

Urban Transport Improvement Project of Tianjin by Using the World
Bank Loan

Resettlement Policy Framework

**Project Management Office under Tianjin Construction and Transportation
Commission**

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1. Project description

1.1 Project Components

The project consists of two parts with 5 components: (1) unblocked road network system subproject with four components, and (2) technical assistance subproject.

Component 1: NMT Improvement in Heping and Nankai Districts. This Component will finance the redevelopment of the streetscape in parts of the Heping and Nankai Districts to create a connected, vibrant and sustainable urban space (spanning over about 7.2 square kilometers with a population of 187,000 and an estimated 239,000 jobs). For this area, it implies reprioritizing the layout to better support biking and walking in combination with public transport and in particular metro lines that connect to the rest of the city.

The component will include the creation of an integrated pedestrian and bicycle network with infrastructure investment along about 42 streets (including about 26 streets in Heping District and 16 streets in Nankai District) for a total length of about 50 km. The streets will be repaved with safety facilities including bollards separating NMT from vehicles, pedestrian crossing facilities, street furniture, signage, greening, bus stops, junction improvements and selective upgrades of underground drainage pipelines.

Component 2: Metro Access Improvement: The project will finance civil works for selected intersection improvements, interconnection facilities (bike parking, bus connection/terminal, taxi connection, landscaping and park and ride) at about 111 metro stations, along existing Tianjin Metro Line 1, 2, 3, 9, and Line 5 and 6 (under construction). This subcomponent would increase the catchment area of these metro stations and leverage large past investments in the mass transit system.

Component 3: Public Bicycle Sharing System Pilot: This Component will finance the establishment of a pilot PBS system in the core urban area of Tianjin, as well as in areas along metro lines, to support last mile accessibility. It will include about 12,370 bicycles and 446 stations. The civil works include the pavement of the PBS stations. The project also will finance the PBS management system, including hardware and software, the provision of bicycles, docking poles, CCTV and other required devices.

Component 4: Bus Terminal Development: The civil works include the pavement of the terminals, as well as the bus stops, bus parking, car parking, bicycle parking and service buildings. The project also will finance equipment within the bus terminals for bus operation. Five terminals are part of a program of bus terminal development identified under the previous project and are located primarily at the

end of metro lines, acting as a catchment area for the poorer population located there. Joint commercial development will be carried out above one of the bus terminal (Beichen Liuyuan).

Component 5: Technical Assistance: There are five proposed topics for technical assistance as follows:

- a. Research on the green transportation development strategy on Tianjin urban
- b. Research on car parking mechanism of core area of central city
- c. Research on public bicycle management and operation mode
- d. Research on the sustainable development and multi - channel financing mechanism of urban traffic
- e. Project Implementation and Completion Report & Performance evaluation

1.2 Project preparation and targeted progress

This project was included on the optional loan project plan to use the World Bank loan in 2014-2016 fiscal year by the State Council in 2013.

The project preparation, such as feasibility study and domestic project approval procedures were launch in the first half of 2014. It is expected that, the project will be totally completed in 2019 after 5 years of implementation .

This resettlement policy framework was prepared based on a socio-economic situation survey in project area from August to October 2014, including extensive public consultation and policy consultation with the affected persons.

According to current project design, all the scattered pieces of land to be used in the project were acquired before end of 2009, however the project will support the Green transport (slow travel system) improvement project in the core zone of center city area. Some of the specific locations of project civil works like bus depots, parking lots and other such small constructions may be adjusted as needed during project implementation. Since temporary land occupation and demolition of small amount of ground structure cannot be fully excluded by project appraisal, the borrower agrees to conduct land acquisition or temporary land occupation in accordance with the policies and procedures of the World Bank when any land acquisition cannot be avoided. This

Resettlement Policy Framework (RPF) has been prepared. It provides principles and guidelines to direct the subsequent preparation and implementation of any possible Resettlement Action Plan (RAP) when land acquisition or house demolition is necessary.

2. The objectives, definitions and main principles of involuntary resettlement

In World Bank supported project, the borrower should take all necessary measures to mitigate the negative impacts of the project, including the negative impacts of land acquisition. The provision of Involuntary Resettlement in OP 4.12 provides necessary guidance on policy objectives and principles, is suitable for the land acquisition and resettlement impacts caused by the project.

2.1 Objectives

All reasonable measures should be taken to avoid or minimize land acquisition, and to reduce all negative impacts associated with resettlement. If it is not feasible to avoid land acquisition and negative impacts, the objective of resettlement policy framework is to enable all affected persons ('resettlement' defined as below) to get compensation at full replacement cost ('replacement cost' defined as below), to provide adequate opportunity for them, to improve or at least restore their income and living standards through appropriate assistance and rehabilitation measures.

