

# Updated Resettlement Plan

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October 2015

## PRC: Yunnan Pu'er Regional Integrated Road Network Development Project

Prepared by Pu'er City Project Management Office for the Asian Development Bank. This is an updated version of the draft originally posted in August 2014 available on <http://www.adb.org/projects/46040-003/main>

## **ABBREVIATIONS**

AAOV	-	Average Annual Output Value
ADB	-	Asian Development Bank
AH	-	Affected Household
DH		Displaced household
AP	-	Affected Person
DP		Displaced Person
DMS	-	Detailed Measurement Survey
FGD	-	Focus Group Discussion
HD	-	House Demolition
LA	-	Land Acquisition
M&E	-	Monitoring and Evaluation
TB	-	Transport Bureau
PMO	-	Project Management Office
PRC	-	People's Republic of China
RIB	-	Resettlement Information Booklet
RP	-	Resettlement Plan
RO		Resettlement Office
LEF		Land-expropriated Farmer

## **NOTE**

- (i) In this report, "\$" refers to US dollars.

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**ADB Loan Project**

**Yunnan Pu'er Regional Integrated Road  
Network Development Project**

**Resettlement Plan  
(Final)  
of  
Menglian-Meng'a Road Subproject  
Based on DMS**

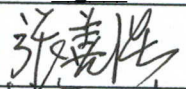
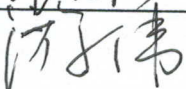
Pu'er City Project Management Office  
Pu'er City Transportation Bureau  
September 2015

### Endorsement Letter

Pu'er city government applied the Asian Development Bank loans for the Yunnan Pu'er regional integrated road network development project. Therefore, the project must meet the ADB's Safeguard Policy Statement for Involuntary Resettlement. This resettlement plan (RP) represents a key demand of the ADB, and the requirement becomes the basis of this project resettlement activities. This RP complies with the relevant laws and regulations People's Republic of China, Yunnan province and Pu'er City. In order to better fulfill the resettlement work, the RP also includes some additional measures, implementation and monitoring arrangements.

At the preparation stage, the Pu'er Project Management Office (PMO) prepared a RP based on the feasibility study report, which has been approved by ADB. According to its agreement with the ADB, the Pu'er PMO has updated this RP based on the DMS.

Pu'er City Government hereby acknowledges the content of this RP and the land acquisition, housing demolition, relocation, compensation and resettlement budget of the subproject will follow this plan. The Pu'er City Government has discussed the this final RP with the agencies concerned (eg, Menglian County Transport Bureau, and affected township governments) through the Pu'er PMO (Nanling PMO) and obtained their consensus. The resettlement compensation and implementation of the subproject will be complied with this RP..

Agency	Signature	Date
Pu'er City Government		15.10.9
Pu'er City Transport Bureau		20.5.10.9

### **Note on this Update**

As required by ADB, the RP of the Subproject should be updated based on the completed detailed design. The updated final RP will serve as the basis for resettlement implementation.

Based on detailed design of the subproject, the Pu'er City Transport Bureau and Menglian County Government involved in the subproject carried out detailed measurement survey (DMS) of resettlement of Mengma and Nayun townships in June 2015. Based on that, this RP was updated.

The main contents of this updating include resettlement impacts, resettlement policies and compensation rates, resettlement schemes, resettlement budget and resettlement implementation plans as well. The details are summarized in below table.

### Summary of this updating

No.	Update	Original RP approved	Updated RP	Remarks
1	Design	Beginning with K54+000, connected to the old highway at K55+600 and reconstructed to K59+550 along the old highway; running southward and uphill off the old highway after crossing the Nancha River, connected to the old highway via a pass at K67+450, reconstructed downhill along the old highway; reconstructed downhill along the old highway to K98+800 after passing Mengma Town at K79+800, running along the north hill foot of Meng'a Village across the Nanma River at K99+150 off the old highway, and ending at K102+751.424 (Meng'a Port)	Beginning with K54+900, running along the old highway, crossing the Nanma and Nancha Rivers at K56+800, running along the east side of the Nancha River, and along the old highway (via Mengma Town (K77+000)) after crossing the Nanma River at K64+460; running leftward after bypassing the old highway at K90+700; running along the old highway after K93+000; running rightward from the old highway after K93+700; returning to the old highway and continuing to run along the old highway after K94+800, and ending at K99+744.29 (Meng'a Port)	There are some changes in stake numbers of starting and ending points and total length as well, which are caused by design optimization compared with FSR and the final design, but the actual locations of starting and ending points are not changed. Along with the design optimization, the subproject will reduce some rehabilitation sections with better alignments, less land acquisition and resettlement, and shorter distance.
2	Collective land acquisition impact	Occupying 2059.3 mu of land permanently, affecting 781 households with 3395 persons in 6 villages of 2 towns in Menglian County	Occupying 1820.76 mu of land permanently, affecting 471 households with 2118 persons in 6 villages of 2 towns in Menglian County	Occupying 238.54 mu less of land permanently; reducing 247 households and 1277 persons affected respectively
3	Rural house demolition impact	Demolishing rural residential houses of 29514 m <sup>2</sup> , affecting 161 households with 675 persons, including Mengma Tea company and Menglian state farm	Demolishing rural residential houses of 27960 m <sup>2</sup> , affecting 166 households with 567 persons	Area of demolished rural residential houses reduced by 1554 m <sup>2</sup> with 5 households added and 108 persons reduced
4	LA compensation policies	Compensation for LA includes land compensation fee, resettlement subsidy and compensation of Young crops. Compensation rates for paddy land and fish pond range from CNY 35000 to CNY60000 per mu; those for construction land range from CNY 15000 to CNY 30000 per mu; the rate for forest land and unused land is CNY 7500 per mu and CNY 8500 per mu respectively	Compensation for LA includes land compensation fee, resettlement subsidy and compensation of Young crops. Compensation rates for paddy land and fish pond range from CNY 35000 to CNY60000 per mu; those for construction land range from CNY 15000 to CNY 30000 per mu; the rate for forest land and unused land is CNY 7500 per mu and CNY 8500 per mu respectively	No change
5	HD compensation policies	The compensation rates for demolished rural residential houses are replacement costs based on market prices of Menglian County.	The compensation rates for demolished rural residential houses are replacement costs based on market prices of Menglian	No change

No.	Update	Original RP approved	Updated RP	Remarks
		Compensation rates are: frame structure: 1750 CNY/m <sup>2</sup> , concrete and brick: 1350 CNY/m <sup>2</sup> , brick and timber: 1000CNY/m <sup>2</sup> , earth and timber: 600CNY/ m <sup>2</sup> ; moving subsidy: 2000 yuan per HH; transition subsidy: 3000 CNY HH for 6 months	County. Compensation rates are: frame structure: 1750 CNY/m <sup>2</sup> , concrete and brick: 1350 CNY/m <sup>2</sup> , brick and timber: 1000CNY/m <sup>2</sup> , earth and timber: 600CNY/ m <sup>2</sup> ; moving subsidy: CNY 2000 per HH; transition subsidy: CNY 3000 per HH for 6 months	
6	Livelihood restoration	The impact of LA is minor. The cash compensation is applied	The impact of LA is minor. The cash compensation is applied	No change
7	HD resettlement program	Cash compensation and house plot allocation are offered to APs. The APs will be relocated in the original village, and the living conditions will be same to those to be demolished.	Cash compensation and house plot allocation are offered to APs. The APs will be relocated in the original village, and the living conditions will be same to those to be demolished.	No change
8	Resettlement cost	CNY 148.41 million.	CNY 133.34 million	Reduced by CNY 15.1 million due to reduced acquired collective land area and house demolition after design optimization
9	Implementation schedule	From March 2014 to December 2014	From November 2015 to May 2017	

## Glossary

<b>Project area</b>	The subproject will pass through a county, Menglian County of Pu'er City
<b>Affected person (or household)</b>	Displaced/affected 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>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 social and economic 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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### **Units**

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

## **EXECUTIVE SUMMARY**

### **E1. DESCRIPTION OF THE PROJECT IMPACTS**

1. The ADB financed Yunnan Pu'er Regional Integrated Road Network Development Project consists of 3 Components.
2. Component I Regional roads development. This involves 234 kilometers (km) of regional roads rehabilitation and reconstruction that includes rehabilitation of Ning'er-Jiangcheng-Longfu Highway (N-L) , and reconstruction of Menglian-Meng'a Highway (M-M) including construction of Meng'a Port Material Transit Centre (MTC).
3. Component II Rural access road. This involves 600 km rural road access improvement (Class IV paved), with spot improvements on around 1,200 km of village access roads and improvement of rural transport services.
4. Component III institutional development. This involves institutional development of Pu'er Municipal Transport Bureau (PTB) and road safety programs.
5. Among the three components only Component I will involve land acquisition and resettlement (LAR). Component II will involve only minor LA; while Component III will not have any LAR impact.
6. This resettlement plan (RP) is prepared for LAR impacts of the Menglian-Meng'a Highway (including Mang'a Port Material Transit Centre (MTC)) under the Component I. For the Ning'er-Jiangcheng-Longfu Highway, under Component I, a separate RP has been prepared. For rural roads under component II a resettlement framework (RF) has been prepared to deal with any potential LAR impacts.

### **E2. LAND ACQUISITION AND RESETTLEMENT**

7. For Menglian to Meng'a road subproject (including Meng'a Port Material Transit Centre (MTC) (hereinafter referred to the subproject)), the land acquisition and resettlement (LAR) will affect 471 households with 2118 persons of 22 village groups in 6 villages in 2 towns and 4 enterprises. A total of 1820.76 mu of land will be acquired, including 237.2 mu paddy land, 227.7 mu dry land, 32.8 mu forest land, 319.59 mu economic trees plantation/ orchard land, 18.15mu fishpond, 47.93mu house plot, 90.92mu construction land and 549.47 mu other land.
8. The subproject will demolish 27,960 m<sup>2</sup> house, affecting 166 households with 567 persons, of which, 10,340 m<sup>2</sup> are frame, 4,604 m<sup>2</sup> are brick and concrete, 8,928 m<sup>2</sup> are brick and wood, 1,008 m<sup>2</sup> are stilted structure, 132 m<sup>2</sup> are earth, 1629 m<sup>2</sup> are simple and 1,326 m<sup>2</sup> are wood and tile structure.

### **E3. RESETTLEMENT PRINCIPLES AND ENTITLEMENTS**

9. The Resettlement Plan (RP) is prepared in accordance with the related policies of the PRC, Yunnan province and Pu'er prefecture, and county level policies as well as ADB's Safeguards Policy Statement (SPS, 2009), Safeguards Requirement (II) on involuntary resettlement.

10. The objective of a resettlement plan is to ensure that livelihoods and standards of living of displaced persons are improved, or at least restored to pre-project level.

11. The principles for resettlement include: (i) minimizing LAR impacts wherever possible; (ii) providing adequate compensation and entitlements to APs in order to improve their income and livelihood; (iii) providing adequate assistance during transition period; (iv) providing cash compensation and re-employment assistance to make up income loss due to land acquisition; (v) keeping all APs informed of their eligibility, compensation rates, implementation schedule, and livelihood restoration plans to ensure that they could participate in the RP planning and implementation process; (vi) delivering all compensations to APs before land acquisition and house demolition; (vii) conducting internal and external monitoring during the RP implementation; (viii) providing special assistance to vulnerable to ensure they can live a better life and benefit from the project; and (ix) allocating sufficient budget to cover all aspects of compensation and rehabilitation assistance.

#### **E4. COMPENSATION STANDARDS**

12. Based on adequate consultations, the resettlement policy is formulated in accordance with ADB's SPS policy requirements, PRC laws, and provincial and municipal regulations. The objective is to ensure income rehabilitation and improvement of affected people could be achieved within a short period after resettlement. The compensation provided is based on meeting the 'replacement cost' for the losses incurred by the affected peoples .

13. According to the Notice of compensation rates for land acquisition and resettlement of Lan'a Class II highway project issued by Menglian County, the compensation rates differs from different administrative regions. The compensation rates range from CNY35,000 to 60,000 per mu for paddy land and fish pond; CNY20,000~35,000 per mu for dry land CNY15,000~30,000 per mu for collective construction land; CNY75,00 for forest land and CNY8500 for other unused land.

14. The compensation rates for house demolition are set according to replacement cost of Menglian County based on the local material market price. The rate for frame structure is CNY 1,750 per m<sup>2</sup>; that for concrete and brick is CNY1,400 per m<sup>2</sup>; that for brick and wood is, CNY1,000 per m<sup>2</sup> and that for wood and earth is CNY600 per m<sup>2</sup>. The displaced household will also be provided with moving subsidy of CNY 2000 per HH and transition subsidy of CNY 3000 per HH for 6 months. The compensation for other affected assets also are set according to replacement cost. The affected assets include trees and water and power facilities, etc.

15. The temporary land occupation includes occupation for general purposes, borrow pit and spoil ground. The land occupied temporarily will be compensated at a time at 1,500 yuan/mu per annum, not exceeding an occupation period of two years; and the rate of land reclamation cost is 2,000 yuan/mu.

16. Compensation for land acquisition, residential housing, and other attachments will be paid to the affected villages and APs. For land acquisition, compensation fees include land compensation, resettlement subsidy and compensation for crops and trees. For relocated households, all of them will be provided with compensation for lost houses, attachments, new housing plots free of charge, and other relocation allowance. The compensation payments will be in cash according to the agreement reached with each households based on compensation standards and negotiation. Compensation for crops, trees, other facilities, and temporary

impacts will be paid directly to the APs. Income losses resulting from reduced production and/or sales and wages caused by the subproject will be assessed and compensated in cash.

## **E5. RESETTLEMENT AND LIVELIHOOD REHABILITATION**

17. Among the 471 AHs, 10.19% of the AHs will loss 0~5% of their land, 78.98 will loss 5~10%, 7.43% will loss 10~20% , and only around 3.39% will lost over 20%. The land acquisition impacts are therefore limited and will have minimal impact on the livelihood standards of the affected households.

18. To minimize the resettlement impacts to APs and restore their living standards a detailed rehabilitation plan has been developed and included in the RP.

19. The comprehensive compensation package that will be used by the affected peoples to expanding cash crop plantation and improving existing low yield cash crops will help offset the losses incurred due to the LAR impacts. Additionally waged farming jobs, off-farming business, and special measures for vulnerable groups have been put in place.

20. For relocated households, rehabilitation is through providing resettlement housing sites within their original communities near their current locations with complete infrastructure facilities and cash compensation for lost houses based on replacement costs as well as transition subsidies.

## **E6. PUBLIC PARTICIPATION AND CONSULTATION**

21. From April 2013 to July 2015, a series of consultation activities were carried out with the APs, resettlement communities (RCs), and other project stakeholders.

22. The APs have participated in the preparation of the RP throughout the measurement and socioeconomic surveys, community meetings and resettlement DMS. Their concerns and comments have been integrated into the RP.

23. Further consultations will be held by Pu'er PMO and Menglaing County Transport Bureau during the implementation of the RP.

## **E.7 GRIEVANCE and APPEALS**

24. A grievance procedure has been established for the APs to redress their LAR and other project related issues. Grievances received both oral and written and their redress will be recorded and reported to the external monitor and the ADB missions.

25. The APs can not only put forward grievance to external monitoring and evaluation agency, but to project team of ADB for negotiated resolution. If good faith efforts are still unsuccessful and if there are grievances that stem from non-compliance with ADB's safeguard policy, the affected person may submit a complaint to ADB's Office of Special Project Facility or Office of Compliance Review in accordance with ADB's Accountability Mechanism (2012).<sup>1</sup>

## **E8. INSTITUTIONAL ARRANGEMENT AND IMPLEMENTAION SCHEDULE**

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<sup>1</sup> For further information, see <http://www.adb.org/Accountability-Mechanism/default.asp>.

26. Pu'er Municipal Government (PMG) will be the project EA and Pu'er Transportation Bureau (PTB), and Menglian County Menglian-Meng'a Road Construction Headquarter will be the IA. The Pu'er PMO will assume overall responsibility for the implementation of RP, including the planning, implementation, financing, and reporting. Pu'er PMO will also take the primary responsibility for the resettlement consultation, implementation, and timely delivery of entitlements. To ensure smooth implementation, the staff in charge of RP will undertake training on resettlement implementation. To ensure that the IA and other staff are trained in the ADB's social safeguards requirements, during PPTA, ADB's social safeguards specialist has provided training to the relevant staff. Additionally, a safeguards capacity building expert will be procured under the ADB's consultancy services to build the IA and other relevant agencies' capacity to effectively implement the resettlement plan.

27. The resettlement implementation schedule has been prepared based on the preparation and construction timetable. It is estimated that the LAR will start in November 2015 and end in May 2017.

#### **E9. RESETTLEMENT COST**

28. All costs for LA and resettlement are included in the general budget of the Subproject. Based on prices of the first half year of 2015, the resettlement costs of the subproject are CNY 133.3 million, including CNY 40.74 million for LA, CNY 0.9 million for young crops, CNY2.54 million for temporary land occupation, CNY 36.5 million for house demolition, CNY 3.07 million for ground attachment and infrastructure, CNY 41.16 million for taxes and duties (including farmland occupation tax, monitoring and evaluation fee, technical training fee for APs and administrative fee etc.) and contingencies of CNY 8.38 million.

#### **E10. MONITORING AND EVALUATION**

29. Details for both the internal and external monitoring and evaluation (M&E) are included in the RP.

30. The Pu'er PMO will submit an internal progress report quarterly to ADB.

31. Furthermore, Pu'er PMO will engage an independent external resettlement monitoring institute or firm to undertake external monitoring of the RP implementation. A baseline survey will be conducted before the LAR begins and the resettlement baseline report will be submitted. During resettlement implementation, the semi-annual monitoring reports will be prepared and submitted for ADB's review. After completion of the LAR, annual evaluation reports will be submitted to ADB for 2 years or longer if there are any remaining issues. The M&E costs are included in resettlement costs.

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## 1. Overview of the Subproject

### 1.1 Background of the subproject

1. Yunnan province of PRC is located in southwestern part of China. According to the State Council's approval, the Yunnan province should become China's Southwest-facing open "bridgehead", and will bring new opportunities for economic development and infrastructure construction for Yunnan province. According to The Southwest-facing open "bridgehead" development planning of Yunnan province, Pu'er city as one of the frontier city or municipality of Yuannan Southwestern area, is the open forward areas of States and Yunnan Province.

2. Pu'er city is located in the southwestern of Yunnan province. The total land area is 45,000 sq km. Pu'er city administrative areas include 9 counties, 1 district, and a total of 103 towns or townships. The total population is 2.546 million people, minority population account for 61%. Pu'er city is the only one city neighboring with Viet Nam, Laos, and Myanmar. Pu'er city has about 486 km border line with the best position of one city neighboring three countries. Pu'er city is the important southwest portal of China, and Yunnan province. In the multi-relationship between Yunnan province and Southeast Asia, Pu'er city has locational advantages.

3. In order to drive the economic and social development of Pu'er, Pu'er Municipal Government plans to upgrade the existing roads under this project.

4. Under the component I Regional roads development, there are three subprojects.:

- (i) **Subproject 1: Rural road upgrading project.** This subproject will upgrade approximately 600 kilometers of rural road. The subproject will pave the surface based on the original roads; no new land acquisition and demolition are anticipated. A resettlement framework (RF) approach is undertaken to address any unanticipated land acquisition. A RF has been prepared and if any of these rural road upgrading will require any land acquisition or relocation, a resettlement plan will be prepared and submitted for ADB's approval prior to any commencement of land acquisition and relocation and any civil work.
- (ii) **Subproject 2: Ning'er-Jiangcheng-Long Fu Road construction project.** The proposed road class is level III Highway. Some road sections will use old road, some sections will be new alignments, resulting in permanent land and house demolition. A RP is prepared for this subproject.
- (iii) **Subproject 3: Menglian-Meng'a class II level highway.** The subproject will require land acquisition and house demolition. This resettlement plan is prepared to deal with land acquisition and relocation (LAR) impacts of Menglian-Meng'a highway.

5. This resettlement plan is prepared to address the LAR impacts and measures for the Menglian-Meng'a class II level highway (including Meng'a Port Material Transit Centre) (hereinafter referred to the subproject). The sketch map of the subproject is shown in Figure 1-1.



## **1.2 Project Description**

### **1.2.1 Road Alignment**

6. Menglian-meng'a Highway is located in Menglian County of Pu'er City. The proposed road is the important channel for Pu'er city links with Myanmar. The construction of the project will be important towards the improvement of trunk highway network in Yunnan province, and improvement of the southwest traffic conditions of Pu'er city, and strengthening inter-linkages in southwestern Yunnan and Southeast Asia, and to the promotion of economic development in southwest Yunnan.

7. The direction of the road alignment overall is east-west. The beginning point of Menglian-Meng'a road is located in K54+900, and the ending point is K99+744.29, at Meng'a land port. The construction of Menglian-Meng'a road, will be a foundation towards to the forming of border economic zone, and economic development of the border areas. This subproject also will improve the transportation services, and the regional road network.

### **1.2.2 Technical Indicators of the proposed road**

8. The proposed width of the roadbed are: 1) from K54+ 900 to K95+594.78, the roadbed is 12 meters wide and carriageway is 2x3.5m; and 2) as to section of Meng'a port from K95+ 585.04 to K99+ 744.29, the roadbed is 23 meters wide.

9. The alignment of the proposed Menglian-Meng'a road will follow the original road. But according to the Class II road design standards, there are sections that will be away from the original road, and the following sections will be the new alignment sections: 1)Meng'ma 72 tea company K56+700 to K64+600; 2) K71+700~K72+900; 3) K74+600~K75+500; 4) K80+900~K82+100; 5) 83+500~K84+400; 6) K91+700~K93+000; 7) K93+700~K94+800; and 8) K95+900~K99+700.

## **1.3 Measures to Reduce Resettlement**

10. The road alignment mainly passes through mountainous and forest areas, and has little impacts to farmland. The design of the road takes the principle of "near the town district, but not directly passing through it", to reduce the negative impacts of the subproject.

11. Much attention has been given to 1) avoiding house demolition, 2) ensuring road safety, 3) environmental impact and 4) construction costs. In the alignment design, efforts are made to combine hydrological, geological and climate conditions. Many design features have been adopted, such as increased number of bridges and tunnels, strengthening drainage and protection measures, less farmland acquisition, reduced soil erosion, paying attention to farmland facilities, etc., to reduce the negative impacts of the subproject to the minimum.

### 1.3.1 Road Alignment optimization between FSR and Detailed Design

12. In the final design, the proposed road alignment of FSR has been optimized, see details in Table 1-1.

Table 1-1 road alignment optimization between FSR and detailed design

stage	alignment
FSR	Beginning with K54+000, connected to the old highway at K55+600 and reconstructed to K59+550 along the old highway; running southward and uphill off the old highway after crossing the Nancha River, connected to the old highway via a pass at K67+450, reconstructed downhill along the old highway; reconstructed downhill along the old highway to K98+800 after passing Mengma Town at K79+800, running along the north hill foot of Meng'a Village across the Nanma River at K99+150 off the old highway, and ending at K102+751.424 (Meng'a Port)
Detailed design	Beginning with K54+900, running along the old highway, crossing the Nanma and Nancha Rivers at K56+800, running along the east side of the Nancha River, and along the old highway (via Mengma Town (K77+000)) after crossing the Nanma River at K64+460; running leftward after bypassing the old highway at K90+700; running along the old highway after K93+000; running rightward from the old highway after K93+700; returning to the old highway and continuing to run along the old highway after K94+800, and ending at K99+744.29 (Meng'a Port)

### 1.3.2 Comparison of options for key segments

13. Options have been compared for key control points of the route to optimize the design and minimize resettlement.

#### 1) Mengma Rubber Company segment

Table 1-2 Comparison of options for the Mengma Rubber Company segment

Option	Advantage	Disadvantage	Conclusion
Option A (white line)	The camber design is more conducive to highway safety.	The highway runs through the company, so that its workshop and office building will be demolished, affecting its production greatly and involving a large investment.	After optimization, Mengma Rubber Company does not involve house demolition, and its production is almost unaffected, the route is shortened, land acquisition reduced, and investment reduced greatly. Therefore, Option B is recommended.
Option B (red line)	The highway does not run through the company, and avoids the demolition of its workshop and office building, but involves the demolition of attachments only, alleviating the impact on production greatly, and also reducing land acquisition and investment.	The highway bends sharply after rerouting.	

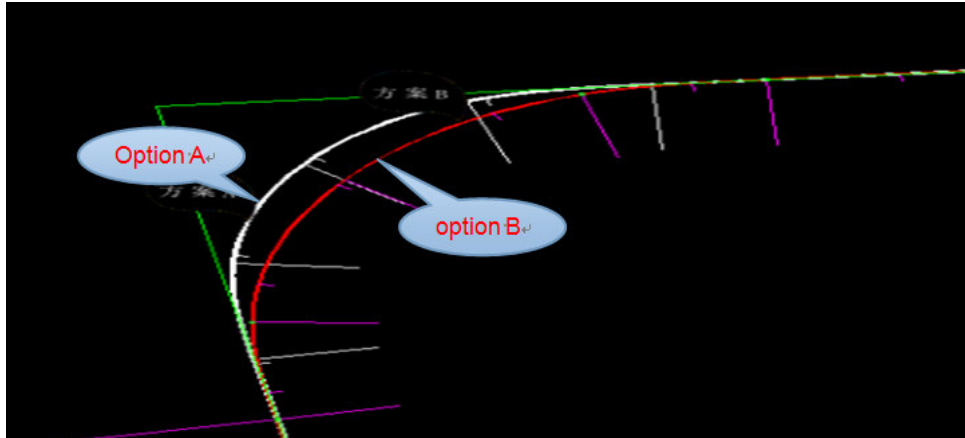


Figure 1-2 Mengma Rubber Company Segment

## 2) Luoxiaohai Rubber Processing Company segment

Table 1-3 Comparison of options for the Luoxiaohai Rubber Processing Company Factory segment

Option	Advantage	Disadvantage	Conclusion
Option A (white line)	The route is short, and the impact on farmland is small.	The highway runs through the center of the factory, increasing house demolition, affecting the factory seriously, and involving a large investment.	After optimization, the workshop of the factory will not be demolished, and the impact on it is reduced significantly. Although the route is longer, and more land is acquired, investment is reduced significantly. Therefore, Option B is recommended.
Option B (red line)	The highway runs through the edge of the factory, reducing the impact on the factory, house demolition and investment significantly.	The route is long, and more land is acquired.	

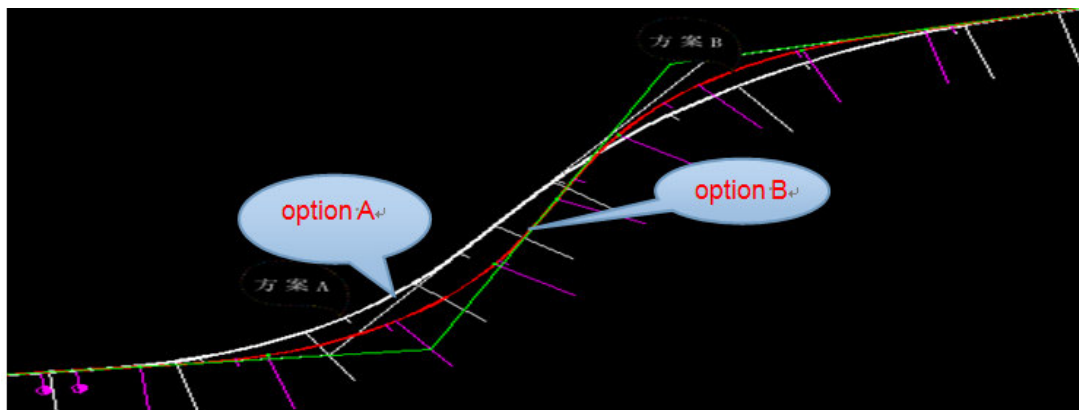


Figure 1-3 Luoxiaohai Rubber Processing Company segment

## 1.4 The Formulation of this RP

14. This resettlement plan is prepared to address the LAR resulting from Menglian to Meng'a Class II road subproject. It is prepared in accordance with ADB's involuntary resettlement policy requirements specified in the Safeguard Policy Statement (2009), People's Republic of China's laws and regulations, and local governments land acquisition and house demolition policies

enacted. The RP outlines policy principles to avoid, minimize and take remedial measures to address the negative effects of the proposed subproject. This RP specifies the measures for all affected people and seriously affected villages to recover their livelihood and income, including how to implement, as well as within what time limits these measures must be implemented.

15. The basis for the preparation of this RP are as follows: (i) in June 2012 and January 2013 editions of the project feasibility study report, (ii) preliminary design document completed in March 2013 and detailed design of the subproject in 2014 (iii) field investigations along the proposed alignment in 2012, 2013 and 2015 (iv) resettlement detailed measurement survey conducted by Pu'er PMO, Menglian Transport Bureau and affected township governments and villages from March to July 2015, (v) related documents of Menglian county government and Puer PMO..



## 2. Impacts and Scope of Land Acquisition and House Demolition of the Subproject

### 2.1 Project Impact Scope

16. According to the detailed design and resettlement DMS, the subproject will affect 6 villages in 2 towns, and 4 enterprises of Menglian County, see details in Table 2-1.

Table 2-1 Impact Scope of the subproject

City	County	Town	Affected village committee
Pu'er	Menglian	Nayun	Mangzhang
		Mengma	Paliang
			Mengma
			He'an
			Manghai
			Meng'a
		Enterprises	Mengma Tea Company
			Menglian State Farm
			Luo Xiaohai Rubber Processing Plant
			Mengma Rubber Company

### 2.2 Permanent Land Acquisition Impact

17. According to detailed design and resettlement DMS, the LAR of the subproject will affect 22 village groups in 6 administrative village in 2 towns and 4 enterprises. A total of 471 households with 2,118 persons will be affected, of which, 434 households with 2014 persons<sup>2</sup> are from affected villages, 36 households with 99 persons are from Menglian State farm, and 1 household with 5 persons is from Luoxiaohai Rubber Processing Plant.

18. The subproject will permanently occupy 1820.76 mu land, of which, 1621.92mu belong to 6 affected villages, 107.92mu belong to Menglian State Farm, 69.55 mu belong to Luoxiaohai Rubber Processing Plant and 21.37mu belong to Mengma Rubber Company.

19. Among total land acquisition, 237.2 mu are paddy land, 227.7 mu are dry land, 32.8 mu are forest land, 319.59 mu are economic trees plantation/ orchard land, 18.15mu are fishpond, 47.93mu are house plot, 90.92mu are construction land and 549.47 mu are other land.

20. The resettlement impacts by administrative villages are shown in Table 2-2. The impacts by village groups are detailed in Appendix 1.

Table 2-2 summary of resettlement impacts by administrative villages

city	county	town	Administr	Affected person	Total of	Of which (mu)
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<sup>2</sup> It should be noted that the land of Mengma Tea Company to be acquired for the Subproject is a small part of its tea production base. All production land of this company is leased from contracted land of local farmers. The Subproject has little impact on this company, but affects former land contractors greatly, because they will lose land. 38.5 mu of tea garden rented from Paliang Village will be acquired, affecting 10 tea planting households with 47 persons in Paliang Village. Therefore, such land will be ascribed to Paliang Village for the purpose of statistics of resettlement impacts, without being listed separately for Mengma Tea Company

			ative village	HH	person	LA (mu)	Construc- tion land <sup>3</sup>	Paddy land	Dry land	forest	fishpond	Orchard/ Economi- c forest	other <sup>4</sup>
Pu'er	Menglian	nayun	mangzha- ng	29	106	116.96	0	5.1	42.9	31.26	1.25	17.53	18.92
		mengma	paliang	85	366	594.3	13.5	88.97	101.09	148.9	0	109.3	132.54
			mengma	71	378	327.58	5.6	34.13	26.69	44.79	10.34	89.7	116.33
			He'an	11	61	35.44	0	2.3	15.51	6.43	0	0	11.2
			manghai	72	353	255.03	4.77	41.98	32.22	5.75	0	0	170.31
			Meng'a	166	750	292.61	17.67	58.66	6.49	0	6.56	103.06	100.17
		subtotal		434	2014	1621.92	41.54	231.14	224.9	237.13	18.15	319.59	549.47
		enterpris- e	Menglian State Farm	36	99	107.92	6.39	6.06	2.8	92.67	0	0	0
			Luoxiaoh- ai Rubber Processin- g Plant	1	5	69.55	69.55	0	0	0	0	0	0
			Mengma Rubber Plant	/	/	21.37	21.37	0	0	0	0	0	0
		Total		471	2118	1820.76	138.85	237.2	227.7	329.8	18.15	319.59	549.47

HH=household

### 2.3 Temporary Land Occupation during Construction Period

21. During construction, land will be occupied temporarily for production and living areas, temporary construction roads, borrow pits and spoil grounds. 726.77 mu land will be occupied temporarily in total.

22. The general temporary land occupation includes land for production and living areas, and temporary construction roads. According to detailed design and resettlement DMS, the general temporary land occupation by the subproject will be 308.17mu. In addition, 418.6mu land will be used for borrow pits and spoil grounds. All land to be occupied temporarily is collectively unused land, no person therefore will be affected. See details in Table 2-3.

Table 2-3 Summary of Temporarily Occupied Land

county	town	village	General temporary land occupation (mu)	borrow pits and spoil grounds (mu)	Total (mu)
Menglian	nayun	dengzhan	36	43.1	79.1
		subtotal	36	43.1	79.1
	mengma	paliang	68.13	84.59	152.72
		mengma	59.38	76.96	136.34
		He'an	10.27	25.12	35.39
		manghai	61.55	80.47	142.02
		Meng'a	72.84	108.36	181.2
		subtotal	272.17	375.5	647.67
total			308.17	418.6	726.77

<sup>3</sup> including house plot

<sup>4</sup> there are mainly of waste hills and unused land.

