

Resettlement Plan

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PRC: Guangxi Regional Cooperation and Integration Promotion Investment Program – Tranche 2

Prepared by the Guangxi Zhuang Autonomous Region Government for the Asian Development Bank.

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**ADB financed: Guangxi Regional Cooperation and Integration
Promotion Investment Program (Tranche 2)**

**Phase-I of Connectivity Project in Pingxiang
Sino-Vietnam Cross-Border Economic Cooperation
Zone**

**Resettlement Plan
(Draft)**

**Pingxiang City Government
Pingxiang Urban Construction Investment Company Ltd.
Guangxi Guoye Project Management Consultation Company
Ltd.**

**Guangxi, China
July 2017**

Endorsement Letter

Pingxiang City Communications Administration Bureau and Guangxi Guoye Project Management Consultation Company Ltd. have jointly prepared the Resettlement Plan for the ADB-financed Phase-I of Connectivity Project in Pingxiang Sino-Vietnam Cross-Border Economic Cooperation Zone.

The Resettlement fully complies with requirements of the relevant laws, regulations and policies of Peoples Republic of China, Guangxi Zhuang Autonomous Region, Pingxiang City Government as well as ADB's Safeguard Policy Statement (2009).

The Resettlement Plan is compiled on the basis of the Feasibility Study Report and the socioeconomic surveys. The Resettlement Plan will only be implemented after it is revised and updated, based on the completed detailed designs of the Project.

The Pingxiang City Government (PCG) hereby acknowledges the contents of the RP, and warrants that the budgetary funds of this RP will be included in the general budget of the Project and made available on time. PCG hereby authorizes Pingxiang Urban Construction Investment Company Ltd. to implement the Project and the overall planning and coordination of the land acquisition and resettlement program. The relevant government departments of Pingxiang City will be responsible for implementing the Project and the related resettlement programs within their jurisdictions.

Agency (Seal)	Signature	Date
Pingxiang City Government	 Handwritten signature in black ink	2017.7.11
Pingxiang Urban Construction Investment Company Ltd.	 Handwritten signature in black ink	2017.7.11

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Abbreviation & Unit of Measurement

ADB	Asian Development Bank
AHs	Affecte Households
APs	Affected Persons
DI	Design Institute
DMS	Detailed Measurement Survey
EA	Executive Agency
F	Female
PLRB	Pingxiang Land Resources Bureau
PMG	Pingxiang Municipal Government
PPMO	Pingxiang Project Management Office
FSR	Feasibility Study Report
GDP	Gross Domestic Product
GZAR	Guangxi Zhuang Autonomous Region
HHs	Households
IA	Implementation Agency
IMA	Independent Monitoring Agency
LA	Land Acquisition
LAR	Land Acquisition and Resettlement
LRB	Land Resources Bureau
M	Male
M&E	Monitoring and Evaluation
MLG	Minimum Living Guarantee
OP	Operational Procedure
PLG	Project Leading Group
PMO	Project Management Office
PPTA	Project Preparation Technical Assistance
PRC	The People's Republic of China
RC	Residents' Committee
RIB	Resettlement Information Brochure
RO	Resettlement Office
ROW	Right of Way
RP	Resettlement Plan
S&T	Science & Technology
TOR	Terms of Reference
US\$	US Dollars
WF	Women's Federation
km ²	Square Kilometers
%	Percentage
<i>mu</i>	Chinese land measuring unit, 1 <i>mu</i> = 1/15 ha. (1 ha.=15 <i>mu</i>)
CNY	Chinese Currency, CNY 1 = 1/US\$ 6.887 (US\$ 1 = CNY 6.887)

Executive Summary

The construction activities of Phase-I of the Connectivity Project in Pingxiang Sino-Vietnam Cross-Border Economic Cooperation Zone (the Project) includes road improvement from Kafeng to Nonghuai road that connects Coc Nam Port of Vietnam with PRC. The Implementation Agency is Pingxiang Urban Construction Investment Company Ltd.

The total area of land required by the Project is 151.63 *mu*, including 6.12 *mu* of the existing road and 145.51 *mu* of collective land for the road improvement. In 2007, 23 *mu* of forest land was acquired (Land compensation has been paid to APs in accordance with the PRC's land law and local regulations, no pending issues is identified). 122.51 *mu* of land comprising 120.02 *mu* of forest land (98.0%), 2.09 *mu* of dry land (1.7%) mostly of homestead vegetable gardens and 0.4 *mu* of house sites (0.3%) are still to be acquired for the Project. 41 families with 205 persons will be affected by land acquisition. The Project will also temporarily acquire 55 *mu*, affecting 11 families with 56 persons. The demolished houses cover 266.8 m² (3 empty non-residing rooms). This will affect 3 families with 14 persons. Electric pole, 2-circuit (1-pole), 10KV power lines, and tele-communication lines will also be affected. There are no vulnerable groups among the 43 affected rural families with 215 farmers.

In order to minimize land acquisition and resettlement, during the preliminary and final stages of the feasibility study, the resettlement consulting agency - Guangxi Guoye Project Management Consultation Company Ltd. -has maintained close contacts with the Design Institute (DI) - Guangxi Forestry Survey and Design Institute, the Implementing Agency (IA) - Pingxiang Municipal Communications Administration Bureau, the local officials, and the Villagers' Committee of Kafeng Village. The exchange of views and recommendations from all parties optimized the engineering design of the road.

The standards for permanent land acquisition are based on the following documents: Land Administration Law of the People's Republic of China (revised in 2004), Decision of the State Council on Deepening Reform and Strengthening Land Administration(Ref. GF[2004]28, October 2004), Urban House Demolishment Management Regulations of the People's Republic of China, Land Administration Law of GZAR, Urban House Demolishment Management Regulations of GZAR, Circular of Chongzuo Municipal Government on Issuance of A New-Round Unified Standards of Annual Output Values for Land Acquisition (CZF[2016] 18), Circular of Pingxiang Municipality on Adjusting the AAOV of the Acquired Land for 3 Years Preceding Acquisition and the Compensation Standards for Fruit Trees of Different Sizes of the Acquired (occupied) Land (PZF[2016]10), Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land. The resettlement plan (RP) complies with ADB's Safeguard Policy Statement (2009) and follows the following principles based on the consultations with the APs, the local governments and the general practice in Pingxiang City: (i) land acquisition and involuntary resettlement should be avoided or minimized where feasible by developing and comparing a series of design alternatives; (ii) compensation and entitlements provided at replacement cost must be adequate to allow those affected to at least maintain their pre-project standard of living, with the prospect of improvement; (iii) land temporarily occupied and the period for disruption are to be kept to a

minimum and such disturbances should be compensated; (iv) all affected persons, regardless of whether they are title holders or not are eligible for compensation and resettlement assistance; (v) a resettlement plan should be prepared and implemented in accordance with state land rehabilitation policy, national economic and social development plans meeting both borrower's and ADB's safeguard requirements; (vi) all those affected will be adequately informed about eligibility, compensation rates and standards, livelihood and income restoration plans, and project timing; (vii) resettlement plan should be coordinated with such things as regional development, economic development and environmental protection; (viii) practical and feasible measures should be formulated to restore income and livelihoods and where feasible to improve them; and (x) close monitoring and timely actions will be carried out to identify and resolve any problems.

The APs have been notified about the key elements of the RP. Information on the Project, land acquisition and resettlement (LAR) impacts of the Project, laws and regulations that are applicable to LAR, compensation packages, livelihood and income rehabilitation plans, and implementation schedule are shared with the project-affected persons (APs). During the 'process of this notification' through surveys and consultation meetings, the majority of the affected families requested that if their land has to be acquired and structures have to be demolished, fair and timely compensation, employment opportunities, and support for their children's education. The APs stated that they are not much concerned with the loss of their lands that have been deserted for many years which bring little earnings. At present they are engaged in lucrative border-trading. Those who will lose their houses expressed their willingness to rebuild their houses at designated resettlement sites with cash compensation. The APs would like to use at least a portion of the compensation to invest in cross-border businesses or to get skill training which would qualify them to be employed at enterprises and institutions. They want that the Project be constructed as early as possible. They expect timely payment of compensation.

The road improvement will facilitate the connectivity of the area with Vietnam and cross-border businesses.

A Resettlement Information Brochure will be distributed among the affected villagers in July 2017. When the Pingxiang Municipal Government and ADB approve the RP, it will be redistributed among affected villages, groups and families before July 2017. A copy of the RP will be kept at the Village Committee for reference. At the same time, the RP will also be uploaded on ADB's website.

The RP will be updated based on the findings of the detailed measurement survey and will be disclosed to all APs, and will be submitted to ADB for review and approval. The Pingxiang PMO and Pingxiang Municipal Communication Administration Bureau will supervise the RP implementation, continue public consultations, monitor the progress of the RP implementation, and attend to grievances, if any. The grievance redress procedures have been well established, and details thereof are included in the RP and Resettlement Information Booklets.

For the people losing land permanently, cash compensation will be paid. No land readjustment will be made without the consent of the APs and the Village Committee. The

compensation standards of farmland and unused land have been increased as high as the standard for orchards (39,702 yuan per mu). Similarly, cash compensation for ground attachments will also be on replacement costs.

The villagers to be relocated shall be allowed to rebuild their houses on the relocation site of the village. The resettlers will get relocation subsidies. The PMO, IA, the Resettlement Office, and the local government will assist LAR implementation. The economic restoration will include: (i) provision of 20 jobs to the APs each year during the construction period; (ii) provision of social insurance - with 30% contribution from the local government and 70% contribution from rural collectives, and farmers (land lost farmers); (iii) promotion of cross-border businesses; and (iv) provision of technical training to the APs to improve their skills so that they could get employed at institutions, enterprises and businesses.

The APs who will lose their land temporarily will get cash compensation for the crops damaged or destroyed. The contractors will restore the land to their original condition and quality (Contractors will receive land recovery fee).

Based on the estimates prepared by the IA, the Project construction will generate 30 person-years of short-term employment opportunities. The APs receive priority in recruiting for Project's work. Each project worker could earn about 2000 Yuan per month.

Those who lose their houses to the Project will receive cash compensation to rebuild them at a resettlement site. The households to be relocated will also receive a relocation allowance and relocation transit allowance. Compensation for ground attachments will be paid to the affected owners.

The cost estimate for land acquisition and resettlement is RMB 6.623859 million at the prices of 2017 that include cash compensation for permanent land acquisition, relevant taxes, monitoring and evaluation (M&E), other costs and contingency. To ensure that the resettlement schedule can be linked with the construction schedule of the Project, LA will begin in March 2018 and be completed in July 2021. The construction will not take place until all eligible APs are fully compensated and relocated, and all arrangements are in place to restore and improve their income sources and livelihoods.

A Grievance Redress Mechanism (GRM) is well established in the Project area. The RP explain its procedures and the Resettlement Information Booklet carries relevant information of GRM.

The implementing agency (IA) of the Project will conduct internal oversight and monitoring to ensure that it fulfills the commitment in compliance with the provisions of the RP. The PMO and the IA agree on a series of supervision time arrangements with ADB to ensure a timely and effective implementation of the resettlement program. An independent monitoring agency in consultation with the PMO will conduct external M&E. The external monitoring report is submitted every six months during the resettlement process, and annually thereafter for two years. The monitoring report will be submitted to the ADB, the PMO and the IA, and uploaded on the ADB's website.

1 Introduction

1.1 Background

The Phase-I of the Connectivity Project in Pingxiang Sino-Vietnam Cross-Border Economic Cooperation Zone (Connectivity Project) is located in Kafeng Village of Pingxiang City.

Pingxiang City is in the multi-cooperative juncture of the China-ASEAN Free Trade Area, the Pan-Beibu Gulf Economic Corporation Zone, and the Greater Mekong Subregion (GMS). It is about only 170km respectively to Hanoi, the capital of Vietnam and Nanning, the capital city of Guangxi Zhuang Autonomous Region (GZAR). The Xiang-Gui Railway, the Nanning - Youyiguan Expressway, the national highway - G322 and the provincial highway - S325 run through the city and connect to the railway and highway system of Vietnam. Pingxiang is also the key city on the Nanning - Singapore Economic Corridor, the important inland transportation pivot of the ASEAN countries, and the most convenient passage to the ASEAN countries in PRC.

Currently, the inter-connectivity has become the development trend, and the common need of all countries of the world. In this regard, infrastructure construction is the basis and the priority. According to the China-ASEAN Connectivity Master Plan, the China-ASEAN Transportation Cooperation Strategic Plan, the "13th Five-Year Plan", general transportation target of Pingxiang Transportation Master Plan, as well as the Government Work Plan for 2016, Pingxiang City will take full advantage of its unique locational benefits and development opportunities to improve its connectivity infrastructure, establish and integrate connectivity network, and accelerate the construction of the China-ASEAN international inland passage. All these have become the imperative needs and the inevitable choices for Pingxiang to further strengthen the border development and cross-border cooperation, upgrade the opening economy, and the construction of the ASEAN-oriented port city.

1.2 Project Description

The proposed Connectivity Project is located in the southeast of Pingxiang City, starting at K0+000 from Puzhai Avenue nearby Busha Village of Pingxiang City, about 700m from S325 highway to the east. The road stretches from the starting point of Nonghuai along X466 county road, and ends at Nonghuai Check Station at K2 + 668, with the total length of 2.668km. The road direction is from north to south. The existing road has been serious damaged and needs urgent improvement. The Pingxiang Urban Construction Investment Company Ltd will rebuild this section of the road (Figure 1-1) .



Figure 1-1 Conditions of the Existing Road

The total investment of the Project is RMB 12.5439433 million with funds from a ADB loan and counterpart funds from PMG. The proposed ADB loan is US\$9.22 million (51%) which is equivalent to RMB 63.498 million. The balance (49%) will be mobilized by PMG from the fiscal revenue. The Project will be started in May 2018 and completed in May 2020 - the construction period is 24 months.

After the completion of the Project, the traffic capacity of the X466 county road will be greatly upgraded to connect the Nonghuai Border Trade Area with the villages of Kafeng, Nonghuai and the S325 highway. The Kafeng - Nonghuai road will be upgraded to Grade-II highway, and the road conditions to the Nonghuai Border Trade Area will be improved, and thus facilitating the economic development of Pingxiang City.

The Project will provide (i) convenient transport conditions for the local people;(ii) further improve the Sino-Vietnam corridors for transportation, logistics and economic development;(iii) strengthen the connectivity of Sino-Vietnam Cross-Border Economic Cooperation Zone and the connection between the urban downtown areas and the border trading points. In addition, the Project will also facilitate the connection between Nonghuai and the outside trunk highway network, help to form the east-west and south-north axial economic development and promote road-side development of cross-border trading, industry and tourism (Figure 1-2).

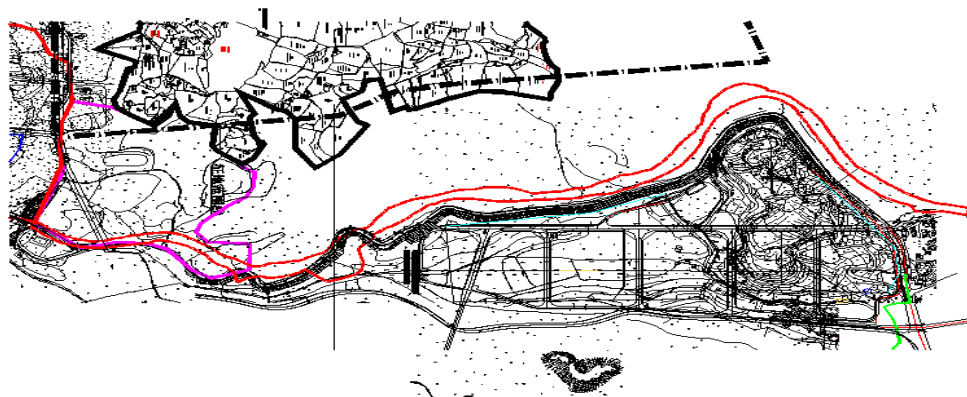


Figure 1-2 Plan of Phase-I of Connectivity Project in Pingxiang Sino-Vietnam Cross-Border Economic Cooperation Zone

1.3 Resettlement Impacts

The land in the ROW of the road includes dryland, forest land, and homesteads. There are a few buildings on ROW. The scope of the project impacts will mainly determined by the measurement survey on the basis of the FSR. The construction of the Project will be preceded by permanent land acquisition, temporary land occupation, residential structure demolition, construction of auxiliaries and basic infrastructures.

