

External Resettlement Monitoring and  
Evaluation Report  
of the World Bank-financed Xining  
Water Environment Management  
Project

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November 2013

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## Abbreviations

AAOV	-	Average Annual Output Value
AH	-	Affected Household
AP	-	Affected Person
DMS	-	Detailed Measurement Survey
FGD	-	Focus Group Discussion
HD	-	House Demolition
HIMC	-	Huangshui Investment & Management Co., Ltd.
IA	-	Implementing Agency
LA	-	Land Acquisition
M&E	-	Monitoring and evaluation
PRC	-	People's Republic of China
RAP	-	Resettlement Action Plan
PMO	-	Project Management Office
WWTP	-	Wastewater Treatment Plant

## Units

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

# 1. Summary

## 1.1 Introduction

With the support of the state and Bank, the flood control system of Xining City, and the wastewater collection system in the main urban area have been largely completed. However, rivers in Xining are still seriously polluted, and their water quality is substandard. In view of this, the Xining Municipal Government plans to apply for a loan with the Bank to implement the Xining Water Environment Management Project (hereinafter, the "Project"). The Project aims to conduct integrated improvement of the Huangshui River (Xining segment), improve the urban water infrastructure of Xining City, reduce water pollution in Xining City, demonstrate reclaimed water utilization, build a green corridor that integrates the ecological protection, leisure, tourism and cultural display functions, meet the Class-4 water quality standard, and realizes the overall goal of "clear water, smooth flow, green banks and beautiful landscape" in the Huangshui River basin.

According to the approved proposal, the gross investment in the Project is CNY1.575 billion (equivalent to US\$257 million), including a Bank loan of US\$150 million (equivalent to CNY920 million), and domestic counterpart funds of US\$107 million (equivalent to CNY656 million), to be raised by the Xining Municipal Government.

### 1.1.1 The Project

The components of the Project are as follows:

**Construction of wastewater collection systems:** Construction of 128km of wastewater and rain water collection pipes, including 34km of wastewater collection pipes from the Datong WWTP to the Ningda Road toll gate along the Beichuan River, 16km of wastewater collection pipes from Yangjiawan Village to Duoba along the Xichuan River, 34km of wastewater collection pipes in the Beichuan area, and associated roads and 44km of rainwater collection pipes

**Beichuan River embankment improvement:** 1) Construction of the LID rainwater collection system: permeable pavement, habitat establishment, vegetation planting, rainwater collection barrels; 2) Embankment environmental rehabilitation: embankment, slope and vegetation rehabilitation; 3) permeable footways; and 4) Lighting and sanitation facilities, landscaping water supply system, signboards, etc.

**Integrated gully and canal improvement:** Integrated improvement of 10.4km Chaoyangdian Canal, 0.9km Liujia Gully and 0.9km Shengou Gully, with channel normalization, slope protection and wastewater collection pipe construction

**Municipal wastewater reclamation and reuse:** Construction of the No.5 WWTP Reclamation Plant and associated reclaimed wastewater transfer pipes, with a capacity of 5,000m<sup>3</sup>/d; purchasing monitoring equipment, and conducting reclaimed water research

**Project management and capacity building:** 1) project management: project construction supervision, and management information systems (MIS); 2) consulting services: monitoring and evaluation (M&E), technical assistance, workshops; and 3) training and study tours.

### 1.1.2 Related Projects

A related project refers to a project that is directly associated with the Project in function or benefit, namely an extended project constructed using funds other than Bank lending within the range of the Project during the preparation and implementation of the Project. At the design stage, the project owner attached great importance to the identification of related projects. According to the feasibility study report, the following related projects exist:

### **1. No.3 WWTP, and associated network and pumping stations**

The construction of wastewater collection systems aims to collect wastewater formerly discharged directly into rivers, and delivers a part to the nearly No.3 WWTP for treatment. Therefore, the No.3 WWTP is closely associated with the construction of wastewater collection systems functionally, and should be regarded as a related project. The No.3 WWTP has a gross investment of 216 million yuan, a floor area of 133 mu, and a design treatment capacity of 100,000 tons/day; it broke ground in 2008, and was put into operation in 2010, managed by Xining Pengyao Wastewater Treatment Co., Ltd. as appointed by Xining Drainage Company.

The No.3 WWTP has a floor area of 133 mu. LA for the No.3 WWTP was completed as early as 1999, and Xining Drainage Company received the land use permit in 2000. Therefore, the No.3 WWTP involves neither LA nor HD.

### **2. No.4 WWTP, and associated network and pumping stations**

The construction of wastewater collection systems (Xichuan River wastewater collection network) aims to collect wastewater formerly discharged directly into rivers, and delivers a part to the nearly No.4 WWTP for treatment. Therefore, the No.4 WWTP is closely associated with the construction of wastewater collection systems functionally, and should be regarded as a related project.

62.2 mu of land will be acquired permanently for the No.4 WWTP, including 52.56 mu of collective land and 9.64 mu of state-owned land; the acquisition of rural collective land will affect 32 households with 131 persons in Sanqi Village, Mafang Sub-district, Chengbei District. Non-residential properties totaling 4,600 m<sup>2</sup> will be demolished, affecting 6 enterprises. By the end of June 2013, Xining Drainage Company had entered into an LA compensation agreement with Sanqi Village, and LA compensation fees had been paid to the AHs; all the enterprises affected by HD had entered into HD compensation agreements and received compensation fees. Therefore, the Due Diligence Report of the No.4 WWTP has been prepared. However, since the implementation rules and program for endowment insurance for LEFs of Xining City will be published at the end of 2013 only, the program for endowment insurance for LEFs of this project has not been developed, and the implementation thereof will be included in subsequent external M&E reports.

### **3. No.5 WWTP, and associated network and pumping stations**

The No.5 WWTP Reclamation Plant is located in the site of the No.5 WWTP and uses land of the No.5 WWTP, and wastewater from the No.5 WWTP will be supplied to the No.5 WWTP Reclamation Plant. Therefore, the No.5 WWTP is closely associated with the No.5 WWTP Reclamation Plant functionally, and should be regarded as a related project. 64 mu of rural collective land will be acquired permanently for the No.5 WWTP, affecting 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District; it does not involve HD. Xining Drainage Company had entered into an LA agreement with Shuangsubao Village by the end of June 2013, and compensation fees were paid to the APs in June 2013. Therefore, the Due Diligence Report of the No.5 WWTP has been prepared. However, since the implementation rules and program for endowment insurance for LEFs of Xining City will be published at the end of 2013 only, the program for endowment insurance for LEFs of this project has not been developed, and the implementation thereof will be included in subsequent external M&E reports.

### **4. Beichuan River (Core Segment) Integrated Improvement Project (hereinafter, the “Beichuan River Project”)**

Construction of wastewater collection systems (Beichuan River area) and Beichuan River embankment improvement are located in the land for the Beichuan River Project. In addition, these two components will improve the infrastructure of the Beichuan River Project and give full play to its integrated improvement function. Therefore, the Beichuan River Project is closely related to these two components in function, and should be regarded as a related project.

3,356.67 mu of rural collective land will be occupied for the Beichuan River Project, including 1,278.83 mu of housing land and 2,077.84 mu of irrigated land, affecting 1,348 households with 6,495 persons in Beixingyuan, Taojiazhai and Taoxin

Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District. Rural residential houses totaling 1.1816 million m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 1,348 households with 6,495 persons in Beixingyuan, Taojiazhai and Taoxin Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District. Non-residential properties and attachments totaling 25,900 m<sup>2</sup> will be demolished, affecting 38 entities in Taojiazhai and Taoxin Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District.

By the end of June 2013, 723.72 mu of land had been acquired for the Beichuan River Project, including 404.83 mu of housing land and 318.89 mu of irrigated land; 1,343 AHs had entered into compensation agreements, and residential houses totaling 1.1784 million m<sup>2</sup> had been demolished; 38 entities had entered into compensation agreements, and non-residential properties totaling 25,900 m<sup>2</sup> had been demolished. The Due Diligence Report of the Beichuan River Project has been prepared for the completed resettlement activities. To date, 2,632.95 mu of land has not been acquired, including 874 mu of housing land and 1,758.95 mu of irrigated land. 5 AHs had not entered into compensation agreements, involving residential houses totaling 3,200 m<sup>2</sup>. The LA and HD work is expected to be fully completed in the second half of 2013.

The ongoing LA and HD work will be subject to external M&E as required by the Bank memorandum.

#### **5. Yinjiagou Landfill**

With the successive completion and commissioning of the No.4 WWTP, No.5 WWTP and reclamation plant, the amount of sludge generated by the WWTPs in Xining is increasingly. It is learned that sludge produced by the new WWTPs and reclamation plant during operation will be transferred in a sealed manner to Yinjiagou Landfill for sanitary filling. Yinjiagou Landfill is located beside the Yinjia Ditch in Chengdong District; it broke ground in 2004, with a design life of 18 years and a gross capacity of 3.87 million m<sup>3</sup>, with a daily treatment capacity of 400 tons. This landfill occupies state-owned wasteland, involving neither LA nor HD. See Table 1-1.

Table 1-1 Summary of Resettlement Impacts and Progress of the Related Projects

Related project	Relevance	Resettlement impacts	Resettlement progress	Existing issues	Remarks
No.3 WWTP	Treating wastewater collected by the wastewater collection systems	/	/	/	Completed
No.4 WWTP	Treating wastewater collected by the wastewater collection systems	62.2 mu of land will be acquired permanently, including 52.56 mu of collective land and 9.64 mu of state-owned land; the acquisition of rural collective land will affect 32 households with 131 persons in Sanqi Village, Mafang Sub-district, Chengbei District. Non-residential properties totaling 4,600 m <sup>2</sup> will be demolished, affecting 6 enterprises.	An LA compensation agreement has been entered into with Sanqi Village, and compensation fees have been paid to the AHs; all the enterprises affected by HD have entered into HD compensation agreements and received compensation fees.	The program for endowment insurance for LEFs has not been developed,	The Resettlement Due Diligence Report of the No.4 WWTP Project has been prepared.
No.5 WWTP	1. Supplying land to the project 2. Supplying a renewable water source 3. Treating wastewater collected by the wastewater collection systems	Acquiring 64 mu of rural collective land permanently, affecting 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District	An LA agreement has been entered into with Shuangsubao Village, and compensation fees have been paid to the APs.	The program for endowment insurance for LEFs has not been developed	The Resettlement Due Diligence Report of the No.5 WWTP Project has been prepared.
Beichuan River Project	1. Supplying land to the project 2. Improving its function by the project	Acquiring 3,356.67 mu of rural collective land (1,278.83 mu of housing land and 2,077.84 mu of irrigated land), and demolishing residential houses totaling 1.1816 million m <sup>2</sup> , affecting 1,348 households with 6,495 persons in Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages; demolishing non-residential properties and attachments totaling 25,900 m <sup>2</sup> , affecting 38 entities	Ongoing	/	The Resettlement Due Diligence Report of the Beichuan River Project has been prepared.
Yinjiagou Landfill	Supplying a sludge landfill to the project	/	/	/	Completed



## 1.2 External Resettlement Monitoring and Evaluation

### 1.2.1 Scope of M&E

According to the memorandum of the Bank identification mission, the resettlement activities of the Project and related projects that had begun but not completed at the time of the mission should be subject to external M&E. By the end of June 2013, the resettlement of the Project had not begun; among the related projects, LA and HD compensation agreements for the No.4 WWTP and No.5 WWTP had been entered into with the AHs, and compensation fees had been fully paid, and that of the Beichuan River Project had begun but not completed.

Therefore, the scope of M&E is the LA and HD activities of the Beichuan River Project.

### 1.2.2 Scope of this Report

This report is the No.1 external M&E report of the Project, and aims to sum up the resettlement work of the related projects. This report covers the institutional arrangements, land approval, resettlement progress, public participation, grievance redress, etc.