#### **2.4 Affected infrastructure and Ground Attachment**

23. The project is mainly following the existing alignment except at few places and the scope of impact on the ground attachment is limited. According to detailed design and resettlement DMS, the subproject will mainly affect some optical fiber, power line, water pipeline and grave as well. See details in Table 2-4.

Table 2-4 Summary of Affected Infrastructure and Ground Attachments

County	Town	Administrative village	Infrastructure and ground attachment										
			Optical fiber		Power line		Water pipeline (m)	Brick wall (m)	well (No.)	methane tank (no)	pigsty (No.)	toilet (no)	grave (no)
			Optical fiber (km)	pole(no)	Power line (km)	Pole(no.)							
Menglian	nayun	mangzhang	11.119	95	2.024	15	2991	210	3	2	4	2	3
		<b>subtotal</b>	<b>11.119</b>	<b>95</b>	<b>2.024</b>	<b>15</b>	<b>2991</b>	<b>210</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>3</b>
	mengma	paliang	6.223	26	8.684	29	860	460	5	3	3	4	2
		mengma	5.356	22	6.658	20	0	370	2	2	4	4	1
		He'an	1.907	5	4.359	12	0	0	1	0	1	2	2
		manghai	4.032	16	7.653	23	0	440	5	1	5	5	3
		Meng'a	6.421	27	10.988	34	570	530	4	2	0	2	1
		<b>subtotal</b>	<b>23.939</b>	<b>96</b>	<b>38.342</b>	<b>118</b>	<b>1430</b>	<b>1800</b>	<b>17</b>	<b>8</b>	<b>13</b>	<b>17</b>	<b>9</b>
	total		<b>35.058</b>	<b>191</b>	<b>40.366</b>	<b>133</b>	<b>4421</b>	<b>2010</b>	<b>20</b>	<b>10</b>	<b>17</b>	<b>19</b>	<b>12</b>

## 2.5 House Demolition

24. According to the detailed design and resettlement DMS, the subproject will demolish 27,960m<sup>2</sup> houses, of which, 10,340 m<sup>2</sup> are frame structure houses, 4,606 m<sup>2</sup> are concrete and brick structure houses, 8,928 m<sup>2</sup> are brick and wood structure houses, 1,008 m<sup>2</sup> are stilted structure houses, 132 m<sup>2</sup> are earth structure houses, 1,620 m<sup>2</sup> are simple structure houses and 1,326 m<sup>2</sup> are wood and tile structure houses.

25. The house demolition of the subproject will affect 166 households with 567 persons, including 10 households with 47 persons to be affected by Mengma tea company, 18 households with 36 persons to be affected by Menglian State Farm and 1 household with 5 persons by Luoxiaohai rubber processing plant.

26. Same to the land acquisition, the subproject will demolish 650 m<sup>2</sup> brick and wood structure houses of Mengma Tea Company, affecting 10 households with 47 persons. These impacts are included into Paliang village, and thereof are not listed separately.

27. Summary of house demolition by administrative villages is shown in Table 2-5, and house demolition by village groups is detailed in Appendix 2.

Table 2-5 Summary of house demolition by administrative villages

county	town	Administrative village	House demolition （m <sup>2</sup> ）								Affected person	
			frame	Concrete and brick	Brick and wood	Wood and tile	simple	stilted	Earth	Total	HH	person
menglian	nayun	Mangzhang	0	0	144	0	108	0	0	252	3	12
		Subtotal	0	0	144	0	108	0	0	252	3	12
	mengma	paliang	336	310	2544	0	1068	576	24	4858	47	189
		mengma	0	720	852	174	168	132	0	2046	18	53
		manghai	0	0	480	0	108	0	0	588	9	30
		Meng'a	4404	3288	4572	1152	0	300	72	13788	70	242
		subtotal	4740	4318	8448	1326	1344	1008	96	21280	144	514
	total		4740	4318	8592	1326	1452	1008	96	21532	147	526
	enterprise	Menglain state farm	0	288	336	0	168	0	36	828	18	36
		Luoxiaohai rubber processing plant	5600	0	0	0	0	0	0	5600	1	5
		subtotal	5600	288	336	0	168	0	36	6428	19	41
total			10340	4606	8928	1326	1620	1008	132	27960	166	567

## 2.6 Affected Population

28. The subproject will affect 471 households with 2118 persons including 434 HH with 2014 persons in 6 administrative villages, 36 HHs with 99 persons in Menglian State Farm and 1 HH with 5 persons in Luoxiaohai rubber processing plant.

29. Out of 434 HHs with 2014 persons in 6 administrative villages, 278 HHs with 1488 persons will only be affected by land acquisition while 147 HHs with 526 persons will be affected by both land acquisition and house demolition. Out of 37 HHs with 104 persons in the two affected enterprises, 18 HHs with 63 persons will only be affected by land acquisition while 19 HH with 41 persons will be affected by both land acquisition and household demolition. Details see Table 2-6.

Table 2-6 Summary of affected population

county	town	Administrative village and enterprise	Affected population					
			subtotal		LA only		Both LA and HD	
			HH	person	HH	person	HH	person
Menglian	nayun	mangzhang	29	106	26	94	3	12
	mengma	Paliang	85	366	38	177	47	189
		mengma	71	378	53	325	18	53
		He'an	11	61	11	61	0	0
		Manghai	72	353	63	323	9	30
		Meng'a	166	750	96	508	70	242
	subtotal		434	2014	287	1488	147	526
	enterprise	Menglian state farm	36	99	18	63	18	36
		Luoxiaohai rubber processing plant	1	5	0	0	1	5
		subtotal	37	104	18	63	19	41
total			471	2118	305	1551	166	567

## 2.7 Ethnic Minority People to Be Affected

30. Menglian county is Dai, Lahu and Wa people Autonomous County. Therefore, among the affected population, ethnic minority population occupies a considerable proportion.

31. Within the six affected administrative villages, out of total 343 HHs with 2014 persons, 407 HHs with 1866 persons are ethnic minorities, accounting for 95.7%, of which, 1439 persons (71.45%) are Dai people; 180 persons(8.94%) are Lahu people, and 247 persons (12.26%) are Wa people. See details in Table 2-7.

Table 2-7 Affected population by gender and ethnic minority

town	Administrative Village	AH	AP	Male	F	Han	Sub-total EM	Dai	Lahu	Wa
Nayun	Mangzhang	29	106	54	52	0	106	106	0	0
Mengma	Paliang	85	366	189	177	0	366	0	119	247
	Mengma	71	378	199	179	63	315	315	0	0
	He'an	11	61	28	33	0	61	0	61	0
	Manghai	72	353	180	173	73	280	280	0	0
	Meng'a	166	750	387	363	12	738	738	0	0
total		434	2014	1037	977	148	1866	1439	180	247
percentage		100%	100%	51.49%	48.51%	7.35%	92.65%	71.45%	8.94%	12.26%

32. Among 407 HH with 1866 persons of affected Ethnic minorities, 266 HHs with 1364 persons will be only affected by land acquisition, and 141 HHs with 502 persons will be affected by both land acquisition and house demolition. See details in Table 2-8..

Table 2-8 Affected Minority Population by Impact Category

Administrative village	affected EM					
	Total		LA only		Both LA and HD	
	HH	person	HH	person	HH	person
Mangzhang	29	106	26	94	3	12
Paliang	85	366	38	177	47	189
Mengma	62	315	47	275	15	40
He'an	11	61	11	61	0	0
Manghai	58	280	50	253	8	27
Meng'a	162	738	94	504	68	234
<b>Total</b>	<b>407</b>	<b>1866</b>	<b>266</b>	<b>1364</b>	<b>141</b>	<b>502</b>

\*Households mixed with Han and EM are counted as EM households.

## 2.8 Vulnerable Groups Affected by Resettlement

33. Based on the DMS, within the 471 affected, 71 households (15.1%) are identified as vulnerable groups, of which, 13 households are those with the disabled, accounting for 2.8%; 3 households are women-led household accounting for 0.8% and 54 households are the poor, accounting for 11.5%. See details in Table 2-9.

Table 2-9 Vulnerable Groups to Be Affected by LAR

town	Administrative village	disabled		Women-led		poor	
		HH	person	HH	person	HH	person
Nayun	Mangzhang	2	6	0	0	5	12
mengma	Paliang	2	5	1	4	9	41
	Mengma	2	6	0	0	8	36
	He'an	1	2	1	3	5	17
	Manghai	1	3	0	0	12	44
	Meng'a	5	11	2	7	15	68
	<b>Total</b>	<b>13</b>	<b>33</b>	<b>4</b>	<b>14</b>	<b>54</b>	<b>218</b>

## 2.9 Enterprises Impacts Analysis

34. The subproject will affect 4 enterprises, which are Mengma Tea Company; Menglian State Farm; Menglian Luo Xiaohai Rubber Processing Plant and Mengma Rubber Company.

### 2.9.1 Mengma Tea Company

35. According to the detailed design and DMS, the subproject will acquire some land from the company's tea farms/plantation, which it is renting from the Paliang village nearby. 38.5mu land will be acquired, affecting 10HHs with 47 persons who are tea farmers. 650 m<sup>2</sup> of brick-wood structure houses will be demolished. It is investigated that all these tea farmers are also the villagers of Paliang village. The impacts therefore are also included into those of Paliang village.

36. Mengma Tea Company has already rented more than ten thousand mu land from local villagers nearby and employs 1200 HHs of tea famers. According to consultations with the company, there is almost no impact to this company. Instead, this company would benefit from the improved road.

### 2.9.2 Menglian State Farm

37. According to DMS, 109.92 mu land will be acquired and 828 m<sup>2</sup> houses will be demolished. A total of 36HHs with 99 persons will be affected, including 18 HHs with 63 persons only to be affected by LA and 18 HHs with 36 persons to be affected by LA and HD.



Figure 2-1 Menglian State Farm

### 2.9.3 Luo Xiaohai Rubber Processing Plant

38. According to the detailed design and DMS, part of the backyard ground and office houses will be demolished during the construction period. 49.55mu construction land will be acquired and 5,600 m<sup>2</sup> office building will be demolished. However, the rubber processing workshop itself will not be affected. The operation of the plant therefore won't be affected



Figure 2-2 Luoxiaohai Rubber Processing Plant

### 2.9.4 Mengma Rubber Company

39. The subproject will acquire 21.37mu construction land of this company and demolish 7,544 m<sup>2</sup> retaining walls. No house will be affected. Meanwhile, the subproject will pass through the company's water taking pool, as well as the corresponding pumping equipment will be affected. According to the surveys and consultations, the subproject has little impact on the company.





Figure 2-3 Mengma Rubber Company

## 2.10 Impact Analysis of Land Acquisition

### 2.10.1 Degree of Land Loss Impacts on the Affected Villages

40. The subproject is linear and will mostly follow the existing alignment; hence the land acquisition impacts are limited. The linear nature of the subproject further reduces the degree of impact.

41. As indicated in the Table 2-10, about 10.19% of affected households (AHs) will lose less than 5% of their land; 78.98% will lose land between 5 to 10% of their land. Altogether about 89.17%% of AHs will lose less than 10% of land. Therefore the overall impacts of the land acquisition are not significant.

42. Table 2-10 further indicates that 7.43% of AHs will lose land between 10 to 20% and about 3.39% will lose land above 20%. As the income source of AHs are predominantly land based about, about 11% of AHs are classified as 'significantly affected' and measures have been developed to ensure their income restoration.

Table 2-10 Land Loss Degree of AHs

town	Administrative village	Land loss degree										AHs	APs
		0~5%		5~10%		10~20%		20~50%		>50%			
		HH	person	HH	person	HH	person	HH	person	HH	person		
Nayun	Mangzhang	2	5	24	90	2	7	1	4	0	0	29	106
	subtotal	2	5	24	90	2	7	1	4	0	0	29	106
Mengma	Paliang	9	31	69	306	5	20	2	9	0	0	85	366
	Mengma	8	38	55	317	6	17	2	6	0	0	71	378
	He'an	1	5	10	56	0	0	0	0	0	0	11	61
	Manghai	7	31	58	298	5	15	2	9	0	0	72	353
	Meng'a	16	68	132	636	15	37	3	10	1	4	167	755
	subtotal	41	173	324	1613	31	89	9	34	1	4	406	1913
Menglian State Farm		5	15	24	60	2	5	5	19	0	0	36	99
Total		48	193	372	1763	35	101	15	57	1	4	471	2118
percentage		10.19%	9.11%	78.98%	83.24%	7.43%	4.77%	3.18%	2.69%	0.21%	0.19%	100%	100%

### 2.10.2 Impact on Income of the Affected Person

43. As the degree of land acquisition of the household is not high, the impact of land acquisition on the affected people's income is also not significant. Table 2-11 indicates the degree of impact on per capita income of the affected people.

44. Except Paliang village (11.1%), the income loss rates of the other villages are below 10%. In addition, along with the construction of the subproject, there will be more opportunities for APs to increase their income. The impact of LAR of the subproject can be categorized as moderate.

Table 2-11 Analysis of income impact on APs by LA of the subproject

town	Administrative village	Basic information			LA impact			LA impact degree			Net income loss <sup>5</sup>	Income loss per capita	
		Total HH	Total Person	Total cultivated land (mu)	AH	AP	Acquired cultivated land <sup>6</sup> (mu)	% of AH (%)	% of APs (%)	% of land loss (%)	CNY10,000	CNY per capita	Loss rate of income <sup>7</sup> (%)
Nayun	mangzhang	599	4200	11360	29	106	65.53	4.84%	2.52%	0.58%	5.24	494.6	9.0%
Mengma	Paliang	1307	5370	18618.5	85	366	299.36	6.50%	6.82%	1.61%	23.95	654.3	11.1%
	Mengma	937	4179	12814.6	71	378	150.52	7.58%	9.05%	1.17%	12.04	318.6	5.4%
	He'an	428	1519	9118	11	61	17.81	2.57%	4.02%	0.20%	1.42	233.6	5.0%
	Manghai	348	1427	11541	72	353	74.2	20.69%	24.74%	0.64%	5.94	168.2	3.1%
	Meng'a	1213	4513	29677	167	755	168.21	13.77%	16.73%	0.57%	13.46	178.2	1.5%
Menglian state farm		1785	5444	28712.39	36	99	8.86	2.02%	1.82%	0.03%	0.71	71.6	/
<b>Total</b>		6617	26652	121841.49	471	2118	784.49	/	/	/	/	/	/

<sup>5</sup> net income loss=acquired cultivated land×land net income per mu, according to field survey, land net income per mu is CNY800.

<sup>6</sup> cultivated land =paddy land + dry land + orchard land

<sup>7</sup>income loss rate=net income loss/farmers net income per capita (see Table 3-2)

### **3. Social and Economic Profile of Affected Areas**

45. The subproject will affect Yuna town and Mengma town of Menglian County. A total of 22 village groups in 6 administrative villages and 4 companies will be affected. The socioeconomics profiles of the subproject area are as follows:

#### **3.1 Menglian County**

46. Menglian County is located in Southwest of Yunnan province, with a land area of 1893.42 square kilometers. The total population is 140,000 people. The distance from Menglian county seat to Kunming is 680 km, and 50 km to the second special administration region of Myanmar (WA).

47. The climate of Menglian is general subtropical type, highlights on rainfall, sunshine, very suitable for traditional crops, fruits and vegetables, and rare medicinal herbs and tropical cash crops cultivation. There are lots of tropical areas, covering an area of 557,000 mu. Rubber, sugar cane, tea, coffee and other are increasingly grown in the Menglian county. In the Wa region of Myanmar the planting area of rubber and others has reached 850,000 mu. Both domestic and foreign resources provide potential opportunities for the development of agro-business. Menglian also has the unique advantage of the being a port along the border areas. Menglian was famous for "tea and salt trade" in history. The Wa region, Menglian neighbor with Myanmar, is the capital city of the Second special administration region of Myanmar. The border line is 133.39 km in Menglian county, which is the important land port of Yunnan Province linking with Myanmar, and Thailand, and other Southeast Asia.

48. In 1991, Menglian was approved as Class II open port by the Yunnan Provincial Government. Menglian Port is the most important port of Pu'er city, accounting for 90% of Pu'er trade with Myanmar regarding to visitors flow rate and cargo flow rate. With the increase of the foreign trade exchange and cooperation, and the construction of 'Lancang airport' is just 20 km from Menglian, and with the construction of Pu'er to Menglian high grade road, Menglian county's advantages will be enhanced. Menglian county will become one of the most important locations of Yunnan's bridgehead strategy.

49. In year 2011, No.11 document of the State Council formally listed the Menglian (Meng'a) port as one of 4 key construction border zones, together with Tianbao, Mengding, Houqiao, and Pianma, which is a strategy of 'open economic belt along border' of Yunnan province. Meng'a becomes an opening port to Myanmar and an important gateway of Yunnan province.

#### **3.2 Menglian Socio-economic Development Profile**

50. In 2014, the County's GDP was CNY 2.311 billion, with the increase of 14.2%. Menglian county has completed CNY 833 million of fixed assets investment, with an increase of 101.42%. total retail sales of social consumer goods reached CNY 654 million, whit, an increase of 18.8%. Realization of border trade imports and exports totaled CNY 881 million, with an increase of 34.1%; per capita disposable income of urban residents reached CNY 13,300 with an increase of

13.6%, and farmers' per capita net income reached CNY 6756, an increase of 15.4%, The tourism income was CNY 392 million with an increase of 188%.

51. In 2014, the County's planting areas of grain crops reached to 284,400mu. Menglian is the second largest rubber plantation county of Pu'er followed Jiangcheng county. It's rubber acreage reached to 344,700 mu, achieved an output value of CNY 347 million with an increase of 38.1%. Sugarcane planting area was 86,700 mu and the output value was CNY 142 million, increased by 8.56%. Coffee-growing area reached to 98,500 mu with the output value of CNY 118 million, increased by 17.4%. And tea growing area reached 93,300 mu with the output value of CNY 90 million, increased by 9.45%. In addition to rubber, sugarcane, coffee, and tea described above, banana, dendrobium, amomum (a medicinal plant), and other tropical cash crop plantation continue to grow fast to make Menglian the second largest county of cash tree plantation in terms of average holding in Pu'er.

52. Agriculture was still main livelihood source to Menglian rural people. 96% of rural labor force was employed in the agriculture sector while only about 4% were non-agricultural employment.

53. Menglian county is an national identified poverty county, with rural poverty incidence rate 40% under the national poverty line of CNY2300, including 19.25% under minimum living standard support (MLSS).

### 3.3 Socio-economic Development Profile of Two Towns

54. Nayun town is located in the eastern part of the county. The total land area is 171.41 square kilometers. It has 5 street offices, 38 village committees. Town government seat is located in Menglian County seat. The main flatland area is located in around Menglian county seat and another small flatland area located in Mangjie, Heya, Mengwai. The maximum elevation of the town has a range of 940-1731 m above the sea level. Nayun's average annual temperature is 19.6°C, with an average annual rainfall of 1380 mm and average annual sunshine 2,087 hours.

55. Mengma town located in the west of the county. Mengma town has a total population of 30,090 persons with the majority of Dai, Lahu and Wa ethnic groups, which 85.87% is minority population. The total land area is 530 square kilometers. Its average annual temperatures is between 13.2-23.4°C and annual average rainfall 1563 mm. The highest altitude is 2,603 m above sea level and the lowest is 500 m. The forest coverage is 59.2%. , Mengma town has 8 village committees.

56. The basic socio-economic indicators of affected town are listed as Table 3-1.

Table 3-1 Selected Indicators of Affected Town and Townships

County	Town	Land areas (km <sup>2</sup> )	HH	Population (person)	Farmland areas (mu)	Rural income (CNY 10,000)	Net income per capita (CNY)
Menglian	Yunna	367	13431	50213	66990	20021	6038
	Mengma	530	7995	30090	43901	19980	6696

Data source: statistical data of related town of 2014

### 3.4 Socio-economic Profile of Affected Villages

57. Land acquisition and house relocation of the project will affect 6 villages. All villages are ethnic minority dominated. The rural per capita net income is unevenly distributed from CNY5000 to 12000.

58. He'an has relative higher mountain with comparable cooler weather and unpaved rural roads while Meng'a is located in the port area with lower altitude and hotter weather more suitable for rubber, banana, dragon fruit and other tropical cash crops. Meng'a started rubber plantation earlier than other villages and also has high percentage of rubber trees in maturity.

59. The affected villages do not have industrial enterprises, and the main source of income comes from agriculture. Main crops are rubber, tea, bananas, coffee, rice, corn, etc. Table 3-2 shows the selected socioeconomic indicators of the affected villages.

Table 3-2 Selected socioeconomic indicators of affected village

indicator	Mangzhang	Paliang	Mengma	He'an	Manghai	Meng'a
Total Land (km2)	3.7	125	46	17	15	37
Total HH	599	1344	1252	436	349	1220
Total popu (person)	4200	5218	4815	1541	1450	4539
No. of Rural HH	559	1307	937	428	348	1213
Rural Population	4200	5370	4179	1519	1427	4513
Male	2184	2792	2173	790	742	2347
Female	2016	2578	2006	729	685	2166
Labor force	1800	2840	2791	1100	754	3513
Han people	200	1180	350	7	56	9
Minority people	4000	4190	3829	1512	1371	4504
Paddy/dry land(mu)	4580	7623	10301	3618	3415	1036
Economic forest land/ orchard land(mu)	6780	10995.5	2513.6	5500	8126	28641
Paddy/dry land per capita (mu)	1.09	1.46	2.14	2.35	2.36	0.23
Economic forest land/ orchard land per capita (mu)	1.61	2.11	0.52	3.57	5.60	6.31
Forest land per capita (mu)	8	13	7.9	3.9	12	0
Famer's net income per capita (CNY)	5520	5900	5913	4700	5376	12096

Data source: statistical data of related village of 2014

60. In terms of income sources, all affected villages' main income source is from plantation. Economic trees, traditional grain and vegetable plantation make up 54-80% of the total net income varying by village. The rest incomes are from livestock, waged jobs, and transport and trade business. Table 3-3 shows the details.

Table 3-3 Income Source Structure of Affected Villages

Income sources	Mangzhang	Paliang	Mengma	He'an	Manghai	Meng'a
<b>Rural annual per capita net income (CNY)</b>	<b>5520</b>	<b>5900</b>	<b>5913</b>	<b>4700</b>	<b>5376</b>	<b>12096</b>
%	100%	100%	100%	100%	100%	100%
1. Plantation (CNY)	3974	5310	5203	3760	3978	11491
%	72%	90%	88%	80%	74%	95%
1.1 Traditional Planting (rice/corn/vegetable etc.) (CNY)	994	590	3548	940	215	1814
%	18%	10%	60%	20%	4%	15%

Income sources	Mangzhang	Paliang	Mengma	He'an	Manghai	Meng'a
1.2 Economic trees (CNY)	2981	4720	1656	2820	3763	9677
%	54%	80%	28%	60%	70%	80%
2. Livestock (CNY)	497	177	591	940	161	0
%	9%	3%	10%	20%	3%	0%
3. Waged jobs and other non-farming business (CNY)	994	413	177	0	161	605
%	18%	7%	3%	0%	3%	5%

Data sources: Village survey interview with the village leaders in 2015

### 3.5 Socio-economic Profile of Affected Population

#### 3.5.1 Sample Distribution

61. A sample of 276 households was surveyed to gather socio-economic information on Menglian-Meng'a Road, of which 42 households in Nayun town, accounting for 15.22%, and 234 sample households in Mengma town, accounting for 84.78% (see Table 3-4).

Table 3-4 Sample Distribution

County	Town	Sample HH	Rate (%)
Menglian	Nayun	42	15.22%
	Mengma	234	84.78%
	Total	276	100.00%

Source: Field surveys 2013.

Table 3-5 Demographic characters of surveyed HH

indicator		No. of surveyed HH	% of surveyed HH
Age sample HH members	0-6 years old	159	11.93%
	7-16 years old	220	16.50%
	17-30 years old	407	30.53%
	31-60 years old	426	31.96%
	>60 years old	121	9.08
	Total	1333	100.0%
Ethnic minority	EM	1130	84.8%
	Non-EM family	203	15.2%
	Total	1333	100.0%
Gender of family member	Male	676	50.7%
	Female	657	49.3%
	Total	1333	100.0%
Poor under MLSS		148	11.13%
Disable		27	2.00%

Source: Field resettlement survey 2013.

#### 3.5.2 Income Structure of Households

62. As indicated in Table 3-6, the top income source of the surveyed household is from cash tree/crop, counting for 78.7% and 56.7% of the total income for poor and non-poor respectively, policy allowance and land lease follows, accounting for 6.7% and 16.8% for poor and non-poor respectively, off-farming business (including transport, wholesale, processing, repair, restaurant,

etc.) 6.4% for poor and 15.1% for non-poor, waged jobs (including long-term, short-term labor and salary of HH member with permanent jobs) 6.9% for non-poor, and poor household have few income from waged jobs, and traditional livestock and crops for poor is 8.1% for non-poor is 4.4%.

Table 3-6 Income structure of surveyed HH

Income source	As percentage of total income	
	Poor (N=21)	Non-Poor (N=79)
Cash tree/crop	78.7%	56.7%
Traditional crop	6.1%	1.9%
Waged jobs (long-term & short-term labors, salary of permanent job)	0.0%	6.9%
Off-farming business (transport, wholesale, processing, repair, restaurant, etc)	6.4%	15.1%
Policy allowance* and land lease	6.7%	16.8%
Livestock	2.0%	2.5%
Others	0.1%	0.1%
Total	100%	100%

\*Including grain plantation, new crop subsidy, natural forest conservation allowance, border residence allowance, supporting to the poor, etc. Source: PMO, Supplementary socioeconomic survey along the subproject (HH No.=100).

63. The poor's income proportion from plantation is much higher than non-poor. Non-poor have much higher proportion of income from off-farming jobs compared to the poor. In terms of policy allowance, the poor have higher proportion from the supporting to the poor, but the non-poor have higher proportion from forest conservation, new crop subsidy, grain plantation etc. In depth discussion revealed that policy allowance also differs by villages. The more forest land and cultivated land available, the more subsidies received. Nearly half of the households received policy allowance.

64. During the investigation of poverty, there are about 29% of the interviewed villagers who consider themselves as poor; 44% of interviewees do not consider themselves as poor; and about 27% of the interviewees think they are close to poverty. Table 3-7 listed the detailed information of the survey.

Table 3-7 Poverty Survey Results of Sampled Households

No.	Item		percentage
1	Is your family poor?	Poor	28.99%
		Not poor	44.20%
		Close to poor	26.81%
2	What are the reasons caused your family poor?	Have patient	30.07%
		Have students	28.99%
		Without labor force	21.74%
		Poor transportation	16.67%
		Lack of resources	2.54%
3	The main difficulties faced by your family	Costs for students	16.72%
		Medical costs high	21.24%
		Low income	59.67%
		Others	2.37%



No.	Item		percentage
4	The main income sources of your family	Planting	90.89%
		Livestock sector	1.17%
		Work part time	7.94%
5	Sales mode of your family's agricultural products	Self sale	16.30%
		Specialized cooperatives sale	21.74%
		Sales under the help of village committee	59.78%
6	Sales mode by yourself	Waiting for somebody come	2.17%
		Transport to other place to sale	90.58%
7	The main funds sources of your family agricultural inputs	Self savings	1.45%
		Microcredit	7.97%
		Borrow from others	97.83%
8	Do the microcredit helpful for your family?	Yes	0.00%
		No	2.17%
9	Who is in charge of your family's income?	Male	94.20%
		Female	5.80%
		Both	52.54%
10	Who is your family's main labor force?	Male	36.59%
		Female	10.87%
		Both	55.07%
11	How many kids do your family have?	1	44.93%
		2	16.30%
		3 and above	15.94%
12	Present, your children are studying in	Primary school	67.75%
		Junior high school	48.91%
		Senior high school	3.99%
		College and above	47.10%
13	The mode of children go to school	Not far away, walking	57.97%
		Far away, by riding	39.86%
14	The education level of your family's female member	Primary school	67.03%
		Junior high school	15.58%
		Senior high school	15.58%
15	Do your family have received the policy allowance/relief of government?	Yes	49.28%
		No	50.72%
16	The government relief mode	Cash	42.75%
		Relief grain	57.25%
		others	0.00%
17	Do your family members participated rural cooperative medical insurance?	Yes	98.19%
		No	1.81%
18	Do your family members participated rural endowment insurance?	Yes	3.26%
		No	96.74%

Source: Field resettlement survey 2013.

### 3.5.3 Expenditures of the Sampled Households

65. Sampled households' expenditure structure is in line with the current stage of the income level ( see Table 3-8). The farmer's living expenses accounts for a large proportion of the total expenditure. Farmer's living expenditure is spent on the food consumption. Agricultural cost consists of main expenditures of the productive costs.

Table 3-8 Expenditure Structure of Sampled Households

Expenditure categories	Poor(N=100)	Non-Poor (N=100)
	Average % of total expenditure	Average % of total expenditure
<b>Living cost</b>	<b>54.2%</b>	<b>50.2%</b>
Food & Clothing	18.4%	17.7%
Furniture and domestic appliances	0.3%	1.9%
Education	6.7%	6.1%
Health care	9.2%	6.1%
Fuel	9.3%	11.7%
Water & electricity	3.0%	1.3%
Travel	0.0%	0.1%
Social	7.4%	5.0%
Other	0.0%	0.1%
<b>Agricultural production</b>	<b>16.8%</b>	<b>6.9%</b>
<b>Investment</b>	<b>27.72%</b>	<b>36.9%</b>
<b>Building/reconstructing house</b>	<b>1.27%</b>	<b>6.0%</b>
<b>Total expenditure</b>	<b>100%</b>	<b>100%</b>

Source: Supplementary socioeconomic survey along the subproject (HH number=100).

### 3.5.4 Livelihood patterns

#### (i) Dominance of cash tree/crop income

66. This is the most common pattern in the affected villages. There are over 95% of the households in He'an, Menghai, and Paliang village and over 80% of the households in Mangzhang, Mengma and Meng'a, their income mainly depending on cash trees/crops. In the village along the road in Mengma onwards to the end of Meng'a, the weather is hotter and is suitable for rubber, dragon fruit, large scale of banana and coffee plantation. This area started rubber plantation earlier. Some rubber trees are over 25 years subject to replacement. In Mangzhang and Mengma, some households specialize in vegetable growing because of it being close to the town center. From Mangzhang to Paliang, the weather is less hot and the most suitable cash crops are coffee and tea. In the case of He'an, it started relatively late in cash crop planation. Almost whole villages plant cash crops including rubber, banana and coffee.

67. In terms of needs, some of the households expected to invest on rubber replacement, or improve the low yield of the cash crop resulted from insufficient investment on planting and daily care, or poor techniques in the initial stage.

#### (ii) Transition from traditional agriculture to cash tree/crop plantation.

68. This is a relatively small proportion of affected households. Some households were poor and lacked of investment and others are lower-risk takers to cash crop development, or far away from the main road. This type of households are scattered in all villages but relatively more in He'an, Paliang and Manghai village. The needs are more in technique training and credit support.

**(iii) Combination of income from both cash trees/ and non-farming business.**

69. This pattern is founded more in Mangzhang, Mengma and Meng'a village. In addition to cash income, more and more households started to diversify their income from non-farming business such as transportation, processing, wholesale and trade. Homestay tourism is another emerging business. Technical training and credit support are needed in this type of the livelihood pattern.

**(iv) Off-farming income dominated households**

70. There is a very small proportion of households whose income are derived more from off-farming than from plantation. They are mainly engaged in rubber processing, latex collector and trade. Their needs are working capital for business operation.

71. In addition to the above four basic types, a few of households are engaged in the land leasing for and labor working for outside investors. Some young people in AP households are looking for seasonal work out of the village, which aims to explore wider opportunities.

**3.5.5 Analysis of impact on Women by the Subproject**

72. Women make up 48.2% of the total population in Pu'er City, of which the majority were rural women accounting for over 65% of total female population. The social status of women in Pu'er has been improving through carrying out Pu'er Municipal Women Development Strategies. Women's political participations are significant. Women, both minority and non-minority, in Pu'er enjoy equal rights in all aspects of political, economic and social life. They are entitled fundamental needs of education, health, housing, employment. In the community level, women have less percentage of participation in the community decision body compared to men. Rural women are engaged in agricultural activities such as growing crops and raising animals. They play crucial roles of household livelihood maintenance and development. Looking after household members particularly children and the elderly and household maintenances such as food preparation and water collection activities are mainly undertaken by women. With the expanding of cash crops areas in Pu'er, more and more rural women are getting involved in cash crops cultivation in terms of rubber, tea, banana, etc in order to meet the increasing demand of cash income in the household.

73. The average education level of rural women is lower than that of men. Specifically, 31.2% of female respondents are in the no-schooling category, higher than male respondents (25.1%). Similarly, female respondents with 7-9 years of education (23.8%), is lower than for males (30.8%). Very few respondents obtained more than 10 years of education. Regarding primary years of education, both genders were over 35%. However, the percentage of minority women's

education level aged above 50 are less than Han women with the same age on average as they were living usually in the remote mountainous areas with difficult access to school, difficult access to road in the past. Lower education level is a limitation for minority women aged above 50 to do income-generating activities because they have difficulties to receive market information as well as to learn technology.

74. The majority of respondents were farmers with 63.5% (61.7% female and 65.3% male) being fully engaged in agriculture on their farmland. Although the occupation of local farming labor was not popular in the Project area, the survey indicated that men (2%) were slightly more likely than women (1.4%) to work outside their family land as laborers seeking cash earnings, on local cash crops fields (such as sugarcane, tobacco, coffee). Women were often left at home both for cultivating family land and taking care of household.

75. Young people tend to be long-term migrant laborers (more than 1 year) with 2.4% for men and 2.3% for women. Because of cash crop plantation growth in the project area labour migration is to the area rather than out-migration. The survey indicates that there are slightly more males being seasonal migrant laborers than women. However women running businesses or involved in private enterprises is much less. Of the respondents, only 0.2% of females were running business compared to males (0.5%), and 0.4% of females working in private enterprises compared to males (0.8%). 0.8% of females are village cadres as compared to 1% for males. These statistics indicate that women's participation in community decision-making and other socioeconomic activities was lower than for men.