The total area required by the Project is 151.63 *mu*, including 6.12 *mu* of the existing road, and 145.51 *mu* of collective land in the Kafeng Village. In 2007, the acquisition of 23 *mu* of forest land was completed (Land compensation has been paid to APs in accordance with the PRC's land law and local regulations, no pending issues is identified). Another 122.51 *mu* of land comprising 120.02 *mu* of forest and 2.09 *mu* of dry land and 0.4 *mu* of homesteads will be acquired.

The Project will acquire 6.1% of the total collective land area in Kafeng Village. This will affect 59% of the total land area of the affected families. Income losses arising from the loss of land amount to 2.0% of total family income or RMB 900 per household each year. Thus the land acquisition impacts on the collective land and villagers' income and livelihoods is limited.

The permanent land acquisition under the Project will affect 41 families with 205 persons. The AFs mostly lose forest land and dryland.

In addition, road diversion, construction sites, and material stacking will occupy 55 *mu* of forest land on temporary basis affecting 11 families with 56 persons. The land acquisition will also result in the demolition of 266.8 m² of residential houses (brick-wood structure). Three families with 12 persons will be affected in Kafeng Village.

In summary, the Project will affect 43 households with 215 persons because of permanent and temporary acquisition of land, house demolition, and ground attachments. No ethnic minorities will be affected by the Project.

Based on the design drawing of the Project and DMS, the RP will be updated and submitted to ADB for review and approval.

1.4 RP Formulation

The draft RP has been prepared by the Guangxi Guoye Project Management Consulting Company Ltd by following the ADB's Safeguard Policy Statement (2009) and the relevant laws and regulations of the People's Republic of China, GZAR, Chongzuo City and Pingxiang City. . The draft RP will be reviewed and approved by PMG and ADB.

The RP preparation is based on the following project documents, legal documents, and the results of public consultations.

1. Design basis.

Project Feasibility Study Report; Economic and Social Development Statistical Communique of Pingxiang City in 2016;

The "13th Five-Year Plan" for Economic and Social Development of Pingxiang City.

2. Legal and Policy Basis

State Council Decision to Deepen Reform and Strictly Enforce Land Administration (Ref. GF [2004] 28);

Land Administration Law of the People's Republic of China (amended in 2004);

Implementation Regulations for Land Administration Law of the People's Republic of China, December 1998;

Notification on Adjusting Newly Added Construction Land Use Fee Collection issued by Ministry of Finance and Ministry of Land Resources [Ref. CZ[2002] 93];

Notice of GZAR on Implementation of Land Administration Law (2001);

Provisional Regulations of Farmland Acquisition Tax (2008);

Guidelines of GZAR for Implementation of the Management Regulations for Urban Housing Demolition (2003);

Methods of GZAR for Implementation of Regulations on Village and Town Planning and Construction (Decree No.15, the People's Government of GZAR);

Notification on Announcement for Average Production Value for Land Acquisition and Demolition Compensation Standards for the Construction Land Use for Basic Infrastructures and Important Projects in GZAR (Ref. GZF[2009] 52);

Circular of Chongzuo Municipal Government on Issuance of A New-Round Unified Standards of Annual Output Values for Land Acquisition (CZF[2016] 18);

Circular of Pingxiang Municipality on Adjusting the AAOV of the Acquired Land for 3 Years Preceding Acquisition and the Compensation Standards for Fruit Trees of Different Sizes of the Acquired (occupied) Land (PZF[2016]10);

Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land and House Demolition in Pingxiang City;

The Safeguard Policy Statement (2009) of ADB. The objectives of ADB's policy on involuntary resettlement are: (i) to avoid involuntary resettlement where feasible; (ii) to minimize involuntary resettlement by deploring project and design alternatives; and (iii) to improve or at least restore the standards of living before the project implementation.

3. Public Participation and Community Consultations

(a) Visits to the Project affected areas

June - July 2016: Consultation meetings with PMG and leaders, representatives and the APs of Kafeng Village;

August - September 2016: Sample socio-economic and LAR survey for AFs;

February - March 2017: Consultation workshops and group discussions with key groups;

Field visit and public consultations in April 2017.

2 Land Acquisition and Resettlement Impacts

2.1 Project Alternatives

To avoid or at least to minimize LAR impacts, Project alternatives have been reviewed in terms of technical, economic, financial, and environmental as well as LAR feasibilities. The optimal option has been adopted for the Project. The following measures, where feasible, will be taken to reduce LAR impacts: (i) strict control of the scope of land acquisition through coordinated surveying and mapping; (ii) avoid acquiring agricultural land, densely populated residential areas, sources of drinking water; forests, and biological environment protection areas. Based on these considerations, Option 2 of the design (K-line) was selected (Table 2-1). The table provides a comparison between A-Line and K-Line options.

A-Line option is to upgrade and widen the existing road. The existing road was completed and put into operation in 2009. It goes to the Nonghuai Border Trade Area together with the S466 county road. The road section is the upper road to the Area, while X466 road is the lower road. As the A-line road was refurbished only in 2009, further actions on it could generate adverse social impacts. In addition, if this section is to be improved, there will be only one road - S466 connecting Nonghuai and Pingxiang downtown. Moreover, the S466 road is so narrow, winding and steep, it would cause serious traffic problems impacting adversely on international trading. Such an action also could have brought in serious negative impacts on the economy of Pingxiang City. It would have caused to demolish many houses. .

The K-Line is 0.415 km longer and more expensive at RMB 48.062607 million than the A-line. However, the K-line would demand fewer houses to be demolished compared with the A-line option. In addition, during the construction period, the existing road can also be used and thus no negative impacts will be caused to cross-border trading. Based on the above, the K-Line option was recommended. It's estimated that the impacts of about 40 mu collective land and 1,000 m² houses are avoided during FSR and RP preparation stage.

2.2 Methods of Impacts Evaluation

The identification of project impacts relies mainly on the statistical data obtained from relevant government organizations, questionnaire surveys, measurement surveys, and consultations with the project-affected persons (APs) during field investigation, site visits, and public meetings. Figure 2-1 shows the site surveys and investigations conducted by the resettlement consulting team.



Figure 2-1: Field Survey and Investigation by Resettlement Consulting Team

From June 2016 to April 2017, under the supervision of the Pingxiang PMO and the IA, full-scale property and socioeconomic surveys were conducted in Kafeng Village to obtain the basic socioeconomic data. The surveys gathered data and information on the scope of the potential project impacts, losses caused by LAR, socioeconomic impacts, suggestions and recommendations of the APs on livelihood restoration and improvement, the resettlement budget, and the monitoring and evaluation indicators.

The Project will affect land, houses, structures, and ground attachments. The lands and structures to be acquired or demolished were surveyed with the participation of the APs. The AP representatives were consulted on compensation standards and resettlement plans.

2.3 The Nature and Scope of Impacts

LAR will include permanent land acquisition, temporary land occupation, house and structure demolition at Bushatun Group and Kafangtun Group¹ of Kafeng Village. Table 2-1 shows the summary of LAR impacts on Kafangtun Village.

¹Bushatun and Kafangtun are two villager groups of Kafeng Village.

Table 2-1 Summary Land Occupation and Resettlement Impacts

Administrative village	Permanent Land Occupation						Temporary land occupation ¹			Demolition of residential houses ²			Total AFs & persons	
	Total area (mu)	Existing road(mu)	Acquired in 2007(mu)	Collective land to be acquired (mu)	Nos. AFs	Affected Population	Total area (mu)	Nos. AFs	Affected Population	Total area (m2)	Nos. AFs	Nos. of the APs	Nos. AFs	Nos. of the APs
Kafeng Village	151.63	6.12	23	122.51	41	205	55	11	56	266.8	3	12	43	215
Total	151.63	6.12	23	122.51	41	205	55	11	56	266.8	3	12	43	215

Notes: 1. Among the 11 HHs affected by temporary land occupation, 9 HHs will be affected by permanent land acquisition at the same time.

2. The AHs and the APs are affected by both residential house demolition and permanent land acquisition.

2.4 Categorized Loss of Impacts

2.4.1 Permanent Land Acquisition

The total land area to be acquired from the collective land reserve for the Project is 122.51 *mu*. (Table 2-2)

Table 2-2 Impacts of Permanent Land Acquisition by Community Group

Affected Village	Nos. AFs Affected	Nos. of APs Affected	Total Permanent Acquisition of Collective Land (mu)	Land category (mu)		
				Dry land Acquired	Forest land Acquired	Homesteads Acquired
Busha Tun	12	55	31.51	2.09	29.02	0.4
Kafang Tun	29	150	91		91	
Grand total	41	205	122.51	2.09	120.02	0.4

Source: RP Preparation Team.



Figure 2-1: Land Forms in the Project Areas

2.4.2 Temporary Land Occupation

The Project will acquire 55 *mu* of land temporarily (Table 2-3).

Table 2-3 Impacts of Temporary Land Occupation

Administrative village	Nos. of AFs Affected	Nos. of the APs Affected	Total area of Land to be Acquired Temporarily (Forest land) (<i>mu</i>)
Kafeng Village	11	56	55

Source: RP Preparation Team

2.4.3 Demolition of Residential Houses

All the residential houses to be demolished by the Project are rural houses in Busha Tun of Kafeng Village. Their total area is 268.8 m². They are of brick-wood structures. The demolition will affect 3 families with 12 persons. An average area of a house is 88.93 m² (Table 2-4). The three houses are not occupied, but used as store houses. During the cross-border peaking seasons, they are rented out to traders. Figure 2-2 shows the latest status of the 3 houses affected.

Table 2-4 Summary of House Demolition

Affected villages	Tun	Nos. of families Affected	Nos. of the APs Affected	Types of structures (m ²)
				Brick-wood
Kafeng Village	Busha Tun	3	12	266.8



Figure 2-2: Current Status of 3 Affected Rural Houses

2.4.4 Impacts on Ground Attachments

Several infrastructural facilities will also be affected by land acquisition. Among them are 1500m of 2-circuit 10KV power lines, 12 electric poles, 1500m of tele-communication optical fiber cable, 4 tele-communication poles, and 1000m of drinking water pipelines. Table 2-5 shows the conditions of the affected ground attachments.

Table 2-5 Affected Ground Attachments

Item	Unit	Nos. affected
2-Circuit 10KV HV electric pole	pcs	12
2-Circuit 10KV HV electric wires	1000m	1.5
Tele-communication optical fiber cable	1000m	1.5
Tele-communication pole	pcs	4
Drinking water pipeline	m	1000

2.5 Affected Population

2.5.1 Affected Families and Population

The Project will affect 43 households with 215 persons in Kafeng Village (Table 2-6).

Table 2-6: Project Affected Families and Population

Administrative village	Permanent LA		Temporary land occupation		Demolition of residential houses		Total	
	Nos. of AFs	Nos. of the APs	Nos. of AFs	Nos. of the APs	Nos. of AFs	Nos. of the APs	Nos. of AFs	Nos. of the APs
Kafeng Village	41	205	11	56	3	12	43	215

2.5.2 Affected Vulnerable Groups

No vulnerable or ethnic minority household will be affected by the Project.

2.6 Calculation of Land Losses

The Project will permanently acquire 122.51 *mu*. In the Project, there are two natural TUNS² of one village. The Project will affect their collective land. The total land area of the affected Kafeng villages is 2000 *mu*. Thus the land lost to the Project is 6.1% of the total collective land area. From the viewpoint of AFs, they lost nearly 60% of their deserted forest land. About 2.09 *mu* of the acquired land are homesteads where vegetable gardens are. The average annual income of a family is RMB 44,500. The loss of income from land because of land acquisition of agricultural land is only 2.8% of the total family income (RMB 1260). Table 2-7 and Table 2-8 show the land loss analysis for Kafeng Village and AFs respectively.

Table 2-7: Permanent Land Loss Analysis for Kafeng Village

Administrative village	Before Project				Impacts by Project				Land loss ratio		Balance cultivated land (<i>mu</i>)
	Total Households (nos.)	Total Population (person)	Total area (<i>mu</i>)	Where: Cultivated land (<i>mu</i>)	Affected households (nos.)	the APs (person)	Total area (<i>mu</i>)	Where: Cultivated land (<i>mu</i>)	Total area (%)	Cultivated land (%)	
Kafeng Village	664	2459	2000	150	41	205	122.51	2.09	6.1	1.4	147.91

² Villager groups, like hamlets.

Table 2-8: Impacts of Land Acquisition Impacts on Families

S/L	Items	Kafeng Village
I	Impacts	
1	Nos. of AFs	41
2	Affected agricultural population	205
4	Land Acquisition (<i>mu</i>)	122.51
5	Cultivated and area of AFs (<i>mu</i>)	2.09
6	Cultivated land needed by Project (<i>mu</i>)	2.09
7	Land loss rate of each family (%)	59.8
8	Income loss rate each family (%)	2.0
II	Sources of Income	
12	Agricultural farming (RMB)	500
13	Annual total family income	44500
III	Land loss proportion - in terms of family	
S/L		
14	< 10%	5
15	> 10% - 30%	24
16	> 30% - 50%	10
17	> 50% - 70%	2
18	> 70% - 90%	0
19	> 90%-100%	0
20	100%	
21	Total	41
IV	Land loss proportion - in terms of affected population	
22	< 10%	26
23	> 10% -30%	119
24	> 30% - 50%	51
25	> 50%-70%	9
26	> 70% - 90%	0
27	> 90%- 100%	0
28	100%	
	Total	205
V	Income loss proportion - in terms of affected population	
29	< 10%	172
30	> 10% -30%	24
31	> 30% - 50%	9
32	> 50%-100%	0
	Total	205

3 Socio-economic Profile of the Affected Areas and Population

3.1 Socio-economic Profile of Pingxiang City

There are four towns within Pingxiang City jurisdiction, Pingxiang, Youyi, Xiashi and Shangshi. The total land area is 645 km², the total population by end of 2016 was 0.1175 million. The population density is 182 persons per square kilometers.

By the end of 2016, the registered population in the Pingxiang City was 0.114 million. Its annual population increase is 1.3%. Of the total population, 0.0378 million people belonged to non-agricultural population (33.2%). There were 0.0591 million men (51.8%) and 0.055 million women (48.2%). The birth rate is 1.67%, and the death rate is 0.38%, and the natural growth rate is 1.3%. The proportion of urban population is 71%.

In 2016, the entire residents' average disposable personal income (DPI) was RMB 20,208, increasing by 9.6%. Among them, the DPI for urban residents was RMB 29,772, increasing by 8.1%, and the DPI for rural residents was RMB 9889, increasing by 10.2%.

3.2 Socio-economic Profile of the Affected Areas and Population

In March 2017, a socioeconomic survey was conducted to: (i) compile socioeconomic information of potential the APs; (ii) ascertain APs awareness of the proposed Project; and (iii) identify the APs' preferences and views regarding land acquisition, house demolition and income rehabilitation measures.

The survey covered all the affected villagers and their families. 43 families were affected by permanent land acquisition. Table 3-1 shows the socioeconomic status of the affected villages.

Table 3-1: Socioeconomic Status of the Affected Villagers

Indicator	Kafeng Village
Total Households (nos.)	664
Total Population (person)	2459
Female	1286
Agricultural population (person)	2459
Non-agricultural population (person)	0
Total labors (person)	1466
Industrial labor	0
Agricultural labor	140
Tertiary labor	1326
Total land area (<i>mu</i>)	2000
Total cultivate land area (<i>mu</i>)	150
# Paddy field	50
# Dry land	100
Total forest land area (1646
Total orchard land area (<i>mu</i>)	200
Total fish pond area (<i>mu</i>)	4

Source: Kafeng Village Committee in 2016.