### 1.2.3 Methods of M&E

**Sampling survey**—A sampling plan and a questionnaire were designed. The external M&E team conducted a door-to-door survey on different affected groups by random sampling. The survey covered family population, income and expenditure, satisfaction with resettlement, etc.

**FGD**—FGDs were held with the implementing agencies, township governments, village committees and AHs to learn information on LA, HD and resettlement, restoration measures, etc.

**Key informant interview**—Heads of LA and HD offices, and village committees, representatives of AHs, women and old people were interviewed.

**Literature study**—Documents, agreements, statistical reports, etc. on LA, HD and resettlement were referred to and verified.

### 1.2.4 Schedule of M&E

In April-June 2013, a survey was conducted on the resettlement work of the projects related to the Project, and this report prepared. The second round of external M&E will be conducted before the construction of the Project. At the construction stage, a round of external M&E will be conducted annually. Post-evaluation will be conducted after the completion of resettlement.

## 2. Organizational Structure

### 2.1 Agencies

In July 2012, the Xining Municipal Government established the Resettlement Leading Group of the Beichuan River Project, headed by Mr. Xu Guocheng, Deputy Mayor of Xining City, and Director of the Huangshui River Watershed (Xining Segment) Integrated Improvement Administrative Committee (“Huangshui Administrative Committee” for short). The Leading Group governs an office, located at the Chengbei District Government, responsible for LA and HD. See **Appendix 1**.

Other agencies involved in LA and HD in the Project include Huangshui Administrative Committee, Huangshui Investment & Management Co., Ltd. (HIMC), Xining Drainage Company, Xining Unified Land Acquisition Office, Xining Municipal Land and Resources Bureau, Chengbei District Construction Bureau, Xining Municipal Real Estate Administration, Affected township governments and village committees, and external M&E agency.

Their responsibilities are as follows:

- **Huangshui Administrative Committee**: making overall arrangements, solving major issues arising from resettlement, supervising and inspecting LA and HD, managing and supervising the resettlement work, and coordinating relations among resettlement agencies at different levels
- **HIMC (executive office)**: Responsible for the LA, HD and resettlement work of the non-drainage related project (Beichuan River Project)
- **Xining Drainage Company (executive office)**: Responsible for the LA, HD and resettlement work of the non-drainage related project (No.5 WWTP)
- **Xining Unified Land Acquisition Office**: Conducting the DMS on LA, developing LA programs and consulting with the APs as the appointed LA agency
- **Xining Municipal Land and Resources Bureau**: Handling, examining and approving LA formalities, and directing, coordinating and supervising LA activities
- **Chengbei District Construction Bureau**: Conducting the DMS on HD and consulting with the APs as the appointed HD agency
- **Xining Municipal Real Estate Administration**: Handling, examining and approving HD formalities, and directing, coordinating, supervising and arbitrating HD activities
- **Affected township governments and village committees**: Coordinating the socioeconomic survey and DMS, organizing public participation activities, communicating the policies on LA and HD, organizing the implementation of resettlement activities, providing assistance to displaced households with difficulties, and reporting the APs’ opinions and suggestions to the competent authorities
- **External M&E agency**: conducting external M&E on LA, HD and resettlement

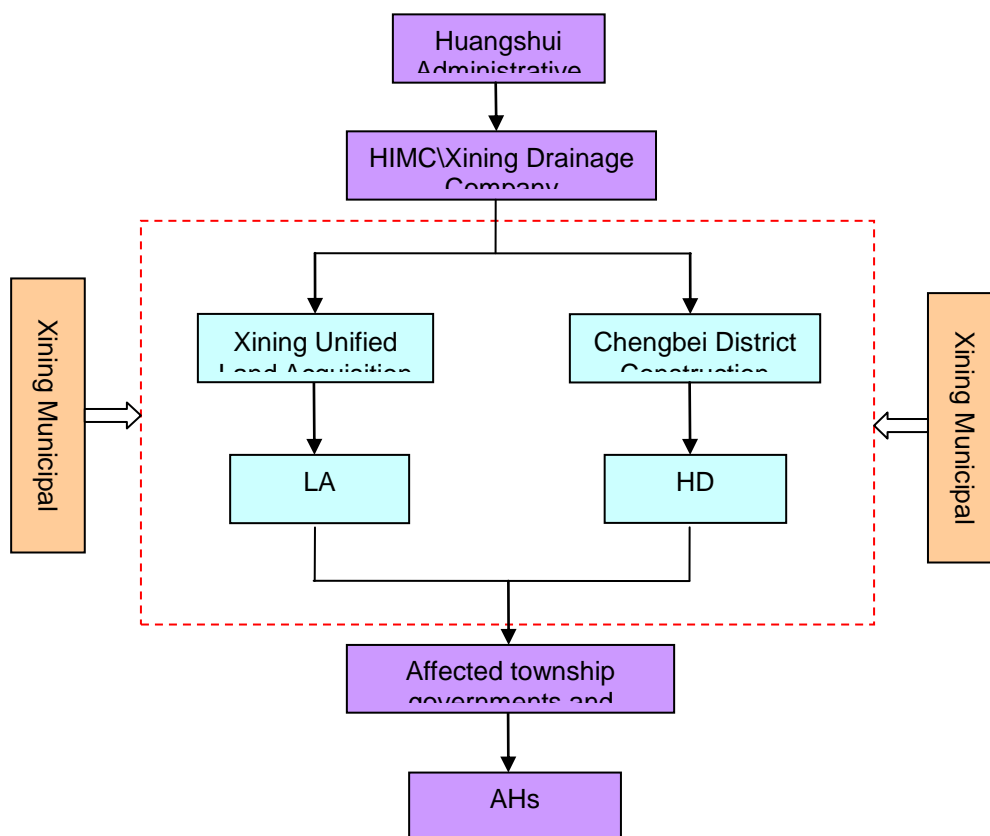


Figure 2-1 Organizational Chart

## 2.2 Institutional Capacity

The resettlement agencies at different levels have been sufficiently staffed based on the intensity of resettlement activities, with an average full-time workforce of 16 and a peak workforce of 32, as shown in Table 2-1. The resettlement agencies at different levels have fixed offices, proper office equipment and sufficient funds. The powerful organizational structure ensures the successful implementation of LA and HD. In addition, the PMO has trained the relevant staff many times.

During January 7-9, 2013, the Bank pre-identification mission trained the PMO and design staff on the preparation of the feasibility study report, water reclamation, Bank project approval, procurement procedures, etc.

During February 21-23, 2013, the PMO management staff and technicians discussed the background, necessity, scope, size, investment and loan of the Project with CSCEC AECOM Consultants Co., Ltd. in order to prepare the project proposal.

On February 26, 2013, the PMO invited officials from the planning bureau to train the PMO technicians on domestic planning, land approval and capital construction procedures.

In order to strengthen the understanding of the Bank's resettlement policy among the staff of the resettlement agencies, the Xining PMO trained the resettlement staff in March 2012.

Table 2-1 Staffing of the Resettlement Agencies

Resettlement agency	Full-time workforce	Peak workforce	Composition
Huangshui Administrative Committee	1	3	Civil servants, technicians
HIME	2	5	Technicians
Xining Drainage Company	2	4	Technicians
Xining Unified Land Acquisition Office	3	5	Civil servants
Xining Municipal Land and Resources	1	3	Civil servants

Resettlement agency	Full-time workforce	Peak workforce	Composition
Bureau			
Chengbei District Construction Bureau	6	10	Civil servants
Xining Municipal Real Estate Administration	1	2	Civil servants
Total	16	32	/



Figure 2-2 Resettlement and Social Assessment Training

### 2.3 Evaluation

The external M&E team investigated the operation of the resettlement agencies. The investigation shows that the organizational structure for resettlement is sound, the resettlement agencies are well staffed and equipped, with their roles and responsibilities defined, and the relevant staff has been trained and is competent for the resettlement work. The external M&E team advises the Xining PMO to strengthen staff training and improve its internal management institutions while keeping its staff stable, thereby ensuring the successful implementation of resettlement.

### 3. Resettlement M&E

#### 3.1 Land Approval

According to the Land Administration Law of the PRC, if farmland has to be converted into construction land in a construction project, farmland conversion should be approved in compliance with the master land utilization plan, master urban construction plan and annual land utilization plan. In case of application for farmland conversion, the applicant should submit the following materials: opinion on site selection, land pre-examination report, project feasibility study report, etc.

On July 10, 2012, the Xining Municipal Government approved the 2012 Implementation Plan for Land Reservation of Xining City, including the Beichuan River Project. See **Appendix 2**.

On July 12, 2012, the Xining Municipal Government thought that the farmland to be used for the Beichuan River Project had been converted into state-owned construction land, and approved LA for this project. See **Appendix 3**.

On July 12, 2012, the Xining Municipal Government approved the reserved land for the Beichuan River Project. See **Appendix 4**.

On July 19, 2012, the Xining Municipal Government approved the implementation plan for compensation and resettlement for LA and HD for the Beichuan River Project.

On November 14, 2012, the Xining Municipal Government approved Master Plan for the Integrated Improvement of the Beichuan River (Tianjun Road-Kangjia Bridge). See **Appendix 5**.

On June 26, 2013, the Xining Urban-Rural Planning Bureau issued the construction planning permit for the construction of the resettlement community for Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages. See **Appendix 6**.

#### 3.2 Resettlement Impacts and Progress

The DMS of the Beichuan River Project begun in October 2011 and was completed in July 2012.

3,356.67 mu of rural collective land will be occupied for this project, including 1,278.83 mu of housing land and 2,077.84 mu of irrigated land, affecting 1,348 households with 6,495 persons in Beixingyuan, Taojiazhai and Taoxin Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District. Rural residential houses totaling 1.1816 million m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 1,348 households with 6,495 persons in Beixingyuan, Taojiazhai and Taoxin Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District. Non-residential properties and attachments totaling 25,900 m<sup>2</sup> will be demolished, affecting 38 entities in Taojiazhai and Taoxin Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District.

By the end of June 2013, 723.72 mu of land had been acquired for the Beichuan River Project, including 404.83 mu of housing land and 318.89 mu of irrigated land (see Table 3-1); 1,343 AHs had entered into compensation agreements, and residential houses totaling 1.1784 million m<sup>2</sup> had been demolished (see Table 3-2); 38 entities had entered into compensation agreements, and non-residential properties totaling 25,900 m<sup>2</sup> had been demolished. The Due Diligence Report of the Beichuan River Project has been prepared for the completed resettlement activities.

Table 3-1 Statistics of LA Impacts of the Beichuan River Project (End of June 2013)

District	Township	Village	Amount of impact					Completed					Percent of completion
			Population		Land (mu)			Population		Land (mu)			
			HHs	Population	Housing land	Irrigated land	Total	HHs	Population	Housing land	Irrigated land	Total	
Chengbei	Xiaoqiao Sub-district	Beixingyuan	158	960	69.83	28.44	98.27	158	960	69.83	28.44	98.27	100%
		Taojiazhai	350	1204	335	319.85	654.85	335	1150	335	290.45	625.45	95.51%
		Taoxin	414	1320	324	729.76	1053.76	0	0	0	0	0	0
	Ershilipu	Shitoulei	426	3011	550	999.79	1549.79	0	0	0	0	0	0
	Total			1348	6495	1278.83	2077.84	3356.67	493	2110	404.83	318.89	723.72

Table 3-2 Statistics of Impacts of the Demolition of Residential Houses of the Beichuan River Project (End of June 2013)

District	Township	Village	Amount of impact			Completed			Percent of completion
			Area (0,000 m <sup>2</sup> )	HHs	Population	Area (0,000 m <sup>2</sup> )	HHs	Population	
Chengbei	Xiaoqiao Sub-district	Beixingyuan	16.82	158	960	16.82	158	960	100%
		Taojiazhai	29.70	350	1204	29.67	349	1200	99.90%
		Taoxin	33.52	414	1320	33.43	413	1315	99.73%
	Ershilipu	Shitoulei	38.12	426	3011	37.92	423	3000	99.48%
	Total			118.16	1348	6495	117.84	1343	6475

Table 3-3 Statistics of Impacts of the Demolition of Non-residential Properties of the Beichuan River Project (End of June 2013)

District	Township	Village	Amount of impact		Remarks
			Area (m <sup>2</sup> )	HHs	
Chengbei	Xiaoqiao Sub-district	Taojiazhai	7388.54	4	Completed
		Taoxin	6962.58	26	Completed
	Ershilipu Town	Shitoulei	11588.74	8	Completed
	Total		/	25939.86	38

By the end of June 2013, 2,632.95 mu of land had not been acquired for the Beichuan River Project, including 874 mu of housing land and 1,758.95 mu of irrigated land. 5 AHs had not entered into compensation agreements, involving residential houses totaling 3,200 m<sup>2</sup>. Therefore, the ongoing LA and HD work is being subject to external M&E.