76. Women and men are involved differently in agricultural production practices. Males usually dominate ploughing and clearing activities, while females are more engaged in transplanting and weeding. Both women and men take part in activities such as fertilizing, harvesting and raising pigs. Tending poultry feeding is solely a woman's activity. It is common for both females and males to be involved in income-generating activities. Among middle-aged groups, men tend to be seasonal migrant labor and women deal with selling agricultural produce.

77. Women's health, in particular reproductive health, has been addressed through a variety of programs. The quality of births has improved a lot by implementing the program "Safe Mother and New-Born Baby". The rate of maternal hospital delivery in rural areas of Pu'er Municipality has substantially increased, with consequent reductions in maternal and infant mortality. In 2012, the rate of hospital delivery reached 68% and the rate of regularly premarital examination for rural pregnant women increased up to 84%. Women who deliver babies in hospital can receive a government subsidy of CNY400.

78. The surveys show a variety of travel destinations: within village, township, county town and province town. Rural village, township and county towns are the major travel destinations for both women and men. There is some travelling by both men and women to provincial towns. Main travel purposes are to buy or sell products, visit health center and seek local job opportunities. The percentage of female travel to townships is lower than that of men because men generally handle buying or selling products within bigger township markets. Women travel more to county towns for the purpose of accompanying their family members to hospital.

Women's transport purposes and modes differ to men's. The primary mode of women travel is walking within village, though they also use motorcycles and truck-trailer when they can gain access to them. The main purpose of women's travel includes; seek paid jobs, buy and sell products at nearby market and fetch small children from school.

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

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

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

#### **1) ADB policies**

- Safeguard Policy Statement, June 2009; and

#### **2) Laws, regulations and policies of the PRC, Yunnan Province, Pu'er City and Affected County**

- Land Administration Law of the PRC (amended on August 28, 2004);
- Implementation Regulation for Land Administration Law of PRC (January 1, 1999)
- Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28) (October 21, 2004)
- Forestry Law of PRC, revised in 1998.
- Methods for Announcement of Land Acquisition (Decree No.10 of the Ministry of Land Resources, effective from January 1, 2002)
- The Unified Standard for Annual Output Value and Regional Integrated Land Price Compensation in Land Acquisition in Yunnan Province (tentative) (July 1, 2009);
- The Implementation Methods for Farmland Occupation Tax of Yunnan Province. (Yunnan Provincial Government Document 149, October 30, 2008)
- The Notice of Further Explicit Land Acquisition Related Issues of Pu'er City Government (Pu'er City Government [2006] No.50);
- The House Demolish Compensation and Relocation Management Methods for Pu'er urban area collective land houses (Pu'er City Government [2009] No.53);
- The Implementation Methods of Basic Endowment Insurance for Farmers with Land Acquired. (Pu'er City Government [2010] No. 11), and
- The Notice of compensation rates for land acquisition and resettlement of Lan'a Class II highway project issued by Menglian County (Document No.46 [2013])

80. See Appendix 3 for the details of the PRC and Provincial and local policies.

#### **4.1.1 Abstract of Involuntary Resettlement of ADB**

81. The displaced persons (called affected persons, or APs) 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.

82. Basic principles include:

- 1) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- 2) Carry out meaningful consultations with affected persons, host communities, and concerned nongovernmental organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.
- 3) 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.
- 4) 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.
- 5) 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.
- 6) 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.
- 7) 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.

- 8) 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.
- 9) 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.
- 10) 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.
- 11) Pay compensation and provide other resettlement entitlements before physical or economic relocation. Implement the resettlement plan under close supervision throughout project implementation.
- 12) 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.

#### **4.1.2 Differences between ADB Policies and PRC Laws**

- 1) **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.
- 2) **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: Replacement land is hardly practical. Cash compensation is the preference of most people and can be upfront investment for cash crop development. The AAOV based compensation is deemed as adequate to meet the 'replacement cost' criterion. Further it is based on the premise that the affected persons' living standards should not fall below the pre-project level. To ensure that the affected people use the compensation in a rational manner, 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.
- 3) **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 made available to assist the vulnerable groups, who will be identified during the DMS. All measures have been specified in the RP.
- 4) 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 Pu'er PMO will disclose the RP to APs as required by ADB and a further consultation scheme has been included in the RP.
- 5) 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.
- 6) 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.
- 7) Grievance Procedures**
- The PRC Land Law has provision for grievance process but experience has shown that documentation of grievances is incomplete.
  - Solution: the RP includes the mechanism of grievance procedures that town government and the county road construction headquarter will be responsible for the APs grievance redress and recording the grievances received both in written and oral forms.

## **4.2 Compensation Principles of the Subproject**

83. According to ADB's requirements: The rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs, (ii) In the case of physically displaced persons, the IA will provide (a) relocation assistance, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, and civic infrastructure and community services as required; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) opportunities to derive appropriate development benefits

from the project; and (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.

84. 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. See details in Table 4-1.

Table 4-1 Resettlement Principles of the subproject

<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.
3	The APs are given compensation 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 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 Resettlement Plan.
7	The executing agency and an independent agency / third party should monitor the compensation, relocation and resettlement operations.
8	Vulnerable groups are provided special assistance or treatment so that they lead a better life, and all APs should have an opportunity to benefit from the project. At least two members of each AH receive skills training, including at least one woman.
9	The RP is consistent with the master plans of the affected city (district/county) and town.
10	The resettlement expenses are sufficient to cover all affected aspects.

### 4.3 Cut-off Date of Compensation

85. All APs and organizations (whether public or private) losing land, buildings/houses, crops or sources of income will be compensated or rehabilitated according to the types and amount of their losses (permanent and temporary) which are included in the DMS, or identified as affected by temporary impacts during construction.

86. The cut-off date for the eligibility for compensation is April 30, 2015, which has been publicized in the project area. Any newly claimed land, newly built house or settlement in the project area by the APs after this date will not be entitled to compensation or subsidization. Any building constructed or tree planted purely for extra compensation will not be counted in. The RIB has been distributed in all affected villages.

## 4.4 Compensation Standard

### 4.4.1 Permanent Land Acquisition

87. Yunnan Provincial Government issued the compensation rates of LA in Menglian County, See details in Table 4-2..

Table 4-2 Annual Average Output Value and Compensation Standards of Menglian County

Area	Annual average output value (CNY/Mu)	times	Average compensation standards (CNY/mu)	Area scope
Class I	1200	21	25200	Nayun town
Class II	1000	20	20000	Mengma town
Class III	680	19	12920	Mangxin town, Jingxin township
Class IV	560	18	10080	Gongxin, Nanya, Fuyan township
Average of whole county	860	20	17200	

88. Meanwhile, according to the socioeconomic development, Menglian County Government also issued the compensation rates of LA. See details in Table 4-3. The compensation rates for permanent LA showed in Table 4-3 are higher than the integrated area prices of Yunnan province showed in Table 4-2. **So in line with the Menglian county policy, Menglian's compensation rates for permanent LA in Table 4-3 will be adopted to the subproject.**

89. In terms of categories of location, in all the affected villages, the compensation rates will adopt the rates of “flatland area” standard. These rates are considered as reasonable and adequate and comply with the replacement cost principle. The affected people are aware of these rates through consultations and find these rates agreeable.

Table 4-3 Compensation Rates for Land Acquisition In Menglian County

Code	Land type	Compensation standard (CNY/mu)			Scope
		County set areas	Flatland areas	Other areas	
1	Irrigated paddy (include vegetable garden)	60000	50000	35000	County set areas: East to: Zhongle reservoir, Mangzhong areas; South to: Shuitan villagers' group; West to: 61 ecological garden; North to: Mangjie areas.
2	Dry land (Including economic forestry land/ orchard land)	35000	25000	20000	Garden include tea, coffee, rubber and fruits plantation
3	collective construction land	30000	20000	15000	Include collective enterprises land, residential land, public facility land, and infrastructure land
4	Fishpond	60000	50000	35000	
5	Forestry land	7500			
6	Unused land	8500			Unused land is the other land except the farmland, forestry land, pond, grassland. “Unused” is the present status, not useless land.

Data source: the Notice of compensation rates for land acquisition and resettlement of Lan'a Class II highway project issued by Menglian County (Document No.46 [2013])

90. Table 4-4 showed the list of compensation rates for standing crops.

Table 4-4 Compensation Rates of Standing Crops

Crop types		Number of trees per mu	Compensation rate (CNY/mu)	Compensation for single tree (CNY/tree)	Note
Tea garden	Young	1200	1800	1.5	
	Productive		3600	3	Planted for 4-6 years
	Harvest ready		6000	5	Planted for above 7 years
Coffee garden	Young	333	1665	5	
	Productive		3330	10	Planted 3-5 years
	Harvest ready		5994	18	Planted above 6 years
Banana		110	2750	25	Banana tree should higher than 1 m
Sugarcane			First season 4000 Second season 3000 Third season 2000 Fourth season 1000 Fifth season 500		
Corn			1300		
Rice			1500		
Rubber	Young	33		8	Planted 1 to 3 years, 150 yuan each; 4 to 6 years, 270 yuan each; 7 to 8 years, 360 yuan each.
	Not productive		8910	270	
	Productive		13200	400	

#### 4.4.2 Compensation Rates for House Demolition

91. The house demolition will be compensated based on local replacement cost. According to the survey, the replacement costs for concrete and brick structure house and brick and wood structure house are CNY1391 per square meters and CNY835.69 per square meters respectively. See details in Table 4-5 and Table 4-6.

Table 4-5 Replacement Cost of Concrete and brick House

No.	Item unit	unit	Amount of unit area (m <sup>2</sup> )	Unit price	Amount (CNY)
A	Labor & machine fee	CNY	1	378.60	378.60
B	Materials expenses				
1	Cement	kg	180	0.45	81.00
2	Sand	m <sup>3</sup>	1	120	120.00
3	Gravel	m <sup>3</sup>	1.43	130	185.90
4	Steel	kg	27	5.3	143.10
5	Wood	m <sup>3</sup>	0.046	1500	69.00
6	Red brick	piece	300	0.45	135.00
7	Lime paste	kg	2.8	2	5.60
8	Other materials		1	256	256.00
C	Comprehensive fee		1	4.8	4.80
D	Measure fee		1	12	12.00
E	Total	CNY/m <sup>2</sup>			1391.00

Table 4-6 Replacement Cost of Brick and Wood House

No.	Item unit	Unit	Amount of unit area (m <sup>2</sup> )	Unit price	Amount (CNY)
A	Labor & machine fee	CNY	1	160	160.00
B	Materials expenses				
1	Cement	Kg	80	0.5	40.00
2	Sand	M <sup>3</sup>	0.4	120	48.00
3	Gravel	M <sup>3</sup>	0.5	120	60.00
4	Steel	Kg	1.3	5.3	6.89
5	Wood	M <sup>3</sup>	0.036	1500	54.00
6	Red brick	Piece	280	0.45	126.00
7	Lime paste	Kg	2	2	4.00
8	Rough stone	M <sup>3</sup>	0.4	250	100.00
9	Tile	Piece	140	0.5	70.00
10	Other materials		1	150	150.00
C	Comprehensive fee		1	4.8	4.80
D	Measure fee		1	12	12.00
E	Total	CNY/m <sup>2</sup>			835.69

92. Based on above calculation, the compensation rates for house demolition of the subproject will be adopted the rates as indicated in Table 4-7.

Table 4-7 House Demolition Compensation Rates of the Subproject

structure	Compensation rate (CNY/ m <sup>2</sup> )		
	planned area of county	planned area of town	Seat of village
frame	2000	1900	1750
Concrete and brick	1600	1500	1350
Brick and wood	1300	1100	1000
Wood and tile; stilted structure, and simple structure	800	700	600

93. In addition, the displaced household will also be provided with moving subsidy of CNY 2000 per HH and transition subsidy of CNY 3000 per HH for 6 months

#### 4.4.3 Compensation Rates for Temporary Land Occupation

94. The compensation for temporary land occupation includes temporary land occupation fee and land reclamation fee. The temporary land occupation fee will be paid to the land owner according to actual occupation duration. The land will be reclaimed by the Contractor when the subproject is completed. Details are as given in Table 4-8.

Table 4-8 Compensation rates of Temporary Land Occupation

Item	Unit	Compensation rate	Remark
Temporary land occupation	CNY/mu/year	1500	Occupation duration is no more than 2 years
Land reclamation fee.	CNY/mu	2000	

#### 4.4.4 Compensation Rates for Attachments and Infrastructure

95. The compensation rates for attachments and infrastructure have been fixed at replacement cost. See details in Table 4-9.

Table 4-9 Compensation Rates for Attachments and Infrastructure

No.	item	unit	Rate (CNY/unit)
1	Optical fiber	km	22000
2	Power line	km	25000
3	Water pipeline	m	6
4	Brick wall	m	125
5	well	No	450
6	Methane tank	No	2000
7	Pigsty	No	200
8	Toil	No	150
9	grave	No	2800

#### 4.4.5 taxes and duties

96. The rates for taxes, duties and other fees are shown Table 4-10.

Table 4-10 taxes, duties and other fees

Item	Unit	Rate
Arable land reclamation fee (paddy land)	CNY/mu	10667
Arable land reclamation fee (dry land)	CNY/mu	8667
Farmland occupation tax	CNY/mu	12000
Forest Vegetative Rehabilitation Fees	CNY/mu	4000
Endowment Insurance for farmers losing farmland <sup>8</sup>	CNY/mu	20000
Special funds for vulnerable group	1,0000 Yuan	2% of basic resettlement cost
Land acquisition administration fee	1,0000 Yuan	2% of basic resettlement cost
Survey and design fee	1,0000 Yuan	1% of basic resettlement cost
Administrative fee	1,0000 Yuan	2% of basic resettlement cost
Skills training fee for APs	1,0000 Yuan	0.5% of basic resettlement cost
External M&E fee	1,0000 Yuan	1% of basic resettlement cost
Contingencies	1,0000 Yuan	10% of basic resettlement cost

#### 4.5 Entitlement Matrix

97. The entitlement matrix for the subproject is set out in Table 4-11. The matrix covers eligibility and compensation for all kinds of losses (e.g., land, housing, businesses, and other income sources, temporary loss of income, displacement, and moving cost). It provides a summary of the measures, provisions and standards described in the earlier part of this section.

<sup>8</sup> This endowment insurance fund will be paid by the legal body (project owner) which acquires the land and it will be put into a pool. These funds will be arranged by the government in a unified manner, and used mainly for all groups affected by LA in society. Households affected by land acquisition of the subproject eligible for this endowment insurance are also covered.

Table 4-11 Entitlement Matrix

No	Types	Scope	Entitled Persons	Entitlements	Compensation Policies
1	Permanent land acquisition	All APs affected by LA of the subproject	471 HHs with 2118 persons in 6 Affected villages and 4 companies	<p>1) Cash Compensation for land acquisition includes land compensation fee, resettlement subsidies and compensation for young crops.</p> <p>2.) All land compensation fee and resettlement subsidies will be paid to APs if the land is contracted to farmers.</p> <p>3) Compensation for young crops will be paid to owners directly.</p> <p>4) Preferential employment to APs for unskilled jobs generated during construction and operation</p> <p>5) Preferential training to APs</p> <p>6) If the APs meet the requirements, they can participate in the endowment insurance voluntarily..</p>	<p>The compensation rates for flatland areas will be use. The rates are:</p> <p>CNY35,000 to 60,000 per mu for paddy land and fish pond; CNY20,000~35,000 per mu for dry land CNY15,000~30,000 per mu for collective construction land; CNY75,00 for forest land and CNY8500 for other unused land</p>
2	Residential housing demolition	All 148 households of 6 villages and 18 of households enterprises	Property/ house owner	<p>1) Compensation for house at replacement cost will be paid to affected household directly;</p> <p>2) Movement subsidy and transition subsidy will be paid to AHs</p> <p>3) The house plot in original village will be provided to AHs free for the new building construction.</p> <p>4) Compensation for structures and all other lost assets will be paid in full before relocation.</p> <p>5) APs have the right to use salvaged material free of cost.</p> <p>6) Vulnerable groups will be assisted to reconstruct the house by local government.</p>	<p>The project will follow the policy that the house demolition takes place only once the affected household has built the new house. If there is any outstanding case, transition subsidy will be provided to such households.</p> <p>Maximum CNY3000 rental for 6 months for transition is budgeted given to the local rental of CNY200-500 a month</p>
3	Significantly affected HH by LA and HH	Losing more than 10% of productive land and/or house relocation	51 households with 162 AP losing more than 10% of land and 166 households with 567	1) Preferential job opportunities for at least one person from the affected family for project generated unskilled employment.	Ensure that their livelihood standards are either improved or at least restored to the pre-project level.

No	Types	Scope	Entitled Persons	Entitlements	Compensation Policies
			persons affected by house demolition	2) provide skill training in priorities 3) Provide credit support for those who need to improve their remaining land productivity or plan to involve in off-farming business, such as vehicle purchasing. 4) Provide assistance in obtain permission in transport service businesses	
4	Temporary land acquisition	about 727mu	affected villages	1) Cash compensations will be provided. 2) The period of temporary occupation will not exceed 2 years; if a longer period is required, a new contract must be approved by township land bureau. 3) The contractor shall be responsible for rehabilitation of the temporarily acquired land after completion of the project construction.	The compensation rate for temporary land acquisition is CNY 1500/mu.
5	Public facilities and ground attachments	All types of ground attachments identified during the detailed measurement survey.	Property owner	1) Compensation fees based on replacement costs are provided to the proprietor, 2) Affected special facilities are restored by proprietors after receiving compensation from the Project owner, or reconstructed by the Project owner as per original size, function and standards; 3) The cost will be covered by the total resettlement cost	All will be compensated at the replacement cost.
6	Income rehabilitation measures	All project affected people by land acquisition or house demolition	471 HHs 2118 persons in 6 villages and 4 companies	1) The affected persons will obtain resettlement subsidy and to restore their income and living standard. Pu'er PMO will ensure that relevant departments provide guidance to the affected people on how to best utilize their compensation to improve their incomes. 2) The local government will provide employment assistance (i.e., training and job arrangements) for the affected persons in the local enterprises.	The APs have the right to choose the income restoration options; the income restoration plan must be fully consulted with the APs and must be agreed with the APs.



No	Types	Scope	Entitled Persons	Entitlements	Compensation Policies
7	Special supporting measures for affected vulnerable groups	/	Affected vulnerable groups (77HHs with 265 persons)	<p>1) Special fund for the vulnerable (2% of basic resettlement cost) as part of the RP budget.</p> <p>2) Labor support for the vulnerable groups in the house reconstruction will be provided.</p> <p>3) The vulnerable groups will be given priority to obtain the project-related employment opportunities.</p>	
8	women	/	About 1064 females	<p>1) Skills training will be provided to 2 people (at least 1 female) in households with significant losses.</p> <p>2) Contractors will give preference to hire women, 20% unskilled job will be provided to women.</p> <p>3) Every resettlement office must hire at least one female worker to be responsible for women's affairs in the process of resettlement.</p>	
9	Complaints and Grievances	Compensation rate, payment of compensation and relocation measures, income restoration, and related issues	The affected persons who lodge a complaint on land acquisition and relocation matters	<p>Various expenses related to relocation complaints putting forward by the affected persons and management expenses will be exempted.</p> <p>Every resettlement office must hire at least one female worker to be responsible for women's affairs in the process of resettlement.</p>	

## **5. Information Disclosure, Consultation and Participation**

### **5.1 Stakeholder Identification**

98. The stakeholders include the parties affected by the project and the institutions concerned:

- (i) Affected persons or institutions by the land acquisition and house demolition;
- (ii) All the affected villages and town or townships that the road will pass through;
- (iii) Township or town government and villages' committees that the road will pass through.

### **5.2 Consultation during the Project Preparation**

99. At the pre-feasibility, feasibility study and PPTA, intensive consultation of stakeholders have been conducted with focus on the alignment selection, design standards, and alternatives of reducing affected populations. During the PPTA, SAP, RP, EMDP and GAP preparation, surveys have been undertaken in July 2013 to March 2014. A total of 416 households (276 samples of potential affected households along the alignment corridor in RP development, 140 households from wider area of the project in social impact analysis and development of EMDP, GAP) from 7 villages were surveyed. In addition, a total of 7 FGDs and 3 consultation workshops have been held with women, poor, elderly, ethnic minorities and village representatives in the project area and a number of key informant interviews were held with various bureaus. Over 1000 people were interviewed/surveyed or consulted in the process. Participants included individual villagers, village leaders, staff of government agencies such as the Resettlement Bureau, Ethnic Affairs Bureau, Tourism Bureau, Development and Reform Bureau, business owners and employees. The assessments, surveys and discussions provided the quantitative and qualitative materials that were used to prepare the SPA, RP, EMDP, EMP, and other documents to comply with both ADB and PRC policy requirements.

100. Methods and tools used include (i) field visits to collect basic information on the project impact from project beneficiaries and APs; (ii) household survey to understand family situations, livelihood status and living conditions; (iii) focus group discussion to learn expectations and requirements of affected people; (iv) interviews with representatives of households, villages or communities to find potential impacts, coping strategies and demands for support; (iv) interviews with government agencies, development organizations and industrial parks to identify existing programs that can help the poor and ethnic minorities to take advantages of the project benefits, and (v) workshops were held to collect feedback on the draft RP, EMDP and GAP.

#### **A. Attitude towards the Subproject**

101. Over 99% of the interviewees agree with the reconstruction of the subproject, 100% of the interviewees agree with the land acquisition and 87.24% agree with the demolition of houses. 100% of interviewees believe the subproject will improve the transportation and around 92-99% of them believe that the road will stimulate the local economic development, tourism development, investment and increase of house price. Meanwhile, about 90% of them views that the project will benefit the poor and 85% thinks that women can benefit from the project. Over

97% of the interviewees believe that their family will benefit from the project and life will be better. In terms of negative impact, around 90% of them think the environment will not change while 10% view it might become worse because of more traffic. Over 93% of the potential LA and affected people believe their loss will be fairly compensated while around 7% don't know. Around 85% of the interviewees believe they would get some other helps from related government agencies in addition to compensation.

102. Group discussion revealed that all of them have heard the project because it was talked for years. They show very supportive attitude towards the project because the frequent traffic jams affect their cash crop transport, especially in the harvesting season of perishable fruit of banana, dragon fruit, and vegetables. The villagers along the re-alignment sections express strong support to the project with expectation of cash crop development and increase of land value.

103. Group discussion also revealed that people have concerns about compensation rate although they generally agree with the land acquisition. The Menglian County categorized the land by types and location. To the same type of paddy, CNY60,000 per mu is compensated to the land located in county seat area CNY50,000 per mu to the land located in flatland area and CNY35,000 to the land located in "other area"(details see Table 4-3). APs view that the compensation rate for "other area" is very low and afraid their land would be categorized as that located in other area. The late discussion with Menglian county PMO and Pu'er PMO confirmed that all the land acquisition in Menglian-Meng'a road will follow either "county seat area" standard or "flatland area" standard and no category of "other land area" standard will be used. As the road will start outside the county seat area, the compensation rate therefore will all adopt category of "flatland area" which is higher than the standard of "other area".

104. Compared to land acquisition, people have less concern of house demolition because the subproject is an open access class II road and the geographical feature of the project area it is not hard to find a similar place to relocate their houses. In summary, local people believe they can significantly benefit from the project and most of them believe their loss will be fairly compensated. Details shown in Table 5-1.

Table 5-1 Opinions towards the subproject

No	Item	Rate
1	Do you agree the construction of the project?	Yes
		No
		Not concern
		Do not know
2	Do you agree to acquire your land?	Yes
		No
		Not concern
3	Do you agree to relocate your house?	Yes
		No
		Not concern
4	The project will increase the employment opportunity of villagers or not?	Yes
		No
		Do not know
5	The project will improve the local transportation or	Yes

No	Item	Rate
	not?	No 0.00%
		Do not know 0.00%
6	The project will promote the local economic development or not?	Yes 98.55%
		No 0.00%
		Do not know 1.45%
7	The project will promote the local tourism development or not?	Yes 97.10%
		No 0.00%
		Do not know 2.90%
8	The project will stimulate local house price increase?	Yes 96.38%
		No 2.90%
		Do not know 0.72%
9	Whether or not the project will improve the investment environment?	Yes 91.67%
		No 0.00%
		Do not know 8.33%
10	Whether or not the project can benefit poor?	Yes 89.86%
		No 0.00%
		Do not know 10.14%
11	Whether or not the project can benefit women?	Yes 85.14%
		No 1.09%
		Do not know 13.77%
12	The project will cause what kind of impact on the local environment?	No change 89.91%
		Worse 10.09%
13	How the project will affect your family life?	Become better 97.10%
		Worse 0.00%
		No change 1.45%
		Do not know 1.45%
14	Generally speaking, do you think you will benefit from the project?	Yes 97.46%
		No 0.00%
		Do not know 2.54%
15	Do you fully understand the project impacts towards to your family?	Yes 95.65%
		No 2.17%
		Do not know 2.17%
16	Do you think your loss would be fair compensated?	Yes 93.12%
		No 0.00%
		Do not know 6.88%
17	Except compensation, can you get any help from related government agencies during the resettlement process?	Yes 85.14%
		No 0.00%
		Do not know 14.86%

Source: Field resettlement survey.

## B. Consultation on the LA and Resettlement Issues

105. The opinions on the LA and resettlement issues are listed in Table 5-2. Regarding the compensation type, 100% of APs chose cash compensation and 84.87% of APs agree to provide endowment insurance. It is well known that the endowment insurance is a government welfare policy in favor to Land-expropriated Farmer (LEF) eligible (available remaining cultivated land less than 0.3mu per capita). However, in the project area, the cultivated land is abundant. Therefore the subproject will have little chance to create illegible LEF. Very few APs in favor options of "job arrangement, "provide enabling environment for running their own business/self-employment", "allow farming land converting from forest/bush land". Generally in the project area along Menglian~Meng'a road, local farmers have higher real income and higher potential to increase income compared to employees of companies, factories and state farm. Areas from Mengma town towards Meng'a are the earliest area to plant rubber in Pu'er. In recent years, banana plantation becomes the most profitable cash crop. Farmers along the road either

plant by themselves or lease land to or share cropping with outside investors to make more income. Large areas of banana and rubber help the villagers to earn good income. Land acquisition for the road takes only a very limited proportion of the land they cultivated. The job arrangement is not very attractive to the APs

106. With respect to “technical training”, only about 11% of the APs think it is necessary, which is far less than the expected. Meanwhile, wider survey in villages along the subproject in rural area without land acquisition indicated higher demand for technique training in cash crop plantation. Group discussions, in- depth discussion key informants interviewed and households survey results found the following points: i) cash crop plantation technique is not an issue to the HH in the villages near the main road such as Menglian~Meng’a road because they have cultivated plantation for years and obtained the skills; (ii) to new cash crops, it is the villages along the main road instead of remote villages that often were selected as either demonstration site or agro-business (such as dragon fruit plantation in recent years) with strong technical and marketing support from the companies involved in the plantation business. They do not worry about relevant technologies; and (iii) cash compensation is a better choice for farmers. If a compensation package includes training, farmers would like to hold cash in hand and can choose their desired training instead of training that might not be useful for them.

107. In contrast, the villagers along rural road or located away from the main road demand for more technical training because: i) those villages haven’t started yet or just started cash crop plantation and do not have the necessary skills; ii) they have less chance to be selected as demonstration site with strong technical support; and iii) technical training is an additional benefit since they are not APs of LA or HD.

108. With respect to use the compensation fee, 96.01% of potential AP attempt to replant high value crops, 63.77% likes to increase inputs of other fields, 44.93% intend to contract or rent farmland from others, and 35.51% will improve low-yield farmland.

109. Regarding to restoration of the income loss caused by LA, the preference from common to less common is investing more to the remaining land to increase yield (of cash crops), contracting or renting other peoples’ land, applying for pension or MLSS which depends on the illegibility, seeking an outside employment opportunity which is popular to young people whose main objective is exposure to the outside world, improving livelihood chosen by either very much better-off households whose income will not be affected significantly or those very poor households with no labor force to do any income generation). Details are in Table 5-2.

Table 5-2 Opinions preferred towards the Land Acquisition

No.	Item	Rate
1	Cash compensation	100.00%
	Land re-adjustment	15.22%
	Part cash and part land re-adjustment	2.90%
	Job arrangement	2.17%
	Provide enabling environment for running their own business or self-employment.	0.36%
	Allow land reclamation	3.26%
	Technical training	11.23%
	Provide Endowment insurance for the farmers who loss land	84.78%

No.	Item	Rate
2	When your farmland be acquired, how will you use your compensation funds? (multiple choice)	Contract or rent other people's land
		44.93%
		Improve the low yield farmland
		35.51%
		Increase the invest to the remaining farmland
		63.77%
		Improve the irrigation facilities
		7.61%
3	After your farmland be acquired, how do you plan to cover your losses? (multiple choice)	Change crops to high income crops
		96.01%
		As the capital of business
		4.71%
		Establish or enlarge enterprises
		0.36%
		Others
		0.00%
		Contract or rent other people's land
		44.93%
		Invest more to the remaining land to increase yield
		63.77%
		Seek an outside employment
		9.42%
		Start or enlarge the existing business
		7.97%
		Improve livelihood by using the compensation
		6.88%
		Get pension or minimum living standard
		18.84%
		Establish an enterprises
		0.36%
		Others
		0.00%

Source: Resettlement survey 2013.

110. Table 5-3 summarized the public consultation activities carried out during the preparation of the subproject.

Table 5-3 Public Consultation Activities

Time	Organized by	Participants and number	Key activities	Key outputs/issues raised
Before April, 2013 by EA and IA	Pu'er Prefecture City PMO	Design institute, county transportation bureaus Township officials Village leaders Over 800 in over 2 years from initial individual project component to an integrated package. Around one fourth are female	1) Project concept development 2) Preparation of FS 3) Reviewing project components and scope 4) Estimate APs and beneficiaries 5) Comparing and Soliciting options balancing project costs and distribution among counties/district 6) Selecting rural road 7) Prepare EIA	1) The proposed components were disclosed to project counties and sites communities in Jiangcheng, Ning'er and Simao. 2) Rural roads for upgrading were selected 3) Potential affected communities were informed; feedback procedures were initiated through community leaders. 4) FS has been prepared 5) EIA reports have been prepared and approved
April –August 2013	Pu'er Prefecture City PMO and ADB PPTA Team	Beneficiaries, APs along project and relevant bureaus. Total 510 (42 village leaders, 20 business owners, 420 household including 40 in Menglian county, 28 key informants from various bureaus) with 201 female	Socio-economic survey for SPA, GAP, EMDP, border issues and rural transport service. Forms including focus group discussion, key informants interviews, consultation meetings, and HH surveys (420HH).	1) Project scope and alignment 2) Rural road scope were refined 3) Potential benefits and negative impacts, possible enhancement measures and mitigate measures 4) Impact assessment and RP, EMP, SDAP and EMDP preparation requirement
September-Dec.2013	Pu'er Prefecture City and Menglian county PMOs, Nayun and Mengma township RP Team contracted by EA, PPTA team, Field social survey team	Village leaders, affected APs, local transport bureau and Menglian County government, transport bureaus Total 160 people with 81 women	RP Consultation workshop village by village to generate opinions of the affected APs regarding degree of impact, coping strategies, issues concerned	1) Major impact of each village along the road, number and degree of affected HH 2) Compensation arrangement, rate, procedures 3) Options of livelihood restoration 4) Feasibility of restoration plan backed by socio-economic analysis 5) Draft GAP, RP and EMDP
September-Dec.2013	RP Team contracted by EA	276 affected HH with 1333member	Affected household sample survey to collect socioeconomic information, impact on households and opinions on RP.	1) Attitude of affected households, 2) Livelihood patterns of AH 3) Opinions on RP 4) Challenges faced 5) Livelihood restoration plan

Time	Organized by	Participants and number	Key activities	Key outputs/issues raised
Nov-December 2013	Pu'er prefecture PMO, PPTA team	Bureaus of Transportation, Ethnic minority affairs, Poverty Alleviation office, 100 HH supplementary survey on the subproject Total 220 people with 100 female	Village leader interview, focus groups discussion in 5 villages, state farm leader interview, EM bureau interview, Poverty Reduction and Development office, HH survey (100HH) etc	1) Poverty of state farm APs 2) Existing livelihood patterns of EMs along the subproject area. 3) Positive and negative impacts perceived by villagers within the project impact zone. 4 ) Coping strategies of surveyed households 5 ) Most helpful actions needed in enhancing the project benefits to and mitigation the project negative impact from the EM, Women and the poor
Oct.-Nov, 2013	RP survey institute and ADB PPTA team	Managers and staff of Menglian Tea company, Menglian State Farm, Mengma Rubber Company, Luo Xiaohai Rubber Processing Plan. Total 13 with 6 female	Enterprise one by one to interview manager and affected households (agricultural enterprise with land cultivated by households) on impact and coping strategies. Discussion of alternatives the design has adapted and potentials of further measures to minimizing impact.	1) Compensation standard 2) Arrangement of the affected households in terms of work position 3) Recovering of facilities 4) Temporarily impact compensation 5) Measures to reduce disturbance during construction.
Oct. 2013	Menglian IA and Menglian Statefarm. PPTA consultant, Social survey team	Representatives of Affected HH in the farm	1) Discuss the alignment changes in preliminary design 2) Estimate impact on potential HH 3) Expectations and challenges faced the HH	1) Poverty situation of the state farm worker 2.) Property rights of the current house and confirmation of the compensation of the house goes to affected households. 3) Work position arrangement to the affect households of land acquisition.
April ~June 2015	Pu'er PMO, Menglian Transport Bureau, Menglian Resettlement Office, Township Government and village committee	All APs	1) According to the final design, conduct DMS, 2) Collect AP's opinions and suggestions of LA and HD; 3) establish resettlement policies and resettlement schemes	1) resettlement impacts and impact degree, 2) resettlement compensation and resettlement policies 3)resettlement schemes, and payment of compensation etc. 4) mechanism of grievance and appeals.

