurance premiums, and insurance benefits received by LEFs are sufficient to cover their income losses arising from LA.

**(ii) Medical insurance**

88. LEFs can participate in medical insurance in accordance with the Interim Measures of Chuxiong Prefecture for Basic Medical Insurance for Urban Workers, the Interim Measures of Chuxiong Prefecture for Basic Medical Insurance for Urban Residents, and the Measures of Chuxiong Prefecture for the Management of New-type Rural Cooperative Medical Care Services.

**(iii) New-type rural social endowment insurance for partly LEFs**

89. According to the Detailed Rules of Chuxiong City on the Implementation of Basic Insurance Security for Land-expropriated Farmers, the farmers affected by LA in the Project may participate in new-type rural social endowment insurance as follows:

**(a) Insured**

90. All urban and rural residents with registered residence in Chuxiong City, 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.

**(b) Fund raising**

91. 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, 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.

**(c) Benefit**

92. 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.

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

94. The individual pension consists of a basic pension and an individual account pension.

Individual pension = basic pension + (balance of individual account /139)

95. In sum, diversified resettlement measures are available to the APs under the Project and cover the APs extensively. See Table 5-7.

**Table 5-7: Summary of Livelihood Restoration Measures for LEFs**

Community	Affected HHs	Affected population	Coverage of diversified livelihood restoration measures					
			Cash compensation	Agricultural resettlement	Employment	Financial measures	Skills training	Social security
Qinglong	88	391	88	26	65	12	45	88
Fumin	177	763	177	81	125	23	111	177
Dadong	144	639	144	23	33	19	97	144
Total	409	1793	409	130	223	54	253	409
Percent (%)			100	31.78	54.52	13.20	61.86	100

## 5.2 Resettlement and Restoration Programs for Key Affected Community Groups

96. Based on the land and income loss analysis, Heiniba Group and Xuyang Group 3 of Qinglong Community will suffer relatively serious income losses, with a per capita income loss rate of 15.58% and 15.05% 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 develop on the basis of adequate consultation.

### 5.2.1 Heiniba Group

97. Heiniba Group is affiliated to Qinglong Community, and has 181 households with 695 persons, with a cultivated area of 520 mu and per capita income of 6,128 yuan, which is medium in the community.

98. 47.1 mu of cultivated land of this group will be acquired for the Project, affecting 17 households with 74 persons, and its per capita cultivated area will be 0.75 mu and 0.66 mu before and after the LA. This group will receive 3.8 million yuan in land compensation and resettlement subsidies which can be invested in income restoration.

99. Through consultation, the income restoration measures that may be taken by this group are as follows:

- (i) Crop restructuring: After LA, this group will have a remaining cultivated area of 472.9 mu. This group will shift from traditional crops such as paddy rice and wheat to greenhouse vegetables and flowers with higher economic value through crop restructuring. This group will develop 100 mu of vegetable greenhouses, including reconstructing 50 mu of existing greenhouses and constructing 50 mu of new

ones. The proposed investment cost is 480,000 yuan which will generate net additional income of 5,300 yuan/mu and total additional income of 530,000 yuan per annum, benefiting 250 persons with per capita additional income of 2,120 yuan. See Table 5-8.

**Table 5-8: Summary of Crop Restructuring Program of Heiniba Group**

No.	Income restoration measure	Unit	Qty.	Investment		Income			
				Unit price (yuan/mu)	Investment (yuan)	Net income per unit (yuan)	Net income (yuan)	Beneficiary population	Additional income (yuan)
1	Crop restructuring	mu	100	4,800	480,000	5,300	530,000	250	2120
<b>Subtotal</b>				<b>\</b>	<b>480,000</b>	<b>\</b>	<b>530,000</b>	<b>\</b>	<b>\</b>

It is estimated that this group's annual income will be reduced by 70,650 yuan due to the Project. The above income restoration measures will bring additional income of 156,880<sup>2</sup> yuan to the AHs. Therefore, the living standard of the APs will be restored and improved. See Table 5-9.

**Table 5-9: Income Restoration Program of Heiniba Group**

Group	Reduced annual income (yuan/year) (A)	Additional income from restoration measures (yuan/year) (B)	Difference (A-B) (yuan)
		Crop restructuring	
Heiniba	70650	156880	86230

- (ii) This group also plans to develop large-scale Zhuang chicken breeding. It has two livestock farms raising 2,000-3,000 chickens 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 stockbreeding to over 10,000 chickens, the fees are used for the rooms for chickens, mashed chicken, forage and so on, which will bring generate total additional income of 300,000 yuan, benefiting 100 persons with per capita additional income of 3,000 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.

100. In order to reduce the risk of income restoration, the PMO will provide crop restructuring skills training and market information to the APs regularly, vocational skills training (e.g., apparel processing) to farmers willing to work in town, and employment assistance in coordination with the local government. Through the above measures, the income of the APs is expected to be restored at the end of 2014.

## 5.2.2 Xuyang Group 3

101. Xuyang Group 3 is affiliated to Fumin Community, and has 40 households with 182 persons, with a cultivated area of 126 mu and per capita income of 6,128 yuan, which is medium in the community.

<sup>2</sup> This measure will increase per capita income by 2,120 yuan and benefit 74 persons of this group, increasing total income by 156,880 yuan.

102. 48.4 mu of cultivated land of this group will be acquired for the Project, affecting 28 households with 109 persons, and its per capita cultivated area will be 0.69 mu and 0.31 mu before and after LA. This group will receive 3.9 million yuan in land compensation and resettlement subsidies.

103. Through consultation, the income restoration measures that may be taken by this group are as follows:

- (i) Crop restructuring: After LA, this group will have a remaining cultivated area of 77.6 mu. This group will shift from traditional crops such as paddy rice and wheat to artificial fungi with higher economic value through crop restructuring. This group will develop 60 mu. The proposed investment cost is 150,000 yuan, which will generate net additional income of 4,000 yuan/mu and total additional income of 240,000 yuan per annum, benefiting 95 persons with per capita additional income of 2,526 yuan. See Table 5-10.

**Table 5-10: Summary of Crop Restructuring Program of Xuyang Group 3**

No.	Income restoration measure	Unit	Qty.	Investment		Income			
				Unit price (yuan/mu)	Investment (yuan)	Net income per unit (yuan)	Net income (yuan)	Beneficiary population	Additional income (yuan)
1	Crop restructuring	mu	60	2,500	150,000	4,000	240,000	95	2,526
Subtotal				\	150,000	\	240,000	\	\

It is estimated that this group's annual income will be reduced by 72,600 yuan due to the Project. The above income restoration measures will bring additional income of 239,970 yuan to the AHs. Therefore, the living standard of the APs will be restored and improved. See Table 5-11.

**Table 5-11: Income Restoration Program of Xuyang Group 3**

Group	Reduced annual income (yuan/year) (A)	Additional income from restoration measures (yuan/year) (B)	Difference (A-B) (yuan)
		Crop restructuring	
Xuyang 3	72600	239970	167370

- (ii) This group also plans to develop large-scale live pig breeding. It has two livestock farms raising 100-500 pigs each. The government grants a subsidy of 100,000-200,000 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 stockbreeding to over 1,000 pigs, which will bring generate total additional income of 50,000 yuan, benefiting 126 persons with per capita additional income of 396 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.

104. In order to reduce the risk of income restoration, the PMO will provide crop restructuring skills training and market information to the APs regularly, vocational skills training (e.g., apparel processing) to farmers willing to work in town, and employment assistance in coordination with the local government. Through the above measures, the income of the APs is expected to be restored at the end of 2014.

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

105. Rural residential houses with a total demolition area of 28,622 m<sup>2</sup> will be demolished for the Project, affecting 87 households with 390 persons. The demolished houses are characterized by unsound supporting facilities, aged structure, and poor day-lighting and ventilation conditions. HD and resettlement activities in the Project will provide an opportunity for the AHs to improve residential living conditions.

106. Through public consultation, the PMO offers the main resettlement mode of urban housing resettlement, and other auxiliary modes at the option of the AHs.

#### **5.3.1 Resettlement in Urban Apartment Building**

107. According to the Notice of the Chuxiong City Government on Issuing the Implementation Plan for the Relocation and Resettlement of Land-expropriated Farmers in the Southeast New Town (CCG [2010] No.187), all households affected by HD in Southeast New Town may choose this resettlement mode voluntarily, and the planned land area of the resettlement community is 10% of the acquired land area (excluding woodland, tomb land and unused land).

##### **(i) Standard of resettlement housing**

108. Each person to be resettled will be entitled to a building area of 60 m<sup>2</sup> on average, including 40 m<sup>2</sup> of residential housing and 20 m<sup>2</sup> of commercial property. Resettlement housing is available in the building areas of 50, 75, 100, 125 and 150 m<sup>2</sup> at the option of the AHs.

109. Each person to be resettled will purchase its entitled size at preferential price, any extra size of not more than 10 m<sup>2</sup> at cost price, and any extra size of in excess of 10 m<sup>2</sup> at market price.

110. Commercial properties will be funded and constructed by each group, and allocated to the persons to be resettled. Such properties will be managed by the collective in a unified manner, and the income thereon will be distributed to the persons to be resettled in principle.

##### **(ii) Resettlement sites**

111. Five resettlement sites have been planned in Southeast New Town, and the AHs in the Project will be assigned to three sites, namely the Qinglong, Hehua and Fumin sites. The resettlement communities will be divided into residential and commercial zones, and planned and constructed in line with urban planning.

112. Qinglong resettlement site: located west of Xiaohuashan Primary School, used mainly to resettle AHs from Yangjitun and Haiziba Groups, Qinglong Community

113. Hehua resettlement site: located in Hehua Village, southwest of the Yihai Park, used mainly to resettle AHs from Xuyang Groups 1, 2 and 3, Qinglong Community and Huangtupo Group, Dadong Community

114. Fumin resettlement site: located east of the Qinglong riverfront landscaped belt, used mainly to resettle AHs from Shangcun, Xiacun and Puta Groups, Fumin Community and Xiaodong Group, Dadong Community.

##### **(iii) Resettlement land of the AHs**

115. Resettlement land (including returned land) will be offered by state-owned land allocation at the sum of the average compensation rate for LA and the approval fee, being 70,000 yuan/mu in Southeast New Town, which will be paid by affected village groups.

### **5.3.2 Cash Compensation**

116. If any person to be resettled does not need resettlement housing, it may elect to receive cash compensation under a written agreement with the community group and subject to the approval of the Lucheng Town Government. If its house is demolished within the specified period, in addition to the compensation for HD, it will receive a resettlement subsidy of 30,000 yuan and a one-time reward of 20,000 yuan per capita, and will still be entitled to other resettlement policies.

### **5.3.3 Resettlement in Housing Plots and Low-rent Housing**

#### **5.3.3.1 Resettlement on housing plots**

117. Resettlement standard: The persons to be resettled will be entitled to housing plot land of 25 m<sup>2</sup> per capita and 100 m<sup>2</sup> per household.

118. Housing sites: All housing plots will be within the same community, and the total size of housing plot land will be based on the number of households to be resettled.

119. Housing plot land: Housing plot land will be obtained from state-owned land allocation. A household to be resettled will purchase land from the government at 400 yuan/m<sup>2</sup> within the entitled size or 1,000 yuan/m<sup>2</sup> in excess of the entitled size.

120. Architectural style: Five-storied buildings with a floor area of 100 m<sup>2</sup> will be constructed by households to be resettled themselves or jointly or through a contractor on the basis of unified planning, design, appearance and time limit.

