

*World Bank-financed Xining Water  
Environment Management Project*

## Resettlement Action Plan

Management Office of the World Bank-financed Xining Water  
Environment Management Project  
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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
LEF	-	Land-expropriated Farmer
M&E	-	Monitoring and Evaluation
NRCR	-	National Research Center for Resettlement
PRC	-	People's Republic of China
RAP	-	Resettlement Action Plan
RIB	-	Resettlement Information Booklet
RPF	-	Resettlement Policy Framework
WWTP	-	Wastewater Treatment Plant

## Units

Currency unit	=	Yuan (CNY)
US\$1.00	=	RMB6.33
1 hectare	=	15 mu

# 1 Overview of the Project

## 1.1 Background

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"). Through the construction of municipal wastewater collection systems, Beichuan River embankment improvement, municipal wastewater reclamation and reuse, and integrated gully and canal improvement, 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.

On October 11, 2012, the Bank project pre-identification mission was started; on October 25, 2012, the National Development and Reform Commission, Ministry of Finance and Bank held the project kick-off meeting in Beijing; in March 2013, the Bank identification mission was started; in June 2013, the Qinghai Provincial Development and Reform Commission approved the project proposal (QPDRC [2013] No.949); in July 2013, the Bank preparation mission was started; in October 2013, the Bank pre-assessment mission was started. 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. The Project consists of the construction of wastewater collection systems, Beichuan River embankment improvement, integrated gully and canal improvement, municipal wastewater reclamation and reuse, and project management and capacity building.

## 1.2 Components

### 1.2.1 The Project

The components of the Project are as follows:

#### **1. Component 1: Construction of wastewater collection systems**

Objective: reducing pollutants discharged to rivers and improving the living environment by increasing the coverage of urban wastewater collection systems

Scope: 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

#### **2. Component 2: Beichuan River embankment improvement**

Objective: reducing runoff and non-point source pollution arising from rains and floods, and pollutants discharged into rivers using the LID technology in the Beichuan area and along the Beichuan River, and improving the environment of the Beichuan River

Scope: 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; permeable footways; and lighting and sanitation facilities, landscaping water supply system, signboards, etc.

### 3. Component 3: Integrated gully and canal improvement

Objective: improving the overall water environment of gullies and canals, and reducing pollutants discharged

Scope: 1) Integrated improvement of 10.4km Chaoyangdian Canal: wastewater collection pipelines, canal top road, attached structures, and environmental sanitation facilities; 2) 0.9km Liujia Gully: open canal, slope protection, and culverts; and 3) 0.9km Shengou Gully, open canal, slope protection, wastewater collection pipelines, and environmental sanitation facilities.

### 4. Component 4: Municipal wastewater reclamation and reuse

Objective: promoting the reuse of reclaimed water through the construction of the No.5 WWTP Reclamation Plant

Scope: 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

On December 11, 2012, the Xining Municipal Development and Reform Commission issued the Reply on the Initiation of the No.5 WWTP Water Reclamation Project (XMDRC [2012] No.784), approving the initiation of the No.5 WWTP Water Reclamation Project.

### 5. Component 5: Project management and capacity building

Objective: improving integrated water environment management capacity

Scope: 1) project management: project construction supervision, and management information systems (MIS); (ii) consulting services: monitoring and evaluation (M&E), technical assistance, workshops; and (iii) training and study tours.



Figure 1-1 Schematic Map of the Project

#### 1.2.2 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 nearby 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 nearby 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. The No.4 WWTP is located west of Huangshui Road, Chengbei District, with a daily treatment capacity of 30,000 m<sup>3</sup>/d, with a gross investment of 113.02 million yuan; This plant will collect and treat domestic sewage from enterprises and residential areas in the Xichuan area.

**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. The No.5 WWTP will be built in Shuangsubao Village, Ershilipu Town, Chengbei District, with a design capacity of 30,000 m<sup>3</sup>/d and a gross investment of 118.41 million yuan. This plant will collect and treat domestic sewage from enterprises and residential areas in the Beichuan area.

**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. The Beichuan River Project includes ecological rehabilitation and infrastructure construction, and realizes the integrated improvement of the whole Beichuan area.

**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 Correlation Analysis between the Project and Related Projects

Bank-financed project	Related project	Relevance
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Construction of wastewater collection systems	No.3 WWTP	Treating wastewater collected by the wastewater collection systems
Construction of wastewater collection systems	No.4 WWTP	Treating wastewater collected by the wastewater collection systems
No.5 WWTP Reclamation Plant	No.5 WWTP	1. Supplying land to the project 2. Supplying a renewable water source 3. Treating wastewater collected by the wastewater collection systems
Construction of wastewater collection systems (Beichuan area), Beichuan River embankment improvement	Beichuan River Project	1. Supplying land to the project 2. Improving its function by the project
No.5 WWTP Reclamation Plant	Yinjiagou Landfill	Supplying a sludge landfill to the project

### 1.3 Resettlement Impacts

#### 1.3.1 The Project

According to the feasibility study and survey, 2.4 mu of rural collective land will be acquired permanently for the Project, 74.82 mu of state-owned land and 328.815 mu of rural collective land will be occupied temporarily for the Project. The specific resettlement impacts are as follows:

##### 1. Component 1: Construction of wastewater collection systems

2.4 mu of rural collective land will be acquired permanently for the inspection and valve shafts, and 68.37 mu of state-owned land and 328.815 mu of rural collective land occupied temporarily for the access roads and systems, including 303.93 mu of irrigated land and 24.885 mu of woodland with 22,120 trees. Permanent LA will affect 35 households with 128 persons in Xiaozhai, Chengdong and Weijia Villages, Duoba Town, Huangzhong County, and Hetan, Wangjia, Daijia and Shuangmiao Villages, Changning Town, Datong County, and temporary land occupation will affect 91 households with 414 persons in Xiaozhai, Chengdong and Weijia Villages, Duoba Town, Huangzhong County, and Hetan, Wangjia, Daijia and Shuangmiao Villages, Changning Town, Datong County.

1) 0.7 mu of rural collective land will be acquired permanently for the inspection and valve shafts of the Xichuan River wastewater collection network, all being irrigated land; 28.245 mu of rural collective land will be occupied temporarily for the access roads, all being irrigated land; 20.04 mu of state-owned land and 71 mu of rural collective land will be occupied temporarily for the pipelines, including 60.2 mu of irrigated land and 10.8 mu of woodland with 9,600 trees.

2) 1.7 mu of rural collective land will be acquired permanently for the inspection and valve shafts of the Beichuan River wastewater collection network, all being irrigated land; 65.985 mu of rural collective land will be occupied temporarily for the access roads, all being irrigated land; 48.33 mu of state-owned land and 163.585 mu of rural collective land will be occupied temporarily for the pipelines, including 149.5 mu of irrigated land, 14.085 mu of woodland with 12,520 trees.

3) The construction of wastewater collection systems and associated municipal facilities will use land of the Beichuan River Project, involving no additional LA and HD.

##### 2. Component 2: Beichuan River embankment improvement

According to the feasibility study and survey, the land for the Beichuan River embankment improvement is within the land of the Beichuan River Project, involving no additional LA and HD.

##### 3. Component 3: Municipal wastewater reclamation and reuse

###### No.5 WWTP Reclamation Plant

According to the feasibility study and survey, the No.5 WWTP Reclamation Plant will occupy 11.7 mu of land within the site No.5 WWTP, involving neither LA nor HD; the associated network will be laid along with road construction in Beichuan New District, involving no additional LA and HD.

#### **4. Component 4: Integrated gully and canal improvement**

According to the feasibility study and survey, integrated gully and canal improvement involves neither LA nor HD. Its offices, dormitories and storage will occupy 6.45 mu of state-owned wasteland temporarily, including 4.5 mu for Chaoyangdian Canal, 1.2 mu for Liujia Gully and 0.75 mu for Shengou Gully.

#### **5. Component 5: Project management and capacity building**

Involving neither LA nor HD

#### **1.3.2 Related Projects**

Among the related projects: (1) The No.3 WWTP has a floor area 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 involving neither LA nor HD. (2) Yinjiagou Landfill is located beside the Yinjia Ditch in Chengdong District; it broke ground in 2004, with a design life of 18 years, a gross capacity of 3.87 million m<sup>3</sup> and a daily treatment capacity of 400 tons; this landfill occupies state-owned wasteland, involving neither LA nor HD; (3) 52.56 mu of rural collective land and 9.64 mu of state-owned land will be acquired permanently, and non-residential properties totaling 4,600 m<sup>2</sup> demolished for the No.4 WWTP; (4) 64 mu of rural collective land will be acquired permanently for the No.5 WWTP; (5) 3,356.67 mu of rural collective land will be acquired permanently, and rural residential houses totaling 1.1816 million m<sup>2</sup> and non-residential properties totaling 25,900 m<sup>2</sup> demolished for the Beichuan River Project.

To date, 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. 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. The resettlement work of the Beichuan River Project was ongoing. As required by the Bank identification mission, the completed LA work in this project will be subject to a resettlement due diligence investigation, and the income restoration of the APs will be fed back from subsequent monitoring.

##### **1. No.4 WWTP**

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.

On May 22, 2012, the Ministry of Land and Resources gave a reply on the construction land of the No.4 WWTP, approving the preliminary land examination.

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 (*see Appendix 2*).

##### **2. No.5 WWTP**

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.

On May 22, 2012, the Ministry of Land and Resources issued the Preliminary Examination Opinion on the Construction Land for the No.5 WWTP (MLRPE [2012] No.118), approving the preliminary land examination. In 2013, the Qinghai Provincial Government approved the application for the construction for the No.5 WWTP with Document QPGL [2013] No.21.

LA for the No.5 WWTP begun in early 2013. By the end of June 2013, Xining Drainage Company had entered into an LA agreement with Shuangsubao Village, and

compensation fees were paid to the APs in June 2013. Therefore, the Due Diligence Report of the No.5 WWTP has been prepared (**see Appendix 3**).

### **3. Beichuan River 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.

1) 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. Therefore, the Due Diligence Report of the Beichuan River Project has been prepared (**see Appendix 4**.)

2) 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>. See Table 1-2. (**See the External M&E Report**)

## **1.4 Project Preparation and Progress**

In March 2013, the Bank identification mission identified the Project and related projects, and held an FGD on resettlement programs and grievance redress. By the end of August 2013, with the joint efforts of the PMO, Huangshui Investment & Management Co., Ltd. (HIMC), Xining Drainage Company and design agency, the preparatory work of the Project had progressed smoothly.

The National Research Center for Resettlement (NRRCR) at Hohai University was appointed by the Huangshui River Watershed (Xining Segment) Integrated Improvement Administrative Committee ("Huangshui Administrative Committee" for short) to participate in the whole preparation process of the RAP as the consulting agency. In March-April and July 2013, the RAP preparation team conducted a socioeconomic survey in the areas of the Project and related projects, and extensive public participation and policy consultation with the APs. The first drafts of the RAP and Resettlement Policy Framework of the Project, and the resettlement due diligence reports and external M&E reports of the related projects were completed in July 2013, and the revised drafts completed in August and September. See Table 1-3.

Table 1-2 Summary of Resettlement Impacts of the Project and Related Projects

Project	Component	Permanently acquired land (mu)		HD (0,000 m <sup>2</sup> )		Temporarily occupied land (mu)		Affected				Remarks
		State owned	Collective	Residential houses	Non-residential properties	State owned	Collective	LA and HD		Temporary land occupation		
								HHs	Population	HHs	Population	
The Project	Construction of wastewater collection systems	/	2.4	/	/	68.37	328.815	35	128	91	414	
	Beichuan River embankment improvement	/	/	/	/	/	/	/	/	/	/	Using land of the Beichuan River Project
	Municipal wastewater reclamation and reuse	/	/	/	/	/	/	/	/	/	/	Using land of the No.5 WWTP
	Integrated gully and canal improvement	/	/	/	/	6.45	/	/	/	/	/	
	Total	0	2.4	0	0	74.82	328.815	35	128	91	414	
Related projects	No.3 WWTP	/	133	/	/	/	/	/	/	/	/	LA and HD were completed in 1999.
	Yinjiagou Landfill	/	/	/	/	/	/	/	/	/	/	State-owned wasteland has been occupied. This project broke ground in 2004.
	No.4 WWTP	9.64	52.56	/	0.46	/	/	32	131	/	/	See Appendix 2
	No.5 WWTP	/	64	/	/	/	/	34	135	/	/	See Appendix 3
	Beichuan River Project	/	3356.67	118.16	2.59	/	/	1348	6495	/	/	See Appendix 4 and the External M&E Report
	Total	9.64	3606.23	118.16	3.05	/	/	1414	6761	/	/	
				121.21								

Note: The population affected by permanent LA for the construction of wastewater collection systems is also affected by temporary land occupation; 1,348 households with 6,495 persons will be affected by both LA and HD for the Beichuan River Project.

Table 1-3 Preparation of Project and Resettlement Documents

Item		Scope	Funding source	Resettlement impacts	Resettlement progress	Resettlement document
The Project	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	Domestic funds, Bank loan	Acquiring 2.4 mu of rural collective land permanently, occupying 68.37 mu of state-owned land and 328.815 mu of rural collective land temporarily (303.93 mu of irrigated land and 24.885 mu of woodland with 22,120 trees), affecting 91 households with 414 persons in 7 villages, in which 35 households with 128 persons will be affected by permanent LA	Not started	See the RAP. Since the positions of some networks have not been finalized, resettlement impacts are still uncertain for the moment, an RPF has been prepared (see Appendix 1).
	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	Domestic funds, Bank loan	It will occupy 11.7 mu of land within the site No.5 WWTP, involving neither LA nor HD; the associated network will be laid along with road construction in Beichuan New District, involving no additional LA and HD.	/	
	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.	Domestic funds, Bank loan	Using land of the Beichuan River Project, involving neither LA nor HD	/	
	Integrated gully and canal improvement	Integrated improvement of 10.4km Chaoyangdian Canal, 0.9km Liujia Gully and 0.9km Shengou Gully	Domestic funds, Bank loan	Involving neither LA nor HD; occupying 6.45 mu of state-owned land temporarily	Not started	
Related projects	No.4 WWTP	With a design capacity of 30,000 m <sup>3</sup> /d	Domestic funds	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	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	Diligence Report of the No.4 WWTP Project has been prepared. See Appendix 2.

Item		Scope	Funding source	Resettlement impacts	Resettlement progress	Resettlement document
				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.	compensation agreements and received compensation fees.	
	No.5 WWTP	With a design capacity of 30,000 m <sup>3</sup> /d	Domestic funds	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 Resettlement Due Diligence Report of the No.5 WWTP Project has been prepared. See Appendix 3.
	Beichuan River Project	Ecological rehabilitation and infrastructure construction	Domestic funds	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	723.72 mu of land has been acquired (404.83 mu of housing land and 318.89 mu of irrigated land); 1,343 AHs have entered into compensation agreements, and residential houses totaling 1.1784 million m <sup>2</sup> have been demolished; 38 entities have entered into compensation agreements, and non-residential properties totaling 25,900 m <sup>2</sup> have been demolished	The Resettlement Due Diligence Report of the Beichuan River Project has been prepared. See Appendix 4.
					Land approval has been completed, 2,632.95 mu of land has not been acquired (874 mu of housing land and 1,758.95 mu of irrigated land); 5 AHs have not entered into compensation agreements, involving residential houses totaling 3,200 m <sup>2</sup>	The external M&E report has been prepared.

## 1.5 Gross Investment and Funding Sources

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, accounting for 58.4%), and domestic counterpart funds of US\$107 million (equivalent to CNY656 million, accounting for 41.6%).

The resettlement budget of the Project is 17,249,600yuan, accounting for 1.10% of the general budget of the Project, all from domestic counterpart funds. The Project will be constructed from 2014 to 2018.

## 1.6 Measures to Reduce Resettlement Impacts

At the planning and design stages, the design agency and the owner took the following effective measures in order to reduce the local socioeconomic impacts of the Project:

- 1) At the project planning stage, the local socioeconomic impacts of the Project were taken as a key factor for option optimization and comparison.
- 2) The design was optimized to reduce the amount of LA, HD, earth excavation and filling.
- 3) The design was optimized to reduce the occupation of farmland, and occupy wasteland and state-owned land where possible. See Table 1-4.

Table 1-4 Measures to Reduce Resettlement Impacts

Project	Component	Before optimization	After optimization	Remarks
The Project	Construction of municipal wastewater collection systems	Excavating pavements to lay pipelines in some residential areas	Adopting pipe jacking.	Reducing excavation and filling, and temporarily occupied land, avoiding HD
		Occupying nearby land for pipeline and facility storage	Construction in segments and filling earth quickly	Reducing temporarily occupied land
	Integrated gully and canal improvement	Offices, dormitories and storage facilities will occupy land temporarily.	Leasing nearby houses and using state-owned wasteland	Reducing temporarily occupied land

At the RAP preparation and implementation stages, when LA and HD is unavoidable, the following measures will be taken to reduce the local impacts of the Project:

- 1) Strengthen the collection of basic information, make an in-depth analysis of the local present socioeconomic conditions and future prospect, and develop a feasible RAP based on the local practical conditions to ensure that the APs will not suffer losses due to the Project.
- 2) Encourage public participation actively and accept public supervision.
- 3) Strengthen internal and external monitoring, establish an efficient and unobstructed feedback mechanism and channel, and shorten the information processing cycle to ensure that issues arising from project implementation are solved timely.
- 4) Construction will usually be conducted after harvest or before sowing to reduce impacts of temporary land occupation.

## 2 Impact Analysis

### 2.1 Resettlement Impact Survey

In March-April and July 2013, the PMO, HIMC, Xining Drainage Company and RAP preparation team conducted a survey on the socioeconomic profile of the project area, and resettlement impacts of the Project and related projects, including: 1) visiting the municipal development and reform commission, construction bureau, land and resources bureau, real estate administration, social and security bureau, ethnic and civil affairs bureau, statistics bureau, women's federation, and Xining Unified Land Acquisition Office to collect relevant information, and conducting in-depth interviews with 11 officials; 2) holding 8 FGDs with staff of HIMC, Xining Drainage Company, and the affected township governments and village committees, and representatives of the APs, where 30% of attendees were women; 3) conducting a questionnaire survey on 120 households affected by the Project and related projects; and 4) conducting in-depth interviews with 20 APs, covering project impacts and suggestions, income and expenditure, household livelihood patterns, expected resettlement modes, income restoration programs, etc.

### 2.2 Resettlement Impacts and Analysis

#### 2.2.1 The Project

##### 1. Permanent acquisition of collective land

2.4 mu of rural collective land will be acquired permanently for the Project, attributed completely to the inspection and valve shafts in the construction of wastewater collection systems, all being irrigated land, affecting 35 households with 128 persons in 7 villages. 0.7 mu of rural collective land will be acquired permanently for the inspection and valve shafts of the Xichuan River wastewater collection network, all being irrigated land, all being irrigated land, affecting 11 households with 39 persons in Xiaozhai, Chengdong and Weijia Villages, Duoba Town, Huangzhong County. 1.7 mu of rural collective land will be acquired permanently for the inspection and valve shafts of the Beichuan River wastewater collection network, all being irrigated land, all being irrigated land, affecting 24 households with 89 persons in Hetan, Wangjia, Daijia and Shuangmiao Villages, Changning Town, Datong County. See Table 2-1.

Table 2-1 Summary of Rural Collective Land Acquired for the Project

Component	Township	Village	Permanently acquired collective land (mu)				Affected		
			Irrigated land	Woodland	Housing land	Subtotal	HHs	Population	
Construction of wastewater collection systems	Xichuan River wastewater collection network	Duoba Town	Xiaozhai	0.221	0	0	0.221	3	11
			Weijia	0.233	0	0	0.233	4	16
			Chengdong	0.246	0	0	0.246	4	12
		Subtotal		0.7	0	0	0.7	11	39
	Beichuan River wastewater collection network	Changning Town	Hetan	0.221	0	0	0.221	5	18
			Wangjia	0.325	0	0	0.325	4	15
			Daijia	0.429	0	0	0.429	5	19
			Shuangmiao	0.725	0	0	0.725	10	37
	Subtotal		1.7	0	0	1.7	24	89	
	Total			2.4	0	0	2.4	35	128

#### 2. Temporary land occupation

##### 1) State-owned land

74.82 mu of state-owned land will be occupied temporarily for the Project, attributed to the construction of wastewater collection systems, and integrated gully



and canal improvement, being road and unused land, including 68.37 mu of state-owned land for the construction of wastewater collection systems, and 6.45 mu for the offices, dormitories and storage facilities in integrated gully and canal improvement.

## 2) Collective land

328.815 mu of rural collective land will be occupied temporarily for the Project, attributed completely to the construction of wastewater collection systems, including 303.93 mu of irrigated land and 24.885 mu of woodland with 22,120 trees, affecting 91 households with 414 persons in 7 villages, where 99.245 mu of collective land will be occupied temporarily for the access roads and pipelines of the Xichuan River wastewater collection network, affecting 28 households with 125 persons in Xiaozhai, Chengdong and Weijia Villages, Duoba Town, Huangzhong County, and 229.57 mu of collective land will be occupied temporarily for the access roads and pipelines of the Beichuan River wastewater collection network, affecting 63 households with 289 persons in Hetan, Wangjia, Daijia and Shuangmiao Villages, Changning Town, Datong County. See Table 2-2.