Sources: PMOs, Socioeconomic survey and resettlement survey, 2013, and DMS in 2015



### 5.3 Public Participation and Consultation Plan

111. Notwithstanding the amount of public consultation already carried out, additional consultative meetings will be required during the implementation of the land acquisition and land acquisition. The main activities to be undertaken are: 1) publication and dissemination of a Resettlement Information Booklet (RIB), summarizing the policies, entitlements, compensation standards and rates, grievance procedures and resettlement/ land acquisition program; 2) formal village meetings to ratify the options relating to land re-distribution and compensation disbursement; 3) agreement of the final requirements for land, property and other acquisition from each affected household/enterprise.

112. Table 5-4 contains a schedule and activity of the consultation plan.

Table 5-4 Public Consultation Plan

Main contents	Consultation approach	Timing	Implementation institute	Participants
Consultation and determination of compensation	Public meetings	August 2015	Menglian County Government	IA, township, and APs
Disclosure of Resettlement Information Booklets	distribution	August , 2015	Pu'er PMO, Menglian PMO and Transport Bureau	All APs
Upload final RP to ADB's website	ADB's website	September 2015	ADB	Pu'er PMO
Disclosure compensation policies and rates	Publish	September, 2015	Menglian PMO	All APs
Enter into agreement with the affected village, collectives and individuals, notice of their rights, benefits, compensation amount and date again.	Public meeting	October 2015~May 2016	Menglian PMO and Transport bureau, township government, village committees, and enterprises	All APs
Confirm restoration options and support needed	APs' meeting	Before implementation of LA	Menglian PMO and Transport bureau, township government, village committees and enterprises	All APs
Training program	APs' meeting	November 2015~November 2016	Menglian PMO, township government,	All APs
Monitoring of the land acquisition and house demolition impact.	Household interview	Throughout the entire process of external M&E	External institutions M&E	Sampled APs

Source: PMO.

#### A. Confirmation of Final Resettlement Impacts

113. Menglian PMO will publicize the inventory of all types of impacts to the APs and communities to finalize resettlement impacts.

#### B. Disclosure the Compensation Policies

114. Menglian PMO will inform the final resettlement policies and rates to affected villages and APs, including compensation rates for land acquisition and house demolition as well as livelihood restoration plans.

#### C. Resettlement Plan Booklet and Disclosure

115. Menglian PMO will draft and distribute a detailed resettlement information booklet (RIB) (refer to appendix 5) to ensure the local government and people in the affected areas know the details of the resettlement plan and compensation regulations. The resettlement information booklet covers main contents of resettlement plan, compensation standards and resettlement policy, the entitlements and grievance procedures. The RIB will be distributed to each of AH within the project area as soon as the booklet is approved. Before resettlement implementation, relevant land acquisition and resettlement policies, compensation rates and mechanism of grievance will also be issued through local newspapers, radio, television broadcasting and village's bulletins.

#### **D. Meetings**

116. Public meetings will be held to explain relevant policies, laws and regulations and compensation rates in detail so that the APs can know these early before the implementation of the land acquisition and resettlement.

## **6. Relocation and Reconstruction Plan**

### **6.1 Resettlement Objective**

117. The objective of resettlement of the Subproject is to develop an action plan to relocate those affected by the Subproject so that they benefit from the Subproject, and their living standard is improved or at least restored to the pre-project level.

### **6.2 Principles for Resettlement**

#### **6.2.1 Principles for House To Be Counted**

118. The principles for house to be counted are: 1) House demolition arising directly from the construction of the Menglian-Meng'a Class-2 Highway; 2) house demolition and resettlement proposed by some AHs because the day-lighting and ventilation of their houses is affected by the retaining walls of the highway roadbed (above 2.5m high, distance less than 1m); and 3) house demolition and resettlement necessitated by potential landslide risks above the highway after its completion.

#### **6.2.2 Principles For House Demolition and Relocation.**

119. The house demolition takes place only once the affected household has built the new house. If there is any outstanding case, transition subsidy will be provided to such households.

#### **6.2.3 Principles For House Relocation and Resettlement**

120. In the implementation of house relocation and resettlement, the following general principles will be followed:

- ✧ New sites necessary for housing construction will be allocated for free to the affected households, who do not have to spend money on purchasing land for their new house sites. Land area of the new house to be constructed will be equal to that of the original.
- ✧ Locations of house sites will be negotiated between the village groups and the affected households. Households affected tend to prefer putting up their new houses at locations with easy access to traffic, namely, along sides of highways or country roads. Village groups will try to satisfy their requests to the greatest extent possible and allow them to make choices among options the village can provide.
- ✧ Reconstruction of a rural residence takes 3 to 4 months. Households affected will typically build their houses themselves. They can have construction materials taken from their old housing for free. No deduction will be made in compensation for materials taken from the old housing.
- ✧ Compensation for the old housing will be made to people affected prior to their removal. Menglian County Resettlement Office will disburse fees directly to affected households.
- ✧ In principle, new housing should be built prior to old housing being demolished. If the old house is demolished before the new one is built, transition subsidies will be paid to the affected household so that they can rent a residence for transition. People affected tend to turn to and borrow spare housing from their relatives and friends to live in during transition. Even if this is the case, they are still entitled to receive transition subsidies.

- ✧ In case the people affected are resettled in new residences built within the same village, they are still entitled to get moving fees.
- ✧ If affected households increase floor space or improve the quality of their new houses, they will pay for incremental costs themselves. Such an increase or improvement is at their own option, based on their own financial resources.
- ✧ Village committee, township governments, and Menglian county resettlement office ( ) (RO) will pay particular attention and provide special assistance to the vulnerable households. If they are unable to restore their housing themselves, governments at all levels will get them removed and resettled by helping them to build new houses.
- ✧ Two measures will be taken to relocate infrastructure. First, the project construction unit will take the responsibility for removal and replacement of the roads, telecommunication cables and power lines. The second measure is for the affected units to take charge of the reconstruction after they receive compensation.

### **6.3 House Relocation Plan**

121. Since the Subproject is linear in shape, house demolition does not involve whole village relocation. Provided the traffic safety of the highway is not affected, the house reconstruction program of the Subproject is as follows: 1) The AHs select housing land themselves for house reconstruction after receiving cash compensation; or 2) The AHs reconstruct houses themselves on housing land planned by local governments in a unified manner.

122. According to the project design and field survey, 166 households with 567 persons will be affected by house demolition for the Subproject, and houses of 27,960 m<sup>2</sup> will be demolished in total. The housing land of the AHs will be replaced at a ratio of 1:1. Where conditions permit, any excess housing land will be compensated for or any deficit paid for on a voluntary and equivalent basis to promote the restoration and development of the AHs.

123. According to the survey, 94 households with 226 persons have housing land and will be resettled themselves, and 72 households with 241 persons will be allocated housing land by collectives in a unified manner.

124. 3 village groups in Mengma Town will be affected by resettlement for house demolition, which are 21 households with 94 persons in Dongkuo Group of Paliang Village, 16 households with 58 persons in Yintai Group of Paliang Village, 13 households with 47 persons in Manglang Group of Meng'a Village. In these 3 village groups, housing land will be allocated to most AHs in a unified manner for house reconstruction, and three supplies will be provided; scattered AHs will choose housing land for house reconstruction themselves. The Menglian County PMO, township governments and village committees will offer assistance.

125. The new houses will be built by the households themselves after receiving compensation. It will ensure that the households can control costs and maximize benefits by receiving help from relatives and friends, reusing materials from the demolished house, and using local free materials. They can also choose the design of their new house.

126. The upper limit for the area of land allocated as homestead to each household will be set as the Article 33 in Regulation on Land Administration for Yunnan Province as follows:

- ✧ In City Plan Area, the area of land allocated as homestead to each household should not exceed 100 square meters;
- ✧ Out of City Plan Area, the area of land allocated as homestead for each household should not exceed 150 square meters.

127. Such quotas are sufficient for rural households to build new houses of floor space of 150 square meters since they can build new type of buildings of two to four stories made of brick and concrete.

#### **6.4 Transition Subsidy and Methods**

128. All new houses are required to be built before the original house demolition. In case any household would not be able to build before demolition, transition fee will be provided for the AH to: 1) Stay at the houses of relatives and friends; (2) rent a house within village or nearby. Maximum CNY3000 rental for 6 months is budgeted given to the local rental of CNY200-500 a month.

129. Compensation will be paid to the households to be resettled before their original houses demolition. All the attachments to the house, such as enclosures, toilets, pigsties, courtyard dams, water wells, electric wire, fruit trees, other trees and plants belonging to the household, will also be compensated. All this is aimed at safeguarding the interests of the resettled farmers.

130. Special attention will be paid to the vulnerable families such as disabled households, households headed by women, and households of old people. Should they meet with difficulties in the process of transfer, relocation, and rebuilding, both the village committee and the township government will offer assistance, including materials supply or cash subsidy. These measures are geared to insure a smooth resettlement of the households and guarantee that the housing condition of the resettled households is better than that before the resettlement.

#### **6.5 Assistance for Transfer and Resettlement to New Site**

131. Relocation allowances will be paid to cover the expense of moving. Relocation allowances are provided in all cases where buildings are demolished to enable the occupant of the building to move his/her belongings to the new building. As the all AH prefer to relocate in the same village, CNY 2000 per HH is budgeted.

#### **6.6 Restoration of Public Facilities and Infrastructures**

132. Affected infrastructure refers to such facilities as water conservation facilities (including both drinking water and irrigation facilities), power lines, telecommunication lines, and roads. Most of those facilities are public infrastructure, some of which belong to the State, some to the local governments and some belong to villages (such as the irrigation channels and country roads).

133. The three major types of measures for the recovery of the infrastructure affected by the subproject are as follows:

- (i) Some will be recovered directly by the project construction unit in the process of construction, such as irrigation channels and township and village roads;
- (ii) Some infrastructure, such as telecommunication lines and power lines, will be relocated by the specialized organizations;
- (iii) Some basic public facilities, such as water towers and power transmission lines, will be rebuilt by the owners such as Electricity Company and Communication Company, using the compensation fees paid by construction unit.

134. Negative impacts to irrigation and drainage facilities due to the passage of the subproject or its construction will arouse great concerns from the local farmers. In design stage the design unit has considered the original irrigation system. If the facilities are destroyed during construction there are two remedies to such problems: the construction unit will rebuild the irrigation and drainage facilities during the construction period or the affected local people will get these facilities rebuilt with funds provided by the related authority. Principles for the recovery of irrigation and drainage facilities are as follows:

- (i) Complete recovery of all the functions of the irrigation and drainage facilities;
- (ii) All the recovery cost will be borne by the related authority;
- (iii) Quick recovery, the irrigation and drainage facilities will be rebuilt as soon as possible so that the agricultural production in that area will not be negatively affected.
- (iv) During the period while these facilities are non-functional due to the damage, alternative arrangements will be made

135. The specific measures for the recovery of infrastructure will be determined through negotiation with the affected parties.

## **7. Income Restoration Plan**

### **7.1 Impacts of Permanent Land Acquisition**

#### **7.1.1 Impact analysis of cultivated land loss**

136. The subproject is linear and will mostly follow the existing alignment; hence the land acquisition impacts are limited. The linear nature of the subproject further reduces the degree of impact.

137. As indicated in Section 2.10, the average land loss per capita ranges from 0.22mu to 0.9mu. The land loss of Paliang village is highest, while that of Manghai village is lowest. Among all AHs, about 89.17%% of AHs will lose less than 10% of land. Therefore the overall impacts of the land acquisition are not significant.

#### **7.1.2 Analysis of Lost Income**

138. As the degree of land acquisition of the household is not high, the impact of land acquisition on the affected people's income is also not significant.

139. Except Paliang village (11.1%), the income loss rates of the other villages are below 10%. In addition, along with the construction of the subproject, there will be more opportunities for APs to increase their income. The impact of LAR of the subproject can be categorized as moderate.

### **7.2 Impact Analysis of APs**

#### **7.2.1 APs in Mangzhang village**

140. AP per capita cultivated land acquisition in Mang zhang is 0.61mu, 29HHs with 106 persons will be affected. AP per capita annual net income loss is 9.0%, or CNY494.6.

141. Mangzhang village is located in the starting point of the subproject close to the county seat. Unlike APs in other villages whose main income is from cash crop plantation, around 20% of households in Mangzhang are involved in off-farming business. Livelihood restoration needs measures both in agricultural and non-agricultural activities.

142. All APs are confident to make best use of cash compensation to recover their livelihoods. Cash compensation will allow most households to be able to invest in their low yield cash crop improvement or invest on vegetable plantation. Demand for technical training in agriculture production is not strong because most of the APs have such ability. Training in off-farming is required particularly for those who are trying to shift to non-farming opportunities stimulated by the project. Assistance to transport service permission might be needed for some APs who want to be involved in transport service. It is estimated that 10 households or 20 persons need agricultural technical training and 10 households or 20 people need non-farming technical training such as driving training and vocational skills. One or two households need support in transport service.

### **7.2.2 AP in Paliang Village**

143. AP per capita cultivated land acquisition in Paliang is 0.81 mu, the highest land taking among the six affected villages. 85 HHs with 366 persons will be affected. Average AP per capita annual net income loss is 11.1%, or CNY 654.3 .

144. Paliang village is the second village along the Menglian-meng'a road corridor with the longest re-alignment kilometers. The village is ranked as number four in terms of per capita cash crop size. Meanwhile the village has the highest per capita forest/bush land. Coffee plantation has expanded very fast in recent years. Plantation contributes to 90% of the net income. In terms of per unit plantation contribution to net income is quite low because of: (i) insufficient investment and low yield, (ii) higher percentage of yet to mature cash crop; and (iii) weak technology for some households. The road is expected to provide great opportunity for them to continue to expand their cash crop plantation or improve the low yield of cash crop by increase of investment and care.

145. Cash crop plantation is the major measure expected in recovering the income loss. Most APs expect to use their LA compensation to increase investment on either expanding cash crop plantation or improvement of the low yield of coffee by more fertilizer and more intensified daily care or both. Very few household want to shift efforts from cash crop to off-farming in this village. Technical training on cash crop is needed for around one third of the families, estimated 30 households or 60 persons. 10 persons are estimated to need off-farming training.

### **7.2.3 AP in Mengma Village**

146. AP per capita cultivated land acquisition in Mengma is 0.39 mu, 71 HHs with 378 persons will be affected. AP per capita annual net income loss is 5.4%, or CNY318.6.

147. Mengma village is located in the middle section of Menglian-Meng'a road corridor close to Mengma town. Vegetable plantation in this village is popular as it located close to Mengma town. Banana, rubber and coffee plantation are also popular. Plantation contributes to 88% of the net income. Per unite net income contribution of cash crop ranked as the second highest among affected villages. This village started rubber plantation quite early and some of the rubber tree are too old to be productive.

148. The road project provides great opportunity for village to continue to expand their cash crop plantation. Most APs intend to recover their loss by (i) the replacement of old rubber trees, (ii) intensifying vegetable plantation by inputs of more fertilizer and time, and (iii) expanding coffee plantation or banana plantation. A few AP want to be involved in transportation services while most APs intend to continue their efforts in plantation. Technical training on cash crop is needed for around half of the families, estimating 40 households or 100 persons. 20 persons are estimated to need off-farming training. Around 5 persons need support in transport service business. Some households on vegetable plantation plan to expand a bit of livestock raising because of abundant vegetable leaves. It is traditional livestock breeding and training is not needed but quarantine service is required. The road will certainly improve their transport to vegetable market or attract traders to collect their vegetable.



#### **7.2.4 AP in He'an Village**

149. AP per capita cultivated LA in He'an is 0.38mu, 11 HHs with 61 persons will be affected. AP per capita annual net income loss is 5.0%, or CNY 233.6.

150. He'an village is a poverty village with a small part along the Menglian-meng'a road corridor. It is also located in a section of project rural road. Among the six affected villages, He'an has the third largest size of per capita farming land, third largest size of cash tree and the fourth largest size of forest/bush land according to official data. However, the actual land area is larger than official data according to interview. To be more attractive to outside investors for land rental or joint venture is one of the main potential benefits of the Project was perceived by the villagers during socio-economic survey. Coffee, rubber and fruit plantation has rapidly expanded fast in recent years. However, per unit cash tree/crop contribution to income is the lowest in all six affect villages attributed to: (i) insufficient investment and low yield, (ii) higher percentage of immaturity of cash crop, and (iii) lack of technology of some households.

151. APs intend to expand cash crops and improve the productivity of the existing cash crops by investing part of their compensation money. Few household want to shift their efforts from agricultural to off-farming business. Technical training on cash crop plantation is strongly required. About 10 AHs or 20 APs need technical training in cash crop plantation.

#### **7.2.5 AP in Manghai Village**

152. AP per capita cultivated land acquisition in Manghai is 0.21mu.. Manghai village have large area along the road alignment corridor. 72 HHs with 353 persons will be affected. AP per capita annual net income loss is 3.1%, or CNY168.

153. Among the six affected villages, Manghai has the largest size of per capita farming land, second largest size of cash tree and second largest size of forest/bush land according to official data. Manghai has cash plantation that contributes to 70% of income. Abundant land is available for further cash crop development and land leasing. Banana, rubber and coffee plantation expand fast in recent years. However, per unit cash tree/crop contribution to household net income is the second lowest in all six affect villages due to: (i) insufficient investment and low yield, (ii) higher percentage of immaturity of cash crop and, and (iii) lack of technology of some households.

154. APs intend to expand cash crops and improve the productivity of the existing cash crops by investing part of their compensation. Few households want to extend their efforts from agricultural to off-farming business. Technical training on cash crop plantation is strongly required. It is estimated that around 70 households 150 persons need cash crop plantation and management training and 10 APs for off-farming training.

#### **7.2.6 AP in Meng'a village**

155. AP per capita cultivated land acquisition in Meng'a village is 0.22mu. 167 HHs with 755 persons will be affected. AP per capita annual net income loss is 1.5%, or CNY178.2.

156. Among the six affected villages, Mang'a has the largest size of per capita cash tree land and the least size of farming land and forest land according to the data provided by the survey institute. Meng'a village per capita annual net income is the highest among six affected villages. About 95% of net income was from plantation including 80% from cash crops. Banana, rubber and dragon fruit are the most profitable cash crops. A small proportion of households also plant vegetables. Meng'a village is also located in the port area. Around 1 or 2% of the villagers involved in cross border trade business or service. At least 37 certified rural bus owners are providing bus services in the bus center. The border economic zone development plan are expected to stimulate more opportunities related to cross border trade, transport service and urbanization development.

157. Technical trainings on cash crop plantation in this village are not strongly needed but off-farming training on transport or trade are needed with the limited number. It is estimated that around 10 households with 20 members need cash crop technical training while other 20 household with 40 members need off-farming training.

### **7.3 Resettlement and Income Restoration Plan**

158. Based on the field consultation, 100% of AP surveyed would choose cash compensation.. In terms of use of compensation or plan for restoration of income loss, around 96% would consider to change from current crops to high value crops, 64% would choose investment more on the remaining land to increase yield, 45% plan to contract or rent land from other people while around 36% would improve low yield farmland by investing more, 19% would participate in pensions or allowances; 9% would be migrant workers and 8% would do business.

159. Socioeconomic survey recognized that the APs' choices are highly related to the existing livelihood patterns although some households plan to venture new business.

160. In respect to the preference of the APs, the impact degree of households and the socioeconomic features of the affected villages (refer to section 3 and section 7.2), strategies employed to help land loss restoration include: (i) compensation in cash in all villages that will help the affected households to invest in improved farming practices, (ii) agricultural restoration are mainly in Paliang, Menghai and He'an villages while, (iii) a combination of agricultural and off-farming income generation are mainly in Mangzhang, Mengma and Meng'a village, (iv) special measures in respond needs of vulnerable APs such as the poor, disable, and women-led households,( v) serious affected households most likely in Paliang, Mangzhang and Meng'a, and (vi) other assistance measures like training, credit, job opportunities, special fund has been planned to help the APs to successfully implement their income recovering strategies or plans.

#### **7.3.1 Cash compensation**

161. The affected villages/village groups will be compensated in cash based on the standard discussed in section 4, where compensation rate for irrigated paddy is CNY50,000, Non-irrigated paddy CNY40,000, dry farming land (included economic tree land CNY25,000, collective

construction land CNY20,000, forest land CNY7,500, fishpond CNY50,000 and other land CNY8,500. All land compensation will be fully paid to the affected households.

162. The land loss impacts are small and additional land is easily available, the comprehensive compensation package will allow the affected people to start or improve their cash cropping that will help them earn much better incomes offsetting impacts of land loss. To ensure that the affected households use the compensation in a rational manner, Menglian County PMO and other related agencies will provide guidance and required training. Following sections provide details of how the cash compensation could be utilized to improve agricultural and planting outputs.

### **7.3.2 Agricultural Measures**

163. The feasible agricultural measures in affected villages to recover income include i) expansion of banana, rubber, coffee, tea, and vegetable, ii) improvement of productivity of existing low production cash crops, iii) plantation of newly introduced cash crops, e.g dragon fruit, iv) increase in chicken or pig raising.

#### **(i) Expanding cash crop plantation**

164. Banana is viewed as the most profitable cash crop in the project area. It requires good soil quality of land, good irrigation, convenient transport and intensive labor in watering, fruit covering (putting blue plastic bag on the fruit on the tree), and fertilizing. This business started from outside investors from Hainan and Guangxi. The harvesting time in Yunnan tropical area (Xishuangbana, Hekou, Pu'er and Lincang, etc.) start from Nov to April of second year, earlier than harvesting time in Hainan and Guangxi starting from April. Intensive investment and managing fluctuated market price are the most critical factors towards success in making profit among other impact factors. Four sub-operation models exist in banana plantation in terms of contract: i) Pure land leasing, ii) land leasing plus waged labor (the land owner taking casual labor to earn wages in time of fruit covering or harvesting when intensive labor required, iii) Land leasing plus joint venture of banana tree management: households leasing land to investors and are contracted to take care of banana tree management shared with crop at a value of CNY0.2per kg, and iv) growing a small scale by farmers and selling either to large investors or traders. Most of villagers choose the first three models. Compared to traditional rice plantation, the banana plantation requires intensive investment on materials and labor. But real challenges to AH is the sales of product which is highly perishable. Disease control brings challenges to both outsider investors and AH. The investors often provide technical training by hiring technicians. Easy access to road is another important factor that investors consider. Banana plantation may benefit all APs by increasing land leasing, generating waged farming jobs. Average increase in income generation per mu is minimum CNY1,000 for pure land leasing and minimum CNY4,000 for the households with surplus labors in taking care of their other crops. Information about the product market price, land leasing price in other place and responsibility to deal with the residue is important for the AH in negotiating contract. Farmer-back-to farmer training, or field visit to the experienced households or villages as in site training could be very helpful to the newly involved

households. In consultation with the affected households, who are interested in banana plantation, this will be adapted in Panliang, Mengma, He'an and Manghai, even Meng'a villages.

165. Rubber plantation is the second profitable cash crop in the project area. It is also popular in Mengma, Menghai, Meng'a and He'an village. It requires hot weather, long time to get harvest. Rubber plantation along Meng'a road is very familiar to most villagers except in a few remote village groups. No technical training needed in most village groups. Compared to traditional corn plantation, average increase in income generation per mu is 2000-3000 starting from year 8. Intercropping with corn, bean, pineapple or other crops is widely practiced from year 1-4 to increase productivity also fertilizing the rubber plants. Expanding rubber plantation has potentials for AH to adapt in Mengma, Menghai, and He'an village, where the abundant land is available and weather is suitable.

166. Coffee plantation is also on increase in the project area. A lot of young coffee plantations are observed along the road. It could start harvesting in year 3 with very intensive care of watering and fertilizing in quality land. Normally people are expected full harvest in 5 years. Poor care will result low yield and take 6 year or longer time to reach full harvest. Chicken raising started practice in Pu'er many years ago, which is called "coffee chicken" by local people. Coffee expanding has potentials for AP in Paliang, Mengma, He'an, Menghai and some group of Mangzhang with dry farming land or bush land available. Technical training is needed to new involved households mainly in Paliang, He'an and Manghai.

167. Tea plantation is viewed as a stable income generating crop with most wide suitability in the area. It requires cooler weather. To the households located in higher altitude area with cooler weather, tea plantation is still a good choice. Cost in tea growing is similar with coffee. Some area of affected village in Paliang, Mangzhang and He'an are suitable..

168. Vegetable plantation is a very profitable option and is only suitable in areas where town center is nearby. AHs with good irrigation, good land quality and available labor will be a good option.

169. Table 7-1 summarized the potentials of profit of the cash crops in the project area based on socioeconomic surveys and consultations.

Table 7-1 Input and output analysis of restoration options

Name of cash crop	Input per mu	Features of productivity and marketing	Net profit (CNY/ per year per mu)	Incremental net income compared to traditional crop (CNY per year per mu)	Major challenges to APs and current practice	Suitability to AHs and support needed
Rice	Seeds: 100 Fertilizer and pesticide:400	Annually plantation and harvest Low risk of marketing, low transport demand	500		Fewer and fewer plantation	
Banana	Land rent: CNY1500, Plantation costs: seedling, pesticide, labor and marketing, etc.,CNY 6000-8000	1) Start bearing in year one. It has to be replanted in every three years of harvesting. 2) Best land with irrigation and convenient transport	6000-8000 from year 1-3, average 5,000	1) CNY1,000 for land leasing compared to rice plantation 2) Plus waged income or shared income from intensive tree care contracted CNY3,000mu minimum	1. Marketing and convenient transport 2. Financial burden 3. Disease, e.g 'Ku Weibin' and Natural disaster, colder weather 4. land leasing to outside investors 5. Contracted to taking care of the banana tree management in addition to land leasing.	1. AHs with quality land available 2. Additional labor available to have joint venture Support needed <u>No. 1, 2, &amp; 3.</u>
Corn	Seeds: 100 Fertilizer, pesticide: 200	Annually plantation and harvest, low risk of marketing, low transport demand	500	0	More land replaced by coffee, rubber and tea	
Rubber	Plantation cost: 2500, Year 2-4: CNY500 a year, or Intercrop with corn or pineapple, cost 2	1) hotter weather, where beyond Mengma onwards to Meng'a is suitable 2) Start latex in year 8	2500-3500 from year 8	CNY2,000-3,000	1.Shortage of available funds 2. Longer term wait for maturity 3. Technical on tap latex 4. Some HH grown smaller size and reduced per unit investment on planting and post care after plantation due to insufficient funds, shortage of labor force previously, busy with other things before.	1.AHs still with land available 2.AHs with labor available Support needed: No. 2,3, 4 (for newly involved HH) and 5 for poor
Coffee	Terracing: 2000 Seedling, fertilizer, planting, 2000, After year 2, CNY1000-2000 a year	1) Start bearing in year 3 and full harvesting in year 5. if intensive care is given started from terracing onwards. 2) Chicken raising in	2000-3000 from year 5	1,500-2,500	1.Intensive financial and labor investment 2.Relatively longer time for maturity	1.AHs have dry farming land or bush land available 2. AH with labor available Support by No. 2, 3, 4

Name of cash crop	Input per mu	Features of productivity and marketing	Net profit (CNY/ per year per mu)	Incremental net income compared to traditional crop (CNY per year per mu)	Major challenges to APs and current practice	Suitability to AHs and support needed
		coffee land practiced, called 'Coffee chicken'				(for newly involved HH) and 5 (for poor).
Tea	Terracing: 2000 Seedling, fertilizer, planting, 2000in first year, then 500-1000 a year	Start harvesting in year 3	1500	1000	1. Wide planted in project area 2. Less profitability than other crops,	1.AH with land located in higher altitude area. Support needed: No. 5 for poor
Vegetable	Fertilizer, seedling, pesticide, plastic: 3000	1) labor intensive required 2) close to market	6000	5500	1. Intensive labor input daily 2. Easy to access market 3. Some village groups in Maingzhang, Mengma and Menga involved	APs in villages close to town center, quality land, and labor available. Support needed: No. 4 for new involved HH.
Chicken raising	Chicks purchase: 20	Quarantine, disease control and other service costs: 20	20 per chick	20		AH with labor available. Support needed: no. 7 (Quarantine and disease control service)
Pig raising	Piglet purchase: 500 Feed material: 1000		500 per pig	500		AH with labor and cheap feed available. Support needed: no. 7 (Quarantine and disease control service)
Waged farming jobs	Terracing, planting, harvesting, weeding,		60-200	60-200		

Supporting measures: 1=enabling policies to attract investors. 2= information sharing on marketing such as product price, labor price, land leasing price, etc. 3= awareness raising training on environment and health related to agribusiness, 4=technical training on cash crop plantation, 5=credit, 6=permission, 7=technical extension service

Source: Consultant summarized from local observation, socioeconomic survey 2013, and key informants interview.

170. According to the survey and consultation, APs have many choices in recovering income loss caused by land acquisition. As a result they are not worried about land acquisition of the project. The compensation rate is very comprehensive compared the current land lease price. According to the current land leasing price in project area, paddy land is CNY500-1500 depending on soil quality, irrigation availability and location for convenience of transport. The project compensation for irrigated paddy per mu is CNY50,000 that is worth more than 33 years land leasing price at the existing higher rate of CNY1500. In the case of non-irrigated farming land, the compensation rate of CNY25,000 is over 31 years leasing price of CNY800 of the best dry land.

171. As the Subproject is linear, land acquisition impacts are limited. The subproject will bring benefit by increase value of the remaining land. APs are very much aware of the increase value of remaining land that may offset their income loss. The land compensation fee is enough for AP to invest the most costly cash crop plantation options including land rental costs. For example, in the case of Meng'a, one mu dry farming land compensation fee CNY25,000 could cover investment for 3.5 mu rubber with cost of CNY7,200 per mu in eight years until maturity to harvest (land rental CNY1,200; first year cost CNY 2500; CNY500 a year from the second year up to the eight year). In the case of Mengma, Manghai, and Meng'a village, CNY50,000 per mu for irrigated paddy could invest 5.3 mu Banana with costs of CNY9,500 per mu (land rental CNY1,500, seedling, fertilizer and other costs CNY 8000 a year in average). Therefore, effective uses of land compensation to raise/improve cash crops will easily offsets the losses incurred due to the land acquisition.

## **(ii) Engaging in New Cash Crop Plantation**

172. Some new crop introduced by investors or local government agencies could prove to be beneficial ventures for some AHs. The investors start the business from rental land from villagers while contracting the villagers to taking care of the crop by paying daily wage or cropping share. Technologies are normally provided by the investors or the hired institution or individual technician. If the new introduction is not initiated by a government, technical training is not necessary because the investors will provide technical support. The new crop plantation could be very profitable. It is estimated that minimum 2000 incremental profit will be obtained against to traditional crop. All the affected villages have the potential to be engaged in joint venture with one crop or another. Per AH 0.4-1.2 mu could recover the income loss. In consultation with the affected households, Menglian County PMO will coordinate with related township governments to develop such programs to help the APs recover their losses.

## **(iii) Replacing Over-Matured Rubber Trees**

173. In the villages of Mengma, Manghai and Meng'a and Mengma state farm, there are rubber trees over 25 years and decreasing productivity. During the field survey, villagers and workers of state farm pointed out that they would want to use the compensation fee to replace the over-matured rubber trees. The costs per mu are similar with new plantation, less costs of terracing.

#### **(iv) Improving Productivity of Existing Low yield Cash Crops**

174. In all affected villages, there is the low-yield cash crop plantation to some extent. Particularly in Pliang, He'an and Manghai, there is low yield of coffee and tea caused by insufficient investment on terracing and fertilizer or lack of technology in the early time, or weak weed management due to lack of labor force, etc. An efficient way to use the land compensation fee is to increase investment on the low-yield cash crop and intensify daily management by available labor. Technical inputs for existing cash crop plantation have been improved for most households. About 0.4-1.6 mu per AH could cover the income loss caused by LA. AH in Paliang, He'an and Manghai can benefit from this scheme.

#### **7.3.3 Livestock measures**

##### **(i) Chicken Ranged in Coffee Land**

175. Chicken raising has been practiced for long time in Pu'er. Early coffee planters wisely raised chicken in coffee plantation, "coffee chicken" or free range chicken. The free range chicken in the coffee land eats worms or insects which help reduce the pesticide use. The free range chicken has good price in the market. The coffee chicken is an alternative for AHs to generate immediate income to cover the waiting time for cash tree plantation. Raising coffee chicken does not require technical training but quarantine service.

##### **(ii) Pig raising**

176. Pig raising is another option identified by AHs in recovering income lose. Pig raising used to be very popular in the project area and made up bigger proportion of income contribution. The income contribution reduced as a result of cash crop plantation and labor shortage. However, in the villages where vegetable plantation is common, the pig raising is a very profitable income source. The minimum profit is about 500 per pig with a sales of CNY2,000 minus a costs of CNY1,500 including CNY500 for piglet purchasing, CNY1000 for feed materials and quarantine. Training is not necessary but a quarantine service is required that will be financed by the government.

##### **(iii) Waged faming jobs**

177. Waged farming is widely available in the project area. The jobs include caring and harvesting of rubber, coffee bean, tea leaves, sugarcane, banana, and terracing, etc. These waged farming jobs attract a large number of migrant labors to the project area. Daily rate for tea leaves harvesting is CNY60, coffee bean collection CNY80, latex CNY100-200, banana fruit covering CNY100~200.

#### **7.3.4 Non-agricultural measures**

178. Non-agriculture Measures include: (i) expanding or starting off-farming business such as transport service, trade and homestay ecotourism, (ii) non-farming migrant jobs in urban cities, and (iii) social security measures.



- **Expanding existing business**

179. Some AHs have already started in trade, rubber processing, transport services, repairing, house construction and decoration, small shops as supplementary of household income or even the main income of households in a few cases. They prefer to use the compensation to expand their existing business. No technical training is required for such AHs.