By the end of June 2013, HIMC had established a resettlement database for the AHs, which included LA and HD areas, affected population, compensation rates and payment of compensation fees. The APs may have access to information in the database at any time. The database is also convenient for follow-up.

### 3.3 Resettlement Policies and Compensation Rates

#### 3.3.1 Acquisition of Collective Land

##### 1. Resettlement policies

The location-based composite land prices for LA have been fixed according to the Notice of the Qinghai Provincial Government on the Promulgation and Implementation of Uniform Annual Output Values and Location-based Compensation Rates for Land Acquisition (QPG [2010] No.26).

##### 2. Compensation rates

According to the Notice of the Qinghai Provincial Government on the Promulgation and Implementation of Uniform Annual Output Values and Location-based Compensation Rates for Land Acquisition (QPG [2010] No.26), the urban area of Xining City shall be subject to location-based composite land prices for LA, and the villages affected by LA for the Beichuan River Project are located in Chengbei District, Xining. See Table 3-4.

Table 3-4 Location-based Composite Land Prices for LA in the Villages Affected by the Beichuan River Project

Grade	Location-based composite land price (0,000 yuan/mu)	Range	
I	9.72	Chengbei District	Taojiazhai Village
II	9.00		Taojiazhai, Taoxinzhuang, Beixingyuan and Shuangsubao Villages
III	2.70		Taojiazhai (hilly land), Taoxinzhuang (hilly land), Beixingyuan and Shuangsubao Villages

#### 3.3.2 HD

##### 1. Resettlement policies

The Beichuan River Project involves the demolition of residential houses and non-residential properties on rural collective land. Compensation rates are based on the Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition (NMG [2004] No.30), and Notice of the General Office of the Xining Municipal Government on Issuing the Compensation and Resettlement Program for the Xining Railway Station Reconstruction Project and Related Works (XMGO [2011] No.179).

##### 2. Compensation rates

According to the Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition, demolished houses on collective land will be compensated for separately from land. See Table 3-5.

Table 3-5 Replacement Costs of Properties on Collective Land

Structural type	Replacement cost (yuan/m <sup>2</sup> )		Residential premises	Industrial and office premises	Remarks
	Grade				

Reinforced concrete	/	928	824	Floor, orientation and location are not taken into account. Compensation rates for HD will be appraised based on the specified technical standard and procedure.
Mixed	Grade 1	597	531	
	Grade 2	569	506	
	Grade 3	543	482	
	Grade 4	516	459	
Masonry timber	Grade 1	563	500	
	Grade 2	535	475	
	Grade 3	515	457	
Other	Grade 1	527	468	
	Grade 2	499	443	
	Grade 3	474	421	
	Grade 4	454	403	

### 3.4 Resettlement Implementation

#### 3.4.1 Resettlement and Restoration Measures for the Acquisition of Collective Land

LA begun in July 2012. By the end of June 2013, LA and resettlement was ongoing. Not only the AHs will receive cash compensation timely and fully, but also eligible AHs will be entitled to social security and employment training.

##### 1. Cash compensation

The compensation policies and rates for the collective land acquired for the related projects are based on the Notice of the Qinghai Provincial Government on the Promulgation and Implementation of Uniform Annual Output Values and Location-based Compensation Rates for Land Acquisition (QPG [2010] No.26). It is learned that all the 4 affected villages have held village congresses, and all LA compensation fees will be paid to the AHs without withholding.

Compensation fees for the acquired land have been fully paid by the village committees to the AHs, and compensation fees for the remaining acquired land will be paid to the AHs in early January 2014.

##### 2. Social security

###### 1) New-type rural insurance

###### **Insured:**

Registered residents in rural pastoral areas of Qinghai Province, having attained 16 years and not covered by basic endowment insurance for urban employees may participate in new-type rural endowment insurance voluntarily.

###### **Fund raising:**

- a) Individual contribution: 100-500 yuan per annum, 100 yuan per level, to be chosen by the insured voluntarily and paid annually
- b) Collective subsidy: Eligible village collectives may grant a subsidy to the insured as determined by the village committee democratically. Other economic organizations, social welfare organizations and individuals are encouraged to provide subsidies to participants.
- c) Government subsidy: The government shall subsidize the basic pension of each insured having attained 60 years monthly at 55 yuan. For any severely disabled person, the minimum annual premium of 100 yuan shall be fully paid by the government.

###### **Benefit payment and management:**

- 1) Participants having attained 60 years and not been covered basic endowment insurance for urban employees may receive pensions on a monthly basis.
- 2) The pension of new-type rural insurance consists of a basic pension and an individual account pension, where the former shall be paid fully by the government at the prevailing rate of 55 yuan per capita per month, and the latter shall be the balance of the individual account divided by 139.

According to interviews, the coverage rates of new-type rural endowment insurance in Beixingyuan, Taojiazhai, Taoxin, Shitoulei and Shuangsubao Villages affected by LA for the related projects are above 75%.



## **2) Endowment insurance for LEFs**

Although the Qinghai Provincial Government has issued the Notice of the General Office of the Qinghai Provincial Government on Forwarding the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2012] No.336), and Notice of the General Office of the Qinghai Provincial Government on Paying Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2013] No.23), but the prevailing policies of Xining City on endowment insurance for LEFs are being improved, and comments are being solicited for the Opinions on the Implementation of Endowment Insurance for Land-expropriated Farmers of Xining City.

It is estimated from the Opinions on the Implementation of Endowment Insurance for Land-expropriated Farmers of Xining City (Draft for Comment) that endowment insurance for LEFs will be connected seamlessly with new-type rural endowment insurance, and individual accounts managed together. The consolidated benefit under new-type rural endowment insurance for LEFs will be not less than 411 yuan per month.

### ***Insured:***

Registered farmers with a remaining per capita cultivated area of less than 0.3 mu after the acquisition of rural collective land according to law, having attained 16 years and not covered by basic endowment insurance for urban employees in urban planning area of Xining City

Those under 16 years upon LA, and students having attained 16 years and receiving compulsory or academic education in the rural economic organization affected by LA shall be granted a one-time resettlement subsidy the government, and shall be insured depending on employment status after attaining labor age.

The district (county) land and resources bureau will investigate the cultivated area and agricultural population of each affected village (group), and disclose the list of LEFs with a per capita cultivated area of less than 0.3 mu and having attained 16 years after LA for public supervision. If there is no objection during disclosure, the village committee will complete the LEF identification form and register of identified LEFs, which will be submitted to the township government (sub-district office) after review by the village committee. After approval by the township government (sub-district office), the form and register will be submitted to the district (county) land and resources bureau for approval.

### ***Fund raising:***

The endowment insurance fund for LEFs shall be raised at a certain percentage of the local MLS rate for urban residents, and consist of individual contribution, government subsidy and collective subsidy.

a. Individual contribution: An LEF shall pay premiums for 15 years based on 35% of the local MLS rate for urban residents (19,719 yuan in 2013) at a time. For a new LEF, such premiums shall be deducted from land compensation fees and resettlement subsidies at a time.

b. Government subsidy: A government at or above the county level implementing LA shall grant a subsidy to each LEF to be insured at 15% of the local MLS rate for urban residents (8,451 yuan in 2013), to be withdrawn by the local finance department for 15 years from land transfer income at a time.

c. Collective subsidy: Eligible village collectives may grant a subsidy to the insured as determined by the village committee democratically.

The base amount of contribution for new LEFs shall be adjusted timely based on the local annual MLS rate for urban residents.

### ***Eligibility for receiving pensions and benefit level:***

The insured shall receive pensions monthly from 60 years. The pension shall consist of a basic pension and an individual account pension, where the basic pension shall be 120 yuan, and the individual account pension shall be the balance of the individual account divided by 139 (this is the same as the prevailing factor for the individual account of basic endowment insurance for urban employees).

Farmers having been acquired of land and reservoir migrants having been

resettled before the effective date may get insured voluntarily and pay premiums themselves. Government and basic pension subsidies shall be as stipulated.

Similarly, all farmers with a per capita cultivated area of less than 0.3 mu and having attained 16 years after LA affected by the Beichuan River Project may participate in endowment insurance for LEFs.

In Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages affected by the Beichuan River Project, all rural collective land will be acquired and the whole population will be converted into nonagricultural status in household registration. 797, 997, 1,095 and 2,485 persons of Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages will be eligible for endowment insurance for LEFs respectively. See Table 3-6.

Table 3-6 Estimates of Endowment Insurance for LEFs in the Villages Affected by the Beichuan River Project

Project	Affected village	Affected		Per capita cultivated area (mu)	Remaining cultivated area (mu)	Number of eligible LEFs
		HHs	Population			
Beichuan River Project	Beixingyuan	158	960	0.10	0	797
	Taojiazhai	350	1204	0.54	0	997
	Taoxin	414	1320	0.80	0	1095
	Shitoulei	426	3011	0.51	0	2485

However, since the Opinions on the Implementation of Endowment Insurance for Land-expropriated Farmers of Xining City (Draft for Comment) have not been finalized, and the policies of Xining City on endowment insurance for LEFs are under preparation, these policies and their implementation will be further monitored in the future.

### 3. Employment training

The municipal agriculture and stockbreeding bureau, labor and social security bureau, employment bureau, and poverty reduction office have also developed measures for the employment training of LEFs to promote their livelihood restoration. The APs may attend free skills training voluntarily to improve labor skills and income generating capacity, covering agricultural skills training, pre-job training and vocational training. In addition, the project owner will provide employment information and job referral services to the APs, and make jobs under the Project first available to local labor. See Table 3-7.

Table 3-7 Summary of Employment Training Programs in the Project Area

Village	Time	Sessions	No. of trainees	Scope	Agencies responsible	Funding source	Remarks
Beixingyuan	2013.11-2014.1	3	120	Medicinal material sorting, drug processing, electrician, masonry, bricklaying, concrete work, waterproofing, painting, welding, car and motorcycle repair, car dressing, pastry cooking, tailoring, hotel service, etc.	Municipal agriculture and stockbreeding bureau, labor and social security bureau, employment service bureau, poverty reduction office, village committees	Special fiscal funds	To be scoped as needed
	2014.12-2015.1	2	100				
	2015.11-2016.1	3	120				
	2016.12-2017.1	2	100				
Taojiazhai	2013.12-2014.1	2	100				
	2014.11-2015.1	3	120				
	2015.12-2016.1	2	100				
Taoxin	2016.11-2017.1	3	120				
	2013.11-2014.1	3	120				
	2014.12-2015.1	2	100				
	2015.11-2016.1	3	120				
Shitoulei	2016.12-2017.1	2	100				
	2013.12-2014.1	2	100				
	2014.11-2015.1	3	120				
Total	2015.12-2016.1	2	100				
	2016.11-2017.1	3	120				
	/	40	1760				

#### **4. Distribution of collective economic income**

Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages affected by LA and HD in the Project are located in the outskirts, where the employment structure of villagers has changed, and farmers rely on land on a declining degree. During resettlement, all village collectives have reserved village-level land for development, and will raise funds to construct hotels, farm product fairs and other commercial facilities in consultation with villagers. The AHs may invest part of LA compensation fees in the collective economy and enjoy income thereon. It is learned that a high-grade hotel will be constructed on the reserved land of Taojiazhai Village and a farm product fair constructed on the reserved land of Taoxin Village.