Table 2-2 Summary of Rural Collective Land Occupied Temporarily for the Project

Component	Township	Village	Temporarily occupied collective land				Affected		
			Irrigated land	Woodland		Subtotal (mu)	HHs	Population	
			Area (mu)	Area (mu)	Trees				
Construction of wastewater collection systems	Xichuan River wastewater collection network	Duoba Town	Xiaozhai	19.08	3.75	3200	22.83	8	35
			Weijia	29.482	2.93	2700	32.412	7	30
			Chengdong	39.883	4.12	3700	44.003	13	60
		Subtotal		88.445	10.8	9600	99.245	28	125
	Beichuan River wastewater collection network	Changning Town	Hetan	33.45	2.985	2650	36.435	9	42
			Wangjia	43.391	3.52	3130	46.911	12	59
			Daijia	54.352	3.65	3160	58.002	16	73
			Shuangmiao	84.292	3.93	3580	88.222	26	115
	Subtotal		215.485	14.085	12520	229.57	63	289	
	Total			303.93	24.885	22120	328.815	91	414

## 2.2.2 Related Projects

### 1. Permanent LA

#### 1) Permanent acquisition of collective land

3,473.23 mu of rural collective land will be acquired permanently for the No.4 WWTP, No.5 WWTP and Beichuan River Project, affecting 1,414 households with 6,761 persons in 6 villages. 52.56 mu of rural collective land will be acquired permanently for the No.4 WWTP, affecting 32 households with 131 persons in Sanqi Village, Mafang Sub-district, Chengbei District, and 64 mu for the No.5 WWTP, affecting 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District, and 3,356.67 mu for the Beichuan River Project, affecting 1,348 households with 6,495 persons in Beixingyuan, Taojiazhai and Taoxin Villages, Xiaoqiao Sub-district, and Shitoule Village, Ershilipu Town, Chengbei District. See Table 2-3.

Table 2-3 Summary of Rural Collective Land Acquired for the Related Projects

Item	Township	Village	Collective land (mu)				Affected		
			Housing land	Irrigated land	Woodland	Subtotal	HHs	Population	
Related projects	No.4 WWTP	Mafang	Sanqi	0	52.56	0	52.56	32	131
		Subtotal		0	52.56	0	52.56	32	131
	No.5 WWTP	Ershilipu	Shuangsubao	0	64	0	64	34	135
		Subtotal		0	64	0	64	34	135

Beichuan River Project	Xiaoqiao	Beixingyuan	69.83	28.44	0	98.27	158	960
		Taojiazhai	335	319.85	0	654.85	350	1204
		Taoxin	324	729.76	0	1053.76	414	1320
	Ershilipu	Shitoulei	550	999.79	0	1549.79	426	3011
	Subtotal		1278.83	2077.84	0	3356.67	1348	6495
	Total		1278.83	2194.4	0	3473.23	1414	6761

## 2) Permanent acquisition of state-owned land

9.64 mu of state-owned land will be acquired permanently for the No.4 WWTP, all being state-owned wasteland.

## 2. HD

Houses totaling 1.2121 million m<sup>2</sup> will be demolished for the No.4 WWTP and Beichuan River Project, including rural residential houses totaling 1.1816 million m<sup>2</sup> and non-residential properties totaling 30,500 m<sup>2</sup>, all located on rural collective land.

### 1) Demolition of residential houses

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<sup>1</sup>. See Table 2-4.

Table 2-4 Summary of Residential Houses Demolished for Beichuan River Project

Component	Township	Village	Demolition area (0,000 m <sup>2</sup> )	Affected	
				HHs	Population
Beichuan River Project	Xiaoqiao	Beixingyuan	16.82	158	960
		Taojiazhai	29.70	350	1204
		Taoxin	33.52	414	1320
	Ershilipu	Shitoulei	38.12	426	3011
	Total		118.16	1348	6495

### 2) Demolition of non-residential properties

Non-residential properties totaling 4,600 m<sup>2</sup> will be demolished for the No.4 WWTP, affecting 6 enterprises with 29 workers. See Table 2-5.

Table 2-5 Summary of Non-residential Properties Demolished for the No.4 WWTP

No.	Name	Legal representative	HD area (m <sup>2</sup> )	Land nature	Type of business	Degree of impact
1	Yuliang Old Material Recovery Station	Zhao Xuehai	520	Collective	Waste recovery	Full demolition
2	Huachun New Material Co., Ltd.	Wei Chunsheng	579.47	Collective	Building materials	Full demolition
3	Sand and stone factory	Wang Shou	3196.76	Collective	Building materials	Full demolition
4	Cement product factory	Li Shiyuan	113.22	Collective	Building materials	Full demolition
5	Coal yard	Wang Wei	112.46	Collective	Coal	Full demolition
6	Waste recovery station	Li Yongming	69.25	Collective	Waste recovery	Full demolition

Non-residential properties and attachments totaling 25,900 m<sup>2</sup> will be demolished for the Beichuan River Project, affecting 38 entities with 195 workers in Taojiazhai and

<sup>1</sup> According to the survey, information on the households by HD is available for access at the IA and village committees.

Taoxin Villages, Xiaoqiao Sub-district, and Shitoulei Village, Ershilipu Town, Chengbei District. See Table 2-6.

Table 2-6 Summary of Non-residential Properties Demolished for Beichuan River Project

No.	Enterprise	Village	Demolition area (m <sup>2</sup> )	Nature of land	Business	Degree of impact
1	Kunlun Cement Mill	Taojiazhai	2803.04	Collective	Cement	Whole
2	Qinghai Road & Bridge Construction Machinery Co., Ltd.	Taojiazhai	947.68	Collective	Concrete	Whole
3	Zhufeng Building Materials	Taojiazhai	2635.43	Collective	Building materials	Whole
4	Longsheng Building Installation Co., Ltd.	Taojiazhai	1002.39	Collective		Whole
5	Chuangrui Engineering Machinery Co., Ltd.	Taoxin	0	Collective		Walls, trees, etc.
6	Xinzengtai Color Steel Co., Ltd.	Taoxin	786.9	Collective		Whole
7	Xichuan Construction Co.	Taoxin	632.68	Collective		Whole
8	Cishi Machine Building Co., Ltd.	Taoxin	1163.42	Collective		Whole
9	Shenniu Auto Repair Co., Ltd.	Taoxin	1041	Collective		Whole
10	Xinghua Building Apparatus Rental Station	Taoxin	0	Collective		Walls, trees, etc.
11	Yunzhong Construction Rental Station	Taoxin	0	Collective		Temporary storeroom
12	Jianxin Building Material Rental Station	Taoxin	0	Collective		
13	Xinyue Building Material Rental Station	Taoxin	63.7	Collective		Whole
14	Geili Steel Pipe Rental Station	Taoxin	0	Collective		Walls, trees, etc.
15	Chaoyang Huayu Building Material Shop	Taoxin	0	Collective		
16	Fuhai Building Material Rental Station	Taoxin	0	Collective		
17	Xiangning Building Material Rental Station	Taoxin	0	Collective		
18	Xiaolin Building Material Shop	Taoxin	237.97	Collective		
19	Huicheng Construction Rental Station	Taoxin	0	Collective		
20	Xinlong Building Material Rental Station	Taoxin	23.05	Collective		
21	Guangxia Building Material Rental Station	Taoxin	0	Collective		
22	Zhongxin Building Material Supply and Rental Station	Taoxin	0	Collective		
23	Material Transport Shop	Taoxin	0	Collective		
24	Hongfa Building Apparatus Rental Station	Taoxin	0	Collective		Walls, trees, etc.
25	Zhongfa Building Material Rental Station	Taoxin	0	Collective		
26	Fangmin Building Equipment Rental Station	Taoxin	0	Collective		
27	Jianhong Trading Co., Ltd.	Taoxin	0	Collective		
28	Zhongwei Plate Co., Ltd.	Taoxin	2851.44	Collective		
29	Qiangli Shaft Cover Factory	Taoxin	153.68	Collective		
30	Huashang Trading Firm	Taoxin	8.74	Collective	Whole	
31	Tongda Timber Processing Factory	Shitoulei	468.75	Collective	Timber	Whole
32	Xu Su'e	Shitoulei	2504.9	Collective	Building materials	Whole
33	Baisdhiyuan Mattress Factory	Shitoulei	2190.15	Collective	Mattress	Whole
34	Chengdong Color Steel	Shitoulei	1072	Collective	Steel	Whole
35	Cement Tile Factory (Wu Chengxiang)	Shitoulei	230.3	Collective	Cement tile	Whole
36	Ganqin Livestock Farm	Shitoulei	130	Collective	Livestock	Whole
37	Yijian Special Door & Window Factory	Shitoulei	4232.21	Collective	Doors & windows	Whole
38	Yihao Building Material Rental Station	Shitoulei	760.43	Collective	Lease	Whole

## 2.3 Affected Population

In the Project, 1,221 mu of rural collective land will be acquired permanently for the inspection and valve shafts of the Xichuan River wastewater collection network, affecting 35 households with 128 persons. 258,885 mu of rural collective land will be occupied temporarily, attributed completely to the construction of wastewater collection systems, affecting 91 households with 414 persons.

3,473.23 mu of rural collective land will be acquired for the No.4 WWTP and No.5 WWTP and Beichuan River Project, affecting 1,414 households with 6,761 persons, including 52.56 mu of rural collective land will be acquired permanently for the No.5 WWTP, affecting 32 households with 131 persons in Sanqi Village, Mafang Sub-district, Chengbei District, and 64 mu for the No.5 WWTP, affecting 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District, and 3,356.67 mu 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.

6 entities with 29 workers will be affected by the No.4 WWTP. 38 entities with 195 workers will be affected by the Beichuan River Project.

See Section 2.2 for details.

## 2.4 Ethnic Minority Analysis

According to the data provided by the Xining Municipal Ethnic and Religious Affairs Bureau, though Hui people, Tibetans, Mongolians are found in the project area, there is no minority township.

In the population affected by the Project and related projects resettlement, 97 households with 449 persons fall into ethnic minorities, accounting for 6.15%, mostly women entering the project area by marriage.

All minority groups in the project area live together with the local dominant ethnic group (Han people), and there is no ethnic boundary in daily intercourse. These ethnic groups have no ancestral domain or distinctive residential area. Socioeconomic activities of the ethnic minorities differ slightly from the Han people in terms of economic, social and political institutions.

All ethnic groups in the project area live in harmony, which is shown in the following: 1) All of them speak mandarin Chinese in daily communication; 2) In the project area, people of all ethnic groups contact closely without regard to ethnic identity; and 3) The income sources of the minority people are the same as those of the Han people, and are outside employment, fishing and aquaculture mainly.

In addition, to ensure that negative impacts on ethnic minorities are minimized, the implementing agency (IA) has prepared an ethnic minority development framework, and any special impact on negative impacts identified during project implementation will be addressed under such framework.

## 2.5 Socioeconomic Profile of the Project Area

### 2.5.1 Affected City/District

**Xining City** is located in eastern Qinghai Province, and is the provincial capital, the largest city on the Qinghai-Tibet Plateau, the political, economic, cultural and traffic center, and a major industrial base of Qinghai. It governs Chengdong District, Chengzhong District (including Chengnan New District), Chengxi District, Chengbei District and Nanhu New District, a state-level economic development zone, and Datong, Huangzhong and Huangyuan Cities, with a land area of 7,665 km<sup>2</sup>. In 2012, the city's GDP was 85.109 billion yuan, up 15.0%, in which the added value of primary industries was 3.117 billion yuan, that of secondary industries 43.952 billion yuan and that of tertiary industries 38.04 billion yuan, up 5.3%, 18.3% and 11.8% respectively. The ratio of primary, secondary and tertiary industries changed from 3.56:53.36:43.08

in 2011 to 3.66:51.64:44.70. In 2012, per capita GDP was 38,034 yuan, up 14.0%; urban residents' per capita disposable income 17,633.51 yuan, up 11.3%; and rural residents' per capita net income 7,801.54 yuan, up 17.6%. In 2011, the city had a resident population of 2.2087 million, including an urban population of 1.4579 million and a rural population of 770,100; there were 36 ethnic groups, minority population was 578,200, accounting for 25.95%.

**Chengbei District** is located in northwestern Xining, with a land area of 137.7 km<sup>2</sup>, and governs Dabaozi and Ershilipu Towns, Xiaoqiao, Chaoyang and Mafang Sub-districts, 38 villages and 23 communities, being the largest urban district and traffic hub of Xining. In 2011, the district's GDP was 15.907 billion yuan, up 22.10%, in which the added value of primary industries was 153 million yuan, that of secondary industries 11.487 billion yuan and that of tertiary industries 4.267 billion yuan, up -5.45%, 26.06% and 13.69% respectively. Per capita GDP was 35747 yuan, up 18.72%; urban residents' per capita disposable income 14,623 yuan, up 12.54%; and rural residents' per capita net income 10,412 yuan, up 15.18%. At the end of 2011, the district had a population of 301,000, including a nonagricultural population of 238,100 and an agricultural population of 62,900. Minority population was 29,100, accounting for 9.67%, including 13,300 Hui people (45.95%), 8,198 Tibetans (28.16%), 597 Salar people (2.05%), 2,760 Tu people (9.48%), 1,546 Mongolians (5.31%) and 2,636 people of other ethnic minorities (9.05%).

## 2.5.2 Affected Sub-districts/Townships

**Ershilipu Town** is located in northern Chengbei District, with a land area of 28 km<sup>2</sup>, and governs 11 villages and two communities. In 2011, the town's population was 27,820, including an agricultural population of 15,265. In 2011, the town's GDP was 301 million yuan, in which the added value of primary industries was 52 million yuan, that of secondary industries 247 million yuan and that of tertiary industries 2 million yuan. Per capita GDP was 4,325 yuan, urban residents' per capita disposable income 16,295.75 yuan and rural residents' per capita net income 11,735.69 yuan.

**Xiaoqiao Sub-district** is located in Chengbei District, with a cultivated area of 2,341 mu. In 2011, the sub-district's population was 110,621, including an agricultural population of 6,091 and a nonagricultural population of 104,530. In 2011, the sub-district's GDP was 212.45 million yuan, in which the added value of primary industries was 104.56 million yuan, that of secondary industries 53.96 million yuan and that of tertiary industries 53.93 million yuan. Per capita GDP was 5,691 yuan. urban residents' per capita disposable income 17,255.60 yuan, rural residents' per capita net income 12,295.78 yuan.

**Mafang Sub-district** is located in central southern Chengbei District, bordered by the Huangshui River on the south, Haizigou Xiang, Huangzhong County on the north, Xiaoqiao Sub-district on the east and Dabaozi Town on the west, with a land area of 12 km<sup>2</sup> and a population of 55,226, including an agricultural population of 9,801 and a nonagricultural population of 45,425. In 2011, the sub-district's GDP was 330 million yuan (primary industries: 60 million yuan, secondary industries: 240 million yuan, tertiary industries: 30 million yuan), per capita GDP 5,326 yuan, per capita disposable income of urban residents 17,195.5 yuan, and per capita net income of rural residents 12,111.95 yuan.

**Duoba Town (Huangzhong County)** is located north of the Huangzhong county town, with a land area of 148.76 km<sup>2</sup>, and governs 44 villages, 235 cooperatives and one community, being a major trading and service center in Huangzhong County. In 2011, the town's GDP was 602.734 million yuan, in which the added value of primary industries was 186.054 million yuan, accounting for 30.8%, that of secondary industries 263.28 million yuan, accounting for 43.6%, and that of tertiary industries 153.4 million yuan, accounting for 25.4%. Rural residents' per capita net income was 5,236 yuan, including agricultural income of 1,123 yuan, accounting for 21%; stockbreeding income of 677 yuan, accounting for 13%; and nonagricultural income (secondary and tertiary industries) of 3,436 yuan, accounting for 66%. In 2011, the

town had a population of 63,190, including an agricultural population of 57,695 and a nonagricultural population of 5,495. Minority population was 7,716, accounting for 12% of gross population, including 3,100 Tibetans, 4,448 Hui people and 168 people of other ethnic minorities.

**Changning Town (Datong County)** is located in southern Datong County, with a land area of 96.65 km<sup>2</sup>, and governs 26 administrative villages and 49 natural villages. In 2011, the town's gross industrial output value was 327.31 million yuan and agricultural output value 20.357 million yuan; the ratio of primary, secondary and tertiary industries 35.2:47.6:17.2, and rural residents' per capita net income 3,712.83 yuan. In 2011, the town had a population of 41,076, including an agricultural population of 36,879 and a nonagricultural population of 4,197, and a minority population of 15,822, accounting for 35.82% of gross population.

### 2.5.3 Affected Villages

**Xiaozhai Village**—The village has 704 households with 3,168 persons, including an agricultural population of 701 households with 3,159 persons, and 13 minority households with 41 persons, a cultivated area of 458.1 mu and a per capita cultivated area of 0.14 mu. The main income sources are outside employment, individual business and vehicle transport. In 2012, villagers' per capita net income was about 10,500 yuan.

**Weijia Village**—The village has 712 households with 3,188 persons, including an agricultural population of 710 households with 3,178 persons, and a minority population of 9, all being migrants, a cultivated area of 924.5 mu and a per capita cultivated area of 0.29 mu. The main income sources are outside employment, individual business and handicrafts. In 2012, villagers' per capita net income was about 11,150 yuan.

**Chengdong Village**—The village has 637 households with 2,870 persons, all falling into agricultural population, and 23 minority households with 71 persons, a cultivated area of 803 mu and a per capita cultivated area of 0.28 mu. The main income sources are outside employment, Cordyceps picking and individual business. In 2012, villagers' per capita net income was about 9,850 yuan.

**Hetan Village**—The village has 130 households with 596 persons, all falling into agricultural population, and 8 minority households with 31 persons, a cultivated area of 158.1 mu and a per capita cultivated area of 0.27 mu. The main income sources are outside employment, house lease and individual business. In 2012, villagers' per capita net income was about 9,790 yuan.

**Wangjia Village**—The village has 92 households with 414 persons, including an agricultural population of 90 households with 409 persons, and 3 minority households with 9 persons, a cultivated area of 125 mu and a per capita cultivated area of 0.3 mu. The main income sources are outside employment, individual business and bulldozer lease. In 2012, villagers' per capita net income was about 9,900 yuan.

**Daijia Village**—The village has 242 households with 1,092 persons, all falling into agricultural population, and 12 minority households with 41 persons, a cultivated area of 350 mu and a per capita cultivated area of 0.32 mu. The main income sources are outside employment, individual business and house lease. In 2012, villagers' per capita net income was about 9,850 yuan.

**Shuangmiao Village**—The village has 235 households with 1,057 persons, including an agricultural population of 233 households with 1,051 persons, and 11 minority households with 39 persons, a cultivated area of 281 mu and a per capita cultivated area of 0.27 mu. The main income sources are outside employment and individual business. In 2012, villagers' per capita net income was about 9,800 yuan.

**Beixingyuan Village**—The village has 158 households with 960 persons, including an agricultural population of 125 households with 759 persons, without minority population, a cultivated area of 300 mu and a per capita cultivated area of 0.31 mu. The main income sources are outside employment, transport, house lease and individual business. In 2012, villagers' per capita net income was over 15,150

yuan.

**Taojia Village**—The village has 350 households with 1,204 persons, including an agricultural population of 340 households with 1,169 persons, 50 minority households with 216 persons, a cultivated area of 200 mu and a per capita cultivated area of less than 0.2 mu. The main income sources are outside employment, transport, house lease and individual business. In 2012, villagers’ per capita net income was over 14,800 yuan.

**Taoxin Village**—The village has 414 households with 1,320 persons, all falling into agricultural population and Han people, a cultivated area of 711 mu and a per capita cultivated area of 0.54 mu. The main income sources are outside employment, individual business. In 2012, villagers’ per capita net income was about 14,500 yuan.

**Shitoulei Village**—The village has 426 households with 3,011 persons, including an agricultural population of 401 households with 2,850 persons, and 45 minority households with 223 persons, a cultivated area of 1,972 mu, and a per capita cultivated area of 0.54 mu. The main income sources are outside employment, individual business and house lease. In 2012, villagers’ per capita net income was about 14,500 yuan.

**Shuangsubao Village**—The village has 430 households with 1,835 persons, including an agricultural population of 398 households with 1,702 persons, without minority population, a cultivated area of 1,260 mu and a per capita cultivated area of 0.68 mu. The main income sources are outside employment and individual business. In 2012, villagers’ per capita net income was about 12,550 yuan.

**Sanqi Village**—The village has 1,471 households with 4,153 persons, including an agricultural population of 3,972, and one Tibetan household with 5 persons, a cultivated area of 950 mu, and a per capita cultivated area of 0.23 mu. Villagers’ main income sources are house lease, individual business and employment. In 2012, villagers’ per capita net income was about 14,800 yuan.

Table 2-7 Summary of Key Economic Indicators of the Affected Villages

County	Township	Village	Population			Cultivated area (mu)	Per capita cultivated area (mu)	Per capita net income (yuan)
			HHs	Population	Agricultural population			
Huangzhong County	Duoba Town	Xiaozhai	704	3168	3159	458.1	0.14	10500
		Weijia	712	3188	3178	924.5	0.29	11150
		Chengdong	637	2870	2870	803	0.28	9850
Datong County	Changning Town	Hetan	130	596	596	158.1	0.27	9790
		Wangjia	92	414	409	125	0.30	9900
		Daijia	242	1092	1092	350	0.32	9850
		Shuangmiao	235	1057	1051	281	0.27	9800
Chengbei District	Xiaoqiao Sub-district	Beixingyuan	158	960	759	365	0.31	15150
		Taojiazhai	350	1204	1169	200	0.2	14800
		Taoxin	414	1320	1320	711	0.54	14500
	Ershilipu Town	Shitoulei	426	3011	2850	1612	0.54	14500
		Shuangsubao	430	1835	1702	1260	0.68	12550
	Mafang	Sanqi	1471	4153	3972	950	0.23	14800

#### 2.5.4 AHs

In order learn the basic information of the households affected by the Project and related projects, the RAP preparation team conducted a sampling survey on 120 AHs, with a sampling rate of 7.79%.

##### 1. Ethnic and gender analysis

The 120 sample households have 532 persons in total, including 322 laborers, and average family population is 4.43. The sample population includes a minority population of 8, accounting for 1.5%, and 275 women, accounting for 51.69%. Women deal with household stockbreeding, housework, outside employment, etc.

## 2. Age structure

Among the 532 samples, 125 are aged 18 years or below, accounting for 23.50%; 199 aged 18-40 years, accounting for 37.40%; 123 aged 40-60 years, accounting for 23.12%; and 85 aged above 60 years, accounting for 15.98%. See Figure 2-1.