121. The prerequisites to housing plot resettlement include: 1) A household to be resettled must have three or more members; if six or more members of a household are to be resettled, an additional housing site may be purchased. 2) The amount of budget of the household to be resettled shall reach 70% of the total investment for their housing construction, and a valid certificate for the budget thereof is available. 3) The household to be resettled must pay a deposit at 10% of the investment in housing construction to the Lucheng Town Government to ensure that the requirements of unified planning, design, appearance and time limit are met; the deposit will be refunded after such requirements are met. 4) Resettlement land is allocated state-owned land, so certificates of title to resettlement housing and certificates of land use right are available to households to be resettled only, and should not be transferred without authorization.

122. Supporting policy: 1) Design, and “three supplies and one leveling” costs of a resettlement community will be borne by the government; 2) The government will provide water and power supply facilities, and roads up to the boundary of the resettlement community; and 3) Construction costs of water and power supply facilities, and roads within the resettlement community will be borne by households to be resettled.

#### **5.3.3.2 Resettlement in low-rent housing**

123. The government will construct a certain amount of low-rent housing in each resettlement community to resettle households that cannot afford to purchase resettlement housing and are entitled to low-rent housing.

#### **5.3.3.3 Support at old people’s home**

124. A five-guarantee household to be resettled may be supported at an old people’s home subject to application, and its share in the collective income will be paid to the old people’s home as the future funding source for support.

In case of urban housing resettlement, cash compensation, resettlement in low-rent housing or support at an old people's home (except resettlement on housing sites), the government will grant a monthly living subsidy at 200 yuan per capita for 10 years. For children of the persons to be resettled who have been enrolled by a general institution of higher education or a senior high school, the government will grant a one-time stipend.

#### 5.4 Resettlement Program for Demolition of Non-residential Properties

125. All the four enterprises affected by the Project are affected slightly, and will be reconstructed on the current sites without relocation. Therefore, all of them have chosen cash compensation.

126. Among the four affected enterprises, the timber processing plant, fungus processing plant and pharmaceutical factory are affected slightly by the HD, and their regular operations are not affected. The fourth enterprise has gone bankrupt.

**Table 5-12: Summary of Resettlement Modes for Affected Commercial Stores**

Enterprise	Demolition area (m <sup>2</sup> )			Estimated amount of compensation (0,000 yuan)	Resettlement mode	Location
	Reinforced concrete	Masonry concrete	Masonry timber			
Xincheng Co.	0	400	0	37.556	Cash compensation	Current site
Dongyan Co.	0	450	0	42.2505	Cash compensation	Current site
Sengui Fungi	0	300	0	28.167	Cash compensation	Current site
Baicaoling Pharmaceutical	0	200	0	18.778	Cash compensation	Current site

#### 5.5 Protection of Women's Rights and Interests

127. 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 expectation. Most of them, including women headed households, were concerned about (i) receiving compensation on time; (ii) improving agricultural production with limited farmland; and (iii) starting and 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) Increasing the limit of small-amount business startup loan for women

128. In order to provide greater support to women's business startup and employment, the Yunnan Provincial Rural Credit Union issued the Notice on Issuing the 2011 Plan on Working Objectives of Small-amount Secured Loans, stipulating that since January 2011, the limit of small-amount business startup loan for startup female entrepreneurs recommended by its agencies may be increased to 80,000 yuan. Eligible women have an opportunity to obtain a loan. CCG and the Women Federation Association will work with the CCPMO to support the small loan for female APs. They will conduct women representative meeting before the resettlement implementation to collect detail requirements for small businesses of female APs, and provide necessary small loan to female APs.



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

129. 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. CPPMO and CCPMO shall pay more attention to requirements, comments and complains of female APs, and solve problems of affected women in time. Any decision related to the resettlement shall be involved by female representatives.

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

130. In order that a couple on 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. In addition, if there is land readjustment, or collective investments for HH benefits, or cash distributed for LA, the couple should sign. CPPMO and CCPMO shall supervise and check it when sign the agreement between village committees and AHs.

**5.6 Assistance Measures for Vulnerable Groups**

131. During the whole resettlement process, the CCPMO 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**

132. A support fund for vulnerable groups of 793,300 yuan (1.1% of basic resettlement costs) is 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 the LA and/or HD can receive a support subsidy of 2,000 yuan.

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

133. During the resettlement, affected vulnerable households 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; and
- Including them in endowment insurance for LEFs and new-type rural endowment insurance.

**Households affected by HD:**

- Providing resettlement information with priority;
- For special vulnerable groups, such as elderly widows and destitute households, if the housing size available for swap is less than 40 m<sup>2</sup>, a 40 m<sup>2</sup> apartment may be granted directly, and they may purchase a 10 m<sup>2</sup> commercial store at cost price;
- Five-guarantee households, elderly widows and families of martyrs affected by HD who vacate their houses within the specified period will receive a one-time special difficulty subsidy of 3,000 yuan upon presentation of a valid certificate.

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

134. According to Chuxiong City's MLS policy for urban and rural residents, eligible vulnerable groups affected by the Project are 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 693 yuan/year and the per capita income of each urban AH is not less than 179 yuan/month.

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

135. Urban and rural medical assistance can be provided to eligible vulnerable groups to solve their difficulty in receiving medical care.

***Eligible vulnerable groups in urban:***

- (i) **Relief target:** The residents entitled to the urban basic cost of living allowance.
- (ii) **Relief standard:** The 15% of actual medical expenses will be assisted (deducting any reimburse and allowance) when it is between 1000 and 5000 Yuan, including 1000 and 5000; The 20% of actual medical expenses will be assisted when it is between 5000 and 10000 Yuan, including 10000; The 25% of actual medical expenses will be assisted when it is between 10000 and 20000 Yuan including 20000; The most 5000 Yuan will be assisted in the whole year when the medical expenses is above 20000 Yuan.

***Eligible vulnerable groups in rural:***

- (i) **Relief target:** The residents entitled to the Rural Five and subsistence allowances and people whose families are in financial difficulties caused by large medical costs of major diseases.
- (ii) **Relief standard:** expect the deduct of the new rural cooperative medical care system (NRCMS), the other parts (including Outpatient Clinic) will be fully assisted to concentrate supported Rural Five; expect the deduct of the NRCMS (including the parts NRCMS cannot deduct), the base line of self-supported medical expenses is 1000 Yuan and the assistant percentage is 40% with the maximum 5000 Yuan; the base line of self-supported medical expenses for people whose families are in financial difficulties caused by large medical costs of major diseases is 10000 Yuan and the assistant percentage is 10% with maximum 5000 Yuan.

**5.7 Restoration Program for Temporary Land Occupation**

136. State-owned roads and green spaces with a total area of 10.5 mu are occupied temporarily for material storage, temporary sheds and road construction, without any structure demolition, which will not affect any households and units, so there is no need to pay compensation. The temporarily occupied land is restored by the construction agency to the original condition.

**5.8 Infrastructure Restoration Program**

137. Affected special facilities are restored by proprietors after receiving compensation from the owner of the Project.

## **6. Resettlement Organizational Structure**

### **6.1 Resettlement Implementation and Management Agencies**

#### **6.1.1 Organizational Setup**

138. 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 the LA and HD in the Project are:

- Chuxiong Prefecture Project Leading Group – executing agency
- CPPMO – work on behalf of EA
- CCPMO – implementing agency
- Chuxiong Resettlement Office
- Lucheng 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

#### **6.1.2 Organizational Responsibilities**

##### **6.1.2.1 Chuxiong Prefecture Project Leading Group**

139. 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, finance bureau, planning bureau, land and resources bureau, and water resources bureau, and the deputy mayor of Chuxiong City in charge of urban construction.

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

##### **6.1.2.2 Chuxiong Prefecture Project Management Office**

141. The Chuxiong PMO is the working body of the Chuxiong Project Leading Group and the executing agency (EA) of the Project.

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

##### **6.1.2.3 Chuxiong City Project Management Office**

143. CCPMO is the implementing agency of the project, 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 with the ADB, and causing the timely completion thereof.

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.

#### **6.1.2.4 Chuxiong City Resettlement Office**

144. Main responsibilities in resettlement: assisting the design agency in defining the Project area, conducting the DMS and saving data; assisting in preparing the RP 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 CCPMO regularly; and assisting in external monitoring activities.

#### **6.1.2.5 Lucheng Town Government**

145. The main responsibilities are:

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

#### **6.1.2.6 Village (community) committees**

146. 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.

#### **6.1.2.7 Design institute**

147. At the planning and design stage, it shall survey the physical indicators of the 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 the LA and HD, and preparing the relevant drawings.

148. 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.

#### 6.1.2.8 External Resettlement M&E agency

149. Chuxiong PPMO and CCPMO shall employ a qualified M&E agency as the external resettlement M&E agency. Its main responsibilities are:

- (i) Observing all aspects of resettlement planning and implementation as an independent M&E agency;
- (ii) Monitoring and evaluating the effectiveness of resettlement and the social adaptability of the APs;
- (iii) Submitting resettlement M&E reports to ADB; and
- (iv) Providing technical advice to the Resettlement Office in data collection and processing.

#### 6.1.3 Organizational Chart

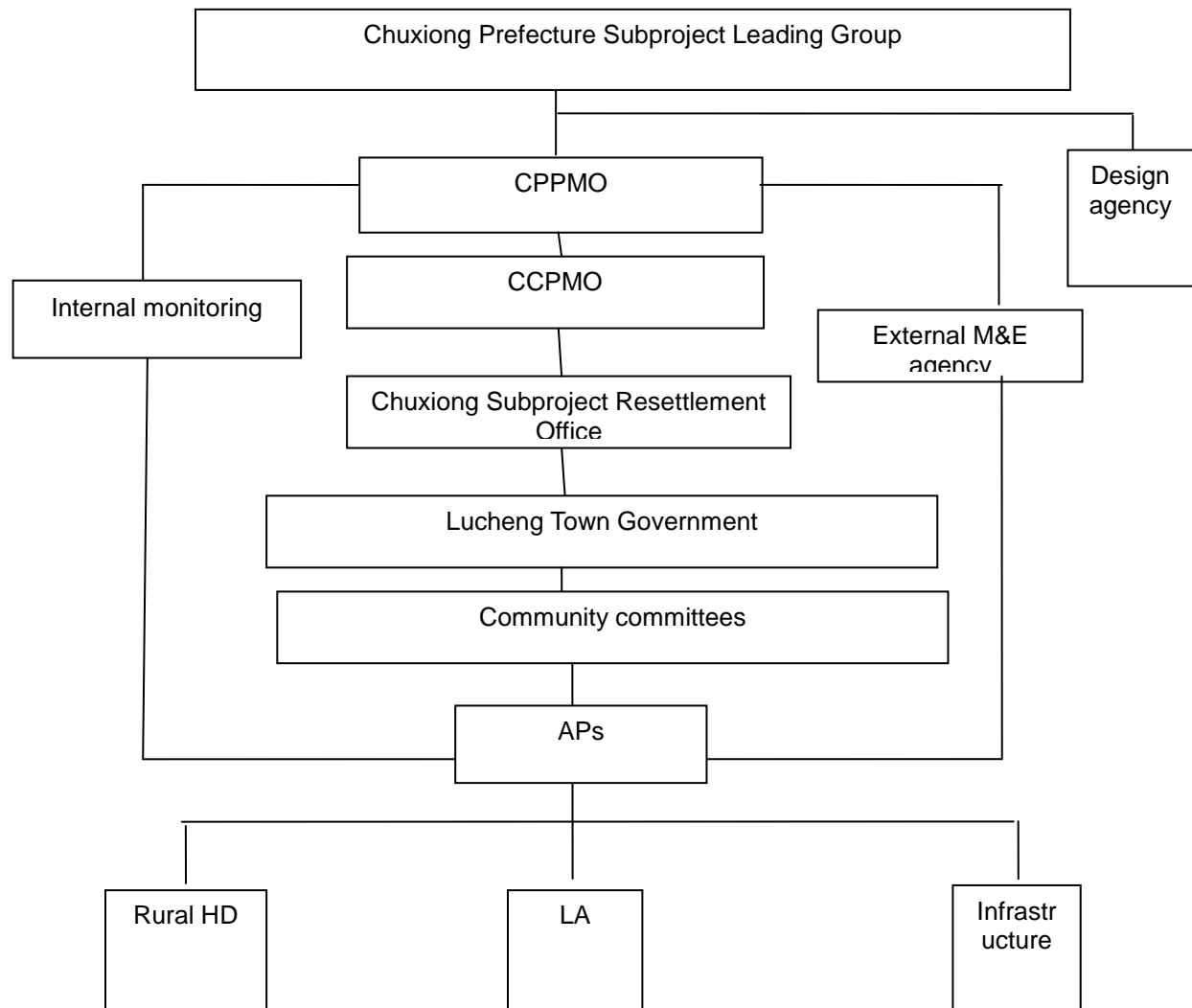


Figure 6-1 Resettlement Organizational Chart

## 6.2 Staffing and Equipment

### 6.2.1 Staffing

150. In order to ensure the successful implementation of the resettlement work, all resettlement agencies of the Project have been provided with full-time staff, and a smooth channel of communication has been established. The resettlement staff has strong organizing and coordinating capabilities, and rich experience in LA, HD and resettlement. See Table 6-1.

