

**World Bank Financed Zhejiang Rural Water
Supply and Sanitation Project**

**Resettlement Action Plan
of
the Longquan Subproject**

**Longquan City Government
June 2014**

Contents

1	OVERVIEW	1
1.1	BACKGROUND AND DESCRIPTION	1
1.1.1	<i>Background</i>	1
1.1.2	<i>Components</i>	1
1.1.3	<i>Note on this RAP</i>	3
1.1.4	<i>Identification of Resettlement Impacts</i>	3
1.1.5	<i>Identification of Related Projects</i>	3
1.2	ESTIMATED INVESTMENT IN RESETTLEMENT AND IMPLEMENTATION SCHEDULE	3
1.3	BENEFIT ANALYSIS	4
1.3.1	<i>Social Benefits</i>	4
1.3.2	<i>Economic Benefits</i>	4
2	IMPACTS OF THE SUBPROJECT	5
2.1	MEASURES TO REDUCE RESETTLEMENT	5
2.1.1	<i>Principles for Design and Site Selection</i>	5
2.1.2	<i>Comparison of Options</i>	5
2.2	RESETTLEMENT IMPACT SURVEY	5
2.3	SURVEY INFORMATION	6
2.3.1	<i>Survey Methods and Process</i>	6
2.3.2	<i>Completed Public Participation and Consultation Activities</i>	6
2.4	PERMANENT ACQUISITION OF COLLECTIVE LAND	7
2.4.1	<i>Permanently Acquired Collective Land</i>	7
2.4.2	<i>Impact Analysis</i>	7
2.5	PERMANENT OCCUPATION OF STATE-OWNED LAND	10
2.6	TEMPORARY LAND OCCUPATION	10
2.7	AFFECTED INFRASTRUCTURE AND GROUND ATTACHMENTS	12
2.8	AFFECTED POPULATION	12
2.8.1	<i>Summary</i>	12
2.8.2	<i>Affected Vulnerable Groups</i>	12
3	SOCIOECONOMIC PROFILE	13
3.1	SOCIOECONOMIC PROFILE OF THE AFFECTED CITY	13
3.2	SOCIOECONOMIC PROFILE OF THE AFFECTED SUB-DISTRICTS/TOWNSHIPS	13
3.3	SOCIOECONOMIC PROFILE OF THE AFFECTED VILLAGES	13
3.4	SOCIOECONOMIC PROFILE OF THE AFFECTED POPULATION	14
4	LEGAL FRAMEWORK AND POLICIES	16
4.1	REGULATIONS AND POLICIES ON RESETTLEMENT	16
4.2	KEY PROVISIONS	16
4.2.1	<i>Land Administration Law of the PRC</i>	16
4.2.2	<i>Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition</i>	17
4.2.3	<i>Bank Policy on Involuntary Resettlement</i>	18
4.3	RESETTLEMENT POLICIES OF THE SUBPROJECT	18
4.3.1	<i>Collective land</i>	18
4.3.2	<i>State-owned land</i>	18
4.3.3	<i>Temporary Land Occupation</i>	18
4.3.4	<i>Policy for Affected Ground Attachments and Infrastructure</i>	19
4.4	COMPENSATION RATES	19
4.4.1	<i>Acquisition of Collective Land</i>	19
4.4.2	<i>Occupation of State-owned Land</i>	19
4.4.3	<i>Temporary Land Occupation</i>	19
4.4.4	<i>Infrastructure and Ground Attachments</i>	19
4.4.5	<i>Rates of Other Costs</i>	20
5	RESETTLEMENT AND INCOME RESTORATION	21
5.1	OBJECTIVE AND PRINCIPLES OF RESETTLEMENT	21
5.2	RESTORATION PROGRAM FOR ACQUIRED COLLECTIVE LAND	21

5.2.1	Summary of Resettlement Programs.....	21
5.2.2	Cash Compensation.....	21
5.2.3	Skills Training and Employment Promotion.....	21
5.2.4	Social Security.....	22
5.3	RESTORATION PROGRAM FOR TEMPORARY LAND OCCUPATION	22
5.4	RESTORATION PROGRAM FOR INFRASTRUCTURE AND GROUND ATTACHMENTS	22
6	ORGANIZATIONAL STRUCTURE FOR RESETTLEMENT	23
6.1	RESETTLEMENT AGENCIES.....	23
6.1.1	Organizational Setup.....	23
6.1.2	Organizational Responsibilities.....	23
6.2	STAFFING AND EQUIPMENT	24
6.2.1	Staffing.....	24
6.2.2	Equipment.....	25
6.3	INSTITUTIONAL CAPACITY BUILDING.....	25
7	PUBLIC PARTICIPATION AND GRIEVANCE REDRESS.....	26
7.1	PUBLIC PARTICIPATION STRATEGY AND METHODS	26
7.2	COMMUNITY PARTICIPATION HANDBOOK	26
7.3	PUBLIC PARTICIPATION AND CONSULTATION PLAN.....	27
7.4	GRIEVANCE REDRESS	27
7.4.1	Means for Collecting Grievances and Appeals.....	27
7.4.2	Grievance Redress Procedure.....	28
7.4.3	Scope and Modes of Reply to Grievances.....	28
7.4.4	Recording and Feedback of Grievances and Appeals.....	28
7.4.5	Contact Information for Grievances and Appeals.....	29
8	RESETTLEMENT BUDGET.....	30
8.1	RESETTLEMENT BUDGET	30
8.2	ANNUAL INVESTMENT PLAN.....	33
8.1	FUND DISBURSEMENT, MANAGEMENT AND MONITORING	33
8.1.1	Fund Disbursement	33
8.1.2	Fund Management and Monitoring	34
9	RESETTLEMENT IMPLEMENTATION SCHEDULE	35
9.1	LINKAGE BETWEEN RESETTLEMENT IMPLEMENTATION SCHEDULE AND CONSTRUCTION PLAN	35
9.2	MASTER SCHEDULE FOR RESETTLEMENT IMPLEMENTATION	35
9.2.1	Principles for Scheduling	35
9.2.2	Resettlement Implementation Schedule.....	35
10	M&E.....	37
10.1	INTERNAL MONITORING	37
10.1.1	Procedure.....	37
10.1.2	Scope.....	37
10.1.3	Reporting.....	37
10.2	EXTERNAL MONITORING.....	38
10.2.1	External Monitoring Agency.....	38
10.2.2	Procedure and Scope.....	38
10.2.3	Reporting.....	38
10.3	POST-EVALUATION	39
11	ENTITLEMENT MATRIX	40
	APPENDIXES.....	42
	APPENDIX 1 LIST OF FIRST GROUP OF SCATTERED RURAL WASTEWATER TREATMENT SYSTEMS IN LONGQUAN CITY	42
	APPENDIX 2 NOTES ON LAND USE FOR RELATED PROJECTS	42
	APPENDIX 3 LIST OF MEMBERS OF VILLAGE IMPLEMENTATION TEAMS	45
	APPENDIX 4 FOUNDING DOCUMENT	46
	APPENDIX 5 PHOTOS OF PROJECT SITE.....	48

List of Tables

TABLE 1-1 SCOPE OF CONSTRUCTION	1
TABLE 1-2 IDENTIFICATION OF RESETTLEMENT IMPACTS	3
TABLE 2-1 COMPARISON OF OPTIONS.....	5
TABLE 2-2 COMPLETED PUBLIC PARTICIPATION AND CONSULTATION ACTIVITIES.....	6
TABLE 2-3 PERMANENTLY ACQUIRED COLLECTIVE LAND.....	8
TABLE 2-4 IMPACTS OF PERMANENT ACQUISITION OF COLLECTIVE LAND	8
TABLE 2-5 LAND AND INCOME LOSS RATES OF AHS.....	9
TABLE 2-6 PERMANENTLY OCCUPIED STATE-OWNED LAND	10
TABLE 2-7 TEMPORARILY OCCUPIED LAND.....	11
TABLE 2-8 SUMMARY OF THE AFFECTED GROUND ATTACHMENTS	12
TABLE 2-9 SUMMARY OF THE AFFECTED POPULATION.....	12
TABLE 3-1 SOCIOECONOMIC PROFILE OF THE AFFECTED SUB-DISTRICTS/TOWNSHIPS	13
TABLE 3-2 SOCIOECONOMIC PROFILE OF THE AFFECTED VILLAGES.....	13
TABLE 3-3 ANNUAL INCOME AND EXPENDITURE OF THE SAMPLE HOUSEHOLDS	15
TABLE 4-1 COMPENSATION RATES FOR ACQUISITION OF COLLECTIVE LAND	19
TABLE 4-2 RURAL BENCHMARK LAND PRICES.....	19
TABLE 4-3 COMPENSATION RATES FOR TEMPORARY LAND OCCUPATION.....	19
TABLE 4-4 COMPENSATION RATES FOR INFRASTRUCTURE AND GROUND ATTACHMENTS.....	20
TABLE 4-5 TAX AND FEE RATES ON LA	20
TABLE 5-1 SUMMARY OF LOCAL TRAINING PROGRAMS	21
TABLE 6-1 STAFFING OF RESETTLEMENT AGENCIES	24
TABLE 6-2 OPERATIONAL TRAINING PROGRAM FOR RESETTLEMENT AGENCIES	25
TABLE 7-1 SCOPE AND OUTCOMES OF COMMUNITY PARTICIPATION.....	26
TABLE 7-2 PUBLIC PARTICIPATION PLAN FOR THE NEXT STAGE	27
TABLE 7-3 REGISTRATION FORM OF GRIEVANCES AND APPEALS	28
TABLE 7-4 CONTACT INFORMATION FOR GRIEVANCES AND APPEALS	29
TABLE 8-1 RESETTLEMENT BUDGET.....	32
TABLE 8-2 ANNUAL INVESTMENT PLAN.....	33
TABLE 9-1 RESETTLEMENT SCHEDULE	35
TABLE 10-1 SAMPLE SCHEDULE OF LA AND HD	37
TABLE 10-2 SAMPLE SCHEDULE OF FUND UTILIZATION.....	37
TABLE 10-3 RESETTLEMENT M&E SCHEDULE	39

List of Figures

FIGURE 1-1 LOCATION MAP OF THE PHASE1 COMPONENTS.....	2
FIGURE 2-1 FIELDWORK PHOTOS	6
FIGURE 3-1 AGE DISTRIBUTION OF THE SAMPLE POPULATION	14
FIGURE 3-2 EDUCATIONAL LEVEL DISTRIBUTION OF THE SAMPLE POPULATION	15
FIGURE 6-1 ORGANIZATIONAL CHART FOR RESETTLEMENT.....	23
FIGURE 8-1 DISTRIBUTION FLOWCHART OF RESETTLEMENT FUNDS	33

ABBREVIATIONS

AH	-	Affected Household
AP	-	Affected Person
DMS	-	Detailed Measurement Survey
FGD	-	Focus Group Discussion
HD	-	House Demolition
LA	-	Land Acquisition
LRWSS	-	Longquan Rural Water Supply Station
LWSSC	-	Longquan Water Supply and Sewerage Co., Ltd.
M&E	-	Monitoring and Evaluation
MLS	-	Minimum Living Security
PMO	-	Project Management Office
PRC	-	People's Republic of China
RAP	-	Resettlement Action Plan
RIB	-	Resettlement Information Booklet
WWTP	-	Wastewater Treatment Plant

Units

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

1 Overview

1.1 Background and Description

1.1.1 Background

Longquan City is located in southwestern Zhejiang Province, on the boundary of the Yangtze River Delta and the Economic Zone on the West Coast of the Taiwan Straits, being a key state-level exemplary ecological city, and a cradle of blue porcelain and swords.

In June 2010, the Zhejiang Provincial Government made the decision on promoting ecological civilization building in light of the ecological strategy of the central government, proposing to build a rich, beautiful, harmonious and well-being ecological province, and become a national example in ecological civilization building. In the same year, the provincial government developed the Action Plan for Beautiful Countryside Building of Zhejiang Province (2011-2015), proposing to build a countryside beautiful in rural planning, appearance and style, and suitable for residence, business and tourism.

1.1.2 Components

According to the project framework, implementation arrangement and the consolidated FSR¹, the project will be carried out in two phases. The phase1 of Longquan subproject includes 6 components; the components of the phase 2 will be implemented on the basis of framework approach, which will be constructed gradually based on actual preparation progress with getting no-objection of World Bank after the components of phase 1 are being launched.

According the arrangement, the 6 components of Phase1 under the Subproject are:

- ✧ L1: Longquan county town water and wastewater improvement project: Nandayang Waterworks expansion, and associated water supply and sewer lines
- ✧ L2: Longquan Xiaomei town water and wastewater project: A new Xiaomei and Maoshantou raw waterpipe and water distribution pipe
- ✧ L3: Longquan Anren town water and wastewater project: constructing a waterworks and a WWTP, and improving water supply and sewer lines
- ✧ L4: Longquan Badu town water and wastewater project: constructing a waterworks and a WWTP, and improving water supply and sewer lines
- ✧ L5: Longquan first batch decentralized wastewater treatment demonstration project: constructing 7 scattered rural wastewater collection and treatment systems (see **Appendix 1**)
- ✧ L6: Longquan back alley improvement project: constructing 124 scattered rural wastewater collection and treatment systems

Longquan Water Supply and Sewerage Co., Ltd. (LWSSC) and Longquan Rural Water Supply Station (LRWSS) are the IAs (owners) of the Subproject. See Table 1-1.