#### **5. Employment**

The 4 villages affected by LA and HD in the Project are close to Qinghai Biotechnology Industrial Park, which has 386 enterprises and can offer over 5,000 jobs. It is learned that over 450 APs are doing security, cleaning, construction, landscaping, drug processing and medicinal material sorting jobs, etc. in the park, with monthly pays ranging from 2,000 yuan to 4,000 yuan. In addition, the Chengbei District Government will place a certain percentage of APs to jobs in the park in coordination with the park and new enterprises.

### **3.4.2 Resettlement and Restoration Measures for HD**

HD begun in July 2012. By the end of June 2013, HD and resettlement was ongoing.

#### **3.4.2.1 Resettlement measures for demolished residential houses**

The residential houses demolished for the Beichuan River Project are subject to cash compensation or non-local physical resettlement. It is learned that 99.4% of the households affected by HD have chosen non-local physical resettlement.

**1. Cash compensation:** According to the Notice of the General Office of the Xining Municipal Government on Issuing the Compensation and Resettlement Program for the Xining Railway Station Reconstruction Project and Related Works (XMGO [2011] No.179), a demolished house will be compensated for in cash after appraisal by a qualified appraisal agency. In case of one-time cash compensation, physical resettlement will not apply. House size and purpose subject to cash compensation shall be based on the certificate of title issued by the real estate administration department; any lawful house without property formalities shall be compensated for based on the size and purpose specified in the land use permit and construction permit, and at 5-10% below the price of the scenario with property formalities. The amount of cash compensation for any demolished house shall be appraised based on its location, purpose and building area, and exclude the moving subsidy and transition subsidy. House attachments and decoration shall be compensated for at appraised price. In case of cash compensation, housing site compensation shall be granted.

**2. Non-local physical resettlement:** Compensation will be paid before resettlement. Resettlement housing will be constructed by village committees under the leadership and supervision of the Chengbei District Government, and purchased at cost price. The size of resettlement housing is based on the registered population within the range of HD and determined at 50 m<sup>2</sup> per capita. If the building area of the resettlement house is less than that of the demolished house, cash compensation shall be paid at the appraised price of the demolished house. If the building area of the resettlement house is more than that of the demolished house: 1) Any excess area of not more than 10% shall be settled at the replacement cost; 2) Any excess area of more than 10% shall be settled at market price. House attachments and decoration shall be compensated for at appraised price.

It is learned that 99.4% of the households affected by HD in this project have chosen non-local physical resettlement. See Table 3-8.

Table 3-8 Resettlement Information of the Households Affected by the Demolition of Residential Houses for the Beichuan River Project

Village	Mode of resettlement		Total
	Cash compensation	Non-local physical resettlement	
Beixingyuan	1	157	158
Taojiazhai	2	347	349
Taoxin	2	411	413
Shitoulei	3	420	423
Total	8	1335	1343

**3. Other subsidies:** 1) Transition subsidy: 4 yuan/m<sup>2</sup> per month; 2) Moving subsidy: 400 yuan plus 1,000 yuan per household at a time; and 3) Traffic subsidy for up to two primary and high school students per household, 300 yuan per capita. See Table 3-9.

Table 3-9 Rates of Other Cots and Subsidies for Urban HD in Xining City

Item	Amount		Remarks
Moving subsidy	HH	200 or 400 yuan per household	200 yuan for households resettled at a time; 400 yuan for households subject to transition; 120 yuan per 5 tons for enterprises
	Unit	120 yuan/5 tons	
Transition subsidy	HH	4 yuan/m <sup>2</sup> per month	8 yuan/m <sup>2</sup> per month beyond the transition period
Traffic subsidy for primary and high school students	300 yuan		Paid at a time for not more than two students per household
Compensation for production or business suspension	Commercial property	200 yuan per month	Based on the registered number of contractual employees, for not more than 6 months

**4. Resettlement for non-residential properties:** Each person of every household affected by HD for the Beichuan River Project will receive a commercial property of 20 m<sup>2</sup> on the ground floor of the mixed commercial and residential buildings in the resettlement community. It is learned that the monthly rental of a 20 m<sup>2</sup> store in Chengbei District ranges from 800 yuan to 1,200 yuan. It is estimated that after the completion of the resettlement community, such commercial properties will generate additional annual income of 10,000 yuan for each resettled person, much higher than the per capita annual agricultural and stockbreeding income of 1,765 yuan before LA. Construction agencies will be selected by village committees through bidding. It is learned that over 90% of villagers prefer collective fund raising. After completion, operating premises will be managed by the village committees centrally for rent or commercial services, and villagers will receive dividends by size.

Table 3-10 Summary of Operating Premises

Village	Per capita size	Purpose	Funding source	Mode of distribution	Mode of management
Beixingyuan	20	Hotel, store	Villager pooling	Villagers receive dividends by size.	Managed by village committees centrally with the participation of villager representatives
Taojiazhai	20	Hotel, store	Villager pooling	Villagers receive dividends by size.	Managed by village committees centrally with the participation of villager representatives
Taoxin	20	Market	Villager pooling	Villagers receive dividends by size.	Managed by village committees centrally with the participation of villager representatives
Shitoulei	20	Store	Villager pooling	Villagers receive dividends by size.	Managed by village committees centrally with the participation of

**5. House lease:** The resettlement community is close to Qinghai Biotechnology Industrial Park. It is learned that the park has 386 enterprises and can offer over 5,000 jobs. Over half of the employees are migrant workers and most of them need to rent houses. Based on a per capita rented area of 20 m<sup>2</sup>, the total demand of migrant workers in the park is above 2,000 m<sup>2</sup>. Currently, the annual rental of a 100 m<sup>2</sup> house in a residential building in Chengbei District is about 12,000 yuan. After the completion of the resettlement community, residents may lease excess housing to migrant workers in the biotechnology park to earn more income.

**6. Resettlement housing construction and allocation:**

**1. Agencies responsible for resettlement housing construction and responsibilities**

According to the Opinions of the Xining Municipal Government on Accelerating Resettlement Housing Construction, resettlement housing construction should be combined with new countryside building, resettlement housing should be constructed by village committees on the principle of unified planning, design and construction, and rational allocation under the leadership of the township government, and municipal infrastructure and air defense charges should be reduced or exempted.

**Chengbei District Government:** responsible for the leadership and coordination resettlement community construction, solving major issues, directing villages in construction, and coordinating infrastructure construction

**Municipal planning bureau:** directing and approving site selection, layout planning, etc.

**District resettlement office:** directing all village committees in resettlement housing construction, including fund raising, bid invitation and bidding, procurement, construction, supervision, allocation, etc.

**Fund management office of the district resettlement office:** supervising village resettlement housing construction accounts, and the disbursement and use of resettlement funds, etc.

**Village committees and villagers' construction committees:** responsible for resettlement housing construction, establishing villagers' construction committees, mobilizing villagers to raise funds, managing the use of funds, choosing construction and supervising agencies through bidding, purchasing raw materials, supervising the quality and progress of housing construction, and organizing housing allocation, etc.

**2. Comparison of options of the resettlement community**

It is learned from the Chengbei District Resettlement Office and HIMC that the former site of the resettlement community was close to the seat of the Eershilipu Town Government. However, this option has been abandoned through consultation because this town is far away from the urban area, and its traffic, commercial and service facilities are unsophisticated.

The site of the resettlement community has been determined through consultation with the APs, village committees and departments concerned, and in consideration of traffic, environmental, educational, medical, commercial and living conditions. The resettlement community is located east of Ningzhang Road and north of Tianjin Road, close to Qinghai Biotechnology Industrial Park, with a floor area of 434.93 mu. The resettlement community is only 2km away from the urban area of Xining City, and is connected to the downtown area by many bus routes, enjoying convenient traffic. Currently, the public education and health service facilities within 2km around the resettlement site can meet residents' living needs. Living facilities such as schools, hospitals, malls, squares and parks and public service centers will be provided near the resettlement community.

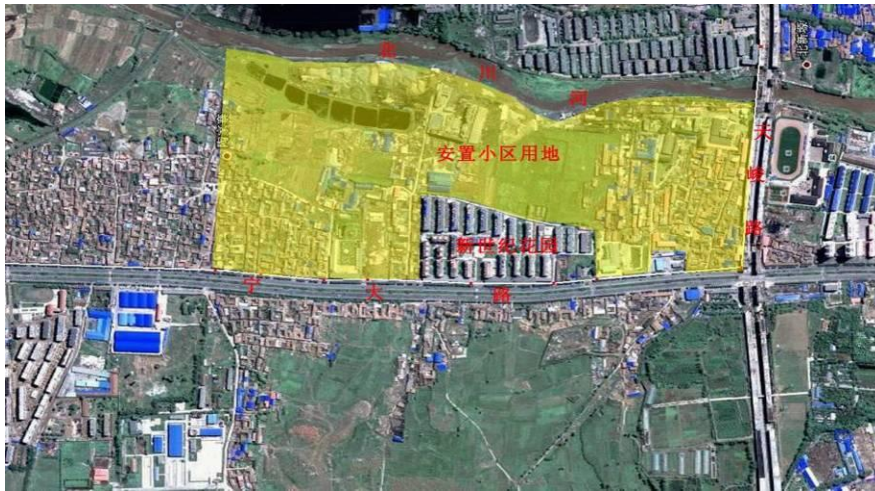


Figure 3-1 Proposed Site of the Resettlement Community for Beichuan River Project

### 3. Construction of the resettlement community

The resettlement community has a building area of 744,200 m<sup>2</sup>, including a residential building area of 449,800 m<sup>2</sup> and a commercial building area of 182,700 m<sup>2</sup>. 29 high-rise buildings with 1,968 apartments, 73 multi-storied buildings with 1,932 apartments and 2,375 parking spaces are planned.

The supporting facilities of the resettlement community will be constructed by the departments concerned of the Xining Municipal Government, and resettlement housing will be constructed by the village committees through bidding under the direction of the Chengbei District Government and Resettlement Office. Funds will be raised by villagers, and expenditures will be supervised by the Chengbei District Resettlement Office.

The applicable policies on bidding and contracting will be followed strictly. The Chengbei District Construction Bureau and Resettlement Office have assigned technicians to conduct supervision and periodic inspection specifically, and a competent and qualified supervising agency will be appointed to ensure the progress and quality of resettlement housing construction. In addition, during the construction of resettlement housing, the villagers' construction committee will play a crucial role, including design, bidding, procurement, construction, allocation, etc.

Currently, the three supplies and one leveling of the resettlement community have been completed. By the end of August 2013, the construction and supervising agencies for the resettlement community had been determined, including: 1)

**Construction agencies:** Qinghai Xinrui Construction Co., Ltd. for Beixingyuan Village; Zhejiang Zhonghong Construction Co., Ltd. (Bid A1), Jiangsu Dingxin Construction Co., Ltd. (Bid B1) and No.4 Metallurgical Construction Company of China Limited (Bid C1) for Shitoulei Village; Hongyu Construction Group (Bid B1), Guangxi Wuhong Construction Group Co., Ltd. (Bid C1) and Jiangsu Huajiang Construction Group Co., Ltd. (Bid D1) for Taojiazhai Village; and Zhejiang Dongyang Construction Group Co., Ltd. for Taoxin Village; **2) Supervising agencies:** Qinghai branches of Chongqing Jianxin Construction Supervision Consulting Co., Ltd. and Sichuan Yibo Project Management Co., Ltd. for Beixingyuan Village, and Gansu Hengyu Construction Supervision Co., Ltd. for Shitoulei, Taojiazhai and Taoxin Villages. See Table 3-11.