2.2 Definition of resettlement

Definitions of terms:

Displaced persons

Based on the criteria for eligibility for compensation, "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 RAP; and

c) those who have no recognizable legal right or claim to the land they are occupying.

Persons covered under paragraphs 2(a) and (b) are provided compensation for the land they lose, and other assistance. Persons covered under paragraph 2(c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objective set out in this policy, if they occupy the subproject areas prior to a cut-off date established by the borrower and acceptable to the World Bank. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in paragraph 2(a), (b), or (c) are provided compensation for loss of assets other than land.

Resettlement plan must be based on the basis of identifiable information collected. “Displaced Persons” refer to the following types of people:

- Partial or complete farmland or rural house and house site owner affected by the project. (permanent or temporary)
- Partial or complete urban housing owner affected by the project. (permanent or temporary)
- Partial or complete business (enterprises, shops) owner affected by the project. (permanent or temporary)
- Partial or complete crops or the ground appendage owner affected by the project. (permanent or temporary)

Resettlement plan should be prepared six months before actual resettlement starts. The RP shall be submitted to the World Bank for review at least three months in advance before the implementation of the resettlement plan. Only after the resettlement plan is made acceptable to the World Bank, can actual compensation, resettlement and livelihoods restoration activities start. The compensation, resettlement and livelihoods restoration activities should be completed before project civil work construction starts.

"replacement cost" is defined as follows: For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the full replacement cost standard. Such additional assistance is distinct from resettlement measures to be provided under other clauses in OP 4.12, para. 6.

‘Land acquisition’ is: Because of the implementation of the project, a person involuntarily loses ownership and rights of or access to land or assets. Land acquisition may lead to a series of related effects, including loss of house or other assets (fences, wells, tombs or other buildings or improve facilities incidental on land) .

‘Resettlement’ is the process to provide adequate opportunity to affected persons, to restore productivity, income and living standards. Compensation should be usually sufficient to achieve complete asset recovery.

‘Cut-off date’ is a division date, normally, it is the date the census begins, or the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further

population influx. The affected persons who established the ownership or rights of land/asset use before that date are entitled to compensation or other assistance. The cut-off date is defined in resettlement plan. The one who enters the project area after the cut-off date is not eligible for compensation or other assistance.

2.3 Main Principles

The World Bank's Operational Policy OP4.12 provides key guidelines for the RAP and its implementation, and the principles related to this RPF are as follows:

(1) In any case, the project design and the RAP should be prepared with a view to improving development opportunities for the displaced persons, so that the displaced persons fully benefit from the implementation of project activities, services, and the construction of relevant facilities.

(2) All displaced persons should be entitled to compensation for lost assets or equivalent assistance in lieu of compensation; anyone who has no legal title to lost assets should not be excluded from compensation.

(3) The compensation rates and replacement costs in the RAP should be based on compensation to all collectives or individuals suffering asset losses, and the amount of compensation should never be discounted or reduced on the ground of depreciation or otherwise.

(4) In case of acquisition of arable land, the first option is to reallocate co-owned land. If income on arable land accounts for a small part of a displaced person's income, cash compensation or job placement may be taken as an alternative at the discretion of such displaced person.

(5) The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

(6) The transition period should be minimized, and compensation for lost assets should be paid before residents are affected so that they can build new housing, relocate or replace fixed assets, and take measures to mitigate resettlement impacts before the beginning of resettlement. A certain level of transition assistance should be provided to

residents who fail to obtain replacement housing until replacement housing is available.

(7) The RAP should be developed in consultation with the displaced persons, and incorporate their requests and suggestions. The RAP should be disclosed to the displaced persons in an understandable manner.

(8) In host communities, infrastructure and public services are provided as necessary to improve or maintain accessibility and levels of service for the displaced persons and the community.

(9) The borrower should provide all costs for land acquisition and resettlement, and meet financial and material demand adequately during resettlement and restoration.

(10) The RAP should include appropriate institutional arrangements so as to design, plan and implement resettlement and restoration measures timely and effectively. It should be submitted to the World Bank team and PMO for review and no objection before it can be implemented.

(11) Effective internal and external monitoring mechanisms should be established to monitor the implementation of resettlement measures.

(12) A necessary appeal channel should be established and the appeal procedure disclosed to the displaced persons.

3. Resettlement Laws and Policies Framework

The applicable policies framework for Tianjin Urban Transport Improvement Project with World Bank Loan includes relevant laws, regulations and policy documents for land acquisition and resettlement formulated by the State Council, the central ministries and Tianjin, as well as involuntary resettlement operational policies and procedures of the World Bank.