Table 1-1 Scope of Construction

No.	Component	Scope of construction	Population served (0,000)	Investment (0,000 yuan)	Constructed by	Operated and managed by
L1	Longquan county town water and wastewater improvement project	(1) A modification of Nandayang WSP from 30000m ³ /d to 25000m ³ /d and an expansion to 50000m ³ /d; (2) A new 3.91km water supply pipes, 4.43 km wastewater pipes and 4.11km stormwater pipes	11.00	7211	LWSSC	LWSSC
L2	Longquan	(1) A new Xiaomei 3000m ³ /d	0.78	2015		

¹ This draft final report was prepared by East China Investigation and Design Institute and Zhejiang province Development and Planning Research Institute.

No.	Component	Scope of construction	Population served (0,000)	Investment (0,000 yuan)	Constructed by	Operated and managed by
	Xiaomei town water and wastewater project	WSP, a new 3.65km raw water pipe and 7.75km water distribution pipe in Xiaomei town; (2) A new 600m ³ /d Xiaomei WWTP and a new 8.55km wastewater pipes in Xiaomei town; (3) A new wastewater treatment system in 3 villages				
L3	Longquan Anren town water and wastewater project	(1) A new 4000m ³ /d Anren WSP and 8.24km water distribution pipes in Anren town; (2) A new 1800m ³ /d Anren WWTP and a new 5.87km wastewater collection pipes in Anren town	1.57	2783	LRWSS	LRWSS
L4	Longquan Badu town water and wastewater project	(1) A new 4000m ³ /d Anren WSP and 11.4km water distribution pipes in Badu town; (2) A new 1300m ³ /d Anren WWTP and a new 7.61km wastewater collection pipes in Badu town	1.34	3084		
L5	Longquan first batch decentralized wastewater treatment demonstration project Systems ²	A new wastewater collection and treatment systems in 7 villages	0.67	1422		
L6	Longquan back alley improvement project	An upgrading of water and wastewater pipes in Longquan 124 back alley	5.85	5623		

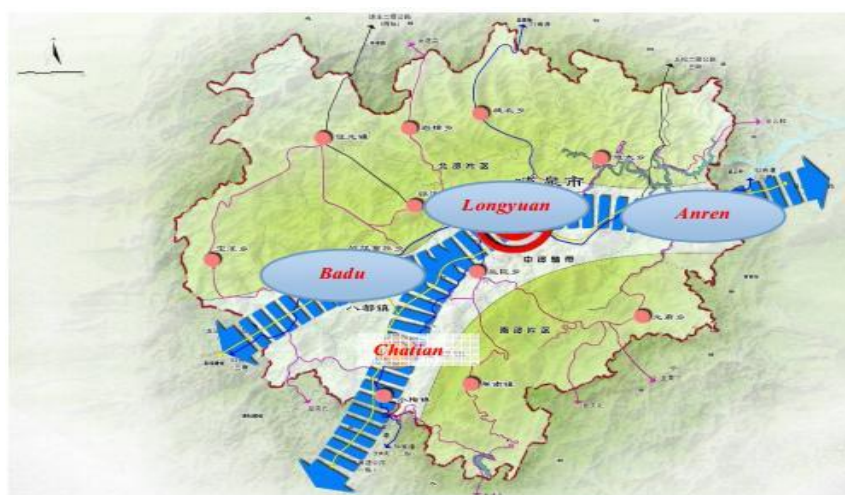


Figure 1-1 Location Map of the Phase1 Components

² Scattered rural wastewater treatment terminals are mostly reconstructed from existing wastewater tanks, and their site selection and sewer line distribution will be determined through adequate public consultation. Since land ownership will remain unchanged, no involuntary resettlement will be involved.

1.1.3 Note on this RAP

According to the agreement between Zhejiang Province and the Bank, this RAP covers the phase1 components.

The components of phase 2 not included this RAP will be included in the RPF. The resettlement activities should be complied with the RPF when the component is prepared, appraised and implemented.

1.1.4 Identification of Resettlement Impacts

The phase1 components have been identified for resettlement impacts. 20.24 mu of collective land will be acquired, 2.89 mu of state-owned land occupied permanently, and 207.26 mu of land occupied temporarily for the Subproject, affecting 57 households with 201 persons in total, in which 15 households with 55 persons will be affected permanently and 42 households with 146 persons affected temporarily. See Table 1-2.

Table 1-2 Identification of Resettlement Impacts

No.	Component	Main resettlement impacts
L1	Longquan county town water and wastewater improvement project	Acquiring 10 mu of collective woodland, occupying 13.6 mu of collective construction land and state-owned land temporarily
L2	Longquan Xiaomei town water and wastewater project	Occupying 3.49 mu of collective land and 52.2 mu of land temporarily
L3	Longquan Anren town water and wastewater project	Waterworks: 1.96 mu (woodland); WWTP: occupying 2 mu of state-owned land permanently and 30.3 mu of land temporarily
L4	Longquan Badu town water and wastewater project	Waterworks: 2.02 mu (woodland); WWTP: occupying 2.77 mu permanently and 28.7 mu of land temporarily
L5	Longquan first batch decentralized wastewater treatment demonstration project	Scattered rural wastewater treatment terminals' site selection will be determined through adequate public consultation. Since land ownership will remain unchanged, no involuntary resettlement will be involved.
L6	Longquan back alley improvement project	Occupying 0.89 mu of state-owned land permanently and 82.52 mu of state-owned construction land temporarily

1.1.5 Identification of Related Projects

The Longquan PMO and implementing agency (IA) has identified the projects related to the Subproject in accordance with Article 4 of the Bank Operational Policy OP4.12 on Involuntary Resettlement³.

A related project refers to a project that is directly associated with the Subproject in function or benefit, where compensation and resettlement was completed in the past two years (i.e., after April 30, 2011).

At the design stage, the owners attached great importance to the identification of related projects. According to the Feasibility Study Report of the Subproject, the Xibei WWTP and Gaotang Landfill have been identified as related projects. The resettlement work of these related projects had been completed by 2011 (see **Appendix 2**).

1.2 Estimated Investment in Resettlement and Implementation Schedule

Based on prices in 2014, the total resettlement costs of the Subproject are 1.685 million yuan, including LA and land occupation costs, taxes, contingencies, etc., accounting for 0.4% of the budget of the Subproject, all from domestic counterpart funds.

The Subproject will be conducted for an overall construction period of 5.5 years. It will break ground in the second half of 2014 and be completed in 2020. Consistent with the construction

³ This policy applies to all components resulting in involuntary resettlement, regardless of funding source. It also applies to other activities resulting in involuntary resettlement, which are judged by the Bank to be: (a) directly and materially associated with the Subproject; (b) essential to the fulfillment of the objectives of the Subproject; and (c) implemented or planned to be implemented in step with the Subproject.

period of the Subproject, resettlement will begin in June 2014.

1.3 Benefit Analysis

1.3.1 Social Benefits

1. Collecting and treating urban and rural domestic wastewater, reducing pollutant emissions, and improving the water and environmental quality;
2. Improving the local urban and rural infrastructure, promoting economic development, and improving people's living standard through the construction of waterworks, WWTPs, and water supply and sewer lines; and
3. Promoting investment and generating a large number of jobs, thereby solving the employment problem of local residents and attracting more outstanding talent to contribute to local development.

1.3.2 Economic Benefits

The Subproject has the following economic benefits:

1. Laying a solid foundation for the city's development and promote investment;
2. Utilizing loans from the Bank and domestic banks to alleviate local fiscal pressure; and
3. Increasing the fixed asset investment of Longquan City.

2 Impacts of the Subproject

2.1 Measures to Reduce Resettlement

2.1.1 Principles for Design and Site Selection

Resettlement impacts have been minimized at the design stage on the following principles: avoiding or minimizing occupation of existing and planned residential areas; avoiding or minimizing occupation of high-quality farmland; gaining access to the proposed construction sites through existing state and local roads; avoiding or minimizing occupation of environmentally sensitive areas; and Selecting resettlement sites in compliance with the local development plan.

The sewer network was routed on the following principles:

1. The impact on agricultural income should be minimized, and existing roadside green belts and unused land utilized where possible;
2. If the temporary occupation of farmland is inevitable, construction should be conducted after harvest or before sowing, and affected households (AHs) notified in advance; and
3. Since the subproject area is located in the subtropical zone with a high precipitation in summer, pavement excavation should be avoided in the rainy season where possible.

2.1.2 Comparison of Options

At the planning and design stages, the design agency and owners of the Subproject took the following effective measures to reduce the local socioeconomic impacts of the Subproject:

1. At the planning stage, the local socioeconomic impacts of the Subproject were taken as a key factor for option optimization and comparison.
2. At the RAP preparation and implementation stage, when LA or HD is unavoidable, the following measures will be taken to reduce the local impacts of the Subproject: Strengthen the collection of basic information, make an in-depth analysis of the local present socioeconomic situation 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 Subproject. Encourage public participation actively and accept public supervision. 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.

Table 2-1 Comparison of Options

No.	Component	Option 1		Option 2		Impact alleviation effect	
		Design	Impact	Design	Impact	Preferred	Impact alleviation effect
1	Urban Area Water Supply and Drainage Facility Improvement	Occupying 20.2 mu of occupied land	9 households with 31 persons	Occupying 10 mu of woodland	Nanfeng Village collective	Option 2	Avoiding the occupation of farmland and resettlement of 9 households with 31 persons
2	Longquan first batch decentralized wastewater treatment demonstration project	Occupying 1.8 mu of farmland in Jibian and Shangwu Villages	2 households with 7 persons	Reconstructed on existing WWT tanks	Jibian Village collective	Option 2	Avoiding the occupation of farmland and resettlement of 2 households with 7 persons

2.2 Resettlement Impact Survey

Jianchi Sub-district, Xijie Sub-district, Zhatian Town, Xiaomei Town, Anren Town, Badu Town, Zhulong Town, Julan Xiang, Shangyang Town, Zhuyang Xiang and Tashi Street in Longquan City

will be affected by the Subproject.

The main types of impacts of the Subproject are collective land acquisition, permanent occupation of state-owned land, and temporary land occupation.

2.3 Survey Information

2.3.1 Survey Methods and Process

During July-November 2013, the survey team of Hohai University was appointed by the provincial PMO to conduct a socioeconomic profile and a detailed measurement survey (DMS) in the subproject area according to the Proposal and Feasibility Study Report (first draft) of the Subproject, covering household background, LA and HD impacts, etc.

In addition, the team interviewed officials of the statistics bureau, land and resources bureau, HD management office, labor and social security bureau, development and reform bureau, women's federation, civil affairs bureau, etc., and held FGDs with township and village officials, and representatives of the APs, in which 30% of attendees were women, covering impacts of the Subproject, household income and expenditure, expected resettlement modes, resettlement measures, etc.



Figure 2-1 Fieldwork Photos

2.3.2 Completed Public Participation and Consultation Activities

During the preparation of this RAP, the Longquan PMO, LWSSC, LRWSS, survey team and design agency conducted a series of public participation and consultative activities to minimize the Subproject's negative impacts, and ensure that local residents benefit from the Subproject. See Table 2-2.

Table 2-2 Completed Public Participation and Consultation Activities

No.	Time	Scope	Participants	Organized by	Outcome
1	May 2013	Optimization of the subproject design	Longquan PMO, LWSSC, LRWSS, township/sub-district and village officials, APs	Longquan PMO	Optimizing the subproject area
2	May 2013	Identifying the subproject area, and conducting publicity	Longquan PMO, LWSSC, LRWSS, township/sub-district and village officials, APs	Longquan PMO	Conducting preparatory work
3	Jul. 2013	Socioeconomic survey, DMS	Longquan PMO, LWSSC, LRWSS, Hohai University, township/sub-district and village officials, APs	Longquan PMO, LWSSC, LRWSS	Learning the socioeconomic profile of the subproject area and impacts
5	Jul. 2013	Resettlement policies and programs	Longquan PMO, LWSSC, LRWSS, Hohai University, township/	Longquan PMO, LWSSC, LRWSS	Determining the resettlement policies of the Subproject preliminarily

No.	Time	Scope	Participants	Organized by	Outcome
			sub-district and village officials, APs		
6	Jul. 2013	Background and expected resettlement modes of AHs	Longquan PMO, LWSSC, LRWSS, Hohai University, township/sub-district and village officials, APs	Longquan PMO, LWSSC, LRWSS	Preliminary consultation on resettlement modes
7	Sep. 2013	Discussing individual issues in resettlement	Longquan PMO, LWSSC, LRWSS, Hohai University, township/sub-district and village officials	Longquan PMO, LWSSC, LRWSS	Supplementary consultation on resettlement

2.4 Permanent Acquisition of Collective Land

2.4.1 Permanently Acquired Collective Land

20.24 mu of collective land will be acquired for the Subproject, including 3.56 mu of cultivated land and 16.68 mu of woodland, affecting 15 households with 55 persons. See Table 2-3.

In addition, 6.86 mu of unused land in Hecun, Xiaohuangnan, Songqu, Shuita, Dazhai and Jibian and Shangwu will be occupied for the Longquan first batch decentralized wastewater treatment demonstration project.

2.4.2 Impact Analysis

3.56 mu of collective cultivated land in Group 5 of Village 4 of Badu Town and Group 1 of Village 4 of Xiaomei Town will be acquired for the Subproject, affecting 8 households with 28 persons directly.