**Table 6-1: Staffing of Resettlement Agencies**

Agency	Number of Staff		Composition
	Males	Females	
Chuxiong Prefecture Project Leading Group	4	3	Civil servants
CPPMO	4	4	Civil servants, technicians
CCPMO	2	1	Civil servants, technicians
Chuxiong Project Resettlement Office	1	1	Civil servants
Village (community) committees	2-3	2-3	Village officials and representatives of APs
External M&E agency	Several		Resettlement experts

### 6.2.2 Equipment

151. 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.

### 6.2.3 Organizational Training Program

152. 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 Prefecture Project Leading Group.

153. A staff training and human resources development system for the municipal-, district-, township- and village-level resettlement agencies (an office with 2-3 persons to help APs and village committee to solve resettlement problems) 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. The scope of training includes:

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

154. 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.

**Table 6-2: Operational Training Program for Resettlement Agencies**

No.	Agency responsible	Scope	Trainees	Time	Costs
	A	B	C	D	(0,000 yuan)
1	CCPMO	Learning resettlement experience from ADB-financed projects in other provinces	Resettlement office staff in all levels	2013-2014	2.6
2	External M&E agency	ADB's resettlement policy	Resettlement office staff in all levels	Dec. 2013	2.8
3	External M&E agency	Updates of state policies on LA and HD	Resettlement office staff in all levels	Jan. 2014	2.7
4	CCPMO	Experience and lessons in resettlement from other places	Resettlement office staff in all levels	Mar. 2014	2.7
5	CCPMO	Computer operation and data processing	Resettlement office staff in all levels	Jan. 2014	2.5
6	CCPMO	Resettlement procedures and policies for ADB-financed projects	Town resettlement office, village resettlement teams	Dec. 2013	2.5
7	CCPMO	Resettlement policies and practice	Town resettlement office, village resettlement teams	Jan. 2014	2.7
8	CCPMO	Learning international experience in resettlement	Resettlement staff of component PMOs	2013-2014	2.6
	Total			\	21.1

## 7. Public Participation and Grievance Redress

### 7.1 Public Participation

155. According to the policies and regulations of ADB, the PRC, Yunnan Province and Chuxiong City on resettlement, 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 RP, and organizing implementation properly.

#### 7.1.1 Public Participation at the Preparation Stage

156. Since October 2011, Yunnan Design Institute and the resettlement consulting agency 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. A resettlement information booklet (RIB), as shown in Appendix 3, will be distributed in August 2013. The RP 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 RP will also be posted on ADB's website for disclosure.

**Table 7-1: 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	119	51	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	420	180	RP 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	154	66	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	Officials and APs in the	312	134	Public consultation	<ul style="list-style-type: none"> <li>Disbursement and distribution of</li> </ul>



Date	Organizer	Participants	Number of Participants		Purpose	Key points
			Males	Females		
	University	affected village groups				compensation fees for LA <ul style="list-style-type: none"> <li>• Allocation and use of returned land</li> <li>• Impact of LA and HD on income</li> <li>• Village group development plans</li> <li>• Employment expectations of AHs</li> <li>• Training needs of AHs</li> <li>• Expectations of AHs for endowment insurance</li> <li>• Expected resettlement modes of AHs</li> <li>• Expected resettlement sites of AHs</li> <li>• Suggestions of AHs on house reconstruction and infrastructure</li> <li>• Unique role of women in resettlement</li> </ul>
2013.10	CCPMO	APs, village groups	/	/	Disclosure of RP or RIB	<ul style="list-style-type: none"> <li>• Disclosure of compensation rates and appeal channels</li> </ul>
2013.10	ADB website	APs, village groups	/	/	Disclosure of the first draft of the RP	
2013.12	Chuxiong PPMO, Chuxiong CPMO	Reps. of government agencies and APs	/	/	Update RP based on the DMS	Submission of updated RP to ADB for review and approval prior to start the LAR activities and approval of civil works contract awards. After ADB approval, the updated RP will also be posted on ADB's website for disclosure

### 7.1.2 Participation Plan at the Implementation Stage

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

**Table 7-2: Public Participation Plan of the Project**

Purpose	Mode	Time	Agencies	Participants	Topic
LA announcement	Village bulletin board, village meeting	Dec. 2013	CCPMO, 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	Dec. 2013	CCPMO, development & reform bureau, land & resources bureau, highway bureau, town and village officials	All APs	Compensation fees and mode of payment
DMS results verification	Field investigation	Dec. 2013	CCPMO, development & reform bureau, land & resources bureau, highway bureau, town and village officials	All APs	Finding out anything omitted 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	CCPMO, 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	Jan. 2014 – Dec. 2015	Town and village officials	All APs	1) Resettlement progress and impacts 2) Payment of compensation 3) Information disclosure 4) Livelihood restoration

## 7.2 Grievances and Appeals

158. Since public participation is encouraged during the preparation and implementation of the RP, 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 Chuxiong 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 CCPMO or CPPMO after receiving such disposition, which shall make a disposition within 2 weeks.

**Stage 4:** If the appellant is still 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.

159. At any point, if the appellant person is dissatisfied, he/she may file an action in a civil court in accordance with the Civil Procedure Law of the PRC after receiving the arbitration award.

160. The APs may also express grievance to the external monitoring agency, who would then report it to Chuxiong resettlement office, Chuxiong Land and Resource Bureau, and Chuxiong PPMO. 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>3</sup>.

161. 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>3</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>.

## 8. Resettlement Budget

### 8.1 Resettlement Budget

162. All costs incurred during the 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 201,047,600 yuan, including: rural LA costs of 44,493,100 yuan or 22.13% of total costs; compensation fees for HD of 26,228,400 yuan or 13.05% of total costs; compensation fees for infrastructure and ground attachments of 1,399,000 yuan or 0.70% of total costs; taxes and management costs of 107,019,300 yuan or 53.23% of total costs; and external monitoring costs of 649,100yuan or 0.32% of total costs. See Table 8-1.

**Table 8-1: Resettlement Budget**

No.	Item	Unit	Compensation rate (yuan/unit)	Qty. (unit)	Budget (0,000 yuan)	Percent (%)
<b>1</b>	<b>Basic resettlement costs</b>	<b>0,000 yuan</b>	\	\	7212.05	35.87%
<b>1.1</b>	<b>Compensation fees for permanent LA</b>	<b>0,000 yuan</b>	\	584.76	4449.31	22.13%
1.1.1	Cultivated land	mu	80000	477.3	3818.4	18.99%
1.1.2	Housing land	mu	40000.2	60.44	241.76	1.20%
1.1.3	Fishponds	mu	80000	39.1	312.8	1.56%
1.1.4	Unused land	mu	6000	7.92	4.75	0.02%
1.1.5	Young crop compensation fees	yuan/mu	1500	477.3	71.60	0.36%
<b>1.2</b>	<b>Compensation fees for HD</b>	<b>0,000 yuan</b>	\	\	2622.84	13.05%
1.2.1	Rural masonry concrete structure	m <sup>2</sup>	1091.5	8415	918.50	4.57%
1.2.2	Rural masonry timber structure	m <sup>2</sup>	497	8285	411.76	2.05%
1.2.3	Rural earth timber structure	m <sup>2</sup>	448.8	11922	535.06	2.66%
1.2.4	Non-residential properties in masonry concrete structure	m <sup>2</sup>	\	1350	147.35	0.73%
1.2.5	Transition subsidy	yuan/m <sup>2</sup> per month	3	29972	107.90	0.54%
1.2.6	Moving subsidy	yuan/m <sup>2</sup>	4	29972	11.99	0.06%
1.2.7	Early moving reward	Yuan/ household	4000	87	34.80	0.17%
1.2.8	Compensation for losses from production or business suspension	yuan/m <sup>2</sup>	\	1350	6.75	0.03%
1.2.9	Acquisition costs of housing land for resettlement	yuan/m <sup>2</sup>	280.7	15986	448.73	2.23%
<b>1.3</b>	<b>Compensation fees for ground attachments</b>	<b>0,000 yuan</b>	\	\	139.90	0.70%
1.3.1	Livestock pens	yuan/m <sup>2</sup>	224.5	1610	36.14	0.18%

No.	Item	Unit	Compensation rate (yuan/unit)	Qty. (unit)	Budget (0,000 yuan)	Percent (%)
1.3.2	Brick enclosing walls	yuan/m <sup>3</sup>	402	1767	71.03	0.35%
1.3.3	Earth enclosing walls	yuan/m <sup>3</sup>	118	1000	11.8	0.06%
1.3.4	Toilets	Masonry, simple	600	87	5.22	0.03%
1.3.5	Tombs	Masonry, simple (yuan each)	1040	7	0.73	0.00%
1.3.6	Concrete ground	yuan/m <sup>2</sup>	39	3576	13.95	0.07%
1.3.7	Wells	yuan/m <sup>3</sup>	362.4	12	0.43	0.00%
1.3.8	Prickly ash	Just fruit-bearing (yuan each)	60	65	0.39	0.00%
1.3.9	Eucalyptus	Diameter at breast height 5-10cm (yuan each)	10	58	0.06	0.00%
1.3.10	Peach	Just fruit-bearing (yuan each)	40	33	0.13	0.00%
1.3.11	Bamboo	m <sup>2</sup>	40	4	0.02	0.00%
<b>2</b>	<b>Support fund for vulnerable groups (1.1% of basic costs)</b>	<b>0,000 yuan</b>	\	\	79.33	0.39%
<b>3</b>	<b>Resettlement planning and monitoring costs</b>	<b>0,000 yuan</b>	\	\	64.91	0.32%
3.1	Resettlement planning and design costs	0,000 yuan	\	\	28.85	0.14%
3.2	Resettlement M&E costs	0,000 yuan	\	\	36.06	0.18%
<b>4</b>	<b>Training costs (0.5% of basic costs)</b>	<b>0,000 yuan</b>	\	\	36.06	0.18%
<b>5</b>	<b>Taxes and fees on LA</b>	<b>0,000 yuan</b>	\	\	10701.93	53.23%
5.1	LA management costs (2.1% of total LA costs)	yuan/mu	2.80%	\	174.24	0.87%
5.2	Farmland occupation tax	yuan/mu	14666.7	430.2	630.96	3.14%
5.3	Land reclamation costs	yuan/mu	10500	430.2	451.71	2.25%
5.4	Fees for compensated use of new construction land	yuan/mu	9333.4	430.2	401.52	2.00%
5.5	Fees for quality of cultivated land compensation	yuan/mu	186666.7	430.2	8030.40	39.94%
5.6	Basic pensions for LEFs for government and village share	yuan/mu	20000	506.55	1013.10	5.04%