3.2.1 Demographic Features of Affected Population

All surveyed families and population belong to rural registers. The total family members are 215 of whom 52% are women and labor force accounts for 59.6% of the total population. The age categories of the surveyed population show that the population is distributed as follows: between 20-50 years - 48.84%; between 51 - 60 years old - 13.02%; and between 60-70 years old - 9.7%.

41% persons attended primary school; 22% members attended secondary school; 14% members attended high school. About 9% of them attended collage or higher studies.

About one-third of the labor force is engaged in tertiary industries; 17% are engaged in agriculture and sideline businesses; 36% are engaged in institutions and enterprises. Most of them search seasonal wage work in non-agricultural sectors during low-peak seasons in agricultural production. Women go out to engage in temporary work, and some young people also go out in search of seasonable work.

Table 3-2: Demographic Characteristics of Affected Persns

Indicator	M		F		Total	
	Population	%	Population	%	Population	%
Nos. of families: 43						
Average population per family: 5						
Age						
≤6 years	12	11.98	12	10.70	24	11.16
7-19	12	11.22	11	10.05	23	10.70
20-35	25	23.92	27	24.13	52	24.19
36-50	25	24.51	28	24.79	53	24.65
51-60	13	13.05	15	13.31	28	13.02
61-70	10	9.42	11	9.94	21	9.77
≥71 years	6	5.89	8	7.07	14	6.51
Total	103	100	112	100	215	100
Composition						
Children (below 7 years old)	14	13.59	15	13.39	29	13.49
Students	12	11.65	7	6.25	19	8.84
Labor	61	59.22	67	59.82	128	59.53
Retired *	16	15.53	23	20.54	39	18.14
Total	103	100	112	100	215	100
Education						
Before schooling	14	13.59	15	13.39	29	13.49
Primary School	42	40.78	46	41.07	88	40.93
Secondary School	23	22.33	25	22.32	48	22.33
High school or occupation school	15	14.56	16	14.29	31	14.42
College or above	9	8.74	10	8.93	19	8.84
Total	103	100	112	100	215	100
Occupation						
Agricultural sideline production	9	14.75	13	19.40	22	17.19
Tertiary industry	23	37.70	18	26.87	41	32.03
Enterprises & institutional units	18	29.51	28	41.79	46	35.94
Seasonal works in	11	18.03	8	11.94	19	14.84

Indicator	M		F		Total	
	Population	%	Population	%	Population	%
nearby factories or enterprises						
Total	61	100	67	100	128	100

Note: The retired person means female 55 years, male 60 years. Source:?

3.2.3 Housing Status

3 houses will be demolished and the residents, if any, will be relocated. Site visits found that the 3 houses were vacant and currently being used as a storage facility. During busy seasons of cross-border trade, the house owners rent the houses. The average living area of a house in the Project area is 88.93m², and the largest one is 100m²

Table 3-3: Construction Area of the Surveyed Households (N=3 households) Unit: m²/Household

Houses	Smallest	Largest	Average
Nos. of rooms	1	2	1.5
Construction area (m ²)	68	100	88.93

Source: HHS survey by RP preparation team.

3.2.3 Land Use

The affected village has 150 *mu* of cultivated land, 664 households and 2,459 persons. The average cultivated land per household is 0.23 *mu*, with an average of 0.06 *mu* per capita. Most of the land in the village is paddy fields, forest land, and grass land. The key agricultural crop is paddy rice. As a result of land acquisition, the village will lose 6.1% of the collective land, including 1.4% of the cultivated land.

3.2.4 Economic Status of Households

The average annual income of a household is RMB 44500 or RMB 8900 per capita. 44.9% of household income comes from seasonable labor, 1.12% from agricultural and sideline, 15.13% from government subsidy, 39.65% from house rental, small business and other incomes. On average, at a household, the husband contributes about 60% and the women about 40% to the household kitty. (Table 3-4)

Table 3-4: Per-Capita Economic Status of Interviewed Families

Sources of Income	Annual Household Average Income					
	Total income (RMB)	%	Male Income (RMB)	%	Female Income (RMB)	%
Wage labors	19620	44.09	10202	39.13	9418	51.10
Agricultural sideline production	500	1.12	150	0.58	350	1.90
Government subsidies	6735	15.13	3368	12.92	3368	18.27
Doing small business	17645	39.65	12352	47.38	5294	28.72
Grand total	44500		26071		18429	

Source: HHS survey by RP preparation team.

The average annual expenditure per capita is RMB 5900, of which RMB 2150 is spent on food (36%); RMB 1300 on housing (22%); RMB 160 (2.7%) on clothes; RMB 400 on daily necessities (6.8%); RMB 760 on telecommunication and transport (13%); RMB 380 (6.4%) on medical care; and RMB 680 on education and cultural entertainment (11.5%). (Table 3-5).

Table 3-5: Composition of Family Expenditure

Expenditures	Annual average per-capita expenditure (RMB)	Annual average expenditure per household (RMB)	Total house expenditure (%)
Foods	2150	10750	36.44
Residential	1300	6500	22.03
Clothes	160	800	2.71
Daily necessities	400	2000	6.78
Transportation and telecommunication	760	3800	12.88
Education and entertainment	680	3400	11.53
Medical care	380	1900	6.44
Others	70	350	1.19
Annual average expenditure per household	5900	29500	100.00

Source: HHs survey by RP preparation team.

3.2.5 Gender Perspectives on Resettlement

The majority of survey respondents, both male or female, requested fair and timely compensation. They were less concerned with the land acquisition because cross-border trading bring good benefits and income to them. They are not willing to engage in agricultural production anymore. As for the deserted forest land and dryland, they would prefer to get cash compensation so that they could invest such money incross-border trade or to get some skill training, or to purchase vehicles and machinery orto buy insurancescheme, or to deposit compensation money in a bank for future use.

Of the total the APs of 215 persons 52% are females who include 70 working women. As more men move out of the villages in search of seasonable wage labor, more and more women engage in agricultural and sideline activities. As a result, their income from farming and sideline activities is 1.32% higher than that ofmen. Thus, the impact of land losses to the Project will be slightly higher for women than for men. However, the land acquisition also provides opportunities for women to be engaged in non-agricultural activities which are more lucrative for them. Such business or employment opportunities will reduce women's heavy workload associated with farming. At the same time, they could earn higher income from tertiary industries. As a result, the affected women are willing to give up their land for the Project. To switch from agricultural activities to service industry, women need the support of the local government and IA to get skill training programs and to facilitate paper work.

The impact of land acquisition on women is greater than that on men. LA, however, also gives women better job opportunities for non-agricultural work. These jobs will enable them to gain more from the development of the tertiary industries. As a result, women support the Project, and hope that during project construction and after its completion they will be given priority in access to jobs and income opportunities, and their different needs will be fulfilled. The gender analysis of the resettlement impacts is shown in Table 3-6.

Table 3-6: Gender Related Actions for the Affected Women

Gender issue	Interest/Risk	Project impact	Mitigation measures
1.Land, property and	Women's rights to	Women, like men, have the same rights in	(Monetary

Gender issue	Interest/Risk	Project impact	Mitigation measures
compensation rights	land and property could be stripped without appropriate compensation	land compensation and relocation. The Project will not have negative impacts on women.	compensation or improvement of residual land and adjustment of crops
2. Production and income recovery after LA	Women are disproportionately affected and are less assisted	All AHs only lose land partially and as a result, they only lose part of their income. The use of compensation is determined by the AHs. AHs will continue to engage in their current livelihoods and employment. In addition to cash compensation, the Project will assist AHs to recover income (such as priority employment, technical training and later support, etc.). The Project assures that such assistance will be equally shared by men and women.	(1) Women will receive compensation for LA direct; (2) at least 50% women will receive skill and technical training; and (3) women will be given at least 30% of non-technical jobs at worksites during the project construction
3. Increasing gender inequality	Resettlement leads to greater burden or less chance for women for recovery and improvement	The Project will help in decreasing gender inequality. Adequate compensation will help women to change their farming patterns such as planting more cash crops which will increase women's income.	The Project authorities will monitor the progress.
4. Community network system	Disruption of social network	The Project will not seriously impact on community networks.	No effect
5. Affecting health or increasing social problems	Health problems or social problems due to resettlement pressure (violence, HIV transmission, etc.)	The Project will have some impacts on economically vulnerable AHs.	The civil administration of the City will provide extra assistance to such AHs.

4 Public Participation and Information Publicity

4.1 Public Participation Strategy

The resettlement planners have paid great attention to public participation and consultation of the APs and other stakeholders. Their comments have been solicited in formulating the RP.

4.2 Methods and Measures of Public Participation

During the preparation of the project FSR, the PPMO, IA and DI have held several meetings with the relevant organizations and RCs' representatives regarding land acquisition and resettlement issues and compensation policies. Comments and suggestions have been obtained on the resettlement site, compensation, and the livelihood and income rehabilitation plan.

During the Project implementation phase, the PPMO, IA and RO will encourage local residents to involve in the land acquisition and livelihood rehabilitation and income restoration processes. Thus public participation and consultations are an on-going process.

4.3 Public Participation

During the preparation of the RP, all relevant organizations and representatives participated in the following activities:

(1) During the measurement survey for land acquisition and resettlement in June 2016, all relevant organizations responsible for land acquisition and resettlement, and representatives of community residents (including women) participated in survey activities. During the survey, women checked the data, identified locations, and carefully checked and read the survey final results.

(2) In August 2016, the PPMO, IA and RO organized meetings among Residents Committees' (RCs) cadres, RCs' representatives, and the APs in order to publicize the national, provincial, and municipal resettlement policies and ADB Safeguard Policy Statement (2009). Comments have been solicited from the participants for minimizing the project impacts, and determination of compensation rates, and the resettlement and rehabilitation plan. With extensive consultations, the APs agreed to accept cash compensation or replacement resettlement in accordance with the national laws and regulations.

(3) During resettlement planning in March 2017, The PPMO, IA, DI, and other relevant organizations visited Kafeng village and the APs, held meetings to solicit villagers' comments on land acquisition and resettlement, compensation policies and standards, resettlement plan, and income restoration measures. These consultation meetings and investigations have generated lots of interests on resettlement issues, compensation policies and entitlements, and the income rehabilitation plan.

(4) In order to strengthen the project awareness and outreach, the Pingxiang PMO, IA and resettlement consulting team conducted questionnaire surveys among the affected communities in March 2017. The surveys have covered all the affected villages and families,

and as a result, the survey results are reliable and reflect the preferences and concerns of the APs.

(5) Consultation workshops on environment and resettlement were conducted in March 2017. The results of the consultations indicate that, in general, the APs require timely completion paid in full and on timely basis.

4.4 Women Participation

Women in the Project area enjoy equal rights with men. They play an important role in project planning, design and implementation. During the field survey, over 50% of women have participated in the survey on land acquisition, house demolition and inventory index preparation. Meanwhile, the local government organized the resettlement consultation meeting (with at least 50% participants of women). Several representatives of the Pingxiang City Women's Federation too participated in consultations to fully solicit the opinions of local women. In general, the local women are concerned with the following issues: (a) fair compensation standards; (b) timely compensation payment; (c) more government assistance and preferential policy for women during land acquisition and income restoration.

4.5 Information Disclosure

4.5.1 Resettlement Information Brochure

The IA in association with the resettlement consulting agency - Guangxi Guoye Project Management Consulting Company Ltd., have prepared a resettlement information brochure (RIB). A copy of RIB will be distributed to each AH before 20 August 2017. The key components of the RIB are: (i) general description of the Project and its anticipated socioeconomic benefits; (ii) impacts of the Project; (iii) relevant laws and regulations applicable to LAR; (iv) basic rights and entitlements of the APs; (v) compensation rates; (vi) resettlement and income restoration plan and grievance redress mechanism and procedures; and (vii) implementation schedule. Consultation meetings, individual interviews, and focus group discussions seek their opinion on various aspects of the RP, including compensation rates. The APs were satisfied with the compensation rates and the rehabilitation measures proposed. What they expect was to acquire their land as early as possible, as they want to get cash compensation to start businesses. They will be ready to sign the agreements on the entitlements. The disclosure procedure can increase the transparency during the resettlement implementation. At the same time, it will help the APs to understand how they can convey their requests and appeals through various channels (including the RC, PPMO, IA and RO, PLRB and court) and the methods of communication (i.e. by visiting, writing letter or telephone).

4.5.2 Disclosure of RP

The draft RP will be distributed among the APs at Kafeng Village in July 2017. The approved RP by PMG and ADB will be disclosed to the APs at Kafeng Village before July 2017. A copy of the RP will be also given to RC of Kafeng Village. At the same time, the RP will be also uploaded on ADB website. The RP will be updated based on the detailed measurement survey (DMS) in February 2018, and will be re-disclosed to APs and re-submitted to ADB for review and approval prior to start of land acquisition and resettlement activities.

4.6 Public Participation Plan during RP Implementation

In order to address the problems and needs of the APs regarding LARadequately and timely manner, further consultations with the APs will continue so that all issues may be addressed prior to the commencement of construction work and the implementation of the RP. These meetings will be arranged by the IA. Each AH will have the opportunity to negotiate the compensation contract, which they will sign with the RO (Figure 4-1 to Figure 4-4). Table 4-1 lists the plan and procedure of public consultations. Table 4-2 lists the results of public consultations.

Table 4-:1: Plan and Procedures for Public Consultations

Objectives	Forms of meeting	Time	IA	Targeted participants	Remarks
1. Introduce the Project and the RP to the APs and solicit their opinions.	Villagers' meeting & group discussion.	June - July 2016	EA, IA, DI, District Gov. RC	All LA the APs	Meetings held in affected RCs
2. RIB disclosure	RC meetings, concerned groups discussions	April 2017	IA, Town Gov., RC, PLRB	All LA the APs	Publicize RIB, discuss key issues and the APs' suggestions and solicit opinions
3. Share the final RP with the APs	Villagers' meetings and key groups discussions	August 2017	EA, IA, DI, Town Gov. RC	All LA the APs	Publicize final draft RP to the APs, discuss key LA issues, solicit opinions from them
4. Conduct DMS	Site survey and household interviews	October, 2017	PPMO, IA, Town Gov., RC, PLRB	All LA the APs	Survey of LA, in-kind indexes, search for socio-economic data
5. Suggestions to the APs of entitlements and dates of compensation payment	Villagers' meetings	February 2018	PPMO, IA, Town Gov., RC	LAR beneficiaries and the APs	Organize AFs' meeting to introduce eligible compensation and entitlements
6. Release detailed schedule and updated RP to the APs before ADB's approval of the RP	Villagers' meeting and key groups discussions	December 2017	PPMO, IA, RO	All project participants, beneficiaries and the APs	Meetings with beneficiaries & the APs
7. Consultations with the APs and project beneficiaries	Household interviews	February 2018 - October 2020	PPMO, IA, Town Gov., RC, PLRB, external monitor	Random sampling	Provide suggestions and update RP monitoring plan

Notes: PLRB = Pingxiang Land Resources Bureau; RO = Resettlement Office; RC = Residents' Committee.



Figure 4-1: Discussion between Resettlement Consulting Team and Township Government on Compensation Standards and LA



Figure 4-2: Discussion between Resettlement Consulting Team and Kafeng Village Groups on Compensation Willingness & Scheme



Figure 4-3: Discussion between Resettlement Consulting Team and Busha Tun Representatives on Compensation Willingness & Scheme



Figure 4-4 Household Survey to Kafang Tun of Kafeng Village by Resettlement Consulting Team

Table 4-2: Results of Public Consultations

Location	Time	Means	Participants	Key issues	
				Discussion contents	Suggestions from the APs
Kafeng Village RC	June - July 2016	Survey on resettlement	40 (18 females)	Brief project introduction, LAR impacts and mitigating LAR impacts measures	Highly support the Project construction, scope of LAR impacts, LAR timing, fair and timely compensation.
Kafeng Village RC	August - September 2016	Consultation meeting	50 (26 females)	Compensation standards, entitlements, relocation scheme and income restoration measures.	Agree on compensation standards and income restoration measures. The local government shall assist tertiary industrial development and provide employment on priority basis and necessary skill training.
Kafeng Village RC	March 2017	panel discussion	20 (18 females)	Major contents of RP: LAR impacts, laws, regulations and compensation, entitlement, resettlement plan and livelihood and income restoration plan, grievance procedures, schedule, etc.	Timely compensation disbursement, assistance from the local government for the APs to develop tertiary industries, and a well established grievance redress procedures.
total			110 (66 females)		

For smooth and successful RP implementation, the APs will be encouraged to actively participate in land acquisition and resettlement activities. The Project construction will cause some impacts more or less on local people. In order to ensure that the APs may benefit from the Project, it is necessary to engage them in the project construction phase. Employment of local people at the project sites will receive priority of contractors.