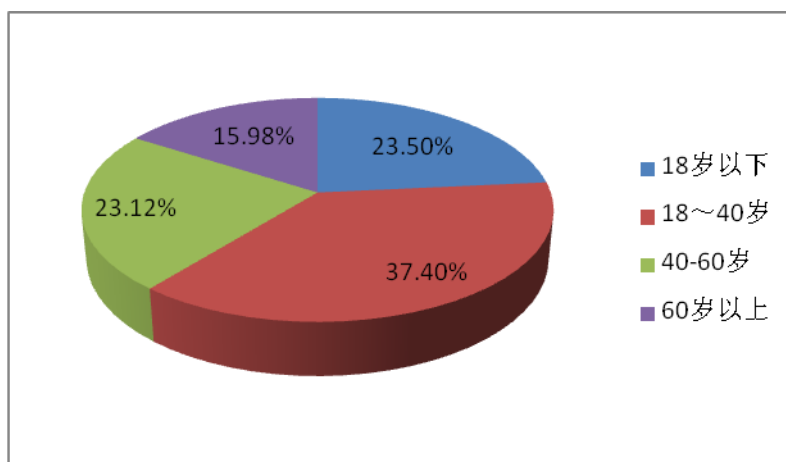


Figure 2-1 Age Structure of the Sample Households

## 3. Educational level

Among the 532 samples, 16 are illiterate, accounting for 3.00%; 129 have received primary school education, accounting for 24.25%; 258 have received junior high school education, accounting for 48.50%; 107 have received senior high school or technical secondary school education, accounting for 20.11%; and 22 have received junior college or above education, accounting for 4.14%. See Figure 2-2.

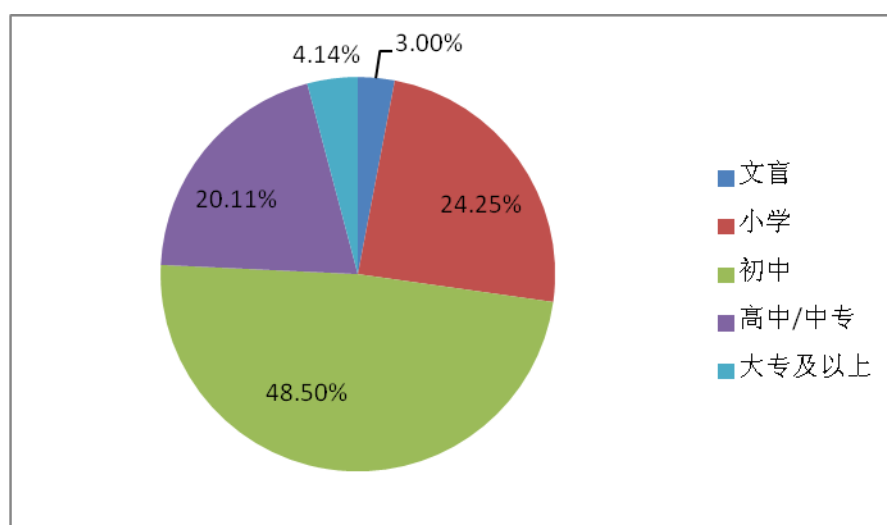


Figure 2-2 Educational Levels of the Sample Households

## 4. Land resources

The 120 sample households have 223.4 mu of cultivated land in total, with cultivated area of 1.86 mu per household or 0.42 mu per capita. The main type of the cultivated land is non-irrigated land, used to grow wheat and rape mainly.

## 5. Household income and expenditure

In 2012, the per capita income of the sample households was 12,859.45 yuan, in which employment income accounts for 49.12%, operating income for 28.53%, and agricultural and stockbreeding income for 13.73%. See Table 2-7.

In 2012, the total expenditure of the sample households was 4,413,014.48 yuan, including productive expenses of 1,377,743.12 yuan, accounting for 31.22%; and nonproductive expenses 3,035,271.36 yuan, accounting for 68.78%. See Table 2-8.



It can be seen that the Project will not affect the income of the AHs greatly, but will increase their income by generating more nonagricultural job opportunities.

Table 2-8 Summary of Income of the Sample Households (2012)

Item	Unit	Total	Percent
1. Agricultural and stockbreeding income	yuan	939300.52	13.73%
2. Wage income	yuan	443995.66	6.49%
3. Employment income	yuan	3360410.90	49.12%
4. Operating income	yuan	1951802.18	28.53%
5. Other income	yuan	145718.14	2.13%
Gross income	yuan	6841227.4	100.00%
Average income per capita	yuan	12859.45	/
Average income per household	yuan	57010.22	/

Table 2-9 Summary of Expenditure of the Sample Households (2012)

Item	Unit	Total	Percent
1. Productive expenses	yuan	1377743.12	31.22%
Tax turnover, etc.	yuan	109884.06	2.49%
Seeds, feeds, machines, irrigation, etc.	yuan	873776.87	19.80%
Hiring expenses	yuan	300526.28	6.81%
Other	yuan	93555.91	2.12%
2. Nonproductive expenses	yuan	3035271.36	68.78%
Electricity expenses	yuan	109001.46	2.47%
Water expenses	yuan	82523.37	1.87%
Communication expenses	yuan	233007.16	5.28%
Educational expenses	yuan	496464.13	11.25%
Medical expenses	yuan	488962.01	11.08%
Non-staple food expenses	yuan	1419666.76	32.17%
Other	yuan	205646.47	4.66%
Gross expenditure	yuan	4413014.48	100.00%
Average expenditure per household	yuan	36775.12	/
Average expenditure per capita	yuan	8295.14	/

## 3 Resettlement Policies and Rates

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

#### **State laws and regulations**

- Land Administration Law of the PRC (effective from January 1, 1999, amended on August 28, 2004)
- Regulations on the Implementation of the Land Administration Law of the PRC (effective from January 1, 1999)
- Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28)
- Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238) (effective from November 3, 2004)

#### **Local regulations and policies**

- Measures of Qinghai Province for the Implementation of the Land Administration Law of the PRC (effective from October 1, 2006)
- 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) (effective from May 1, 2010)
- Opinions of Qinghai Province on the Levy and Use of Farmland Reclamation Costs, Land Restoration Costs and Idle Land Costs (2004)
- 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)
- Notice of the General Office of the Qinghai Provincial Government on Paying Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2013] No.23)
- Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition (NMG [2004] No.30)

#### **Bank policies:**

- Operational Policy OP4.12 on Involuntary Resettlement and appendixes (effective from January 1, 2002)
- Bank Procedure BP4.12 on Involuntary Resettlement and appendixes (effective from January 1, 2002)

### 3.2 Key Provisions of Laws, Regulations and Policies on Resettlement

#### ➤ **Relevant provisions of the Land Administration Law of the PRC**

Article 8 Land in urban districts shall be owned by the State.

Land in the rural areas and suburban areas, except otherwise provided for by the State, shall be collectively owned by farmers including land for building houses, land and hills allowed to be retained by farmers.

Article 10 In lands collectively owned by farmers those have been allocated to villagers for collective ownership according to law shall be operated and managed by village collective economic organizations or villagers' committee and those have allocated to two or more farmers collective economic organizations of a village, shall be operated and managed jointly by the collective economic organizations of the village or villagers' groups; and those have allocated to township (town) farmer collectives shall be operated and managed by the rural collective economic organizations of the township (town).

Article 45 The acquisition of the following land shall be approved by the State Council: (1) Basic farmland; (2) Land exceeding 35 hectares outside the basic farmland; and (3) Other land exceeding 70 hectares.

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

Compensation fees for land acquired include land compensation fees, resettlement fees and compensation for attachments to or green crops on the land. The land compensation fees shall be 6-10 times the average output value of the three years preceding the acquisition of the cultivated land. The resettlement fee shall be calculated according to the number of agricultural population to be resettled. The number of agricultural population to be resettled shall be calculated by dividing the amount of cultivated land acquired by the per capital land occupied of the unit whose land is acquired. The resettlement fees for each agricultural person to be resettled shall be 4-6 times the average annual output value of the three years preceding the acquisition of the cultivated land. But the maximum resettlement fee per hectare of land acquired shall not exceed 15 times of the average annual output value of the three years prior to the acquisition.

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

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

Article 49 Rural collective economic organizations shall make public to its members the receipts and expenditures of the land compensation fees for land acquired and accept their supervision.

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

Article 50 Local governments at all levels shall support rural collective economic organizations and farmers in their efforts toward development and operations or in starting up enterprises.

Article 54 A paid leasing should be go through in use of land owned by the State by a construction unit. But the following land may be obtained through government allocation with the approval of the governments at and above the county level according to law: (1) Land for use by government organs and for military use; (2) Land for building urban infrastructure and for public welfare undertakings; (3) Land for building energy, communications and water conservancy and other infrastructure projects supported by the State; and (4) Other land as provided for by the law and administrative decrees.

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

Users who use the land temporarily should use the land according to the purposes agreed upon in the contract for the temporary use of land and should not build permanent structures.

The term for the temporary use of land shall not usually exceed two years.

Article 62 One rural household can own one piece of land for building house, with the area not exceeding the standards provided for by provinces, autonomous regions and municipalities.

Construction of rural houses should conform to the general plans for the utilization of land of townships (towns) and the original land occupied by houses and open spaces of villages should be used as much as possible for building houses. The use of land for building houses should be examined by the township (town)

governments and approved by the county governments. Whereas occupation of agricultural land is involved the examination and approval procedure provided for in Article 44 of this law is required. The application for housing land after selling or leasing houses shall not be approved.

➤ **Relevant provisions of the Regulations on the Implementation of the Land Administration Law of the PRC**

Article 25 Municipal, county government of the locality whose land has been acquired shall, upon approval of the land acquisition plan according to law, organize its implementation, and make an announcement in the village(township), hamlet whose land has been acquired on the approval organ of the land acquisition, number of the approval document, use, scope and area of the acquired land as well as the rates for compensation of land acquisition, measures for the resettlement of agricultural personnel and duration for processing land acquisition compensation.

Persons of ownership and persons of use right of the acquired land should, within the duration prescribed in the announcement, go to the competent department of government designated in the announcement to go through the registration for land acquisition compensation on the strength of land ownership certificates.

The competent departments of municipal, county governments shall, on the basis of the approved land acquisition plan and in conjunction with the departments concerned, draw up land acquisition compensation and resettlement plan, make an announcement thereof in the village (township), hamlet wherein the acquired land is located to solicit the views of the rural collective economic organizations and peasants on the acquired land. The competent departments of land administration of municipal, county governments shall, upon approval of the land acquisition compensation and resettlement plan submitted to the municipal, county governments, organize its implementation. Where a dispute arises over the compensation rates, coordination shall be carried out by local government above the county level; where coordination has failed, arbitration shall be resorted to by the government that approved the land acquisition. Land acquisition compensation and resettlement dispute shall not affect the implementation of the land acquisition plan.

Payment of various expenses for land acquisition should be effected in full within 3 months starting from the date of approval of the land acquisition and resettlement plan.

Article 26 Land compensation fee goes to the rural collective economic organization; compensation fee for ground appendices and young crops shall be for the owner(s) of ground appendices and young crops.

Funds earmarked for land acquisition resettlement subsidy must be used for the designated purpose and shall not be diverted to any other purpose. For persons required to be resettled by the rural collective economic organization, payment of the resettlement subsidy shall be made to the rural collective economic organization to be administered and used by the rural collective economic organization; where resettlement is to be arranged by other units, the resettlement subsidy shall be paid to the resettlement units; where no unified resettlement is required, the resettlement subsidy shall be given to the individuals to be resettled or used for the payment of insurance premium for the resettled persons on gaining the consent of the resettled persons.

Municipal, county and village (township) governments should strengthen supervision over the use of resettlement subsidy.

➤ **Applicable provisions of the Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration**

III. Improving compensation and resettlement systems for land acquisition

Article 12 Improving measures of compensation for land acquisition.

County-level and above local governments shall take practical measures so that the standard of living of farmers affected by land acquisition is not reduced by land acquisition. Land compensation, resettlement subsidy and compensation for ground annexes and crops shall be paid in full and timely pursuant to law. If the land compensation and resettlement subsidy pursuant to the prevailing laws and

regulations are insufficient to maintain the former standard of living of the farmers affected by land acquisition or to pay the social security expenses of farmers who lose all land due to land acquisition, the governments of provinces, autonomous regions and municipalities directly under the Central Government shall approve an increased resettlement subsidy. If the sum of the land compensation and the resettlement subsidy attains the statutory upper limit and is still insufficient to maintain the former standard of living of the farmers affected by land acquisition, local governments may pay a subsidy from the income from compensated use of state land. The governments of provinces, autonomous regions and municipalities directly under the Central Government shall fix and publish the uniform annual output value standards or integrated land prices for land acquisition of all cities and counties, so that the same price applies to the same kind of land. For key construction projects of the state, land acquisition expenses must be listed in the budgetary estimate in full. Compensation rates and resettlement measures for large and medium-sized water resources and hydropower projects shall be otherwise stipulated by the State Council.

Article 13 Resettling land-expropriated farmers properly. County-level and above local governments shall take specific measures to guarantee long-term livelihoods of farmers affected by land acquisition. For projects with a stable income, farmers may become a shareholder using the right to use of land used for construction approved pursuant to law. Within the urban planning area, local governments shall bring farmers who lose all land due to land acquisition into the urban employment system, and establish a social security system; out of the urban planning area, in acquiring land collectively owned by farmers, local governments shall reserve necessary arable land or arrange appropriate jobs for farmers affected by land acquisition within the same administrative area; farmers without land who do not have the basic living and production conditions shall be subject to non-local resettlement. The labor and social security authorities shall propose guidelines for the employment training and social security systems for farmers affected by land acquisition as soon as possible.

Article 14 Improving land acquisition procedures. During land acquisition, the ownership of collective land of farmers and the right to contracted management of farmers' land shall be maintained. Before land acquisition is submitted for approval pursuant to law, the use, location, compensation standard and resettlement mode of the land to be acquired shall be notified to farmers affected by land acquisition; the survey results of the present situation of the land to be acquired shall be confirmed by rural collective economic organizations and farmers to be affected by land acquisition; if necessary, the land and resources authorities shall organize a hearing in accordance with the applicable provisions. The materials for notification to and confirmation by the farmers affected by land acquisition shall be taken as requisite materials for approval for land acquisition. Accelerate the establishment and improvement of the coordination and judgment mechanism for disputes over compensation and resettlement for land acquisition to protect the lawful rights and interests of farmers affected by land acquisition and land users. Approved matters of land acquisition shall be disclosed unless in special cases.

Article 15 Strengthening Supervision over the implementation of land acquisition. If the compensation and resettlement for land acquisition has not been implemented, the acquired land shall not be used forcibly. The governments of provinces, autonomous regions and municipalities directly under the Central Government shall formulate the procedures for the distribution of the land compensation within rural collective economic organizations on the principle that the land compensation is used for rural households affected by land acquisition mainly. Rural collective economic organizations affected by land acquisition shall disclose the receipt, disbursement and allocation of land compensation fees to their members and accept supervision. The agricultural and civil affairs authorities shall strengthen the supervision over the allocation and use of land compensation fees within rural collective economic organizations.

➤ **Relevant provisions of the Notice on Issuing the Guidelines on Improving**

## **Compensation and Resettlement Systems for Land Acquisition**

### Article 1 “About compensation rates for land acquisition”

2. Fixation of uniform annual output value multiples. The uniform multiple of annual output value for land compensation fees and resettlement subsidy shall be fixed within the statutory range so that land-expropriated farmers’ standard of living is not reduced; if compensation fees for land acquisition calculated from the statutory uniform multiple of annual output value are insufficient for land-expropriated farmers to maintain their former standard of living or insufficient to cover their social security costs, the multiple shall be increased appropriately with the approval of the province-level government; if an aggregate multiple of 30 for land compensation fees and resettlement subsidy is still insufficient for land-expropriated farmers to maintain their former standard of living, the local government shall allocate a certain proportion from the income from the compensated use of state-owned land for subsidization. For basic farmland occupied with lawful approval, the highest compensation rate announced by the local government shall apply.

3. Fixation of composite land prices for land acquisition areas. Where conditions permit, the province-level land and resources authority may fix composite land prices for land acquisition for different counties and cities in the province together with other competent authorities, and report such prices to the province-level government for approval, disclosure and implementation. Such prices shall be fixed in consideration of land type, output value, geographic location, farmland rating, per capita arable area, land supply-demand relationship, local economic level and minimum living security level of urban residents, etc.

### Article 2 “About means of resettlement for land-expropriated farmers”:

5. Agricultural resettlement. When rural collective land out of urban planning areas is acquired, land-expropriated farmers shall be first provided with necessary arable land using mobile collective land, contracted land turned over by contractors and arable land arising from land development so that they continue to pursue agricultural production.

6. Reemployment resettlement. Conditions shall be created actively to provide free labor skills training to land-expropriated farmers and place them to corresponding jobs. Under equal conditions, land users shall first employ land-expropriated farmers. When rural collective land within urban planning areas is acquired, land-expropriated farmers shall be included in the urban employment system and a social security system established for them.

7. Dividend distribution resettlement. When any land with long-term stable income is to be used for a project, the affected rural collective economic organization may become a project shareholder with compensation fees for land acquisition or rights to use construction land in consultation with the land user. The rural collective economic organization and rural households will receive dividends as agreed.

8. Non-local resettlement. If basic production and living conditions are not available locally to land-expropriated farmers, non-local resettlement may be practiced under the leadership of the government in consultation with the rural collective economic organization and rural households.

### Article 2 “About land acquisition procedures”:

9. Notification of land acquisition. Before land acquisition is submitted for approval, the local land and resources authority shall notify the affected rural collective economic organization and rural households of the use, location, compensation rate and resettlement mode of the land to be acquired in writing. After that, any ground attachment or young crop built or grown by the affected rural collective economic organization and rural households thereon shall not be compensated for.

10. Verification of survey results. The local land and resources authority shall investigate the ownership, type and size of the land to be acquired, and the ownership, types and quantities of ground attachments, and the investigation results shall be confirmed together with the affected rural collective economic organization, rural households and proprietors of ground attachments.

11. Hearing on land acquisition. Before land acquisition is submitted for approval, the local land and resources authority shall notify the affected rural collective economic organization and rural households of the right of application for hearing on the compensation rate and the mode of resettlement. In case of application for hearing, hearing shall be organized pursuant to the applicable procedures and requirements.

➤ **Relevant provisions of the Measures of Qinghai Province for the Implementation of the Land Administration Law of the PRC**

Article 31 Land occupied by construction projects shall comply with the overall plan for land utilization and the annual land utilization plan.

If any construction project can utilize barren land, no arable land shall be occupied; if inferior land can be utilized, no superior land shall be occupied. Construction projects and rural pastoral housing sites are encouraged to use unused land.

Article 32 The pre-examination system for land for construction projects shall apply. Land and resources, development and reform, and other administrative authorities shall notify the project owner to carry out preliminary work and file a pre-examination application for land use.

The land administrative authorities shall not allow any construction project not complying with the overall plan for land utilization or that has not obtained a planning quota for conversion of farmland to pass the land use pre-examination.

Article 33 If the land occupied for any construction project involves the conversion of farmland into land for construction, the approval formalities for conversion of farmland shall be settled pursuant to law.

Article 34 If any approved construction project needs to use any state land for construction within the range of urban land for construction defined in the overall plan for land utilization, such project shall be approved by the Xining municipal and county (municipal) governments. The land for any energy, traffic or water resources infrastructure construction project approved by the State Council and the provincial government shall be approved by the provincial government.

Article 35 The land for any state or provincial key project, any traffic, energy or water resources project funded by the state, any road approved by the provincial government, any pipeline project or large infrastructure construction project shall be acquired by the provincial land administrative authorities in a unified manner.

Article 36 Before land acquisition is reported for approval pursuant to law, the land administrative authorities shall announce the use and position of the proposed plot, the compensation standards and the method of resettlement, etc.

Article 37 The land administrative authorities shall investigate the current use of the land to be acquired, and the investigation results shall be confirmed by the affected rural collective economic organization and farmers (herdsmen).

Article 38 After any land acquired is approved through the statutory procedure, the Xining municipal and county (municipal) governments shall organize land acquisition through the following procedure: (1) Publish a land acquisition announcement in the Xiang (town) and village where the acquired land is located; (2) the owner and user of the acquired land shall go through the registration formalities for compensation for land acquisition with the certificate of title to land and ground attachments within the period specified in the announcement; (3) The land administrative authorities shall draft the compensation and resettlement plan for land acquisition together with the competent authorities based on the approved land acquisition plan and the checked registration of compensation for land acquisition, and publish it in the Xiang (town) and village where the acquired land is located to listen to opinions from rural collective economic organization of the acquired land. The compensation and resettlement plan for land acquisition shall specify land compensation fees, resettlement subsidy and compensation fees for young crops and attachments, etc.; (4) After the compensation and resettlement plan for land acquisition is submitted to the Xining municipal and county (municipal) governments for approval, it shall be submitted to the provincial land administrative authorities for

reference; (5) The land compensation fees, resettlement subsidy and compensation fees for young crops and attachments shall be paid in full within 3 months from the date of approval of the compensation and resettlement plan for land acquisition.

Article 39 The compensation for land acquisition shall be examined based on the original use of the acquired land. The land compensation fees and resettlement subsidy for acquisition of arable land shall be determined in accordance with the Land Administration Law and the applicable provisions of the State Council.

Article 40 After receiving full compensation for land acquisition, the affected organization or individual shall deliver land by the specified time; if compensation for land acquisition is not paid as stipulated, the affected organization or individual shall have the right to refuse to deliver land.

After the release of the land acquisition announcement, ground attachments rush built or forests rush cultivated on the land to be acquired shall not be compensated for.

Article 41 Governments at and above the county level shall solve residential, production and living issues for the affected farmers (herdsmen) properly, and ensure their living stability and long-term livelihoods by various means.

Article 42 Governments at and above the county level shall establish sound settlement and ruling mechanisms for disputes over compensation and resettlement for land acquisition to protect the lawful rights and interests of the affected farmers (herdsmen) and land user.