No.	Item	Unit	Compensation rate (yuan/unit)	Qty. (unit)	Budget (0,000 yuan)	Percent (%)
6	Contingencies (10% of total costs)	0,000 yuan	\	\	2010.48	10.00%
3-6	Subtotal	0,000 yuan	\	\	12813.38	63.73%
7	Total	0,000 yuan	\	\	20104.76	100.00%

## 8.2 Resettlement Investment Schedule and Funding Sources

163. All resettlement funds of the Project are from local counterpart funds. 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 8-2: Resettlement Investment Plan**

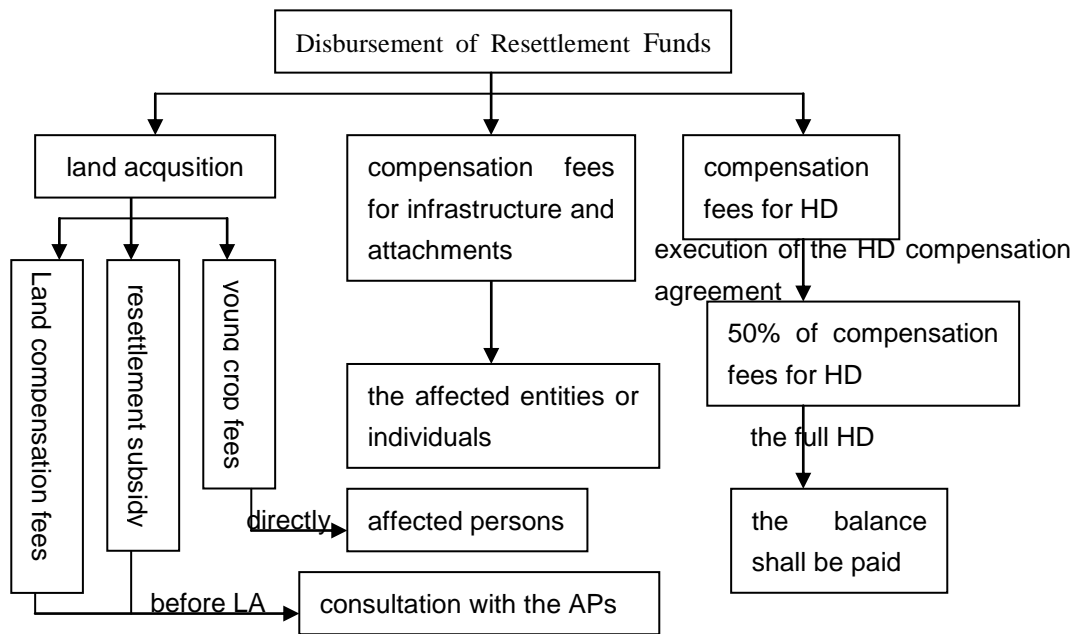
Year	2013	2014	2015	Total
Amount of investment (0,000 yuan)	2010.48	16083.8	2010.48	20104.76
Percent	10%	80%	10%	100%

## 8.3 Disbursement and Management of Resettlement Funds

164. Land compensation fees and resettlement subsidies are paid to the village committees/groups and shall 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.

165. 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 resettlement 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 funds for different items of payment is shown in Figure 8-1. And
- (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 CCPMO will ensure that compensation fees are fully paid. The budget shall be modified as necessary in the updated RP.



**Figure 8-1: The Flow of Resettlement Fund**

## 9. Resettlement Implementation Plan

### 9.1 Principles for Resettlement Implementation

166. According to the implementation schedule of the Project, the Project will be constructed from 2014 to 2017. In order that the resettlement schedule links up the construction schedule of the Project, the LA will begin in December 2013 and be completed in January 2015.

- The LA and the HD shall be completed at least 3 months prior to the commencement of construction, and the starting time will be determined as necessary for the LA, HD and resettlement. There will no commencement of 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 construction, 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.

### 9.2 Resettlement Implementation Schedule

167. 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 9-1: Resettlement Implementation Schedule**

No.	Resettlement	Task	Agency responsible	Time	Remarks
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	3 villages with 14 groups	CCPMO, CDICL	Aug. 2013	
1.2	Disclosure of the RP on ADB's website		CCPMO, CPPMO, ADB	Sep. 2013	
<b>2</b>	<b>Resettlement Plan Budget</b>				
2.1	RP and budget approval (compensation rates)	201,047,600 yuan	Government, CCPMO, CDICL	Aug. 2013	
2.2	Village-level income restoration programs	3 villages	Village committees	Sep. 2013	
2.3	RP update after detailed design	/	CPPMO, CCPMO	Sep. 2013	It there are any changes after DMS.
<b>3</b>	<b>Detail Measurement Survey</b>				
3.1	DMS on LA and HD	3 villages	CCPMO, CDICL	Aug. 2013	
<b>4</b>	<b>Compensation agreement</b>				
4.1	Village-level land compensation agreement	3 villages	Land and resources bureau	Jan. 2014	
<b>5</b>	<b>Implementation of restoration measures</b>				
5.1	Distribution of land compensation fees to AHs	3 villages	Town government, village committees	Jan. – May 2014	



No.	Resettlement	Task	Agency responsible	Time	Remarks
	and land reallocation				
5.2	Implementation of village-level income restoration programs	3 villages	Village committees	2013-2014	
5.3	Income restoration through business and employment	450 AHs	Town government, village committees, labor and social security bureau	2013-2014	
5.4	Implementation of training program	450 AHs	Labor and social security bureau	Dec. 2013 – Jun. 2014	
5.5	Identifying vulnerable households and implementing assistance measures	32 persons	Civil affairs bureau, PMO	2013 -2014	
5.6	Identifying and hiring households for employment under the Project	273 APs	PMO, labor and social security bureau, contractor	Sep. 2014 – Dec. 2017	
6	Capacity building of resettlement agencies				
6.1	PMO staff training	15 persons	ADB	Dec. 2013	
6.2	Training of district, town and village officials	400 persons	PMO, and land and resources bureau	Dec. 2013	
7	Monitoring & Evaluation				
7.1	Baseline survey	One report	External M&E agency	Jan. 2014	
7.2	Establishing an internal M&E agency	As per the RP	CPPMO, CCPMO	Jan. 2014	
7.3	Appointing an external monitoring agency	One	CPPMO	Dec. 2013	
7.4	Internal monitoring reporting	Quarterly	CPPMO, CCPMO	From Jan. 2014	
7.5	External monitoring reporting	Semiannual report	External M&E agency	Jan. 2014	1 <sup>st</sup> report
				Jul. 2014	2 <sup>nd</sup> report
7.6	External monitoring reporting	Annual report	External M&E agency	Jan. 2015	3 <sup>rd</sup> report
				Jan. 2016	4 <sup>th</sup> report
7.7	External evaluation report	One report	CCPMO, CPPMO	Jan. 2017	
8	Public consultation		CCPMO	Ongoing	
9	Grievance redress		CCPMO	Ongoing	
10	Disbursement of compensation fees				
10.1	- Disbursement to the CCPMO	Initial funds		Jan. 2014	
10.2	- Disbursement to villages	Most funds	CCPMO	May – Jun. 2014	
10.3	- Disbursement to AHs	Most funds	CCPMO, village committees	May-Jun. 2014	
11	Commencement of civil construction				
11.1	Construction of the Project		CDICL	2014	

## **10. Monitoring and Evaluation**

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

### **10.1 Internal Monitoring**

169. The internal resettlement monitoring agencies of the Chuxiong CPMO, finance bureau and other departments concerned (e.g., land and resources bureau). The Chuxiong CPMO 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 vulnerable groups;
- (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.

170. The Chuxiong CPMO shall submit an internal monitoring report to Chuxiong PPMO 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 through comparison.

### **10.2 External Monitoring**

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

172. 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 PPMO and Chuxiong CPMO. Chuxiong PPMO shall submit the external M&E report to ADB semiannually.

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

##### **10.2.1.1 Baseline Survey**

173. 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, 20% of households affected by HD, and 100% of affected enterprises, to be sampled randomly), random interview and field observation to acquire necessary information. A statistical analysis and an evaluation will be made on this basis.

#### **10.2.1.2 Periodic Monitoring & Evaluation**

174. During the implementation of the RP, 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 vulnerable groups;
- Restoration and reconstruction of infrastructure and special facilities;
- Reserve (returned) land application, approval and use;
- 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.

#### **10.2.1.3 Public consultation**

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

#### **10.2.1.4 Grievance redress**

176. 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.

### **10.2.2 External Monitoring Reporting**

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

**Table 10-1: Resettlement M&E Schedule**

<b>Item</b>	<b>Report</b>	<b>Date</b>
1	Socioeconomic Baseline Survey Report	Jan. 2014
2	Monitoring Report (No.1)	Jan. 2014
3	Monitoring Report (No.2)	Jul. 2014
4	Monitoring Report (No.3)	Jan. 2015
5	Monitoring Report (No.4)	Jan. 2016
6	Post-evaluation and Completion Report	Jan. 2017

### **10.3 Post-evaluation**

178. 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 obtain successful experience and lessons in land acquisition and property demotion as a reference for future work.

## **Appendixes**

### **Appendix 1: Abstract of Laws, Regulations and Policies of the PRC**

#### **1. Land Administration Law of the PRC, 2004**

Article 2 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.

In ownership by the whole people, the State Council is empowered to be on behalf of the State to administer the land owned by the State.

No unit or individual is allowed to occupy, trade or illegally transfer land by other means. Land use right may be transferred by law.

The State may acquisition land owned by collectives according to law on public interests.

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 43 Any unit or individual that need land for construction purposes should apply for the use of land owned by the State according to law, except land owned by farmer collectives used by collective economic organizations for building township enterprises or building houses for villagers or land owned by farmer collectives approved according to law for use in building public facilities or public welfare facilities of townships (towns).

The term “apply for the use of land owned by the State according to law” used in the preceding paragraph refers to land owned by the State and also land originally owned by farmer collectives but having been acquired by the State.

Article 44 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.

For projects of roads, pipelines and large infrastructure approved by the people's governments of provinces, autonomous regions and municipalities, land for construction has to be approved by the State Council whereas conversion of agricultural land is involved.

Whereas agricultural land is converted into construction purposes as part of the efforts to implement the general plans for the utilization of land within the amount of land used for construction purposes as defined in the general plans for cities, villages and market towns, it shall be approved batch by batch according to the annual plan for the use of land by the organs that approved the original general plans for the utilization of land. The specific projects within the scope of land approved for conversion shall be approved by the people's governments of cities or counties.

Land to be occupied for construction purposes other than those provided for in the second and third paragraphs of this article shall be approved by the people's governments of provinces, autonomous region and municipalities whereas conversion of agricultural land into construction land is involved.

Article 45 The acquisition of the following land shall be approved by the State Council:

- (1) Basic farmland;
- (2) Land exceeding 35 hectares outside the basic farmland;
- (3) Other land exceeding 70 hectares.

Acquisition of land other than prescribed in the preceding paragraph shall be approved by the people's governments of provinces, autonomous regions and municipalities and submitted to the State Council for the record.