- **Starting new non-farming business**

180. A few AHs are planning to start homestay tourism business using their newly constructed houses. In consultation with the affected households, this could be integrated in the house resettlement program. If the affected households are agreeable, Menglian County PMO will coordinate with other agencies to prepare detailed plan on a household by household basis. Assistance to develop these houses as tourist home stay will be needed is house design and advisement from tourism bureau. Menglian County PMO will coordinate with tourism bureau to provide such services.

- **Migrant work**

181. For young APs who want to be non-farming migrant workers in the urban areas and seeking be exposure to the outside world, basic non-farming training on restaurant services, living in urban area, legal protection approaches, handling labor disputes, etc. is required. Menglian County PMO will coordinate the relevant local government agencies to organize such training for these affected young people to enable them to improve their income generating abilities and skills.

- **Construction work provided by the project**

182. Compared to potentials of the indirect job creation stimulated, the project direct job opportunities is very limited. During the field social survey, both AHs and non-AHs do not expect much on it. However, some APs expressed interest in it. During construction period of the project, APs can also take part in the construction, or the provision of services to earn incomes to compensate for their loss. Poor AP and women will be given priority in project generated employment. Menglian County PMO and affected township governments will coordinate with construction companies to implement these measures. Job opportunities will be announced through villages committee in villages.

- **Social security measures**

183. The subproject is unlikely create LEFs and therefore, no endowment insurance will be provided if no eligible APs. To guarantee the vulnerable groups livelihood restoration, MLSS will be made available for officially identified poor.

184. Other insurance options are optional subject to APs voluntary decision.

## **7.4 Training**

185. Based on the above assessment, training programs will be designed to meet the specific needs of AH with their restoration options. The focus of such training will be on the significantly affected households and households belonging to the vulnerable category.

186. The subproject will provide 8000 person-times training in total, of which, 4000 person-time will be cash crop plantation training, 2000 person-times will be off-farming business training or training for APs who expect to work outside ,and 1000 person-times for project related job opportunity training. In addition, as agribusiness growing fast in the project area, awareness raising training on environment and health related to agribusiness is very important, 1000 person-times for environment and health safety will be provided. The training programs are summarized in Table 7-2.

Table 7-2 Summary of Skills Training Programs of the Subproject

No.	Time	Trainees	Person-times trained	Including women	Scope of training	organizer	Budget (CNY 0,000 )
1	October ~December 2015	AHs	2000	1000	economic crops plantation training	Menglian county PMO, Labor bureau and township governments	10
2	March ~ December 2016	AHs	2000	1000	Vocational skills training and nonagricultural skill training		10
3	October~ December 2016	AHs	2000	1000	economic crops plantation training		10
4	October 2015~October 2016	AHs	1000	500	Project-related job training		5
5	December 2016	AHs	1000	500	Awareness of environment and health safety		5
6	Other irregular skill trainings						10

## 7.5 Priorities in project construction works.

187. It is estimated that the subproject will generate about 500-600 un-skilled workers (calculated in a base of 250 days a year) annually. 50% of these jobs will be offered to the people who are significantly affected by the subproject including poor, women and ethnic minority people who are willing to work. Training on safety, labor rights and prevention of HIV/AIDS and STI will be provided at the construction sites by Menglian County PMO and Menglian Center of Disease Control.

## 7.6 Vulnerable Households Supporting Measures

188. A support fund for vulnerable groups of CNY 1.67 million (2% of basic resettlement costs) will be established under the subproject to support vulnerable groups affected by the subproject. The budget is part of the overall resettlement budget.

189. The main affected vulnerable groups include the poorest under MLSS, Wubao households, Households affected by disability and women-headed households. As verified in DMS, 71 HHs are vulnerable groups, accounting for 15.1% of total AHs, of which, 13 HHs are the disable households or MLSS households, 4 HHs are women-headed households, and 54 HHs

are the poor households. During the whole resettlement process, Pu'er PMO, Menglian PMO, Menglian Transport Bureau and township government will not only ensure vulnerable groups 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) Including eligible households in the MLSS
- (ii) Un-skilled job of the project construction, priorities be given to the poor and women
- (iii) coordinating with the local government agencies in Menglian County to provide unskilled work such as street cleaning and landscaping to these category of affected people.
- (iv) 2% of resettlement cost has been budgeted to support the vulnerable people
- (v) Other measures, such as providing labor during house construction, giving priority to training, etc., will be adopted.

190. For details, please refer to Table 7-3.

Table 7-3 Special Measures for Vulnerable Households

Type of Vulnerable Affected Household	Eligibility Criteria	Entitlements for land loss (proposed measures)	Entitlements for house loss (proposed measures)	Funding sources
Wubao*	Orphans, senior citizens, and disabled people who are not able to support themselves	MLSS <sup>9</sup> plus Collective monthly allowances about CNY100 per month, and medical expenses are covered by civil affairs bureau and other support case by case	New housing provided by village	Government financial fund, and village allowance
Widow/widower*	/not applicable	Special skill training	Labor for house construction	2% of resettlement cost
Women-headed household	Widowed, divorced or separated.	Aim to make economically productive (e.g., provide child care expenses and training)	Labor for house construction	Government financial fund, and 2% of resettlement cost
Disabled	Recognized by the governments.	MLSS plus special support subject to application to civil affairs bureau	Labor for house construction and special subsidy of CNY 5,000 per household	Government financial fund, and 2% of resettlement cost <sup>5</sup>
Elderly persons	Men and women over 70 years	CNY600 a year, plus MLSS for poor elderly	Labor for house construction	Village allowance if available, and 2% of resettlement cost
Poverty households <sup>10</sup>	Poverty households	MLSS plus poverty reduction program	Labor for house construction;	Government financial fund,

<sup>9</sup> CNY265 per month in 2014.

<sup>10</sup> According to Yunnan Poverty Alleviation and Development Office, annual per capita income less than 2,300 CNY is defined as poor.

Type of Vulnerable Affected Household	Eligibility Criteria	Entitlements for land loss (proposed measures)	Entitlements for house loss (proposed measures)	Funding sources
		subject to application	support for minimum house size and condition	and 2% of resettlement cost
Households with simple houses	Other households with only a simple house (no other house)	/	Minimum standard housing size and conditions; special allowance to include minority features.	2% of resettlement cost
Households with serious land loss	51 HHs with 162 persons losing more than 10% of cultivated land, and 166 HH with 567 persons by HD	Priority of training and employment (such as outside jobs or work for the Project construction) will be provided		skill training fee

## 7.7 Gender Supporting Measures

191. Women's rights and interests are protected through the "Protection Law for Women and Children of the People's Republic of China". No matter living in the rural area or in the urban area, women enjoy the same rights with men, i.e., there should not be any discrimination to women, and their rights and interests shall not be deprived. The All China Women's Federation (ACWF) has its branches over all the townships and 6 administrative villages under the project. Women play a very active role in the economy of the project area as well as being responsible for many household tasks. Women will be eligible, on an equal basis, for access to information, compensation payments, training programs and other assistance being proposed. Detailed supporting measures are as follows:

- (i) Encourage joint bank accounts for compensation payments.
- (ii) New houses will be registered in names of both spouses.
- (iii) Local government will promote improved sanitation in new houses.
- (iv) Local government and village leaders will provide guidance to invest funds to improve household incomes, with specific options in local areas geared to women.
- (v) Skills training will be provided to 2 people (at least 1 female) in households with significant losses.
- (vi) Contractors will give preference to hire women.
- (vii) Monitor whether resettlement will cause any gender disparities; if necessary, recommend ways to improve benefits for women.
- (viii) Identify vulnerable women and provide guidance and support through Social Welfare Bureau and local office ACWF. These women will get preference for the special measures for the vulnerable groups.
- (ix) Conduct separate meetings with women and ensure ACWF representative is active disseminating information and in village decision-making.
- (x) ACWF will actively support women's issues and follow-up redress.

- (xi) Resettlement offices will have experienced staff, including women from Social Welfare Bureau or Poverty Reduction Office to consult with APs.
- (xii) Encourage APs and women in particular to participate in monitoring and evaluation, and give feedback on the reports prepared by the external monitor.

## 7.8 Implementation Plan

192. The impact of the subproject is linear, AH/AP livelihood pattern varies by geographical location, economic development level, resource availability, and impact degree. During implementation stage, the following steps are outlined.

- Step 1: After the detailed land requisition measurements, affected village group' leader will go to each AH to collect information of about the restoration option chosen and corresponding support needed as in the tables below:

Table 7-4 Income Recovery Consultation

Name of Villagers' group	Head name of household	Willingness for income recovery measures	Support be needed
		<ul style="list-style-type: none"> <li>• Increase the cash crops;</li> <li>• Involving in new cash crop plantation</li> <li>• Replacing over matured rubber tree</li> <li>• Improving productivity of existing low yield cash crop</li> <li>• Increase livestock</li> <li>• Expanding existing business</li> <li>• Start non-farming business;</li> <li>• Migrant works</li> <li>• Participate in road construction;</li> <li>• Covered by MLSS and other social insurance</li> </ul>	

- Step 2: The village level consultation step finished, all the information will be submitted to town or township, and then submitted to Menglian county resettlement office.
- Step 3: Menglian County resettlement office upon receipt of these materials, the corresponding support to restoration options will be summarized and implementation activities will be planned and contracted in coordination with relevant government agencies or other institute to take action.
- Step 4: Menglian county resettlement office will be responsible for monitoring and evaluation.

## 7.9 Restoration and Compensation of Enterprises

### 7.9.1 Mengma Tea Company

193. Mengma Tea Company will be demolished 650 m<sup>2</sup> brick and wood house, and acquired 38.5 mu land of tea plantations, with 10HHs and 47 persons of Paliang village to be affected.

194. Mengma Tea Company is a private enterprise with 88 employees. The land for tea plantation is mainly rented from local farmers. It was investigated that the tea garden is managed

and operated by tea farmers. At present, this company engages with 1200 tea farmer households to grow tea leaves for the company.

195. After consultations with the heads of company and tea farmers, compensation packages for this company are: 1) compensation for land compensation and resettlement subsidies will be paid to the APs who rented out the land to the company; 2) compensation for tea trees will be paid to the company, 3) the company will readjust the tea plantations to ensure that the 10 tea farmers' life is not affected. 4) Compensation for house will be allocated to the farmers directly; they will build their homes by themselves.

#### **7.9.2 Menglian State Farm**

196. According to final design and resettlement DMS, 92.67 mu of rubber plantation will be acquired; and 820 m<sup>2</sup> houses will be demolished. 18 HHs and 36 persons will be affected by HD.

197. According to the survey, there are 1785 HHs with 5444 workers in this farm. The area of rubber plantation is 56644mu. Currently, each worker contracted to take care of about 30 mu rubber plantation. The worker's average income is about CNY30,000 per year. Due to the limited acquisition of rubber plantation, the impact to the farm is slight.

198. According to consultations with the farm and the previous experience of land acquisition of the farm, the cash compensation will be paid to the farm directly and the farm will resettle the affected workers by itself.

199. As to 18 HHs affected by HD, these houses are joint invested building, both the workers and the farm have inputs. Based on the consultation with the farm, the compensation for house will be paid to affected HHs and the farm based on property rights, and they will build their houses by themselves on house plots free of cost provided by the farm.

#### **7.9.3 Luo Xiaohai Rubber Processing Plant**

200. Based on the the final design and DMS, the part of the ground attachments and office buildings will be demolished by the subproject. The subproject will acquire 69.95 mu construction land and demolish 5600 m<sup>2</sup> office buildings. However, the processing workshops won't be affected which will not affect the plant's operation at all.

201. According to the survey and consultations, there will be some land along the road suitable for office building reconstruction after reconstruction of the subproject. Therefore, the cash compensation will be paid to the company and the company will reconstruct the office buildings when the compensation is received.

#### **7.9.4 Mengma Rubber Company**

202. According to final design and DMS, the subproject will acquire 21.37 mu construction land of the company and demolish 7544 m<sup>2</sup> retaining walls. No residential houses will be affected. Meanwhile, the subproject will affect the company's water pool (small pool for pumping water from the river) as well as the corresponding pumping equipments during construction. The

company agreed that temporary facility will be provided to avoid impact on the company's production and cash compensation is acceptable.

## **8. Institution Arrangement of Resettlement**

### **8.1 Resettlement Implementation and Management Agencies**

#### **8.1.1 Organizational Setup**

203. The land acquisition and house demolition, and resettlement tasks are crucial and complex and need wide participation of different agencies and organizations. The following agencies and organizations are responsible for resettlement implementation and management:

- Pu'er City Project Leading Group,
- Pu'er City PMO and Pu'er Transport Bureau
- Menglian County Project Leading Group and Menglian County PMO,
- Menglian County LA and HD Leading Group for Meang'a Road
- Menglian County Resettlement Office,
- Nayung and Mengma Township Governments,
- Village Committees,
- Design Institute,
- External RP M & E, and
- Other agencies, e.g., Land and Resources Bureau, State Farm Management Bureau, Poverty Alleviation and Development Office, Women's federation, Labor and Social Security Bureau and Ethnic Minority Commission.

#### **8.1.2 Organizational Responsibility**

204. **Pu'er City Project Leading Group.** The Pu'er City Project Leading Group is headed by the deputy mayor in charge of transportation, and is the leading agency responsible for the overall implementation of the Project and solving major issues. The group is composed of the directors-general of the city transportation bureau, planning bureau, land and resources bureau, and water resources bureau, the deputy mayor of Pu'er City in charge of transportation, and the deputy head of Menglian County in charge of transportation. The group meets regularly as necessary or upon request.

205. Main responsibilities in resettlement: responsible for the overall implementation of the resettlement plan, providing oversight to various local agencies to ensure they are following the resettlement implementation processes and standards and solving major issues.

206. **Pu'er Transport Bureau and PMO.** Pu'er Transport Bureau and Pu'er PMO is the working body of the Pu'er Project Leading Group and the implementing agency of the Project.

207. Main responsibilities in resettlement: planning the resettlement work of the project PMOs under the leadership of the Pu'er Project Leading Group, and gathering their resettlement plans and progress for regular reporting to the ADB. The detailed responsibilities are as following:

- (i) To coordinate and prepare the resettlement plan for the project.
- (ii) To coordinate schedule of construction and RP.
- (iii) To report resettlement fund plan to Pu'er Finance Bureau and supervise the fund payment.
- (iv) To coordinate work of related organizations.
- (v) To be responsible for raising capital/funds for resettlement.



- (vi) To be responsible for payment of resettlement fund.
- (vii) To be responsible for concrete resettlement implementation.
- (viii) To supervise resettlement fund appropriation.
- (ix) To deal with APs' grievance and complaint during resettlement.
- (x) To coordinate the work of external monitoring agency.
- (xi) To collect and sort out various information and undertake internal monitoring to ensure that the project related resettlement is in accordance with the resettlement plan
- (xii) To manage resettlement files of the project and report progress.
- (xiii) To ensure sufficient human and other required resources are available to implement the RP effectively and where necessary organize training and capacity building for the relevant staff.
- (xiv) To apply for certificate of land use planning and certificate of land use construction to related departments.

208. **Menglian County Project Leading Group and PMO.** The Menglian Project Leading Groups and Menglain PMO will coordinate with Pu'er PMO and is responsible for the project management, coordination, **supervision**, direction, quality assurance and annual planning, and the follow-up monitoring of the implementation thereof, reporting to Pu'er PMO regularly, coordinating the implementation of county-level responsibilities and obligations of resettlement implementation. Main responsibilities in resettlement:

- (i) organizing the resettlement work of the project,
- (ii) developing the local policy on resettlement activities,
- (iii) coordinating relations among resettlement agencies at all levels,
- (iv) coordinating the work of the departments concerned at the preparation and implementation stages, and
- (v) making decisions and consultation on major issues arising from construction and resettlement.

209. **Menglian County LA and HD Leading Group for Meang'a Road.** The leader of this Leading Group (LG) will be vice mayor of Menglian County Government. Menglian Resettlement Office based Mengma Town will be established under this LG. The main responsibilities of the LG is to organize and lead the LAR works of the subproject.

210. **Menglian Resettlement Office.** Main responsibilities in resettlement:

- (i) assisting the design agency in defining the project area,
- (ii) conducting the DMS and saving data; assisting in preparing the RP,
- (iii) implementing resettlement; selecting resettlement officials for operational training;
- (iv) organizing public consultation, and communicating resettlement policies;
- (v) directing, coordinating and supervising LA and resettlement activities and progress;
- (vi) implementing resettlement, disbursing resettlement costs according to the agreement and handling grievances of APs;
- (vii) carrying out internal monitoring, preparing internal monitoring reports and reporting to the Mengliang PMO regularly; and
- (viii) assisting in external monitoring activities.

211. **Nayung and Mengma Town Governments.** The townships resettlement office is headed by the leader responsible of Nayung and Mengma Townships respectively, and

composed of key officials of the land and resources office, police office, civil affairs office and villages. The main responsibilities are:

- (i) Participating in the survey of the Project, and assisting in the preparation of the 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) Supervising LA, HD and temporary land restoration;
- (vi) Reporting LA, HD and resettlement information to the Menglian PMO; and
- (vii) Coordinating and handling conflicts and issues arising from its work.

212. **Village Committees.** 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; and
- (vi) Ensuring that the grievances of the APs are recorded, settled and/or forwarded to the next relevant agency where required.

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

214. 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.

215. **External RP M&E Agency.** The Pu'er PMO will employ a qualified M&E agency as the external M&E agency. Its main responsibilities are:

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

### 8.1.3 Organizational Chart

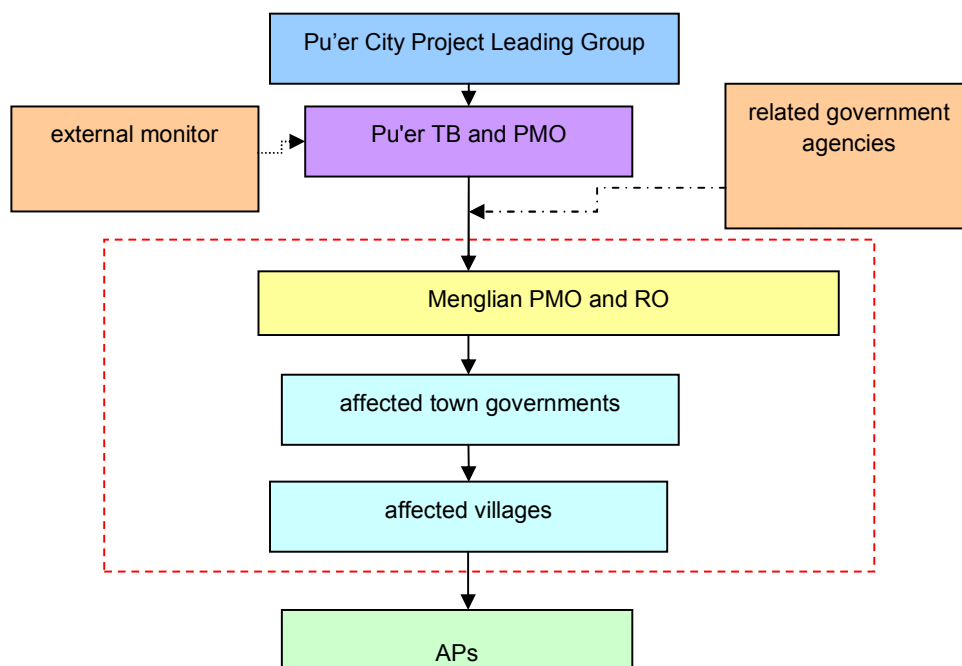


Figure 8-1 Resettlement Organizational Chart

## 8.2 Staffing and Equipment

### 8.2.1 Staffing

216. In order to ensure the successful implementation of the LAR work, all resettlement agencies of the subproject have been provided with full-time staff, and a smooth channel of communication has been established. See Table 8-1.

Table 8-1 Staffing of Resettlement Agencies

Agency	Number of Staff		Composition
	Male	Female	
Pu'er City Project Leading Group	3	1	Civil servants
Pu'er TB and PMO	5	2	Civil servants, technicians
Menglian PMO	2	1	Civil servants, technicians
Menglian Resettlement Office	5	2	Civil servants
Naying and Mengma Town Governments	5	2	Civil servants
Village (community) committees	5	3	Village officials and representatives of APs
Design agency	2	1	Engineers
External M&E agency	Some		Resettlement and social experts

### 8.2.2 Equipment

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

### 8.2.3 Organizational Training Program

218. In order to ensure the successful implementation of the resettlement work, the resettlement staff will be provided training under the leadership of Pu'er PMO.

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

220. The scope of training includes:

- PRC and ADB's resettlement policy and principles,
- Differences between ADB and PRC policies,
- Experiences and lessons learnt from other project, resettlement implementation planning and management, and
- Points requiring attention during resettlement implementation.
- resettlement M&E

221. A budget of CNY330,000 for training of resettlement agencies has been included in the resettlement budget. See Table 8-2:

Table 8-2 Operational Training Program for Resettlement Agencies

No	Agency Responsible		Scope	Trainees		Time	Costs (CNY'0000)
	A		B	C	D		
1	Pu'er PMO		Learning resettlement experience from ADB-financed projects in Yunnan province	Resettlement office staff of Pu'er and Menglian PMO		2015.10	5
2	External agency	M&E	ADB's resettlement policy	Resettlement office staff		2015.12	2
3	External agency	M&E	Updates of state policies on LA HD	Resettlement office staff		2015.12	2
4	Pu'er PMO		Experience and lessons in resettlement from other places	Resettlement office staff		2016.4	8
5	Menglian PMO and RO		Computer operation and data processing	Resettlement office staff		2015.10	2
6	Menglian PMO and RO		Resettlement procedures and policies for ADB-financed projects	Town resettlement office, village resettlement teams		2015.11	2
7	Menglian PMO and RO		Resettlement policies and practice	Town resettlement office, village resettlement team		2015.11	2
8	Pu'er PMO		Learning international experience in resettlement	Resettlement staff of Menglian PMO, RO and township governments		2016.6	10

222. Institutional Capacity: Apart from the staff at the various local agencies participating in the resettlement implementation process, the Pu'er PMO has four staffs responsible for the resettlement implementation work. As the resettlement implementation progresses the Pu'er PMO will assess the staff requirement and will ensure that adequate staff is arranged as per the LAR implementation needs. The Menglian County Government and its LAR implementing agencies which will be mainly responsible for the implementation have experience in implementing projects involving land acquisition and relocation, though this will be the first time it will be involved in dealing with an ADB financed project. The Pu'er and Menglian PMOs have

good coordination with other local government agencies involved in the LAR and the project EA, Pu'er Municipal Government will provide the necessary oversight. In the PRC there are established mechanisms for LAR and the local agencies responsible are well versed in these. To ensure that the IA and other staff are trained in the ADB's social safeguards requirements, during PPTA, ADB's social safeguards specialist has provided training to the relevant staff. Additionally, a safeguards capacity building expert will be procured under the ADB's consultancy services to build the IA and other relevant agencies' capacity to effectively implement the resettlement plan.

223. Following measures will be taken to strengthen institutional capacity:

- Define the responsibilities and scope of duty all resettlement agencies, and strengthen supervision and management;
- Provide adequate financial and technical support, and improve technical equipment, such as PC, communication equipment and means of transportation, etc.;
- Select staff strictly, and strengthen operational training for administrative staff and technicians to improve professional proficiency;
- Select female officials appropriately ;
- Strengthen information feedback to ensure a smooth information flow, and leave major issues to the Project Leading Group;
- Strengthen the reporting system and internal monitoring, and solve issues timely; and
- Establish an external M&E mechanism and an early warning system.

## **9. Grievances and Redress**

224. To ensure rehabilitation and improvement of the affected persons' production and livelihood, the PMO closely consulted with the affected persons to reduce complaints. A mechanism is set up to provide AP with opportunities to complain and to solve problems.

### **9.1 Grievances**

225. Contents of grievances include any aspect of resettlement, for example, house compensation, quantity of assets, land compensation, selection of rebuilding sites, and income loss, relocation fees and compensations during house rebuilding, etc.

### **9.2 Grievance Procedures**

226. The public participation is always encouraged in the process of compiling and implementing of the RP. There may be some unforeseeable problems occurring in the process. In order to solve such potential problems effectively and ensure the project construction and land acquisition to be carried out successfully, a transparent and effective appeal channel has been set up.

227. The grievance procedures will be operative throughout the entire construction period so that they can be used by villagers to deal with problems relating to infrastructure rehabilitation, such as the reconstruction of irrigation networks, the positioning and design of drainage culverts, local road access, the use of temporary land, etc. In this way villagers will have an effective procedure to bring these matters to the attention of Pu'er transport bureau and the contractors, as well as a forum, for their timely resolution. As an additional measure, village leaders will be provided with a name and contact point (e.g. Telephone number), to whom they can raise matters relating to the road construction as and when they arise.

228. The basic procedure of the grievance solution is: APs-Village committees- township or town government- Menglian county resettlement office-Pu'er Government.

229. The basic grievance redress system is as follows:

- Stage 1: If APs have any dissatisfaction with RP or implementation, they may report to the villagers' committee and township government. The villagers' committee or township government may directly appeals to Menglaing Counyt RO for negotiated resolution or put forward oral or written grievance. The Menglian County RO will record the complaints and resolve the problems within two weeks after the receipt of the complaints if the grievance is oral.
- Stage 2: If the APs who lodge the complaints are not satisfied with the results of the Stage 1, they may lodge grievance to Menglian county PMO, after receiving the decision. The latter will make resolution with two weeks.
- Stage 3: If the persons who lodge the complaints are still not satisfied, they may after receiving the decision, lodge complaints to the Pu'er PMO for arbitration. The latter will make arbitration decision within three weeks.
- Stage 4: If the persons are still dissatisfied with the decision of the Stage 3, they may, after receiving the arbitration decision, appeal to administrative setups step by step such as project office, resettlement management office, resettlement

monitoring institution, authorities of letters and calls, administrative supervision, disciplinary inspection and procuratorial department) according to Administrative Procedure law.

230. The complaints and appeal procedures will be conveyed to APs through public meetings and other information dissemination procedures, to ensure they fully understand their rights and the mechanisms for complaint and appeal. Any complaints raised by APs and resolutions must be registered in written form by resettlement office that receives these grievances.

231. At any point, if the appellant is dissatisfied with the arbitration award, he/she may bring a suit in a civil court in accordance with the Civil Procedure Law of the PRC.

232. The APs may also express grievance to the external monitoring agency, who would then report it to Mengliang County RO, Mengliang Land and Resource Bureau, and Pu'er PMO. Alternatively, the APs may submit a complaint to the ADB's Project Team to try to resolve the problem. If good faith efforts are still unsuccessful, and if there are grievances that stemmed from a violation of ADB's safeguard policy, the APs may appeal directly to ADB in accordance with ADB's Accountability Mechanism (2012).<sup>11</sup>

233. All the grievances received, oral or written, will be recorded and their redress will be recorded as well and these will be made available to the external monitoring agency or ADB review missions on request. 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.

### **9.3 Grievance Redress Principle**

234. The resettlement offices at each level must perform on site investigations on the complaints from the people and closely consult with them on their opinions before providing practical and justified redress opinions in accordance with the principles and standards specified in national laws and ADB's involuntary resettlement safeguards principles enshrined in the RP. The complaints that could not be solved must be timely submitted to the higher resettlement department, and the RO at each level are required to provide assistance on investigations.

### **9.4 Contents and Form of Reply to Complaints**

#### **a.) Contents**

- Description of the complainants' grievance;
- Results of investigations;
- National policies, and the ADB's principles and standards specified in RP;
- Resolution and its basis;
- The complainant has the rights to appeal to the higher resettlement

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<sup>11</sup> For further information, see <http://www.adb.org/Accountability-Mechanism/default.asp>.

department or to the courts, with legal costs to be paid by the project-executing agency.

**b.) Form of Reply**

- For complaint concerning individual case, the reply can be directly delivered to the complainant in written form.
- For complaints frequently addressed, notify the local village or sub-village by convening village meeting or issuing documents.

**9.5 Report of Grievance**

235. During implementation of RP, the resettlement offices at all levels shall make proper records and management of the complaints and solutions, and report them to Pu'er PMO in written form monthly.



## 10. Resettlement Budget

### 10.1 Resettlement budget

236. The Subproject will directly affect Menglian county and the cost of land acquisition and resettlement was estimated based on the final design and DMS. All LAR costs will be covered by the total cost of the Subproject.

237. Based on prices of first half year of 2015, the resettlement costs of the subproject are CNY 133.3 million, including CNY 40.74 million for LA, CNY 0.9 million for young crops, CNY2.54 million for temporary land occupation, CNY 36.5 million for house demolition, CNY 3.07 million for ground attachment and infrastructure, CNY 41.16 million for taxes and duties (including farmland occupation tax, monitoring and evaluation fee, technical training fee for APs and administrative fee etc.) an contingencies of CNY 8.38 million. The resettlement costs are summarized in Table 10-1. The breakdown of the resettlement costs is shown in Appendix 3.

Table 10-1 Summary of resettlement costs

No	item	cost (CNY ten thousand)	percent
1	Resettlement basic cost	8378.49	/
1.1	Compensation for LA	4074.54	30.56%
1.2	Compensation for Young Crops	90.31	0.68%
1.3	Compensation for temporary land occupation	254.37	1.91%
1.4	Compensation for HD	3652.27	27.39%
1.5	Compensation for ground attachment and infrastructures	307.01	2.30%
2	Land reclamation fee for paddy land	253.02	1.90%
3	Land reclamation fee for dry land	197.35	1.48%
4	Farmland occupation tax	557.88	4.18%
5	Forest vegetative Rehabilitation Fees	131.92	0.99%
6	Landless peasants pension insurance	2264.88	16.99%
7	Vulnerable groups subsidy	167.57	1.26%
8	Land acquisition administration fee	167.57	1.26%
9	Surveying & bounding expenses	83.78	0.63%
10	Management fee	167.57	1.26%
11	Technical training fee	41.89	0.31%
12	External monitoring expenses	83.78	0.63%
13	Contingencies	837.85	6.28%
total		13333.56	100%

### 10.2 Resettlement Investment Schedule and Funding Sources

238. All resettlement funds of the Subproject are from Menglian County Government. 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 table10-2.

Table 10-2 Resettlement Investment Plan

year	2015	2016	2017	合计
Amount of investment (CNY ten thousand)	1333.36	10666.85	1333.36	13333.56

year	2015	2016	2017	合计
Percent (%)	10	80	10	100

### **10.3 Disbursement and Management of Resettlement Funds**

#### **10.3.1 Disbursement of Resettlement Funds**

239. The Subproject's resettlement funds will be disbursed on the following principle: All costs related to LA will be included in the general budget of the Subproject, and LA compensation fees will be paid before LA.

#### **10.3.2 Management of Resettlement Funds**

240. Resettlement funds must be disbursed in strict accordance with the applicable state laws and regulations, and the policies outlined in this RP, and the compensation rates specified in this RP must be followed strictly.

241. In order that resettlement funds are available timely and fully to ensure the restoration of the production level and living standard of the AHs, the following measures will be taken:

- All costs related to resettlement will be included in the general budget of the Subproject.
- Land compensation fees and resettlement subsidies will be fully paid within 7 days of land supply.
- Financial and supervisory agencies will be established at different levels to ensure that all funds are fully and timely available.
- The budget is an estimate of resettlement costs. The modification of any compensation rate and inflation, the Menglian TB will ensure the payment of compensation fees. If necessary, the budget will be adjusted using contingencies.

242. In addition, the Menglian county finance and audit departments have the power to monitor and audit the use of special funds, and the external M&E agency will conduct special follow-up monitoring on the payment of compensation fees to the AHs.

## 11. Implementation Schedule

### 11.1 Implementation Plan for Resettlement Activities

243. The schedule for land acquisition and resettlement will be integrated with the schedule of the project construction. The LAR of the subproject will start in November 2015 and end in May 2017. The following principles will be observed during resettlement implementation:

- (i) Housing removal will be carried out in stages in accordance with the Project construction schedule. Prior to the construction of the subproject, the removal of houses shall be completed.
- (ii) Housing removal date will be informed to displaced persons (DP) at least 3 months in advance; once a new housing plot has been allocated, 3 months will be allowed for DPs to build new houses before the deadline for old house removal.
- (iii) The relevant resettlement organizations shall fully consult with the APs about the house construction schedule; if it is necessary such construction time could be extended.
- (iv) The final land acquisition and compensation rates shall be approved by Pu'er city government.
- (v) The land acquisition and compensation payments shall be completed before the construction commencement of the subproject.
- (vi) Construction of the special facilities shall be completed as soon as possible, ideally before the construction of the project or before the completion of old house removal. The duration of disruption of irrigation canals, drainage, communication lines and local roads will be minimized and scheduled to avoid production losses. Alternative arrangements will be made otherwise, affected people will be entitled to compensation for temporary losses.