Article 43 A land price appraisal system for land acquisition shall be established.

Article 44 Any organization or individual causing land damage due to excavation, collapse, etc. shall be responsible for land restoration, otherwise it shall pay land restoration costs.

Article 45 If temporary land occupation is required for project construction or geologic investigation, the land user shall report to the Xining municipal and county (municipal) governments the land administrative authorities for approval. The land user shall grant compensation year by year based on the range of impact, type and annual output value of the temporarily occupied land, and reinstate it to the original state and cultivation conditions upon expiry of the approved land use, and return it to the former user. The term of temporary land use shall be usually not more than two years.

#### ➤ **Relevant provisions of 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**

##### 1. Scope

This standard applies to the calculation of compensation fees for acquired collective land. Compensation fees for acquired farmland and construction land shall be calculated by reference to this standard.

##### 2. Composition

This standard includes uniform AAOV rates for LA and location-based composite land prices for LA.

The urban area of Xining City shall be subject to location-based composite land prices for LA. The other counties and cities in our province shall be subject to uniform AAOV rates for LA.

##### 4. Concept

Uniform AAOV rate for LA: based on type and grade of acquired farmland, land input and output, farm product price, geographic location, etc.

Location-based composite land price for LA: based on land type and grade, output value, geographic location, per capita cultivated area, land supply-demand relationship, local economic level, and MLS rate for urban residents, to be corrected by price factors and AAOV multiples

Compensation rates for LA: In areas where uniform AAOV rate for LA apply, such rates are calculated by multiplying uniform AAOV rate by the compensation multiple of the corresponding land type; in areas where location-based composite land price for LA apply, the land price is the compensation rate for LA. Compensation rates for LA



shall include land compensation fees and resettlement subsidies.

Compensation multiple: multiple for calculating land compensation fees and resettlement subsidies based on uniform AAOV rate for LA

5. Compensation rates for LA

In areas where uniform AAOV rate for LA apply, compensation rates for collective land shall be as follows:

The compensation rate for cultivated land in the 3 project counties is 20 times the corresponding uniform AAOV; if the per capita cultivated area of any affected village is less than 0.3 mu after LA, the compensation rate is 30 times; the compensation rate for pasture land is 11 times the corresponding uniform AAOV; vegetable and garden land will be compensated for as cultivated land; the compensation rate for woodland is 6 times the corresponding uniform AAOV; the compensation rate for unused land is equal to the uniform AAOV of the surrounding land; construction land is compensated for at the rate of the surrounding land.

Compensation rates for acquired state-owned farmland shall be determined by reference to the above rates; if the right to use state-owned construction land is withdrawn, reasonable financial compensation shall be paid to the holder of such right as otherwise stipulated by the provincial government.

6. Compensation rates for young crops and ground attachments

The compensation rate for young crops shall be equal to the uniform AAOV for the acquisition of cultivated land to which they are attached.

Compensation rates for ground attachments shall be the latest rates for local traffic, energy, water resources and other major infrastructure construction projects approved by the provincial government.

Illegal buildings and structures, and attachments rush-built on the land to be acquired after announcement shall not be compensated for.

➤ **Relevant provisions of the Interim Measures of Qinghai Province for the Levy and Use of Farmland Reclamation Costs, Land Restoration Costs and Idle Land Costs**

1. Items

According to Articles 31, 37 and 42 of the Land Administration Law of the PRC, farmland reclamation costs, land restoration costs, etc. shall be administrative fees.

2. Scope

(1) Farmland reclamation costs: For the farmland occupied for any approved nonagricultural construction project, the occupier shall reclaim farmland of the same quantity and quality of the occupied farmland, otherwise it shall pay farmland reclamation costs.

(2) Land restoration costs: Any organization or individual causing land damage due to excavation, collapse, etc. shall be responsible for land restoration, otherwise it shall pay land restoration costs.

3. Rates

(1) Farmland reclamation costs: 2,200-3,600 yuan per mu of irrigated land, 1,400-2,000 yuan per mu of hilly non-irrigated land, doubled for basic farmland

(2) Land restoration costs: 2,000-3,000 yuan per mu, collected at a time

Table 3-1 Rates of Farmland Reclamation Costs and Land Restoration Costs (Unit: yuan/mu)

Grade	County/township	Farmland reclamation costs		Land restoration costs
		Irrigated land	Hilly non-irrigated land	
1	Xining City	3600	2000	3000
2	Germu, Datong, Ping'an, Ledu, Minhe, Huzhu, Huangzhong	3400	1900	2800
3	Delingha, Xunhua, Hualong, Huangyuan, Jianzha, Tongren, Gonghe, Guide, Menyuan	3200	1800	2600
4	Dachaidan, Haiyan, Gangcha, Qilian, Xinghai, Tongde, Guinan, Wulan, Dulan, Yushu, Maqin, Mangya	2800	1600	2200

5	Tianjun, Zeku, Henan, Lenghu, Chengduo, Qumalai, Zhiduo, Zaduo, Nangqian, Maduo, Gande, Banma, Dari, Jiuzhi	2200	1400	2000
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➤ **Relevant provisions of the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers**

2. Scope

These Measures shall apply to registered farmers (including reservoir migrants) 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 areas of our province.

A government at or above the county level implementing LA shall adjust insurance coverage based on the output and supporting capacity of the remaining cultivated land of the LEFs. Those under 16 years upon LA shall be granted a one-time resettlement subsidy the government, and shall be insured depending on employment status after attaining labor age.

3. 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.

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

**2) 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, to be withdrawn by the local finance department for 15 years from land transfer income at a time. Each insured eligible for receiving pensions shall receive a basic pension subsidy of 120 yuan per month from the local government.

**3) 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.

4. Establishing an individual account of endowment insurance

The handling agency of endowment insurance for LEFs shall establish a lifelong individual account of endowment insurance for each insured. The individual contribution, government subsidy and collective subsidy shall be entered into the individual account. Individual accounts of endowment insurance for LEFs shall be managed together with individual accounts of new-type rural endowment insurance.

5. 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).

➤ **Relevant provisions of the Notice of the General Office of the Qinghai Provincial Government on Paying Endowment Insurance Premiums for Land-expropriated Farmers**

2. Normative operation and strict management

For any land acquired in Qinghai Province since January 1, 2013, endowment insurance premiums for LEFs shall be paid based on the Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition (QPG [2010] No.26).

Endowment insurance premiums for LEFs paid shall be used individual contributions and government subsidies for new LEFs after January 1, 2013 in

accordance with the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2012] No.336), and managed and used in separate accounts at the county level.

In case of land acquisition, the land user shall include endowment insurance premiums for LEFs in the gross investment or gross land development cost of the construction project.

➤ **Relevant provisions of the Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition**

I. Scope

1. Compensation for demolished urban houses in the urban area of Xining City
2. Compensation for demolished houses on rural collective land in the near suburb of Xining City

II. Principles

1. House size and purpose subject to cash compensation shall be based on the certificate of title issued by the real estate administration department.

2. 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.

III. Calculation of the amount of cash compensation

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, transition subsidy, compensation for production or business suspension, and compensation for interior decoration.

IV. Principles for property swap

1. In case of property swap, the building area specified in the certificate of title of the demolished house shall be the basis for settlement.

2. The price difference between the resettlement house and demolished house for the same building area shall be settled based on structural type, grade, newness, orientation and floor.

3. 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.

4. 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.

5. In case of non-local resettlement, price difference shall be settled at the replacement cost of the location with a lower land price.

➤ **Bank policy on involuntary resettlement**

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project.

11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land, or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option

of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area, or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

15. Criteria for Eligibility. Displaced persons may be classified in one of the following three groups:

(a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country); (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan; and (c) those who have no recognizable legal right or claim to the land they are occupying.

### 3.3 Policies and Compensation Rates of the Project

#### 3.3.1 The Project

##### 1. Permanent acquisition of collective land

Rural collective land will be acquired permanently for the construction of wastewater collection systems, all being irrigated land. According to the Circular of the Qinghai Provincial Government on Publishing Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition (QPG [2010] No.26), since the per capita cultivated areas of all the affected villages (in Huangzhong and Datong Counties) are less than 0.3 mu after LA, the compensation rate for LA shall be 30 times the uniform AAOV rate. See Table 3-2.

Table 3-2 Compensation Rates for Permanent LA for the Project

Grade	Division	County	Range	Uniform AAOV rate for LA (yuan/mu)	Compensation rate (yuan)	Farmland reclamation costs	Land restoration costs
				Irrigated land	30 times for irrigated land (per capita <0.3 mu)		
1	Huangshui River valley	Huangzhong County	Duoba Town (Xiaozhai, Chengdong, Weijia)	1950	58500	3400	2800
2	Yellow River valley	Datong County	Changning Town (Hetan, Wangjia, Daijia, Shuangmiao)	1560	46800	3400	2800

##### 2. Temporary land occupation

###### 1) State-owned land

No compensation will be paid for the temporarily occupied state-owned land, and the demolished ground attachments will be compensated for at replacement cost, or restored by the project owner to the former standard and size.

###### 2) Collective land

The temporarily occupied rural collective land will be compensated for based on purpose and loss. Compensation for temporary land occupation includes compensation for young crops and ground attachments. The project owner will also pay land restoration costs for land restoration.

The temporarily occupied land will be compensated for based on the actual period of occupation, and the compensation rate is based on AAOV. The compensation rate for the irrigated land occupied temporarily for the construction of wastewater collection systems is 3,000 yuan/mu per annum. Compensation rates for

saplings will be the latest rates for local traffic, energy, water resources and other major infrastructure construction projects approved by the provincial government, and the compensation rate for mature trees will be 500 yuan each.

The period of occupation will be one year and not exceed two years. Construction will usually be conducted after harvest or before sowing to reduce impacts of temporary land occupation.

### 3.3.2 Related Projects

#### 1. Permanent LA

##### 1) Permanent acquisition of collective land

The No.4 WWTP, No.5 WWTP and Beichuan River Project involve the permanent acquisition of rural collective land, and the compensation rates are based on location-based composite land price for LA in accordance with the Circular of the Qinghai Provincial Government on Publishing Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition (QPG [2010] No.26). All the villages affected by the related projects are in Chengbei District. See Table 3-3.

Table 3-3 Location-based Composite Land Prices for LA in the Villages Affected by the Related Projects

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

##### 2) Permanent acquisition of state-owned land

Among the related projects, the No.4 WWTP involves the permanent occupation of state-owned land, which will be acquired by gratuitous allocation.

#### 2. HD

The No.4 WWTP and 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).

##### Principles for HD on rural collective land:

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 3-4.

Table 3-4 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
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	specified technical standard and procedure.
	Grade 2	499	443	
	Grade 3	474	421	
	Grade 4	454	403	

## 4 Resettlement and Restoration

### 4.1 Resettlement Objective

The objective of resettlement of the Project is to ensure that the APs receive full compensation for their losses, reasonable resettlement and good rehabilitation, so that they can share the benefits of the Project, and also to provide subsidies for their temporary difficulties, so that their income level and living standard are improved or at least restored to pre-project levels in real terms.

### 4.2 The Project

#### 1. Permanent acquisition of collective land

The rural collective land acquired for the inspection and valve shafts in the construction of wastewater collection systems of the Project is mostly scattered and small in size, and the average impact on each AH is small. Through consultation, the households affected by LA will be subject to cash compensation in accordance with 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).

In addition, the resettlement agencies have established an information library for the AHs, and the APs will have priority in receiving social security, employment training and other resettlement measures on a voluntary basis.

#### 2. Temporary land occupation

##### 1) State-owned land

No compensation will be paid for the temporarily occupied state-owned land, and the demolished ground attachments will be compensated for at replacement cost, or restored by the project owner to the former standard and size.

##### 2) Collective land

**Cash compensation:** Since pipelines are linear in shape, the average impact on each AH is small. The AHs will receive compensation for temporary land occupation, which includes compensation for young crops and ground attachments. In addition, the APs may seek nonagricultural employment during the period of occupation to further increase household income.

**Land restoration:** The temporarily occupied land will be restored by the AHs themselves at the expense of the IA. This will not only increase their income but also ensure the quality of land restoration.

### 4.3 Related Projects

Among the related projects, LA and HD compensation agreements have been entered into with the households affected by the No.4 WWTP and No.5 WWTP, and compensation fees have been fully paid.

LA and HD for the Beichuan River Project was ongoing, and the income of the APs has not been fully restored.

In order to minimize the adverse impacts of LA and HD on the AHs, and enable them to restore their production and livelihoods timely and effectively, the project owner and PMO have drafted the following compensation and resettlement programs at the option of the AHs through adequate consultation:

#### 4.3.1 Resettlement and Restoration Measures for LA

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).

Compensation fees will be based on compensation rates and land losses in strict conformity with the applicable state and local policies, and paid to the AHs fully and timely. Such fees will be used to cultivate cash crops, develop household stockbreeding, and deal with nonagricultural operations.

## **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 No.4WWTP, No.5 WWTP and Beichuan River Project may participate in endowment insurance for LEFs.

1. 32 households with 131 persons in Sanqi Village, Mafang Sub-district, Chengbei District will be affected by the No.4 WWTP, with a per capita acquired cultivated area of 0.4 mu and a per capita remaining cultivated area of 0.22 mu. 109 farmers in Sanqi Village may participate in endowment insurance for LEFs.

2. 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District will be affected by the No.5 WWTP, with a per capita acquired cultivated area of 0.47 mu and a per capita remaining cultivated area of 0.29 mu. 112 farmers in Shuangsubao Village may participate in endowment insurance for LEFs.

3. 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 4-1.

Table 4-1 Estimates of Endowment Insurance for LEFs in the Villages Affected by the Related Projects

Project	Affected	Affected	Per capita	Remaining	Number of
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	village	HHs	Population	cultivated area (mu)	cultivated area (mu)	eligible LEFs
No.4 WWTP	Sanqi	32	131	0.4	0.22	109
No.5 WWTP	Shuangsubao	34	135	0.47	0.29	112
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 project owner will provide employment information and job referral services to the APs, and make jobs under the Project first available to local labor. In addition, 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.

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. See Table 4-2.

Table 4-2 Summary of Employment Training Programs in the Project Area

Village	Time	Sessions	No. of trainees	Scope	Agencies responsible	Funding source	Remarks
Sanqi	2013.11-2014.1	2	100	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
Shuangsubao	2013.11-2014.1	2	100				
Beixingyuan	2013.11-2014.1	3	120				
	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				
	2016.12-2017.1	2	100				
Shitoulei	2013.12-2014.1	2	100				
	2014.11-2015.1	3	120				
	2015.12-2016.1	2	100				
	2016.11-2017.1	3	120				
Total	/	40	1760				

### 4. Distribution of collective economic income

Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages affected by LA and HD in the Beichuan River 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.

### 5. Employment

The 4 villages affected by LA and HD in the Beichuan River 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. The Xining Municipal Labor Employment Service Bureau will determine the scope of skills training based on the employment demand of the park.

#### 4.3.2 Resettlement and Restoration Measures for HD

##### 4.3.2.1 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.

**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 4-3.

Table 4-3 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

Item	Amount		Remarks
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.

**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. Site selection for 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.

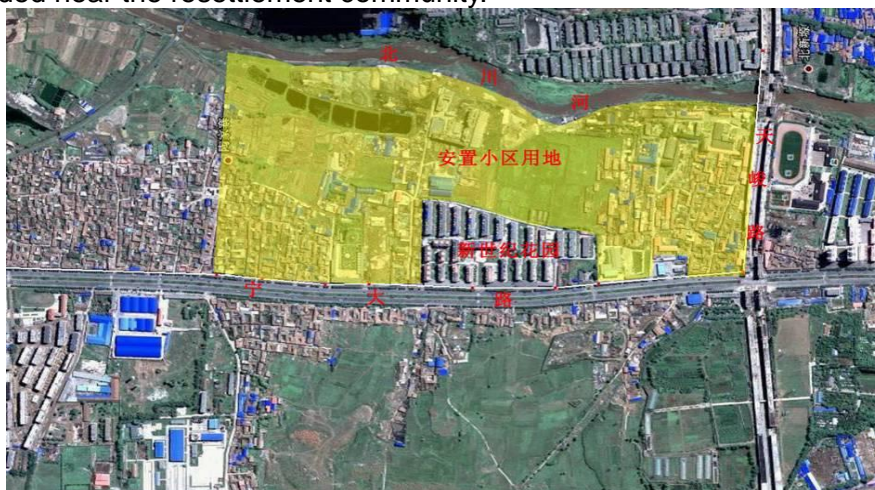


Figure 4-1 Proposed Site of the Resettlement Community for Beichuan River Project

### 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 4-4.

Table 4-4 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
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 4-2 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. Resettlement housing will be allocated by lot drawing, and the AHS' needs and expectations will be considered in floor selection. Old and disabled persons will have priority in housing allocation, and may choose lower floors. 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>2</sup> or be entitled to free resettlement housing.

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. See Section 7.4.1 for the property management plan of the resettlement community.

<sup>2</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.

Table 4-5 Information on the Resettlement Community

Village	Progress <sup>3</sup>	Agencies responsible	Construction funds			Allocation method
			Source	Amount needed (0,000 yuan)	Availability of funds <sup>4</sup>	
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		



Figure 4-3 As-built Drawing of the Resettlement Community

Cases of resettlement for HD:

**Case 1: 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.

<sup>3</sup> As of August 30, 2013

<sup>4</sup> As of August 30, 2013

 **Case 2: XJP, villager of Shitoulei 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: 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.

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

**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.

**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 4-3.

**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.



## 5 Financial Budget and Implementation Plan

### 5.1 Total Costs of Resettlement

#### 1. The Project

The resettlement costs of the Project include compensation fees for the permanent acquisition of rural collective land and temporary land occupation. It is estimated that the resettlement costs of the Project are 17,249,600 yuan, accounting for 1.10% of the general budget of the Project. See Table 5-1.

Table 5-1 Financial Budget of the Project

No.	Item	Unit	Rate (yuan)	Qty.	Amount (0,000 yuan)	Percent (%)	Remarks
<b>1</b>	<b>Basic costs</b>				1209.231	70.10	
<b>1.1</b>	<b>Permanent LA</b>	mu	/	2.4	<b>12.051</b>	0.70	
1.1.1	Xichuan River network	mu	58500	0.7	4.095	0.24	
1.1.2	Beichuan River network	mu	46800	1.7	7.956	0.46	
<b>1.2</b>	<b>Temporary land occupation</b>	mu	/		<b>1197.180</b>	69.40	
1.2.1	Irrigated land (young crops) of the Xichuan River	mu	3000	88.445	26.534	1.54	
1.2.2	Irrigated land (young crops) of the Beichuan River	mu	3000	215.485	64.646	3.75	
1.2.3	Saplings	/	500	22120	1106	64.12	
<b>2</b>	<b>Land restoration costs</b>	mu	3400	2.4	0.816	0.05	
<b>3</b>	<b>Farmland reclamation costs</b>	mu	2800	328.815	92.068	5.34	
<b>4</b>	<b>M&amp;E costs</b>	/	/	/	120.923	7.01	
<b>5</b>	<b>Training costs</b>	/	/	/	120.923	7.01	10% of basic costs
<b>6</b>	<b>Administrative costs</b>	/	/	/	24.185	1.40	2% of basic costs
<b>Subtotal of Items 1-6</b>		/	/	/	1568.146	90.91	
<b>7</b>	<b>Contingencies</b>	/	/	/	156.814	9.09	10% of the sum of Items 1-6
<b>Total</b>		/	/	/	1724.96	100.00	

#### 2. Related Projects

The basic resettlement costs of the No.4 WWTP, No.5 WWTP and Beichuan River Project include costs for the permanent acquisition of collective land, and the demolition of residential houses and non-residential properties. In resettlement implementation, their owners and IAs will conduct adequate communication and consultation with the affected households and entities, and compensate them reasonably.

### 5.2 Annual Investment Plan

The owner will pay compensation fees timely and fully to the AHs after consulting with them about compensation for income losses according to the implementation schedule of the Project.

## 5.3 Disbursement, Management and Monitoring of Funds

### 5.3.1 Fund Disbursement

In order that resettlement funds are paid to the APs timely and fully in accordance with the compensation policies specified in the RAP, resettlement funds under the Project and related projects will be disbursed through the following procedures:

**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. See Figure 5-1.

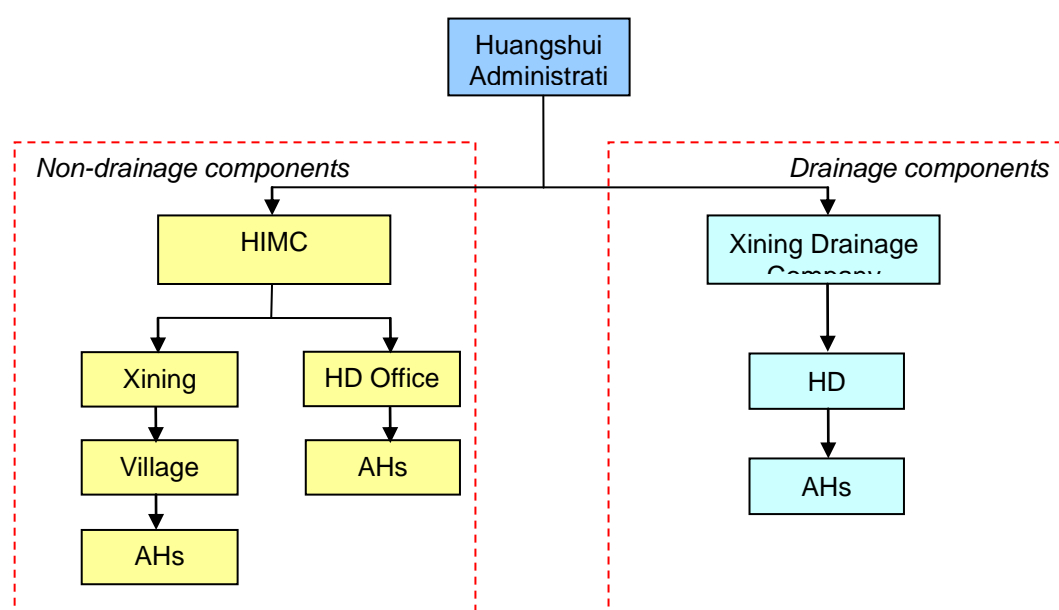


Figure 5-1 Fund Disbursement Flowchart

### 5.3.2 Management and Monitoring

Resettlement funds must be disbursed in strict conformity with the compensation rates specified in the applicable state regulations and the policies in the RAP.