Acquisition of agricultural land should first of all go through the examination and approval procedure for converting agricultural land into land for construction purposes according to the provisions of Article 44 of this law. Whereas conversion of land is approved by the State Council, the land acquisition examination and approval procedures should be completed concurrently with the procedures for converting agricultural land to construction uses and no separate procedures are required. Whereas the conversion of land is approved by people's governments of provinces, autonomous regions and municipalities within their terms of reference, land acquisition examination and approval procedures should be completed at the same time and no separate procedures are required. Whereas the terms of reference has been exceeded, separate land acquisition examination and approval procedures should be completed according to the provisions of the first paragraph of this article.

Article 46 For acquisition of land by the State the local people's governments at and above the county level shall make an announcement and organize the implementation after the approval according to the legal procedures.

Owners or users of the land acquired should, within the time limit specified in the announcement, go through the compensation registration for acquired land with the land administrative departments of the local people's governments on the strength of the land certificate.

Article 47 In acquiring land, compensation should be made according to the original purposes of the land acquired.

Compensation fees for land acquired include land compensation fees, resettlement subsidies 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 subsidy 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 subsidies 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. But the maximum resettlement subsidy per hectare of land acquired shall not exceed 15 times of the average annual output value of the three years prior to acquisition.

The standards for land compensation and resettlement subsidies for land acquired shall be determined by various provinces, autonomous regions and municipalities in reference to the land compensation fees and resettlement subsidies for cultivated land acquired.

The standards for compensating for ground attachments and green crops on the land acquired shall be determined by various provinces, autonomous regions and municipalities.

In acquiring vegetable fields in suburban areas, the units using the land should pay new vegetable field development and construction fund.

Whereas the land compensation fees and resettlement subsidies paid according to the provisions of the second paragraph of this article are not enough to maintain the original level of living, the resettlement subsidies may be increased with the approval of the people's governments of provinces, autonomous regions and municipalities. But the combined total of land compensation fees and resettlement subsidies shall not exceed 30 times the average output value of the three years prior to acquisition.

In special circumstances, the State Council may raise the standards for land compensation and resettlement subsidies for land acquired according to the social and economic development level.

Article 48 After the plan for land compensation and resettlement subsidies is finalized, related local people's governments shall make an announcement and hear the opinions of the rural collective economic organizations and farmers whose land has been acquired.

Article 49 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.

It is forbidden to embezzle or divert the land compensation fees and other related expenses.

Article 57 In the case of temporary using State-owned land or land owned by farmer collectives by construction projects or geological survey teams, approval should be obtained from the land administrative departments of local people's governments at and above the county level. Whereas the land to be temporarily used is within the urban planned areas, the consent of the urban planning departments should be obtained before being submitted for approval. Land users should sign contracts for temporary use of land with related land administrative departments or rural collective organizations or villagers committees depending on the ownership of the land and pay land compensation fees for the temporary use of the land according to the standard specified in the contracts.

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.

## **2 Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration**

Article 12 Improving measures of compensation for land acquisition. County-level and above local people's governments shall take practical measures so that the standard of living of farmers affected by land acquisition is not reduced by land acquisition. Land compensation, resettlement subsidy and compensation for ground annexes 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 farmers affected by land acquisition or to pay the social security expenses of farmers who lose all land due to land acquisition, the people's 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 farmers affected by land acquisition, local people's governments may pay a subsidy from the income from compensated use of state land. The people's governments of provinces, autonomous regions and municipalities directly under the Central Government shall fix and publish the uniform annual output value standards 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. Compensation rates and resettlement measures for large and medium-sized water resources and hydropower projects shall be otherwise stipulated by the State Council.

Article 13 Resettling land-expropriated farmers properly. County-level and above local people's governments shall take specific measures to guarantee long-term livelihoods of farmers affected by land acquisition. 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. Within the urban planning area, local people's 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 people's governments shall reserve necessary cultivated land or arrange appropriate jobs for farmers affected by land acquisition 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. The labor and social security authorities shall propose guidelines for the employment training and social security systems for farmers affected by land acquisition as soon as possible.

Article 14 Improving land acquisition procedures. During land acquisition, the ownership of collective land of farmers and the right to contracted management of farmers' land shall be maintained. Before land acquisition is submitted for approval pursuant to law, the use, location, compensation standard and resettlement mode of the land to be acquired shall be notified to farmers affected by land acquisition; 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 farmers affected by land acquisition shall be taken as requisite materials for approval for land acquisition. 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 farmers affected by land acquisition and land users. Approved matters of land acquisition shall be disclosed unless in special cases.

Article 15 Strengthening Supervision over the implementation of land acquisition. If the compensation and resettlement for land acquisition has not been implemented, the acquired land shall not be used forcibly. The People's 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. 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.



### **3. Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition**

- (i) About compensation rates for land acquisition
  - (a) Fixation of uniform AOV rates: The province-level land and resources department shall fix minimum uniform AOV rates for arable land of each county (city) within the province together with other departments concerned, and report to the provincial government for approval and implementation. Uniform AOV rates may be fixed in consideration of land type, quality and grade, farmer investment, farm product price, etc.
  - (b) Fixation of uniform annual output value multiples. The uniform multiple of annual output value for land compensation fees and resettlement subsidy shall be fixed within the statutory range so that land-expropriated farmers' standard of living is not reduced; if compensation fees for land acquisition calculated from the statutory uniform multiple of annual output value are insufficient for land-expropriated farmers to maintain their former standard of living or insufficient to cover their social security costs, the multiple shall be increased appropriately with the approval of the province-level people's government; if an aggregate multiple of 30 for land compensation fees and resettlement subsidy is still insufficient for land-expropriated farmers to maintain their former standard of living, the local people's government shall allocate a certain proportion from the income from the compensated use of state-owned land for subsidization. For basic farmland occupied with lawful approval, the highest compensation rate announced by the local people's government shall apply.
  - (c) Fixation of composite land prices for land acquisition areas. Where conditions permit, the province-level land and resources authority may fix composite land prices for land acquisition for different counties and cities in the province together with other competent authorities, and report such prices to the province-level people's government for approval, disclosure and implementation. Such prices shall be fixed in consideration of land type, output value, geographic location, farmland rating, per capita cultivated area, land supply-demand relationship, local economic level and minimum living security level of urban residents, etc.
  - (d) Distribution of land compensation fees: Since land compensation fees are used mainly on households affected by land acquisition, land compensation fees shall be distributed within rural collective economic organizations reasonably. The detailed distribution measures shall be formulated by the provincial government. If all land of a village is acquired and the rural collective economic organization is cancelled, all land compensation fees shall be used for the production and livelihood resettlement of land-expropriated farmers.
- (ii) About means of resettlement for land-expropriated farmers
  - (e) Agricultural resettlement. When rural collective land out of urban planning areas is acquired, land-expropriated farmers shall be first provided with

necessary cultivated land using mobile collective land, contracted land turned over by contractors and cultivated land arising from land development so that they continue to pursue agricultural production.

- (e) Reemployment resettlement. Conditions shall be created actively to provide free labor skills training to land-expropriated farmers and place them to corresponding jobs. Under equal conditions, land users shall first employ land-expropriated farmers. When rural collective land within urban planning areas is acquired, land-expropriated farmers shall be included in the urban employment system and a social security system established for them.
  - (f) Dividend distribution resettlement. When any land with long-term stable income is to be used for a project, the affected rural collective economic organization may become a project shareholder with compensation fees for land acquisition or rights to use construction land in consultation with the land user. The rural collective economic organization and rural households will receive dividends as agreed.
  - (g) Non-local resettlement. If basic production and living conditions are not available locally to land-expropriated farmers, non-local resettlement may be practiced under the leadership of the government in consultation with the rural collective economic organization and rural households.
- (iii) About land acquisition procedures
- (h) Notification of land acquisition. Before land acquisition is submitted for approval, the local land and resources authority shall notify the affected rural collective economic organization and rural households of the use, location, compensation rate and resettlement mode of the land to be acquired in writing. After that, any ground attachment or young crop built or grown by the affected rural collective economic organization and rural households thereon shall not be compensated for.
  - (h) Verification of survey results. The local land and resources authority shall investigate the ownership, type and size of the land to be acquired, and the ownership, types and quantities of ground attachments, and the investigation results shall be confirmed together with the affected rural collective economic organization, rural households and proprietors of ground attachments.
  - (i) Hearing on land acquisition. Before land acquisition is submitted for approval, the local land and resources authority shall notify the affected rural collective economic organization and rural households of the right of application for hearing on the compensation rate and the mode of resettlement. In case of application for hearing, hearing shall be organized pursuant to the applicable procedures and requirements.
- (iv) About supervision over land acquisition implementation
- (j) Disclosure of land acquisition approval. For land to be acquired as

approved according to law, except in any special case, such as involving any state secret, the Ministry of Land and Resources, and the provincial land and resources department shall disclose land acquisition approval to the public through mass media. The county (city) land and resources department shall disclose land acquisition approval in the village and group affected by land acquisition pursuant to the Measures for Announcement of Land Acquisition.

- (j) Payment of compensation fees for land acquisition. After the compensation and resettlement program for land acquisition has been approved by the municipal and county governments, compensation fees for land acquisition shall be appropriated to rural collective economic organization affected by land acquisition within the time limit stipulated by law. The local land and resources department shall supervise the distribution and use of compensation fees for land acquisition within the organization.
- (k) Supervision and inspection after approval of land acquisition. Land and resources departments at all levels shall supervise and inspect the implementation of land acquisition programs approved by law. If land acquisition has reduced the living standard of land-expropriated farmers, the local land resources department shall take effective measures to guarantee their production and livelihoods, and maintain social stability.

## **Appendix 2: Abstract of Applicable Policies of Yunnan Province**

### **1. Land Administration Regulations of Yunnan Province, 1999**

#### **Chapter 5 Construction land**

Article 19 If rural collective land is to be acquired for construction, the administrative department in charge of land of the government at or above the county level shall draft a compensation and resettlement program for land acquisition together with the construction agency, and listen to opinions of the rural collective economic organization and farmers affected by land acquisition.

Such program shall be included in the land pre-examination of construction land. After its approval with the land acquisition plan, the municipal (county) government shall announce such program within 15 days and prepare for its implementation. The proprietor of and holder of the right to use the acquired land shall register land acquisition compensation with the administrative department in charge of land of the local county government within the period specified in the announcement.

Article 23 The land compensation rates for land acquisition shall be:

- (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.

Article 24 The resettlement subsidy rates for land acquisition shall be as follows:

- (1) If the per capita cultivated area of the acquired land is 666.7 m<sup>2</sup> or more, the resettlement subsidy shall be 4 times the AAOV of the three years prior to acquisition; if the per capita cultivated area is less than 666.7 m<sup>2</sup>, the resettlement subsidy shall be increased by one AAOV for each 50 m<sup>2</sup> reduced; the resettlement subsidy for acquired cultivated land shall not exceed 15 times of the AAOV of the three years prior to acquisition at most;
- (2) The resettlement subsidy for acquired garden land or lotus root pond shall be 6 times the AAOV;

- (3) The resettlement subsidy for acquired fishpond shall be 4 times the AAOV;
- (4) The resettlement subsidy for allocated state-owned farm, forest farm, pasture or fishing ground shall be 5 times the AAOV;
- (5) Acquired collective housing land, construction land, threshing ground, sunning ground or newly reclaimed farmland that has been cultivated for less than 3 years shall be 4 times the AAOV.

Article 25 If land compensation fees and resettlement subsidies paid pursuant to Articles 23 and 24 above are still insufficient to maintain the existing living standard, especially if per capita cultivated area is less than 116.7 m<sup>2</sup> after land acquisition, resettlement subsidies may be increased with the approval of the provincial government. However, the sum of land compensation fees and resettlement subsidies shall not exceed 30 times the AAOV of the acquired land in the past three years.