According to the socioeconomic survey, a comparative analysis has been made on the cultivated areas of the affected village groups before and after LA. The two affected village groups have 243.6 mu of cultivated land, in which 3.56 mu will be acquired for the Subproject, with an overall land loss rate of 1.46%; while their land loss rates are 3.55% and 0.48%, and their income loss rates 8.08% and 4.02% respectively. See Table 2-4.

The land and income loss rates of the 8 AHs in both groups are less than 10%, and none of them will have a per capita cultivated area of less than 0.3 mu. See Table 2-5.

It can be seen that LA will have little impact on the affected village groups. In these groups, household income is from fungus cultivation and local employment mainly, and the percentage of agricultural income is very low.

Table 2-3 Permanently Acquired Collective Land

No.	Component	Subcomponent	Township	Village	Group	Acquired land area (mu)				Total	Affected		Remarks
						Non-irrigated land	Irrigated land	Woodland	Construction land		HHS	Population	
L1	Longquan county town water and wastewater improvement project		Jianchi Sub-district	Nanqin	/	0	0	10	0	10	0	0	Collective owned (non-contracted)
L2	Longquan Xiaomei town water and wastewater project	Xiaomei Town subcomponent	Xiaomei Town	Village 3	1	0	0	2.7	0	2.7	0	0	Collective owned (non-contracted)
				Village 4	1	0	0.79	0	0	0.79	4	14	/
L3	Longquan Anren town water and wastewater project		Anren Town	Xiangbian	2	0	0	1.96	0	1.96	4	15	/
L4	Longquan Badu town water and wastewater project		Zhuyang Xiang	Jintain	8	0	0	2.02	0	2.02	3	12	/
			Badu Town	Village 4	5	0	2.77	0	0	2.77	4	14	/
Total						0	3.56	16.68	0	20.24	15	55	/

Table 2-4 Impacts of Permanent Acquisition of Collective Land

Component	Township	Village	Group	Before LA			After LA			Per capita cultivated area after LA (mu)	LA impacts			Income loss (yuan)				
				HHS	Population	Cultivated area (mu)	Per capita cultivated area (mu)	AHs	APs		Cultivated area (mu)	Percentage of households (%) ⁴	Percentage of population (%) ⁵	Land loss rate (%) ⁶	Annual loss ⁷	Average loss per household	Per capita loss	Percent to per capita net income (%) ⁸
Longquan Badu town water and wastewater project	Badu Town	Village 4	5	34	118	78	0.66	4	16	2.77	0.83	11.76%	13.56%	3.55%	15512	3878	969.5	8.08%
Longquan Xiaomei town water and wastewater project	Xiaomei Town	Village 4	1	62	207	165.6	0.8	3	11	0.79	0.79	4.84%	5.31%	0.48%	4424	1474.67	402.18	4.02%

⁴ Percentage of households = number of households affected by LA / number of households

⁵ Percentage of population = population affected by LA / population

⁶ Land loss rate = acquired cultivated area / cultivated area

⁷ Annual loss = acquired land area * output value per mu

⁸ Percent to per capita net income = per capita loss / per capita annual net income (12,000 yuan in Village 4 of Badu Town; 10,000 yuan in Village 4 of Xiaomei Town)

Table 2-5 Land and Income Loss Rates of AHs

Component	Township	Village	Group	Land loss rate						Total		Income loss rate						Total	
				<10%		11-50%		50-100%		HHs	Population	<10%		11-50%		50-100%		HHs	Population
				HHs	Population	HHs	Population	HHs	Population			HHs	Population	HHs	Population	HHs	Population		
Longquan Badu town water and wastewater project	Badu Town	Village 4	5	4	14	0	0	0	0	4	14	4	14	0	0	0	0	4	14
Longquan Xiaomei town water and wastewater project	Xiaomei Town	Village 4	1	4	14	0	0	0	0	4	14	4	14	0	0	0	0	4	14
Total				8	28	0	0	0	0	8	28	8	28	0	0	0	0	8	28
Percent				100%	100%	/	/	/	/	/	/	100%	100%	/	/	/	/	/	/

2.5 Permanent Occupation of State-owned Land

2.89 mu of state-owned land will be occupied for Longquan back alley improvement project, and Anren Town Water Supply and Drainage Facility Improvement. See **Error! Reference source not found.**

Table 2-6 Permanently Occupied State-owned Land

No.	Component	State-owned construction land	Remarks
L3	Anren Town Water Supply and Drainage Facility Improvement (WWTP)	2	Industrial park
L6	Longquan back alley improvement project	0.89	/
	Total	2.89	/

2.6 Temporary Land Occupation

207.26 mu of land will be occupied temporarily for the Subproject, including 11.9 mu of collective cultivated land, 10.49 mu of woodland, 77.43 mu of collective construction land and 107.44 mu of state-owned land, affecting 42 households with 146 persons. See **Error! Reference source not found.**

Table 2-7 Temporarily Occupied Land

No.	Component	Township	Village	Acquired land area (mu)				Total	Affected		
				Cultivated land	Woodland	Collective construction land	State-owned land		HHs	Population	
L1	Longquan county town water and wastewater improvement project	Jianchi Sub-district	Nanqin	0	0	11.42	2.21	13.63	0	0	
L2	Longquan Xiaomei town water and wastewater project	Xiaomei Town	1, 2, 3 and Huangnan, & Maoshantou	2.81	3.66	14.72	6.24	27.43	6	21	
L3	Longquan Anren town water and wastewater project	Anren Town	Xiangbian	2.42	2.55	17.83	7.46	30.26	8	28	
L4	Longquan Badu town water and wastewater project	Badu Town	Village 4	3.23	4.28	15.53	5.65	28.69	13	43	
L5	Longquan first batch decentralized wastewater treatment demonstration project	Hecun Village subcomponent	Xijie Sub-district	Hecun	0.44	0	3.68	0	4.12	2	7
		Shuita Village subcomponent	Zhulong Town	Shuita	0.22	0	0.29	0.23	0.74	2	8
		Jibian and Shangwu Villages subcomponent	Tashi Sreet	Jibian, Shangwu	1.45	0	5.76	0.92	8.13	6	22
		Songqu Village subcomponent	Badu Town	Songqu	0.32	0	0.84	2.21	3.37	1	4
		Lanju Xiang subcomponent	Julan Xiang	Dazhai	0.55	0	3.65	0	4.2	2	7
		Xiaohuangnan Village subcomponent	Shangyang Town	Xiaohuangnan	0.46	0	3.71	0	4.17	2	6
L6	Longquan back alley improvement project	/	/	0	0	0	82.52	82.52	0	0	
Total				11.9	10.49	77.43	107.44	207.26	42	146	

2.7 Affected Infrastructure and Ground Attachments

The Subproject will affect such ground attachments as bamboo trees, loquat trees, tangerine trees, tea gardens, simple sheds, telegraph poles, etc., and will not involve the relocation of any tomb.

Table 2-8 Summary of the Affected Ground Attachments

Type	Unit	Qty.	Proprietors	
Bamboo trees	Edible bamboo	mu	5.5	Villagers
	Pine	mu	24	Collective
Tangerine trees	Young	/	130	Villagers
	Adult	/	98	Villagers
Loquat trees	Young	/	65	Villagers
	Adult	/	120	Villagers
Tea gardens	Operating (medium)	mu	2.5	Villagers
Nurseries	Biennial	mu	3	Villagers
Simple sheds	Type 2	m ²	43	Villagers
Telegraph poles		/	28	Power company
Communication poles		/	25	Telecom company
Fitness apparatus		/	8	Collective

2.8 Affected Population

2.8.1 Summary

15 households with 55 persons will be affected by collective land acquisition, and 42 households with 146 persons by temporary land occupation, totaling 57 households with 201 persons in total. See Table 2-9.

Table 2-9 Summary of the Affected Population

NO.	Component	Affected population					
		Permanently affected		Temporarily affected		Total	
		LA		Temporary land occupation			
		HHs	Population	HHs	Population	HHs	Population
L1	Longquan county town water and wastewater improvement project	0	0	0	0	0	0
L2	Longquan Xiaomei town water and wastewater project	4	14	6	21	10	35
L3	Longquan Anren town water and wastewater project	4	15	8	28	12	43
L4	Longquan Badu town water and wastewater project	7	26	13	43	20	69
L5	Longquan first batch decentralized wastewater treatment demonstration project	0	0	15	54	15	54
L6	Longquan back alley improvement project	0	0	0	0	0	0
Total		15	55	42	146	57	201

2.8.2 Affected Vulnerable Groups

For the purpose of the Subproject, vulnerable groups include the disabled, five-guarantee households, women-headed households and MLS households. The Subproject involves no vulnerable group.

3 Socioeconomic Profile

3.1 Socioeconomic Profile of the Affected City

Longquan City is located in southwestern Zhejiang Province, on the boundary of the Yangtze River Delta and the Economic Zone on the West Coast of the Taiwan Straits, being a key state-level exemplary ecological city, and a cradle of blue porcelain and swords. The city has a land area of 3,059 km² and a resident population of 283,900, and governs 3 sub-districts, 8 towns, 8 Xiangs, 11 communities and 444 villages.

In 2012, the city's GDP was 8.765 billion yuan, in which that of primary industries was 1.448 billion yuan, that of secondary industries 4.06 billion yuan and that of tertiary industries 3.357 billion yuan, and fiscal revenue 758 million yuan. In 2012, the per capita disposable income of urban residents was 27,930 yuan and the per capita net income of rural residents 9,127 yuan.

3.2 Socioeconomic Profile of the Affected Sub-districts/Townships

Jianchi Sub-district, Xijie Sub-district, Zhatian Town, Xiaomei Town, Anren Town, Badu Town, Zhulong Town, Julan Xiang, Shangyang Town, Zhuyang Xiang and Tashi Street in Longquan City will be affected by the Subproject. See **Error! Reference source not found.** for the key economic indicators of the affected townships.

Table 3-1 Socioeconomic Profile of the Affected Sub-districts/Townships

Township	Population (0,000)			Agriculture		GDP (00 million yuan)						Per capita net income of rural residents (yuan)		
	Total	Males	Females	Cultivated area (mu)	Crop output (T)	GDP	Primary industries		Secondary industries		Tertiary industries		Per capita GDP (yuan)	
							Output value	Percentage	Output value	Percentage	Output value			Percentage
Jianchi Sub-district	2.24	1.15	1.09	8839.5	149.48	149.09	0.49	0.33%	90	60.36%	58.6	39.31%	66517.86	11270
Xijie Sub-district	2.26	1.17	1.09	7929.3	3806.06	6.21	0.52	8.37%	3.21	51.69%	2.48	39.94%	27831.86	10328
Xiaomei Town	1.18	0.62	0.56	13251.9	6404	1.88	0.98	0.03%	0.72	38.30%	0.18	9.57%	15889	8997
Anren Town	1.86	0.97	0.89	19716	9463.68	3.99	1.02	25.56%	2.48	62.16%	0.49	12.28%	21505.38	8686
Badu Town	2.5	1.3	1.2	26985	12004	10.68	2.12	19.85%	8.3	77.72%	0.26	2.43%	39322	8998
Shangyang Town	1.72	0.89	0.83	7323	3588.27	5.58	1.28	22.94%	3.82	68.46%	0.48	8.60%	32441.86	8679
Zhulong Town	0.68	0.35	0.33	4337	2038.39	3.03	0.86	28.38%	1.79	59.08%	0.38	12.54%	44558.82	8658
Julan Xiang	1.78	0.91	0.87	17659.2	8299.82	5.05	1.8	35.64%	2.88	57.03%	0.37	7.33%	28458.72	8200
Tashi Street	0.86	0.49	0.37	10413	4721.6	1.84	0.91	49.46%	0.51	27.72%	0.42	22.83%	17090	8569
Zhuyang Xiang	0.78	0.4017	0.3783	10008	4803.84	2.1	0.89	0.42380952	0.85	0.4047619	0.36	0.17142857	26923	5938

3.3 Socioeconomic Profile of the Affected Villages

12 villages will be affected by the Subproject. See Table 3-2 for the key economic indicators of the affected villages.

Table 3-2 Socioeconomic Profile of the Affected Villages

No.	Township	Village	HHs	Population	Where: males	Cultivated area (mu)	Per capita cultivated area (mu)	Net income of rural residents (yuan)
1	Jianchi Sub-district	Nanqin	807	1887	974	347	0.18	10790
2	Xijie Sub-district	Hecun	305	953	492	733	0.77	11007
3	Xiaomei Town	Village 3	141	476	246	503	1.06	7914
4		Village 4	209	548	283	484	0.88	10000
5	Anren Town	Xiangbian	410	1460	753	923	0.63	10550
6	Zhuyang Xiang	Jintain	197	727	375	880	1.21	8700

No.	Township	Village	HHs	Population	Where: males	Cultivated area (mu)	Per capita cultivated area (mu)	Net income of rural residents (yuan)
7	Badu Town	Village 4	319	1199	619	955	0.80	12000
8	Julan Xiang	Wumeiyang	169	603	311	474	0.79	8305
9	Shangyang Town	Xiaohuangnan	220	771	398	658.7	0.85	8180
10	Badu Town	Songqu	419	1494	771	1493	1.00	8995
11	Zhulong Town	Shuita	110	403	208	480	1.19	9500
12	Julan Xiang	Dazhai	123	484	253	362.4	0.75	7100

3.4 Socioeconomic Profile of the Affected Population

In order to learn the basic information of the APs, the survey team conducted a sampling survey on the Ahs during July-November 2013. 15 households with 55 persons were sampled, with a sampling rate of 100%.