The PMO will appoint a consulting agency to conduct regular internal audits on the use of resettlement funds by the resettlement offices.

The municipal finance and audit departments have the power to monitor and audit the use of resettlement funds.

The external M&E agency will perform follow-up monitoring on the use of compensation fees by the AHs during external monitoring.

## 5.4 Master Resettlement Schedule

According to the implementation schedule of the Project, construction will begin in mid August 2014 and be completed in October 2018. The resettlement schedule will be linked up with the construction schedule of the Project; the main part of resettlement will begin in February 2013 and end in August 2014.

The general resettlement schedule of the Project and related projects has been drafted based on the progress of project construction, and resettlement preparation and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See Table 5-2.

Table 5-2 Resettlement Schedule of the Project

No.	Resettlement activity	Starting time	Ending time
1	RAP preparation stage	Feb. 2013	Jun. 2013
2	Appointment of the RAP preparation agency	Jan. 2013	Feb. 2013
3	Socioeconomic survey	Mar. 2013	Apr. 2013
4	RAP preparation	Apr. 2013	Oct. 2013
5	Information disclosure and public participation	Oct. 2013	Nov. 2013
6	Consultation with competent departments and APs	Oct. 2013	Nov. 2013
7	Disclosure of the RAP on the Bank's website	Nov.2013	Dec. 2013
8	Disclosure of the draft RAP and the Resettlement Information Booklet (RIB) to APs	Nov. 2013	Dec. 2013
9	Implementation stage	Jan. 2014	Aug. 2014
10	Detailed measurement survey	Jan. 2014	Mar. 2014
11	Execution of resettlement agreements and payment of compensation fees	Apr.2014	May 2014
12	Commencement of construction	Jul. 2014	Aug. 2014
13	Income restoration measures	Nov. 2013	Jul. 2017
14	Skills training	Nov. 2013	Jul. 2017
15	M&E	Jan. 2014	Jul. 2017
16	Baseline survey	Jan. 2014	Feb. 2014
17	Internal monitoring	Jun. 2014	Jul. 2017
18	External M&E	Jun. 2014	Jul. 2017

## 6 Organizational Structure

### 6.1 Agencies for Resettlement Actions

In order to ensure successful project implementation, the Xining Municipal Government established the Project Coordination Leading Group in September 2012. The Project Coordination Leading Group is headed by the major, co-headed by the executive deputy major and deputy major in charge, and composed of officials from the municipal development and reform commission, finance bureau, water resources bureau, environmental protection bureau, Huangshui Administrative Committee, etc. The Project Coordination Leading Group governs a general office and a project implementation office. The General Office is responsible for project organization, management, coordination and M&E, reporting to and communicating with the leading group and the Bank, while the project implementation office is responsible for project implementation (*see Appendix 4.*)

In the meantime, the Xining Municipal Government established the PMO of the Project at the Huangshui Administrative Committee in June 2013, headed by Wu Misen, Executive Deputy Director of the Huangshui Administrative Committee (*see Appendix 5.*)

The agencies responsible for resettlement planning, management, implementation and monitoring of the Project include the Project Coordination Leading Group; PMO, HIMC Executive Office, Xining Drainage Company Executive Office, Xining Unified Land Acquisition Office, Xining Municipal/Huangzhong County/Datong County Land and Resources Bureaus, Chengbei District Construction Bureau, Xining Municipal Real Estate Administration, Affected township governments and village committees. See Figure 6-1.

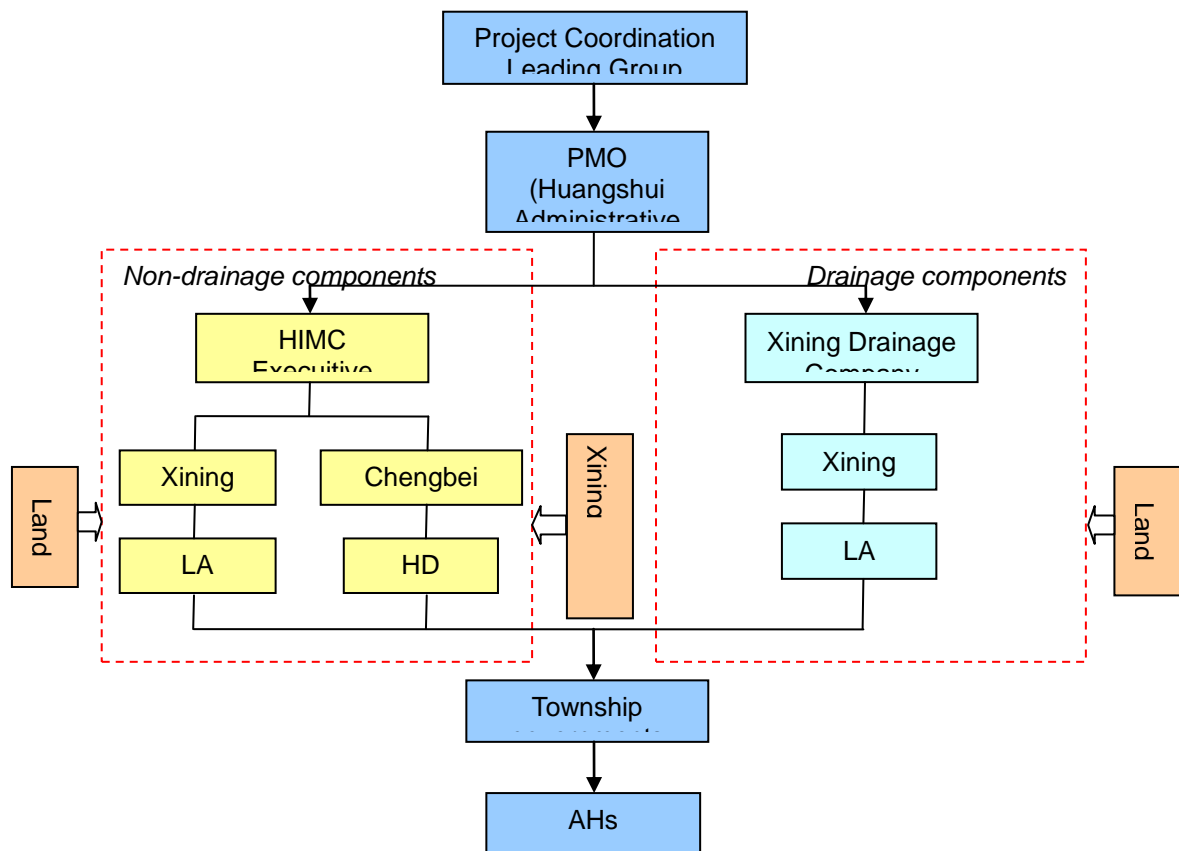


Figure 6-1 Organizational Chart

## 6.2 Organizational Responsibilities

### ➤ **Project Coordination Leading Group**

Responsible mainly for the organizational leadership of the Project, coordinating and solving major issues, directing and coordinating project implementation, supervising the progress of the components, coordinating the components with the related projects, coordinating relations among the resettlement agencies at all levels, and serving as a bridge between the Bank and project management agencies

### ➤ **PMO**

Responsible mainly for handling day-to-day affairs in resettlement planning and implementation; directing, coordinating and supervising resettlement implementation and progress; developing the resettlement policies of the Project; appointing a design agency to define the project area, conducting a DMS and saving such data; applying for the license for planning of land use and the license for land used for construction; giving operational training to the key officials of the resettlement offices; organizing and coordinating the preparation and implementation of the RAP; responsible for the management and disbursement of the resettlement funds, and supervising the use thereof; directing, coordinating and supervising resettlement activities and their progress; taking charge of and inspecting internal monitoring; selecting an external M&E agency and assisting in external monitoring activities; reporting resettlement progress and fund use to the Bank regularly

### ➤ **HIMC (Executive Office)**

Responsible for the non-drainage components in the Project and related projects; main responsibilities: organizing the socioeconomic survey and public participation activities, coordinating the implementation of the RAP, implementing the policies in the RAP, managing resettlement information, handling and coordinating conflicts and issues arising from implementation

### ➤ **Xining Drainage Company (Executive Office)**

Responsible for the drainage components in the Project and related projects; main responsibilities: organizing the socioeconomic survey and public participation activities, coordinating the implementation of the RAP, implementing the policies in the RAP, managing resettlement information, handling and coordinating conflicts and issues arising from implementation

### ➤ **Xining Unified Land Acquisition Office**

Training the staff, conducting the DMS, implementing the RAP, consulting with the APs, entering into compensation and resettlement agreements with the AHs, handling and coordinating conflicts and issues arising from implementation, and reporting resettlement information to the PMO

### ➤ **Xining Municipal/Huangzhong County/Datong County Land and Resources Bureaus**

Carrying through the state policies and regulations on construction land, participating in the examination of the compensation rates for LA, handling, examining and approving LA formalities, and directing, coordinating and supervising LA activities

### ➤ **Chengbei District Construction Bureau**

Training the staff, conducting the DMS, implementing the RAP, developing resettlement programs for HD, consulting with the APs, entering into compensation and resettlement agreements with the AHs, handling and coordinating conflicts and issues arising from implementation, and reporting resettlement information to the PMO

### ➤ **Xining Municipal Real Estate Administration**

Handling, examining and approving HD formalities, and directing, coordinating, supervising and arbitrating HD activities, and directing the site selection, planning and construction of the resettlement community

### ➤ **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

### 6.3 Organizational Qualifications and Staffing

The resettlement agencies are well staffed, with an average full-time workforce of 21 and a peak workforce of 42, and a smooth channel of communication has been established.

Table 6-1 Staffing of the Resettlement Agencies

Resettlement agency	Full-time workforce	Peak workforce	Composition
Project Coordination Leading Group	1	2	Civil servants
PMO	1	3	Civil servants, technicians
HIMC	2	5	Technicians
Xining Drainage Company	2	4	Technicians
Xining Unified Land Acquisition Office	3	5	Civil servants
Xining Municipal Land and Resources Bureau	1	3	Civil servants
Chengbei District Construction Bureau	6	10	Civil servants
Xining Municipal Real Estate Administration	1	2	Civil servants
Total	21	42	/

### 6.4 Measures to Strengthen Institutional Capacity

1) Before the commencement of resettlement, the resettlement staff of the PMO has been trained, including the Bank's operational policy on resettlement, the applicable laws and regulations, and the management of resettlement implementation in order to improve the staff's professional proficiency and policy application capacity.

2) At the resettlement implementation stage, the PMO will organize backbone resettlement staff to visit domestic Bank-financed projects, and attend training on resettlement policies and other specialized training. See Table 6-2.

3) Sufficient funds and equipment are available to improve working efficiency.

4) Duties are assigned rationally, and sound reward and punishment measures for the resettlement staff have been established to motivate the staff.

5) A resettlement management information system has been established to realize computer-aided resettlement data management, and information feedback is strengthened to form a smooth information flow.

6) Reporting and internal monitoring are strengthened in order to solve problems timely.

7) Independent M&E will be strengthened, and the external M&E agency will point out existing issues for the competent departments and propose suggested solutions.

Table 6-2 Resettlement Training Program

No.	Scope of training	Trainees	Frequency	Location	Estimated cost (0,000 yuan)
1	Resettlement learning tour of domestic Bank-financed projects	Backbone resettlement staff	Annually	In the country	6
2	Exchange of resettlement experience	Backbone resettlement staff	Annually	In the country	4

## 7 Public Participation

Information disclosure, public participation and grievance redress at all stages of the Project are a prerequisite to realizing the project objectives and ensuring that the APs benefit from the Project. According to the field survey, public participation activities involving agencies concerned and AP representatives have been conducted under the leadership of the Huangshui Administrative Committee, PMO, HMC and Xining Drainage Company at the preparation stage. This chapter will analyze the information disclosure and public participation activities on resettlement only.

### 7.1 Strategy and Methods of Public Participation

According to the policies and regulations of the state, Qinghai Province and Xining County on resettlement, it is very necessary to conduct public participation at the preparation and implementation stages in order to protect the lawful rights and interests of the APs, reduce grievances and disputes, and realize the resettlement objectives properly by developing sound policies and implementation rules on displacement and resettlement, preparing an effective RAP, and organizing implementation properly. The project management agencies should take appropriate measures and consult with the APs by different means:

#### 1. Direct methods

##### ➤ FGD with APs

FGDs are held with representatives of the APs or village officials to discuss key concerns of the APs, collect their opinions, and consulted with local governments about these concerns.

##### ➤ Resettlement consultation meeting

Resettlement consultation meetings are organized by the resettlement offices with the APs to notify and discuss resettlement options, and solicit their opinions on improving the RAP.

#### 2. Indirect methods

The APs reflect grievances, opinions and suggestions through village committees, and resettlement management and monitoring agencies at different levels, and the resettlement offices feed back and handle such grievances, opinions and suggestions according to established procedures.

### 7.2 Completed Public Participation and Consultation Activities

From December 2012 to March 2013, CSCEC AECOM Consultants Co., Ltd. introduced the background and purpose of the project to 52 APs, village officials and technicians (28 males and 24 females), solicited their comments, and paid a site visit to prepare for the feasibility study report.

In March-April and July 2013, Hohai University conducted a socioeconomic survey, covering project awareness and attitudes, distribution of LA compensation fees, expected resettlement modes for HD, livelihood and production restoration measures, etc.

From September 2012 to May 2013, project information was disclosed on government websites, municipal TV and radio stations, and newspapers.

During March-July 2013, the IA, township governments and village committees conducted a number of detailed resettlement willingness surveys to communicate the compensation and resettlement policies, and consult preliminary resettlement programs.

During October-November 2013, the resettlement policies and RAP were disclosed by means of municipal TV and radio stations, newspapers, government websites, etc. The IA will conduct extensive consultation on compensation programs, restoration measures, etc.

During the preparation and implementation of resettlement, the PMO has solicited comments from the APs by means of FGD and consultative meeting in order to improve construction and resettlement programs.

In March, July and October 2013, the Bank mission conducted the identification, preparation and pre-assessment of the Project, gave operational guidance on resettlement and construction, and proposed requirements. The PMO then improved the preparatory work for resettlement as required by the Bank, and conducted mobilization and consultation based on the project proposal. See Table 7-1.

Table 7-1 Public Participation Process of APs

Time	Location	Organized by	Participants	Scope	Outputs
Dec. 2012	Township governments	PMO	PMO, township governments, village committees, APs	Notifying project impacts, defining the range of impact preliminarily, and conducting policy publicity and mobilization	Preparatory work
Dec. 2012 – Mar. 2013	Affected villages and communities	PMO	PMO, CSCEC AECOM Consultants Co., Ltd., APs, village officials, technicians	Introducing project background and purpose, soliciting comments and paying a site visit	Preparing for the writing of the feasibility study report
Mar. – Apr. 2013	PMO, township governments, affected villages	PMO, HIMC, Xining Drainage Company	PMO, HIMC, Xining Drainage Company, Hohai University, township governments, village committees, AHs	Resettlement socioeconomic survey and DMS	Learning local social and economic profile, and impacts
Sep. 2012 – May 2013	Provincial government website, municipal TV/radio stations	PMO	PMO, AHs	Disclosing project information	Introducing the Project
Mar. – Jun. 2013	PMO, Xining Unified Land Acquisition Office, township governments, affected villages	PMO, HIMC, Xining Drainage Company	PMO, HIMC, Xining Drainage Company, Hohai University, township governments, AHs	Compensation and resettlement policies, and preliminary resettlement programs	Determining resettlement and compensation policies preliminarily
Jun. – Sep. 2013	PMO	PMO, township governments	PMO, township governments, village committees, AHs	Discussing individual issues in resettlement policies and programs	Conducting supplementary consultation on the RAP
May – Jun. 2013	Affected villages	PMO	PMO, AHs	Learning the socioeconomic profile of the AHs, and their expected modes of resettlement	Conducting preliminary consultation on resettlement modes
Sep. 2013	Municipal TV/radio stations, government websites, newspaper	PMO	AHs	Disclosing the resettlement policies	Introducing the resettlement policies

### 7.3 Information Disclosure

At the RAP preparation stage, the PMO, HIMC, Xining Drainage Company, LA management agencies, and design agency disclosed project information and resettlement policies to the APs in different ways, as shown in Table 7-2.

Table 7-2 Disclosure Plan of Project Information and Policies

Document	Mode of disclosure	Time	Location	Language
Notice on RAP disclosure	Local Newspapers	Oct. 2013	/	Chinese
RAP	Government website	After Bank review	Library	Chinese / English



## 7.4 Public Participation Plan

### 7.4.1 Property Management Plan of the Resettlement Community

After the residents of the 4 villages affected by HD for the Beichuan River Project move into the resettlement community, a unified property management agency will be established for community management and maintenance.

#### I. Property management agency

##### 1. Owners' congress preparation group

An owners' congress preparation group will be established for the resettlement community to prepare for the first owners' congress. The preparation group is composed of an odd number of representatives (not less than 9) from the sub-district office or township government, village committees, construction agency and owners, where the percentage of representatives of owners will not be less than 2/3. The list of the preparation group will be disclosed in the property management area within 7 days of establishment. The responsibilities of the preparation group include defining the time, venue, form and scope of the first owners' congress, preparing the draft rules of procedure and management protocol of the owners' congress; identifying owners and determining their votes at the first owners' congress; determining the eligibility and election measures for candidates of the owners' committee, etc.

##### 2. Owners' congress

The owners' congress is composed of all community residents and its responsibilities include developing and revising the rules of procedure and management protocol of the owners' congress; electing the owners' committee or replacing its members; engaging and disengaging the property service company; raising and using funds for special maintenance; deliberating and deciding authorities and funds of the owners' committee; deliberating and deciding proposals of the owners' committee on property management; reviewing the performance of duties by the owners' committee, and punishing owners and users for violations; reviewing work reports of the owners' committee and supervising the implementation thereof; and determining other major matters.

##### 3. Owners' committee

The owners' committee is composed of an odd number of representatives (not less than 15), including not less than 6 women. The owners' committee has an office term of 3 years, and its members may be elected. Its responsibilities include convening owners' congresses and reporting property management; entering into a property service contract with the property service company engaged by the owners' congress; coordinating relations among owners, and between owners and the property service company; supervising the implementation of the management protocol, and supervising and assisting the property service company in performing the property service contract; instituting lawsuits on property service disputes involving all owners as authorized by the owners' congress; deliberating proposals on repair, updating and reconstruction raised by owners and the property service company; giving publicity to property management and environmental protection, and collecting property management charges.

#### II. Property management charges

##### 1. Rate fixation

According to the Regulations on the Management of Property Service Charges of Xining City, the resettlement community is subject to the Tier-3 property management rate of 0.35 yuan/m<sup>2</sup> per month, which may fluctuate within +/-10% as agreed on between the property service company and owners' committee, and specified in the property service contract.

##### 2. Collection process

The residents of the affected villagers formerly did not need to pay property management charges, so the collection of property management charges may offend some residents and proper collection is crucial.

##### 1) The owners' committee prepares a registration form of payment of property

management charges, and compiles statistics on residential conditions, family background and income of all residents;

2) The owners' committee gives publicity to the role of property management so that residents accept the property management pattern gradually;

3) A one-month trial period is granted, so that residents can experience the role of property management;

4) A preferential policy is applied to households of the poor and disabled, reducing their property management charges by 50%;

5) The owners' committee makes door-to-door or telephone calls for property management charges not paid on time.

### III. Grievance redress

Residents in resettlement community may file appeals in the following manner:

1) If solid waste is not transferred timely, any security guard is negligent or the infrastructure is damaged, a resident may file an appeal to the owners' committee by telephone, short message, e-mail or mail;

2) The owners' committee performs a field investigation to ascertain the fact;

3) If the fact has been ascertained, the owners' committee will refer the appeal to the property service company and make sure the company gives a reply as soon as possible;

4) The owners' committee will supervise appeal handling by the property service company, and give feedback to the resident after the appeal has been closed.

The appeal handling flowchart for property management is as follows:

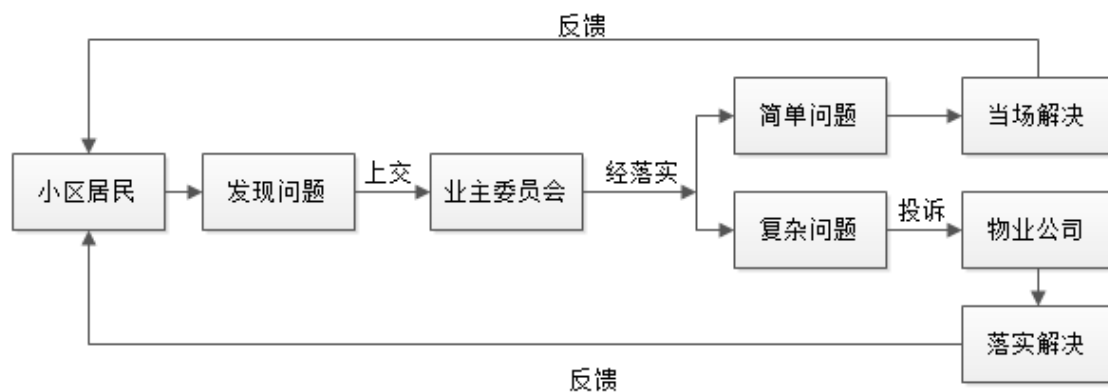


Figure 7-1 Appeal Handling Flowchart for Residents of the Resettlement Community

### IV. Supporting measures for vulnerable groups

1) Collection of property management charges: Property management charges will be halved for MLS, five-guarantee and disability households in the community;

2) Job placement: A certain number of cleaning, security and maintenance jobs will be offered to unemployed vulnerable groups in the community;

3) Door-to-door services will be provided to vulnerable groups regularly, such as house cleaning, widow care and circuit repair.