Article 26 Attachments to the acquired land shall be compensated for as follows:

- (1) Young crops on the acquired land shall not be removed; if removal is necessary, they shall be compensated at the actual output value of one harvest in the current season;
- (2) If any house or facility on the acquired land are to be demolished, it shall be compensated for by property swap, in cash or through a combination thereof. The size of property swap shall be the building area of the demolished house, and the amount of cash compensation shall be based on the replacement cost for the building area of the demolished house and its newness;
- (3) The compensation rate for tombs and scattered trees (including fruit trees) on the acquired land shall be stipulated by the prefecture or municipal government;
- (4) For acquired threshing ground or sunning ground, the construction cost shall be compensated for.

Ground attachments and underground facilities cultivated or built after the issue of the land acquisition notice by the administrative department in charge of land shall not be compensated for; buildings and other facilities constructed on illegally occupied land shall not be compensated for.

Article 27 For acquired suburban vegetable land, a contribution to the vegetable land development fund shall be made, and such fund shall be managed by prefecture, municipal and county governments and used specifically for newly developed vegetable land, ranging from 15-30 yuan/m<sup>2</sup>.

Article 28 If collective cultivated land is approved for acquisition, agricultural tax shall be reduced based on the acquired land area.

Article 29 Compensation fees and resettlement subsidies for land acquisition shall belong to the collective affected by land acquisition, and used specifically for production development, surplus labor employment and living subsidies for those who cannot be employed, except that compensation fees for ground attachments and young crops that belong to individuals.

Article 30 Surplus labor resulting from land acquisition shall be resettled through agricultural

and sideline production development, and the establishment of rural enterprises mainly, and may also be employed by the land user or any other entity if possible, and their resettlement subsidies shall be transferred to the entity absorbing labor. The measures for converting agricultural population affected by land acquisition into nonagricultural population shall be developed by the provincial government.

Article 31 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. 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.

Article 32 According to subparagraphs (1) and (2) of paragraph 1 of Article 58 of the Land Administration Law of the PRC, if the right to use state-owned land is withdrawn on a compensated basis, the balance after deduction of use fees shall be returned to the original land user.

Article 33 One rural household can have only one housing site, and the size thereof shall be as follows:

- (1) Within the urban planning area, per capita size shall not exceed 20 m<sup>2</sup> and the size of one household shall not exceed 100 m<sup>2</sup>;
- (2) Out of the urban planning area, per capita size shall not exceed 30 m<sup>2</sup> and the size of one household shall not exceed 150 m<sup>2</sup>.

Housing site size in rural areas where per capita cultivated area is small shall be controlled strictly, while that in mountainous, semi-mountainous and frontier ethnic minority areas may be increased as appropriate.

The housing site cleared after the demolition of any rural residential house must be returned to the collective within a definite time and shall not be transferred without authorization.

For any approved housing site, the building must be constructed according to the approved location and size. If the building is not completed within two years, the land use right shall be withdrawn without compensation.

Article 34 The use of rural collective land by any rural collective economic organization to establish an enterprise or construct a rural public facility shall be approved pursuant to Article 22 above. If farmland is involved, Article 21 above shall apply.

## **2. Notice of the Yunnan Provincial Government on Issuing the Measures for the Trial Implementation of Basic Endowment Insurance for Land-expropriated Farmers, 2008**

Article 7 The government subsidy shall be allocated from collected special land acquisition funds at a time. During land acquisition, the government shall collect a sum of not less than 20,000 yuan per mu based on land rating, and use it specifically for basic endowment insurance.

Article 8 The individual contribution and the collective subsidy shall be disbursed from not more than 50% of resettlement subsidies and not less than 70% of land compensation fees. During land acquisition, governments at all levels shall estimate basic endowment insurance premiums as part of land acquisition costs, and submit land compensation fees, resettlement subsidies and basic endowment insurance premiums so estimated to the finance, labor and social security, and land and resources departments.

### **3. Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Yunnan Province (Interim), 2009**

#### **Scope of application**

This standard shall apply when compensation fees for collective farmland acquired by the state are estimated within areas of Yunnan Province where new compensation rates for land acquisition apply. Compensation rates for the acquisition of collective construction land and state-owned farmland may be fixed by reference to this standard.

#### **Concepts**

##### **(1) Uniform AAOV rate for land acquisition**

Uniform average annual output value rate for land acquisition (“uniform AAOV rate” for short) is an integrated annual output value of farmland calculated based on the average output of irrigated land, rain-fed farmland, irrigable land, non-irrigated land, vegetable land, garden land and aquaculture water surface of a county (city, district) in the past 3 years, and by reference to the type of acquired farmland, land quality and rating, and farm product prices. Uniform AAOV rate for land acquisition is essentially the integrated annual output value of the acquired farmland that includes both the output value of farm products on the acquired farmland and other income thereon.

##### **(2) Division of uniform AAOV zones**

On the basis of AAOV calculation, a county (city, district) is divided into several zones with relatively consistent economic and social conditions as uniform AAOV zones for land acquisition. A county (city, district) may have several AAOV zones. The AAOV rate of a zone shall be based on the AAOVs of the townships in it, and the compensation rate for land acquisition of such zone shall be based on its AAOV rate and the corresponding compensation multiple.

##### **(3) Compensation multiple**

Average integrated compensation multiple, “compensation multiple” for short, is the total multiple of land compensation fees and resettlement subsidies, calculated based on the existing living standard, socioeconomic level and compensation rate for land acquisition in a uniform AAOV zone for land acquisition. A compensation multiple is corresponding to a uniform AAOV zone, and one zone has only one compensation multiple.

The compensation multiples of land compensation fees and resettlement subsidies shall be fixed pursuant to Article 47 of the Land Administration Law of the PRC, and Articles 23 and 24 of the Land Administration Regulations of Yunnan Province, but the total multiple of land compensation fees and resettlement subsidies shall not exceed 30. In a zone where the compensation multiple has been fixed, the total multiple of land compensation fees and resettlement subsidies shall not exceed the published or amended compensation multiple.

##### **(4) compensation rate for land acquisition**

In a zone for which a uniform AAOV has been fixed, the compensation rate for land acquisition shall be based on the uniform AAOV rate and the corresponding compensation multiple; in a zone for which a location-based composite land price for land acquisition has been fixed, the land price shall be the compensation rate for land acquisition.

(5) Location-based composite land price for land acquisition

Location-based composite land price for land acquisition, “location-based price” for short, is a location-based composite compensation rate calculated using the specified method based on land type, output value, location and rating, per capita cultivated area, land supply and demand, local economic level, and urban MLS level within the range of construction land identified in the master utilization plan of an urban administrative division or an area set as necessary.

**Application of compensation rates for land acquisition**

(1) Compensation in uniform AAOV zone

In a zone for which a uniform AAOV has been fixed, the amount of compensation for land acquisition shall be calculated based on the local uniform AAOV rate and the corresponding compensation multiple.

During the implementation of land acquisition, the compensation multiple may be adjusted in consideration of the type of the acquired land and the per capita cultivated area of the affected entity. See Section 8 “Correction system for compensation rates for land acquisition and notes on application” for the correction method.

(2) Compensation in location-based price zone

In a zone for which a location-based price has been fixed, the amount of compensation for land acquisition shall be calculated based on the location-based price of the zone of land acquisition. There shall be no correction system for location-based price, and the published location-based price shall apply directly.

**Treatment of special cases**

(1) Cross-zone land acquisition

In a linear project or a project that crosses zones with different compensation rates for land acquisition, the compensation rate for land acquisition shall be determined based on the published uniform AAOV rates or location-based prices of the relevant zones. If two neighboring zones differ greatly in compensation rate, the project area may be divided into several homogeneous segments based on land quality, per capita cultivated area and economic level to determine the compensation rate of each segment.

**Correction system for compensation rates for land acquisition and notes on application**

(1) Correction system for compensation rates

According to the calculation method of the compensation multiples of land compensation fees and resettlement subsidies in Article 47 of the Land Administration Law of the PRC, and Articles 23 and 24 of the Land Administration Regulations of Yunnan Province (September 24, 1999), and based on Yunnan Province’s practical conditions, the current land use and the per capita cultivated area of the affected entity shall be taken as the correction factors for compensation rate for land acquisition, a provincial correction system established, and a list of correction coefficients for compensation multiple prepared.

Since different parts of Yunnan Province differ greatly in natural, economic and social conditions, province-wide published compensation multiples shall be corrected in 3 intervals, namely 16-20, 21-25 and 26-30.



According to Article 47 of the Land Administration Law of the PRC, the combined total of land compensation fees and resettlement subsidies shall not exceed 30 times the average output value of the three years prior to acquisition. Therefore, corrected compensation multiple shall range from 16 to 30, except for grassland.

#### **4. Lending, Exemption, Support and Subsidization Policy**

Lending, exemption, support and subsidization means the government shall provide lending, tax and fee reduction and exemption, supporting services and financial subsidization measures to startup entrepreneurs since 2009.

##### **1). Lending:**

Graduates, migrant workers, ex-servicemen and returned students who have the ability to start up a business may apply for a small-amount business startup loan of not more than 50,000 yuan per capita.

According to the Measures for the Implementation of Small-amount Secured Loans of Chuxiong Prefecture, any eligible household affected by the Project may apply for a small-amount secured loan to solve financial difficulty in business startup.

##### **(1) Eligible borrowers**

All unemployed persons, ex-servicemen, returned students and returned farmers registered in Lufeng County who have been self-employed, started up businesses or entered into partnership, and are aged below 60 years for men and 55 years for women, physically healthy, honest and trustworthy, and able to provide a valid business license and a lawful means of guarantee may apply for a small-amount secured loan.

A labor-intensive small enterprise may apply for discount interest for its small-amount secured loan with the approval of the finance, and labor and social security departments.

##### **(2) Limit and term of loan, discount interest and recovery**

Limit of loan: (1) Any unemployed person engaged in individual business or partnership may apply for a small-amount secured loan of not more than 50,000 yuan per capita based on its business line, personal credit standing and ability to pay; the amount of loans for a partnership shall not exceed 200,000 yuan. (2) If a business started up successfully employs registered unemployed persons, it may apply for a small-amount secured loan of not more than 300,000 yuan based on the actual number of persons employed, business line and ability to pay. (3) A labor-intensive small enterprise that has employed unemployed persons in our prefecture accounting for 30% of its active workforce (15% for an enterprise with an active workforce of over 100) in the current year and entered into a labor contract of not less than one year may apply for a discount interest not more than 2 million yuan on its small-amount secured loan of based on the actual number of registered unemployed persons employed in the previous year, the term of the labor contract, credit standing and business status.

Term of loan: The term of small-amount secured loan for an individual business or partnership shall be two years in principle; if extension is necessary, the applicant shall file a written application with the county labor and social security bureau within one month before the maturity; the loan may be extended for more than one year without discount interest with the approval of the county labor and social security bureau, and the lending bank.

Calculation method of discount interest: fully discounted by the finance department

##### **2. Exemption:**

Relevant administrative fees and taxes shall be exempted for startup entrepreneurs, who may apply for small-amount business startup loans without guarantee and without interest.

##### **3. Support:**

Business startup consulting and training services

Business startup project review

Business startup mentoring

Follow-up services

##### **4. Subsidization:**

Anyone who has started up a business successfully for one year shall be granted a subsidy of 1,000-3,000 yuan.

Any entity undertaking business startup support shall be granted a subsidy of 1,600 yuan for each person assisted in successful business startup.

#### Service process

- (1) The entrepreneur files a business startup application with the undertaking agency;
- (2) The undertaking agency provides consulting and training services to the applicant, reviews the proposed project preliminarily, and recommends the project to the rural credit cooperative;
- (3) The rural credit cooperative reviews the project recommended by the undertaking agency and decides if a small-amount business startup loan will be granted; any granted loan will be withdrawn on schedule;
- (4) The undertaking agency recommends a mentor to the entrepreneur and provides follow-up services;
- (5) The finance, and labor and social security departments reviews, grants or writes off the successful startup subsidy and any bad loan proposed by the entrepreneur and the undertaking agency.