### 11.2 Resettlement Implementation Schedule

244. The general resettlement schedule of the Subproject has been drafted based on the progress of project construction, LA and HD, and resettlement preparation and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See Table 11-1

Table 11-1 Resettlement Implementation Schedule

No.	Resettlement task	Target	Agencies responsible	time	Remark
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	6 villages and 4 enterprises	Menglian PMO and RO	Middle July 2014	completed
1.2	Disclosure of the draft RP on ADB's website	/	Pu'er PMO and the ADB	August 2014	completed
<b>2</b>	<b>RP and budget</b>				
2.1	Detailed design of the subproject	/	Pu'er PMO and transport Bureau	April 2015	completed
2.2	DMS according to detailed design	22 village groups of 6 administrative villages and 4 enterprises	Pu'er PMO, Menglian PMO and Menglian RO	April ~ June 2015	completed
2.3	Updated RP	/	Pu'er PMO	August 2015	

No.	Resettlement task	Target	Agencies responsible	time	Remark
2.4	Approval of final resettlement cost	CNY 133.34 Million	Pu'er PMO and Menglian County Government	August 2015	
2.4	Disclosure of final RIB	22 village groups of 6 administrative villages and 4 enterprises	Pu'er PMO and Menglian PMO	Middle of Sep 2015	
2.5	Upload final RP on the ADB's website		Pu'er PMO and the ADB	End of Sep 2015	
<b>3</b>	<b>Compensation agreement</b>				
3.1	Village-level land compensation agreement	22 village groups of 6 administrative villages and 4 enterprises	Menglian RO	Oct 2015~Apr 2016	
3.2	Household land compensation agreement	166Hs with 567 persons	Menglian RO	Oct 2015 ~ Oct 2016	
<b>4</b>	<b>Implementation of livelihood restoration measures</b>				
4.1	Distribution of land compensation fees to households and land reallocation (if possible)	6 villages and 4 enterprises	Township and village committee	Oct 2015~ Apr 2016	
4.2	Implementation of village-level income restoration programs	6 villages and 4 enterprises	Village committee	Nov 2015 ~ Nov 2016	
4.3	Advice on income restoration, commerce and work	471 HHs	Township government and village committee	Nov ~ Dec 2015	
4.4	Implementation of training program	471HH with 2118 persons	Menglian PMO and Labor bureau	Dec 2015 ~ Dec 2016	
4.5	Identifying vulnerable households and implementing assistance measures	71 HHs with 255 persons	Menglian PMO, Township government and village committee	Apr ~ June 2015	completed
4.6	Hiring APs at the construction stage	471 HHs 2118 persons	Menglian PMO, labor bureau and the Contractor	Dec 2015 ~ Dec 2017	
<b>5</b>	<b>House reconstruction</b>				
5.1	Selection and preparation of housing sites	166 HHs 567 persons	Menglian PMO, Township government, village committee and DHs	Dec 2015 ~Dec 2016	
5.2	House reconstruction	166 HHs 567 persons	Menglian PMO, Township government, village committee and DHs	Jan 2016 ~Mar 2017	
5.3	Move into new house	166 HHs 567 persons	DHs	Apr 2016 ~ Jun 2017	
<b>6</b>	<b>Capacity building</b>				
6.1	Training of staff of Pu'er and Menglian PMOs	15 persons	ADB and PPTA	Jan ~ July 2014	completed
6.2	Training of county, town and village officials	60 persons	Pu'er PMO and Menglian PMO	Apr 2015 ~Oct 2016	

No.	Resettlement task	Target	Agencies responsible	time	Remark
<b>7</b>	<b>Monitoring and evaluation</b>				
7.1	Baseline survey	As per RP	External agency M&E	Starting from Nov 2015	
7.2	Establishment of internal M&E mechanism	As per RP	Pu'er PMO	Nov 2015	
7.3	Appointing an external M&E agency		Pu'er PMO	Oct 2015	
7.4	Internal monitoring reporting	Quarterly report	Pu'er PMO	Starting from Jan 2016	
7.5	External monitoring reporting	Semiannual report	External agency M&E	Jan 2016	1 <sup>st</sup> report
				Jul 2016	2 <sup>nd</sup> report
				Jan 2017	3 <sup>rd</sup> report
				Jul 2017	4 <sup>th</sup> report
7.6	External evaluation reporting	Annual report	External M&E agency	Jan 2018	1 <sup>st</sup> report
				Jan 2019	2 <sup>nd</sup> report
7.7	Post-resettlement evaluation report	One report	Pu'er PMO	Jul 2019	
<b>8</b>	<b>Public consultation</b>		Menglian PMO and Transport Bureau	ongoing	
<b>9</b>	<b>Grievance redress</b>		Menglian PMO and Transport Bureau	ongoing	
<b>10</b>	<b>Disbursement of compensation fees</b>				
10.1	Disbursement to IA	Initial funds	Menglian PMO	Oct 2015 ~ Mar 2016	
10.2	Disbursement to villages	Most funds	Menglian Transport Bureau	Nov 2015 ~ Dec 2016	
10.3	Disbursement to households	Most funds	Township Government and village committees	Dec 2015 ~ Mar 2017	
<b>11</b>	<b>Commencement of civil construction</b>				
12.1	Commencement of civil works		Pu'er PMO, Menglian PMO and transport bureau	December 2015	

## **12. Monitoring, Evaluation and Reporting System**

### **12.1 Internal Monitoring**

#### **12.1.1 Target and Task**

245. The target of internal monitoring is to maintain supervision responsibility of the resettlement organs as specified in the RP during implementation, and ensure that the project can be constructed smoothly and the AP's legal rights will not be impaired. The auditing agencies at all levels will independently exercise the auditing monitoring function over concerning units under its jurisdiction in accordance with the laws and regulations. The superior units assume the responsibilities for monitoring their subordinates so that the RP principle and schedule can be followed.

#### **12.1.2 Institution and Staff**

246. The internal monitoring for land acquisition and resettlement will be held by Pu'er PMO, and be performed by Menglian County PMO and Resettlement Office. To make the internal monitoring effective, full-time professionals will be assigned within all the resettlement offices at all levels. All of them have participated in the compilation and implementation of the RP, and they will carry out the internal monitoring control in the processes of the work.

#### **12.1.3 Monitoring Contents**

247. The main contents to be monitored for internal monitoring are shown as below:

- (i) Allocation and utilization of the resettlement compensation
- (ii) Selection and allocation of new house plots (road project will not cause any concentrated house demolition and relocation)
- (iii) Rebuilding of private houses
- (iv) Support to vulnerable groups
- (v) Employment of the APs
- (vi) Quality and quantity of new developed land
- (vii) Adjustment and distribution of the land
- (viii) The payment situation of the land acquisition and house demolition compensation
- (ix) Relocation of enterprises
- (x) Restoration of special facilities
- (xi) Scheduling of the work above mentioned
- (xii) Implementation of the policies in RP
- (xiii) Public participation and consultation during implementation
- (xiv) Grievances and appeals, the process and the results
- (xv) Staffing, training, work schedule and working effectiveness of resettlement offices at all levels.

#### **12.1.4 Monitoring Procedures and Reporting**

248. The Pu'er PMO has developed an internal monitoring framework to supervise the resettlement activities. Under the guidance of Pu'er PMO, Menglian PMO and RO will establish a

database for the land requisition, housing relocation and resettlement, and will monitor the whole process of the resettlement.

249. During the implementation stage, the resettlement offices at all levels will establish relevant sections of the database and update them along with the resettlement progress for planning the resettlement work in their own regions. They will also timely transfer the on-going activity records and report the resettlement implementation progress to the resettlement office at above level so that a continuous monitoring can be realized.

250. In the above internal monitoring system, a set of formats of information lists has been drawn up so as to realize the continuous message flows from the village to Pu'er PMO. The Menglian PMO and RO are important chains in the internal monitoring system.

251. The resettlement work will be periodically (monthly) checked and inspected by Menglian PMO and RO. Pu'er PMO will prepare a quarterly summary progress report which will be submitted to ADB with the Project quarterly progress report.

## **12.2 External Monitoring and Evaluation**

### **12.2.1 Target and Tasks**

252. The external monitoring and evaluation (M&E) undertaken by an institution independent to the resettlement execution institutions is to monitor and evaluate whether the target of the land requisition, resettlement and relocation activities are realized. Through the process, evaluation opinions and proposals will be put forward on the resettlement, housing relocation and restoration of the AP's living standards, and to provide prediction and alarm system to the project management, and reflecting channel to the APs.

253. The external monitoring institution will report independently to the Pu'er PMO. It will conduct follow-up investigation, monitoring and evaluation of the resettlement activities according to the RP and provide advice for decision-making and mitigation measures.

### **12.2.2 Institution and Staff**

254. According to ADB's policy, Pu'er PMO will appoint a qualified, independent agency experienced in ADB-financed projects as the external M&E agency. The external M&E staff should:

- (1) Have participated in similar tasks, have rich experience in socioeconomic survey, and understand ADB's policy on involuntary resettlement, and the state and local regulations and policies on resettlement;
- (2) Be able to conduct socioeconomic survey independently, have good communication skills, and be tough; and
- (3) Include a certain percentage of females.

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

### **12.2.3 Main Indicators to be Monitored and Evaluated**

256. Main Indicators for Monitoring:

- (i) Progress: including preparation, implementation of land requisition, housing relocation and resettlement.
- (ii) Quality: including civil construction quality and degree of AP's satisfaction.
- (iii) Investment: including allocation and use of the funds.
- (iv) Monitoring compensation payments, identifying adequacy of planning and implementation, restoration of livelihoods, timeliness of corrective actions.

257. Main indicators for evaluation:

- (i) Economic conditions: household economic development before and after resettlement, including assets, production materials, subsistence materials, income, etc.
- (ii) Environmental conditions: living environment before and after resettlement, including traffic, culture and education, sanitation, commercial service facilities, etc.
- (iii) Employment: change in employment, including employment rate, assistance to the different APs, especially women, the vulnerable and minority families.
- (iv) Development in community: local economy in resettlement host sites, environmental development, neighborhood relation, and public opinions after resettlement.
- (v) Conditions of Vulnerable Groups and Minorities: including before and after situations of ethnic minorities, poor households, disabled, elderly, children, women, etc.

### **12.2.4 Monitoring and Evaluation Methods**

258. Monitoring and evaluation will be performed on the basis of the survey data provided by the survey design institution and resettlement implementation institutions. With an overall understanding of the situation, the evaluation will be performed by sample survey, key informant interviews and rapid rural appraisal techniques. Typical samples, including resettled households, affected villages and Townships will be selected to establish evaluation index system for different types of APs. In addition to typical samples, there will also be focused investigation of vulnerable groups.

259. Generally, the external monitoring and evaluation institution will carry out the following work.

#### **✧ Survey of APs' living standards**

260. A baseline survey will be conducted for this project, including the collection of selected samples of the baseline living standards of the APs. The households will be selected by stratified random sampling; all sampled households must be significantly affected. The living standard will be investigated once a year to monitor the variation in the AP's living standards. The necessary data can be obtained by periodical survey, random interview and site visit, based on which statistical analysis and evaluation are performed. There will also be targeted survey of vulnerable groups.

261. The survey comprises various indicators of living standards. Some of the indicators will be used for weighing the dynamic variation of living standards before and after the land requisition and resettlement. The selected indicators will be checked to see whether they are reasonable in reflecting the actual production and living levels in the base-line survey and are



subject to modification according to the actual conditions, so as to guarantee the message obtained reflects the quality and quantity of the real situation.

262. Sampling scale: APs: 10-20% (of which 10% is targeted at vulnerable and seriously affected households), sample villages affected by land requisition: 100%.

✧ **Holding public consultations**

263. The independent monitoring and evaluation institution will participate in the public consultation conferences held by the villages and townships. By this method, the institution can evaluate the effectiveness the public participation and the cooperative attitude of the APs towards the RP implementation.

✧ **Gathering AP's opinions**

264. The independent monitoring and evaluation institution will often interview the township resettlement offices and villagers to know the opinions (gender specific) collected from the APs and interview the APs who have grievances. The institution will report the opinions and suggestions from affected individuals and collectives to the Project Resettlement Office, and provide advice for improvement, so that the resettlement implementation can be more smooth and effective.

✧ **Other responsibilities**

265. The independent monitoring and evaluation institution has provided advice to Pu'er PMO, Mengliang PMO and RO in the process of implementation, mainly covering:

- (i) Selection of resettlement sites,
- (ii) Construction of houses,
- (iii) Production arrangement and rehabilitation (and use of funds),
- (iv) Support to the vulnerable groups and households facing income restoration hardships,
- (v) Relocation of enterprises
- (vi) Re-construction of special facilities,
- (vii) Payment and amount of the compensation,
- (viii) AP's transfer,
- (ix) Employment of laborers (by gender and ethnicity),
- (x) Training (by gender and ethnicity),
- (xi) Schedule of the items above mentioned,
- (xii) Organizational efficiency for the resettlement,
- (xiii) Use of compensation of the collective-owned land
- (xiv) AP's income restoration (by gender and ethnicity),
- (xv) Employment of the surplus laborers and income increase of them (by gender and ethnicity).

### **12.2.5 Working Process**

266. Main working steps:

- (i) Preparation of monitoring and evaluating outline,
- (ii) Identify computer software for monitoring and evaluating of the resettlement,
- (iii) Drafting the investigation outline, survey forms, and record cards for sample villages and sample households,
- (iv) Design of the village and household social-economic and opinion surveys,
- (v) Carry out base-line surveys,
- (vi) Establishing the information system for monitoring and evaluation

- (vii) Investigation for monitoring:
  - community socio-economic survey
  - resettlement implementation institutions
  - village survey
  - household survey
  - survey of other affected objects
- (viii) Sorting of monitoring information and establishment of database
- (ix) Comparison analysis
- (x) Preparing a monitoring and evaluation report each half a year during implementation, and annual report during two years after the completion of resettlement,

### 12.2.6 External M&E Reporting

267. The external M&E agency will prepare external monitoring reports based on observations and survey data in order to: 1) reflect the progress of resettlement and existing issues to ADB and the project owner objectively; and 2) evaluate the socioeconomic benefits of resettlement, and proposing constructive opinions and suggestions to improve the resettlement work.

268. A routine monitoring report should at least include the following: 1) subjects of monitoring; 2) progress of resettlement; 3) key monitoring findings; 4) key existing issues (including follow up of previous issues); and 5) basic opinions and suggestions.

269. The external M&E agency will submit a monitoring or evaluation report to the ADB and Pu'er PMO semiannually. See Table 12-1.

Table 12-1 Resettlement M&E Agenda

No.	M&E report	date
1	Social economy baseline survey and report	December 2015
2	1st monitoring report	Jan 2016
3	2nd monitoring report	July 2016
4	3rd monitoring report	Jan 2017
5	4th monitoring report	July 2017
6	1st annual evaluation report	Jan 2018
7	2nd annual evaluation report	Jan 2019

### 12.3 Post-Evaluation of Resettlement

270. 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. The Pu'er PMO (or through the external M&E agency) will conduct post-evaluation on land acquisition and resettlement, conduct socioeconomic analysis and survey, and prepare the Post-resettlement Evaluation Report for submission to the ADB.

## Appendix

### Appendix 1 Breakdown of LA by Village Groups

县 (County)	乡 (镇) (Town)	行政村 (Administrative village)	村组 (Village group)	总耕地 (total arable land)	受影响人 (AP)		永久占地 (亩) (Land requisitioned) (mu)	其中 (of which)						
					户数 (HH)	人口 (Person)		建设用地 (Constructi on land )	水田 (Paddy land)	旱地 (Dry land)	林地 (Fore st land)	鱼塘 (Pool)	园地 (Orchard)	其他 (Others)
孟连县 (Menglian)	娜允 (Nayun)	芒掌 (Mangzhang)	灯盏小组 (Dengzhan)	923	29	106	116.96	0	5.1	42.9	31.26	1.25	17.53	18.92
			小计 (Subtotal)	923	29	106	116.96	0	5.1	42.9	31.26	1.25	17.53	18.92
	勐马 (Mengma)	帕亮 (Paliang)	东扩小寨 (Dongkuoxiaozhai)	1570	22	90	167.64	7.65	15.64	22.81	64.04	0	30.35	27.15
			东扩大寨 (印太一组) (Dongkuodazhai)	3478	21	85	155.91	4.49	17.15	5.65	57.96	0	49.95	20.71
			贺格老寨 (Hegelaozhai)	1255	19	77	129.67	1.36	40.42	18.99	13.18	0	8.25	47.47
			贺格新寨 (Hegexinzhai)	2461	23	114	141.08	0	15.76	53.64	13.72	0	20.75	37.21
			小计 (Subtotal)	8764	85	366	594.3	13.5	88.97	101.09	148.9	0	109.3	132.54
		勐马 (Mengma)	贺改小组 (Hegai)	759	11	58	65.37	0	4.47	13.63	34.7	2.09	0	10.48
			芒列小组 (Manglie)	1711	13	61	55.84	0.84	19.03	3.16	7	2.92	10.49	12.4
			勐马大寨 (Mengmadazhai)	1456	13	69	46	2.12	4.97	5.91	0	0.81	5.57	26.62
			勐马小寨 (Mengmaxiaozhai)	982	13	67	61.87	1.46	0.95	0	0	3.47	27.57	28.42
			芒允小组 (Mangyun)	1449	8	50	25.24	0	0.97	1.24	0	1.05	12.09	9.89
			贺哈老寨 (Hehalaozhai)	967	13	73	73.26	1.18	3.74	2.75	3.09	0	33.98	28.52
			小计 (Subtotal)	7324	71	378	327.58	5.6	34.13	26.69	44.79	10.34	89.7	116.33

县 (County)	乡 (镇) (Town)	行政村 (Administrative village)	村组 (Village group)	总耕地 (total arable land)	受影响人 (AP)		永久占地 (亩) (Land requisitioned) (mu)	其中 (of which)						
					户数 (HH)	人口 (Person)		建设用地 (Constructi on land )	水田 (Paddy land)	旱地 (Dry land)	林地 (Forest land)	鱼塘 (Pool)	园地 (Orchard)	其他 (Others)
		贺安 (He'an)	糯抗小组 (Rukang)	1268	11	61	35.44	0	2.3	15.51	6.43	0	0	11.2
			小计 Subtotal)	1268	11	61	35.44	0	2.3	15.51	6.43	0	0	11.2
		芒海 (Manghai)	贺哈新寨 (Hehaxinzhai)	932	13	59	52.55	0	15.31	7.15	0	0	0	30.09
			芒海小组 (Manghai)	2630	21	106	94.45	0	10.15	17.04	4.98	0	0	62.28
			芒沙小组 (Mangsha)	3111	15	85	49.89	2.15	9.58	3.31	0	0	0	34.85
			广伞小组 (Guangshan)	1839	13	57	29.38	0	4.38	4.72	0	0	0	20.28
			丙所小组 (Bingsuo)	1050	10	46	28.76	2.62	2.56	0	0.77	0	0	22.81
			小计 Subtotal)	9562	72	353	255.03	4.77	41.98	32.22	5.75	0	0	170.31
		勐啊 (Meng'a)	芒朗小组 (Manglang)	4092	30	131	72.6	7.04	20.66	5.02	0	3.93	0	35.95
			安马小组 (An'ma)	1661	47	175	49.98	0	11.49	1.47	0	1.31	22.84	12.87
			贺养小组 (Heyang)	2453	22	130	37.97	0	2.2	0	0	0	27.06	8.71
			芒允小组 (Mangyun)	1015	44	214	95.16	10.63	22.39	0	0	0	48.65	13.49
			陇海小组 (Longhai)	1872	24	105	36.9	0	1.92	0	0	1.32	4.51	29.15
			小计 (subtotal)	11093	167	755	292.61	17.67	58.66	6.49	0	6.56	103.06	100.17
		小计 (subtotal)		38934	435	2019	1621.92	41.54	231.14	224.9	237.13	18.15	319.59	549.47
	企业 (Company)	国营孟连农场	一队 (Group 1)	1683	17	48	57.82	3.52	1.74	2.8	49.76	0	0	0

县 (County)	乡（镇） (Town)	行政村 (Administrative village)	村组 (Village group)	总耕地 (total arable land)	受影响人（AP）		永久占地 (亩) (Land requisitioned) (mu)	其中 (of which)						
					户数（HH）	人口 (Person)		建设用地 (Construction land)	水田 (Paddy land)	旱地 (Dry land)	林地 (Forest land)	鱼塘 (Pool)	园地 (Orchard)	其他 (Others)
	)	(Menglian State farm)	四队 (Group 4)	1649	19	51	50.1	2.87	4.32	0	42.91	0	0	0
			小计 (subtotal)	3332	36	99	107.92	6.39	6.06	2.8	92.67	0	0	0
			罗晓海制胶厂 (Luo Xiaohai Glue factory)		0	0	69.55	69.55	0	0	0	0	0	0
		勐马橡胶公司 (Mengma Rubber Company)		0	0	21.37	21.37	0	0	0	0	0	0	
		合计 (Total)			471	2118	1820.76	138.85	237.2	227.7	329.8	18.15	319.59	549.47

## Appendix 2 Breakdown of HD by Village Groups

County	乡镇 (town)	行政村 (Administrative village)	村组 (Village group)	受影响人(AP)		房屋结构House/Structure (square meters)						
				户数 (HH)	人口 (Person)	简易 (Simple structure)	砖木 Brick-tile	砖混 (Brick concrete)	吊脚楼 (Stilted building)	框架 (Frame construction)	土基 (Earth tiles)	木瓦 (Wood asbestos tile)
孟连县 (Menglian)	娜允镇 (Nayun)	芒掌村 (Mangzhang)	灯盏小组 (Dengzhan)	3	12	108	144	0	0	0	0	0
			小计 (subtotal)	3	12	108	144	0	0	0	0	0
	勐马镇 (Mengma)	帕亮村 (Paliang)	东扩小寨 (Dongkuoxiaozhai)	21	94	720	468	106	420	336	0	0
			东扩大寨 (印太一组) (Dongkuodazhai)	17	64	132	2004	120	0	0	24	0
			贺格老寨 (Hegelaozhai)	6	25	156	72	0	120	0	0	0
			贺格新寨 (Hegexinzhai)	3	6	60	0	84	36	0	0	0
			小计 (subtotal)	47	189	1068	2544	310	576	336	24	0

County	乡镇 (town)	行政村 (Administrative village)	村组 (Village group)	受影响人(AP)		房屋结构House/Structure (square meters)						
				户数 (HH)	人口 (Person)	简易 (Simple structure)	砖木 Brick-tile	砖混 (Brick concrete)	吊脚楼 (Stilted building)	框架 (Frame construction)	土基 (Earth tiles)	木瓦 (Wood asbestos tile)
		勐马村 (Mengma)	贺改小组 (Hegai)	2	8	0	0	0	72	0	0	48
			芒列小组 (Manglie)	2	6	0	192	0	0	0	0	0
			勐马大寨 (Mengmadazhai)	10	29	96	180	720	60	0	0	0
			勐马小寨 (Mengmaxiaozhai)	2	6	0	0	0	0	0	0	126
			贺哈老寨 (Hehalaozhai)	2	4	72	480	0	0	0	0	0
			小计 (subtotal)	18	53	168	852	720	132	0	0	174
		芒海村 (Manghai)	芒沙小组 (Mangsha)	2	8	108	0	0	0	0	0	0
			广伞小组 (Guangshan)	3	12	0	252	0	0	0	0	0
			丙所小组 (Bingsuo)	4	10	0	228	0	0	0	0	0
			小计 (subtotal)	9	30	108	480	0	0	0	0	0
		勐阿村 (Meng'a)	芒朗小组 (Manglang)	32	108	0	1608	936	300	0	72	0
			贺养小组 (Heyang)	1	3	0	72	0	0	0	0	0
			芒允小组 (Mangyun)	6	21	0	96	240	0	0	0	288
			陇海小组 (Longhai)	31	110	0	2796	2112	0	4404	0	864
			小计 (subtotal)	70	242	0	4572	3288	300	4404	72	1152
	企 业 (Company)	国营农场 (Menglian State farm)	一队 (Group 1)	13	27	168	336	144	0	0	0	0
			四队 (Group 4)	5	9	0	0	144	0	0	36	0
			小计 (subtotal)	18	36	168	336	288	0	0	36	0
		罗晓海制胶厂 (Luo Xiaohai Glue factory)		1	5	0	0	0	0	5600	0	0

County	乡镇 (town)	行政村 (Administrative village)	村组 (Village group)	受影响人(AP)		房屋结构House/Structure (square meters)						
				户数 (HH)	人口 (Person)	简易 (Simple structure)	砖木 (Brick-tile)	砖混 (Brick concrete)	吊脚楼 (Stilted building)	框架 (Frame construction)	土基 (Earth tiles)	木瓦 (Wood asbestos tile)
		勐马橡胶公司 (Mengma Rubber Company)		0	0	0	0	0	0	0	0	0
合计 (Total)				166	567	1620	8928	4606	1008	10340	132	1326

### Appendix 3 Breakdown of Resettlement Cost

序号 (No.)	类别 (Item)	单位 (Unit)	勐克镇 (Nayun)				勐马镇				贺安村 (He'an)				芒海村 (Manghai)				勐明村 (Mengming)				小什 (Subtotal)				孟地国营农场 (Menglian State farm)				罗敏橡胶厂 (Luo Xiaohai rubber processing factory)				勐马橡胶公司 (Mengma Rubber company)				总计 (Total)
			芒掌村 (Mangzhang)		小什 (subtotal)		帕光村 (Pailang)		勐马村 (Mengma)		贺安村 (He'an)		芒海村 (Manghai)		勐明村 (Mengming)		小什 (Subtotal)		孟地国营农场 (Menglian State farm)		罗敏橡胶厂 (Luo Xiaohai rubber processing factory)		勐马橡胶公司 (Mengma Rubber company)																
			数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))	数量 (Quantity)	标准 (元/亩) (Standard (CNY/Unit))	万元 (Ten thousand CNY)	标准 (元/亩) (Standard (CNY/Unit))					
1	征地补偿 (Permanent land acquisition)		116.96		257.5	257.5	594.3		1406.6	327.58	697.7	35.44		73.9	255.03		454.8	292.61	720.5	3353.4	107.92		281.8		139.1		42.7	4074.5											
	水田 (Paddy land)	亩 (mu)	5.7	50000	23.5	25.5	85.97	50000	444.9	34.13	50000	276.7	2.3	50000	11.5	41.98	50000	289.9	58.66	50000	293.3	1150.2	6.06	50000	30.3	0	50000	0.0	0	50000	0.0	1186.0							
	旱地 (Dryland)	亩 (mu)	42.9	25000	107.3	107.3	101.09	25000	232.7	28.68	25000	46.7	15.51	25000	39.9	32.22	25000	80.4	6.46	25000	16.3	455.0	2.3	25000	7.6	0	25000	0.0	0	25000	0.0	568.0							
	园地 (Orchard)	亩 (mu)	17.51	25000	43.8	43.8	109.3	25000	27.3	89.7	25000	22.3	0	25000	0.0	0	25000	103.06	25000	227.7	755.2	0	25000	0.0	0	25000	0.0	0	25000	0.0	799.0								
	经济林地 (Economic Forest land)	亩 (mu)	20.11	25000	50.3	50.3	105.4	25000	26.3	23.25	25000	58.1	5.3	25000	13.3	3.25	25000	8.1	0	25000	0.0	343.0	92.67	25000	231.7	0	25000	0.0	0	25000	0.0	625.0							
	林地 (Forest land)	亩 (mu)	11.15	7500	8.4	8.4	43.5	7500	32.6	21.54	7500	16.2	1.13	7500	0.8	2.5	7500	1.9	0	7500	0.0	51.5	0	7500	0.0	0	7500	0.0	0	7500	0.0	59.9							
	鱼塘 (Pool)	亩 (mu)	1.25	50000	6.3	6.3	0	50000	0.0	10.34	50000	51.7	0	50000	0.0	0	50000	0.0	6.56	50000	32.8	84.5	0	50000	0.0	0	50000	0.0	0	50000	0.0	90.8							
	宅基地 (Construction land)	亩 (mu)	0	20000	0.0	0.0	13.5	20000	27.0	5.6	20000	11.2	0	20000	0.0	4.77	20000	9.5	17.67	20000	35.8	83.1	6.39	20000	12.8	69.55	20000	138.1	21.37	20000	42.7	277.7							
	其他土地 (Others)	亩 (mu)	18.92	8500	16.1	16.1	132.54	8500	112.7	116.33	8500	98.9	11.2	8500	9.5	170.31	8500	144.8	100.17	8500	85.1	451.0	0	8500	0.0	0	8500	0.0	0	8500	0.0	467.0							
2	青苗费 (Standing crops compensation)				5.8	5.8			34.4			16.8			1.9			9.5			19.8	82.3		1.2			0.0		0.0		90.3								
	水田 (Paddy land)	亩 (mu)	5.1	1500	0.8	0.8	88.97	1500	13.3	34.13	1500	51.1	2.3	1500	0.3	41.98	1500	6.3	58.66	1500	6.2	33.9	6.06	1500	0.9	0	1500	0.0	0	1500	0.0	35.6							
	旱地 (Dryland)	亩 (mu)	42.9	1000	4.3	4.3	101.09	1000	16.1	26.69	1000	2.7	15.51	1000	1.6	32.22	1000	3.2	6.46	1000	0.6	18.2	2.8	1000	0.3	0	1000	0.0	0	1000	0.0	22.8							
	园地 (Orchard)	亩 (mu)	17.53	1000	1.8	1.8	109.3	1000	16.9	89.7	1000	8.0	0	1000	0.0	0	1000	0.0	103.06	1000	10.3	30.2	0	1000	0.0	0	1000	0.0	0	1000	0.0	32.0							
3	临时占地补偿 (Temporary land occupation)				27.7	27.7			53.5			47.7			12.4			49.7			63.4	226.7		0.0					0.0		254.4								
	土地占用费 (Land occupation)	亩 (mu)	79.1	1500	11.9	11.9	152.72	1500	22.9	136.34	1500	20.6	35.39	1500	5.3	142.02	1500	27.3	181.2	1500	27.2	97.2	0	1500	0.0	0	1500	0.0	0	1500	0.0	109.0							
	土地复垦费 (Land recovery)	亩 (mu)	79.1	2000	15.8	15.8	152.72	2000	30.5	136.34	2000	27.3	35.39	2000	7.1	142.02	2000	28.4	181.2	2000	36.2	129.5	0	2000	0.0	0	2000	0.0	0	2000	0.0	146.4							
	房屋拆迁补偿费 (Houses demolition)				22.4	22.4			478.6			219.8						59.0			1798.2	2555.7							980.5		3652.3								
	建筑物补偿 (Houses)		252					4858		2046					588			1378.8			828			5600															
	框架结构 (Frame construction)	m²	0	1750	0.0	0.0	338	1750	58.8	0	1750	0.0	0	1750	0.0	0	1750	0.0	4404	1750	770.7	829.5	0	1750	0.0	5600	1750	880.0	0	1750	0.0	1809.5							
	砖混结构 (Brick concrete)	m²	0	1350	0.0	0.0	310	1350	41.9	720	1350	97.2	0	1350	0.0	0	1350	0.0	3288	1350	443.9	582.9	268	1350	38.9	0	1350	0.0	1350	0.0	621.8								
	砖木结构 (Brick-tile)	m²	144	1000	14.4	14.4	2544	1000	254.4	852	1000	85.2	0	1000	0.0	480	1000	48.0	4572	1000	457.2	844.8	336	1000	33.6	0	1000	0.0	1000	0.0	892.8								
	木瓦结构 (Wood asbestos tile)	m²	0	600	0.0	0.0	0	600	0.0	174	600	16.0	0	600	0.0	0	600	0.0	1152	600	69.1	79.6	0	600	0.0	0	600	0.0	600	0.0	79.6								
	简易结构 (Simple structure)	m²	108	600	6.5	6.5	1080	600	64.4	168	600	16.1	0	600	0.0	108	600	6.5	0	600	0.0	60.8	168	60.0	16.1	0	600	0.0	600	0.0	97.2								
	彩钢瓦 (Steel baffle)	m²	0	600	0.0	0.0	576	600	34.6	132	600	7.9	0	600	0.0	0	600	0.0	72	600	18.0	60.5	7.3	600	0.0	0	600	0.0	600	0.0	60.5								
	土基 (Earth tiles)	m²	0	600	0.0	0.0	24	600	1.4	0	600	0.0	0	600	0.0	0	600	0.0	300	600	4.3	5.8	36	600	2.2	0	600	0.0	600	0.0	7.9								
	搬迁费 (movement subsidy)	户 (household)	3	2000	0.6	0.6	47	2000	9.4	18	2000	3.6	0	2000	0.0	9	2000	1.8	70	2000	14.0	28.8	18	2000	3.6	1	2000	0.2	0	2000	0.0	33.2							
	过路费 (Transiton subsidy)	6个用户 (6month/hous edhold)	3	3000	0.9	0.9	47	3000	14.1	18	3000	5.4	0	3000	0.0	9	3000	2.7	70	3000	21.0	43.2	18	3000	5.4	1	3000	0.3	0	3000	0.0	49.8							
5	地面附属物补偿 (Attached facilities)				35.4	35.4			43.2			34.0			15.7			34.9			49.5	177.3		0.0					0.0		94.3	307.1							
	光缆 (含电杆) (Optic Cable including Pole)	km	11.19	22000	24.5	24.5	6.223	22000	13.7	5.356	22000	11.8	1.907	22000	4.2	4.032	22000	8.9	6.421	22000	14.1	52.7	11.0	22000	0.0	0	22000	0.0	0	22000	0.0	77.0							
	电缆 (含电杆) (Electric Cable including Pole)	km	2.024	25000	5.1	5.1	8.684	25000	21.7	6.658	25000	16.6	4.359	25000	10.9	7.653	25000	19.1	10.988	25000	27.5	95.9	0	25000	0.0	0	25000	0.0	0	25000	0.0	100.9							
	自来水水管 (Water pipe)	m	2991	6	1.8	1.8	860	6	0.5	0	6	0.0	0	6	0.0	0	6	0.0	570	6	0.3	0.9	0	6	0.0	0	6	0.0	0	6	0.0	2.7							
	砖头围墙 (Brick wall)	m	200	125	26	26	460	125	5.8	370	125	46	0	125	0.0	440	125	5.5	330	125	6.6	22.5	0	125	0.0	0	125	0.0	7544	126	94.3	119.4							
	水井 (Well)	个 (no.)	3	450	0.1	0.1	5	450	0.2	2	450	0.1	1	450	0.0	5	450	0.2	4	450	0.2	0.8	0	450	0.0	0	450	0.0	0	450	0.0	0.9							
	沼气池 (Digester)	个 (no.)	2	2000	0.4	0.4	3	2000	0.6	2	2000	0.4	0	2000	0.0	1	2000	0.2	2	2000	0.4	1.6	0	2000	0.0	0	2000	0.0	0	2000	0.0	2.0							
	猪圈 (Pigsty)	个 (no.)	4	200	0.1	0.1	3	200	0.1	4	200	0.1	1	200	0.0	5	200	0.1	0	200	0.0	0.3	0	200	0.0	0	200	0.0	200	0.0	0.3	0.3							
	厕所 (Levatory)	个 (no.)	2	150	0.0	0.0	4	150	0.1	4	150	0.1	2	150	0.0	5	150	0.1	2	150	0.0	0.3	0	150	0.0	0	150	0.0	0	150	0.0	0.3							
	坟墓 (Grave)	座 (no.)	3	2800	0.8	0.8	2	2800	0.6	1	2800	0.6	3	2800	0.6	3	2800	0.8	1	2800	0.3	2.5	0	2800	0.0	0	2800	0.0	0	2800	0.0	3.4							
	基本费用 (1-5户) basic resettlement cost subtotal of 1-5				349.8	349.8			2016.2			1016.9			103.9			607.9			2651.3	6395.3		376.7			119.9			137.0	8378.5								
6	耕地开垦费 (水田) (Land redemption fee for paddy land)	元/亩 (CNY/mu)	5.1	10667	5.4	5.4	88.97	10667	94.9	34.13	10667	36.4	2.3	10667	2.3	41.98	10667	44.8	58.66	10667	62.6	241.1	6.06	10667	6.5	0	10667	0.0	0	10667	0.0	253.0							
7	耕地开垦费 (旱地) (Land redemption fee for dry land)	元/亩 (CNY/mu)	42.9	8667	37.2	37.2	101.09	8667	87.6	26.69	8667	23.1	15.51	8667	13.4	32.22	8667	27.9	6.49	8667	5.6	157.7	2.8	8667	2.4	0	8667	0.0	0	8667	0.0	197.3							
8	耕地占用税 (Farmland occupation tax)	元/亩 (CNY/mu)	48	12000	57.6	57.6	190.06	12000	228.1	66.82	12000	73.0	17.81	12000	21.4	74.2	12000	89.0	65.15	12000	78.2	489.6	8.86	12000	10.6	0	12000	0.0	0	12000	0.0	557.9							
9	森林植被恢复费 (Forest vegetative Rehabilitation Fees)	元/亩 (CNY/mu)	31.26	4000	12.5	12.5	148.9	4000	59.6	44.99	4000	17.9	6.43	4000	2.6	5.78	4000	2.3	0	4000	0.0	82.3	92.67	4000	37.1	0	4000	0.0	0	4000	0.0	131.9							
10	失地农民养老保险 (Landless peasants pension insurance)	元/亩 (CNY/mu)	98.04	20000	196.1	196.1	448.26	20000	896.5	255.65	20000	411.3	24.24	20000	48.5	79.95	20000	159.9	174.77	20000	349.5	1865.7	101.53	20000	203.1	0	20000	0.0	0	20000	0.0	2264.9							
11	弱势群体扶持基金 (Vulnerable groups subsidy)	元/户 (Ten thousand CNY)																																					