#### 7.4.2 Public Participation and Consultation Plan for the Next Stage

Different participation and consultation activities will be held at different stages. At the project implementation and resettlement stages, the PMO will also pay attention to public participation and information disclosure, and communicate with the AHs adequately to ensure the successful implementation of the Project.

With the progress of project preparation and implementation, the APs should be further consulted in order to handle their issues and requests on resettlement properly and timely so that all issues can be handled before the implementation of the RAP. The resettlement implementing agencies will schedule public participation meetings rationally so that all AHs have an opportunity to be consulted about compensation agreements before they enter into such agreements with the resettlement

implementing agencies. The public participation and consultation activities of the next stage include:

- 1) Compensation and payment schedule;
- 2) Detailed restoration measures;
- 3) Issues arising from resettlement implementation;
- 4) Optimization of the project design; and
- 5) Other concerns of the APs.

According to the working schedule of the resettlement offices, public consultation meetings may be held irregularly in the affected towns and villages, and relevant information will be reflected to the project management agencies in the form of report. The monitoring agencies will not only participate in the consultation activities organized by the resettlement offices, but also consult with the APs about monitoring issues, collect their opinions and suggestions, and provide monitoring information to the competent departments at different levels independently.

## 8 Grievance Redress

### 8.1 Appeal Procedure and Handling

During preparation and implementation of the RAP, consistent attention will be paid to the participation of the APs and an appeal mechanism will be established. The appeal procedure is 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.

During the implementation of the RAP, the resettlement offices should register and manage appeal and handling information, and submit such information to the PMO in writing on a monthly basis. The PMO will inspect the registration of appeal and handling information regularly, and will prepare a registration form for this purpose, the format of which is shown in Table 8-1.

Table 8-1 Registration Form of Grievances and Appeals on Resettlement

Appellant		Time	
Accepting agency		Location	
Appeal			
Expected solution			
Proposed solution			
Actual handling			
Appellant (signature)		Recorder (signature)	
Notes: 1. The recorder should record the appeal and request of the appellant factually. 2. The appeal process should not be interfered with or hindered whatsoever. 3. The proposed solution should be notified to the appellant within the specified time.			

### 8.2 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 8-1 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.

## 9 Monitoring and Evaluation

To ensure the successful implementation of the RAP and resettle the APs properly, periodic M&E on resettlement activities will be conducted in accordance with the Bank's policy on involuntary resettlement (OP4.12), and the Operational Guide to the Monitoring and Evaluation of Resettlement of World Bank Financed Projects in China. Monitoring is divided into internal monitoring of resettlement agencies and independent external monitoring.

### 9.1 Internal Monitoring

Internal monitoring will be implemented by the project owner with the assistance of the affected township governments and village committees, and HD management offices. The IA will establish a basic resettlement database, and use it to prepare the RAP, monitor all AHs, and conduct internal supervision and inspection of the whole process of resettlement preparation and implementation.

#### 9.1.1 Implementation Procedure

During implementation, the Huangshui Administrative Committee, HIMC and Xining Drainage Company will collect and record resettlement information from the monitoring samples, and keep records to maintain continuous monitoring.

#### 9.1.2 Scope of Monitoring

- Land approval and acquisition
- House appraisal and demolition
- Payment, use and availability of compensation fees for LA and HD
- Construction and allocation of resettlement housing
- Production and livelihood restoration measures for the APs
- Restoration of the household income of the APs
- Restoration and resettlement of vulnerable groups
- Restoration of special facilities
- Staffing, training, working hours and efficiency of resettlement agencies
- Investigation, coordination of and suggestion on key issues of the resettlement and implementing agencies during LA, HD and resettlement;
- Resettlement training and effectiveness
- Level of public participation and consultation during LA, HD and resettlement;
- Registration and handling of grievances and appeals
- Schedule for the above activities

#### 9.1.3 Internal Monitoring Reporting

The Huangshui Administrative Committee, HIMC and Xining Drainage Company will prepare a report on the progress of LA, HD and resettlement semiannually, and submit it to the Project Coordination Leading Group and the Bank.

### 9.2 Independent External Monitoring

Independent monitoring is conducted on all resettlement activities by an agency independent of resettlement implementation with a comprehensive, long-term point of view. The external M&E agency will follow up the resettlement activities to see if the state laws on resettlement, and the Bank's operational policy on involuntary resettlement (OP4.12) are complied with, and if the production level and living standard of the APs are improved or at least restored to pre-project levels. The

external M&E agency will give suggestions to the implementing agencies based on issues found during monitoring so that such issues can be solved timely.

### 9.2.1 Independent Monitoring Agency

As required by the Bank, the PMO will appoint a qualified, independent agency experienced in Bank-financed projects as the external M&E agency.

The external M&E agency will conduct follow-up M&E on resettlement activities regularly, monitor the progress, quality and funding of resettlement, and give opinions. It will also conduct follow-up monitoring on the production level and living standard of the APs, and submit M&E reports to the PMO and the Bank.

### 9.2.2 Monitoring Procedure and Scope

1. Preparing the Terms of Reference of M&E
2. Preparing a survey outline, a questionnaire and a record card
3. Design of the sampling survey plan
4. Baseline survey

A baseline survey required for the independent M&E of the AHs will be conducted to acquire baseline data on the living standard (livelihood, production and income levels) of the monitored displaced AHs.

5. Establishing an M&E information system

An M&E information system will be established, where a database will be established for different types of M&E data, in order to provide computer aid for analysis and follow-up monitoring.

6. M&E survey

- 1) Capacity evaluation of resettlement implementing agencies: to investigate the working capacity and efficiency of the resettlement implementing agencies;
  - 2) Monitoring of resettlement progress, compensation rates and payment;
  - 3) Public participation and consultation: to monitor public participation activities during the preparation and implementation of the RAP, and the effectiveness of participation;
  - 4) Appeals: to monitor the registration and disposition of appeals of the APs;
  - 5) Compiling monitoring data, and establishing a database; and
  - 6) Comparative analysis
7. Preparing M&E reports according to the monitoring plan

The external M&E agency should prepare the terms of reference, the survey outline and the questionnaire, establish a monitoring system, define tasks and select monitoring sites before the commencement of resettlement. After resettlement implementation, the external M&E agency will monitor the progress, quality and funding of resettlement, and submit to an external M&E report to the Bank semiannually.

### 9.2.3 Monitoring Indicators

- Socioeconomic indicators: per capita income, domestic GDP, employment rate
- Institutional indicators: staffing, staff competencies, rules and regulations, equipment, affairs handling rate
- Persons affected by land acquisition or occupation: availability of compensation fees, production resettlement mode, income variation, employment rate, satisfaction with resettlement
- Residents affected by rural house demolition: availability of compensation fees, resettlement sites, house construction, satisfaction with resettlement
- Infrastructure: availability of compensation fees, functional restoration
- Temporary land occupation: availability of compensation fees, progress of land restoration

### **9.3 Post-evaluation**

After project implementation, the resettlement activities will be subject to post-evaluation using the theory and methodology for post-evaluation on the basis of M&E. Successful experience and lessons of land acquisition and resettlement will be evaluated to provide experience that can be drawn on for future resettlement. The post-evaluation will be conducted by the external M&E agency. The post-evaluation agency will prepare terms of reference for post-evaluation, establish a system of evaluation indicators, conduct socioeconomic analysis and survey, and prepare the Resettlement Post-evaluation Report for submission to the PMO and the Bank.



## 10 Entitlement Matrix

Project	Component	Type of impact	Degree of impact	APs	Compensation and resettlement policy	Compensation rates	Remarks
The Project	Construction of wastewater collection systems	Permanent acquisition of collective land	2.4 mu	35 households with 128 persons in 7 villages	Cash compensation: Compensation fees will be paid to the AHs timely and fully.	58,500 yuan/mu in Huangzhong County and 46,800 yuan/mu in Datong County	
		Temporary land occupation	68.37 mu of state-owned land	/	Compensated for at replacement cost or restored by the construction agency to the former standard and size	/	
			328.815 mu of collective land (303.93 mu of irrigated land, 24.885 mu of woodland with 22,120 trees)	91 households with 414 persons in 7 villages	<b>Cash compensation:</b> The AHs will receive compensation for temporary land occupation, which includes compensation for young crops and ground attachments. <b>Land restoration:</b> The temporarily occupied land will be restored by the AHs themselves at the expense of the IA.	3,000 yuan per mu per annum for irrigated land, 500 yuan per tree	
	Beichuan River embankment improvement	None	/	/	/	/	Using land of the Beichuan River Project
	Municipal wastewater reclamation/reuse	None	/	/	/	/	Using land of the No.5 WWTP
	Integrated gully and canal improvement	Temporary land occupation	6.45 mu of state-owned wasteland	/	Compensated for at replacement cost or restored by the construction agency to the former standard and size	/	
Related projects	No.4 WWTP	Permanent LA	9.64 mu of state-owned wasteland	/	Gratuitous allocation	/	
			52.56 of collective land	32 households with 131 persons in Sanqi Village	1. Cash compensation: Compensation fees will be paid to the AHs timely and fully; 2. Social security for LEFs: 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; the consolidated benefit under new-type rural endowment insurance for LEFs will be not less than 411	Based on the location-based composite land price of 97,200 yuan/mu	

Project	Component	Type of impact	Degree of impact	APs	Compensation and resettlement policy	Compensation rates	Remarks
					yuan per month; 3. Employment training: 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.		
		HD	Non-residential properties totaling 4600 m <sup>2</sup>	6 entities	1. Cash compensation: Compensation will be paid timely and fully. House attachments and decoration will be compensated for at appraised price; 2. Other subsidies: The rate of compensation for production or business suspension is 200 yuan per month, and moving subsidy is 120 yuan/5 tons; 3. Micro-enterprise park: Proprietors of enterprises affected by HD may apply for land and buildings in the park with the Chengbei District Government at preferential rates	As per 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)	
	No.5 WWTP	Permanent acquisition of collective land	64 mu	34 households with 135 persons in Shuangsubao Village	1. Cash compensation: Compensation fees will be paid to the AHs timely and fully; 2. Social security for LEFs: 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; the consolidated benefit under new-type rural endowment insurance for LEFs will be not less than 411 yuan per month; 3. Employment training: 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.	Based on the location-based composite land price of 97,200 yuan/mu	
Beichuan River Project	Permanent acquisition of collective	3,356.67 mu	1,348 households with 6,595	1. Cash compensation: Compensation fees will be paid to the AHs timely and fully; 2. Social security for LEFs: Registered residents in rural pastoral areas of Qinghai	Tier-1 areas (Taojiazhai Village): 97,200 yuan/mu, Tier-2 areas (Taojiazhai,		

Project	Component	Type of impact	Degree of impact	APs	Compensation and resettlement policy	Compensation rates	Remarks
		land		persons in Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages	Province, having attained 16 years and not covered by basic endowment insurance for urban employees may participate in new-type rural endowment insurance voluntarily; the consolidated benefit under new-type rural endowment insurance for LEFs will be not less than 411 yuan per month; 3. Employment training: 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; 4. Distribution of collective economic income: The affected village collectives have reserved village-level land for development, and will raise funds to construct hotels, farm product fairs and other commercial facilities; the AHs may invest in the collective economy and enjoy income thereon; 5. Employment: The government will place a certain percentage of APs to jobs in the park in coordination with the park and new enterprises, and the labor employment service bureau will provide free training.	Taoxin and Beixingyuan Villages): 90,000 yuan/mu, Tier-3 areas (hilly land in Taojiazhai, Taoxin and Shitoulei Villages): 27,000 yuan/mu	
		HD	Residential houses totaling 1.1816 million m <sup>2</sup>	1,348 households with 6,595 persons in Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages	1. Cash compensation: In case of one-time cash compensation, physical resettlement will not apply. In case of cash compensation, housing site compensation will 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 will 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% will be settled at the replacement cost; 2) Any excess area of more than 10% will be settled at market price. House attachments and decoration will be compensated for at appraised price; 3. Other subsidies: 1) Transition subsidy: 4 yuan/m <sup>2</sup> per month; 2) Moving subsidy: 400 yuan plus 1,000 yuan per	As per 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)	

Project	Component	Type of impact	Degree of impact	APs	Compensation and resettlement policy	Compensation rates	Remarks
					household at a time; and 3) Traffic subsidy for up to two primary and high school students per household, 300 yuan per capita. 4. <b>Resettlement for non-residential properties:</b> Each person 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. 5. House lease: After the completion of the resettlement community, residents may lease excess housing to migrant workers in the biotechnology park to earn more income.		
			Non-residential properties totaling 25,900 m <sup>2</sup>	38 entities	1. Cash compensation: Compensation will be paid timely and fully. House attachments and decoration will be compensated for at appraised price; 2. Other subsidies: The rate of compensation for production or business suspension is 200 yuan per month, and moving subsidy is 120 yuan/5 tons; 3. Micro-enterprise park: Proprietors of enterprises affected by HD may apply for land and buildings in the park with the Chengbei District Government at preferential rates.		

Appendixes

**Appendix 1 Resettlement Policy Framework**

**Resettlement Policy Framework of the World  
Bank-financed Xining Water Environment Management  
Project**

Management Office of the World Bank-financed Xining Water  
Environment Management Project  
Xining, Qinghai, China  
October 2013

## **I. Background**

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 Project. The Project consists of the construction of wastewater collection systems, Beichuan River embankment improvement, integrated gully and canal improvement, municipal wastewater reclamation and reuse, and project management and capacity building. The Project will be implemented from 2014 to 2018.

At the design and construction stages, since the positions of some networks have not been finalized, resettlement impacts are still uncertain for the moment, an RPF has been prepared to guide subsequent LA and HD work. In order to ensure that the production level and living standard of the APs are not reduced during and after project construction, or that they benefit from the Project, the Xining Municipal Government, Xining PMO and RAP preparation team have prepared this RPF to guide subsequent LA and HD work.

## **II. Measures to reduce LA and involuntary resettlement**

This RPF is based on OP4.12 “Involuntary Resettlement” in the World Bank Operational Manual issued in December 2001, and the overall objectives are:

- (a) Avoiding or reducing potential negative impacts, including involuntary resettlement arising from LA;
- (b) Strengthening M&E to identify possible LA and resettlement timely;
- (c) Screening and designing some components that may involve LA and resettlement again;
- (d) Adequately alleviating unavoidable negative environmental impacts and restoring the APs’ livelihoods through development measures; and
- (e) Articulating the organizational responsibilities to realize livelihood restoration, and preparing guidelines on individual policies for the APs under this RPF.

## **III. Policies, laws and regulations on LA and resettlement**

Where LA and resettlement is unavoidable, necessary livelihood restoration actions should be developed in the RAP in accordance with the following laws, regulations and policies:

- State laws and regulations: 1) Land Administration Law of the PRC (effective from January 1, 1999, amended on August 28, 2004); 2) Regulations on the Implementation of the Land Administration Law of the PRC (effective from January 1, 1999); 3) Decision of the State Council on Deepening the Reform and Rigidity Enforcing Land Administration (SC [2004] No.28); 4) Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238) (effective from November 3, 2004)
- Local regulations: 1) Measures of Qinghai Province for the Implementation of the Land Administration Law of the PRC (effective from October 1, 2006); 2) 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) (effective from May 1, 2010); 3) Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition (NMG [2004] No.30)
- Bank policies: 1) Operational Policy OP4.12 on Involuntary Resettlement and appendixes (effective from January 1, 2002); 2) Bank Procedure BP4.12 on Involuntary Resettlement and appendixes (effective from January 1, 2002)

### **Policies applicable to the Project**

**Compensation policy and rates for acquired collective land:** Compensation rates for LA will be fixed according to the Circular of the Qinghai Provincial

Government on Publishing Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition.

**Compensation policy and rates for acquired state-owned land:** Allocated state-owned land will be compensated for at 60% of benchmark land prices specified in 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), and contractually transferred state-owned land compensated for at benchmark land prices minus the average price for the trial period.

**Compensation policy and rates for demolished houses:** The compensation rates for HD specified in the Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition (NMG [2004] No.30), 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) will apply.

#### **IV. Principles for resettlement and compensation**

The Project will embody the following principles for resettlement and compensation:

- (a) LA and involuntary resettlement is minimized;
- (b) If LA and involuntary resettlement is unavoidable, a compensation and restoration action plan must be prepared for the APs;
- (c) Adequate resources are available to ensure the implementation of the RAP;
- (d) The RAP is prepared and implemented in consultation with the local governments and all APs;
- (e) Compensation is based on replacement cost, without regard to depreciation;
- (f) Compensation occurs before LA and resettlement;
- (g) The APs receive appropriate assistance during resettlement and livelihood restoration;
- (h) The APs' living standard is not reduced after resettlement; and
- (i) All costs related to LA and HD are included in the project budget.

#### **V. Social security**

According to the applicable policy of Xining City, 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.

##### **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.

## 2. Endowment insurance for LEFs

Insured:

According to the Notice of the General Office of the Qinghai Provincial Government on Paying Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2013] No.23), For any land acquired in Qinghai Province since January 1, 2013, endowment insurance premiums for LEFs shall be paid based on the Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition (QPG [2010] No.26). Registered LEFs before December 31, 2012, with a remaining per capita cultivated area of less than 0.3 mu, having attained 16 years and not covered by basic endowment insurance for urban employees may participate in endowment insurance for LEFs voluntarily.

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 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, to be withdrawn by the local finance department for 15 years from land transfer income at a time. Each insured eligible for receiving pensions shall receive a basic pension subsidy of 120 yuan per month from the local government.

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.

## **VI. Organizational structure and responsibilities**

The PMO is responsible for all-round project planning and implementation, and the land utilization of the components in strict conformity with the RAP.

Resettlement arising from any project change will be implemented by the PMO and land administration agencies at the same level. The PMO will lead the IA to develop a fund allocation and utilization plan under this RPF, and prepare a resettlement handbook. The PMO will also assist in fund appreciation, rational response, problem solving and monitoring.

Land administration agencies at all levels of the government will perform land management, including land registration, LA management and supervision over compensation. Components of the Project can be included in the annual investment plan with the approval of the land administration department only.

## **VII. RAP**



The RAP serves as the basis for the project loan for the components involving resettlement. For this purpose, an evaluation mechanism should be established to review the annual investment plan to identify such components.

Basic planning procedure, including: (1) socioeconomic survey on the project area; (2) a census survey of APs and valuation of assets; (3) preparation for resettlement, and compensation rates fixed under regulations and policies, and in consultation with the APs; and (4) preparation of the RAP and implementation procedure.

RAP, including: (1) description of civil works, location and amount of LA; (2) purpose of LA; (3) applicable laws and regulations; (4) baseline data (basic information of the AHs); (5) compensation rates; (6) organization, responsibilities and staffing; (7) public participation; (8) livelihood and community impacts; (9) LA progress; (10) detailed livelihood restoration measures; (11) financial budget and schedule; and (12) LA supervision and M&E.

### **VIII. M&E**

An independent agency will be appointed to monitor and evaluate the LA and resettlement work under the RAP. The external M&E agency will conduct a baseline survey and a sampling survey before resettlement, monitor project progress and evaluate livelihood restoration annually.

### **IX. Appeal procedure**

Since the resettlement work is conducted with the participation of the APs, no substantial dispute will arise. However, in order to ensure that APs have a channel to file an appeal on any issue concerning sea area withdrawal and resettlement, an appeal procedure must be established.

1. Appeal procedure:

**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.

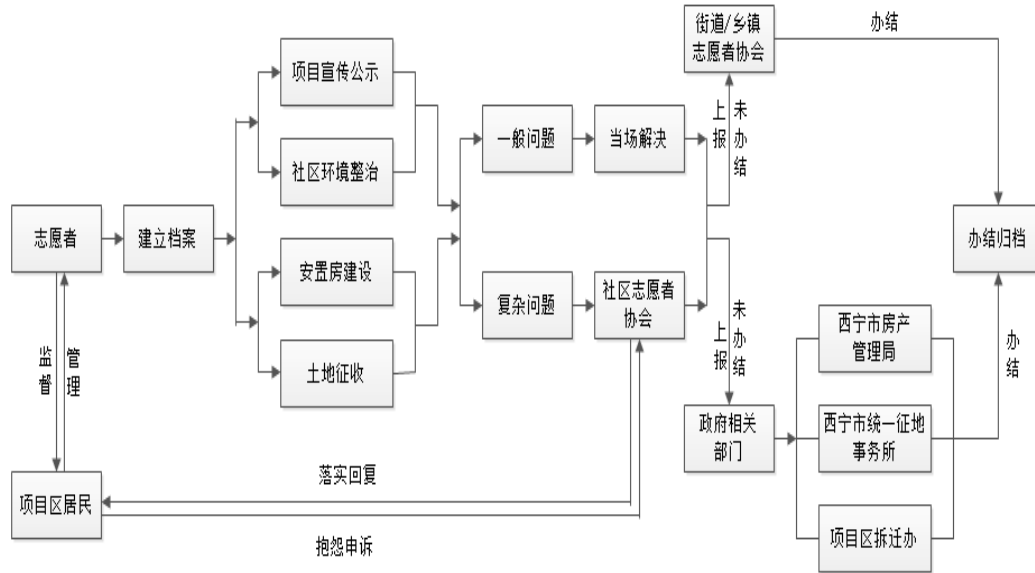
At the whole construction stage, the above procedure will remain effective so that the APs can use it to solve relevant issues. The above appeal channel will be disclosed to the APs via mass media.

During the implementation of the RAP, the resettlement offices should register and manage appeal and handling information, and submit such information to the PMO in writing on a monthly basis. The PMO will inspect the registration of appeal and handling information regularly, and will prepare a registration form for this purpose.

2. Establishing volunteer leading group:

The volunteer leading group of a sub-district or township is established under the leadership of the sub-district office or township government, responsible for leading and evaluating the work of community volunteer service teams, and accepting grievances and appeals from community residents. The group governs a project office that handles affairs related to the Project.