1. General information

The 15 sample households have 55 persons in total, averaging 3.6 persons per household, including 37 laborers and 30 females.

2. Age structure

In the sample population, 4 are aged below 6 years, accounting for 7.27%; 5 aged 6-16 years, accounting for 9.09%; 36 aged 16-60 years, accounting for 65.45%; and 10 aged 60 years or above, accounting for 18.18%. See Figure 3-1.

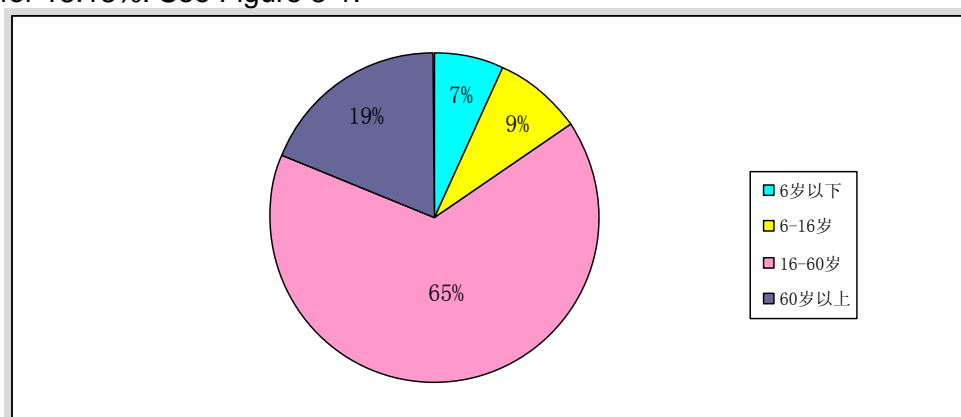


Figure 3-1 Age Distribution of the Sample Population

3. Educational level

Except the preschool children, the sample population includes 6 illiterates, accounting for 13.04%; 12 having received primary school education, accounting for 26.09%; 16 having received junior high school education, accounting for 34.78%; 10 having received senior high or technical secondary school education, accounting for 21.74%; and 2 having received junior college or above education, accounting for 4.35%. See Figure 3-2.

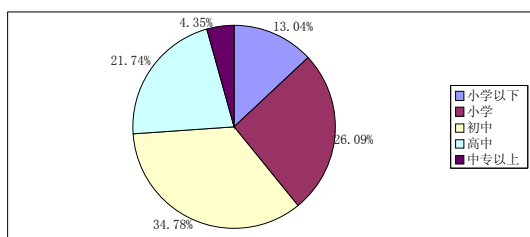


Figure 3-2 Educational Level Distribution of the Sample Population

4. Land resources

The 21 sample households have a per capita cultivated area of 0.86 mu and an average cultivated area of 3.16 mu per household, where per capita cultivated area ranges from 1.65 mu to 0.5 mu.

5. Annual Household Income and Expenditure

The 15 sample households have per capita annual income of 10,086.49 yuan, including agricultural income of 4,060.82 yuan, accounting for 40.26%; employment income of 4,909.09 yuan, accounting for 48.67%; wage income of 459.94 yuan, accounting for 4.56%; operating income of 515.42 yuan, accounting for 5.11%; and other income of 141.22 yuan, accounting for 1.4%.

Per capita annual expenditure is 5,862.54 yuan, including productive expenses of 586.17 yuan, accounting for 7.25%; nonproductive expenses of 4,526.65 yuan, accounting for 77.21%; and other expenses of 749.72 yuan, accounting for 15.54%.

Per capita annual net income is 4,454.35 yuan. See Table 3-3.

Table 3-3 Annual Income and Expenditure of the Sample Households

Item	Average per household (yuan)	Per capita (yuan)	Percent (%)
Annual household income	585016.42	10086.49	100
1) Agricultural income	235527.56	4060.82	40.26
2) Employment income	284727.22	4909.09	48.67
3) Wage income	26676.52	459.94	4.56
4) Operating income	29894.36	515.42	5.11
5) Other income	8190.76	141.22	1.4
Total	340027.32	5862.54	100
Productive expenses	33997.86	586.17	7.25
1) Seeds, feeds, etc.	5099.68	92.72	15
2) Pesticides	8839.44	160.72	26
3) Fertilizers	9519.40	173.08	28
4) Irrigation	1699.89	30.91	5
5) Operating	8839.44	160.72	26
Nonproductive expenses	262545.70	4526.65	77.21
1) Food	144400.14	2625.46	55
2) Clothing, traffic, housing	68261.88	1241.13	26
3) Entertaining expenses	49883.68	906.98	19
Other	43483.76	749.72	15.54
Net income	244989.1	4454.35	\

4 Legal Framework and Policies

4.1 Regulations and Policies on Resettlement

1. State laws and regulations

- Land Administration Law of the PRC
- Regulations on the Implementation of the Land Administration Law of the PRC (Decree No.256 of the State Council)
- Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28)
- Interim Regulations on Farmland Occupation Tax of the PRC
- Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLS [2004] No.238)
- Notice of the Ministry of Land and Resources on Doing a Practical Job in Compensation for Land Acquisition (MLR [2004] No.58)

2. Local regulations and policies

- Measures of Zhejiang Province for the Implementation of the Land Administration Law of the PRC (effective from December 30, 2009)
- Notice on Re-promulgating the Location-based Composite Land Prices for Land Acquisition of Longquan City (LMG [2012] No.36)
- Rural Benchmark Land Prices of Longquan City in 2008
- Interim Measures of Longquan City for Basic Living Security for Land-expropriated Farmers (LMG [2006] No.66)
- Implementation Rules of Longquan City for Social Endowment Insurance for Urban and Rural Residents (LMG [2010] No.44)
- Notice on Adjusting the Minimum Living Security Standards for Urban and Rural Residents (LMGO [2013] No.62)
- Plan of Longquan City for Adjusting Compensation Rates for Ground Attachments and Structures (LMGO [2008] No.173)

3. 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)

4.2 Key Provisions

The Land Administration Law of the PRC is the main policy basis of the Subproject. The Ministry of Land and Resources and the Gansu Provincial Government have promulgated policies and regulations on this basis. The Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28) promulgated in October 2004 defines the principles and rates of compensation and resettlement for LA, and LA procedures and monitoring system. These legal documents constitute the legal basis for resettlement in the Subproject together with the Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238).

4.2.1 Land Administration Law of the PRC

In acquiring land, compensation should be made according to the original purposes of the land acquired. 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. The standards for land compensation and resettlement fees for land acquired shall be determined by various provinces, autonomous regions and municipalities in reference to the land compensation fees and resettlement fees for cultivated land acquired. In acquiring vegetable fields in suburban areas, the units using the land should pay new vegetable field development and construction fund. Whereas the land compensation fees and resettlement fees paid according to the provisions of the second paragraph of this article are not enough to maintain the original level of living, the resettlement fees may be increased with the approval of the people's governments of provinces, autonomous regions and municipalities. But the combined total of land compensation fees and resettlement fees shall not exceed 30 times the average output value of the three years prior to the 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 47)

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. (Article 57)

4.2.2 Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition

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.

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.

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.

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.

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.

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.

4.2.3 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.

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.

4.3 Resettlement Policies of the Subproject

4.3.1 Collective land

1. Compensation policy

1) Compensation for permanent LA includes land compensation fees, resettlement subsidies, and compensation fees for young crops and ground attachments. Acquired land should be compensated for based on its former use and for young crops attached thereto.

2) Compensation rates for acquired cultivated land will be based on location-based composite land prices for LA of Longquan City (i.e., land compensation and resettlement subsidy).

3) Ground attachments and young crops will be compensated for through appraisal.

2. Resettlement policy

The main resettlement modes of the Subproject include cash compensation, endowment insurance and employment.

1) LA compensation fees will be fully paid to the AHs, which may cover endowment insurance for LEFs or other types of social security (e.g., rural social endowment insurance). Compensation fees for young crops and ground attachments will be paid to their proprietors.

2) The government will establish a sound labor service system to provide employment assistance to the APs, such as opening the labor market for free and offering skills training.

4.3.2 State-owned land

The state-owned occupied for the Subproject will be compensated for in accordance with the Rural Benchmark Land Prices of Longquan City in 2008 (Table 4-2).

4.3.3 Temporary Land Occupation

In the Subproject, compensation for temporary land occupation includes compensation fees for ground attachments and young crops, and land reclamation costs, where compensation fees for ground attachments and young crops will be paid to their proprietors, and land reclamation costs

used for land restoration and field facility construction.

Compensation for the temporarily occupied farmland (cultivated land and woodland) includes compensation fees for land, ground attachments and young crops. The temporarily occupied collective construction land will not be compensated for.

4.3.4 Policy for Affected Ground Attachments and Infrastructure

The affected ground attachments will be compensated for at full replacement cost, and reconstructed by their proprietors.

4.4 Compensation Rates

4.4.1 Acquisition of Collective Land

According to the Notice on Re-promulgating the Location-based Composite Land Prices for Land Acquisition of Longquan City (LMG [2012] No.36), location-based composite land prices consist of land compensation fees, resettlement subsidies, and compensation fees for young crops and ground attachments. See .

Table 4-1.

Table 4-1 Compensation Rates for Acquisition of Collective Land

Unit: yuan/mu

Land type	Location-based composite land price					Remarks
	Type I areas	Type II areas	Type III areas	Type IV areas	Type V areas	
Cultivated land, garden land, land for farmland irrigation facilities	76670	53340	40000	33330	30000	Construction land will be compensated for by reference to cultivated land
Developed garden land	50000	36670	30000	26670	20000	
Woodland, unused land	40000	23340	16670	13330	10000	

Note: Nanqin Village is a Type II area; Villages 3 and 4 of Xiaomei Town, Xiangbian Village, Village 4 of Badu Town and Wumeiyang Village are Type IV areas, and Jintain Village is a Type V area.

4.4.2 Occupation of State-owned Land

Longquan Back Alley Improvement, and Anren Town Water Supply and Drainage Facility Improvement will occupy 4.41 mu of state-owned land in total. The benchmark land prices are as shown in Table 4-2.

Table 4-2 Rural Benchmark Land Prices

Township	Benchmark land price (yuan/mu)
Anren Town	66670
Urban area	92004

4.4.3 Temporary Land Occupation

The temporarily occupied rural collective land will be compensated for based on the period of occupation, which is not more than two years. Compensation includes compensation fees for land and young crops. See Table 4-3.

Table 4-3 Compensation Rates for Temporary Land Occupation

Compensation rate (yuan/mu)			Remarks
Young crop compensation	Land compensation	Total	For a period of occupation of not more than two years
3333	1000	4333	

4.4.4 Infrastructure and Ground Attachments

According to the Plan of Longquan City for Adjusting Compensation Rates for Ground Attachments and Structures (LMGO [2008] No.173), and Notice on Re-promulgating the Location-based Composite Land Prices for Land Acquisition of Longquan City (LMG [2012] No.36),

the compensation rates for infrastructure and ground attachments are as shown in Table 4-4.

Table 4-4 Compensation Rates for Infrastructure and Ground Attachments

Item	Unit	Rate (yuan)	
Bamboo trees	Edible bamboo	mu	1200
	Pine	mu	300
Tangerine trees	Young	/	20
	Adult	/	50
Loquat trees	Young	/	20
	Adult	/	50
Tea gardens	Operating (medium)	mu	4000
Nurseries	Biennial	mu	4000
Simple sheds	Type 2	m ²	60

4.4.5 Rates of Other Costs

Table 4-5 Tax and Fee Rates on LA

No.	Item	Rate
1	Fees for compensated use of additional construction land	10667 yuan/mu
2	Land reclamation costs	13333 yuan/mu
3	Farmland occupation tax	23333 yuan/mu
4	LA management costs	2.1% of LA costs
5	Contingencies	10% of LA costs
6	Administrative costs	5% of basic costs
7	Planning and monitoring costs	15% of basic costs
8	Training costs	5% of basic costs
9	Contingencies	10% of basic costs

5 Resettlement and Income Restoration

5.1 Objective and Principles of Resettlement

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

Some principles for resettlement and restoration have been developed according to the above objectives:

1. The willingness of the APs should be respected, and their existing production and living traditions maintained;
2. Resettlement restoration programs should be tailored to impacts of LA and HD, and based on compensation rates for LA and HD;
3. Resettlement restoration programs should be combined with group construction, resources development, economic development and environmental protection programs so as to ensure the sustainable development of the affected village groups and persons; and
4. The standard of living of vulnerable groups adversely affected by the Project should be improved.

5.2 Restoration Program for Acquired Collective Land

5.2.1 Summary of Resettlement Programs

According to the analysis in Section 2.4.2, the overall land loss rate of the 4 affected village groups is 0.98%, and their land loss rates are all below 5%, ranging from 3.6% (Group 2 of Village 1 of Badu Town) to 0.35% (Group 3 of Shuita Village, Zhulong Town). Per capita income loss rate accounts for 3.47%-5.94% of gross income.

The resettlement program for permanent LA has been developed through consultation, and includes such measures as cash compensation, skills training and social security.

5.2.2 Cash Compensation

Almost all AHs support the Subproject and expect cash compensation. Compensation fees will be calculated in strict conformity with the applicable state and local policies, and paid to the AHs fully and timely for agricultural or nonagricultural income-generating activities.