Table 3-11 Construction Schedule of the Resettlement Community

Time	Activity
Aug. 22, 2012	Submission of site selection applications and general layouts to the Xining Urban-Rural Planning Bureau
Sep. 3-17, 2012	Approval by the planning bureau
Sep. 13, 2012	Development of village housing allocation programs
Dec. 2012 – early Feb. 2013	Design of the resettlement community
Jan. 20, 2013	Commencement of geological investigation



Time	Activity
Feb. 28, 2013	Approval of the design of the resettlement community
Mid Mar. 2013	Application for temporary power and water supply
Mar. 29, 2013	Determination of heating mode
Aug. 12, 2013	Bid opening for resettlement community construction
Aug. 25 – Sep. 15, 2013	Commencement of construction
End of 2013	Completion of foundation construction
End of 2014	Completion of multi-storied buildings
End of 2015	Completion of high-rise buildings



Figure 3-2 Construction Site of the Resettlement Community

#### 4. Allocation of resettlement housing

A villagers' construction committee will be established by election in each village affected by HD to allocate resettlement housing under the direction of the Chengbei District Resettlement Office. Resettlement housing will be purchased at cost price (The cost price of multi-storied buildings is preliminarily fixed at 1,300 yuan/m<sup>2</sup>, and that of high-rise buildings at 1,960 yuan/m<sup>2</sup>). The size of resettlement housing is based on the registered population within the range of HD and determined at 50 m<sup>2</sup> per capita. Supporting measures will be taken for vulnerable groups in the affected population to ensure successful resettlement. These groups may apply for a subsidy under the rural dilapidated house reconstruction project with the Xining Municipal Government<sup>1</sup> or be entitled to free resettlement housing.

Table 3-12 Information on the Resettlement Community

Village	Progress	Agencies responsible	Construction funds			Allocation method
			Source	Amount needed (0,000 yuan)	Availability of funds	
Beixingyuan	Bidding completed, and construction commenced	District government, district resettlement office, village committees, villagers' construction committees; assisting agencies: municipal planning bureau, land and resources bureau, etc.	Fund raising by villagers	18848	Fully available	Lot drawing
Taojiazhai				42881		
Taoxin				36860		
Shitoulei				47542		

<sup>1</sup> The dilapidated house reconstruction project of the Xining Municipal Civil Affairs Bureau is intended for five-guarantee households, rural MLS households, the disabled, etc. In 2012, the subsidy for dilapidated house reconstruction of Chengbei District was 20,000 yuan.



Figure 3-3 As-built Drawing of the Resettlement Community

### Cases of resettlement for HD

#### **Case1: MBH, villager of Taoxin Village**

MBH, 46 years, Hui, divorced, lives alone and enjoys rural MLS. He has a masonry concrete house of 80 m<sup>2</sup>, and the compensation of 87,520 yuan has been received. According to the resettlement policy, he plans to buy a resettlement house of 75 m<sup>2</sup> at 112,500 yuan. To make up the price difference, the village committee will apply for a subsidy under the rural dilapidated house reconstruction project. During the transition period, he has rented a nearby house at 240 yuan/month and receives a transition subsidy of 320 yuan/month.

After moving into the new resettlement community, he wants to get trained to work in the nearby industrial park or do a cleaning job at the community service center.

#### **Case 2: XJP, villager of Shitoule Village**

The family has 3 members, including his wife and son. He works in the urban area of Xining City, with annual net income of about 40,000 yuan, which is the main income source of the family. His son is attending a junior high school. His 3-storied masonry concrete house has a total area of 780 m<sup>2</sup>. The compensation for the house of 853,300 yuan had been received by the end of June. He plans to buy two 75 m<sup>2</sup> resettlement houses (150 m<sup>2</sup> in total) at about 225,000 yuan.

The appraised price of the former house is 780 m<sup>2</sup>, and the compensation rate under the applicable policy is 1,094 yuan/m<sup>2</sup> (including compensation for the house, attachments and decoration), with a total amount of compensation of 853,320 yuan. For the 3 members, the family can buy 150 m<sup>2</sup> of housing (two 75 m<sup>2</sup> houses) at cost price. The price of the resettlement house will be 225,000 yuan, and would be about 300,000 yuan plus decoration costs. During the transition period, he has rented a nearby 70 m<sup>2</sup> house at 1,000 yuan/month, and receives a transition subsidy of 3,120 yuan/month, which is sufficient to cover the rental. After moving into the new resettlement community, the family will have a surplus of nearly 500,000 yuan, which may be used for future investment. After moving, the family's living environment will be much better, there will be a full range of infrastructure, and his son will go to school more easily.



 **Case 3: YNM, villager of Beixingyuan**

My family has 4 members, including my wife, son, daughter and me. The main income source is employment in the urban area of Xining, and annual household net income is about 50,000 yuan. My son is at junior high school and my daughter primary school. In the second half of 2012, the size of my family's former house was appraised to be 960 m<sup>2</sup>, in masonry concrete structure, with 3 floors. According to the policy, compensation rate is up to 1,094 yuan/m<sup>2</sup> (including compensation for housing, attachments and decoration, transition subsidy, moving subsidy, resettlement subsidy and student subsidy), and the total amount of compensation is 1.05 million yuan. A family of 4 may purchase 200 m<sup>2</sup> of housing at cost price. We plan to buy a 125 m<sup>2</sup> and a 75 m<sup>2</sup> apartment, with a total price of 300,000 yuan, which would be about 400,000 yuan plus decoration costs. During the transition period, I have rented a 70 m<sup>2</sup> house nearby at 1,000 yuan/month, and received a transition subsidy of 3,840 yuan/month, which is sufficient to cover rental. After moving into the new resettlement community, my family will have a balance of nearly 600,000 yuan, which may be used for investment (including buying stores funded and constructed by the village collective); after we move into the new resettlement community, our living environment will improve greatly, and my children can go to school more easily.

**3.4.2.2 Resettlement measures for demolished non-residential properties**

For demolished non-residential properties, proprietors will also receive compensation for production or business suspension, and a moving subsidy. In addition, the Chengbei District Government will guide the affected enterprises to enter the micro-enterprise startup park in order to help them restore production.

**1. Cash compensation:** Demolished properties will be compensated for at a time at replacement cost without resettlement. House attachments and decoration shall be compensated for at appraised price.

All the 38 non-residential properties demolished for this project will be subject to cash compensation. See Table 3-12.

Table 3-13 Resettlement Information of the Enterprises Affected by the Beichuan River Project

No.	Village	Enterprise	Main business	Expected mode of resettlement
1	Taojiazhai	Kunlun Cement Mill	Cement	Cash compensation
2		Qinghai Road & Bridge Construction Machinery Co., Ltd.	Concrete	
3		Zhufeng Building Materials		
4		Longsheng Building Installation Co., Ltd. (HCR)		
5	Taoxin	Chuangrui Engineering Machinery Co., Ltd.(ZJ)	Building materials	
6		Xinzengtai Color Steel Co., Ltd. (HXJ)		
7		Xichuan Construction Co. (CSC)		
8		Cishi Machine Building Co., Ltd. (DN)		
9		Shenniu Auto Repair Co., Ltd.(XWD)		
10		Xinghua Building Apparatus Rental Station (LYW)		
11		Yunzhong Construction Rental Station (LYZ)		
12		Jianxin Building Material Rental Station (ZZM)		
13		Xinyue Building Material Rental Station (PXQ)		
14		Geili Steel Pipe Rental Station (ZSY)		
15		Chaoyang Huayu Building Material Shop (CGX)		
16		Fuhai Building Material Rental Station (CWM)		
17		Xiangning Building Material Rental Station (HJQ)		

No.	Village	Enterprise	Main business	Expected mode of resettlement
18		Xiaolin Building Material Shop (XJH)		
19		Huicheng Construction Rental Station (JGP)		
20		Xinlong Building Material Rental Station (LWD)		
21		Guangxia Building Material Rental Station (THY)		
22		Zhongxin Building Material Supply and Rental Station (LSE)		
23		Material Transport Shop (DLZ)		
24		Hongfa Building Apparatus Rental Station (LRJ)		
25		Zhongfa Building Material Rental Station (JKY)		
26		Fangmin Building Equipment Rental Station (CZC)		
27		Jianhong Trading Co., Ltd. (LYX)		
28		Zhongwei Plate Co., Ltd. (ZFL)		
29		Qiangli Shaft Cover Factory (GYG)		
30		Huashang Trading Firm (JGF)		
31	Shitoulei	Tongda Timber Processing Factory	Timber	
32		Xu Su'e	Building materials	
33		Baisdhiyuan Mattress Factory	Mattress	
34		Chengdong Color Steel	Steel	
35		Cement Tile Factory (Wu Chengxiang)	Cement tile	
36		Ganqin Livestock Farm	Livestock	
37		Yijian Special Door & Window Factory	Doors & windows	
38		Yihao Building Material Rental Station	Lease	

**2. Other subsidies:** For demolished non-residential properties, proprietors will also receive compensation for production or business suspension, and a moving subsidy. The rate of compensation for production or business suspension is 200 yuan per month, and moving subsidy is 120 yuan/5 tons. See Table 3-9.

**3. Micro-enterprise park:** In order that the affected enterprises restore production and operations, the Chengbei District Government plans to establish a micro-enterprise startup park in the district. Proprietors of enterprises affected by HD may apply for land and buildings in the park with the Chengbei District Government at preferential rates. It is learned that the park has a floor area of 220 mu. LA for the park has been completed, and the infrastructure is under construction.

### 3.5 Disbursement of Funds

**Disbursement of LA compensation fees:** LA compensation fees will be disbursed by the Huangshui Administrative Committee to HIMC (Xining Drainage Company), then to the Xining Unified Land Acquisition Office, then to the affected village collective economic organizations and finally to the AHs.

**Disbursement of HD compensation fees:** HD compensation fees will be disbursed by the Huangshui Administrative Committee to HIMC, then to the HD management office of the district construction bureau, and finally to the bank accounts of the AHs fully on schedule.

LA compensation fees of this project are being paid, and HD compensation fees have been paid to the households that have entered into HD compensation agreements (see **Appendix 7** and **Appendix 8**).

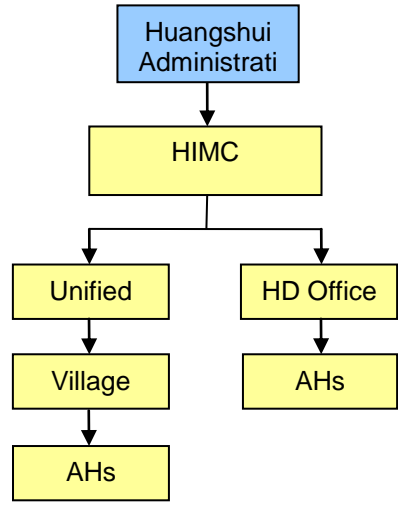


Figure 3-4 Fund Disbursement Flowchart

**3.6 Evaluation**

The external M&E agency has found that by the end of June 2013, the progress of LA and resettlement of the Beichuan River Project was sufficient for construction; the compensation and resettlement policies complied with the applicable laws, regulations and policies; the fund disbursement procedure was transparent and effective, and compensation fees have been fully paid to the AHs.

## 4. Resettlement and Livelihood Survey

### 4.1 Survey of the Affected Villages

In this round of M&E, a survey was conducted in Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages affected by LA and HD, and some officials and villagers were interviewed, covering basic information (population, land area, per capita net income, occupations, livelihood patterns, etc.), LA and HD, distribution of compensation fees, resettlement for HD, development planning, attitudes and suggestions on the Beichuan River Project.

The 4 villages affected by LA and HD in the Project are located in the outskirts, where villagers have more opportunities of outside employment and business, and deal with catering, services, transport, house lease and individual business mainly. Business income accounts for over 80% of per capita income.

#### 4.1.1 Beixingyuan Village

##### 1. Overview

This village has 158 households with 960 persons, about 600 laborers and 560 females. This village has 300 mu of cultivated land and 65 mu of woodland.