## **Appendix 4 Relevant Laws and Policies of the PRC**

### **A. Land Administration Law of the People's Republic of China**

1. After the LA Law revised in 2004, the State Council issued Circular on Decision to Deepen Reform and Strictly Enforce Land Administration (Guofa [2004], No. 28) on Oct 21, 2004, and Circular of the State Council Concerning Strengthen the Land Control (Guo Fa [2006] No. 31) on Aug 31, 2006.
2. In the Decision and the Circular (i) improved the compensation to farmers ensuring their living condition won't be debased; (ii) Widen the resettlement approach, guarantee the long livelihood of farmers; (iii) strict legal proceeding during land acquisition, specially protected the right to know; (iv) clearly defined the responsibilities and rights; (v) Improving the law enforcement and supervision system.
3. The following are part articles of LA Law:
4. For lands collectively owned by farmers those have been allocated to villagers for collective ownership according to law shall be operated and managed by village collective economic organizations or villagers' committee and those have allocated to two or more farmers collective economic organizations of a village, shall be operated and managed jointly by the collective economic organizations of the village or villagers' groups; and those have allocated to township (town) farmer collectives shall be operated and managed by the rural collective economic organizations of the township (town). (Article 10)
5. In expropriating land, compensation shall be made according to the original purposes of the land expropriated.
6. Compensation fees for land expropriated include land compensation fees, resettlement fees and compensation for attachments to or green crops on the land. The land compensation fees shall be 6-10 times the average output value of the three years preceding the expropriation of the cultivated land. The resettlement fee shall be calculated according to the number of agricultural population to be resettled. The number of agricultural population to be resettled shall be calculated by dividing the amount of cultivated land expropriated by the per capital land occupied of the unit whose land is expropriated. The resettlement fees for each agricultural person to be resettled shall be 4-6 times the average annual output value of the three years preceding the expropriation of the cultivated land. But the maximum resettlement fee per hectare of land expropriated shall not exceed 15 times of the average annual output value of the three years prior to the expropriation.
7. The standards for land compensation and resettlement fees for land expropriated shall be determined by various provinces, autonomous regions and municipalities in reference to the land compensation fees and resettlement fees for cultivated land expropriated.
8. The standards for compensating for ground attachments and green crops on the land expropriated shall be determined by various provinces, autonomous regions and municipalities.
9. In expropriating vegetable fields in suburban areas, the units using the land shall pay new vegetable field development and construction funds.
10. Whereas the land compensation fees and resettlement fees paid according to the provisions of the second paragraph of this article are not enough to maintain the original level of living, the resettlement fees 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 fees shall not exceed 30 times the average output value of the three years prior to the expropriation.

11. In special circumstances, the State Council may raise the standards for land compensation and resettlement fees for land expropriated according to the social and economic development level. (Article 47)
12. After the plan for land compensation and resettlement fees is finalized, relevant local people's governments shall make an announcement and hear the opinions of the rural collective economic organizations and farmers whose land has been expropriated. (Article 48)
13. Rural collective economic organizations shall make public to its members the receipts and expenditures of the land compensation fees for land expropriated and accept their supervision.
14. It is forbidden to embezzle or divert the land compensation fees and other relevant expenses. (Article 49)
15. Local people's governments at all levels shall support rural collective economic organizations and farmers in their efforts toward development and operations or in starting up enterprises. (Article 50)
16. In the case of temporary using State-owned land or land owned by farmer collectives by construction projects or geological survey teams, approval shall 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 shall be obtained before being submitted for approval. Land users shall sign contracts for temporary use of land with relevant 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.
17. Users who use the land temporarily shall use the land according to the purposes agreed upon in the contract for the temporary use of land and shall not build permanent structures.
18. The term for the temporary use of land shall not usually exceed two years. (Article 57)
19. One rural household can own one piece of land for building house, with the area not exceeding the standards provided for by provinces, autonomous regions and municipalities.
20. Construction of rural houses shall conform to the general plans for the utilization of land of townships (towns) and the original land occupied by houses and open spaces of villages shall be used as much as possible for building houses.
21. The use of land for building houses shall be examined by the township (town) people's governments and approved by the county people's governments. Whereas occupation of agricultural land is involved the examination and approval procedure provided for in Article 44 of this law is required.
22. The application for housing land after selling or leasing houses shall not be approved (Article 62)

## **B. The Regulations of Land Administration in Yunnan Province**

23. When project construction needs to requisition the rural collective land, a compensation and rehabilitation plan should be prepared by the land administrative department above county level and the construction unit. The collective organization and villager's opinions should be gathered (Article 19).
24. The compensative standard of the land requisitioned: (Article 23).

- (i) The compensation of vegetable land and paddy land should be 8 – 10 times of the annual average productive value for last 3 years; the compensation of irrigated land, garden and lotus pond amounted to 7-9 times of the annual average productive value for last 3 years; the compensation of dry land amounted to 6-8 times of the annual average productive value for last 3 years; the compensation of land in fallow rotation amounted to 6 times value of the same as said above; and the grass land and fishing pond amounted to 3-5 times of the annual average productive value for last 3 years.
  - (ii) The newly reclaimed farmland can have 2 times compensation with reference to the last year productive value and also a compensation for opening up the land investment.
  - (iii) If the lands of houses, threshing ground and sunning ground for drying grains are requisitioned, the compensation can follow the original kind of land standard.
  - (iv) The compensative standard of State-owned farmland, forestry center, grazing land and fishpond is based on the regulations of 1), 2) and 3) mentioned above.
25. The compensative standard of requisitioned forestland can be carried out according to the relevant regulation of our country.
26. Resettlement subsidy to the land requisitioned (Article 24)
- (i) The total resettlement subsidy should be 4 times of annual average output value for the last 3 years before the land is requisitioned if the area per capita farmland is over 666.7m<sup>2</sup> (1 mu). The total resettlement subsidy should increase by 1 times the annual average productive value if the farmland per capita below 666.7m<sup>2</sup>. And each time the above land decreased 50m<sup>2</sup>, the above resettlement subsidy increased by 1 times the productive value. However, the total resettlement subsidy cannot be exceeded the 15 times of annual average productive value for last 3 years before the land is requisitioned.
  - (ii) The resettlement subsidy of requisitioned vegetable garden and lotus pond amounted to 6 times the annual productive value.
  - (iii) The resettlement subsidy of fishpond amounted to 4 times the annual output value.
  - (iv) The resettlement subsidy of land of State-owned farm, forestry center, grazing land and fishpond amounted to 5 times the annual productive value.
  - (v) If the land, such as collective house land, constructive land, threshing ground, sunning ground for drying grains and newly reclaimed land (<3years), is requisitioned, the resettlement subsidy can be 4 times the annual average productive value.
27. If the resettlement compensation specified in the regulation No.23 and No.24 cannot maintain the local people's original living standard, especially for those people whose farmland below 116.7 m<sup>2</sup> (0.2) per capita, the compensation can be properly raised that should be approved by the Government of Yunnan Province. However, the total compensation of land and resettlement cannot exceed the 30 times of the annual average productive value for the last 3 years. (Article 25)

### **C. The Management Methods for Forestland in Yunnan Province**

28. Because of the requirement in construction and production, some unit or persons may need to occupy or take over some forestland. The following documents should be prepared and approved by the forest administrative department at county level or above: (Article 10)

- (i) Design task or other documents approved by the people's government at the county level or above.
- (ii) The certificate of the forestland where the land will be occupied or requisitioned.
- (iii) The survey and plan document about the forestland occupied and requisitioned as well as the survey and design document of cutting down trees.
- (iv) The compensation expenses of forestland, the compensation expenses of forest trees, the compensation expenses of resettlement and the agreement of replanting trees.

29. The unit and person that needs to occupy/requisition the relative forestland have to go through the procedure of license of using forestland, and the use of the relative forestland should be conformed to the area and location approved. If the relative trees are necessary to be cut down, a license of cutting trees should be achieved from the relevant forest administration in county level or above. (Article 12)

30. The trees that will be cut down in the forestland have to be stocked by the unit. The relative forest management department or the relative owners have rights to manage the trees mentioned above. (Article 13)

31. The relative unit or person who has been permitted to occupy or requisition the forestland must pay the compensative expenses and resettlement expenses to the relevant unit and people whose forestland occupied/requisitioned. Also, the expenses of replanting trees should be paid to the relevant forest administration in county level or above.

32. The forestland vegetation damaged by the temporary use should be replanted and recovered by the relative unit or person. The relative unit or person should plant new trees in another place specified by the local forest administration if the damaged vegetation is difficult to be recovered. The unit or person who is unable to recover the vegetation has to pay the expenses of recovering the vegetation to the local forest administration. (Article 14)

33. The above expenses of recovering vegetation should be distributed to the province, prefecture and county respectively according to the proportion of 2:2:6 for the special purpose of planting in another land or recovering the forest vegetation.

34. The compensative standard of occupied/requisitioned forestland (Article 15)

- (i) The compensative expenses of mature tree forestland are equal to 3 - 5 times the value of the of the accumulative tree volume growing on the forestland.
- (ii) The compensative expenses of natural immature young forestland, bush and fuel forest are equal to 30% - 60% of the value of the mature tree forestland.
- (iii) The compensative expenses of the artificial immature young tree forestland amounted to 4 times the cost of planting, cultivation and management.
- (iv) The compensative expenses of the economic tree forestland (including fruit plantation/bamboo forest) amounted to the value of the annual output in the rich harvest of 6 times.
- (v) The compensative expenses of the special tree forestland reach 4 times value of the mature tree forestland.

- (vi) The compensation expenses of the shelter-forest land are 3 times value of the mature trees forestland.
  - (vii) Nursery of young plants reaches 6 times value of the average output in the last 3 years for its compensation.
  - (viii) As for suitable planting land, immature tree forestland is 30% of the value of the mature forestland for its compensation.
  - (ix) The compensative standard can be increased, but the maximum standard can not exceed the relative standard of 1.5 times if the forestland is located in the city (county) of the provincial or prefecture government or in the planning area of Kunming Municipality.
35. The compensation standard of cutting trees down: (Article 16)
- (i) The forest with immature/mature trees that can be used as products:
    - Each of the artificial young trees growing in a forest is compensated at 8 times the cost of planting trees. Each of the natural young trees can have a compensation of 30% artificial young tree. As for the middle age forest and near mature forest, the compensation can amount to its value of accumulative forest wood volume of 80%. The calculation of the compensation price can be done with reference of cutting wooden volume of 30% for mature forest and over mature forest.
  - (ii) The compensation of shelter forest and special forest will be paid according to the value of 5 times compensative expenses of the forest that can be used in products.
  - (iii) The compensation of economic forest should be calculated with reference of 200% annual average productive value in rich harvest for the last 3 years.
  - (iv) The compensation of precious trees can be calculated at 10 times value as timber.
  - (v) The compensation of forestry nursery stock in nursery is the local sale price with the same kind of forestry nursery stock.
36. The standard of the resettlement compensation of land occupied or requisitioned: (Article 17)
- The calculation of compensation for the occupied State-owned forestland can be done according to the average productive value of the last 3 years. If collective forestland is taken over for use, the compensation can amount to 2 times annual average productive value for the last 3 years. However, the compensation expenses can be replaced by arranging additional labor from the occupied land.
37. The standard of the replanting forestland and vegetation should be calculated as the cost of planting, cultivating the mature tree forest in the local place. (Article 18)
38. If the relevant unit or person delay to pay the forestland compensation expenses, the forest tree compensation expenses, resettlement expenses and the expenses of replanting forest vegetation, the fine for delaying payment should be added by 3/1000 for each day. (Article 19)

**D. Comprehensive Standards on Yearly Production Value and Comprehensive Compensation of Price for Land Acquisition in Yunnan Province**

39. In the light of the Circular Regarding the Implementation of the Unified Annual Production Standards for Land Requisition and Integrated Land Value of the Districts of the Ministry of Land and Resources, the “Measurement and Calculation of the Unified Annual Production Standards for Land Requisition and Integrated Land Value of the Districts” commenced from October 2005, were completed in January 2006 and reported to the Ministry of Land and Resources for nationwide balance in June 2006 after county/city/district-level demonstration, hearing, balance adjustment, interface with adjoining provinces and districts, and invitation of experts in relative departments for review. On June 11, 2008, the Ministry of Land and Resources approved the Unified Annual Production Standards for Land Requisition and Compensation Standards for Integrated Land Value of the Districts, and put forward the suggestions. Our province made modifications in time based on the suggestions, and heard twice in September 2008 and February 2009 respectively the opinions and suggestions of the department of land and resources of the prefecture/city and the relative provincial-level departments and bureaus. The Unified Annual Production Standards for Land Requisition and Compensation Standards for Integrated Land Value of the Districts of Yunnan province was verified by the people’s government of the prefecture/city and finally determined.

40. Article 3 The Unified Annual Production Standards for Land Requisition and Compensation Standards for Integrated Land Value of the Districts of Yunnan province consists of two parts. The first part is the compensation standard for integrated land value of the districts proportioned within the urban planning region at which the people’s government of 16 prefectures/cities of Yunnan province is located; the second part is the unified annual production compensation standards for land requisition in 129 counties/districts of Yunnan province. The compensation standard for integrated land value of the districts proportioned is carried out within the construction land range (or within the required district) determined in the overall planning of land use of counties/cities/districts at which the people’s government of 16 prefectures/cities of Yunnan province is located, while the unified annual production compensation standards for land requisition is implemented in the rest areas. (Article 2)

41. Base date for this standard is January 1, 2009 (Article 4)

42. The Unified Annual Production Standards for Land Requisition and Compensation Standards for Integrated Land Value of the Districts in Yunnan Province was implemented from July 1, 2009.(Article 5)

**E. Trial Measures for Basic Old-age Security of Farmers Involved in Land Requisition in Yunnan Province**

43. These measures are applicable to the registered persons aged 16 or above, with the right of contracting collectively-owned land in rural areas within the administrative region of Yunnan province, whose lands are requisitioned wholly or partly by the governments under the law whose cultivated land area per capita after land requisition is less than 0.3mu. The peasants, whose lands are requisitioned partly and whose cultivated land area per capita after land requisition is higher than 0.3 mu but insufficient to maintain basic production and living, can be covered by the basic old-age security according to local actual conditions.(Article 2 )

44. The basic old-age security level shall adapt to the local economic and social development level and the bearing capability of all parties, and shall not be less than the lowest living security standard of local urban residents. (Article 4)

45. The basic old-age security funds are paid off in proportion by peasants, rural collective and local government. The total funds raised are based on the lowest living security standard of

urban residents in the same year, and the rate of increase is taken into account and determined depending on the payment period for 15 years. The individual payment and collective subsidy shall be less than 60% of the total funds raised, while the government subsidy more than 40%. No taxes or expenses shall be levied on the basic old-age security funds. (Article 6)

46. The government subsidy is transferred by the department of finance from the special funds for land requisition. The fund of more than RMB 20,000 Yuan per mu is collected by the governments based on the land level determined by the state, and specially used for the basic old-age security. (Article 7)

47. On the premise that the basic old-age security system is established, the individual payment and collective subsidy are disbursed from less than 50% relocation subsidy and from more than 70% land compensation expenses for peasants involved in land requisition. During land requisition, the people's government in all levels shall calculate under the law the basic old-age security funds as one part of the farmland acquisition costs, and then the institute of land requisition shall deliver the calculation data about the calculated land compensation expenses, resettlement subsidies and basic old-age security funds to the departments of finance, labor security as well as land and resources, of which the basic old-age security funds are turned over by the department of finance. If those two funds are inadequate to pay off, the insufficient section is made up by the department of finance from the compensated revenue for use of state-owned lands. (Article 8)

48. The basic old-age security funds are managed by both social pooling account and individual account. All government subsidies are transferred into the social pooling account, while all individual payments and collective subsidies into the individual account. (Article 10)

49. The peasants involved in land requisition, who have joined the basic old-age security and paid in full all expenses, can receive the monthly basic old-age benefits in the month following the month in which the peasants are aged 60. (Article 14)

50. The basic old-age benefits are made up of two parts, namely retirement pension in individual account and basic retirement pension, which are paid out of the individual account and the social pooling account respectively. If individual account is inadequate, the pension can be disbursed from the social pooling account. (Article 15)

51.  $\text{Monthly basic old-age benefits} = \text{monthly retirement pension in individual account (total amounts accumulated in individual account} \div 180) + \text{monthly basic retirement pension (less than 40\% of the lowest monthly living security standard of urban residents at the first drawing of the pension)}$

52. At the first drawing, if the monthly basic old-age benefits fail to conform to the lowest living security standard of urban residents, the inadequate part shall be made up with funds in the social pooling account.

53. Detailed rules for the implementation of those measures shall be formulated under those measures without any delay. Relative policies which have been issued before implementation of those measures shall be improved gradually as per those measures.

54. No land requisition shall be approved in case that the measures for the implementation of old-age security for peasants involved in land requisition are not issued, that the funds for old-age security for those peasants are not put into effect, or that relative procedures prior to approval of land requisition are not carried out under the regulations. (Article 32)

**Appendix 5 Resettlement Information Booklet**

**ADB Loan Project**

**Yunnan Pu'er Regional Integrated Road Network  
Development Project**

**Resettlement Information Booklet**

**of**

**Menglian-Meng'a Road Subproject**

**Pu'er City Project Management Office  
Pu'er City Transportation Bureau  
September 2015**



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## **1. Project Description**

1. Menglian-Meng'a class II level highway is one of the subproject of Yunnan Pu'er Regional Integrated Road Network Development Project, which will be funded by the ADB loan.
2. Menglian-meng'a Highway is located in Menglian County of Pu'er City. The proposed road is the important channel for Pu'er city links with Myanmar. The construction of the project will be important towards the improvement of trunk highway network in Yunnan province, and improvement of the southwest traffic conditions of Pu'er city, and strengthening inter-linkages in southwestern Yunnan and Southeast Asia, and to the promotion of economic development in southwest Yunnan.
3. The direction of the road alignment overall is east-west. The beginning point of Menglian-Meng'a road is located in K54+900, and the ending point is K99+744.29, at Meng'a land port. The construction of Menglian-Meng'a road, will be a foundation towards to the forming of border economic zone, and economic development of the border areas. This subproject also will improve the transportation services, and the regional road network.
4. The proposed width of the roadbed are: 1) from K54+ 900 to K95+594.78, the roadbed is 12 meters wide and carriageway is 2x3.5m; and 2) as to section of Meng'a port from K95+ 585.04 to K99+ 744.29, the roadbed is 23 meters wide.
5. The alignment of the proposed Menglian-Meng'a road will follow the original road. But according to the Class II road design standards, there are sections that will be away from the original road, and the following sections will be the new alignment sections: 1) Meng'ma 72 tea company K56+700 to K64+600; 2) K71+700~K72+900; 3) K74+600~K75+500; 4) K80+900~K82+100; 5) 83+500~K84+400; 6) K91+700~K93+000; 7) K93+700~K94+800; and 8) K95+900~K99+700.



## 2. Resettlement Impacts

### 2.1 Project Impact Scope

6. According to the detailed design and resettlement DMS, the subproject will affect 6 villages in 2 towns, and 4 enterprises of Menglian County, see details in Table 1.

Table 1 Impact Scope of the subproject

City	County	Town	Affected village committee
Pu'er	Menglian	Nayun	Mangzhang
		Mengma	Paliang
			Mengma
			He'an
			Manghai
			Meng'a
		Enterprises	Mengma Tea Company
			Menglian State Farm
			Luo Xiaohai Rubber Processing Plant
			Mengma Rubber Company

### 2.2 Permanent Land Acquisition Impact

7. According to detailed design and resettlement DMS, the LAR of the subproject will affect 22 village groups in 6 administrative village in 2 towns and 4 enterprises. A total of 471 households with 2,118 persons will be affected, of which, 434 households with 2014 persons<sup>12</sup> are from affected villages, 36 households with 99 persons are from Menglian State farm, and 1 household with 5 persons is from Luoxiaohai Rubber Processing Plant.

8. The subproject will permanently occupy 1820.76 mu land, of which, 1621.92mu belong to 6 affected villages, 107.92mu belong to Menglian State Farm, 69.55 mu belong to Luoxiaohai Rubber Processing Plant and 21.37mu belong to Mengma Rubber Company.

9. Among total land acquisition, 237.2 mu are paddy land, 227.7 mu are dry land, 32.8 mu are forest land, 319.59 mu are economic trees plantation/ orchard land, 18.15mu are fishpond, 47.93mu are house plot, 90.92mu are construction land and 549.47 mu are other land.

10. The resettlement impacts by administrative villages are shown in Table 2.

Table 2 summary of resettlement impacts by administrative villages

city	county	town	Administr	Affected person	Total of	Of which (mu)
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<sup>12</sup> It should be noted that the land of Mengma Tea Company to be acquired for the Subproject is a small part of its tea production base. All production land of this company is leased from contracted land of local farmers. The Subproject has little impact on this company, but affects former land contractors greatly, because they will lose land. 38.5 mu of tea garden rented from Paliang Village will be acquired, affecting 10 tea planting households with 47 persons in Paliang Village. Therefore, such land will be ascribed to Paliang Village for the purpose of statistics of resettlement impacts, without being listed separately for Mengma Tea Company

			ative village	HH	person	LA (mu)	Construc tion land <sup>13</sup>	Paddy land	Dry land	forest	fishpond	Orchard/ Economi c forest	other <sup>14</sup>
Pu'er	Menglian	nayun	mangzhang	29	106	116.96	0	5.1	42.9	31.26	1.25	17.53	18.92
		mengma	paliang	85	366	594.3	13.5	88.97	101.09	148.9	0	109.3	132.54
			mengma	71	378	327.58	5.6	34.13	26.69	44.79	10.34	89.7	116.33
			He'an	11	61	35.44	0	2.3	15.51	6.43	0	0	11.2
			manghai	72	353	255.03	4.77	41.98	32.22	5.75	0	0	170.31
			Meng'a	166	750	292.61	17.67	58.66	6.49	0	6.56	103.06	100.17
		subtotal		434	2014	1621.92	41.54	231.14	224.9	237.13	18.15	319.59	549.47
		enterprise	Menglian State Farm	36	99	107.92	6.39	6.06	2.8	92.67	0	0	0
			Luoxiaohai Rubber Processing Plant	1	5	69.55	69.55	0	0	0	0	0	0
			Mengma Rubber Plant	/	/	21.37	21.37	0	0	0	0	0	0
		Total		471	2118	1820.76	138.85	237.2	227.7	329.8	18.15	319.59	549.47

HH=household

## 2.3 Temporary Land Occupation during Construction Period

11. During construction, land will be occupied temporarily for production and living areas, temporary construction roads, borrow pits and spoil grounds. 726.77 mu land will be occupied temporarily in total.

12. The general temporary land occupation includes land for production and living areas, and temporary construction roads. According to detailed design and resettlement DMS, the general temporary land occupation by the subproject will be 308.17mu. In addition, 418.6mu land will be used for borrow pits and spoil grounds. All land to be occupied temporarily is collectively unused land, no person therefore will be affected. See details in Table 3.

Table 3 Summary of Temporarily Occupied Land

county	town	village	General temporary land occupation (mu)	borrow pits and spoil grounds (mu)	Total (mu)
Menglian	nayun	dengzhan	36	43.1	79.1
		subtotal	36	43.1	79.1
	mengma	paliang	68.13	84.59	152.72
		mengma	59.38	76.96	136.34
		He'an	10.27	25.12	35.39
		manghai	61.55	80.47	142.02
		Meng'a	72.84	108.36	181.2
		subtotal	272.17	375.5	647.67

<sup>13</sup> including house plot

<sup>14</sup> there are mainly of waste hills and unused land.

county	town	village	General temporary land occupation (mu)	borrow pits and spoil grounds (mu)	Total (mu)
total			308.17	418.6	726.77

## 2.4 Affected infrastructure and Ground Attachment

13. The project is mainly following the existing alignment except at few places and the scope of impact on the ground attachment is limited. According to detailed design and resettlement DMS, the subproject will mainly affect some optical fiber, power line, water pipeline and grave as well. See details in Table 4.

Table 4 Summary of Affected Infrastructure and Ground Attachments

County	Town	Administrative village	Infrastructure and ground attachment										
			Optical fiber		Power line		Water pipeline (m)	Brick wall (m)	well (No.)	methane tank (no)	pigsty (No.)	toilet (no)	grave (no)
			Optical fiber (km)	pole(no)	Power line (km)	Pole(no.)							
Menglian	nayun	mangzhang	11.119	95	2.024	15	2991	210	3	2	4	2	3
		<b>subtotal</b>	<b>11.119</b>	<b>95</b>	<b>2.024</b>	<b>15</b>	<b>2991</b>	<b>210</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>3</b>
	mengma	paliang	6.223	26	8.684	29	860	460	5	3	3	4	2
		mengma	5.356	22	6.658	20	0	370	2	2	4	4	1
		He'an	1.907	5	4.359	12	0	0	1	0	1	2	2
		manghai	4.032	16	7.653	23	0	440	5	1	5	5	3
		Meng'a	6.421	27	10.988	34	570	530	4	2	0	2	1
		<b>subtotal</b>	<b>23.939</b>	<b>96</b>	<b>38.342</b>	<b>118</b>	<b>1430</b>	<b>1800</b>	<b>17</b>	<b>8</b>	<b>13</b>	<b>17</b>	<b>9</b>
	total		<b>35.058</b>	<b>191</b>	<b>40.366</b>	<b>133</b>	<b>4421</b>	<b>2010</b>	<b>20</b>	<b>10</b>	<b>17</b>	<b>19</b>	<b>12</b>

## 2.5 House Demolition

14. According to the detailed design and resettlement DMS, the subproject will demolish 27,960m<sup>2</sup> houses, of which, 10,340 m<sup>2</sup> are frame structure houses, 4,606 m<sup>2</sup> are concrete and brick structure houses, 8,928 m<sup>2</sup> are brick and wood structure houses, 1,008 m<sup>2</sup> are stilted structure houses, 132 m<sup>2</sup> are earth structure houses, 1,620 m<sup>2</sup> are simple structure houses and 1,326 m<sup>2</sup> are wood and tile structure houses.

15. The house demolition of the subproject will affect 166 households with 567 persons, including 10 households with 47 persons to be affected by Mengma tea company, 18 households with 36 persons to be affected by Menglian State Farm and 1 household with 5 persons by Luoxiaohai rubber processing plant.

16. Same to the land acquisition, the subproject will demolish 650 m<sup>2</sup> brick and wood structure houses of Mengma Tea Company, affecting 10 households with 47 persons. These impacts are included into Paliang village, and thereof are not listed separately.

17. Summary of house demolition by administrative villages is shown in Table 5.

Table 5 Summary of house demolition by administrative villages

county	town	Administrative village	House demolition （m <sup>2</sup> ）								Affected person	
			frame	Concrete and brick	Brick and wood	Wood and tile	simple	stilted	Earth	Total	HH	person
menglian	nayun	Mangzhang	0	0	144	0	108	0	0	252	3	12
		Subtotal	0	0	144	0	108	0	0	252	3	12
	mengma	paliang	336	310	2544	0	1068	576	24	4858	47	189
		mengma	0	720	852	174	168	132	0	2046	18	53
		manghai	0	0	480	0	108	0	0	588	9	30
		Meng'a	4404	3288	4572	1152	0	300	72	13788	70	242
		subtotal	4740	4318	8448	1326	1344	1008	96	21280	144	514
	total		4740	4318	8592	1326	1452	1008	96	21532	147	526
	enterprise	Menglain state farm	0	288	336	0	168	0	36	828	18	36
		Luoxiahai rubber processing plant	5600	0	0	0	0	0	0	5600	1	5
		subtotal	5600	288	336	0	168	0	36	6428	19	41
total			10340	4606	8928	1326	1620	1008	132	27960	166	567

## 2.6 Affected Population

18. The subproject will affect 471 households with 2118 persons including 434 HH with 2014 persons in 6 administrative villages, 36 HHs with 99 persons in Menglian State Farm and 1 HH with 5 persons in Luoxiaohai rubber processing plant.

19. Out of 434 HHs with 2014 persons in 6 administrative villages, 278 HHs with 1488 persons will only be affected by land acquisition while 147 HHs with 526 persons will be affected



by both land acquisition and house demolition. Out of 37 HHs with 104 persons in the two affected enterprises, 18 HHs with 63 persons will only be affected by land acquisition while 19 HH with 41 persons will be affected by both land acquisition and household demolition. Details see Table 6.

Table 6 Summary of affected population

county	town	Administrative village and enterprise	Affected population					
			subtotal		LA only		Both LA and HD	
			HH	person	HH	person	HH	person
Menglian	nayun	mangzhang	29	106	26	94	3	12
	mengma	Paliang	85	366	38	177	47	189
		mengma	71	378	53	325	18	53
		He'an	11	61	11	61	0	0
		Manghai	72	353	63	323	9	30
		Meng'a	166	750	96	508	70	242
	subtotal		434	2014	287	1488	147	526
	enterprise	Menglian state farm	36	99	18	63	18	36
		Luoxiaohai rubber processing plant	1	5	0	0	1	5
		subtotal	37	104	18	63	19	41
total			471	2118	305	1551	166	567

## 2.7 Ethnic Minority People to Be Affected

20. Menglian county is Dai, Lahu and Wa people Autonomous County. Therefore, among the affected population, ethnic minority population occupies a considerable proportion.

21. Within the six affected administrative villages, out of total 343 HHs with 2014 persons, 407 HHs with 1866 persons are ethnic minorities, accounting for 95.7%, of which, 1439 persons (71.45%) are Dai people; 180 persons(8.94%) are Lahu people, and 247 persons (12.26%) are Wa people. See details in Table 7.

Table 7 Affected population by gender and ethnic minority

town	Administrative Village	AH	AP	Male	F	Han	Sub-total EM	Dai	Lahu	Wa
Nayun	Mangzhang	29	106	54	52	0	106	106	0	0
Mengma	Paliang	85	366	189	177	0	366	0	119	247
	Mengma	71	378	199	179	63	315	315	0	0
	He'an	11	61	28	33	0	61	0	61	0
	Manghai	72	353	180	173	73	280	280	0	0
	Meng'a	166	750	387	363	12	738	738	0	0
total		434	2014	1037	977	148	1866	1439	180	247
percentage		100%	100%	51.49%	48.51%	7.35%	92.65%	71.45%	8.94%	12.26%

22. Among 407 HH with 1866 persons of affected Ethnic minorities, 266 HHs with 1364 persons will be only affected by land acquisition, and 141 HHs with 502 persons will be affected by both land acquisition and house demolition. See details in Table 8.

Table 8 Affected Minority Population by Impact Category

Administrative village	affected EM					
	Total		LA only		Both LA and HD	
	HH	person	HH	person	HH	person

Administrative village	affected EM					
	Total		LA only		Both LA and HD	
	HH	person	HH	person	HH	person
Mangzhang	29	106	26	94	3	12
Paliang	85	366	38	177	47	189
Mengma	62	315	47	275	15	40
He'an	11	61	11	61	0	0
Manghai	58	280	50	253	8	27
Meng'a	162	738	94	504	68	234
<b>Total</b>	<b>407</b>	<b>1866</b>	<b>266</b>	<b>1364</b>	<b>141</b>	<b>502</b>

\*Households mixed with Han and EM are counted as EM households.