5 Appeals and Grievances Procedures

The APs can make complaints regarding resettlement issues and compensation. In addition to the existing grievance redress channels at the local government, the Project has also established a transparent grievance redress channel. The first step of a grievance procedure is the RC which acts as the local grievance redress mechanism. The legal resolution is the last step proposed for the APs in case that they are not satisfied with the decisions made the RC.

The APs will be informed of the above grievance and appeal procedures through public information meetings, the RIB, and the media, so that they can fully understand their rights and grievance redress procedures and appeal procedures. The resettlement implementation organizations should resolve the grievances of the APs in a timely and transparent manner. The basic grievance redress procedures include the following steps.

Step 1: If any AP is aggrieved by any aspect of the land acquisition and resettlement, he/she can state his/her grievance, and appeal to the RC in oral or in written form for relief. If an oral appeal is made, the RC will record it on paper and process it. The RC will make a decision on it or resolve it within two weeks. The AP will be informed of the result through written notice.

Step 2: If the aggrieved AP is not satisfied with the decision in Step 1, he/she can appeal to the district government office. The district government office will reach a decision within two weeks. The AP will be informed of the result through written notice.

Step 3: If the aggrieved AP is not satisfied with the decision of the district government office, he/she will appeal to the PPMO and the PLRB. The PPMO or the PLRB will reach a decision within two weeks. The AP will be informed of the result through written notice.

Stage 4: If the appellant is still dissatisfied with the disposition of Step 3, he/she may file an appeal with competent administrative authorities in accordance with the Administrative Procedural Law of the PRC for arbitration. At any stage of the inquiry, an AP can file an action in a court of law in accordance with the relevant Procedural Law of the PRC.

Affected persons can decide to go through the legal system directly or may decide not to use the project-level grievance channels. An aggrieved person may also express grievance to the external monitor, who would then report to it to PPMO and ADB. Alternatively, the aggrieved person(s) may submit a complaint to the ADB project team to try to solve 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 affected persons may appeal directly to ADB in accordance with ADB's accountability mechanism³.

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 construction phase of the project, the above procedures will remain effective so that the APs can use it to solve their relevant issues and grievances. The above appeal channel will be disclosed to the APs via the RIB and mass media.

³For more information, see <http://www.adb.org/Accountability-Mechanism/default.asp>.

Officer responsible for the GRM and appeals in PPMO is: Mr. Bai; Phone number: 15678113663.

6 Legal Framework and Policies

6.1 Applicable Laws, Regulations, and Policies for LAR

The People's Republic of China has established and implemented laws, regulations, and policies on land acquisition, resettlement, and compensation for many infrastructure projects.

The land acquisition, and resettlement program of this Project will comply with the laws and regulations of PRC, local government regulations and safeguard policy requirements of the ADB. The applicable laws, regulations and policies are:

- (a) State Council's Decision to Deepen Reform and Strictly Enforce Land Administration (Ref. GF [2004] 28);
- (b) Land Administration Law of the People's Republic of China (amended in 2004);
- (c) Implementation Regulation for Land Administration Law of People's Republic of China (December 1998);
- (d) Notification on Adjusting Newly Added Construction Land Use Fee Collection issued by Ministry of Finance and Ministry of Land Resources [Ref. CZ[2002] 93];
- (e) Temporary Regulations on Farmland Acquisition Tax of People's Republic of China, 2008;
- (f) Method of GZAR on Implementation of Land Administration Law of the People's Republic of China (2001)'
- (g) Methods of GZAR for Implementation of Regulations on Village and Town Planning and Construction (Decree No.15, the People's Government of GZAR);
- (h) Notification on Announcement for Average Production Value for Land Acquired and Demolishment Compensation Standards for the Construction Land Use of GZAR Basic Infrastructures and Important Projects [Guifagaifagui (2009) 52];
- (i) Implementation Methods of GZAR farmland occupation tax [Guizhengfa (1987) No. 88 59];
- (j) Notification on Announcement for Average Production Value for Land Acquisition and Demolishment Compensation Standards for the Construction Land Use for Basic Infrastructures and Important Projects in GZAR (Ref. GZF[2009] 52);
- (k) Circular of Chongzuo Municipal Government on Issuance of A New-Round Unified Standards of Annual Output Values for Land Acquisition (CZF[2016] 18);
- (l) Circular of Pingxiang Municipality on Adjusting the AAOV of the Acquired Land for 3 Years Preceding Acquisition and the Compensation Standards for Fruit Trees of Different Sizes of the Acquired (occupied) Land (PZF[2016]10);
- (n) Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land and House Demolition in Pingxiang City;
- (m) ADB's Safeguard Policy Statement, June 2009.

6.2 Related Laws and Regulation of the People's Republic of China

This Project will be implemented based on the People's Republic of China Land Administration Law (effective as of January 1, 1999 and amended in 2004), Document 28: State Council Decision to Deepen Reform and Strictly Enforce Land Administration issued by State Council, October 2004, as well as the other relevant laws and regulations.

6.2.1 State Council Decision to Deepen Reform and Strictly Enforce Land Administration, (GF[2004]28)

Article 12: Strengthening the Land Acquisition Compensation. Local government at or above county level shall adopt effective measures to ensure the living standards of the rural farmers with requisitioned land be not decreased. It should be ensured that land compensation fees, resettlement subsidies and compensation for ground attachments and standing crops shall be provided in accordance to applicable laws and regulation in full and in time. If the land compensation fees and resettlement subsidies as stipulated by law still cannot be able to maintain the original standards of the land-losing farmers and are not adequate to cover the social insurance costs of the landless farmers, the provincial government shall approve an increase in the resettlement subsidies. If the sum of the land compensation fees and resettlement subsidies has reached the legal upper limit but still cannot maintain the original living standards of the farmers, the local government can provide additional subsidies with the use of revenues from the sales for the use of state land. The People's government of provinces, autonomous region and municipality under the Central Government shall formulate the general AAOV standard or the consolidated regional land price. The compensation price for land acquisition shall be uniformed for the land of same category. The land acquisition cost of national key project shall be fully included in the project budget. The standard of compensation for requisition of land to build large or medium-sized water conservancy or hydroelectric projects and the measures for resettling relocated people shall be prescribed separately by the State Council.

Article 13: Properly resettling farmers whose land is acquired. Peoples Governments at the county level and above shall formulate concrete measures to guarantee the long-term livelihood of the farmers whose land is taken. The farmers shall be given stocks for land-taking projects that have stable revenues. Requisition of the collective land within the boundary of urban planning shall include those landless farmers due to land acquisition into the urban employment system, for which, the social security system shall be established. As for the requisition of the collective land outside the urban planning, the local government shall reserve necessary cultivating land within the administrative area, or provide with job arrangement for the displaced farmers. The landless farmers who do not have basic production and living conditions shall be resettled on migratory basis. The labor and social insurance departments shall cooperate with other relevant departments to provide guidance on the establishment of employment training and social insurance program for land-losing farmers.

6.2.2 Land Administration Law of the People's Republic of China

Adopted at the 16th Meeting of the Standing Committee of the Sixth National People's Congress on June 25, 1986, and revised at the 4th Meeting of the Standing Committee of the

Ninth National People's Congress on 1 January 1998. Revised at the 5th Meeting of the Standing Committee of the Seventh National People's Congress.

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

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

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

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

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

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

6.2.3 Implementation Method of GZAR for Land Administration Law

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

Article 8: The rural collective-owned land is legally owned by the farmer's collectives, and managed and administrated by the village collective economic bodies. If the land in a village is owned by more than two rural collective economic bodies, each of the bodies or village group

shall manage and administrate the land. Land already owned by peasant collectives of a township (town) shall be operated and managed by rural collective economic organizations of the township (town).

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

(I) strictly follow the overall land use plan and dominate the gross land size used for construction and protect the cultivated land.

(II) Guide the land demand by land supply, and rationally and effectively utilize the land.

(III) Give priority of land use to national and regional key construction projects, infrastructure projects, and the projects encouraged by national industrial policies.

(IV) Protect and improve the ecological environment and the sustainable use of the land resources.

Article 26: The followings shall abide by in reclaiming new cultivated land in same size and quality of the cultivated land requisitioned for non-agricultural construction.

(i) Within the land boundary for urban construction defined in the overall land use plan, the local city, county government shall be responsible for organizing reclamation for implementation of the planned urban construction;

(ii) Within the land boundary for construction of village or town facilities defined in the overall land use plan, the town or township government shall be responsible for organizing the rural collective economic bodies or the land occupying organization to reclamation for implementation of the planned construction of village or town facilities;

(iii) For the cultivated land occupation for construction of power generating, transportation, water conservancy, mining and military facilities beyond the land boundary for urban and rural construction defined in the overall land use plan, the land occupation organization shall be responsible for reclamation of new cultivated land.

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

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

Article 45: Each rural villager's household shall have only one piece of house plot. Construction of villager's residence shall be in compliance with the overall land use plan of the town/township, and shall be in combination of the reconstruction of the old village and take full advantages of the old house plot, idle land and waste land on hills within the village. Occupation of farmland shall be strictly limited.

(i) size of house plot in plain and suburban areas shall not exceed 100 square meters for each household; and

(ii) size of house plot in uplands and hilly areas shall not exceed 150 square meters for each household.

6.3 ADB Involuntary Resettlement Policy

ADB's Safeguard Policy Statement specified the 3 key elements of the involuntary resettlement: (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the Project as without it.

For any ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the Project cycle, taking into account the following basic principles:

(i) 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.

(ii) Carry out meaningful consultations with affected persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. 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.

(iii) Improve, or at least restore, the livelihoods of all displaced persons through (a) 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, (b) prompt replacement of assets with access to assets of equal or higher value, (c) prompt compensation at full replacement cost for assets that cannot be restored, and (d) additional revenues and services through benefit sharing schemes where possible.

(iv) Provide physically and economically displaced persons with needed assistance, including the following: (a) 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; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) civic infrastructure and community services, as required.

(v) 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.

(vi) 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.

(vii) 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.

(viii) 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.

(ix) 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.

(x) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of projects 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.

(xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close monitoring throughout project implementation.

(xii) 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.

6.4 Comparison between PRC Legal System pertaining to LAR and ADB's Involuntary Resettlement Safeguard Policy

Table 6-1 presents that the key differences in respect of legal rights or property certificates, information disclosure, and consultation.

Table 6-1 Differences between ADB and PRC Policies

PRC's Laws and Regulations	Safeguard Policy Statement (2009), ADB	Differences	Offsetting measures
<p>The governments at or above the county level of PRC shall ensure the timely and full payment of the land compensation, resettlement subsidies, ground attachment and crops compensations according to the prevailing laws and regulations. If the land compensation and resettlement subsidies could not safeguard the living standards of the displaced farmers, or insufficient to pay the local social insurances, the provincial government shall approve the increase of resettlement subsidies. If the land compensation and resettlement subsidies have reached the ceiling by laws and still fail to safeguard the existing living standards of the displaced farmers, the local government shall provide additional subsidies to the displaced farmers from the income of selling state-owned land.</p>	<p>The following measures shall be adopted to increase or at least restore living standards of all the APs: (i) adopt land-based resettlement strategies when AFs are land-based, where possible, or cash compensation at replacement value for land when the loss of land does not undermine livelihoods; (ii) to adopt prompt replacement of assets with access to assets of equal or higher value; (iii) to adopt prompt compensation at full replacement cost for assets that cannot be restored, and (iv) to apply additional revenues and services through benefit sharing schemes where possible.</p>	<p>No differences. However, PRC laws and regulations for resettlement and compensations are normally formulated as a decision making from top to bottom, while ADB's safeguard policy is emanates from bottom to top, and emphasizes the importance basing decisions on community and public consultation and surveys.</p>	<p>The local government and the IA endeavor to attract the APs and project stakeholders to participate in the project design and RP preparation observing ADB's Safeguard Policy Statement which includes the APs' participation in negotiation of compensation standards and determination of income and livelihood restoration plan. The local government and the IA will continue to follow the principle of being transparent, consistent, and equal during the RP implementation.</p>
<p>Chinese laws and regulations stipulate that no compensation shall be made against the demolition of the illegal structures and temporary structures which the ownership certificates have expired.</p>	<p>ADB's Safeguard Policy Statement stipulates that the displaced people shall also be entitled to get lawful resettlement subsidies and compensation for non-land losses regardless of the land ownership rights or any other acceptable land ownership rights. In rural areas, the displaced people shall be provided with legal and affordable land and resources; while in urban areas, the displaced people shall be provided with legal, affordable and big enough houses.</p>	<p>According to the prevailing laws and regulations, no compensations shall be made for the structures that are built in violation of laws and regulations and without ownership certificates. However, according to ADB's Safeguard Policy Statement, these APs shall be entitled to get the resettlement subsidies, non-land loss compensation and income restoration measures.</p>	<p>The ADB's policies ensure that all the APs shall be protected and compensated regardless of the possession of the ownership certificate, house use rights, land use rights or leasing rights. .</p>
<p>No relevant laws and regulations for vulnerable groups.</p>	<p>The ADB's policies 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.</p>	<p>Chinese laws and regulations stipulate that all the APs are equally treated, without special consideration for the vulnerable groups. On the contrary, the ADB Safeguard Policy Statement requires giving special concerns on the vulnerable groups, including women.</p>	<p>The local government and the IA have placed the issues of care for vulnerable groups and gender equality etc. in the RP to be implemented, and have formulated the following preferential policies for vulnerable groups, such as provision of compensation, Most-lowest Life Guarantee(MLG), free training and social insurance etc., who shall</p>

PRC's Laws and Regulations	Safeguard Policy Statement (2009), ADB	Differences	Offsetting measures
<p>There are some binding requirements in PRC's land administrative law for the participation of consulting services.</p>	<p>According to ADB's requirement, the APs will be informed and meaningful consultations with the APs, relocating areas and non-government organizations. All the APs shall be fully clear about their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs.</p>	<p>There are some binding requirements in the Chinese land administrative law for the participation of consulting services, while, however, no specific articles and procedures are provided thereof. In practice, the consultations and information disclosure will not be affected normally before the Resettlement Plan is approved. This is because that there are no affirmative LAR information during the RP preparation, and the land users are also unwilling to notify the APs. However, ADB's policy requires that the APs should be informed, and meaningful consultations with the APs, relocating areas and non-government organizations should be conducted. All the APs shall be fully clear about their entitlements and resettlement options, and ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs.</p>	<p>be also getting small loan with the assistance of the local government.</p> <p>In order to meet with the requirement of public consultation and transparency, the local government and the IA have conducted extensive consultation with the APs and relevant stakeholders according to ADB's policies, and informed them of the project impacts, compensation, entitlements and grievance procedure in the RP. The local government and the IA will continue to ensure the APs' participation in the RP implementation.</p>

6.5 Compensation Standards and Principles

6.5.1 Compensation Eligibility

Persons who are physically displaced (loss of residential land or loss of shelter), and also those who are 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 area are eligible for compensation. All landowners, users, and occupants of structures in the Project areas affected by land acquisition and relocation as a consequence of the Project will be eligible for fair compensation and rehabilitation according to the types of losses and quantities as well as the cut-off date determined by PMG. The cut-off date for the compensation will be announced to all the APs immediately after the construction map and investigation are completed. Any newly cultivated land or planting of crops or trees or structures built after the cut-off date determined by the local government will not be compensated.