Based on the prevailing 3-year fixed deposit rate of 4.75% in December 2013, and the compensation rate for collective farmland of 40,000 yuan/mu in Type III areas, annual interest income will be 1,900 yuan/mu ($40,000 \times 4.75\%$), which is greater than the annual net income of farmland of 1,800 yuan/mu. Therefore, the compensation rates under the Subproject can make up the lost income of the AHs.

5.2.3 Skills Training and Employment Promotion

In order to protect the APs' rights and interests, and promote their livelihood restoration sustainably, the owners have strengthened skills training and employment promotion for the APs in conjunction with other departments concerned.

Based on local industry mix and market demand, it is planned to give agricultural skills training with focus on tealeaf and edible fungus cultivation to old farmers, and nonagricultural skills training with focus on services, metallurgy and casting to young farmers to meet their employment needs.

It is learned that agricultural and nonagricultural skills training is available locally, as detailed in Table 5-1.

Table 5-1 Summary of Local Training Programs

No.	Item	Scope	Hours	Trainees	Period	remarks
1	Electrician	Theory and practice	210	68	2014-2015	Special funds of government
2	Lathe worker	Programming and operation	210	60	2014-2015	

No	Item	Scope	Hours	Trainees	Period	remarks
3	Welder	Theory and practice	210	70	2014-2015	
4	Bench worker	Theory and practice	210	70	2014-2015	
5	Blue porcelain maker	DIY creation, sculpture, etc.	210	50	2014-2015	
6	Sewing man	Electric sewing machine operation	140	40	2014-2015	
7	Construction	Bricklaying, bar setting, plumbing	105	120	2014-2015	
8	Security guard	Property management	105	40	2014-2015	
9	Agricultural skills	Bamboo, tealeaf, edible fungi	50	150	2014-2015	

5.2.4 Social Security

1. Basic endowment insurance for LEFs

Eligibility: LEFs with remaining per capita cultivated area of less than 0.2 mu and having attained 16 years

None of the APs is eligible.

2. Endowment insurance for urban and rural residents

According to the Implementation Rules of Longquan City for Social Endowment Insurance for Urban and Rural Residents (LMG [2010] No.44):

1. Eligibility: registered population in Longquan City, having attained 16 years, other than workers of government agencies, public institutions and social organizations

2. Contribution levels: The insured may select contribution levels and pay premiums annually with government subsidies. Currently, there are 7 contribution levels, namely 100 yuan, 200 yuan, 300 yuan, 400 yuan, 500 yuan, 700 yuan and 900 yuan, where the government grants a subsidy of 30 yuan for the first 6 levels and 40 yuan for the last level annually.

3) Benefit: The insured will receive a pension monthly when attaining 60 years. Benefit consists of a basic pension (80 yuan per capita per month) and an individual account pension (balance of the individual account divided by 139).

All the APs having attained 16 years have covered endowment insurance for urban and rural residents.

5.3 Restoration Program for Temporary Land Occupation

207.26 mu of land will be occupied temporarily for the Subproject, including 11.9 mu of collective cultivated land, 10.49 mu of woodland, 77.43 mu of collective construction land and 107.44 mu of state-owned land, affecting 42 households with 146 persons.

In general, the temporary occupation of collective construction land and state-owned land will not result in any property loss. The Longquan PMO and owner will restore the occupied land timely, and costs so incurred will be included in the budget of the Subproject.

The temporarily occupied collective cultivated land and woodland will be restored by the construction agency, and compensation will be paid to the affected proprietors.

5.4 Restoration Program for Infrastructure and Ground Attachments

All public facilities affected by the Subproject will be relocated or restored by proprietors. Restoration measures for affected traffic infrastructure must be planned and arranged in advance and suited to local conditions, so that such measures are safe, efficient, timely and accurate, and their adverse impact on nearby residents is minimized.

6 Organizational Structure for Resettlement

6.1 Resettlement Agencies

6.1.1 Organizational Setup

Since October 2012, the resettlement agencies of the Subproject have been established gradually, and their responsibilities defined.

1. Provincial Project Leading Group
2. Provincial PMO (provincial PMO)
3. Longquan Subproject Leading Group
4. Longquan PMO
5. LWSSC and LRWSS (owners)
6. Affected townships/sub-districts
7. Village committees
8. External M&E agency

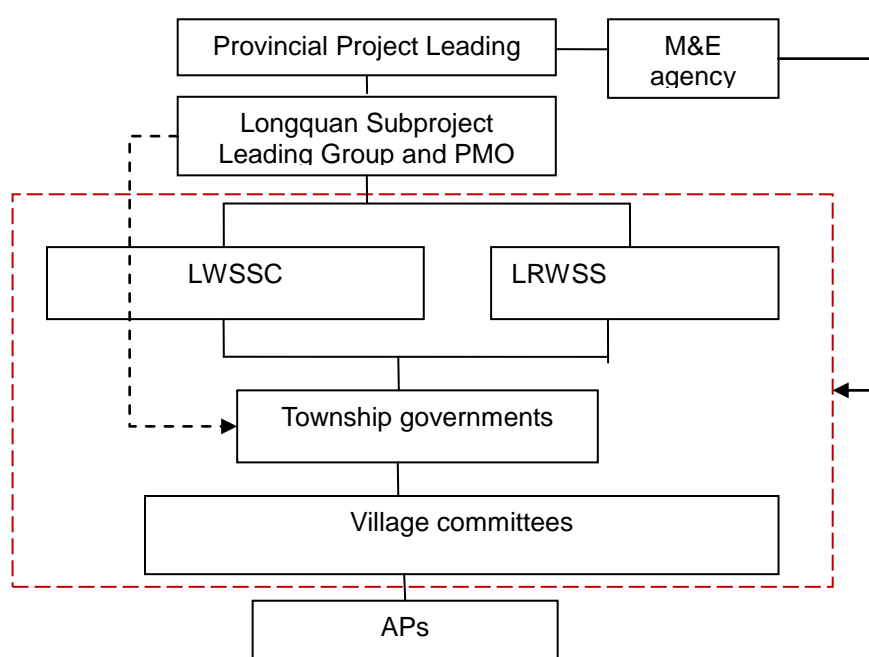


Figure 6-1 Organizational Chart for Resettlement

6.1.2 Organizational Responsibilities

◇ Provincial Project Leading Group

Composed of leaders from the provincial development and reform commission, construction department, land and resources department, environmental protection department, and water resources department, responsible mainly for the organizational leadership and deployment of the Zhejiang Rural Water Supply and Sanitation Project, and coordinating relevant issues

◇ Provincial PMO

1. Coordination, management, supervision, guidance and monitoring in project implementation, and appointing technical, environmental and social consulting agencies;
2. Contacting with the provincial, municipal and county government agencies concerned;
3. Reporting to the Provincial Project Leading Group regularly or irregularly

◇ Longquan Subproject Leading Group

Composed of leaders from the municipal development and reform bureau, construction bureau, land and resources bureau, and water resources bureau, responsible mainly for the organizational leadership and deployment of the Subproject, and coordinating relevant issues

◇ Longquan PMO

1. Coordination, management, supervision, guidance and monitoring in subproject

implementation;

2. Contacting with the municipal and county government agencies concerned;
3. Reporting to the Longquan Subproject Leading Group and provincial PMO regularly or irregularly

✧ **Owners**

1. Assisting the design agency in defining the project area, conducting the DMS and saving data;
2. Raising and disbursing resettlement funds;
3. Assisting in preparing the RAP and implementing resettlement;
4. Directing, coordinating and supervising resettlement activities and progress;
5. Carrying out internal monitoring and preparing internal monitoring reports;
6. Assisting in external monitoring activities.

✧ **Township working teams**

The working team of a township is headed by the township leader responsible, and composed of key officials of the land and resources office, construction office and villages. The main responsibilities are:

1. Participating in the survey of the Subproject, and assisting in the preparation of the RAP;
2. Implementing, inspecting, monitoring and recording all resettlement activities within the township;
3. Responsible for the disbursement and management of compensation fees;
4. Coordinating and handling conflicts and issues arising from its work.
5. Reporting LA, HD and resettlement information to the municipal land and resources bureau and owner

✧ **Village committees**

The resettlement working team of a village or community committee or village group is composed of its key officials, with 3-4 members (including a female member) (see **Appendix 3**). Its main responsibilities are:

1. Participating in the socioeconomic survey and DMS;
2. Organizing public consultation, and communicating the policies on LA and HD;
3. Managing and disbursing resettlement funds;
4. Reporting the APs' opinions and suggestions to the competent authorities;
5. Reporting the progress of resettlement

✧ **External M&E agency**

The external M&E work of the Subproject will be undertaken by an external M&E agency appointed by the provincial PMO. Its main responsibilities are:

- A) observing all aspects of resettlement planning and implementation as an independent M&E agency, monitoring and evaluating the effectiveness of resettlement and the social adaptability of the APs, and submitting resettlement M&E reports to the provincial PMO and Bank;
- B) Providing technical advice to the owner in data collection and processing.

6.2 Staffing and Equipment

6.2.1 Staffing

In order to ensure the successful implementation of resettlement, all resettlement agencies of the Subproject have been provided with full-time staff, and a smooth channel of communication has been established. All staff members have considerable experience in resettlement and are competent. See Table 6-1.

Table 6-1 Staffing of Resettlement Agencies

Agency	Workforce	Workforce responsible for resettlement		Composition
		Total	women	
Provincial PMO	6	1	1	Technicians
Longquan Subproject Leading Group	14	5	2	Civil servants
Longquan PMO	4	3	1	Civil servants, technicians
LWSSC	3	2	0	Technicians

Agency	Workforce	Workforce responsible for resettlement		Composition
		Total	women	
LRWSS	3	2	1	Civil servants
Land and resources bureau	2	2	1	Civil servants
Township governments and village committees	20	15	4	Officials

6.2.2 Equipment

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

6.3 Institutional Capacity Building

In order to implement resettlement successfully, the Longquan PMO will take the following measures to improve institutional capacity:

1. Leadership responsibility system: establishing a leading team headed by the leader in charge of the district government and composed of leaders from departments concerned
2. Well-trained staff: All resettlement agencies are provided with staff experienced and proficient in policies and operations.
3. Definition of responsibilities: The responsibilities of all resettlement agencies have been defined in accordance with a bank's requirements, and the applicable state laws and regulations.
4. Staff training: The resettlement staff will be trained on resettlement policies and file management.
5. Public supervision: All resettlement information should be disclosed to the public for supervision.
6. Resettlement disclosure meetings are held irregularly and relevant information is disclosed as briefs.

Table 6-2 Operational Training Program for Resettlement Agencies

No.	Agency responsible	Scope	Trainees	Duration	Budget
	A	B	C	D	0,000 yuan
1	Provincial PMO	Resettlement learning tour of Bank projects	Backbone staff of PMOs and resettlement agencies	2014-2015	1.5
2	External M&E agency	Resettlement operational training	Backbone staff of PMOs and resettlement agencies	2014-2015	1
3	External M&E agency	Updates of LA and HD policies	Backbone staff of PMOs and resettlement agencies	2014-2015	0.5
4	Longquan PMO	Non-local experience and lessons from resettlement	Backbone staff of PMOs and resettlement agencies	2015-2016	0.5
5	Longquan PMO	Computer operation and data processing	Backbone staff of PMOs and resettlement agencies	2014-2015	0.5
6	Longquan PMO	Bank resettlement procedures and policy	Township/sub-district and village backbone staff	2014-2015	0.5
7	Longquan PMO	Resettlement policies and practice	Township/sub-district and village backbone staff	2015-2016	0.5
Total					5

7 Public Participation and Grievance Redress

7.1 Public Participation Strategy and Methods

According to the policies and regulations of the state, Zhejiang Province and Longquan City on LA, HD and resettlement, great importance will be attached to the participation of and consultation with the APs at the resettlement policy-making, planning and implementation stages in order to protect the lawful rights and interests of APs and entities, 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.

1. Direct means

➤ FGD

FGDs were held with representatives of the APs or village officials to collect comments and learn their concerns.

➤ Resettlement consultation meeting

The resettlement consultation meeting was organized by the PMO to discuss resettlement modes and solicit their comments on the RAP.

2. Indirect means

Grievances, comments and suggestions were directed to the village committees and resettlement agencies for handling.

7.2 Community Participation Handbook

In order to improve the awareness of and participation in the Subproject, give full play to the Subproject benefits, minimize negative impacts, and make the Subproject sustainable, the provincial and Longquan PMOs have developed the Community Participation Handbook to direct the preparation, design, implementation and operation of the Subproject.

Table 7-1 Scope and Outcomes of Community Participation

Stage	Type	Activities	Outcomes
Preparation	Information disclosure	Village discussion Village congress Media coverage Brochure	Over 80% of villagers are aware of the Subproject. Over 80% of villagers support the Subproject. Village working teams are established.
	Publicity and mobilization	Publicity by print media Media publicity Village publicity	
	Training	Multi-level centralized training	
	Village working teams	Establishing village working teams, defining their responsibilities, and training them before the beginning of implementation	
Design	Schematic design	Design communication and consultation Comment collection	The subproject design is completed.
	LA	Determination of compensation mode in consultation with APs Entering into compensation agreements	
Implementation	Construction information disclosure	Holding a village congress and a village meeting Posting on bulletin board Banner Broadcast	Villagers are aware of construction information.
	Participation in construction	Offering compensated service Supervising construction	
Operation	Maintenance staff and costs	Choosing maintenance staff, defining their responsibilities, and training them during trial operation	Defining maintenance staff and costs
	Operation and maintenance	Village committees take over the ownership of wastewater treatment systems.	The systems are managed properly.