## 2.8 Vulnerable Groups Affected by Resettlement

23. Based on the DMS, within the 471 affected, 71 households (15.1%) are identified as vulnerable groups, of which, 13 households are those with the disabled, accounting for 2.8%; 3 households are women-led household accounting for 0.8% and 54 households are the poor, accounting for 11.5%. See details in Table 9.

Table 9 Vulnerable Groups to Be Affected by LAR

town	Administrative village	disabled		Women-led		poor	
		HH	person	HH	person	HH	person
Nayun	Mangzhang	2	6	0	0	5	12
mengma	Paliang	2	5	1	4	9	41
	Mengma	2	6	0	0	8	36
	He'an	1	2	1	3	5	17
	Manghai	1	3	0	0	12	44
	Meng'a	5	11	2	7	15	68
	<b>Total</b>	<b>13</b>	<b>33</b>	<b>4</b>	<b>14</b>	<b>54</b>	<b>218</b>

### **3. Legal Framework and Policies**

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

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

##### **1) ADB policies**

- Safeguard Policy Statement, June 2009; and

##### **2) Laws, regulations and policies of the PRC, Yunnan Province, Pu'er City and Affected County**

- Land Administration Law of the PRC (amended on August 28, 2004);
- Implementation Regulation for Land Administration Law of PRC (January 1, 1999)
- Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28) (October 21, 2004)
- Forestry Law of PRC, revised in 1998.
- Methods for Announcement of Land Acquisition (Decree No.10 of the Ministry of Land Resources, effective from January 1, 2002)
- The Unified Standard for Annual Output Value and Regional Integrated Land Price Compensation in Land Acquisition in Yunnan Province (tentative) (July 1, 2009);
- The Implementation Methods for Farmland Occupation Tax of Yunnan Province. (Yunnan Provincial Government Document 149, October 30, 2008)
- The Notice of Further Explicit Land Acquisition Related Issues of Pu'er City Government (Pu'er City Government [2006] No.50);
- The House Demolish Compensation and Relocation Management Methods for Pu'er urban area collective land houses (Pu'er City Government [2009] No.53);
- The Implementation Methods of Basic Endowment Insurance for Farmers with Land Acquired. (Pu'er City Government [2010] No. 11), and
- The Notice of compensation rates for land acquisition and resettlement of Lan'a Class II highway project issued by Menglian County (Document No.46 [2013])

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

25. All APs and organizations (whether public or private) losing land, buildings/houses, crops or sources of income will be compensated or rehabilitated according to the types and amount of their losses (permanent and temporary) which are included in the DMS, or identified as affected by temporary impacts during construction.

26. The cut-off date for the eligibility for compensation is April 30, 2015, which has been publicized in the project area. Any newly claimed land, newly built house or settlement in the project area by the APs after this date will not be entitled to compensation or subsidization. Any

building constructed or tree planted purely for extra compensation will not be counted in. The RIB has been distributed in all affected villages.

### 3.3 Compensation Standard

#### A Permanent Land Acquisition

27. In terms of categories of location, in all the affected villages, the compensation rates will adopt the rates of “flatland area” standard. These rates are considered as reasonable and adequate and comply with the replacement cost principle. The affected people are aware of these rates through consultations and find these rates agreeable.

Table 10 Compensation Rates for Land Acquisition In Menglian County

Code	Land type	Compensation standard (CNY/mu)			Scope
		County set areas	Flatland areas	Other areas	
1	Irrigated paddy (include vegetable garden)	60000	50000	35000	County set areas: East to: Zhongle reservoir, Mangzhong areas; South to: Shuitan villagers' group; West to: 61 ecological garden; North to: Mangjie areas.
2	Dry land (Including economic forestry land/ orchard land)	35000	25000	20000	Garden include tea, coffee, rubber and fruits plantation
3	collective construction land	30000	20000	15000	Include collective enterprises land, residential land, public facility land, and infrastructure land
4	Fishpond	60000	50000	35000	
5	Forestry land	7500			
6	Unused land	8500			Unused land is the other land except the farmland, forestry land, pond, grassland. “Unused” is the present status, not useless land.

28. Table 11 showed the list of compensation rates for standing crops.

Table 11 Compensation Rates of Standing Crops

Crop types		Number of trees per mu	Compensation rate (CNY/mu)	Compensation for single tree (CNY/tree)	Note
Tea garden	Young	1200	1800	1.5	
	Productive		3600	3	Planted for 4-6 years
	Harvest ready		6000	5	Planted for above 7 years
Coffee garden	Young	333	1665	5	
	Productive		3330	10	Planted 3-5 years
	Harvest ready		5994	18	Planted above 6 years
Banana		110	2750	25	Banana tree should higher than 1 m
Sugarcane			First season 4000 Second season 3000 Third season 2000 Fourth season 1000 Fifth season 500		
Corn			1300		

Crop types		Number of trees per mu	Compensation rate (CNY/mu)	Compensation for single tree (CNY/tree)	Note
Rice			1500		
Rubber	Young	33		8	Planted 1 to 3 years, 150 yuan each; 4 to 6 years, 270 yuan each; 7 to 8 years, 360 yuan each.
	Not productive		8910	270	
	Productive		13200	400	

## B Compensation Rates for House Demolition

29. The house demolition will be compensated based on local replacement cost. The compensation rates for house demolition of the subproject will be adopted the rates as indicated in Table 12.

Table 12 House Demolition Compensation Rates of the Subproject

structure	Compensation rate (CNY/ m <sup>2</sup> )		
	planned area of county	planned area of town	Seat of village
frame	2000	1900	1750
Concrete and brick	1600	1500	1350
Brick and wood	1300	1100	1000
Wood and tile; stilted structure, and simple structure	800	700	600

30. In addition, the displaced household will also be provided with moving subsidy of CNY 2000 per HH and transition subsidy of CNY 3000 per HH for 6 months

## C Compensation Rates for Temporary Land Occupation

31. The compensation for temporary land occupation includes temporary land occupation fee and land reclamation fee. The temporary land occupation fee will be paid to the land owner according to actual occupation duration. The land will be reclaimed by the Contractor when the subproject is completed. Details are as given in Table 13.

Table 13 Compensation rates of Temporary Land Occupation

Item	Unit	Compensation rate	Remark
Temporary land occupation	Yuan/mu/year	1500	Occupation duration is no more than 2 years
Land reclamation fee.	Yuan/mu	2000	

## D Compensation Rates for Attachments and Infrastructure

32. The compensation rates for attachments and infrastructure have been fixed at replacement cost. See details in Table 14.

Table 14 Compensation Rates for Attachments and Infrastructure

No.	item	unit	Rate (CNY/unit)
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No.	item	unit	Rate (CNY/unit)
1	Optical fiber	km	22000
2	Power line	km	25000
3	Water pipeline	m	6
4	Brick wall	m	125
5	well	No	450
6	Methane tank	No	2000
7	Pigsty	No	200
8	Toil	No	150
9	grave	No	2800

### 3.4 Entitlement Matrix

33. The entitlement matrix for the subproject is set out in Table 15. The matrix covers eligibility and compensation for all kinds of losses (e.g., land, housing, businesses, and other income sources, temporary loss of income, displacement, and moving cost). It provides a summary of the measures, provisions and standards described in the earlier part of this section.

Table 15 Entitlement Matrix

No	Types	Scope	Entitled Persons	Entitlements	Compensation Policies
1	Permanent land acquisition	All APs affected by LA of the subproject	471 HHs with 2118 persons in 6 Affected villages and 4 companies	<p>1) Cash Compensation for land acquisition includes land compensation fee, resettlement subsidies and compensation for young crops.</p> <p>2.) All land compensation fee and resettlement subsidies will be paid to APs if the land is contracted to farmers.</p> <p>3) Compensation for young crops will be paid to owners directly.</p> <p>4) Preferential employment to APs for unskilled jobs generated during construction and operation</p> <p>5) Preferential training to APs</p> <p>6) If the APs meet the requirements, they can participate in the endowment insurance voluntarily..</p>	<p>The compensation rates for flatland areas will be use. The rates are:</p> <p>CNY35,000 to 60,000 per mu for paddy land and fish pond; CNY20,000~35,000 per mu for dry land CNY15,000~30,000 per mu for collective construction land; CNY75,00 for forest land and CNY8500 for other unused land</p>
2	Residential housing demolition	All 148 households of 6 villages and 18 of households enterprises	Property/ house owner	<p>1) Compensation for house at replacement cost will be paid to affected household directly;</p> <p>2) Movement subsidy and transition subsidy will be paid to AHs</p> <p>3) The house plot in original village will be provided to AHs free for the new building construction.</p> <p>4) Compensation for structures and all other lost assets will be paid in full before relocation.</p> <p>5) APs have the right to use salvaged material free of cost.</p> <p>6) Vulnerable groups will be assisted to reconstruct the house by local government.</p>	<p>The project will follow the policy that the house demolition takes place only once the affected household has built the new house. If there is any outstanding case, transition subsidy will be provided to such households.</p> <p>Maximum CNY3000 rental for 6 months for transition is budgeted given to the local rental of CNY200-500 a month</p>
3	Significantly affected HH by LA and HH	Losing more than 10% of productive land and/or house relocation	51 households with 162 AP losing more than 10% of land and 166 households with 567	1) Preferential job opportunities for at least one person from the affected family for project generated unskilled employment.	Ensure that their livelihood standards are either improved or at least restored to the pre-project level.

No	Types	Scope	Entitled Persons	Entitlements	Compensation Policies
			persons affected by house demolition	2) provide skill training in priorities 3) Provide credit support for those who need to improve their remaining land productivity or plan to involve in off-farming business, such as vehicle purchasing. 4) Provide assistance in obtain permission in transport service businesses	
4	Temporary land acquisition	about 727mu	affected villages	1) Cash compensations will be provided. 2) The period of temporary occupation will not exceed 2 years; if a longer period is required, a new contract must be approved by township land bureau. 3) The contractor shall be responsible for rehabilitation of the temporarily acquired land after completion of the project construction.	The compensation rate for temporary land acquisition is CNY 1500/mu.
5	Public facilities and ground attachments	All types of ground attachments identified during the detailed measurement survey.	Property owner	1) Compensation fees based on replacement costs are provided to the proprietor, 2) Affected special facilities are restored by proprietors after receiving compensation from the Project owner, or reconstructed by the Project owner as per original size, function and standards; 3) The cost will be covered by the total resettlement cost	All will be compensated at the replacement cost.
6	Income rehabilitation measures	All project affected people by land acquisition or house demolition	471 HHs 2118 persons in 6 villages and 4 companies	1) The affected persons will obtain resettlement subsidy and to restore their income and living standard. Pu'er PMO will ensure that relevant departments provide guidance to the affected people on how to best utilize their compensation to improve their incomes. 2) The local government will provide employment assistance (i.e., training and job arrangements) for the affected persons in the local enterprises.	The APs have the right to choose the income restoration options; the income restoration plan must be fully consulted with the APs and must be agreed with the APs.



No	Types	Scope	Entitled Persons	Entitlements	Compensation Policies
7	Special supporting measures for affected vulnerable groups	/	Affected vulnerable groups (77HHs with 265 persons)	<p>1) Special fund for the vulnerable (2% of basic resettlement cost) as part of the RP budget.</p> <p>2) Labor support for the vulnerable groups in the house reconstruction will be provided.</p> <p>3) The vulnerable groups will be given priority to obtain the project-related employment opportunities.</p>	
8	women	/	About 1064 females	<p>1) Skills training will be provided to 2 people (at least 1 female) in households with significant losses.</p> <p>2) Contractors will give preference to hire women, 20% unskilled job will be provided to women.</p> <p>3) Every resettlement office must hire at least one female worker to be responsible for women's affairs in the process of resettlement.</p>	
9	Complaints and Grievances	Compensation rate, payment of compensation and relocation measures, income restoration, and related issues	The affected persons who lodge a complaint on land acquisition and relocation matters	<p>Various expenses related to relocation complaints putting forward by the affected persons and management expenses will be exempted.</p> <p>Every resettlement office must hire at least one female worker to be responsible for women's affairs in the process of resettlement.</p>	

#### 4. Institution Arrangement of Resettlement

34. The land acquisition and house demolition, and resettlement tasks are crucial and complex and need wide participation of different agencies and organizations. The following agencies and organizations are responsible for resettlement implementation and management:

- Pu'er City Project Leading Group,
- Pu'er City PMO and Pu'er Transport Bureau
- Menglian County Project Leading Group and Menglian County PMO,
- Menglian County LA and HD Leading Group for Meang'a Road
- Menglian County Resettlement Office,
- Nayung and Mengma Township Governments,
- Village Committees,
- Design Institute,
- External RP M & E, and
- Other agencies, e.g., Land and Resources Bureau, State Farm Management Bureau, Poverty Alleviation and Development Office, Women's federation, Labor and Social Security Bureau and Ethnic Minority Commission.

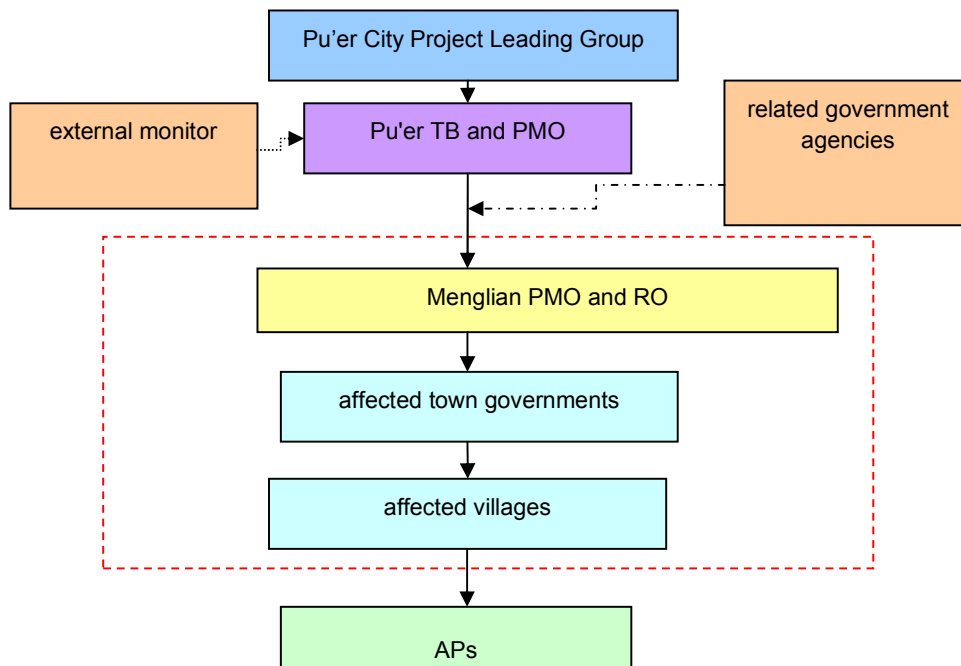


Figure 2 Resettlement Organizational Chart

## 5. Grievances and Redress

35. To ensure rehabilitation and improvement of the affected persons' production and livelihood, the PMO closely consulted with the affected persons to reduce complaints. A mechanism is set up to provide AP with opportunities to complain and to solve problems.

36. The basic procedure of the grievance solution is: APs-Village committees- township or town government- Menglian county resettlement office-Pu'er Government.

37. The basic grievance redress system is as follows:

- Stage 1: If APs have any dissatisfaction with RP or implementation, they may report to the villagers' committee and township government. The villagers' committee or township government may directly appeals to Menglaing Counyt RO for negotiated resolution or put forward oral or written grievance. The Menglian County RO will record the complaints and resolve the problems within two weeks after the receipt of the complaints if the grievance is oral.
- Stage 2: If the APs who lodge the complaints are not satisfied with the results of the Stage 1, they may lodge grievance to Menglian county PMO, after receiving the decision. The latter will make resolution with two weeks.
- Stage 3: If the persons who lodge the complaints are still not satisfied, they may after receiving the decision, lodge complaints to the Pu'er PMO for arbitration. The latter will make arbitration decision within three weeks.
- Stage 4: If the persons are still dissatisfied with the decision of the Stage 3, they may, after receiving the arbitration decision, appeal to administrative setups step by step such as project office, resettlement management office, resettlement monitoring institution, authorities of letters and calls, administrative supervision, disciplinary inspection and procuretorial department) according to Administrative Procedure law.

38. The complaints and appeal procedures will be conveyed to APs through public meetings and other information dissemination procedures, to ensure they fully understand their rights and the mechanisms for complaint and appeal. Any complaints raised by APs and resolutions must be registered in written form by resettlement office that receives these grievances.

39. At any point, if the appellant is dissatisfied with the arbitration award, he/she may bring a suit in a civil court in accordance with the Civil Procedure Law of the PRC.

40. The APs may also express grievance to the external monitoring agency, who would then report it to Mengliang County RO, Mengliang Land and Resource Bureau, and Pu'er PMO. Alternatively, the APs may submit a complaint to the ADB's Project Team to try to resolve the problem. If good faith efforts are still unsuccessful, and if there are grievances that stemmed from a violation of ADB's safeguard policy, the APs may appeal directly to ADB in accordance with ADB's Accountability Mechanism (2012).<sup>15</sup>

41. All the grievances received, oral or written, will be recorded and their redress will be recorded as well and these will be made available to the external monitoring agency or ADB review missions on request. 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

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<sup>15</sup> For further information, see <http://www.adb.org/Accountability-Mechanism/default.asp>.

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.

## 6. Implementation Schedule

42. The schedule for land acquisition and resettlement will be integrated with the schedule of the project construction. The LAR of the subproject will start in November 2015 and end in May 2017.

43. The general resettlement schedule of the Subproject has been drafted based on the progress of project construction, LA and HD, and resettlement preparation and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See Table 16.

Table 16 Resettlement Implementation Schedule

No.	Resettlement task	Target	Agencies responsible	time	Remark
<b>1</b>	<b>Information disclosure</b>				
1.1	RIB	6 villages and 4 enterprises	Menglian PMO and RO	Middle July 2014	completed
1.2	Disclosure of the draft RP on ADB's website	/	Pu'er PMO and the ADB	August 2014	completed
<b>2</b>	<b>RP and budget</b>				
2.1	Detailed design of the subproject	/	Pu'er PMO and transport Bureau	April 2015	completed
2.2	DMS according to detailed design	22 village groups of 6 administrative villages and 4 enterprises	Pu'er PMO, Menglian PMO and Menglian RO	April ~ June 2015	completed
2.3	Updated RP	/	Pu'er PMO	August 2015	
2.4	Approval of final resettlement cost	CNY 133.34 Million	Pu'er PMO and Menglian County Government	August 2015	
2.4	Disclosure of final RIB	22 village groups of 6 administrative villages and 4 enterprises	Pu'er PMO and Menglian PMO	Middle of Sep 2015	
2.5	Upload final RP on the ADB's website		Pu'er PMO and the ADB	End of Sep 2015	
<b>3</b>	<b>Compensation agreement</b>				
3.1	Village-level land compensation agreement	22 village groups of 6 administrative villages and 4 enterprises	Menglian RO	Oct 2015~Apr 2016	
3.2	Household land compensation agreement	166Hs with 567 persons	Menglian RO	Oct 2015 ~ Oct 2016	
<b>4</b>	<b>Implementation of livelihood restoration measures</b>				
4.1	Distribution of land compensation fees to households and land reallocation (if possible)	6 villages and 4 enterprises	Township and village committee	Oct 2015~ Apr 2016	
4.2	Implementation of village-level income restoration programs	6 villages and 4 enterprises	Village committee	Nov 2015 ~ Nov 2016	
4.3	Advice on income restoration, commerce and work	471 HHs	Township government and village committee	Nov ~ Dec 2015	
4.4	Implementation of training program	471HH with 2118 persons	Menglian PMO and Labor bureau	Dec 2015 ~ Dec 2016	
4.5	Identifying vulnerable	71 HHs with 255 persons	Menglian PMO, Township	Apr ~ June 2015	completed

No.	Resettlement task	Target	Agencies responsible	time	Remark
	households and implementing assistance measures		government and village committee		
4.6	Hiring APs at the construction stage	471 HHs 2118 persons	Menglian PMO, labor bureau and the Contractor	Dec 2015 ~ Dec 2017	
<b>5</b>	<b>House reconstruction</b>				
5.1	Selection and preparation of housing sites	166 HHs 567 persons	Menglian PMO, Township government, village committee and DHs	Dec 2015 ~Dec 2016	
5.2	House reconstruction	166 HHs 567 persons	Menglian PMO, Township government, village committee and DHs	Jan 2016 ~Mar 2017	
5.3	Move into new house	166 HHs 567 persons	DHs	Apr 2016 ~ Jun 2017	
<b>6</b>	<b>Capacity building</b>				
6.1	Training of staff of Pu'er and Menglian PMOs	15 persons	ADB and PPTA	Jan ~ July 2014	completed
6.2	Training of county, town and village officials	60 persons	Pu'er PMO and Menglian PMO	Apr 2015 ~Oct 2016	
<b>7</b>	<b>Monitoring and evaluation</b>				
7.1	Baseline survey	As per RP	External agency M&E	Starting from Nov 2015	
7.2	Establishment of internal M&E mechanism	As per RP	Pu'er PMO	Nov 2015	
7.3	Appointing an external M&E agency		Pu'er PMO	Oct 2015	
7.4	Internal monitoring reporting	Quarterly report	Pu'er PMO	Starting from Jan 2016	
7.5	External monitoring reporting	Semiannual report	External agency M&E	Jan 2016	1 <sup>st</sup> report
				Jul 2016	2 <sup>nd</sup> report
				Jan 2017	3 <sup>rd</sup> report
				Jul 2017	4th report
7.6	External evaluation reporting	Annual report	External M&E agency	Jan 2018	1 <sup>st</sup> report
				Jan 2019	2 <sup>nd</sup> report
7.7	Post-resettlement evaluation report	One report	Pu'er PMO	Jul 2019	
<b>8</b>	<b>Public consultation</b>		Menglian PMO and Transport Bureau	ongoing	
<b>9</b>	<b>Grievance redress</b>		Menglian PMO and Transport Bureau	ongoing	
<b>10</b>	<b>Disbursement of compensation fees</b>				
10.1	Disbursement to IA	Initial funds	Menglian PMO	Oct 2015 ~ Mar 2016	
10.2	Disbursement to villages	Most funds	Menglian Transport Bureau	Nov 2015 ~ Dec 2016	
10.3	Disbursement to households	Most funds	Township Government and village committees	Dec 2015 ~ Mar 2017	
<b>11</b>	<b>Commencement of civil construction</b>				
12.1	Commencement of civil works		Pu'er PMO, Menglian PMO and transport bureau	December 2015	

## 7. External Monitoring

44. Pu'er PMO will appoint a qualified, independent agency experienced in ADB-financed projects as the external M&E agency.

45. The external monitoring institution will conduct follow-up investigation, monitoring and evaluation of the resettlement activities according to the RP. The external M&E agency will prepare external monitoring reports based on observations and survey data in order to: 1) reflect the progress of resettlement and existing issues to ADB and the project owner objectively; and 2) evaluate the socioeconomic benefits of resettlement, and proposing constructive opinions and suggestions to improve the resettlement work.


46. A routine monitoring report should at least include the following: 1) subjects of monitoring; 2) progress of resettlement; 3) key monitoring findings; 4) key existing issues (including follow up of previous issues); and 5) basic opinions and suggestions.

47. The external M&E agency will submit a monitoring or evaluation report to the ADB and Pu'er PMO semiannually. See Table 17.

Table 17 Resettlement M&E Agenda

No.	M&E report	date
1	Social economy baseline survey and report	December 2015
2	1st monitoring report	Jan 2016
3	2nd monitoring report	July 2016
4	3rd monitoring report	Jan 2017
5	4th monitoring report	July 2017
6	1st annual evaluation report	Jan 2018
7	2nd annual evaluation report	Jan 2019


## Appendix 6 Minutes of Consultation

<b>Date</b>	<b>December 12, 2014</b>
<b>Venue</b>	Pu'er Municipal Transport Bureau
<b>Organizer</b>	Pu'er Municipal Transport Bureau
<b>Participants</b>	Pu'er Municipal Transport Bureau, staff of Nayun Town and Mengma Town
<b>Topics</b>	Resettlement impacts and policies
<b>Key points and results</b>	<p>1) Acquired land will be compensated for in accordance with the Notice of the Menglian Dai-Lahu-Wa Autonomous County Government on Issuing the Compensation Rates for Land Acquisition and House Demolition for the Lancang-Meng'a Class-2 Highway (MCG [2013] No.46), and the Reply of the Menglian Dai-Lahu-Wa Autonomous County Government on Supplementing the Compensation Rates for Land Acquisition and House Demolition for the Lancang-Meng'a Class-2 Highway (Menglian segment) (MCG [2013] No.85);</p> <p>2) Resettlement programs will be decided at village meetings.</p> 

<b>Date</b>	<b>March 15, 2015</b>
<b>Venue</b>	Mengma Town, Menglian County
<b>Organizer</b>	Pu'er Municipal Transport Bureau
<b>Participants</b>	Pu'er Municipal Transport Bureau, design agency, head of Mengma Town, key informants of affected villages
<b>Topics</b>	Affected area of the Subproject, APs' attitude to the Subproject, restoration program for house demolition
<b>Key points and results</b>	<p>1) All APs support the Subproject;</p> <p>2) Impacts of house demolition are scattered; the township governments and village committees will allocate housing land, and the AHs will reconstruct houses themselves.</p>





<b>Date</b>	<b>June 10, 2015</b>
<b>Venue</b>	Meng'a Village, Mengma Town, Menglian County
<b>Organizer</b>	Pu'er Municipal Transport Bureau
<b>Participants</b>	Pu'er Municipal Transport Bureau, head of Mengma Town, representatives of APs
<b>Topics</b>	Affected area of the Subproject, APs' attitude to the Subproject, restoration program for house demolition
<b>Key points and results</b>	<p>1) The AHs expect full land compensation.  2) Production and living assistance should be offered.  3) Labor skills training should be offered.  4) The village committees will allocate housing land, and the AHs will reconstruct houses themselves.</p> 

<b>Date</b>	<b>June 20, 2015</b>
<b>Venue</b>	Meng'a Village, Mengma Town, Menglian County
<b>Organizer</b>	Pu'er Municipal Transport Bureau
<b>Participants</b>	Pu'er Municipal Transport Bureau, staff of Mengma Town, representatives of APs
<b>Topics</b>	APs' attitude to the Subproject, expected resettlement mode, income restoration program
<b>Key points and results</b>	<p>1) All APs support the Subproject;  2) Some AHs expect to run small businesses related to tourism, such as catering, car washing and agritainment;  3) The AHs expect to reconstruct houses themselves.</p>



<b>Date</b>	<b>June 21, 2015</b>
<b>Venue</b>	Luoxiaohai Rubber Factory, Mengma Town, Menglian County
<b>Organizer</b>	Pu'er Municipal Transport Bureau
<b>Participants</b>	Pu'er Municipal Transport Bureau, staff of Mengma Town, representatives of affected enterprises
<b>Topics</b>	Factory profile, expected resettlement mode, income restoration program
<b>Key points and results</b>	<p>1) Some premises of this factory will be demolished, while its workshop will not be affected.</p> <p>2) The factory prefers cash compensation and be resettled by local setback.</p> 

## **Appendix 7 TOR for External Monitoring and Evaluation**

### **Terms of Reference of External Monitoring and Evaluation**

#### **A. Purpose resettlement monitoring and evaluation**

1. According to ADB's SPS 2009 on involuntary resettlement, the resettlement work of this project will be subject to external M&E. The monitoring will ensure that the resettlement processes are being implemented in accordance with the requirements set out in the RP. The external M&E will also undertake an evaluation of changes in peoples' standard of living as a result of the project and project-related LAR activities. A TOR is drafted and a firm/institute with 8~10 years of relevant social and resettlement experience will be engaged by CQS method. The external monitor will work in close coordination with the Social Safeguards and Social Development Specialist and Gender Specialist to be contracted for the capacity building.

2. M&E reports will be submitted to ADB and Pu'er PMO regularly twice a year during the implementation period and once a year following project completion. Through external M&E, ADB and the EAs can fully understand if the LAR work is implemented on schedule and according to the quality standard, point out existing issues, and propose suggestions for improvement.

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

##### **(i) Baseline Survey**

3. The external monitoring agency will undertake a baseline survey of the villages affected by land acquisition in the project, and collect baseline data on the production level and standard of living of the monitored displaced households (standard of living, production, and income levels). The survey of production level and standard of living will be conducted semiannually to track variations. The survey methods include follow-up survey of sample households (minimum sample size: 10% of households affected by land acquisition, 20% of households affected by house demolition, 40% households significantly affected, 50% of affected villages; the households will be sampled randomly). A statistical analysis will be made on this basis for evaluation.

##### **(ii) Regular Monitoring and Evaluation**

4. During the RP implementation, the external monitoring agency will perform regular follow-up resettlement monitoring of the following activities twice a year through field observation, follow-up survey of the sample households, and random interview with the displaced persons. The external monitoring agency will monitor:

- (a) the progress of disbursement of compensation for LAR and house demolition;
- (b) the progress of selection and preparation of resettlement sites including provisions for civic amenities, construction of new houses, and adequacy of construction;
- (c) institutional capacity of the resettlement office—adequate trained staffing, office space and equipment, and provisions for ongoing training;
- (d) financial capacity of the PMO, particularly the budgetary arrangements and cash flow for resettlement activities;
- (e) the process of public participation and consultation, ensuring that the public participation and consultation schedule is being followed and outcomes are being incorporated in resettlement implementation process;
- (f) the functioning of the GRM;
- (g) the progress of livelihood rehabilitation plans and training, restoration of productive assets, and livelihood systems;
- (h) rehabilitation of affected shops;
- (i) that the vulnerable groups are being provided support in accordance to the criteria set out in the RP;
- (j) the progress of restoration and reconstruction of infrastructure and special facilities;
- (k) implementation schedule for the RP activities; and

- (l) the overall RP implementation process and if any significant involuntary resettlement are identified, the agency will prepare a corrective action plan to address such issues.

5. In addition, the external monitor will be responsible for verifying the internal monitoring reports of IA on implementation and progress of the RP. These internal monitoring reports are prepared by the IA as part of the quarterly progress report (under PPMS).

6. On the basis of the baseline survey, the external monitoring agency will evaluate the project impacts and will provide a “without” and “with” project comparative analysis.

### **(iii) Monitoring Indicators**

7. The following indicators shall be monitored and evaluated in accordance with principles, entitlements, and rehabilitation strategies/plans set out in the RP:

- (a) Progress: including preparation, implementation of land acquisition, house demolition, resettlement site construction, housing relocation and rehabilitation of livelihoods and living conditions;
- (b) Quality: including resettlement implementation, civil construction quality, timeliness, minimal disturbance/inconvenience and transition time, and degree of APs' satisfaction;
- (c) Entitlements: timely allocation of full compensation entitlements and proper and timely use of funds, and adequate and timely availability of funds for resettlement site construction;
- (d) Economic/income conditions: household economic development before and after resettlement, including assets, production materials, subsistence materials, income, savings and debts, income generation potential, etc.;
- (e) Living conditions: living environment before and after resettlement, including traffic, education, sanitation, social services, commercial service facilities, etc. in the new resettlement sites;
- (f) Livelihood/employment: change in livelihood (income sources) and employment, including employment rate, assistance to the different APs, especially for women, and vulnerable APs, and seriously-affected households, such as those at risk of impoverishment due to land loss or housing loss; training and skill enhancement;
- (g) Community development: local economy in resettlement sites, environmental development, neighborhood relations and safety, and public opinions (by gender and age groups) after resettlement; and
- (h) Conditions of the vulnerable groups and seriously-affected households: including before and after situations of those people.

### **(iv) Monitoring and Evaluation Method**

8. The external monitoring agency will use both quantitative and qualitative methods to undertake the M&E such as:

- (a) Surveys – questionnaire surveys based on random sampling with a minimum sample size of 10% of households affected by land acquisition, 20% of households affected by house demolition and 50% of the affected villages. These surveys will be done on annual basis to assess the impact on yearly basis. Out of the above indicated survey population, the external monitor will select a suitable sample size and will undertake follow-up surveys by using tracer survey method. It will require following the same respondents on a yearly basis to assess the project impacts.
- (b) Qualitative interviews and focus group discussions – with project affected persons, village and community representatives, officials in PMO and other government departments that are involved in the resettlement process; and
- (c) Along with written materials, photos, audio and video records, real objects shall also be used.

(d) Reporting.

9. The RP monitoring report will include:

- (a) Summary of findings and conclusion of investigations and evaluation;
- (b) Major problems identified (existing and potential);
- (c) Recommended mitigation or prevention measures which need to be taken; and
- (d) Assessment of previous follow-up actions.

10. Reports will be submitted to ADB every 6 months during the resettlement implementation. After the preparation of resettlement completion reports, annual evaluations will be conducted for 2 years, or until all issues have been successfully resolved. The final evaluation report should summarize monitoring results and should clearly establish whether resettlement has been successfully completed. SDAP/GAP Implementation verification: Progress of SDAP and GAP implementation will be reported by the IA through its internal monitoring reports prepared on a quarterly basis as part of the PPMS. The external monitor will review and verify these quarterly reports and will prepare a consolidated annual report as an appendix of one of the monitoring report and will submit it to the ADB.

11. All reports will be provided in English and Chinese. It should be ensured that information on the progress and status on all aspects of LAR activities will be provided to the external monitor for verification, including records of grievances.

**(v) Consultant Specifications and Inputs**

12. The specialist shall have a degree in a relevant subject (sociology, anthropology, or related subject) with 10 years' experience in M&E of projects funded by ADB or similar 20 international development funding agencies. The consultant's inputs will be spread intermittently over the life of the project for a total of 12 months.

**(vi) Monitoring Budget**

13. A total budget for RP is about CNY800,000.