6.5.2 Compensation Principles

The following measures will be taken to improve or at least restore the livelihoods of the APs through: (i) land-based resettlement strategies adopted when the APs 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; (iv) additional revenues and services through benefit sharing schemes, where possible; and (v) 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.

6.5.3 Compensation Standards for Permanent LA

According to the applicable Circular of Pingxiang Municipality on Adjusting the AAOV of the Acquired Land for 3 Years Preceding Acquisition and the Compensation Standards for Fruit Trees of Different Sizes of the Acquired (occupied) Land (PZF[2016]10), Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land, the compensations for acquisition of collective land will consist of land compensation, resettlement allowance, crops compensation, and ground attachments compensation. The compensations for land acquisition applies the highest multipliers specified in the Provisions of GZAR on Implementing Land Administration Law of the People's Republic of China as well based on the AAOV value of the 3 preceding years.(Table 6-2).

Table 6-2: Compensation Standards for Acquisition of Collective Land

Land Type	Production Value	Paid of village collective		Paid to the APs				Total
		Land compensation		Resettlement subsidies		Crops		
		Multipliers	Amount RMB/mu	Multipliers	Amount RMB/mu	Multipliers	Amount RMB/mu	
Dry land	1700	7	11900	15	25500	0.5	850	38250

Land Type	Production Value	Paid of village collective		Paid to the APs				Total RMB/mu
		Land compensation		Resettlement subsidies		Crops		
		Multipliers	Amount	Multipliers	Amount	Multipliers	Amount	
			RMB/mu		RMB/mu		RMB/mu	
Orchard land	3054	7	21378	5	15270	1	3054	39702
Forest land	1542	7	10794	5	7710	1	1542	20046
House Sites								400002

Note: (1)the compensation standards of farmland and unused land have been increased as high as the standard for orchards (39,702 yuan per mu). (2)Affected households who opt for free housing plots have no right to claim for compensation for their original homesteads.

In order to properly apply social safeguards to economically unviable land plots of displaced farmers - when the average per-capita cultivated land area of the displaced collective is less than 0.3 mu after LA - some industrial land shall be reserved for the collective for their commercial development. The reserved commercial land shall adopt 3 mu as the baseline for each collective organization, and plus 4% of the total actual acquired cultivated land.

After acquisition of the collective land, if the average per-capita area of cultivated land is less than 0.3 mu, the PMG will provide grains to the displaced people for three consecutive years, - 15Kg/month for each person.

6.5.4 Compensation Standards for Temporary Land Occupation

The compensation for standing crops losses because of temporary land occupation for the Project is based on the calculation of the average annual output value of last three years, which will be paid to the APs. The land recovery fee will also be paid to the contractors to restore the land to its original condition and restore the same quality as before. The compensation standards are shown in Table 6-3. It should be noted that due to complex of geological conditions to rehabilitate the land into its original condition, the compensation rates for land recovery are higher than the usual rates. As the road construction will be carried out section by section, temporary land occupation will be limited to one to three months. The compensation rates to be paid to the farmers cover one year's crop loss, which is sufficient to the APs. The land recovery cost is excluded from the RP, but included in the engineering cost of the Project.

Table 6-3: Compensation Standards for Temporary Land Occupation

S/L	Temporary land occupation	Unit	Compensation rate (CNY)
			Paid to the APs
1	Forest land	mu	1542

Note: The standing crops compensation will be paid to AFs and land recovery fee will be paid to the contractors.

6.5.5 Compensation Standards for Demolished Residential Houses

For the lost residential house structures, the compensation rates are shown in Table 6-4. The compensation for residential houses will be paid to the APs. Relocation allowance will be provided to the APs at the rate of RMB7/m², the temporary transit allowance will be provided to the APs at the rate of RMB 8/m² for a maximum of 12 months. If the AFs move out and hand over or dismantle the houses, each such AH will receive RMB 23000 as bonus.

Table 6-4: Compensation Standards for Demolition of Houses Built on Collective Land in Pingxiang City Unit: RMB/m²

Structure		Class of houses	Compensation standards	Major Conditions
Brick-wood	Red brick	Class-I	600	240 brick wall, wooden structure, grey tile or Zinc iron tile roof, interior wall and roof plaster, exterior wall plaster, tile floor, full set kitchen and toilet with tile. (High class decoration)
		Class-II	550	180 brick wall, wooden structure, grey tile or zinc iron tile roof, wooden door and window, interior and exterior wall plaster, cement floor, full set kitchen and toilet with tiles (Ordinary decoration)
		Class-III	500	120-180 red brick wall or cement brick wall, wooden structure, grey tile or zinc iron tile roof, wooden door and window, cement floor
	Mud and stone brick		450	Stone brick tile structure
			400	Mud tamping structure
Temporary house			220	120-180 brick wall or cement wall, wooden structure, asbestos tile roof, wooden door and window, cement floor.
Simple shelter			150	Wooden shelter, iron shelter

Note: only Brick-wood houses will be affected by the Project.

6.5.6 Demolition of Ground Attachments

All affected ground attachments will be compensated at replacement cost to reflect the current value. Table 6-5 shows the compensation standards for ground attachments.

Table 6-5: Compensation Standards for Demolition of Ground Attachments

	Unit	Compensation Standard (RMB)
<i>Infrastructure and special facilities</i>		
Electricity pole	Pcs	150
10KV powerline	1000m	110000
Communication cable	1000m	25000
Tele-communication pole	Pcs	150
2.0 inch water pipe	M	10.0

7. Entitlements Matrix

From the results of inventory surveys, the major impacts of LAR have been identified based on the nature of losses, and an Entitlement Matrix has been prepared as a guide to compensation payments. The cut-off date will be determined by PMG in collaboration with relevant organizations involved, including the PPMO, IA, PLRB and township government. Illegal land-use, construction of temporary structures will not be compensated after the notification of cut-off date. The PMG, IA and PLRB could take photos / video of the places on the cut-off date to prevent further influx beyond the cut-off date. The PMG will publicize the cut-off date on newspaper of Pingxiang Daily and village bulletin board once the date is decided. The cut-off date will usually be decided upon the completion of DMS. The compensation will be made in the forms of cash for land loss; cash compensation also for house demolition; the relocated families will get relocation allowance and temporary transit allowance. Cash compensation for LA in principle Table 7-1 shows the entitlement matrix. The compensation for permanent land acquisition of collective land shall be fully paid to each AH.

Table 7-1 Eligibility, Compensation and Entitlement

Impact Type	Degree of Impacts	Eligible APs	Compensation Policy and Standards	Responsible Agencies
Permanent land acquisition (41 AFs, 205 the APs)	The Project will acquire 122.51 <i>mu</i> of collective land permanently, including 2.09 <i>mu</i> of dry land, 120.02 <i>mu</i> of forest land and 0.4 <i>mu</i> of house site.	Cash compensation for all AFs. The permanently acquired land includes dry land, forest land, and house site. Compensations include land compensation, resettlement subsidies, and crops compensations and shall be paid directly to the affected individual persons by PLRB.	Land loss compensation rates for the APs: dry land RMB 38250 / <i>mu</i> , orchard land RMB 39702/ <i>mu</i> , forest land RMB20046 / <i>mu</i> , house site RMB400002/ <i>mu</i> . All compensation standards conform to Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land and House Demolition in Pingxiang City, and shall be paid to the APs.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., Youyiguan Town Government, PLRB, Kafeng Village RC, RO
Temporary land occupation (11 AFs or 56 the APs)	The total area of temporary occupation of collective forest land by the Project is 55 <i>mu</i> .	The AFs shall get cash compensation for crops. Land recovery fee shall be paid to the Contractor by Pingxiang Urban Construction Investment Company Ltd.	Crops compensations shall be paid to land loss farmer: forest land RMB 1542 / <i>Mu</i> . After the completion of the project, the temporarily occupied land shall be recovered to the original status and quality by the Contractor.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., PLRB, RO
Residential buildings (3 rural AFs, 12 rural the APs)	The total demolition area is 266.8m ² , belonging to Class-II in brick-wood structure.	Cash compensation to all APs for reconstruction of houses. The cut-off date will be determined by PMG in collaboration with relevant organizations involved, including the PPMO, IA, PLRB and township government. Illegal land-use, construction of temporary structures will not be compensated after the notification of cut-off date. The PMG, IA and PLRB take photos / video of the places on the cut-off date to prevent further influx of people and structures after the cut-off date. The PMG will publicize the cut-off date on newspaper of Pingxiang Daily and on village bulletin board, once the date is decided. Cash resettlement subsidies and temporary resettlement subsidies shall be directly paid to the APs by PLRB.	The cash compensation for residential structures shall be at replacement cost, i.e. All required materials and labor costs. The material saving and depreciation will not be deducted. Compensation standards: brick-wood class-II RMB 550/m ² , the relocation subsidies RMB 7/m ² for the APs, and temporary transition subsidies RMB 8/m ² for 12 months. If the AFs moves out and hands over the house or dismantle it, each such family will receive RMB 23000 as a bonus. The IA and Local government will help the APs to apply for relocation house site.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., Youyiguan Town Government, Kafeng Village RC, PLRB, RO
Ground attachments	1.5km of 2-circuit 10KV power lines, 12 electric poles, 1.5km of tele-communication optical fiber cable, 4 tele-communication poles and 1000m of tap water pipelines.	All the owners will get equivalent cash compensation.	The owners shall get cash compensation: RMB 110000/km for 2-circuit 10KV power lines, RMB 150 / pcs for 10KV HV pole, RMB 25000/m for tele-communication optical fiber cable, RMB 150/pcs for tele-communication poles and RMB 10/m for tap water pipelines.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., Youyiguan Town Government, Kafeng Village RC, PLRB, RO
Grievances and appeals	Compensation rates, payment and resettlement measures	All APs	Free; all costs so reasonably incurred will be disbursed from the contingencies. Information and correspondence are made available in both Mandarin and Zhuang language at the request of APs.	/

8 Resettlement and Rehabilitation Plan

8.1 Principles of Resettlement and Rehabilitation Plan

The principles of the resettlement and rehabilitation plan are:

(1) Each compensation package to AFs comprises cash compensation for land loss AFs, and cash compensation residential units that were demolished;

(2) Each AH and its APs will receive adequate employment opportunities during the construction and operation phases of the Project and in tertiary businesses, and technical training to improve skills so that to become eligible for employment at institutions and enterprises.

(3) Implement the RP diligently, comply with related compensation policies, and ensure that the production and living conditions of the affected people are increased or at least restored;

(4) The RP should be prepared and implemented in accordance with land rehabilitation policy of the State and national economic and social development plans and by taking the needs and interests of the state, collectives and individuals;

(5) Consultations with the APs should precede the development of the RP and the determination of cash compensation rates for acquired or demolished property; and

(6) Women's rights and interests should be fully taken into consideration in preparing the RP.

8.2 Rehabilitation Plan

8.2.1 Resettlement Options and Plan for AHs to be relocated

The Project will physically displace 3 families with 12 persons and 266.8 m² housing area will be demolished. To maintain the social networks of the APs and to keep their original living and work conditions, each AH will be compensation following the PMG policies and regulations. And housing plot with no more than 100 m² per HH will be freely provided by local government. The new housing sites will be nearby the new road. They prescribe that: (a) cash compensation will be paid to the AFs for the reconstruction of houses; (b) cash compensation will be paid to the AFs for other ground attachments at replacement cost; and (c) the AFs will be resettled close to their original houses.

Table 8-1 summarizes the resettlement preference of the AFs. According to the latest investigation, all 3 physically displaced AFs chose and agreed to be relocated with cash compensation and to rebuild their houses on a resettlement site provided by the Project.

Table 8-1 Relocation Preference of AFs

	Total AFs	Cash compensation & rebuild houses
Total	3	3
%	100%	100%

In order to fully take into account the wishes of the APs, PMG has well solicited the willingness of the APs and decided to assign free relocation land nearby for them to rebuild their houses. The compensation rate for a demolished house is calculated at RMB 550/m². In addition, each AH displaced will receive RMB 2000 bonus if it moves out and hands over the house or dismantle it with its resources. The IA and local government will assist the AFs during relocation.

For safety reason, the demolition of houses cannot be done by the APs themselves. It will be done by a qualified unit of workers. The AH could salvage materials such as doors and windows without any payment.

The relocating subsidy is RMB 7/m², and the temporary transition subsidy is RMB 8/m² for 12 months.

8.2.2 Livelihood Restoration Plan for Land Lost AFs

Land acquisition for the Project will affect 145.51 *mu* of collective land (including the 23*mu* of acquired land). It affects one administrative village and 2 Tuns covering 41 families with 205 persons. The acquired land accounts for 6.1% of the total area of collective land, 1.4% of the total collective cultivated land, and 59.8% of the total land area of AFs. Most of the land acquired is deserted forest land. The annual average per-capita income of a local villager is RMB 8900, of which RMB 100 (1.1%) is from agricultural production. The total loss of income because of land acquisition accounts for 2% of the total average income. All compensation for land losses will directly be paid to the AFs.

The overall objective of income restoration plan is to ensure that all the APs who lost their means of livelihood to the Project are able at least to maintain their pre-project levels of income and living standards. The income restoration plan shall apply to all 41 AFs. They will loss 59.8% of land and 100% of cultivated land due to construction of the Project.

According to the household survey, within the project areas, 1.1% of the family income comes from agricultural production and sideline business. Due to the land losses, the APs will lose their associated income that amounts to 2.0% of the total family income. Table 8-2 shows the income loss analysis. According to the income survey, the annual average net income of the AFs in the project area is RMB 44500. Their incomes are mainly from seasonal labor, agriculture and sideline business, government subsidies, rental, business or others.

Table 8-2 Income Loss Analysis for AFs

Administrative village	Nos. of AFs	Total land area before LA (<i>mu</i>)	Loss of cultivated land (<i>mu</i>)	Cultivated land loss rate (%)	Annual household income before LA (RMB)	Annual household income after LA (RMB)	Income loss (%)
Kafeng Village	41	205	2.09	100	44500	900	2.0

Loss of land and working place will not only affect the AFs' livelihood, but also their future employment. The income restoration plan applies to all APs of the Project. In this Project, there are 41 families with 205 persons who are affected by permanent land acquisition. They need livelihood and income restoration assistance.

The following income restoration measures will be provided to the APs to restore and improve their incomes and livelihoods: (i) technical skill training and better employment opportunities; (ii) development of service industry such as construction machinery equipment rental, transportation, food catering service, transportation service in urban districts, taxi services, entertainment services, hotel services and tourist business); (iii) social and medical insurances; and (iv) provision of employment opportunities in the the construction and operation of the Project.

The average compensation, resettlement, and income restoration and improvement package per AH is RMB 118,244 (Table 8-3). APs could use the compensation payment for the development of tertiary industries. As a result, the APs will significantly benefit from the Project. According to the survey, 100% of them are willing to use land compensation as seed money to develop tertiary industries such as cross-border trade. Women are more geared to cross-border trade opportunities and other income generating opportunities. Women account for t 55% of the 122 labor force in the affected village. Of the 41 AFs, 18 with 94 persons plan to engage in transport services, 15 with 75 persons plan to engage in cross-border trade, and 8 with 36 persons plan to engage themselves with tourism and related services. The APs will use the compensation payment to establish their new businesses which are expected to take about two to six months to establish. They will use most of their compensation in their new businesses, and the remaining funds to improve their living conditions. They will invest in banks, buy social insurance, and spend money on their children's Education. Table 8-3 provides the income, compensation received, and income restoration measures of the AFs. Based on the DMS, the following information will be updated and will be represented at the household level.

Table 8-3: Family Incomes, Compensation, and Income Restoration Measures

Administrative village	Current annual income (RMB)	Eligible land loss compensation (RMB)	Restoration measures
Kafeng Village	44500	118244	Transport service: 18 families or 94 persons; cross-border business: 15 families or 76 persons; tourism or related services: 8 families or 36 persons.

Note: The above includes cash compensations for forestland and dry land, but excludes compensation for new homesteads.