The volunteer leading group would hold a joint meeting semiannually to study how to establish long-term organizational, coordination, supervision, evaluation, reward and punishment mechanisms to plan and evaluate the work of community volunteer service teams. The project office would report work progress to the group monthly, and be responsible specifically for planning, guidance, inspection and evaluation. See Attached Figure 1-1.



Attached Figure 1-1 Grievance Redress Flowchart

**Appendix 2 Due Diligence Report of the No.4 WWTP**

**Related Project of the World Bank-financed Xining Water  
Environment Management Project**

**Resettlement Due Diligence Report of the No.4 WWTP  
Project**

Management Office of the World Bank-financed Xining Water  
Environment Management Project  
Xining, Qinghai, China  
October 2013

## **1. Overview**

### **1.1 Background**

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 nearby No.4 WWTP for treatment. Therefore, the No.4 WWTP is closely associated with its reclamation plant functionally, and should be regarded as a related project. The No.4 WWTP broke ground in early April 2013. 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. In view of this, the RAP preparation team has conducted a detailed survey on the resettlement work of the No.4 WWTP and prepared this report. 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.

### **1.2 Introduction**

The No.4 WWTP is constructed to further increase the wastewater collection and treatment rates of Xining City, and protect and improve the local environment. The No.4 WWTP will be built along Huangshui Road, Chengbei District, with a design capacity of 30,000 m<sup>3</sup>/d. Through multi-stage AO biological nutrient removal, treated water will meet the Class 1A standard. This project consists of coarse screens and feed pump house, fine screen vortex grit chamber, primary settling tank, blower house, AO biological tank, integrated pump house, sludge tank, secondary settling tank, dewatering house, power transformation and distribution room, filtering tank, ultraviolet disinfection canal, etc. This plant will collect and treat domestic sewage from enterprises and residential areas in the Xichuan area.

### **1.3 Investment**

The gross investment in the No.4 WWTP is 113.02 million yuan.

### **1.4 Scope of resettlement due diligence investigation**

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 4,591.16 m<sup>2</sup> will be demolished, affecting 6 enterprises.

By the end of June 2013, Xining Drainage Company had entered into an LA agreement with Sanqi Village, and compensation fees had been paid to the AHs; HD compensation agreements had been entered into with the affected enterprises, and compensation fees had been paid to the affected enterprises. As required by the Bank identification mission, the completed LA and HD work in this project will be subject to a resettlement due diligence investigation.

### **1.5 Resettlement progress**

#### **1. LA**

It is learned that the resettlement modes proposed for the No.4 WWTP are “cash compensation + employment training + endowment insurance”.

**(1) Cash compensation:** LA compensation fees of this project have been fully paid.

**(2) Employment training:** The employment structure of villagers in Sanqi Village affected by LA and HD in this project has changed, and farmers rely on land on a declining degree. Based on resettlement experience from other projects, the affected village collective may use collective land for the construction of hotels, farm product fairs and other commercial facilities, and the AHs may invest part of LA compensation fees in the collective economy and enjoy income thereon. In recent years, Qinghai Province and Xining City have attracted more and more tourists, making hotel investment very promising. The municipal agriculture and stockbreeding bureau, labor and social security bureau, and employment bureau have also developed measures for the employment training of LEFs to promote their livelihood

restoration. The Xining Municipal Labor Employment Service Bureau will give two sessions of employment training to 100 men-times affected by LA in this village.

### **(3) Endowment insurance**

In order to provide for elderly APs and maintain social stability, the Qinghai Provincial Government has promulgated the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers (see Attached Table 2-2). This policy applies to all LEFs in Qinghai Province, and provides basic old-age living security for rural residents and LEFs.

In order to learn the background of the affected village, and LA and resettlement for the No.4 WWTP, the RAP preparation team conducted a key informant interview in Sanqi Village. See Attached Table 2-1.

Attached Table 2-1 Interview with Typical AH

**Date:** March 29, 2013

**Venue:** Sanqi Village, Mafang Sub-district, Chengbei District

**Interviewee:** villager HB

**Background:**

HB is 46 years old, and lives with his parents, wife, son and daughter, all Han people. His son is at a non-local university, and his daughter is already working in Xining City, with monthly income of about 2,500 yuan. HB does odd jobs in Xining City, and his wife do farm work and take care of the family at home.

**Compensation:**

1.2 mu of land of this family has been acquired, an agreement has been entered into, and compensation fees have been received. He is somewhat aware of the compensation and resettlement policies, and support this project strongly.

Source: Survey team of Hohai University

Attached Table 2-2 Provisions of the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers

#### **Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2012] No.336)**

**Insured:**

For any land acquired in Qinghai Province since January 1, 2013, endowment insurance premiums for LEFs shall be paid based on the Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition (QPG [2010] No.26). Registered LEFs before December 31, 2012, with a remaining per capita cultivated area of less than 0.3 mu, having attained 16 years and not covered by basic endowment insurance for urban employees may participate in endowment insurance for LEFs voluntarily.

**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 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, to be withdrawn by the local finance department for 15 years from land transfer income at a time. Each insured eligible for receiving pensions shall receive a basic pension subsidy of 120 yuan per month from the local government.

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.

## 2. HD

Non-residential properties totaling 4,591.16 m<sup>2</sup> will be demolished for the No.4 WWTP, affecting 6 enterprises, all subject to cash compensation, and compensation fees have been fully paid. See Attached Table 2-3.

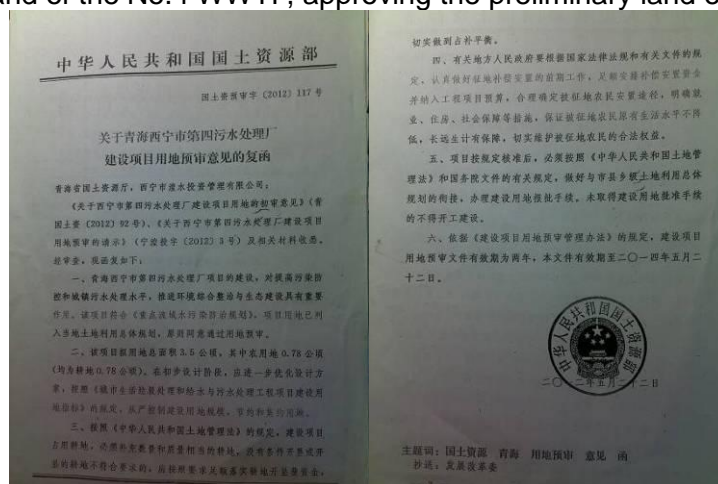
Attached Table 2-3 Summary of Resettlement Modes for Non-residential Property Demolition

Enterprise	HD area (m <sup>2</sup> )	Legal representative	Resettlement mode	Is there an agreement?	Are compensation fees fully paid?
Yuliang Old Material Recovery Station	520	Zhao Xuehai	Cash	Yes	Yes
Huachun New Material Co., Ltd.	579.47	Wei Chunsheng	Cash	Yes	Yes
Sand and stone factory	3196.76	Wang Shou	Cash	Yes	Yes
Cement product factory	113.22	Li Shiyuan	Cash	Yes	Yes
Coal yard	112.46	Wang Wei	Cash	Yes	Yes
Waste recovery station	69.25	Li Yongming	Cash	Yes	Yes

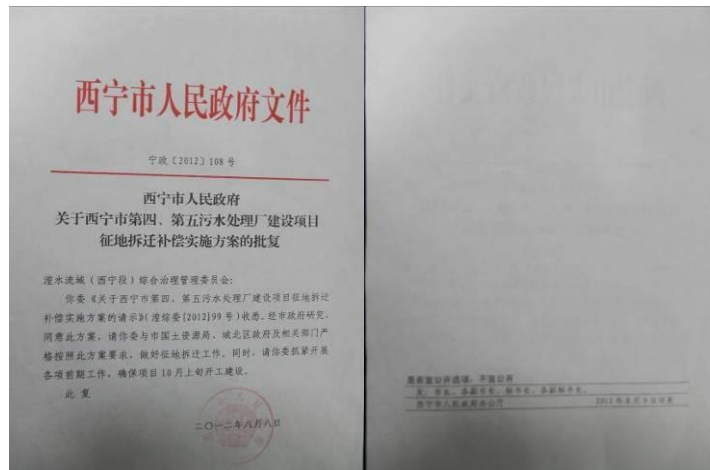
### 1.6 Notes on project approval

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.

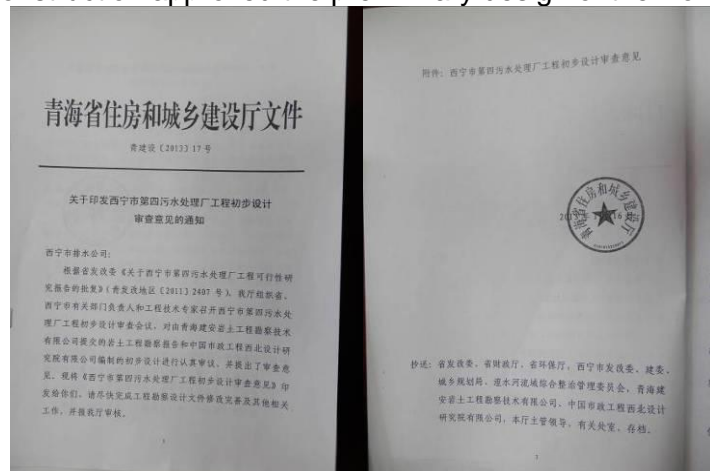
On May 22, 2012, the Ministry of Land and Resources gave a reply on the construction land of the No.4 WWTP, approving the preliminary land examination.



On August 8, 2012, the Xining Municipal Government approved the compensation program for LA and HD for the No.4 WWTP.



On January 16, 2013, the Qinghai Provincial Department of Housing and Urban-Rural Construction approved the preliminary design of the No.4 WWTP.



It can be seen that the acquisition procedure of the construction land for the No.4 WWTP is lawful.

## 2. Resettlement impacts and compensation

### 2.1 Resettlement impacts

#### 1. Permanent LA

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. See Attached Table 2-4.

Attached Table 2-4 Summary of Resettlement Modes of the No.4 WWTP

Project	City	District	Sub-district	Village	LA area (mu)	AHs	Affected population
No.4 WWTP	Xining	Chengbei	Mafang	Sanqi	52.56	32	131

#### 2. HD

4,591.16 m<sup>2</sup> will be demolished for the No.4 WWTP, affecting 6 enterprises. See Attached Table 2-5.

Attached Table 2-5 Summary of HD for the No.4 WWTP

Item	Enterprise	Legal representative	Land nature	HD area (m <sup>2</sup> )	House structure
No.4 WWTP	Yuliang Old Material Recovery Station	Zhao Xuehai	Collective	520	Simple
	Huachun New Material Co., Ltd.	Wei Chunsheng	Collective	579.47	Simple
	Sand and stone factory	Wang Shou	Collective	3196.76	Simple
	Cement product factory	Li Shiyuan	Collective	113.22	Simple
	Coal yard	Wang Wei	Collective	112.46	Simple

	Waste recovery station	Li Yongming	Collective	69.25	Simple
	Total	/	Collective	4,591.16	/

## 2.2 Resettlement policies and compensation rates

### 1. Acquisition of collective land

The compensation rates for LA of this project are based mainly 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). The affected village of Sanqi is affiliated to Mafang Sub-district, Chengbei District and subject to location-based composite land price for LA. See Attached Table 2-4.

Attached Table 2-6 Compensation Rates for Permanent LA for the No.4 WWTP

Project	City	District	Sub-district	Village	Location-based composite land price (0,000 yuan/mu)	Tier
No.4 WWTP	Xining	Chengbei	Mafang	Sanqi	9.72	I

### 2. HD

Compensation rates for HD are based on the Notice of the Xining Municipal Government on Issuing the Compensation Rates and Appraisal Rules for House Demolition (XMG [2004] No.30). Non-residential properties are subject to cash compensation. Including compensation for properties and attachments, moving subsidy, transition subsidy, etc.

According to the above notice, houses on collective land demolished for this project will be compensated for separately from land. See Attached Table 2-7.

Attached Table 2-7 Replacement Cost of Non-residential Properties

Structural type	Industrial and office premises	Remarks
Other	403	Based on house newness, without regard to floor, orientation, location, etc. The compensation rate for a demolished property should be appraised based on the specified technical standard and procedure.

### 3. Resettlement satisfaction survey

In order to learn the satisfaction of the AHs with the resettlement work of this project, the RAP preparation team has conducted a sampling survey. It is learned that the APs are well aware of the resettlement policies, and most of them are confident in income restoration. In this survey, 9 households with 27 persons affected by this project were sampled, and 5 of them were interviewed in depth. See Attached Table 2-8.

Attached Table 2-8 Resettlement Satisfaction Survey Form for AHs

No.	Question	Answer	Results				
			①	②	③	④	⑤
1	By what means did you first know about LA?	①Government leaflet or announcement ②Newspaper, TV and other mass media ③Discussion of nearby residents ④Meeting convened by village officials or informal channel ⑤Measurement of land	0.00%	7.41%	37.04%	29.63%	25.93%
2	Are you satisfied with the DMS results?	①Very satisfied ②Somewhat satisfied ③Neither, nor ④Dissatisfied ⑤Very dissatisfied	37.04%	44.44%	18.52%	0.00%	0.00%
3	Are you aware of the compensation policies for LA?	①Yes ②Somewhat ③No	55.56%	37.04%	7.41%	/	/



No.	Question	Answer	Results				
			①	②	③	④	⑤
4	Are you satisfied with the compensation policies for LA?	①Very satisfied ②Somewhat satisfied ③Neither, nor ④Dissatisfied ⑤Very dissatisfied	33.33%	59.26%	7.41%	0.00%	0.00%
5	Are you confident in the implementation of these policies?	①Strongly yes ②Yes ③Neither, nor ④No ⑤Strongly no	40.74%	44.44%	14.81%	0.00%	0.00%
6	During the whole resettlement process, by what means will you express your personal opinions and ideas?	①Don't know ②Village officials directly or indirectly ③Government above the village level directly or indirectly ④Mass media ⑤Project owner	7.41%	37.04%	11.11%	14.81%	29.63%
7	Are you willing to receive skills training?	①Yes ②No ③Don't know	77.78%	7.41%	14.81%	/	/
8	Are you confident in your future life?	①Strongly yes ②Yes ③Neither, nor ④No ⑤Strongly no	59.26%	29.63%	11.11%	0.00%	0.00%

Source: Survey team of Hohai University

Generally, most of the APs are aware of and recognize the compensation policies for LA, and believe that the government will perform the applicable policies strictly.

#### 4. Summary

1. By the end of June 2013, all LA and HD compensation agreements involved in the No.4 WWTP had been entered into, and LA and HD compensation fees had been fully paid. 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.

2. The LA and HD work of the No.4 WWTP generally complies with the applicable laws and regulations of the PRC, and farmland conversion approval, and LA, HD and resettlement have been conducted according to law. The LA and HD procedures, compensation rates and resettlement programs not only are lawful, but have also been recognized and supported by the APs in practice.

3. It is learned that no complaint visit or lawsuit has arisen from LA and HD for the No.4 WWTP, and the LA, HD, compensation and resettlement work of this project has been completed successfully in general.

**Appendix 3 Due Diligence Report of the No.5 WWTP**

**Related Project of the World Bank-financed Xining Water  
Environment Management Project**

**Resettlement Due Diligence Report of the No.5 WWTP  
Project**

Management Office of the World Bank-financed Xining Water  
Environment Management Project  
Xining, Qinghai, China  
October 2013

## **1. Overview**

### **1.1 Background**

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. By the end of June 2013, the No.5 WWTP had broken ground, the project land acquisition and resettlement agreements have been signed, and related compensation has been paid to APs. In view of this, the RAP preparation team has conducted a detailed survey on the resettlement work of the No.5 WWTP and prepared this report. However, the Endowment Insurance Premiums for Land-expropriated Farmers scheme has not been implemented since the updating social security policy for land losses farmer will be published by the end of 2013, in such, the progress of the Endowment Insurance Premiums for Land-expropriated Farmers will be monitored and cooperated into external monitoring report .

### **1.2 Introduction**

The No.5 WWTP is constructed to further increase the wastewater collection and treatment rates of Xining City, and protect and improve the local environment. The No.5 WWTP will be built in Shuangsubao Village, Ershilipu Town, Chengbei District, with a design capacity of 30,000 m<sup>3</sup>/d. Through multi-stage AO biological nutrient removal, treated water will meet the Class 1A standard. This project consists of coarse screens and feed pump house, fine screen vortex grit chamber, primary settling tank, blower house, AO biological tank, integrated pump house, sludge tank, secondary settling tank, dewatering house, power transformation and distribution room, filtering tank, ultraviolet disinfection canal, etc. This plant will collect and treat domestic sewage from enterprises and residential areas in the Beichuan area.

### **1.3 Investment**

The gross investment in the No.5 WWTP is 118.41 million yuan.

### **1.4 Scope of resettlement due diligence investigation**

64 mu of rural collective land will be acquired permanently for this project, affecting 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District; it does not involve HD.

LA for the No.5 WWTP begun in early 2013. By the end of June 2013, Xining Drainage Company had entered into an LA agreement with Shuangsubao Village, and compensation fees were paid to the APs in June 2013. As required by the Bank identification mission, the completed LA work in this project will be subject to a resettlement due diligence investigation.

### **1.5 Resettlement progress**

It is learned that the resettlement modes proposed for the No.5 WWTP are “cash compensation + employment training + endowment insurance”.

**(1) Cash compensation:** LA compensation fees of this project were fully paid to the Ahs in June 2013.

**(2) Employment training:**

Since Beixingyuan affected by LA in this project is 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 collective has 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. In recent years, Qinghai Province and Xining City have attracted more and more tourists, making hotel investment very promising. 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 Xining Municipal Labor Employment Service Bureau will give two sessions of employment training to 100 men-times affected by LA in Shuangsubao Village.

**(3) Endowment insurance:**

In order to provide for elderly APs and maintain social stability, the Qinghai Provincial Government has promulgated the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers. See Attached Table 3-1. This policy applies to all LEFs in Qinghai Province, and provides basic old-age living security for rural residents and LEFs.

Attached Table3-1 Provisions of the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers

<b>Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers (QPGO [2012] No.336)</b>
<p><b>Insured:</b> For any land acquired in Qinghai Province since January 1, 2013, endowment insurance premiums for LEFs shall be paid based on the Uniform Annual Output Value Criteria and Area-based Composite Land Prices for Land Acquisition (QPG [2010] No.26). Registered LEFs before December 31, 2012, with a remaining per capita cultivated area of less than 0.3 mu, having attained 16 years and not covered by basic endowment insurance for urban employees may participate in endowment insurance for LEFs voluntarily.</p> <p><b>Fund raising:</b> 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.</p> <p>a. Individual contribution: An LEF shall pay premiums for 15 years based on 35% of the local MLS rate for urban residents at a time. For a new LEF, such premiums shall be deducted from land compensation fees and resettlement subsidies at a time.</p> <p>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, to be withdrawn by the local finance department for 15 years from land transfer income at a time. Each insured eligible for receiving pensions shall receive a basic pension subsidy of 120 yuan per month from the local government.</p> <p>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.</p> <p><b>Eligibility for receiving pensions and benefit level:</b> 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).</p> <p>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.</p>

In order to learn the background of the affected village, and LA and resettlement for the No.5 WWTP, the RAP preparation team conducted a key informant interview in Shuangsubao Village. See Attached Table 3-2:

Attached Table 3-2 Village Key Informant Interview and Interview with Typical AH

<p><b>Date:</b> March 28, 2013  <b>Venue:</b> Shuangsubao Village, Ershilipu Town, Chengbei District  <b>Interviewee:</b> Head of Shuangsubao Village  <b>Overview of Shuangsubao Village:</b>            Shuangsubao Village has 430 households with 1,835 persons, including an agricultural population of 398 households with 1,702 persons, without minority population, a cultivated area of 1,260 mu and a per capita cultivated area of 0.68 mu. The main income sources are outside employment and individual business. In 2012, villagers' per capita net income was about 12,550 yuan.            Since this village is affected by the No.5 WWTP, irrigation water in this village has been paid for by Xining Drainage Company.  <b>LA impacts on Shuangsubao Village:</b>            64 mu of land in this will be acquired for the No.5 WWTP Reclamation Plant, all being irrigated land in Group 3, used to grow saplings, wheat and rape mainly. Group 3 has 120-130 old people, who may participate in endowment insurance for LEFs voluntarily. It is resolved at</p>
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the village congress that LA compensation fees will be fully paid to the APs. LA compensation fees have been paid to date.

**Public participation:**

During LA, 15 villagers of Group 3 were elected to supervise the LA process and develop the distribution program of compensation fees, which will be reviewed by the village committee and township government. Villagers are very satisfied with the program. In addition, villagers often file appeals to hotlines or call *Xining Evening News*, but complaint visits have rarely occurred in the village.

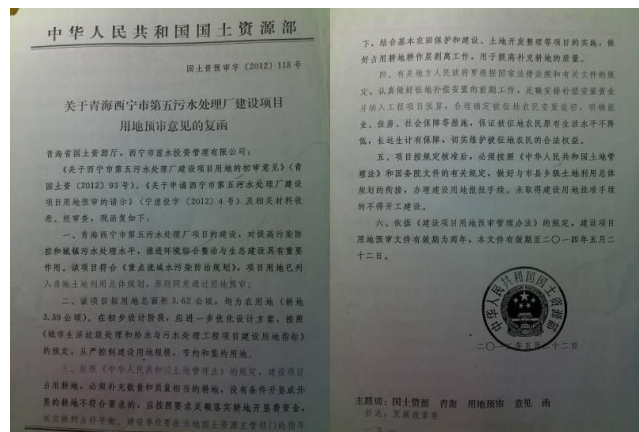
Source: Survey team of Hohai University

The survey shows that the APs may invest compensation fees in business activities to restore income greatly. Since the APs mostly do business or work outside, LA will have little impact on their household income.