Over 95% of laborers in the village do nonagricultural jobs. The main income sources of villagers are outside employment, transport, house lease and individual business. About 300 villagers work outside, dealing mainly with services, catering, supermarket cashiering and security, with monthly income of 1,800-2,500 yuan. 15 households deal with transport, running taxis and large trucks, with monthly income of 3,000-5,000 yuan; house rental is 100 yuan/month/room, with average annual household income about 10,000 yuan; 12 households run individual businesses, including car washes, restaurants and nurseries. In 2012, villagers' per capita net income was over 15,150 yuan.

There are 8 MLS households, 9 disabled persons and 15 persons aged above 70 years, who would be consoled by the village committee on festivals.

##### 2. LA and HD impacts

98.27 mu of land of this village will be acquired for the Beichuan River Project, including 69.83 mu of housing land and 28.44 mu of irrigated land, all of which has been acquired, but LA compensation fees have not been paid. It has been resolved at a village congress that LA compensation fees will be fully paid to the AHs without withholding.

Residential houses totaling 174,200 m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 158 households with 960 persons. The HD work has been completed, and HD compensation fees have been fully paid. The resettlement community is under construction.

##### 3. Development plan

A new village will be constructed after HD. Its site is located east of Ningzhang Road and north of Tianjin Road, with a floor area of 63.11 mu. The resettlement community broken ground and will be completed in 2014. Resettlement housing will be planned, constructed, allocated and managed by the village committee and villagers' construction committee in a unified manner, and excessive resettlement housing will be leased to the migrant workers in the biological park.

#### 4.1.2 Taojiazhai Village

##### 1. Overview

This village has 350 households with 1,204 persons, over 700 laborers and over 500 females. This village has 200 mu of cultivated land, used to grow rape and wheat mainly.

Due to the small amount of land, most villagers do nonagricultural jobs. The main

income sources of villagers are outside employment, transport, house lease and individual business. About 200 villagers work outside, dealing mainly with construction, apparel processing, beef processing, food processing, etc.; about 100 households deal with transport, running trucks, taxis and coaches; house rental is 100-150 yuan/month/room, with average annual household income about 10,000 yuan; those running individual business, mainly including restaurants and apparel stores. In 2012, villagers' per capita net income was over 14,800 yuan.

This village has no collective enterprise, and its annual collective income is over 100,000 yuan, from land lease mainly, with rental rate of 5,000-8,000 yuan/mu. There are 14 MLS households and two five-guarantee households in the village, who would be consoled by the village committee on festivals.

## **2. LA and HD impacts**

654.85 mu of land of this village will be acquired for the Beichuan River Project, including 335 mu of housing land and 319.85 mu of irrigated land, where 29.4 mu of irrigated land has not been acquired. A village meeting on LA and HD has been held, and all villagers support this project. It has been resolved at a village congress that LA compensation fees will be fully paid to the AHs without withholding.

Residential houses totaling 317,500 m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 350 households with 1,204 persons, and non-residential properties totaling 7,400 m<sup>2</sup> will be demolished, affecting 4 enterprises. One residential house with an area of 300 m<sup>2</sup> has not been demolished to date. Compensation fees for the AHs whose HD has been completed have been fully paid. The resettlement community of this village is under construction.

## **3. Development plan**

A new village will be constructed after HD. Its site is located east of Ningzhang Road and north of Tianjin Road, with a floor area of 122.67 mu. The community has broken ground and will be completed in 2014. Land has been reserved in this village for investment promotion. A high-grade hotel will be built to increase collective and personal income.



Figure 4-1 Beixingyuan and Taojiazhai Villages Affected by LA and HD

### **4.1.3 Taoxin Village**

#### **1. Overview**

This village has 414 households with 1,320 persons, in which 60% are laborers. In 2012, villagers' per capita net income was about 14,500 yuan. Due to the small per capita land area, villagers work in secondary and tertiary industries mainly. The main income sources of villagers are outside employment and individual business. This village is close to the biological park, and nearly 40% of laborers in the village work in pharmaceutical, chemical and food enterprises in the park, and their average monthly pay is CNY2,000. Nearly half of laborers run individual business, including car washes, repair shops, stone processing plants, restaurants, apparel stores, etc. The main source of collective land is land lease.

6 MLS households and 4 disabled persons in the village, who would be subsidized by the village committee every year. Land-expropriated farmers would be trained under the Sunshine Project.

## **2. LA and HD impacts**

1,053.76 mu of land of this village will be acquired for the Beichuan River Project, including 324 mu of housing land and 729.76 mu of irrigated land, which has not been acquired.

Residential houses totaling 390,100 m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 414 households with 1,320 persons, and non-residential properties totaling 7,000 m<sup>2</sup> will be demolished, affecting 26 enterprises. One residential house with an area of 900 m<sup>2</sup> has not been demolished to date. Compensation fees for the AHs whose HD has been completed have been fully paid. The resettlement community of this village is under construction.

The LA and HD work in this village is ongoing. A village meeting on LA and HD has been held, and all villagers support this project and are satisfied with the compensation program. It has been resolved that LA compensation fees will be fully paid to the AHs without withholding.

## **3. Development plan**

A new village will be constructed after HD. Its site is located east of Ningzhang Road and north of Tianjin Road, with a floor area of 119.77 mu. The community has broken ground, and will be completed in 2014. Resettlement housing will be constructed and allocated by the village committee, and managed by an owners' committee and a property management company. Reserved land will be used to develop secondary and tertiary industries. A farm product fair will be built in the village to increase job opportunities and income for villagers.

### **4.1.4 Shitoule Village**

#### **1. Overview**

This village has 426 households with 3,011 persons, and about 200 laborers. This village has 1,972 mu of land, including 1,612 mu of cultivated land and over 360 mu of housing land.

Due to the small per capita land area and the vicinity to the urban area, most villagers are employed in nonagricultural sectors, such as manufacturing, commerce and services. Their main income sources are outside employment, individual business and house lease. About 800 villagers working outside mostly deal with construction, apparel processing, medicinal material sorting and catering services in Xining City, with an average daily pay of about CNY100. About 80 households do individual business in Xining City, mostly running apparel stores, restaurants, groceries, etc. About 50 households rent excessive houses to nearby workers and self-employers, with annual rental of about CNY10,000. In 2012, villagers' per capita net income was about 14,500 yuan. The main source of collective income is house and land lease, with annual collective income of about 100,000 yuan.

This village has 9 MLS households, who would be consoled by the village committee on festivals. About 50 villagers would be trained under the Sunshine Project every year.

#### **2. LA and HD impacts**

1,549.79 mu of land of this village will be acquired for the Beichuan River Project, including 550 mu of housing land and 999.79 mu of irrigated land, which has not been acquired.

Residential houses totaling 378,100 m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 426 households with 3,011 persons, and non-residential properties totaling 11,600 m<sup>2</sup> will be demolished, affecting 8 enterprises. 3 residential houses with a total area of 2,000 m<sup>2</sup> has not been demolished to date. Compensation fees for the AHs whose HD has been completed have been fully paid.

The LA and HD work in this village is ongoing. A village meeting on LA and HD has been held, and all villagers support this project and are satisfied with the compensation program. The whole LA and HD process will be supervised by villager representatives. It has been resolved that LA compensation fees will be fully paid to the AHs without withholding.

#### **3. Development plan**

A new village will be constructed after HD. Its site is located east of Ningzhang Road and north of Tianjin Road, with a floor area of 142.19 mu. The community has broken ground. A villagers' construction committee will be established to direct and supervise the construction and allocation of resettlement housing.



Figure 4-2 Taoxin and Shitoulei Villages Affected by LA and HD

## 4.2 Sampling Survey on AHs

### 4.2.1 Population and Age

In this round of M&E, a sampling survey was conducted on 80 households with 345 persons, including an agricultural population of 322 persons, accounting for 93.33%. In the sample population, there are 179 females, accounting for 51.88%, and 232 laborers (119 females), accounting for 67.25%. By age, 32 persons are aged 0-6 years, accounting for 9.28%; 60 persons aged 6-18 years, accounting for 17.38%; 136 persons aged 18-45 years, accounting for 39.42%, 96 persons aged 45-60 years, accounting for 27.83%; and 21 persons aged above 60 years, accounting for 6.09%.

### 4.2.2 Employment and livelihoods

According to the survey on the 80 sample households, among the 232 laborers, 98 deal with industry and manufacturing, accounting for 42.24%; 89 deal with services, accounting for 38.36%; 28 deal with commerce, accounting for 12.07%; and 17 deal with agriculture, accounting for 7.33%.

It can be seen that since the affected villages are close to the urban area and enjoy convenient traffic, they have many job opportunities during rapid urban development. Moreover, with the construction and expansion of some industrial parks in Xining City in recent years, the growing migrant population has generated rental income for nearby households. Therefore, the livelihood mix of the sample population is diversified, and nonagricultural income is dominant in their household income. See Figure 4-3.

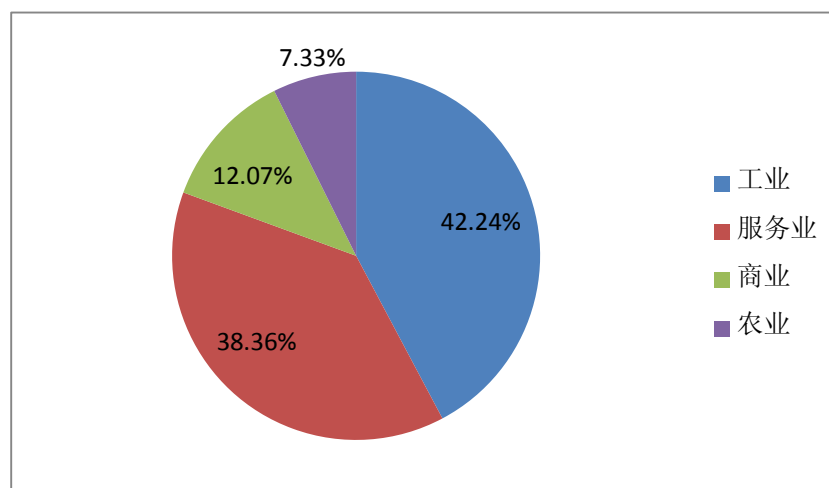




Figure 4-3 Composition of Occupations

#### 4.2.3 Annual Household Income

In 2012, the total annual household income of the 80 sample households was 4,800,761.25 yuan, 13,915.25 yuan per capita, in which outside employment income is 11,324.23 yuan, accounting for 81.38%; agricultural income 1,850.73 yuan, accounting for 13.30%; and sideline income 740.29 yuan, accounting for 5.32%. See Figure 4-4.