Because of infertile hilly land in the affected area of the Project and the employment opportunities in cross-border trade, all forest and dry land have been deserted. As a result, income from such land is almost negligible. In order to safeguard the living standards of the APs their dry land and forest land will be acquired by PMG paying the compensation rate for orchard land⁴. This protects the interests of the APs and completely offset the losses that they incurred because of land acquisition. In addition, improvement of the traffic infrastructure in the area will promote their cross-border businesses, which in a long run will facilitate the local economy, and increase the incomes of the local villagers.

For the people who will lose their land temporarily, crop compensation will be paid directly to the APs in cash. The land restoring fee will be paid to the contractors. The land will be restored to their original condition and quality by the contractors. It is expected that the Project

⁴ No orchard land will be acquired in fact. But higher compensation rates will be provided for dry land and forest land.

construction will provide 30 short-term job opportunities for the local villagers. During the 24 months of construction period, the APs will be given priority in recruitment for such employment, and each employee could earn an income of over RMB 2000 per month. In comparison with the income loss due to temporary land occupation at RMB 100 each year per person, the APs will gain at least RMB 24000 per person each year during the Project construction period. As a result, it is expected that the temporary income losses can sufficiently be offset by income earnings from new employment opportunities generated by the Project.

8.2.3 Employment Opportunities Created by the Project

New job opportunities at the Project will be given to the APs on priority. The Project will further promote the Sino-Vietnam border trading which would benefit the AFs. Project implementation will also bring about some employment opportunities to the local people. In such work, priority will be given to the APs. House and road construction; security, portering, material transport, sand and stone mining, equipment rental and repairs are among such work. These new employment opportunities will generate good income for AFs which will adequately offset the losses.

8.2.4 Social Insurances

The PMG will provide a social security system for the APs as social pension insurance, medical insurance, and employment insurance to ensure that the APs are well looked after after they lose their land. The GZAR Government issued 'Provisional Methods for Implementing Social Security System for Rural APs in Guangxi Zhuang Autonomous Region' in March 2008. It states that the MLC will provide social pension insurance employment insurance and medical insurance to the APs. In case of social pension insurance, 30% of contribution will come from the local government and 70% from rural collective and farmers.

Social pension insurance funds for the displaced persons will be raised from the APs, collectives, and the government, among which the percentage contributed by the AP and the collective will be 70% while the percentage contributed by local government will be 30%. The contribution of the AP mainly comes from land compensation received, while the contribution of local government comes from the income that was generated from the state-owned land use rights transfer. The APs who participate in the social insurance and perform the obligation of payment will enjoy pension per month over the age of 60. According to the social and resettlement survey, the majority of the APs are willing to participate in the social insurance program. As no formal calculation formula and documents are available, the exact amount to be contributed by the APs to the social insurance program, and the amount of pension to be received by each of them will be calculated by the social insurance agencies during the RP implementation.

The rural APs will be covered by the local medical care insurance according to the residence management principle. The rural APs whose registration remains the same as before will be covered by a new-type cooperative medical care system. Furthermore, the APs who live under the urban MLG or rural poverty MLG will be covered by local urban residents MLG scheme or rural poverty MLG scheme, respectively.

8.2.5 Project-Related Income Generation Opportunities

During the Project construction phase, the APs can seek some income generation opportunities. For example, the APs may lease out their spare houses or rooms to construction contractors as temporary offices or to the construction workers as residence, or operate grocery stores to sell food, cigarettes, and breweries to the construction teams. During the construction period, the PPMO and IA will provide with 200 temporary job opportunities each year, such as sand and stone mining, transport of construction materials, soil, and sand. As a result, the APs could earn more incomes.

8.2.6 Skills Training to the APs

In recent years, rapid economic development of Pingxiang City and the promotions of Sino-Vietnam Pingxiang-DongDang Cross-Border Economic Cooperation Zone has created job opportunities for Pingxiang City residents, indicating a great future demand for labor force in tertiary industries..

In order to create a self-development environment and rehabilitate the living standard of the APs, the RO and IA will cooperate with the departments of Labor and Social Security, Finance, Education, Science & Technique (S&T), Women's Federation(WF) to carry out the technology skill training for the relocated the APs. Technical and management skills training shall be conducted to match the district economic status and the requirements of the labor market. The training programs will be practical, efficient, and targeted. Skill training shall be one of the effective means for restoring and improving income and livelihoods of the APs.

Considering the lack of working skills to enter the major labor force, the AFs, especially women, will be given skill training, and at least 50% of participants in such programs will be women of AFs. Each AP will have one chance of receiving skills training that he or she personally chooses. Female APs will share the training budget with male APs.

The training will be carried out twice a year, commencing from February 2018 and will last till June 2020. The training will be implemented in association with local district government, RC, WF, and vocational education department. In Pingxiang city, with the support by local government, some developers are constructing lots of marketplace and small shops for the residents. So the AHs can buy and/or rent these space to start a business after LA. If AHs lack the seed money of their business, they can apply small credit loan from local bank, and the local government will provide subsidy for the interest in accordance with the policy of rural small subsidized loan in PRC. The training includes:

- ◆ (1) Cleaning, landscaping, management of parking lot, and others;
- ◆ (2) Horticulture, sewing and knitting, beauty and hairdressing;
- ◆ (3) Maintenance and repair of motorcycle, vehicle, and electronic products;
- ◆ (4) Car decoration, management of cleaning and washing accessories;
- ◆ (5) Food, catering and hotel services, and home services; and,
- ◆ (6) Sales of products, border business registration and operation.

8.2.7 Restoration Plan for Ground Attachments

Cash compensation for ground attachments including infrastructure and special facilities will be based on the replacement value according to the compensation standards approved by the PMG. Compensation in cash will be paid to the affected owners.

The owners will be responsible for the reconstruction of attachments. The restoration measures for the demolished facilities shall be well planned ahead, and the implementation will be safe, effective, timely, and accurate, and every effort will be taken to minimize negative impacts on the people nearby.

As for the affected public facilities and special facilities, the demolition unit shall strictly follow the construction drawing and minimize removal. In addition, as for removal of the pipelines, the demolition unit should be re-built first, under the conditions that such re-building and removal will not affect the living of the nearby local people.

8.2.8 Special Concerns during Resettlement Process

Gender Issue

According to the Chapter on 'Women and Economy' in Women's Development Plan of GZAR (2001-2010), the rights of women to work is to be protected. The Project will ensure that women enjoy equal rights with men on economic resources, and any discrimination against women is forbidden. , Women and men will have equal status in employment, and women's labor rights will be protected.

The household surveys showed that women of AFs generally lack working skill other than housework skills. As a result, they are in inferior position when competing with men for employment. They, therefore, work as season labor or do some small businesses. Women take more responsibility for their families especially when they are the heads of households. Special attention will be paid to project-affected women's special concerns such as compensation payments, training programs, and other assistances to reduce any special social risks that may cause by the implementation of the Project.

Women will be eligible, on an equal basis, for all compensation payments, training programs and other assistances to be provided under the Project. The compensation payment belongs to both wife and husband of a household. In order to protect the properties of the APs, in property certificates of houses, both wives and husbands are mentioned as co-owners. In order to ensure this practice is operational, the IA will conduct a propaganda campaign and closely involve women in the resettlement process.

The government and relevant departments, WF, and RC have reached an agreement that WF will guide consultation and public participation of women in income restoration activities so that affected female APs can earn sufficient income for a sustainable livelihood.

9 Compensation, Resettlement, and Rehabilitation Cost Estimates

9.1 Compensation and Resettlement Costs

The total estimated cost is RMB 6.623859 million, equivalent of USD 0.961792 million. Of which 15% are physical and price escalation contingency. The estimated cost includes land compensation for demolition of private residential structures and attachments, compensation for basic infrastructures and special facilities, other costs, and contingencies. The detailed cost estimates are presented in Table 9-1. The summary cost is presented in Table 9-2.

Table 9-1: Detail Cost Estimates

S/L	Items	Units	Quantity	Unit price (RMB)	Cost Estimates
1	Permanent LA				
1.1	Collective land in affected areas	mu	122.05		
1.1.1	Forest land	mu	120.02	39702	4765034.04
1.1.2	Dry land	mu	2.09	39702	82977.18
1.1.3	House Sites	mu	0.4	400002	160000.80
2	Temporary land occupation				
2.1	Forest land	mu	55	1542	84810.00
3	Demolition of residential structures				
3.1	Demolition of residential houses	m ²	266.8	550	
3.1.1	Brick-wood	m ²	266.8	550	146740.00
3.2	Transfer Allowance				
3.2.1	Transfer Allowance	m ²	266.8	7	1867.60
3.2.2	Subsidies for temporary relocation	m ² @ 12 months	266.8	8	25612.80
3.2.3	Bonus for timely signing agreement	Household	3	2000	6000.00
4	Ground attachments				
4.1	Infrastructure and special facilities				
4.1.1	HV electricity pole	pcs	12	150	1800.00
4.1.2	10KV powerline	1000m	1.5	110000	165000.00
4.1.3	Communication cable	1000m	1.5	25000	37500.00
4.1.4	Tele-communication pole	pcs	4	150	600.00
4.1.5	2.0 inch water pipe	m	1000	10	10000.00
Basic costs for LA and resettlement					5487942.42
5	Other costs				
5.1	RP preparation				
5.2	Management expenditure	2.1% of LAR costs			115246.79
5.3	M&E costs	1% of LAR costs			54879.42
6	Related land taxes				
6.1	Land approval fee	2.8% of total LA costs			142599.02
7	Contingencies				
7.1	In-kind contingencies	10% of LA and resettlement costs			548794.24

S/L	Items	Units	Quantity	Unit price (RMB)	Cost Estimates
7.2	Prince contingency			5% of LA and resettlement costs	274397.12
Total					6623859.01

Table 9-2: Cost Summary

S/L	Items of Compensation	Cost Estimates (RMB)
1	Permanent LA	5008012.02
2	Temporary land occupation	84810.00
3	House Demolition	180220.40
4	Demolition of ground attachments	214900.00
5	Other costs	170126.21
6	Related land taxes	142599.02
7	Contingencies	823191.36
8	Total	6623859.01

9.2 Annual Budget

According to the Project schedule, the project construction will take 24 months to complete from May2018 to March 2020. The estimated cash flows will reach 80% or RMB 5.299087 million in 2017, while 20% or RMB1.324772 million in 2018. Table - 3 is the annual budget for resettlement costs.

Table 9-3: Annual Cost Budget (ten thousand yuan)

	2018	2019	Total
Budget amount	529.9087	132.4772	662.3859
Ratio of total budget (%)	80%	20%	100%

9.3 Cash Flow

The funds flow is shown in Figure 9-1.

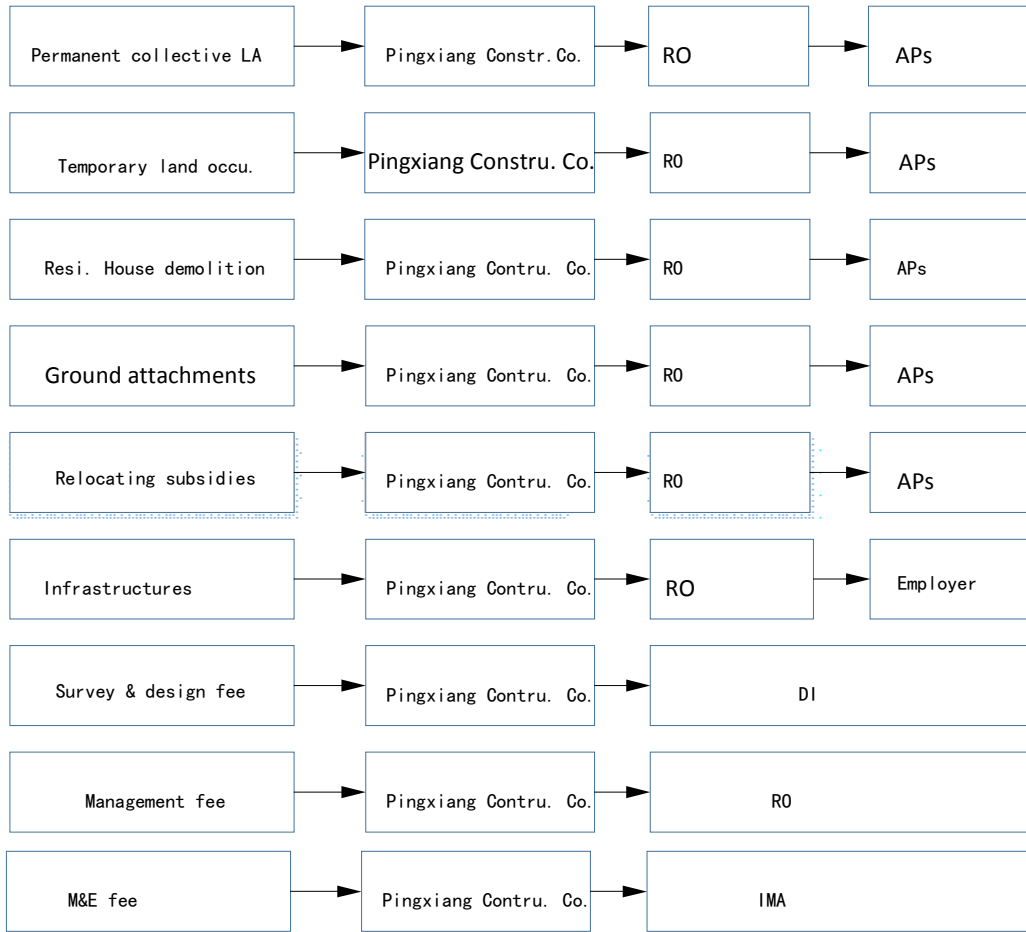


Figure 9-1 Cash Flow

10. Land Acquisition Resettlement Implementation Plan

The resettlement implementation schedule for land acquisition, structure demolition and resettlement will be coordinated with the construction schedule. Based on the time schedule of the Project, the land acquisition and resettlement schedule have been developed, reflecting the linkage and consistency between the time schedule of resettlement/land acquisition and civil works construction tasks.

In order to ensure that all aspects of the RP can be achieved, land acquisition will start at least one month before construction commencement. The APs will be relocated at least one month before the demolition of the residential houses. Before LAR, a final measurement survey will be conducted and the contracts with each AH will be negotiated and signed. The compensation thereof will be fully paid. At the same time, relocation agreement will be signed before relocation.

10.1 Land Acquisition Resettlement Implementation Plan

Resettlement implementation will be scheduled in stages to coincide with the overall Project schedule. According to the implementation schedule of the Project, the Project will be constructed over a period of 3 years from May 2018. To ensure that the resettlement schedule can be linked with the construction schedule of the Project, LA will begin in March 2018 and be completed in July 2021. There will be no commencement of civil works until all compensation is paid and all livelihood restoration measures are in place. "In place" means that all arrangements have been made to commence rehabilitation and the APs are registered for the programs.

However, before land acquisition and structure demolition, a final measurement survey will be conducted in the Residents' Committee. The compensation contracts will be negotiated and signed. Based on the DMS to be conducted in February 2018, the RP will be updated and submitted to ADB for review and approval prior to commencement of LAR and award of contracts.

The LAR schedule can be divided into four stages:

(1) Land Acquisition and Compensation Plan

- ◆ Apply and get "Planning Land Use Permit", "Construction Land Use Permit", and "Structure Demolition Permit";
- ◆ Conduct DMS for the affected area and determine the specific losses eligible for compensation;
- ◆ Finalize compensation/resettlement steps in consultation with the local governments, the APs and their representatives;
- ◆ Conduct public information / consultations with the APs;
- ◆ Sign contracts; and,
- ◆ Decide the location of the relocate site.

(2) Land Acquisition and Resettlement Activities

- ◆ Pay compensation fully;
- ◆ Select and buy relocation in consultation with the APs;
- ◆ Relocate the displaced APs;

- ◆ Demolish residential structures and auxiliaries identified for demolition.

(3) Income Restoration

- ◆ Provide employment opportunities for the APs during the Project construction and operation phases;
- ◆ Assist in the identification of employment and business opportunities for the APs in the local enterprises and businesses;
- ◆ Provideof targeted skill training for the APs;
- ◆ Promote and develop tertiary industries.