#### **Fund disbursement and risk control**

##### (1) Fund disbursement

a. Working funds shall be appropriated in advance at 50% of the target to the undertaking agency at the year beginning, adjusted or supplemented in midyear, and settled in the first quarter of the next year; working funds shall be fully honored if annual repayment rate is higher than 95%.

b. A successful entrepreneur may file an application with the county-level labor and social security department, which will disburse a one-time startup subsidy to the applicant timely after approval.

##### (2) Risk control

a. A small-grant startup loan shall be repaid on a monthly basis from the 4<sup>th</sup> month of extension.

b. If the quarterly repayment rate of a borrower recommended by the county-level undertaking agency is less than 90%, its operations shall be suspended.

c. For bad debts approved for write-off, the provincial union of rural credit cooperatives shall bear 20%, the prefecture (municipality) and county (city, district) 10% each, and the provincial guarantee fund 60%.

#### Employment guidance:

(1) According to the lending, exemption, support and subsidization policy, LEFs are encouraged to start up businesses independently. Entrepreneurs shall be exempt from administrative fees and relevant taxes, and free from guarantee and interest for small-grant startup loans. Consulting services on supporting policies and laws shall be provided to entrepreneurs to improve their startup capacity. Startup projects proposed by entrepreneurs shall be reviewed by the supporting agency and rural credit cooperative to decide if a small-grant loan shall be recommended and granted. A service mentor shall be introduced to entrepreneurs to provide one-to-one guidance through the startup process. Any entrepreneur who has started up a business successfully for more than one year and employed 3-5 registered unemployed persons in our province with labor contracts, a startup subsidy of 1,000 yuan shall be granted.

(2) Special talent fairs will be organized for migrant workers to help surplus rural labor get employed, and employment information, labor rights protection services and legal consulting

services will be provided.

## **5. Program of Social Endowment Insurance for LEFs**

The policy on endowment insurance for LEFs of Chuxiong City is as follows:

### **(1) Period and rate of contribution**

The rate of contribution to rural social endowment insurance shall not be less than the MLS standard for urban residents of the current year published by the city civil affairs bureau. The basic proportions of contribution are as follows:

- ✧ Fully LEFs (contracted collective cultivated land is fully acquired): The individual and the village collective economic organization contribute 20%, and government subsidy accounts for 80%.
- ✧ Largely LEFs (per capita contracted area of collective cultivated land is less than 0.3 mu): The individual and the village collective economic organization contribute 60%, and government subsidy accounts for 40%.
- ✧ Partly LEFs (per capita contracted area of collective cultivated land is 0.3 mu or more): The individual and the village collective economic organization contribute 80%, and government subsidy accounts for 20%

Premiums paid above are basic premiums. If conditions permit, LEFs may establish individual accounts themselves.

### **(2) Eligibility for receiving pensions and treatment**

- ✓ Eligibility for receiving pensions: Any insured having attained 60 years and paid stipulated premiums in full may receive a basic pension monthly until death;
- ✓ The basic pension shall be calculated and paid by reference to rural social endowment insurance;
- ✓ The basic pension shall not be less than the MLS standard for urban residents published by the city civil affairs bureau;
- ✓ For anyone who had participated in rural social endowment insurance before the basic endowment insurance system for LEFs was established, the former individual account shall remain unchanged, and when he/she attains receiving age, its pension will be paid together with the pension under basic endowment insurance for LEFs;
- ✓ The guaranteed period of receiving the basic pension shall be 10 years. If the insured is still alive after receiving the basic pension for 10 years, he/she shall continue to receive the basic pension as usual; if the insured dies before 10 years, the balance of his/her individual account will be returned to his/her legal heir or designated beneficiary with interest at a time; if he/she has neither legal heir nor designated beneficiary, the balance shall be included in the pool account with interest;
- ✓ If the insured dies before receiving age, the balance of his/her individual account will be returned to his/her legal heir or designated beneficiary with interest at a time; if he/she has neither legal heir nor designated beneficiary, the balance shall be included in the pool account with interest.

### **(3) Estimate of pension level**

According to the policy, an LEF aged 16-60 years should contribute endowment insurance premiums for 15 years of 32,220 yuan, and one aged 61 years or more should contribute premiums for 10 years of 21,480 yuan. Therefore, LEFs aged 16-60 years affected by the Project should contribute 6,444-25,776 yuan (for different contribution levels ranging from 20% to 80%) at a time to participate in endowment insurance for LEFs of Chuxiong City. In the Project, the average acquired land area per household is 0.81 mu, and the amount of cash compensation per household is 64,949.4 yuan, so that 2-10 persons making one-time contribution can be afforded per household on average. Having participated in endowment insurance for LEFs, each insured

will receive a pension of 107.4-214.8 yuan per month, which is sufficient to cover the monthly loss of 95-107.5 yuan per capita. The deficiency of 72 yuan below the MLS standard for urban residents of 179 yuan in the current year received by each fully LEF per month will still be disbursed from the pool account. Therefore, the compensation received by the households affected by LA is largely sufficient to cover insurance premiums, and insurance benefits received by LEFs are sufficient to cover their income losses arising from LA.

**Appendix 3: Resettlement Information Booklet**

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

**Chuxiong City Project  
(Road Part)**

**Resettlement Information Booklet**

**ADB-financed Project Management Office of the Chuxiong Prefecture Government  
Chuxiong City Government  
August 2013**

## 1. Introduction

1. The Chuxiong City Urban Environment Improvement Project is a Project of the ADB-financed Yunnan Chuxiong Urban Environment Improvement Project. The Project includes the construction of a longitudinal quasi-expressway, a transversal primary trunk road, a secondary trunk road and a branch road in the southeast area, and associated storm and sewer pipe works, bridges, culverts, traffic works, safety, lighting and landscaping facilities.

## 2. Range of LA and resettlement

2. The Project includes the construction of a longitudinal quasi-expressway, a transversal primary trunk road, a secondary trunk road and a branch road in the southeast area, and associated storm and sewer pipe works, bridges, culverts, traffic works, safety, lighting and landscaping facilities.

3. The main types of impact of the Project are permanent LA, temporary land occupation, demolition of residential houses, and relocation of enterprises. 584.76 mu of collective land will be acquired for the Project, including 477.3 mu of cultivated land (81.62%), 60.44 mu of housing land (10.34%), 39.1 mu of fishponds (6.69%) and 7.92 mu of unused land (1.35%), affecting 409 households with 1,793 persons. 10.5 mu of state-owned will be occupied temporarily, affecting no one. Rural residential houses with a total area of 28,622 m<sup>2</sup> will be demolished, including 8,415 m<sup>2</sup> in masonry concrete structure (29.40%), 8,285 m<sup>2</sup> in masonry timber structure (28.95%) and 11,922 m<sup>2</sup> in earth timber structure (41.65%), affecting 87 households with 390 persons, in which 50 households with 234 households will also be affected by LA. Four enterprises will be relocated, with a total demolition area of 1,350 m<sup>2</sup>, affecting 140 persons. In addition, the Project will affect some ground attachments, such as tombs, trees and telegraph poles. One township and three communities in Chuxiong City will be affected by LA and resettlement.

4. The Project was included in state planning in 2010, and is expected to break ground in 2014 and be completed in 2017. LA, HD, compensation and resettlement will begin in December 2013 and be completed in January 2015.

## 3. Resettlement Implementation Schedule

5. LA, HD and resettlement will begin in December 2013 and be completed in January 2015, as shown in Table 1.

**Table 1: Resettlement Implementation Plan**

No.	Resettlement	Task	Agency responsible	Time	Remarks
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	3 villages with 14 groups	CPPMO, CDICL	Oct. 2013	
1.2	Disclosure of the RP on ADB's website		CCPMO, CPPMO, ADB	Oct. 2013	
<b>2</b>	<b>Detail Measure Survey and Resettlement Plan Update</b>				
2.1	DMS on LA and HD		CCPMO, Resettlement Office	Dec. 2013	
2.2	RP update after detailed design and ADB approval	/	CPPMO, CCPMO	Dec. 2013	If there are any changes after DMS.
<b>3</b>	<b>Compensation agreement</b>				
3.1	Village-level land compensation agreement	3 villages	Land and resources bureau	Dec. 2013	

No.	Resettlement	Task	Agency responsible	Time	Remarks
3.2	Household land and house compensation agreements	450 AHs	Resettlement Office / AHs	Jan. 2014	
<b>4</b>	<b>Implementation of restoration measures</b>				
4.1	Distribution of land compensation fees to AHs and land reallocation	3 villages	Town government, village committees	Jan. – May 2014	
4.2	Implementation of village-level income restoration programs	3 villages	Village committees	2013-2015	
4.3	Income restoration through business and employment	450 AHs	Town government, village committees, labor and social security bureau	2013-2015	
4.4	Implementation of training program	450 AHs	Labor and social security bureau	Dec. 2013 – Jun. 2014	
<b>5</b>	<b>Monitoring &amp; Evaluation</b>				
5.1	Baseline survey	One report	External M&E agency	Jan. 2014	
5.2	Establishing an internal M&E agency	As per the RP	CPPMO, CCPMO	Dec. 2013	
5.3	Recruit an external monitoring agency	One	CPPMO	Dec. 2013	
5.4	Internal monitoring reporting	Quarterly	CPPMO, CCPMO	From Jan. 2014	
5.5	External monitoring reporting	Semiannual report	External M&E agency	Jan. 2014	1 <sup>st</sup> report
				Jul. 2014	2 <sup>nd</sup> report
5.6	External monitoring reporting	Annual report	External M&E agency	Jan. 2015	3 <sup>rd</sup> report
				Jan. 2016	4 <sup>th</sup> report
5.7	External evaluation and completion report	One report	CCPMO, CPPMO	Jan. 2017	

#### 4. Impacts of the Project

6. According to the recommended option, the Project will affect three communities, one town in Chuxiong City. See Table 2.

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

Project	City	Pile No.	Town	Communitiy
The Project	Chuxiong	10# road (15# road-49# road)	Lucheng	Qinglong
		11# road (West Ring Road-East Ring Road)		Dadong
				Fumin
		17# road (9# road-41# road)		Qinglong
				Fumin
		49# road (42# road-East Ring Road)		Qinglong
				Dadong
	Fumin			

#### 5. Policy Framework

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 Chuxiong City, 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 Chuxiong Prefecture**

- Notice of the Chuxiong City Government on Updating Replacement Cost Rates



for Different Types of Houses (CCG [2010] No.182)

- Notice of the Chuxiong City Government on Issuing the Administrative Measures for Collective Land Acquisition of Chuxiong City (CCG [2010] No.183)
- Notice of the Chuxiong City Government on Issuing the Administrative Measures of Chuxiong City for Compensation for Houses on Collective Land (CCG [2010] No.184)
- Notice of the Chuxiong City Government on Issuing the Administrative Measures of Chuxiong City for the Relocation and Resettlement of Land-expropriated Farmers in Urban Construction (CCG [2010] No.185)
- Notice of the Chuxiong City Government on Issuing the Implementation Plan for the Relocation and Resettlement of Land-expropriated Farmers in the Southeast New Town (CCG [2010] No.187)
- Notice of the Chuxiong City Government on Issuing the Measures of Chuxiong City for Basic Endowment Insurance for Land-expropriated Farmers (CCG [2010] No.186)

## 6. Key Compensation Rates

### 6.1 Compensation Rates for Key Land Types

8. According to the Land Administration Law of the PRC, the Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition, and the Regulations of the Yunnan Province on the Implementation of the Land Administration Law of the PRC, compensation fees for cultivated land acquisition include land compensation fees, resettlement subsidies and compensation for green crops. See Table 3.