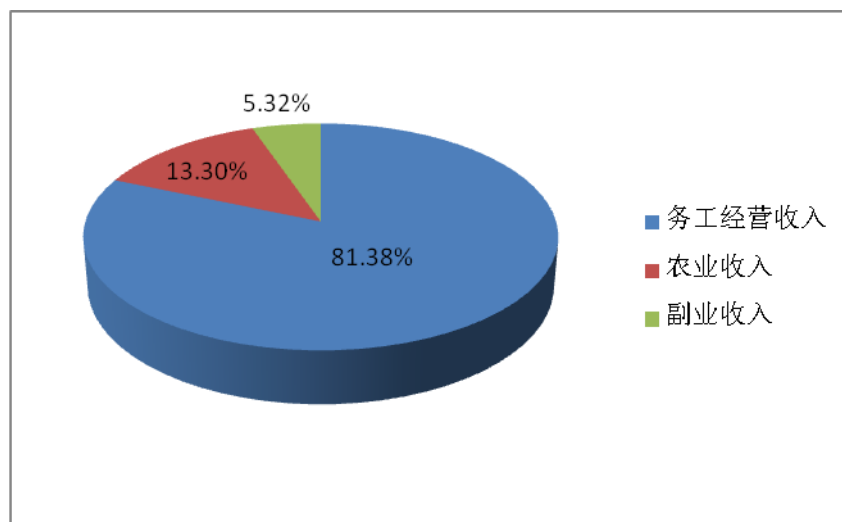


Figure 4-4 Composition of Annual Household Income

#### 4.2.4 Annual Household Expenditure

In 2012, the total annual expenditure of the 80 sample households was 2,906,687.1 yuan, 8,425.18 yuan per capita, including:

- (1) Non-staple food expenses of 2,851.93 yuan, accounting for 33.85% of per capita annual expenditure;
- (2) Clothing expenses of 1,375.83 yuan, accounting for 16.33% of per capita annual expenditure;
- (3) Educational expenses of 766.69 yuan, accounting for 9.10% of per capita annual expenditure;
- (4) Medical expenses of 647.05 yuan, accounting for 7.68% of per capita annual expenditure;
- (5) Electricity expenses of 299.09 yuan, accounting for 3.55% of per capita annual expenditure;
- (6) Fuel expenses of 210.63 yuan, accounting for 2.50% of per capita annual expenditure;
- (7) Water expenses of 244.33 yuan, accounting for 2.90% of per capita annual expenditure;
- (8) Daily necessity expenses of 699.29 yuan, accounting for 8.30% of per capita annual expenditure;
- (9) Communication expenses of 433.90 yuan, accounting for 5.15% of per capita annual expenditure;
- (10) Cultural and recreational expenses of 317.63 yuan, accounting for 3.77% of per capita annual expenditure;
- (11) Residential expenses of 208.94 yuan, accounting for 2.48% of per capita annual expenditure;
- (12) Entertaining expenses of 369.87 yuan, accounting for 4.39% of per capita annual expenditure



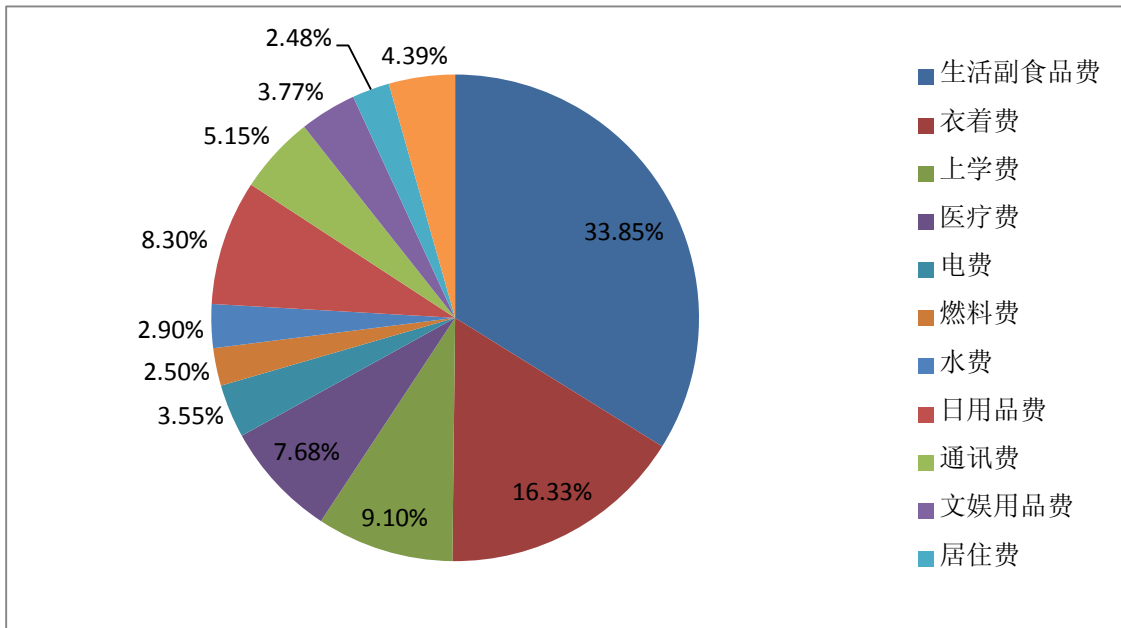


Figure 4-5 Composition of Annual Household Expenditure

Since the project area is located in the outskirts, where residents' main income sources are outside employment and business, and agricultural income accounts for a low proportion to gross income, LA will have little impact on the APs' income.

## 5. Public Participation and Grievance Redress

### 5.1 Public Participation

At the preparation and resettlement stages, the PMO and IAs attached great importance to public participation and consultation.

At the preparation stage, the PMO solicited public comments on the Project and disclosed project information by newspaper, Internet, broadcast, TV and other mass media many times.

On July 24, 2012, the Chengbei District Government disclosed the compensation and resettlement program for HD for the Beichuan River Project, and solicited comments and suggestions on the program from the APs.

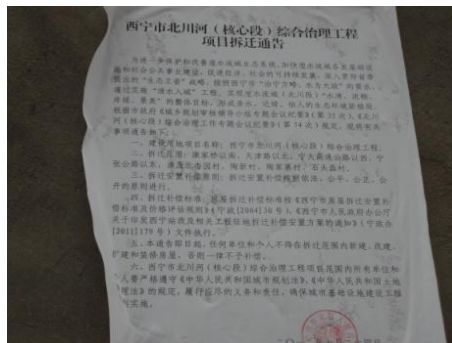


Figure 5-1 Disclosure of Compensation and Resettlement Program for HD

On July 26, 2012, the Chengbei District Land and Resources Bureau disclosed the LA compensation program for Taojiazhai, Taoxin and Shitoulei Villages, Chengbei District affected by the Beichuan River Project, and solicited comments and suggestions on the program from the APs.

On March 11, 2013, the Chengbei District Land and Resources Bureau disclosed the LA compensation program for Ershilipu Town, Chengbei District affected by the Beichuan River Project, and solicited comments and suggestions on the program from the APs.



Figure 5-2 Disclosure of Compensation and Resettlement Program for LA

During resettlement, a villagers' construction committee will be established by election in each village affected by the Beichuan River Project, which will play a crucial role in resettlement housing construction, including design, bidding, procurement, construction, allocation, etc. The villagers' construction committees of Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages have been established, and will supervise the construction and allocation of the resettlement community on behalf of all villagers.

After the completion of the resettlement community, the residents of the 4 affected villages will establish a unified property management agency for community management and maintenance. A owners' congress preparation group will be

established for the resettlement community to prepare for the first owners' congress, at which an owners' committee will be established, responsible for conducting property management on behalf of owners, selecting a property service company, and coordinating relations among owners, and between owners and the property service company.

## 5.2 Grievance Redress

### 5.2.1 Appeal Procedure and Handling

A transparent, effective and smooth grievance redress mechanism has been established during resettlement as follows:

- **Stage 1:** If any AP is dissatisfied with the RAP, he/she can file an oral or written appeal with the village committee or IA orally or in writing. In case of an oral appeal, the village committee or IA shall handle such appeal and keep written records. Such appeal should be solved within two weeks.
- **Stage 2:** If the AP is dissatisfied with the disposition of Stage 1, he/she may file an appeal with PMO/owner after receiving such disposition, which shall make a disposition within two weeks.
- **Stage 3:** If the AP is still dissatisfied with the disposition of Stage 2, he/she may escalate such appeal to the competent administrative authorities in accordance with Administrative Procedure Law of the PRC after receiving such disposition for arbitration.
- **Stage 4:** If the AP is still dissatisfied with the arbitration award, he/she may file a suit in a civil court in accordance with the Civil Procedure Law of the PRC after receiving such award.

All agencies will accept grievances and appeals from the APs for free, and costs so reasonably incurred will be disbursed from the contingencies.

In addition, the district government has established a number of reception teams, each headed by a director-general concerned. The APs may file appeals directly with these teams, which should give a reply as soon as possible.

At the whole construction stage, the above procedure will remain effective so that the APs can use it to solve relevant issues. The above appeal channel will be disclosed to the APs via mass media.

### 5.2.2 Other Means of Grievance Redress

In addition to the sound grievance redress procedure of the resettlement agencies in the Project, the agencies concerned of Xining City have established their respective grievance and appeal mechanisms:

#### 1. Municipal and district governments

The portals of the municipal and district governments contain a public participation and appeal receiving module, and all complaint letters from the public will be addressed immediately. In addition, the Xining Municipal Government has set up an appeal hotline of 0971-12345. All appeals related to the resettlement work of the Project will also be directed to the resettlement office timely.



Figure 5-3 Module for Complaints and Visits on the Portals of the Municipal and District Governments

## **2. Xining Municipal Real Estate Administration**

The Xining Municipal Real Estate Administration has a special module for online reception on its official website, and an appeal hotline of 0971-6131591. The real estate administration will compile and follow up public appeals monthly, and make sure that all appeals will be handled properly.

## **3. Xining Unified Land Acquisition Office**

The Xining Unified Land Acquisition Office has established a strict reception and handling mechanism, and assigned 3 staff members to accept public appeals under an accountability system. The disciplinary inspection team performs inspection quarterly to ensure that every appeal is handled satisfactorily.

## **4. Xining Municipal Civil Affairs Bureau**

The Xining Municipal Civil Affairs Bureau has a special window in its service hall for accepting public appeals.

## **5. Xining Municipal Women's Federation**

The Xining Municipal Women's Federation has established a reception hotline (0971-6142352) to receive appeals from local women, and an effective feedback mechanism for women with the resettlement office.

In addition, the municipal and district people's congresses and political consultative conferences have established sound institutions for complaint letters and visits to give timely feedback.

The APs may file an appeal about any aspect related to the Project through the above mechanism. This mechanism has been notified to the APs by means of announcement, meeting, newspaper, etc., so that the APs know their right of appeal. The appeal hotline is 0971-6280366.

## 6. Conclusion and suggestions

### 6.1 Conclusion

#### 1. Land approval

The LA procedures of for the Beichuan River Project comply with the applicable state laws and local regulations. The application for farmland conversion of the 4 villages affected by LA was approved in May 2013, and all farmland has been converted into construction land.

#### 2. Implementation progress of resettlement

By the end of June 2013, the resettlement work of the Project had not begun.

The resettlement work of the Beichuan River Project was ongoing, where 723.72 mu of land had been acquired, including 404.83 mu of housing land and 318.89 mu of irrigated land, 1,343 AHs had entered into compensation agreements, and residential houses totaling 1.1784 million m<sup>2</sup> had been demolished, 38 entities had entered into compensation agreements, and non-residential properties totaling 25,900 m<sup>2</sup> had been demolished.

#### 3. Resettlement agencies

The organizational structure for resettlement is sound, the resettlement agencies are well staffed and equipped, with their roles and responsibilities defined, and the relevant staff has been trained. The file management, internal supervision and grievance redress mechanisms have been established.

#### 4. Resettlement policies, compensation and payment

It is learned that the resettlement policies of the Project comply with the applicable laws and regulations; the disbursement procedure is transparent and efficient, and compensation fees have been paid to the APs fully and timely.

#### 5. Effectiveness of resettlement

To date, most of the APs are aware of the resettlement policies. Although the resettlement work of the Beichuan River Project has not been completed, the APs are satisfied with the resettlement policies and effectiveness. No appeal has been received to date.

#### 6. Information disclosure

The PMO has communicated information to the public timely and fully by means of newspaper, Internet, etc. The public participation mechanism is sound, and the channels for participation are smooth.

In addition, HIMC has established a resettlement database, and assigned full-time staff to be responsible for its routine management and maintenance. The APs may have access to information in the database at any time.

### 6.2 Suggestions

#### 1. Establishing a sound endowment insurance system for LEFs

Since the policies of Xining City on endowment insurance for LEFs are being improved, and the endowment insurance system for LEFs has not been established formally, the farmers affected by LA in the Project have not been included in the endowment insurance system for LEFs. The endowment insurance system for LEFs should be included in the RAP, and the Xining Municipal Government should be committed to the implementation schedule, agency responsible and procedure of endowment insurance for LEFs. The specific policies and their implementation will be covered in subsequent M&E reports.