(4) Monitoring

- ◆ Engage a monitoring agency;
- ◆ ADB's approval of TOR of the agency;
- ◆ Monitor LAR;
- ◆ Monitor income restoration and improvement plan;
- ◆ Conduct external evaluation of the Project.

10.2 Land Acquisition Resettlement Implementation Milestones

Table 10-1 shows the milestonesof LAR monitoring.

Table 10-1: Milestone for LAR Monitoring

Items	Resettlement activities	Agencies Responsible	Time	Status
1	Disclosure			
1.1	Disclosure of the draft RP	IA and RO	July 2017	
1.2	Disclosure of the RP on ADB's website	PMG, township government, and RO	July 2017	
2	RP and Budget			
2.1	Approval of updated RP	PMG, township government, and RO	Feb. 2018	
2.2	RP and budget approval (compensation rates included)	PMG, township government, and RO	Feb. 2018	
3	Release LA and Demolition Notice			
3.1	Disclosure of LA to APs	PPMO, IA, RO, and RC	Mar. 2018	
4	Compensation Agreement			
4.1	Village-level land compensation agreement	PPMO, IA, RO, and RC	Apr-Jun. 2018	
4.2	HHS Relocation Agreement	PPMO, IA, RO, and RC	Apr.-Jun 2018	
5	Capacity Building of Resettlement Agencies			
5.1	Staff of RP office and land & resources bureau	PLG, PPMO, IA, RO, PLRB and others	May.2017- Dec 2018	on-going
6	Monitoring and Evaluation			
6.1	Baseline survey	PPMO, IA and DI	Mar. 2018	
6.2	Establish internal monitoring	PPMO and IA	Mar. 2018	
6.3	Engagement of an external monitoring agency	PPMO	Feb. 2018	
6.4	Internal Monitoring Reporting	PPMO, IA, and RO	From Mar 2018	
6.5	External Monitoring Reporting	Independent monitoring agency	July. 2018	1st Report
			Jan. 2019	2nd Report
6.6	External Evaluation Reporting	Independent monitoring agency	Jan. 2020	1st Report
			Jan. 2021	2nd Report
6.7	Resettlement Completion Reporting	Independent monitoring agency	July. 2021	
7	Consultative documents		IA, RO, and RC	On-going
8	Grievance Hearing		IA, RO, and RC	On-going
9	Cash flow / compensation			
9.1	To IA	PMG	Mar. 2018	
9.2	To affected community	IA, RO	Apr. 2018	
9.3	To AFs	IA, RO	Apr. 2018	
10	Commencement of Civil Construction			
10.1	Commencement of civil construction	PMO and Pingxiang Urban Construction Investment Company Ltd.	May. 2018	

11 Institutional Establishment and Capacity Building

11.1 Establishment of Project Resettlement Organizations

The Executive Agency of the Project is Pingxiang Project Management Office (PPMO). The Project Implementation Unit is Pingxiang Urban Construction Investment Company Ltd. The Implementing Agency is the Pingxiang Communications Bureau. Under the EA, there is the Resettlement Office which is responsible for land acquisition and resettlement. Figure 11-1 shows the structure of organization.

Table 11-1: Resettlement Institutions and Staff

Institution	Staffing
PLG	15 persons - experienced government officials with university degrees.
PPMO	5 persons - experienced government officials and engineers with university degrees.
PLRB	10 persons - experienced government officials with university degrees.
Youyi township government	6 persons - experienced government officials with university degrees.
Pingxiang Urban Construction Investment Company Ltd. / Resettlement institution	3 persons - personnel in engineering construction and management with university degrees.
Project RO	6 persons - experienced government officials & APs' representatives with university degrees
RC	2 RC cadres
DI	Intermediate engineers
External monitoring agency	Resettlement specialists

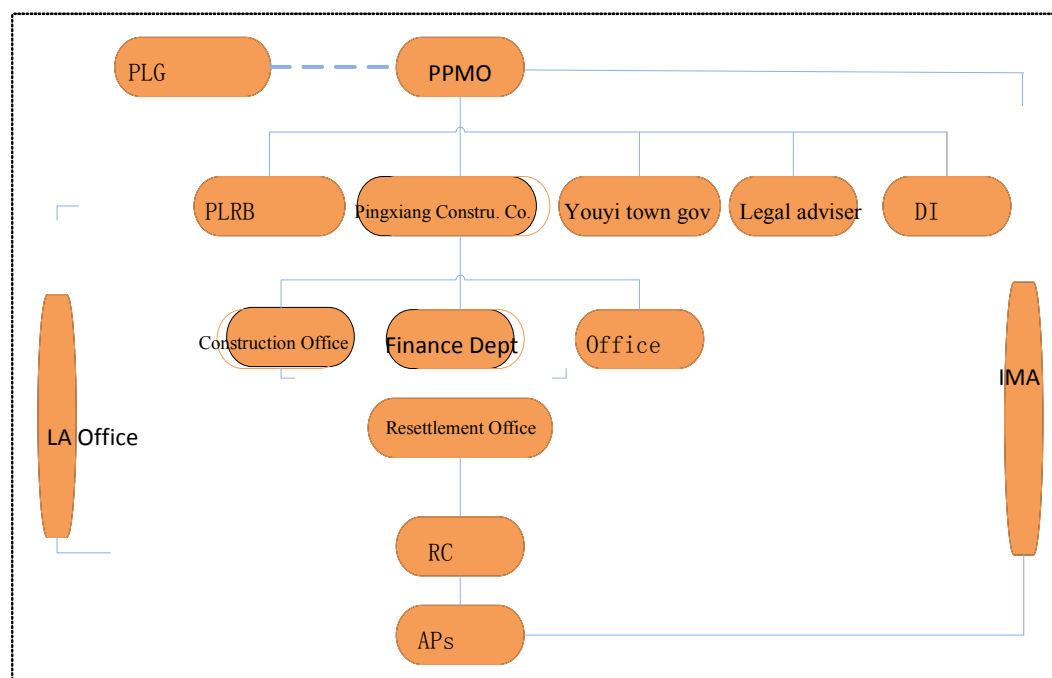


Figure 11-1 LAR Implementation Institutional Structure

11.2 Responsibilities of Resettlement Institutions

Table 11-2 Responsible Agencies

Institution	Responsibilities
PLG	(1) Project leadership, organizing, coordinating and formulating principles; (2) Inspect RPI implementation; (3) Conduct internal monitoring and review; (4) Make resolution for the issues of LAR.
Pingxiang Project Management Office	(1) Project general coordination and organization; (2) Coordinate RP preparation and implementation;

Institution	Responsibilities
	(3) Organize and coordinate RP preparation; (4) Provide assistance to women; (5) Liaison with ADB, IA and other depts.
The IA - Pingxiang Communications Bureau	(1) Apply to PLRB for "Planning Land Use Permit" and "Construction Land Use Permit" (2) Make payment of resettlement subsidies and monitor the usage; (3) Guide, coordinate and monitor the implementation schedule of RP; (4) Organize and conduct internal monitoring, engage external monitoring agency and coordinate internal and external monitoring; (5) Report the implementation status of LAR and fund utilization to ADB as per schedule. (6) Provide assistance to women; (7) Coordinate and handle with the issues and problems occurred during project implementation; (8) Report the LA and house demolition status to PLG.
Resettlement Office	(1) Organize social and economic survey; (2) Conduct measure survey for LA and demolition; (3) Implement relocation; (4) Formulate the relocation implementation schedule; (5) Assist the local government to sign LAR agreements with the APs; (6) Inspect RP implementation; (7) Manage LAR information; (8) Provide assistance to women; (9) Provide training for resettle staff; (10) Coordinate and handle with the issues and problems occurred during project implementation; (11) Handle any disputes, grievances or arbitration through coordination; (12) Make resolution for the issues of LAR. (13) Report LAR progress to IA.
Pingxiang Land Resources Bureau - PLRB	(1) Implement relevant national policies for LA; (2) Participate in the review and checking of the compensation standards for ground attachments; (3) Handle and approve land acquisition; (4) Participate in measurement survey and socio-economic survey; (5) Participate in RP preparation; (6) Issue Planning Land Use Permit and Construction Land Use Permit; (7) Publicize LA public information; (8) Guide, coordinate and supervise LAR implementation; (9) Coordinate and handle with the issues and problems occurred during project implementation;
Pingxiang Resettlement Office - RO	(1) Implement relevant laws and regulations for LAR; (2) Approve relevant documents for demolition and compensation plan for displaced persons, and issue Structure Demolition Permit; (3) Register and manage relocating archives; (4) Coordinate, supervise and inspect demolition activities and handle any conflicts thereof; (5) Assist RO to providing training for staff.
Legal Adviser Office	(1) Provide legal consultation during project implementation; (2) Provide legal aid for the disputes arising from LAR;
Township Governments	(1) Assist measurement and socio-economic survey; (2) Assist the preparation of RP; (3) Supervise RC's implementation of Resettlement and Restoration Plan;
Residents Committee - RC	(1) Participate in the socio-economic survey and participate in development of RP and restoration plan; (2) Participate in preparing RP and relocation scheme; (3) Organize public consultation and publicize LAR policies; (4) Consult the payment and distribution of compensations; (5) Organize livelihood and income restoration activities in affected villages; (6) Organize the tertiary industrial development. (7) Report to the higher authorities the complaints and suggestions of the APs. (8) Provide assistance to women.
Design Institute - DI	(1) Minimize LAR impacts through design optimization; (2) Determine the range of LAR impacts; (3) Conduct measurement and socio-economic survey; (4) Assist the preparation of RP; (5) Provide necessary technical assistance to the PPMO and IA during information and data collection and processing;
Independent Monitoring Agency - IMA	(1) Provide technical assistance for LAR; (2) Enforce as independent monitoring agency to monitor RP implementation and report to the PPMO, IA, RO and ADB.

11.3 Institutional Capacity Building

11.3.1 Institutional Capacity of the Evaluation Agency

(I) Logistics and hardware

Currently, the IA has set up the Resettlement Section which is equipped with office appliances and tele-communication equipment such as computers air conditioners, chairs, printers, telephones, and fax facilities. The daily necessary expenses of the office will be covered by 'daily office fees'. The total value of the office appliances is RMB 30,000.

(II) Finance

The EA paid all the expenses of the PPTA. The lack of funds would have certainly affected institutional establishment during project preparation including FSR and RP. The RP has taken into consideration this issue, and the resettlement budget has provided adequate management fee.

(III) Staff Capabilities

During the PPTA stage, the Consultants found that many government officials have rich experiences in dealing with LAR issues and ADB financed project who have participated in relevant trainings on ADB involuntary resettlement policies. However, further training on social safeguards is needed.

11.3.2 Institutional Capacity Building

ADB will finance the personnel who provide resettlement trainings for the resettlement staff. The capacity building shall include ADB's training courses and the site training by designated external consultants who will cover the contents of resettlement policy, engineering planning management, plan and design, progress management, financial management, management information system, quality control, monitoring and evaluation, project management etc.

In order to improve the staff's capacities to do effective work, special subject matter training will be provided to them. In this regard, the EA will further provide guidance on the following issues:

(1) Training locations: Staff training are recommended to hold outside the Pingxiang City, preferably in the cities that have successful experience in implementing ADB-financed projects. For this, the EA will need ADB's assistance.

(2) The trainees are to be those who are temporarily transferred to the resettlement offices and those officials who participate in the discussion with the PPTA resettlement consultants.

(3) The training period will be from December 2017 to May 2020.

12. Monitoring, Evaluation, and Reporting

The EA will regularly monitor and evaluate LAR activities in order to ensure that resettlement work is implemented successfully in accordance with the RP and also to achieve the target of appropriate livelihood restoration among the APs. The monitoring will comprise two components: internal monitoring and external monitoring. Internal monitoring will mainly be conducted by the IA, and will be overseen by the PLG and EA to ensure that organizations involved in LAR comply with the principles and schedules of the RP.

The aim of internal monitoring is to encourage the concerned organizations to carry out good performance while the external monitoring and evaluation will be conducted by an independent agency periodically on LAR activities.

The scope of resettlement monitoring will cover data collection, data analysis, and the reporting of the progress of acquisition, compensation resettlement, and rehabilitation processes, while the external monitor will check the overall progress, quality, and results of the resettlement programs.

Resettlement monitoring will focus on the following two aspects:

(1) Progress of disbursement and provision of entitlements to the APs.

(2) Comparison of the APs and RC pre- and post-resettlement socioeconomic conditions, particularly of livelihood restoration and improvement. Background socioeconomic data collected during the inventory and census surveys will be used in this assessment as benchmark information and data.

12.1 Internal Monitoring

Internal monitoring will be undertaken by PLRB and the IA to assure the concerned departments comply with the RP. Internal monitoring aims to ensure good performance during the resettlement process.

The EA will take the responsibility for internal monitoring, covering the APs' activities, entitlements, grievance redress, problem solving, assuring efficiency, meeting time targets and milestones, and providing an adequate budget. There will be several key categories of monitoring:

Social adaptability and cohesion: This monitoring examines the project impacts from a gender vulnerable group perspective. Public participation, role of NGOs, APs' attitudes and opinions on resettlement process, the number of complaints and appeals from the APs and how they were resolved, implementation of preferential policies and income restoration measures, and improvement in women's status will be studied.

Timing of land acquisition, structure demolition, livelihood and income restoration: The selection of relocation sites, disbursement of replacement cost compensation, and updating of resettlement schedule and resettlement budget where required falls into this monitoring category.

Rehabilitation of community facilities and services: Timely rehabilitation of community facilities and services and ensuring that mitigation measures to minimize impacts are implemented are the key component of this monitoring category.

Public participation and consultation: Involvement of the APs in resettlement implementation as per the public consultation plan, outlined in the RP. Review of grievance register and responses to complaints are the components of this category of monitoring.

It is anticipated that internal monitoring report will be a brief document reporting on progress to date and identification of issues, how issues were resolved, consultations undertaken, and revisions of the resettlement schedule and disbursement of budget where required.

12.2 External Monitoring and Evaluation

According to ADB's safeguard policy requirements, the PPMO will engage an independent agency to monitor and evaluate the resettlement activities of the Project. Such an independent agency should have a good reputation, successful experience, and good understanding of ADB's involuntary resettlement safeguard policy. The PPMO shall enter into an agreement with the external monitoring agency.

12.2.1 Objectives and Requirement of Monitoring and Evaluation

(1) Objectives

M&E of RP implementation will focus on the latest situation and resettlement progress of the APs as in the following aspects:

- (i) Economic status before and after the acquisition of land and demolition of structures;
- (ii) Timely disbursement of compensation and resettlement assistance;
- (iii) Environmental impacts and how they were addressed;
- (iv) Social adaptability of the APs after resettlement;
- (v) Measures taken to restore production and livelihoods of the APs and enterprises; and,
- (vi) Living conditions and economic status of the APs following resettlement compared with the non-affected household in the Project area.

M&E will include the establishment of socioeconomic baselines of the APs prior to land acquisition or physical relocation, and the regular monitoring of their relocation or adjustment during Project implementation, and evaluation of their situation for a period of one or two years after the Project is completed. Qualitative and quantitative methods will be used to evaluate the standard of living of the APs. Investigation will include interviews with IA, local officials, community leaders, and survey of 20-25% of affected households. Focus group discussions will be conducted to address the issues related to women, poor, and other vulnerable groups.

(2) Monitoring indicators

The following key indicators conform to the principles, entitlements and restoration measures:

(i) Disbursement of entitlements to AFs: compensation, land, structures, employment, and necessary assistances, as specified in the RP.

(ii) Development of economic productivity: job opportunities available to the APs, and number of the APs employed or unemployed.

(iii) Provision of relocation site: the progress in the distribution of new homesteads to the displaced AFs;

(iv) Progress in the payment of replacement cost for structures;

(v) Provision of subsidies such as moving subsidies to the AFs.