**Table 3: Multiples and Rates of Compensation Fees for Collective Land Acquisition**

Town	Grade	Rate	Compensation rate for young crops		Housing land (yuan/mu)	Fishponds (yuan/mu)	Unused land (yuan/mu)
			Vegetable & irrigated land (yuan/mu per annum)	Compensation for fishpond losses (yuan/ton)			
Lucheng	1	80,000	1,500	2,000	40,000.2	80,000	6,000

### 6.2 Social Security for LEFs

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

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

### 6.3 Compensation Rates for HD

#### 6.3.1 Compensation Rates for Demolition of Residential Houses

10. According to the applicable provisions, all urban residential houses on state-owned land and rural residential houses on collective land will be compensated for at replacement cost based on market appraisal, which will not be less than the benchmark compensation rates for HD fixed for the Project, which are equivalent to appraised prices of houses in equivalent areas. Housing sites for resettlement will be available for HD, and the plot for resettlement will be decided at the village congress, preferably within the same group. The three supplies and one leveling of housing sites will be provided by the IA, and the related costs will be included in the construction budget of the Project.

**Table 4: Compensation Rates for Demolition of Residential Houses**

Type of impact		Structural type		Unit	Benchmark rate (yuan)	Remarks
Demolition of houses on state-owned and collective land	House compensation	Housing land		yuan/m <sup>2</sup>	60	Compensation rates for houses are based on market appraisal but not less than the benchmark rates fixed for the Project.
		Masonry concrete		yuan/m <sup>2</sup>	1091.5	
		Masonry timber		yuan/m <sup>2</sup>	497	
		Earth timber		yuan/m <sup>2</sup>	448.8	
	Other compensation	Moving subsidy		yuan/m <sup>2</sup>	4	Applicable to two relocations; 600 yuan per household for a housing size of not more than 150 m <sup>2</sup>
		Transition subsidy		yuan/m <sup>2</sup> per month	3	From the date of emptying and handing over the house to the completion of resettlement housing
		Early moving reward	Signing agreement within 20 days	yuan per household	4000	Emptying and handing over the house
			Within 30 days		2000	
			Within 40 days		1000	

#### 6.3.2 Compensation Rates for Demolition of Non-residential Properties

11. Non-residential properties demolished for the Project will be demolished along 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 5.

**Table 5: Compensation Rates for Demolition of Non-residential Properties**

Type of impact		Structural type	Unit	Benchmark rate (yuan)	Remarks
Demolition of houses on state-owned and collective land	House compensation	Reinforced concrete	yuan/m <sup>2</sup>	1570	All commercial stores involved in the Project are in mixed commercial and 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 concrete	yuan/m <sup>2</sup>	1091.5	
		Masonry timber	yuan/m <sup>2</sup>	497	
	Other compensation	Compensation rate for losses from production or business suspension	yuan/m <sup>2</sup>	50	

#### 6.4 Compensation Rates for Infrastructure and Ground Attachments

12. The compensation rates for infrastructure and ground attachments affected by the Project have been fixed based on replacement cost. See Table 6.

**Table 6: Compensation Rates for Infrastructure and Ground Attachments**

Item	Unit	Compensation rate
Livestock pens	yuan/m <sup>2</sup>	224.5
Brick enclosing walls	yuan/m <sup>3</sup>	402
Earth enclosing walls	yuan/m <sup>3</sup>	118
Toilets	Masonry, simple	600
Tombs	Masonry, simple (yuan each)	1040
Concrete ground	yuan/m <sup>2</sup>	39
Wells	yuan/m <sup>3</sup>	362.4
Prickly ash	Just fruit-bearing (yuan each)	60
Eucalyptus	Diameter at breast height 5-10cm (yuan each)	10
Peach	Just fruit-bearing (yuan each)	40
Bamboo	m <sup>2</sup>	40

#### 6.5 Assistance Measures for Vulnerable Groups

13. 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

14. A support fund for vulnerable groups of 793,300 yuan (1.1% of basic resettlement costs) 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

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

16. 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:
- Providing resettlement information with priority;
- For special vulnerable groups, such as elderly widows and destitute households, if the housing size available for swap is less than 40 m<sup>2</sup>, a 40 m<sup>2</sup> apartment may be granted directly, and they may purchase a 10 m<sup>2</sup> commercial store at cost price;
- 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 3,000 yuan upon presentation of a valid certificate.

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

17. According to Chuxiong City'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 693 yuan/year and the per capita income of each urban AH is not less than 179 yuan/month.

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

18. Urban and rural medical assistance will be provided to eligible vulnerable groups to solve their difficulty in receiving medical care.

**6.6 Other Policy-based Costs**

19. Rates of other policy-based costs will be based on the applicable regulations and policies of the PRC and Yunnan Province.

**7. Entitlement Matrix**

20. See the table as follows.

**8. Resettlement Organizational Structure**

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
- CCPMO
- Chuxiong City Resettlement Office
- Lucheng 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

Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
Permanent LA	584.76 mu, including 477.3 mu of cultivated land, 39.1 mu of fishponds, 60.44 mu of housing land and 7.92 mu of unused land	409 households with 1,793 persons in Qinglong, Fumin and Dadong Communities, Lucheng Town	<p>(1) Cash compensation: The compensation rates are 80,000 yuan/mu for cultivated land, 80,000 yuan/mu for fishponds, 40,000.2 yuan/mu for housing land and 6,000 yuan/mu for unused land. Land compensation fees and resettlement subsidies will be managed centrally by the village collective, and the income thereon will be distributed at the year end. These funds will be used mainly for collective investment (e.g., bazaar construction on returned land) and public welfare (e.g., infrastructure construction, benefit distribution and poverty relief). Funds will be used subject to collective discussion, and approval at the village and township levels. In addition, the remaining land will be reallocated evenly amongst all rural villagers. The compensation for ground attachments and young crops will be paid to their proprietors.</p> <p>(2) Agricultural resettlement: including land readjustment, crop cultivation and stockbreeding planning</p> <p>(3) Employment: The employment of LEFs will be promoted through employment by local enterprises and under the Project.</p> <p>(4) Small-amount secured loan: LEFs will be supported pursuant to applicable policies.</p> <p>(5) Skills training: 2,000 men-times will be trained for free under the Project.</p> <p>(6) Social security: Security measures will be offered pursuant to policies on endowment insurance for LEFs and new-type rural/urban endowment insurance.</p>	Measures for land compensation allocation, land reallocation and production investment (cultivation and irrigation skills, tertiary industries, etc.) will be determined by the village meeting. Training will be approved and supervised by the government at the next higher level.
Residential house demolition	28,622 m <sup>2</sup> , including 8,415 m <sup>2</sup> in masonry concrete structure, 8,285 m <sup>2</sup> in masonry timber structure and 11,922 m <sup>2</sup> in earth timber structure	87 households with 390 persons in Qinglong and Fumin Communities	<p>(1) House compensation: at full replacement cost for different structural types and quality levels</p> <p>(2) The AHs will receive a moving subsidy and a transition subsidy.</p> <p>(3) All 87 households affected by HD will receive compensation for their houses and attachments through market appraisal. The resettlement modes available for residential houses include: 1) resettlement in storied buildings; 2) cash compensation; 3) resettlement on housing sites and otherwise.</p>	The resettlement community is located in the Southeast New Town, with the three supplies and one leveling provided by the IA.
Relocation of enterprises	4 enterprises with a total area of 1,350 m <sup>2</sup>	140 persons	<p>(1) Affected properties will be compensated for at the rates for non-residential houses.</p> <p>(2) They will receive a moving subsidy, and compensation for losses from production or business suspension.</p> <p>(3) Local government will assist them to find a new location to buy or lease.</p>	Low degree of impact
Women	/	1,073 women	<p>(1) 750 persons are in working age.</p> <p>(2) Women will have priority in employment, and at least 320 persons will receive unskilled jobs.</p> <p>(3) 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> <p>(4) Women will receive relevant information during resettlement, and are encourage to participate in resettlement consultation. Special women FGDs will be held to introduce resettlement</p>	

Type of impact	Degree of impact	APs	Compensation and resettlement policy	Measures
			policies.	
Vulnerable groups	MLS households	10 households with 10 persons	(1) Laborers in vulnerable households will have priority in receiving training and job opportunities.	
	Five-guarantee households	3 households with 4 persons	(2) Two members (at least one woman) of each AH will receive livelihood training and prior job opportunities, e.g., participation in project construction.	
	Households affected by disability	16 households with 18 persons	(3) Each affected vulnerable household will receive a destitution subsidy of 2,000 yuan.	
Special facilities and ground attachments	11 types, including toilets, trees	Proprietors	(1) Affected special facilities will be 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. (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 paid by the Project from the contingencies	

## 9. Grievances and Appeals

22. Since public participation is encouraged during the preparation and implementation of the RP, 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 Chuxiong 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 CCPMO or CPPMO after receiving such disposition, which shall make a disposition within 2 weeks.

**Stage 4:** If the appellant is still 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.

23. At any point, if the appellant person is dissatisfied, he/she may file an action in a civil court in accordance with the Civil Procedure Law of the PRC after receiving the arbitration award.

24. The APs may also express grievance to the external monitoring agency, who would then report it to Chuxiong resettlement office, Chuxiong Land and Resource Bureau, and Chuxiong PPMO. 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>.

25. 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

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

The external M&E agency shall conduct follow-up M&E of resettlement activities periodically,

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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://compliance.adb.org/>.

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 Lufeng 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 8.

**Table 8: Resettlement M&E Schedule**

<b>Item</b>	<b>Report</b>	<b>Date</b>
1	Socioeconomic Baseline Survey Report	Jan. 2014
2	Monitoring Report (No.1)	Jan. 2014
3	Monitoring Report (No.2)	Jul. 2014
4	Monitoring Report (No.3)	Jan. 2015
5	Monitoring Report (No.4)	Jan. 2016
6	Post-evaluation and Completion Report	Jan. 2017



## **Appendix 3: Terms of Reference**

### **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 PPMO 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**

- (i) Monitoring and evaluation of implementation progress of land acquisition and house demolition, including:
  - (a) progress of land acquisition;
  - (b) progress of temporary land occupation;
  - (c) demolition and relocation of affected households; and
  - (d) restoration of infrastructure.
- (ii) Monitoring and evaluation of availability and utilization of funds, including:
  - (a) availability of funds; and
  - (b) utilization of funds (planned vs. actual).
- (iii) Monitoring and evaluation of the standard of living of APs, including:
  - (a) production level and standard living of AP before LA&R;
  - (b) production level and standard living of AP after LA&R; and
  - (c) comparative analysis and evaluation of production level and standard living of AP before and after LA&R
  - (d) Capacity evaluation of the implementing agency, public participation, complaints and appeals.

### **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 PPMO and accepted by ADB.

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

3. The Chuxiong PPMO 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 PPMO 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.

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 RP, 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 PPMO, and Chuxiong PPMO shall submit the report to ADB semiannually.

<b>Item</b>	<b>Report</b>	<b>Date</b>
1	Socioeconomic Baseline Survey Report	Dec. 2013
2	Monitoring Report (No.1)	Jan. 2014
3	Monitoring Report (No.2)	Jul. 2014
4	Monitoring Report (No.3)	Jan. 2015
5	Monitoring Report (No.4)	Jan. 2016
6	Completion Report	Jan. 2017

## **8. Monitoring Budget**

15. A total budget for all components is about CNY1,213,600, including CNY360,600 from this component that is 0.08% of the total resettlement cost of this component.