Stage	Type	Activities	Outcomes
		The maintenance staff maintains the systems.	

7.3 Public Participation and Consultation Plan

Different participation and consultation activities will be held at different stages. At the 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 Subproject. See Table 7-2.

Table 7-2 Public Participation Plan for the Next Stage

No.	Purpose	Mode	Time	Agencies	Participants	Topics
1	Comments on project design	Discussion	Jan. 2014	Longquan PMO	Village officials, APs	Collecting comments on subproject impacts
2	RAP disclosure	Website	Jan. 2014	Longquan PMO	APs	Disclosing the RAP
3	RIB or brochure	Distribution	Feb. 2014	Longquan PMO	APs	Distributing the RIB or brochure
4	Verification of DMS results	Bulletin board, meeting	Feb. 2014	Longquan PMO, land and resources bureau	APs	Finding out anything omitted to determine the final impacts
5	LA announcement	Bulletin board, meeting	Feb. 2014	Village committees	Villagers	Disclosure of LA area, compensation rates and resettlement modes, etc.
6	Announcement of compensation and resettlement options for LA	Bulletin board, meeting	Feb. 2014	Village committees	Villagers	Compensation fees and mode of payment
7	Determination of income restoration programs	Village meeting (many times)	Mar. 2014	Longquan PMO	APs	Discussing the final income restoration program
8	Issues arising from implementation	Discussion, field survey, grievance redress	Whole process	Longquan PMO, land and resources bureau	APs	Discussing issues and countermeasures
9	Collection of suggestions and grievances	Field survey, grievance redress	Whole process	Longquan PMO, land and resources bureau	APs	Collecting grievances from APs

7.4 Grievance Redress

Since public participation is encouraged during the preparation and implementation of the RAP, no substantial dispute will arise. However, unforeseeable circumstances may arise during this process. In order to address issues effectively, and ensure the successful implementation of project construction and LA, a transparent and effective grievance redress mechanism has been established. The basic grievance redress system is as follows:

7.4.1 Means for Collecting Grievances and Appeals

The Longquan PMO will collect information by the following means:

1. Grievances, resettlement progress and issues from reports submitted by the municipal/county resettlement headquarters;
2. Construction impacts from construction logs submitted by construction agencies;
3. Coordination issues in LA and HD found by the Longquan PMO and owner through field patrol;

4. Information from the supervising agency and external M&E agency;
5. Letters and visits from APs;
6. Special issues reported during auditing and disciplinary inspection;
7. LA and HD expenses collected from fund disbursement sheets; and
8. Internal monitoring information.

7.4.2 Grievance Redress Procedure

A grievance redress mechanism has been established to ensure the successful implementation of LA and resettlement.

Stage 1: If any AP is dissatisfied with the RAP, he/she can file an oral or written appeal to the village committee or sub-district office orally or in writing. In case of an oral appeal, the village committee or sub-district office shall handle such appeal and keep written records. Such appeal should be solved within one week.

Stage 2: If the AP is dissatisfied with the disposition of Stage 1, he/she may file an appeal to 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 file an appeal to the Longquan PMO after receiving such disposition, which shall make a disposition within two weeks.

Stage 4: If the AP is still dissatisfied with the disposition of Stage 3, he/she may file an appeal to the provincial PMO after receiving such disposition, which shall make a disposition within two weeks.

At any stage, an AP may bring a suit in a civil court directly if he/she is dissatisfied with the grievance redress procedure or disposition.

All grievances, oral or written, will be reported to the Bank in internal and external resettlement monitoring reports.

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 the RIB and mass media.

7.4.3 Scope and Modes of Reply to Grievances

◇ Scope of Reply to Grievances

1. Brief description of grievance;
2. Investigation results;
3. Applicable state provisions, and the principles and rates specified in this RAP;
4. Disposition and basis

◇ Modes of Reply to Grievances

1. For any individual grievance, the reply will be delivered directly to the grievant in writing.
2. For any common grievance, a village meeting will be held or a notice given to the village committee.

In whichever mode of reply, the reply materials must be sent to the grievant and submitted to the provincial PMO.

7.4.4 Recording and Feedback of Grievances and Appeals

During the implementation of the RAP, the resettlement agencies should register and manage appeal and handling information, and submit such information to the provincial and Longquan PMOs in writing on a monthly basis. The provincial and Longquan PMOs 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 7-3.

Table 7-3 Registration Form of Grievances and Appeals

Accepting agency:		Time:		Location:	
Appellant	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.			

7.4.5 Contact Information for Grievances and Appeals

The provincial and Longquan PMOs, and owner will appoint persons chiefly responsible to accept and handle grievances and appeals, and the relevant information is shown in Table 7-4.

Table 7-4 Contact Information for Grievances and Appeals

Agency	Name	Address	Tel
Provincial PMO	Li Gang	No.33-2 Huancheng West Road, Hangzhou	0571-81050286
Longquan Subproject Leading Group	Ai Liqing	Food Building, No.62 Zhongshan West Road, Longquan	13906885828
Longquan PMO	Xu Zhiwei	Food Building, No.62 Zhongshan West Road, Longquan	13857050712
LWSSC	Luo Fangchun	No.45 Jianchi West Road, Longquan	13645786006
LRWSS	Master Mao	Shuinan Building, Longyuan Town	13732551758

8 Resettlement Budget

8.1 Resettlement Budget

Based on prices in January 2014, the total resettlement costs of the Subproject are 1.685 million yuan, including compensation fees for the permanent acquisition of collective land of 424,000 yuan, accounting for 25.2%; compensation fees for the permanent occupation of state-owned land of 312,000 yuan, accounting for 18.5%; compensation fees for ground attachments of 53,000 yuan, accounting for 3.1%; compensation fees for temporary land occupation of 194,000 yuan, accounting for 11.5%; LA taxes of 346,000 yuan, accounting for 20.5%; and M&E costs, training costs, LA management costs and contingencies of 356,000 yuan, accounting for 21.1%. See Annual Investment Plan

Before project construction or during project implementation, the investment plan will be implemented in stages in order not to affect the production and livelihoods of the AHs. See **Error! Reference source not found.**

Table 8-2 Annual Investment Plan

Year	2014	2015	2016	Total
Amount (0,000 yuan)	67.4	67.4	33.7	168.5
Percent	40%	40%	20%	100%

8.1 Fund Disbursement, Management and Monitoring

8.1.1 Fund Disbursement

In order that resettlement funds are paid timely and fully to the AHs, the following measures will be taken: (1) All costs related to resettlement will be included in the general budget of the Subproject; (2) Land compensation fees and resettlement subsidies will be fully paid before LA; (3) owner will ensure that all funds are fully disbursed through its internal financial and supervisory agencies.

The fund disbursement procedure of the Subproject is as follows: LWSSC and LRWSS disburse compensation fees to the county finance bureau, which deposits compensation fees in the designated bank or credit cooperative, for distribution to the AHs according to compensation agreements.

Figure 8-1 Distribution Flowchart of Resettlement Funds

Table 8-1 Resettlement Budget

No.	Item		Unit	Compensation rate (yuan)	L1		L2		L3		L4		L6		total	Percent (%)		
					Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount				
1	Basic resettlement costs		0,000 yuan	/	/	23.3	/	23.6	/	25.5	/	17.7	/	8.2	98.3	58.30%		
1.1	Compensation fees for permanent LA		0,000 yuan	/	/	23.3	/	5.3	/	2.6	/	11.2	/	0	42.4	25.20%		
1.1.1	Collective farmland	Cultivated land	Type IV areas	0	0	0	0	0.79	2.6	0	0	2.77	9.2	0	0	11.8	7.00%	
			Type II areas	10	23.3	10	23.3	0	0	0	0	0	0	0	0	0	23.3	13.80%
		Woodland	Type IV areas	0	0	0	0	0	0	1.96	2.6	0	0	0	0	0	2.6	1.50%
			Type V areas	0	0	0	0	2.7	2.7	0	0	2.02	2	0	0	0	4.7	2.80%
1.2	Permanent occupation of state-owned land		0,000 yuan	/	/	0	/	9.7	/	13.3	/	0	/	8.2	31.2	18.50%		
1.2.1	State-owned land		Urban area	mu	0	0	0	0	0	0	0	0	0	0.89	8.2	8.2	4.90%	
			Anren Town	mu	0	0	0	0	0	2	13.3	0	0	0	0	13.3	7.90%	
1.3	Temporary land occupation (two years)		mu	4333	0	0	9.91	8.6	4.97	4.3	7.51	6.5	0	0	19.4	11.50%		
1.4	Ground attachments		0,000 yuan	/	/	0	/	0	/	5.3	/	0	/	0	5.3	3.10%		
1.4.1	Bamboo trees		Edible bamboo	mu	0	0	0	0	5.5	0.7	0	0	0	0	0.7	0.40%		
			Pine	mu	0	0	0	0	24	0.7	0	0	0	0	0.7	0.40%		
1.4.2	Tangerine trees		Young	/	0	0	0	0	130	0.3	0	0	0	0	0.3	0.20%		
			Adult	/	0	0	0	0	98	0.5	0	0	0	0	0.5	0.30%		
1.4.3	Loquat trees		Young	/	0	0	0	0	65	0.1	0	0	0	0	0.1	0.10%		
			Adult	/	0	0	0	0	120	0.6	0	0	0	0	0.6	0.40%		
1.4.4	Tea gardens		Operating (medium)	mu	0	0	0	0	2.5	1	0	0	0	0	1	0.60%		
1.4.5	Nurseries		Biennial	mu	0	0	0	0	3	1.2	0	0	0	0	1.2	0.70%		
1.4.6	Simple sheds		Type 2	m ²	0	0	0	0	43	0.3	0	0	0	0	0.3	0.20%		
2	Administrative costs		0,000 yuan	5% of basic costs	23.3	1.2	23.6	1.2	25.5	1.3	17.7	0.9	8.2	0.4	5	3.00%		
3	Planning and monitoring costs		0,000 yuan	15% of basic costs	23.3	3.5	23.6	3.6	25.5	3.8	17.7	2.7	8.2	1.2	14.8	8.80%		
3.1	Survey and design costs		0,000 yuan	5% of basic costs	23.3	1.2	23.6	1.2	25.5	1.3	17.7	0.9	8.2	0.4	5	3.00%		
3.2	M&E costs		0,000 yuan	10% of basic costs	23.3	2.3	23.6	2.4	25.5	2.6	17.7	1.8	8.2	0.8	9.9	5.90%		
4	Training costs		0,000 yuan	5% of basic costs	23.3	1.2	23.6	1.2	25.5	1.3	17.7	0.9	8.2	0.4	5	3.00%		
5	LA taxes		0,000 yuan	/	/	10.6	/	6.6	/	2.1	/	15.3	/	0	34.6	20.50%		
5.1	Land reclamation costs		0,000 yuan	13333	0	0	0.79	1.1	0	0	2.77	3.7	0	0	4.8	2.80%		
5.2	Fees for compensated use of additional construction land		0,000 yuan	10667	10	10.6	3.49	3.7	1.96	2.1	4.79	5.1	0	0	21.5	12.80%		
5.3	Farmland occupation tax		0,000 yuan	23333	0	0	0.79	1.8	0	0	2.77	6.5	0	0	8.3	4.90%		
6	LA management costs		/	2.1% of LA costs	23.3	0.5	5.3	0.1	2.6	0.1	11.2	0.2	0	0	0.9	0.50%		
7	Contingencies		0,000 yuan	10% of basic costs	23.3	2.3	23.6	2.4	25.5	2.6	17.7	1.8	8.2	0.8	9.9	5.90%		
8	Total		0,000 yuan	/	/	42.6	/	38.7	/	36.7	/	39.5	/	11	168.5	100.00%		

8.2 Annual Investment Plan

Before project construction or during project implementation, the investment plan will be implemented in stages in order not to affect the production and livelihoods of the AHs. See **Error! Reference source not found.**

Table 8-2 Annual Investment Plan

Year	2014	2015	2016	Total
Amount (0,000 yuan)	67.4	67.4	33.7	168.5
Percent	40%	40%	20%	100%

8.3 Fund Disbursement, Management and Monitoring

8.3.1 Fund Disbursement

In order that resettlement funds are paid timely and fully to the AHs, the following measures will be taken: (1) All costs related to resettlement will be included in the general budget of the Subproject; (2) Land compensation fees and resettlement subsidies will be fully paid before LA; (3) owner will ensure that all funds are fully disbursed through its internal financial and supervisory agencies.

The fund disbursement procedure of the Subproject is as follows: LWSSC and LRWSS disburse compensation fees to the county finance bureau, which deposits compensation fees in the designated bank or credit cooperative, for distribution to the AHs according to compensation agreements.

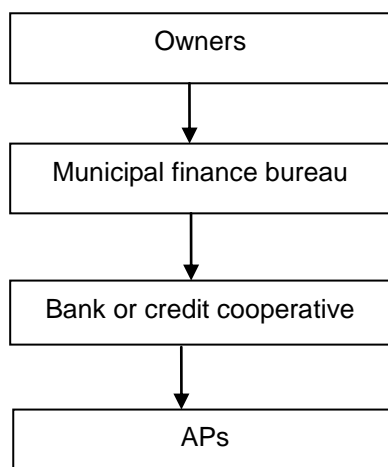


Figure 8-1 Distribution Flowchart of Resettlement Funds

8.3.2 Fund Management and Monitoring

The following principles should be observed in resettlement fund management:

1. Resettlement funds must be disbursed in strict conformity with the applicable laws and regulations of the state, and the policies in the RAP, and the compensation rates should not be less than those specified in the RAP.
2. The county finance and audit departments have the power to monitor and audit the use of resettlement funds.
3. The external M&E agency will perform follow-up monitoring on the availability of compensation fees for the AHs during external monitoring.