(vi) Restoration of basic infrastructures and special facilities: all necessary basic infrastructures and special facilities are to be restored at least up to a standard equal to the standard at the original location;

(vii) Adequacy of compensation to reconstruct lost infrastructure of same or better quality;

(viii) Level of APs satisfaction with LAR;

(ix) Operation of the mechanisms for grievance redress;

(x) Standard of living improvement of the AFs and APs: Throughout the whole implementation process, the trends in standards of living will be observed and the potential problems in the way of restoration of standards of living will be identified and reported.

The Consultant will carry out a comprehensive socioeconomic survey after the completion of resettlement implementation to document the standards of living and the conditions of the APs. The survey will be repeated annually until the AFs have fully restored their living standards and income levels.

The surveys will cover social adaptability and cohesion among the APs. The surveys will study the project impacts on children, the elderly, women and the vulnerable groups. The surveys will also study the APs attitudes and reaction to post resettlement situation, number of complaints and appeal and the procedures followed to resolve them, implementation of preferential policies, income restoration measures, and improvements in women's status.

(3) Special considerations

Special attention will be paid to affected women and the poor during monitoring:

The status and functions of women: Closely monitor any change in women's status, functions and socioeconomic situations. At least 40 % of the APs surveyed will be women. The M&E agency will recommend the type of further assistance that affected women should receive from the EA.

The M&E will provide information on utilization and adequacy of resettlement funds. The Pingxiang Audit Bureau will audit resettlement accounts and funds. The details of this audit would help the independent monitoring agency.

12.2.2 M &E Methodology

The methodology of M&E are listed as follows:

(1) Independent agency will conduct the baseline survey in the project-affected area to collect baseline data on the APs. The investigations about economic production and living conditions of the APs will be done every year to measure the changes. Sample trace investigation of the affected households will be adopted. Irregular interview or site visits will be made to acquire sufficient data for evaluation.

(2) Conduct group discussion and consultation with various groups of people - government officials, non-government agencies, the affected community, and the APs' representatives.

(3) Interview with key persons such as community leaders regarding resettlement implementation.

(4) Community public meetings to collect on information on resettlement programs and their progress.

(5) Make direct observation on the progress of the demolition and replacement of houses and visit the APs at their new environment.

(6) Informal investigation through interviews by the AFs and APs and the resettlement staff members.

12.3 Reporting Requirements

The internal monitoring report is submitted quarterly by the IA to EA which then includes in its progress report for ADB. The external monitoring and evaluation report is submitted to IA and ADB simultaneously by the external monitoring agency every six months. An external monitoring report should be made every six months until the resettlement is completed and then annual evaluation reports should be prepared by the external monitoring agency annually until the project is completed. Finally, after the completion of the project, IA will prepare a resettlement completion report and submit it to ADB.

Appendix: Resettlement Information Booklet

1. Basic information

A framework financing agreement for the Guangxi Regional Cooperation and Integration Promotion Investment Program was signed between ADB and the PRC on 15 October 2016. On 12 December 2016, ADB approved the provision of a multitranche financing facility (MFF), comprising three tranches, to the PRC with an aggregate facility amount of \$450 million.⁵ The implementation period of the MFF is from 2017 to 2024. The purpose of the MFF is to help the GZAR of the PRC implement its strategies and action plans for regional cooperation and integration (RCI) with countries of the Association of Southeast Asian Nations (ASEAN), with a focus on developing the North-South Economic Corridor (NSEC) under the Greater Mekong Subregional (GMS) Cooperation Program.

The tranche 2 consists of 7 components in GZAR. The Subproject, namely Phase-I of Connectivity Project in Pingxiang Sino-Vietnam Cross-Border Economic Cooperation Zone, is the 4th subproject of Tranche 2 located in Pingxiang city, Chongzuo Municipality. The proposed subproject is located in the southeast of Pingxiang City, starting at K0+000 from Puzhai Avenue nearby Busha Village of Pingxiang City, about 700m from S325 highway to the east. The road stretches from the starting point of Nonghuai along X466 county road, and ends at Nonghuai Check Station at K2 + 668, with the total length of 2.668km. The Pingxiang Urban Construction Investment Company Ltd will rebuild this section of the road.

2. Resettlement Impacts

The total land area to be acquired from the collective land reserve for the Project is 122.51 *mu*. (Table 1)

Table 1: Impacts of Permanent Land Acquisition by Community Group

Affected Village	Nos. AFs Affected	Nos. of APs Affected	Total Permanent Acquisition of Collective Land (<i>mu</i>)	Land category (<i>mu</i>)		
				Dry land Acquired	Forest land Acquired	Homesteads Acquired
Busha Tun	12	55	31.51	2.09	29.02	0.4
Kafang Tun	29	150	91		91	
Grand total	41	205	122.51	2.09	120.02	0.4

Source: RP Preparation Team.

All the residential houses to be demolished by the Project are rural houses in Busha Tun of Kafeng Village. Their total area is 268.8 m². They are of brick-wood structures. The demolition will affect 3 families with 12 persons. An average area of a house is 88.93 m² (Table 2). The three houses are not occupied, but used as store houses. During the cross-border peaking seasons, they are rented out to traders.

Table 2: Summary of House Demolition

Affected villages	Tun	Nos. of families Affected	Nos. of the APs Affected	Types of structures (m ²)
				Brick-wood
Kafeng Village	Busha Tun	3	12	266.8

⁵ ADB. 2016. *Report and Recommendation of the President to the Board of Directors: Proposed Multitranchise Financing Facility to the People's Republic of China for Guangxi Regional Cooperation and Integration Promotion Investment Program*. Manila.

3. Resettlement agencies

The agencies responsible for LA in the Subproject are:

- Pingxiang Project Leading Group
- Pingxiang PMO
- Pingxiang Communications Bureau
- Pingxiang Urban Construction Investment Company Ltd.
- Pingxiang LA and House Demolition Office
- Land and Resources Bureau of Pingxiang City
- Youyi Township Government
- Affected village/community committees
- Design agency
- External M&E agency
- Other agencies concerned: women's federation, labor and social security bureau

4. Policy framework and compensation rates

(1) Applicable laws and regulations

- Land Administration Law of the PRC (amended on August 28, 2004)
- Rural Land Contracting Law of the PRC, effective from March 1, 2003
- Regulations on the Implementation of the Land Administration Law of the PRC (Decree No.256 of the State Council), December 27, 1998
- Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28)
- Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238)
- Notice of the General Office of the State Council on Doing a Good Job in the Employment Training and Social Security of Land-expropriated Farmers (SCO [2006] No.29)
- Notice of the Ministry of Labor and Social Security, and the Ministry of Land and Resources on Doing Well in the Social Security of Land-expropriated Farmers Practically (MLSS [2007] No.14)
- Real Right Law of the PRC, effective from October 1, 2007
- Interim Regulations on Farmland Occupation Tax of the PRC, effective from January 1, 2008
- Regulations of the PRC on the Disclosure of Government Information, effective from May 1, 2008
- Urgent Notice of the General Office of the State Council on Further Regulating the Management of Land Acquisition and House Demolition, and Protecting People's Lawful Rights and Interests Practically (SCO [2010] No.15)
- Notice of the Ministry of Land and Resources on Further Improving the Management of Land Acquisition, June 26, 2010
- Urgent Notice of the General Office of the Ministry of Land and Resources on Conducting Strict Management to Prevent Illegal Land Acquisition (MLR [2013] No.28)

- Notice of the General Office of the Ministry of Land and Resources on Doing a Better Job in Disclosing City- and County-level Land Acquisition Information (MLRO [2014] No.29)
- Measures of GZAR for the Implementation of the Land Administration Law of the PRC
- Circular of Chongzuo Municipal Government on Issuance of A New-Round Unified Standards of Annual Output Values for Land Acquisition (CZF[2016] 18);
- Circular of Pingxiang Municipality on Adjusting the AAOV of the Acquired Land for 3 Years Preceding Acquisition and the Compensation Standards for Fruit Trees of Different Sizes of the Acquired (occupied) Land (PZF[2016]10);
- Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land and House Demolition in Pingxiang City;
- ADB's Safeguard Policy Statement, June 2009.

(2) Entitlement matrix

The entitlement matrix has been established in accordance with the applicable policies in this chapter, as shown in Table 3.

Table 3: Entitlement Matrix

Impact Type	Degree of Impacts	Eligible APs	Compensation Policy and Standards	Responsible Agencies
Permanent land acquisition (41 AFs, 205 the APs)	The Project will acquire 122.51 <i>mu</i> of collective land permanently, including 2.09 <i>mu</i> of dry land, 120.02 <i>mu</i> of forest land and 0.4 <i>mu</i> of house site.	Cash compensation for all AFs. The permanently acquired land includes dry land, forest land, and house site. Compensations include land compensation, resettlement subsidies, and crops compensations and shall be paid directly to the affected individual persons by PLRB.	Land loss compensation rates for the APs: dry land RMB 38250 / <i>mu</i> , orchard land RMB 39702/ <i>mu</i> , forest land RMB20046 / <i>mu</i> , house site RMB400002/ <i>mu</i> . All compensation standards conform to Circular of Pingxiang Municipality on Methods for Compensation and Resettlement for Acquisition of Collective Land and House Demolition in Pingxiang City, and shall be paid to the APs.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., Youyiguan Town Government, PLRB, Kafeng Village RC, RO
Temporary land occupation 11 AFs or 56 the APs)	The total area of temporary occupation of collective forest land by the Project is 55 <i>mu</i> .	The AFs shall get cash compensation for crops. Land recovery fee shall be paid to the Contractor by Pingxiang Urban Construction Investment Company Ltd.	Crops compensations shall be paid to land loss farmer: forest land RMB 1542 / <i>Mu</i> . After the completion of the project, the temporarily occupied land shall be recovered to the original status and quality by the Contractor.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., PLRB, RO
Residential buildings (3 rural AFs, 12 rural the APs)	The total demolition area is 266.8m ² , belonging to Class-II in brick-wood structure.	Cash compensation to all APs for reconstruction of houses. The cut-off date will be determined by PMG in collaboration with relevant organizations involved, including the PPMO, IA, PLRB and township government. Illegal land-use, construction of temporary structures will not be compensated after the notification of cut-off date. The PMG, IA and PLRB take photos / video of the places on the cut-off date to prevent further influx of people and structures after the cut-off date. The PMG will publicize the cut-off date on newspaper of Pingxiang Daily and on village bulletin board,	The cash compensation for residential structures shall be at replacement cost, i.e. All required materials and labor costs. The material saving and depreciation will not be deducted. Compensation standards: brick-wood class-II RMB 550/m ² , the relocation subsidies RMB 7/m ² for the APs, and temporary transition subsidies RMB 8/m ² for 12 months. If the AFs moves out and hands over the house or dismantle it, each such family will receive RMB 23000 as a bonus. The IA and Local government will help the APs to apply for relocation	The PPMO, Pingxiang Urban Construction Investment Company Ltd., Youyiguan Town Government, Kafeng Village RC, PLRB, RO

Impact Type	Degree of Impacts	Eligible APs	Compensation Policy and Standards	Responsible Agencies
		once the date is decided. Cash resettlement subsidies and temporary resettlement subsidies shall be directly paid to the APs by PLRB.	house site.	
Ground attachments	1.5km of 2-circuit 10KV power lines, 12 electric poles, 1.5km of tele-communication optical fiber cable, 4 tele-communication poles and 1000m of tap water pipelines.	All the owners will get equivalent cash compensation.	The owners shall get cash compensation: RMB 110000/km for 2-circuit 10KV power lines, RMB 150 / pcs for 10KV HV pole, RMB 25000/m for tele-communication optical fiber cable, RMB 150/pcs for tele-communication poles and RMB 10/m for tap water pipelines.	The PPMO, Pingxiang Urban Construction Investment Company Ltd., Youyiguan Town Government, Kafeng Village RC, PLRB, RO
Grievances and appeals	Compensation rates, payment and resettlement measures	All APs	Free; all costs so reasonably incurred will be disbursed from the contingencies. Information and correspondence are made available in both Mandarin and Zhuang language at the request of APs.	/

5. Grievance redress mechanism

Step 1: If any AP is aggrieved by any aspect of the land acquisition and resettlement, he/she can state his/her grievance, and appeal to the RC in oral or in written form for relief. If an oral appeal is made, the RC will record it on paper and process it. The RC will make a decision on it or resolve it within two weeks. The AP will be informed of the result through written notice.

Step 2: If the aggrieved AP is not satisfied with the decision in Step 1, he/she can appeal to the district government office. The district government office will reach a decision within two weeks. The AP will be informed of the result through written notice.

Step 3: If the aggrieved AP is not satisfied with the decision of the district government office, he/she will appeal to the PPMO and the PLRB. The PPMO or the PLRB will reach a decision within two weeks. The AP will be informed of the result through written notice.

Stage 4: If the appellant is still dissatisfied with the disposition of Step 3, he/she may file an appeal with competent administrative authorities in accordance with the Administrative Procedural Law of the PRC for arbitration. At any stage of the inquiry, an AP can file an action in a court of law in accordance with the relevant Procedural Law of the PRC.

Affected persons can decide to go through the legal system directly or may decide not to use the project-level grievance channels. An aggrieved person may also express grievance to the external monitor, who would then report to it to PPMO and ADB. Alternatively, the aggrieved person(s) may submit a complaint to the ADB project team to try to solve 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 affected persons may appeal directly to ADB in accordance with ADB's accountability mechanism⁶.

⁶For more information, see <http://www.adb.org/Accountability-Mechanism/default.asp>.

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 construction phase of the project, the above procedures will remain effective so that the APs can use it to solve their relevant issues and grievances.

A focal person who is responsible for GRM at Pingxiang PMO will be appointed.

6. Resettlement implementation schedule

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

Table 4 Resettlement Implementation Schedule

Items	Resettlement activities	Agencies Responsible	Cut-off date	Status
1	Disclosure			
1.1	Disclosure of the draft RP	IA and RO	June 2017	
1.2	Disclosure of the RP on ADB's website	PMG, township government, and RO	June 2017	
2	RP and Budget			
2.1	Approval of updated RP	PMG, township government, and RO	Feb. 2018	
2.2	RP and budget approval (compensation rates included)	PMG, township government, and RO	Feb. 2018	
3	Release LA and Demolition Notice			
3.1	Disclosure of LA to APs	PPMO, IA, RO, and RC	Mar. 2018	
4	Compensation Agreement			
4.1	Village-level land compensation agreement	PPMO, IA, RO, and RC	Apr-Jun. 2018	
4.2	HHS Relocation Agreement	PPMO, IA, RO, and RC	Apr.-Jun 2018	
5	Capacity Building of Resettlement Agencies			
5.1	Staff of RP office and land & resources bureau	PLG, PPMO, IA, RO, PLRB and others	May 2017- Dec 2018	on-going
6	Monitoring and Evaluation			
6.1	Baseline survey	PPMO, IA and DI	Mar. 2018	
6.2	Establish internal monitoring	PPMO and IA	Mar. 2018	
6.3	Engagement of an external monitoring agency	PPMO	Feb. 2018	
6.4	Internal Monitoring Reporting	PPMO, IA, and RO	From Mar 2018	
6.5	External Monitoring Reporting	Independent monitoring agency	July. 2018	1st Report
			Jan. 2019	2nd Report
6.6	External Evaluation Reporting	Independent monitoring agency	Jan. 2020	1st Report
			Jan. 2021	2nd Report
6.7	Resettlement Completion Reporting	Independent monitoring agency	July. 2021	
7	Consultative documents			
7	Grievance Hearing	IA, RO, and RC		On-going
8	Grievance Hearing			
8	Grievance Hearing	IA, RO, and RC		On-going
9	Cash flow / compensation			
9.1	To IA	PMG	Mar. 2018	
9.2	To affected community	IA, RO	Apr. 2018	
9.3	To AFs	IA, RO	Apr. 2018	
10	Commencement of Civil Construction			
10.1	Commencement of civil construction	PMO and Pingxiang Urban Construction Investment Company Ltd.	May. 2018	

7. Power of interpretation

The Pingxiang PMO has the power to interpret this RIB.

PingxiangPMO
June 2017