#### 2. Ensuring that the balance of LA compensation fees is paid to the AHs fully and timely

Compensation fees for the acquired land have been fully paid by the village committees to the AHs, and compensation fees for the remaining acquired land will be paid to the AHs in early January 2014. The IA and other agencies concerned should

ensure that the balance of LA compensation fees is paid to the affected collectives and households fully and timely. The disbursement of the balance of compensation fees will be covered in subsequent M&E reports.

### **3. Ensuring that the resettlement process is open and transparent**

According to the survey: 1) Operating premises funded by villagers in the 4 affected villages will be managed by the village committees centrally for rent or commercial services, and villagers will receive dividends by size; 2) Currently, the resettlement housing of the 4 affected villages is funded by villagers through special accounts established at the planning stage under the supervision of the Chengbei District Resettlement Office; resettlement housing construction funds have been raised in the 4 affected villages.

The IA, Chengbei District Government, township governments and village committees should ensure that operating premises and resettlement housing are constructed and distributed openly and transparently to ensure the adequate participation of the APs. The construction and distribution of operating premises will be covered in subsequent M&E reports.

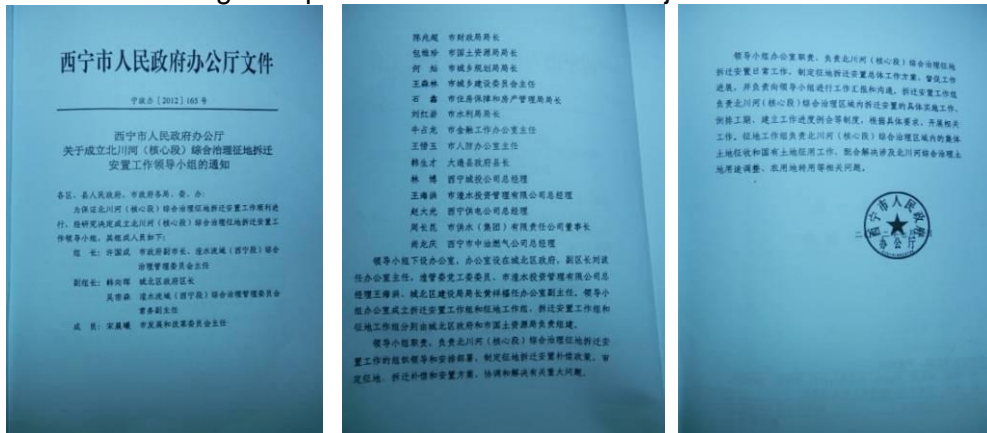
### **4. Ensuring that multiple resettlement options are available to the affected enterprises**

The enterprises affected by HD are mostly manufacturers of building materials. A follow-up database will be established. In addition to cash compensation, the affected enterprises will also receive compensation for production or business suspension, and a moving subsidy. In addition, the Chengbei District Government will guide the affected enterprises to enter the micro-enterprise startup park in order to help them restore production. Currently, the micro-enterprise startup park has a floor area of 220 mu, LA has been completed, and the infrastructure is under construction. The affected enterprises may apply for leasing land and buildings in the park with the Chengbei District Government for production under a preferential policy.

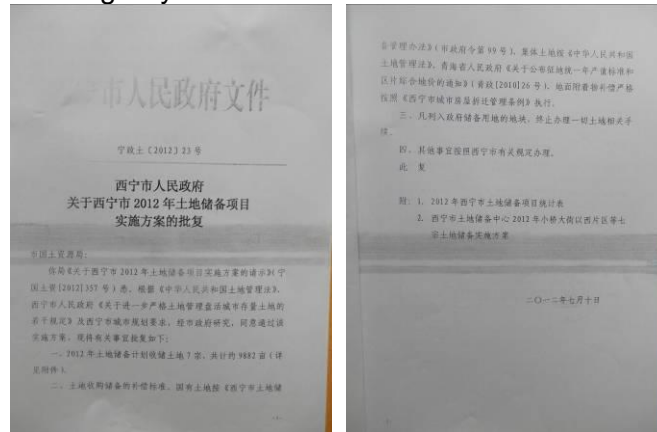
The IA and Chengbei District Government should ensure that multiple resettlement options are available to the affected enterprises. The resettlement of the affected enterprises will be covered in subsequent M&E reports.

Appendix:

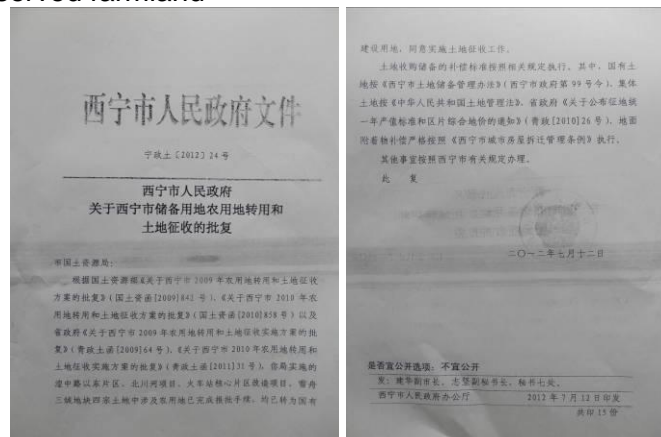
**Appendix 1: Notice of the Xining Municipal Government on Establishing the Resettlement Leading Group of the Beichuan River Project**



**Appendix 2: Reply of the Xining Municipal Government on the 2012 land reservation plan of Xining City**

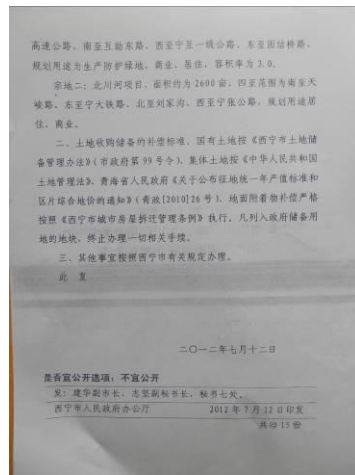
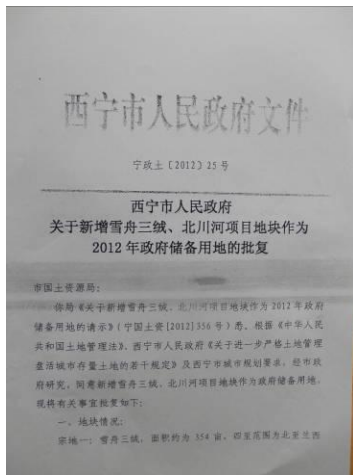


**Appendix 3: Reply of the Xining Municipal Government on the conversion and acquisition of reserved farmland**

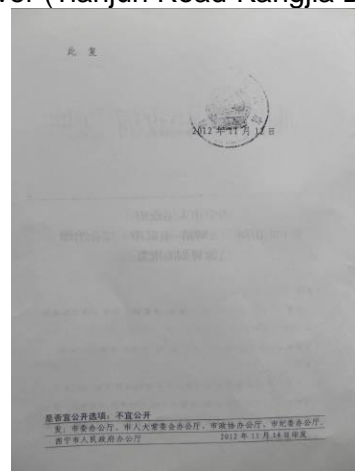
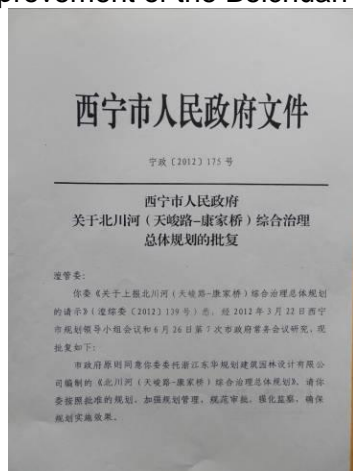


**Appendix 4: Reply of the Xining Municipal Government on the reservation of land for the Beichuan River Project in 2012**

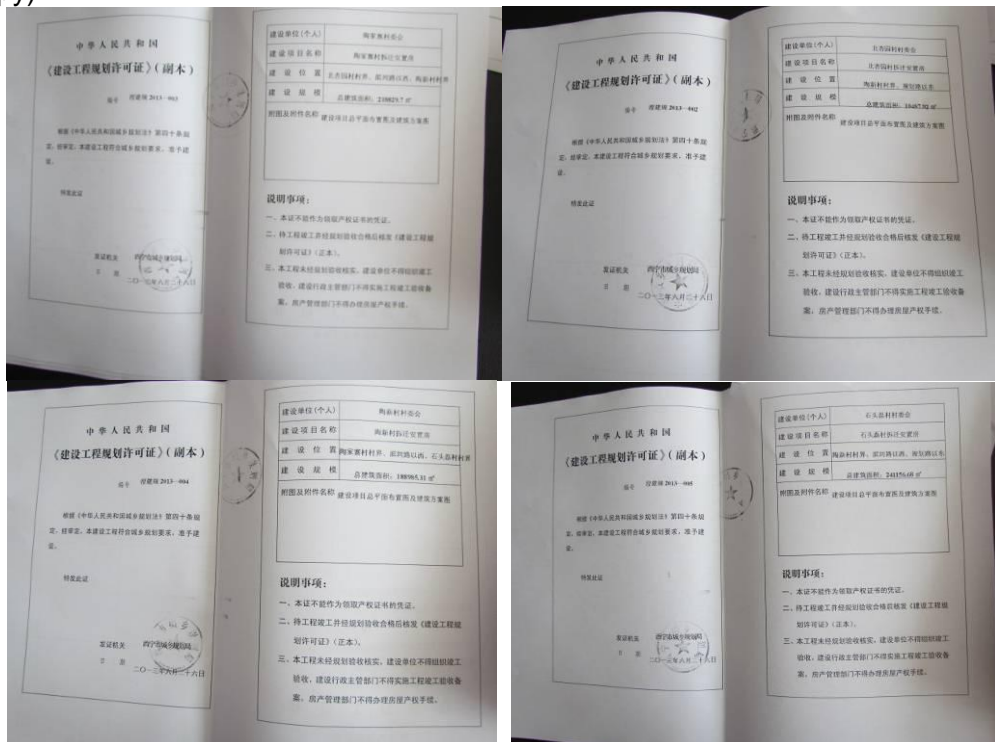




**Appendix 5: Reply of the Xining Municipal Government on Master Plan for the Integrated Improvement of the Beichuan River (Tianjun Road-Kangjia Bridge)**

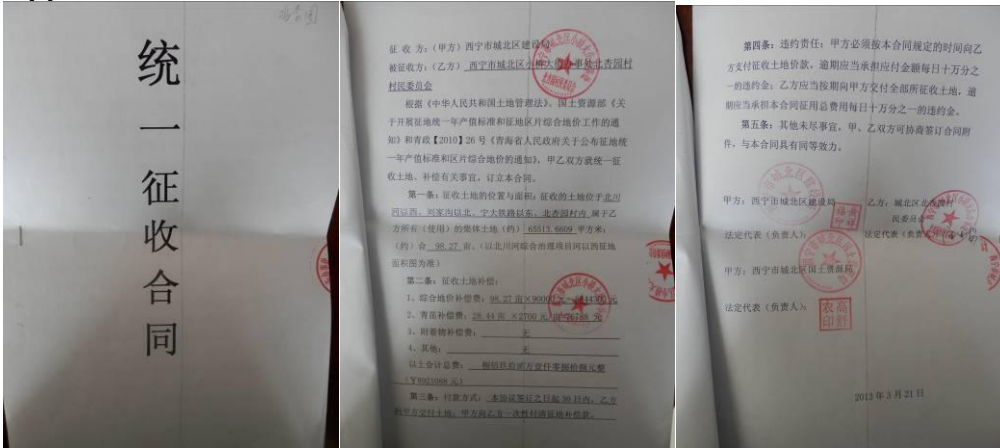


**Appendix 6: Construction Planning Permit for the Construction of the Resettlement Community for Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages (Copy)**





## Appendix 7: LA Contract



## Appendix 8: HD Contract and Payment Voucher