9 Resettlement Implementation Schedule

9.1 Linkage between Resettlement Implementation Schedule and Construction Plan

The Subproject will be implemented from the second half of 2014 to 2020 in stages. The resettlement implementation schedule will be coordinated with the construction schedule, i.e., beginning in early 2014. The principles for scheduling are as follows:

- The LA, HD and resettlement work shall be completed at least one month before the commencement of construction so that the APs have sufficient time to prepare for production resettlement and income restoration;
- During resettlement, the APs should have opportunities to participate in the Subproject; the range of land acquisition should be published, the RIB issued, and public participation carried out before the commencement of construction; and
- All kinds of compensation should be paid directly to the affected proprietors within 3 months from the date of approval of the RAP; no organization or individual should use property compensation fees on their behalf, and such compensation should not be discounted for any reason.

9.2 Master Schedule for Resettlement Implementation

9.2.1 Principles for Scheduling

- The Project should be announced 6 months in advance.
- The Longquan PMO, LWSSC and LRWSS should hold a mobilization meeting to disclose the compensation policies and rates.
- Compensation fees should be settled after contract signing and before land use.
- Resettlement should be supervised to the satisfaction of the AHs.

9.2.2 Resettlement Implementation Schedule

The master resettlement schedule has been drafted based on the progress of construction, LA and HD, and resettlement preparation and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See Table 9-1.

Table 9-1 Resettlement Schedule

No.	Task	Agencies responsible	Target	Time
1	RAP preparation	/	/	2012.12-2013.12
1.1	Appointing the RAP preparation agency	Provincial PMO	Consulting agency	2013.6
1.2	Conducting the socioeconomic survey	Longquan PMO, owner	Preparation agency	2013.7-11
1.3	Preparing the RAP	Preparation agency	RAP	2013.12
2	Information disclosure and public participation	/	/	2013.12-2014.3
2.1	Consulting with agencies concerned and APs	Longquan PMO	Agencies concerned	2014.3
2.2	Disclosing the RAP on the Bank's website	Longquan PMO, Bank	APs	2014.1
2.3	Disclosing the draft RAP to APs	Longquan PMO	APs	2014.1
3	Implementation stage	/	/	2014.3-2014.6
3.1	Conducting the DMS	Longquan PMO, land and resources bureau	Affected villages	2014.3
3.2	Entering into compensation agreements, paying compensation fees	Longquan PMO, land and resources bureau	APs	2014.4
3.3	Income restoration	Longquan PMO, townships governments	APs	2014.4-2016.4
3.4	Skills training	Longquan PMO, townships	APs	2014.4-2016.4

No.	Task	Agencies responsible	Target	Time
		governments		
5	M&E	/	/	2014.12-2017.7
5.1	Baseline survey	External M&E agency	Affected villages	2014.12
5.2	Internal monitoring	Provincial PMO	Semiannual report	From 2014.12
5.3	External M&E	External M&E agency	Semiannual report	2014.12-2017.7
6	Records of participation	Longquan PMO	/	Ongoing
7	Records of grievances	Longquan PMO	/	Ongoing
8	Commencement of construction	/	/	/
8.1	Longquan county town water and wastewater improvement project	Construction agency	/	2014.12
8.2	Longquan Xiaomei town water and wastewater project	Construction agency	/	2015.6
8.3	Longquan Anren town water and wastewater project	Construction agency	/	2015.6
8.4	Longquan Badu town water and wastewater project	Construction agency	/	2015.6
8.5	Longquan first batch decentralized wastewater treatment demonstration project	Construction agency	/	2014.7
8.6	Longquan back alley improvement project	Construction agency	/	2017.3

10 M&E

In order to ensure the successful implementation of the RAP and resettle the APs properly, periodic M&E of LA, HD and resettlement activities will be conducted in accordance with the Bank Operational Policy OP4.12 on Involuntary Resettlement 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 external independent monitoring.

10.1 Internal Monitoring

The provincial and Longquan PMOs will establish an internal monitoring mechanism to monitor resettlement activities. It will also establish a database of LA, HD and resettlement, and use it to prepare the RAP, monitor all displaced households and entities, and conduct internal supervision and inspection of the whole process of resettlement.

10.1.1 Procedure

During implementation, the village committees and township governments will establish a corresponding resettlement database, collect and record information on the resettlement of APs from the monitoring sample, and report real-time activity records to the Longquan PMO timely to maintain continuous monitoring. The PMOs will inspect implementation regularly.

10.1.2 Scope

1. Investigation and coordination of issues arising from resettlement and organizational structure;
2. Income restoration of the AHs;
3. Payment, use and availability of LA compensation fees;
4. Degree of participation of and consultation with the APs;
5. Resettlement training and effectiveness;
6. Staffing, training, working schedule and efficiency of the resettlement agencies;

10.1.3 Reporting

The provincial and Longquan PMOs will submit an internal monitoring report to the Bank semiannually. Such reports should reflect statistics of the past 6 months, and the progress of resettlement. **Error! Not a valid bookmark self-reference.** and **Error! Reference source not found.** provide some formats.

Table 10-1 Sample Schedule of LA and HD

_____ Township, _____ County					
Cut-off date: _____					
Fill-in date: _____					
Item	Unit	Planned quantity	Actual quantity	Total	Percent of completion
Acquired land area	m ²				
Temporary occupied land area	m ²				
Payment of LA compensation fees	0,000 yuan				
Payment of LA compensation fees for temporary land occupation	0,000 yuan				
Persons trained	/				
Persons employed	/				
Reported by: _____ Signature (person responsible): _____ Official seal: _____					

Table 10-2 Sample Schedule of Fund Utilization

_____ Township, _____ County	
Cut-off date: _____	

_____ Township, _____ County						
Fill-in date: _____						
Affected	Description	Unit/ qty.	Required investment (yuan)	Compensation received (yuan)	Adjustment to compensation	Percent of compensation
Village 1						
Village 2						
Village _____						
Collective						
Household						
Entity						
Reported by: _____ Signature (person responsible): _____ Official seal:						

10.2 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.

10.2.1 External Monitoring Agency

As required by the Bank, a qualified agency will be appointed as the external M&E agency, which will provide technical assistance to the implementing agencies, and implement basic monitoring through resettlement survey and standard of living survey.

10.2.2 Procedure and Scope

1. Preparing the terms of reference of M&E
2. Preparing a survey outline, survey form and questionnaire
3. Design of sampling survey plan
4. Baseline survey

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

5. Establishing an M&E information system
6. M&E survey
 - ✧ Capacity evaluation of resettlement implementing agencies: to survey the working capacity and efficiency of the resettlement implementing agencies
 - ✧ Resettlement progress, compensation rates and payment
 - ✧ Project impact analysis
 - ✧ Follow-up survey of income level of AHs (sampling rate: 50%)
 - ✧ Public participation and consultation: to monitor public participation activities during the preparation and implementation of the RAP, and the effectiveness of participation
 - ✧ Appeals: to monitor the registration and disposition of appeals of APs
7. Comparative analysis
8. 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.

10.2.3 Reporting

The external M&E agency will prepare external monitoring reports based on observations and survey data in order to: 1) reflect the progress of resettlement and existing issues to the Bank and provincial PMO objectively; and 2) evaluate the socioeconomic benefits of resettlement, and

proposing constructive opinions and suggestions to improve the resettlement work.

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

The external M&E agency will submit a monitoring or evaluation report to the Bank and provincial PMO semiannually. See **Error! Not a valid bookmark self-reference..**

Table 10-3 Resettlement M&E Schedule

No.	Report	Date
1	Baseline report	Jan. 2015
2	M&E report (No.1)	Jul. 2015
3	Monitoring report (No.2)	Jan. 2016
4	Monitoring report (No.3)	Jul. 2016
5	Monitoring report (No.4)	Jan. 2017
6	Monitoring report (No.5)	Jul. 2017

10.3 Post-evaluation

After project implementation, the provincial PMO (or through the external M&E agency) will apply the theory and methodology of post-evaluation to evaluate the Subproject's resettlement activities on the basis of M&E to obtain successful experience and lessons in LA and HD as a reference for future work.

11 Entitlement Matrix

Type of impact	Degree of impact	APs	Compensation policy	Compensation rates
Acquisition of collective land	20.24 mu of collective land, including 3.56 mu of cultivated land and 16.68 mu of woodland	15 households with 55 persons	<p>1. Compensation policy</p> <p>1) Compensation for permanent LA includes land compensation fees, resettlement subsidies, and compensation fees for young crops and ground attachments. Acquired land should be compensated for based on its former use and for young crops attached thereto.</p> <p>2) Compensation rates for acquired cultivated land will be based on location-based composite land prices for LA of Longquan City (i.e., land compensation and resettlement subsidy).</p> <p>3) Ground attachments and young crops will be compensated for through appraisal.</p> <p>2. Resettlement policy</p> <p>The main resettlement modes of the Subproject include cash compensation, endowment insurance and employment.</p> <p>1) LA compensation fees will be fully paid to the AHs, which may cover endowment insurance for LEFs or other types of social security (e.g., rural social endowment insurance). Compensation fees for young crops and ground attachments will be paid to their proprietors.</p> <p>2) The government will establish a sound labor service system to provide employment assistance to the APs, such as opening the labor market for free and offering skills training.</p>	Type I areas: cultivated land 76,670 yuan/mu, woodland 4,000 yuan/mu; Type II areas: cultivated land 53,340 yuan/mu, woodland 23,340 yuan/mu; Type III areas: cultivated land 40,000 yuan/mu, woodland 16,670 yuan/mu; Type IV areas: cultivated land 33,330 yuan/mu, woodland 13,330 yuan/mu; Type V areas: cultivated land 30,000 yuan/mu, woodland 10,000 yuan/mu.
Occupation of state owned land	2.89 mu	/	As per the Rural Benchmark Land Prices of Longquan City in 2008	Anren Town 66,670 yuan/mu, urban area 92,004 yuan/mu, Tashi Xiang 64,003 yuan/mu
Temporary land occupation	207.26 mu, including 11.9 mu of collective cultivated land, 10.49 mu of woodland, 77.43 mu of collective construction land and 107.44 mu of state-owned land	42 households with 146 persons	Collective construction land and state-owned land will not be compensated for, and will be restored; compensation for collective farmland includes compensation for young crops and land.	4,333 yuan/mu
Infrastructure and ground	Bamboo trees, loquat trees, tangerine trees, tea	/	Compensated for at replacement cost	See Table 4-4.

Type of impact	Degree of impact	APs	Compensation policy	Compensation rates
attachments	gardens, simple sheds, telegraph poles			
Grievance redress		All APs	Free	

Appendixes

Appendix 1 List of First Group of Scattered Rural Wastewater Treatment Systems in Longquan City

No.	Township	Village	Population	Remarks
1	Xijie	Hecun	1145	Scattered
2	Badu	Songqu	1263	Scattered
3	Shangyang	Xiahuangnan	1108	Scattered
4	Zhulong	Shuita	500	Scattered
5	Lanju	Dasai	605	Scattered
6	Tashi	Jibian	1395	Scattered
7	Tashi	Shangwu	1184	Scattered

Appendix 2 Notes on Land Use for Related Projects

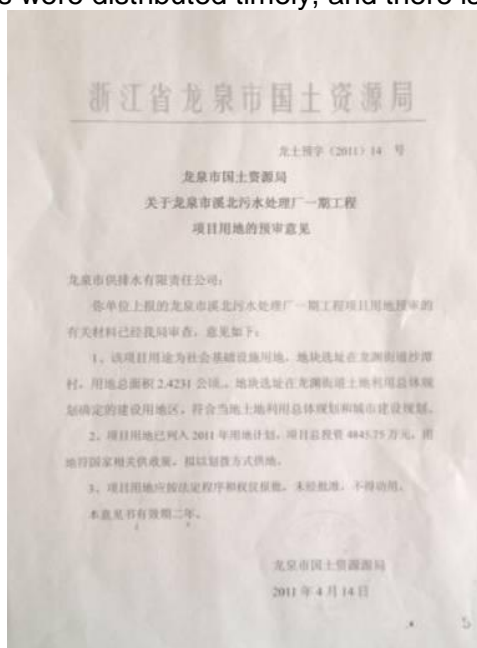
1. Xibei WWTP

The Xibei WWTP is a key project in Longquan City, located at the junction of Shatan and Wutongkou Villages, Longyuan Sub-district, with a design capacity of 60,000 tons/d, a floor area of 37.37 mu and an investment of 46.93 million yuan. This WWTP broke ground in December 2009 and was put into operation in August 2012.