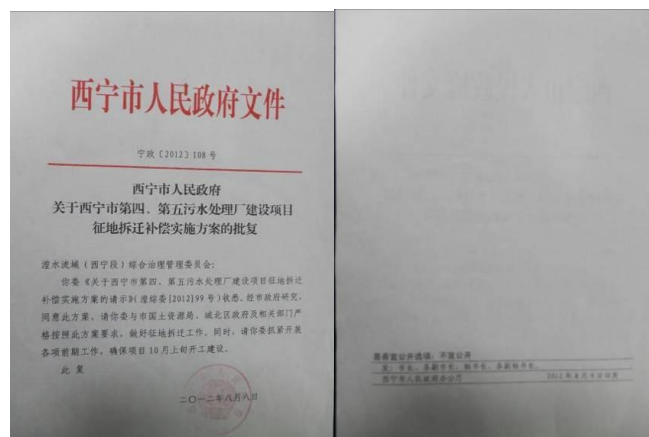
**1.6 Notes on project approval**

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.

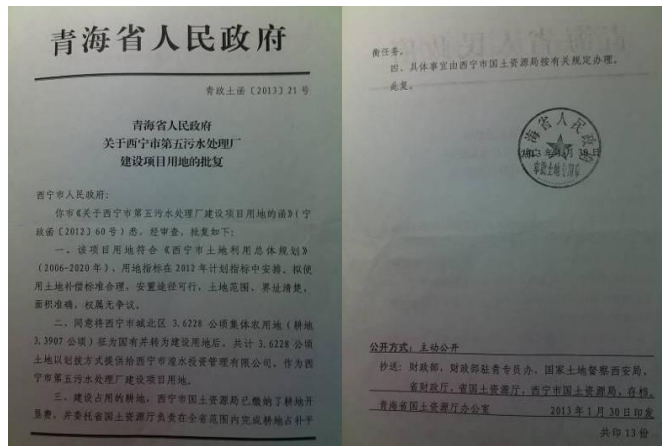
On May 22, 2012, the Ministry of Land and Resources issued the Preliminary Examination Opinion on the Construction Land for the No.5 WWTP (MLRPE [2012] No.118), approving the preliminary land examination.



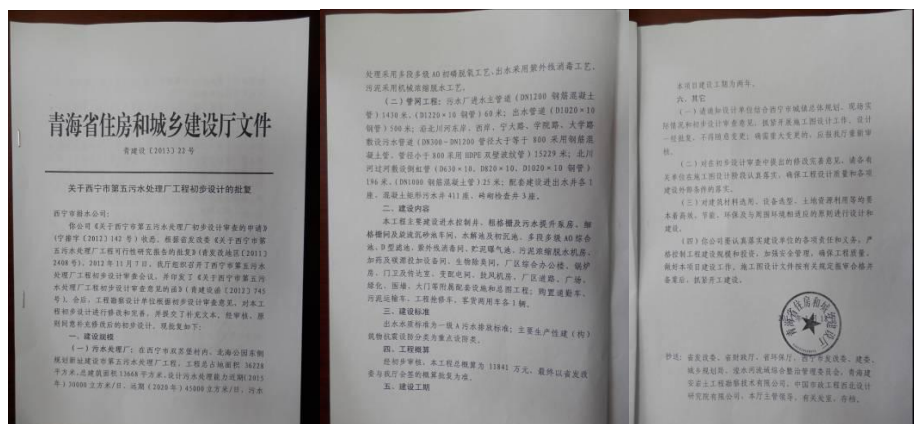
On August 8, 2012, the Xining Municipal Government approved the compensation program for LA and HD for the No.5 WWTP.



On January 30, 2013, the Qinghai Provincial Government approved the application for the construction for the No.5 WWTP with Document QPGL [2013] No.21.



On January 18, 2013, the Qinghai Provincial Department of Housing and Urban-Rural Construction approved the preliminary design of the No.5 WWTW.



It can be seen that the acquisition procedure of the construction land for the No.5 WWTW is lawful.

## 2. Resettlement impacts and compensation

### 2.1 Resettlement impacts

64 mu of rural collective land will be acquired permanently for the No.5 WWTW, affecting 34 households with 135 persons in Shuangsubao Village, Ershilipu Town, Chengbei District; it does not involve HD. See Attached Table 3-3.

Attached Table 3-3 Summary of Resettlement Impacts of the No.5 WWTW

Project	City	District	Town	Village	Acquired land area (mu)	AHs	APs
No.5 WWTW	Xining	Chengbei	Ershilipu	Shuangsubao	64	34	135

### 2.2 Resettlement policies and compensation rates

The compensation rates for LA of this project are based mainly 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). The affected village of Shuangsubao is affiliated to Ershilipu Town, Chengbei District and subject to the location-based composite land price for LA of 97,200 yuan/mu. See Attached Table 3-4.

Attached Table 3-4 Compensation Rates for Permanent LA for the No.5 WWTW

Project	City	District	Town	Village	Location-based composite land price (0,000 yuan/mu)	Tier
No.5 WWTW	Xining	Chengbei	Ershilipu	Shuangsubao	9.72	I

### 3. Resettlement satisfaction survey

In order to learn the satisfaction of the AHs with the resettlement work of this project, the RAP preparation team has conducted a sampling survey. It is learned that the APs are well aware of the resettlement policies, and most of them are confident in income restoration, but quite a number of APs are not optimistic about reemployment and worry about future livelihoods. In this survey, 10 households affected by this project were sampled, there are 29 people are investigated and 5 of them were interviewed in depth. See Attached Table3-5.

Attached Table 3-5 Resettlement Satisfaction Survey Form for AHs

No.	Question	Answer	Results				
			①	②	③	④	⑤
1	By what means did you first know about LA?	①Government leaflet or announcement ②Newspaper, TV and other mass media ③Discussion of nearby residents ④Meeting convened by village officials or informal channel ⑤Measurement of land	0.00%	0.00%	65.52%	24.14%	10.34%
2	Are you satisfied with the DMS results?	①Very satisfied ②Somewhat satisfied ③Neither, nor ④Dissatisfied ⑤Very dissatisfied	31.03%	41.38%	27.59%	0.00%	0.00%
3	Are you aware of the compensation policies for LA?	①Yes ②Somewhat ③No	24.14%	62.07%	13.79%	/	/
4	Are you satisfied with the compensation policies for LA?	①Very satisfied ②Somewhat satisfied ③Neither, nor ④Dissatisfied ⑤Very dissatisfied	31.03%	34.48%	34.48%	0.00%	0.00%
5	Are you confident in the implementation of these policies?	①Strongly yes ②Yes ③Neither, nor ④No ⑤Strongly no	31.03%	44.83%	24.14%	0.00%	0.00%
6	During the whole resettlement process, by what means will you express your personal opinions and ideas?	①Don't know ②Village officials directly or indirectly ③Government above the village level directly or indirectly ④Mass media ⑤Project owner	6.90%	51.72%	10.34%	6.90%	24.14%
7	Are you willing to receive skills training?	①Yes ②No ③Don't know	79.31%	6.90%	13.79%	/	/
8	Are you confident in your future life?	①Strongly yes ②Yes ③Neither, nor ④No ⑤Strongly no	34.48%	51.72%	13.79%	0.00%	0.00%

Source: Survey team of Hohai University

### 4. Summary

1) By the end of June 2013, the No.5 WWTP had broken ground, the project land acquisition and resettlement agreements have been signed, and related compensation has been paid to APs, however, the Endowment Insurance Premiums for Land-expropriated Farmers scheme has not been implemented since the updating social security policy for land losses farmer will be published by the end of 2013, in such, the progress of the Endowment Insurance Premiums for Land-expropriated Farmers will be monitored and cooperated into external monitoring report .

2) The LA work of the No.5 WWTP generally complies with the applicable laws and regulations of the PRC, and farmland conversion approval, and LA, HD and resettlement have been conducted according to law. The LA procedure, compensation rates and resettlement programs not only are lawful, but have also been recognized and supported by the APs in practice.

3) It is learned that no complaint visit or lawsuit has arisen from LA for the No.5 WWTP, and the LA, HD, compensation and resettlement work of this project has been completed successfully in general.

**Appendix 4 Due Diligence Report of the Beichuan River Project**

**Related Project of the World Bank-financed Xining Water  
Environment Management Project**

**Resettlement Due Diligence Report of the Beichuan River  
Project**

Management Office of the World Bank-financed Xining Water  
Environment Management Project  
Xining, Qinghai, China  
October 2013



## **1. Overview**

### **1.1 Background**

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. By the end of June 2013, LA and HD for the Beichuan River Project was ongoing, and the income of the APs had not been fully restored. In view of this, the RAP preparation team has conducted a detailed survey on the resettlement work of the Beichuan River Project and prepared this report. The income of the APs will be monitored in subsequent resettlement.

### **1.2 Introduction**

The Beichuan River Project includes ecological rehabilitation and infrastructure construction. This project will improve the whole Beichuan area in coordination with the master plans of Xining City and Chengbei District, and create a “landscaped and livable” water environment.

### **1.3 Scope of resettlement due diligence investigation**

3,356.67 mu of rural collective land will be acquired 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. Residential houses totaling 1.1816 million m<sup>2</sup> will be demolished for this 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.

### **1.4 Resettlement progress**

#### **1) LA**

It is learned that the resettlement modes proposed for the Beichuan River Project are “cash compensation + employment training + endowment insurance + distribution of collective economic income”.

**a. Cash compensation:** Compensation fees for the acquired land have been paid to the AHs.

#### **b. Employment training:**

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. In addition, 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.

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.

#### **c. Endowment insurance:**

In order to provide for elderly APs and maintain social stability, the Qinghai Provincial Government has promulgated the Interim Measures of Qinghai Province for Endowment Insurance Premiums for Land-expropriated Farmers. See Attached Table 2-2. This policy applies to all LEFs in Qinghai Province, and provides basic old-age living security for rural residents and LEFs.

#### **d. Distribution of collective economic income:**

All 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.

**2) HD**

**a. Resettlement**

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. See Attached Table 4-1.

Attached Table 4-1 Resettlement Information of the Households Affected by the Demolition of Residential Houses

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

All the 38 non-residential properties demolished for this project will be subject to cash compensation. See Attached Table 4-2.

Attached Table 4-2 Resettlement Information of the Enterprises Affected by the Demolition of Non-residential Properties

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)		
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)		

No.	Village	Enterprise	Main business	Expected mode of resettlement
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	

### b. Resettlement housing construction

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.

A central resettlement community will be constructed for the 4 villages (Beixingyuan, Taojiazhai, Taoxin and Shitoulei Villages) affected by HD for the Beichuan River Project. 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 447.74 mu. Living facilities such as schools, hospitals, malls, squares and parks will be provided near the resettlement community. Currently, the public education and health service facilities within 2km around the resettlement site can meet residents' living needs. The resettlement community broke ground at the end of July 2013. It is expected that foundation construction will be completed at the end of 2013, multi-storied buildings completed at the end of 2014 and high-rise buildings completed at the end of 2015.

#### 1.5 Notes on project approval

On January 1, 2012, the Qinghai Provincial Government adopted the Integrated Water Environment Improvement Plan of the Huangshui River Watershed (2011-2020).

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

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.

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 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.

## 2. Resettlement impacts and compensation

### 2.1 Resettlement impacts

#### 1) LA

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.

By the end of June 2013, LA for the Beichuan River Project was ongoing, and 723.72 mu of land had been acquired, including 404.83 mu of housing land and 318.89 mu of irrigated land. LA compensation fees of this project are being paid, and expected to be fully paid in the second half of 2013. See Attached Table 4-3.

Attached Table 4-3 Statistics of LA Impacts

District	Township	Village	Amount of impact (mu)			Completed (mu)			Percent of completion
			Housing land	Irrigated land	Total	Housing land	Irrigated land	Subtotal	
Chengbei	Xiaoqiao Sub-district	Beixingyuan	69.83	28.44	98.27	69.83	28.44	98.27	100%
		Taojiazhai	335	319.85	654.85	335	290.45	625.45	95.51%
		Taoxin	324	729.76	1053.76	0	0	0	0
	Ershilipu	Shitoulei	550	999.79	1549.79	0	0	0	0
	Total		1278.83	2077.84	3356.67	404.83	318.89	723.72	21.56%



Attached Figure 4-1 LA Compensation Agreement

## 2) HD

### a. Demolition of residential houses

Residential houses totaling 1.1816 million m<sup>2</sup> will be demolished for this 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.

To date, 1,343 AHs have entered into compensation agreements, and residential houses totaling 1.1784 million m<sup>2</sup> have been demolished. See Attached Table 4-4.

Attached Table 4-4 Statistics of Impacts of the Demolition of Residential Houses

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	99.73%

### b. Demolition of non-residential properties

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.

To date, 38 entities have entered into compensation agreements, and non-residential properties totaling 25,900 m<sup>2</sup> have been demolished. See Attached Table 4-5.

Attached Table 4-5 Statistics of Impacts of the Demolition of Non-residential Properties

District	Township	Village	Amount of impact	Remarks
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			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	Completed

## 2.2 Resettlement policies and compensation rates

### 1) Compensation policies and rates for acquired collective land:

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). See Attached Table 4-6.

Attached Table 4-6 Location-based Composite Land Price for LA of Xining City

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

### 2) Compensation policies and rates for HD:

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).

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 Attached Table 4-7.

Attached Table 4-7 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. Resettlement satisfaction survey

In order to learn the satisfaction of the AHs with the resettlement work of this project, the RAP preparation team has conducted a sampling survey and in-depth interviews. In this survey, 40 households affected by this project were sampled, there are 115 people are investigated and 5 of them were interviewed in depth.

### 1) Satisfaction survey

It is learned that the APs are well aware of the resettlement policies, and most of them are confident in income restoration, but quite a number of APs are not optimistic about reemployment and worry about future livelihoods. See Attached Table 4-8.

Attached Table 4-8 Resettlement Satisfaction Survey Form for AHs

No.	Question	Answer	Results				
			①	②	③	④	⑤
1	By what means did you first know about LA?	①Government leaflet or announcement ②Newspaper, TV and other mass media ③Discussion of nearby residents ④Meeting convened by village officials or informal channel ⑤Measurement of land	0.00%	0.00%	47.83%	30.43%	21.74%
2	Are you satisfied with the DMS results?	①Very satisfied ②Somewhat satisfied ③Neither, nor ④Dissatisfied ⑤Very dissatisfied	34.78%	43.48%	21.74%	0.00%	0.00%
3	Are you aware of the compensation policies for LA?	①Yes ②Somewhat ③No	26.09%	60.87%	13.04%	/	/
4	Are you satisfied with the compensation policies for LA?	①Very satisfied ②Somewhat satisfied ③Neither, nor ④Dissatisfied ⑤Very dissatisfied	39.13%	43.48%	17.39%	0.00%	0.00%
5	Are you confident in the implementation of these policies?	①Strongly yes ②Yes ③Neither, nor ④No ⑤Strongly no	30.43%	43.48%	26.09%	0.00%	0.00%
6	During the whole resettlement process, by what means will you express your personal opinions and ideas?	①Don't know ②Village officials directly or indirectly ③Government above the village level directly or indirectly ④Mass media ⑤Project owner	8.70%	52.17%	8.70%	4.35%	26.09%
7	Are you willing to receive skills training?	①Yes ②No ③Don't know	78.26%	8.70%	13.04%	/	/
8	Are you confident in your future life?	①Strongly yes ②Yes ③Neither, nor ④No ⑤Strongly no	34.78%	52.17%	13.04%	0.00%	0.00%

Generally, most of the APs are aware of and recognize the compensation policies for LA, and believe that the government will perform the applicable policies strictly.

## 2) Income restoration

The survey shows that the APs may invest compensation fees in business activities to restore income greatly. Since the APs mostly do business or work outside, though LA will have a temporary impact on their household income, income will be largely restored or increased. See Attached Table 4-9.

Attached Table 4-9 Interview with Typical AH

<p><b>Date:</b> March 28, 2013  <b>Venue:</b> Shitoulei Village, Ershilipu Town, Chengbei District  <b>Interviewee:</b> ZYX, villager of Shitoulei Village  <b>Background:</b>  He is 59 years, Han. He lives with his wife, son, daughter-in-law and granddaughter. He and his wife take care of their granddaughter and cultivated land (over 1 mu). His son and daughter-in-law run a restaurant in the urban area of Xining City, with monthly income of about 20,000 yuan, which is the primary income source of the family.  <b>LA and compensation:</b>  Over 1 mu of land of this family will be acquired for the Beichuan River Project, used to grow wheat for self-consumption. Due to high costs and low return, many farmers are unwilling to do farm work. LA compensation fees have not been received. A part will be deposited at the bank to provide for the old age and a part used to expand his son's business. The family's current life is fairly good.</p>
---

**Date:** March 28, 2013

**Venue:** Xingyuan Village, Xiaoqiao Sub-district, Chengbei District

**Interviewee:** QCZ, villager of Beixingyuan Village

**Background:**

He lives with his wife, son and daughter, all Han people. His son works at a steelworks in Xining and is paid about 3,000 yuan a month. His daughter is a fresh graduate and has just become a civil servant in Duoba Town, paid less than 1,500 yuan a month. He runs a construction team in Xining, which contracts small house construction works, and can earn over 100,000 yuan per annum.

**LA and compensation:**

Over 2 mu of land of this family will be acquired for the Beichuan River Project, used to grow wheat for self-consumption. However, since farming is labor and time consuming, and he has to run his construction team, his wife can hardly manage the land. LA compensation fees will be used mainly to run his construction team. The family's life will not change much after LA, and the family is satisfied with the compensation policies.



Source: Survey team of Hohai University

#### 4. Summary

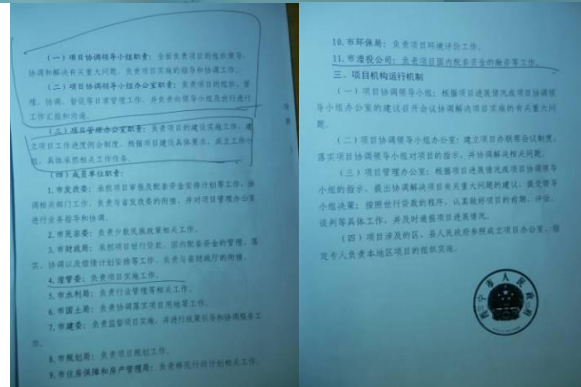
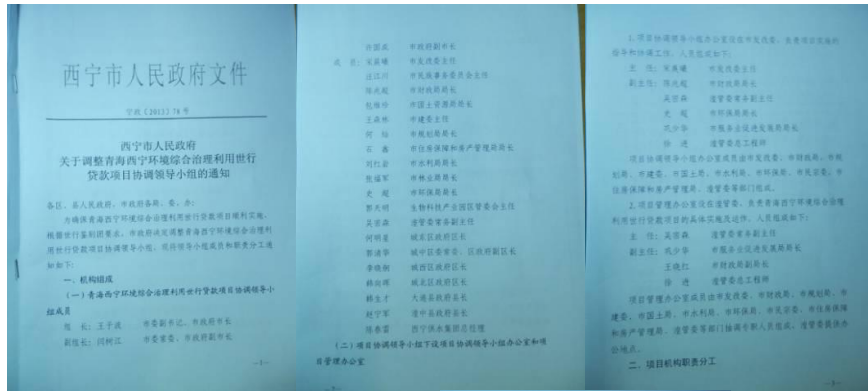
1) By the end of June 2013, resettlement for the Beichuan River Project was ongoing and the income of the APs had not been restored. In view of this, the RAP preparation team has prepared this report. The income of the APs will be monitored in subsequent resettlement.

2) The LA work of the Beichuan River Project complies with the applicable laws and regulations of the PRC, and compensation and resettlement for LA has been conducted according to law. The LA procedure, compensation rates and resettlement programs are lawful.

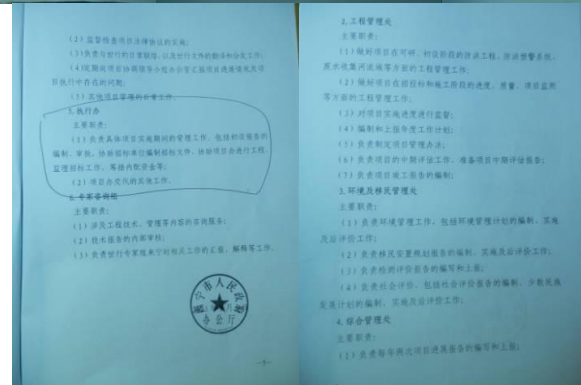
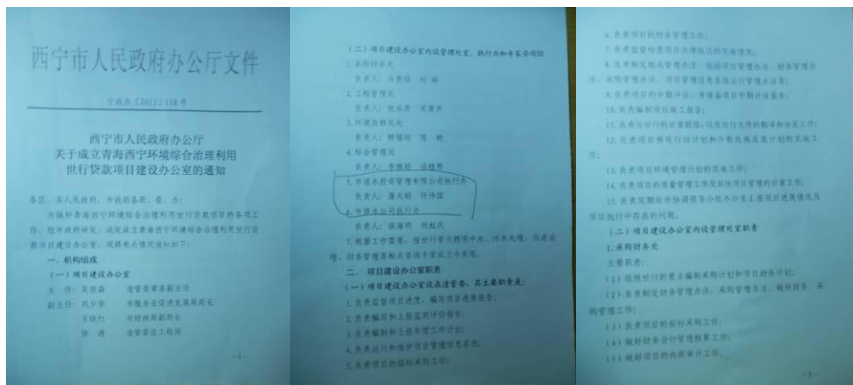
3) The compensation rates and resettlement programs are rationally designed. Most of the APs are satisfied with resettlement and have confidence in future lives.

4) It is learned that by the end of June 2013, no complaint visit or lawsuit has arisen from LA and HD for the Beichuan River Project, and the resettlement work had progressed smoothly.

## Appendix 5 Adjustment Document of the Project Leading Group



## Appendix 6 Constitutional Document of the PMO





**Appendix 7 Photos of Public Participation and Consultation**



Social and resettlement training



Key informant interview in an affected village



Field survey in the No.4 WWTTP



Institutional FGD



Field survey in the resettlement site



Resettlement willingness survey