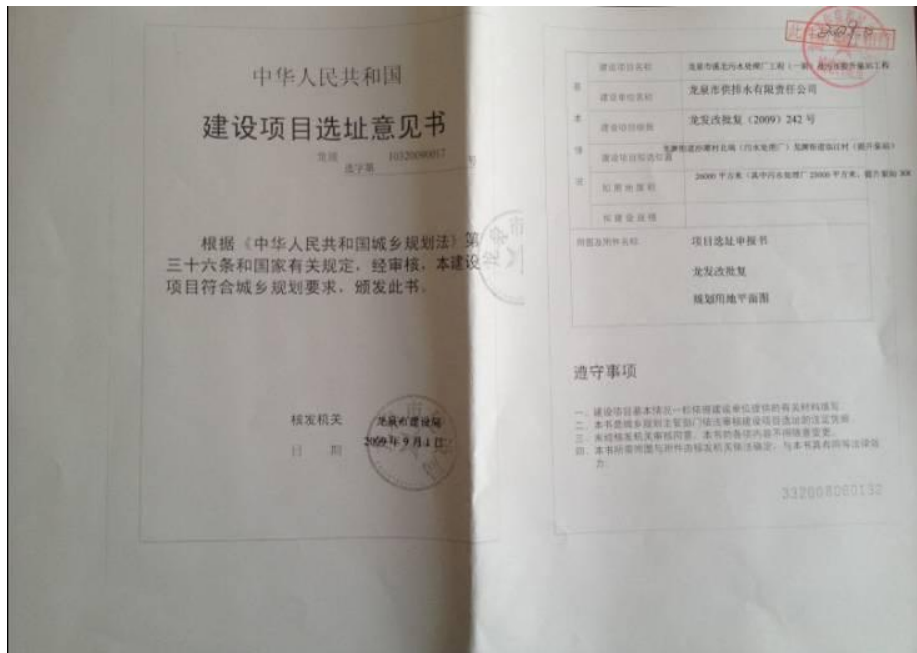
LA for this WWTP was completed in 2009.

According to the Interim Regulations of Longquan City on Compensation Rates for Land Acquisition (LMG [2009] No.53), the compensation rate is 40,000 yuan/mu (Type III areas), and the total amount of compensation is 1,361,890,4 yuan, which had been paid to the AHs by September 2009.

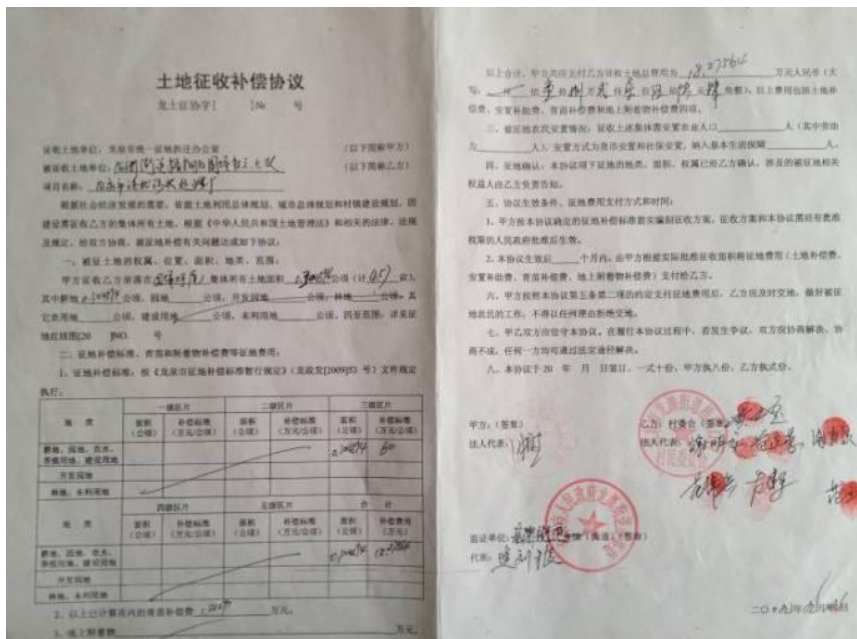
It is found that the LA formalities of this WWTP are complete, LA compensation rate is reasonable, compensation fees were distributed timely, and there is no outstanding issue.



Attached Figure 1 Opinion on preliminary land examination of the Xibei WWTP



Attached Figure 2 Opinion on site selection of the Xibei WWTP



Attached Figure 3 LA compensation agreement for the Xibei WWTP

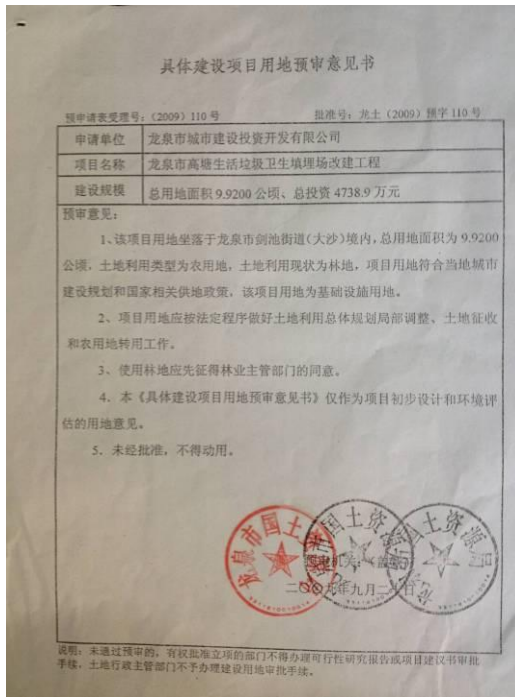
2. Gaotang Landfill

The Gaotang Landfill is located in Zengjia Village, Jianchi Sub-district, east of the urban area of Longquan City, with a floor area of 148.8 mu and a design capacity of 140 tons/d. After reconstruction and expansion, it will have a storage capacity of 1.301 million m³, a treatment capacity of 174 tons/d, and a service life of 15 years.

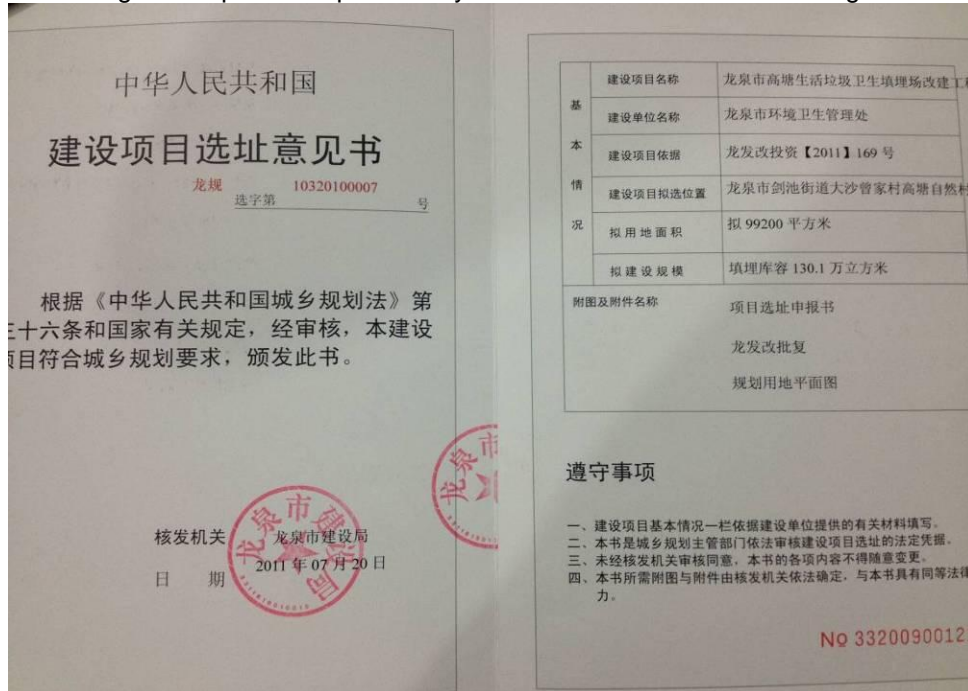
LA for this landfill begun in 1996, and was completed in 2013 (reconstruction and expansion).

According to the Interim Regulations of Longquan City on Compensation Rates for Land Acquisition (LMG [2009] No.53), the compensation rate is 23,340 yuan/mu (Type II areas), and the total amount of compensation is 1,869,631 yuan, which had been paid to the AHs by August 2013.

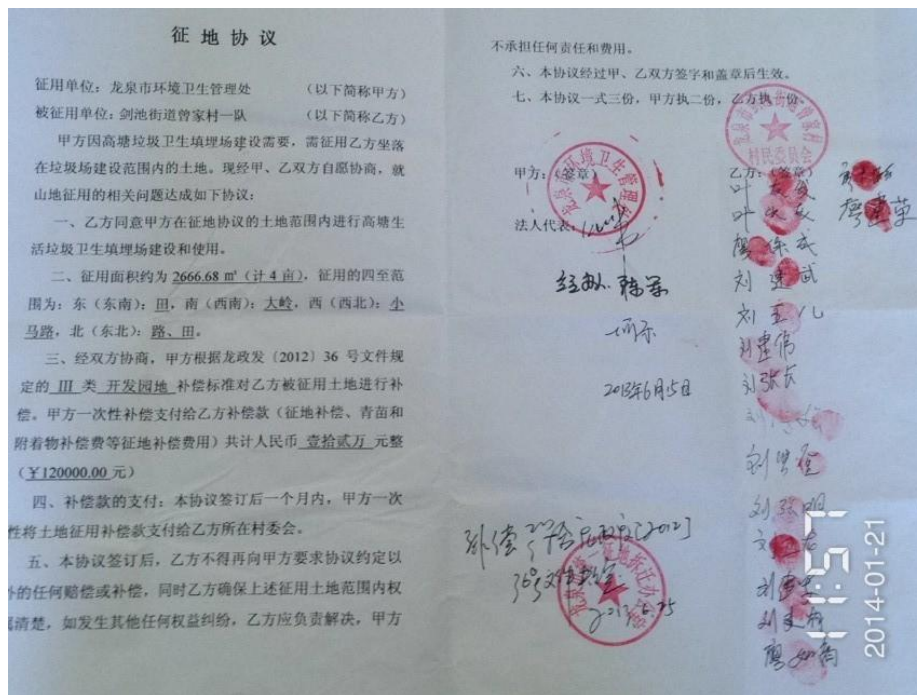
It is found that the LA formalities of this landfill are complete, LA compensation rate is reasonable, compensation fees were distributed timely, and there is no outstanding issue.



Attached Figure 4 Opinion on preliminary land examination of the Gaotang Landfill



Attached Figure 5 Opinion on site selection of the Gaotang Landfill



Attached Figure 6 LA compensation agreement for the Gaotang Landfill

Appendix 3 List of Members of Village Implementation Teams

Village	Name	Title	Gender	Age	Tel	Remarks
Hecun	WMY	Village head	Male	45	15967295493	
	WLG	Village committee member	Male	57	13205789308	
	ZC	Village committee member	Male	28	18806785185	
	WXX	Village committee member	Female	30	15957829422	
Shangwu	ZGR	Village head	Male		13957057079	
	HRR	Secretary	Male		13905785506	
Jibian	PLQ	Village head	Male		13757854318	
Songqu	JBS	Secretary	Male	60	13957043531	
	XJC	Village head	Male	47	13757863030	
	WZJ	Women's director	Female	43	13757854957	
	WLS	Villager representative	Male	47	13575393780	
Xiaohuangnan	CHW	Secretary	Male	60	13957054817	
	ZLL	Women's director	Female	48	13567625548	
	YCF	Villager representative	Male	48	15024669815	
Shuita	ZQQ	Secretary	Male	52	13905785775	
	ZQH	Prestigious elderly	Male	60	13646889616	
	YHQ	Woman wrepresentative	Female	41	13754281939	
	XZL	Villager representative	Male	39	13587155215	

龙泉市人民政府办公室文件

龙政办发〔2012〕175号

龙泉市人民政府办公室 关于成立龙泉市世界银行贷款项目实施工作 领导小组的通知

各乡镇人民政府、街道办事处，市政府直属各单位：

为切实加强对我市世界银行贷款项目实施工作的领导，强化统筹协调能力，加快世行贷款项目的实施，经市政府研究，决定成立世界银行贷款项目实施工作领导小组。现将领导小组成员名单通知如下：

组 长：季柏林

副组长：包新华

成 员：张晓峰（市府办）

何跃军（发改局）

徐东华（财政<地税>局）

- 1 -

吴联峰（农办）
朱道伟（国土局）
余盛全（建设局）
傅建伟（水利局）
傅剑明（审计局）
方晓龙（环保局）
王培林（人民银行）
连浩松（国资办）
艾丽青（发改局）

领导小组办公室设在市发改局，何跃军兼任办公室主任，艾丽青兼任常务副主任，连浩松、张元汉（农办）、叶继清（建设局）、张永呈（国土局）、潘晓琴（环保局）任办公室副主任。



（此件公开发布）

抄送：市委各部门，市人大常委会、市政协办公室，市人武部，市法院，市检察院。

龙泉市人民政府办公室

2012年10月29日印发

- 2 -

Attached Figure 7 Founding Document of the Longquan Subproject Leading Group

Appendix 5 Photos of Project Site

	
<p>Proposed site for Anren WWTP</p>	<p>Proposed site for Anren Waterworks</p>
	
<p>Proposed site for Badu WWTP</p>	<p>Proposed site for Badu Waterworks</p>
	
<p>Proposed site for Zhatian WWTP</p>	<p>Proposed site for Zhatian Waterworks</p>
	
<p>Proposed site for Julan WWTP</p>	<p>Proposed site for Julan Waterworks</p>



Proposed site for Xiaomei WWTP



Proposed site for Xiaomei Waterworks



Site for WWT tank in Hecun Village



Site for WWT tank in Songqu Village



Site for WWT tank in Shuita Village



Site for WWT tank in Xiaohuangnan



Site for WWT tank in Jiba/Shangwu



Proposed Site for Nandayang Waterworks