3.1 Core Terms of Resettlement Policy Framework

3.1.1 World Bank's Involuntary Resettlement Policy

World Bank's Involuntary Resettlement Policy has been clearly described in OP 4.12, its all objectives are as follows:

- Involuntary resettlement should be avoided where feasible, or minimized, exploring

all viable alternative project designs.

- Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the project affected people to share project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
- Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher

Required Measures

- (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
 - (i) informed about their options and rights pertaining to resettlement;
 - (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
 - (iii) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.
- (b) If the impacts include physical relocation, the resettlement plan should include measures to ensure that the displaced persons are
 - (i) provided assistance (such as relocation allowances) during relocation; and
 - (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.
- (c) Where necessary to achieve the objectives of the policy, the resettlement plan should also include measures to ensure that displaced persons are
 - (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and
 - (ii) provided with development assistance such as land preparation(field leveling, etc.), credit facilities, training, or job opportunities.

- To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.
- Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land, or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land acquisition. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area, or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.
- Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land-based but the land acquisition for the project is a small fraction¹⁷ of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.
- Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.
- In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of

service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder) .

- Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.
- Lack of the above measures will not protect the rights of displaced persons.

3.1.2 Relevant Provisions of *Land Administrative Law of the People's Republic of China*

Article 47:

- In acquiring land, compensation should be provided according to the original purposes of the land acquired. Compensation fees for land acquired include land compensation fees, resettlement fees and compensation for attachments to or green crops on the land.
- The land compensation fees shall be 6-10 times the average output value of the past 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 of 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 .

- The standards for compensating for ground attachments and green crops on the land acquired shall be determined by various provinces, autonomous regions and municipalities.
- 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.

3.1.3 Relevant Provisions of *Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration* (Guofa [2004] No.28)

Article 12: “Improve land acquisition and compensation methods. The local people’s government above the county level shall take feasible measures to prevent the living standards of the land-acquired farmers from reduction. Ensure to timely pay the land compensation fees, resettlement fees and compensation for attachments to or green crops on the land in full amount in accordance with the laws. Where the land compensation fees and resettlement fees stipulated by the existing laws fail to maintain the original living standards of the land-acquired farmers and are not sufficient to pay the social security fee for farmers due to land acquisition, the people’s governments of provinces, autonomous regions and municipalities shall approve to add the resettlement fees. Where the sum of land compensation fee and resettlement fee reaches the

legitimate upper limit and is also not sufficient to maintain the original living standards of the land-acquired farmers, the local people's government shall provide subsidy with the national land compensated income. The people's governments of provinces, autonomous regions and municipalities shall formulate and announce a uniform annual production standard or regional land price for land acquisition in all cities and counties, and ensure same price for land acquisition at the same place. The national key construction projects must be listed into the sufficient estimation for land acquisition fees. The compensation fee standards and resettlement methods for land acquisition of large- and medium-sized water conservancy, water and electricity projects shall be formulated by the State Council separately. ”

Article 13: “Properly place the land-acquired farmers. The local people's government above the county level shall formulate specific methods to provide guarantee for long-term production and living of the land-acquired farmers. Regard to the projects with stable revenues, the farmers can enjoy shares with land use right for the approved land construction. Within the urban planning area, the local people's government shall include the farmers without land due to acquisition into the urban employment system and build the social security system; upon acquiring lands collectively owned by the farmers outside the urban planning area, the local people's government shall reserve necessary farmlands for the land-acquired farmers in the administrative area or arrange corresponding work positions for them; and arrange them to migrate if the farmers without do not possess the basic production and living conditions.” Meanwhile, require “the labor and social security authorities to cooperate with relevant departments to quickly offer guiding suggestions on employment training on the land-acquired farmers and social security system.”

Article 14: “Improve land acquisition procedure. In expropriating, protect the interests of collective land ownership right and land contract and management right of farmers. Before applying the land acquisition for approval, they shall inform the land-acquired farmers of land usage, location, compensation standards and settlement routes; the investigation results on the status of land to be acquired shall be confirmed by the rural collective economy organization and farmers; and the Ministry of Land and

Resources shall hear in accordance with relevant provisions if it is indeed necessary. The relevant materials for knowledge and confirmation of the land-acquired farmers shall serve as the necessary materials for application and approval. Accelerate the build and improve the coordination and adjudication mechanism for land compensation and settlement disputes, and safeguard the legitimate rights and interests of the land-acquired farmers and land users. The approved land acquisition shall be announced except special circumstances.”

Article 15: “Strengthen the supervision on the acquisition process. Where the land compensation and resettlement has not been implemented, it is not allowed to forcibly use the acquired land. The people’s governments of provinces, autonomous regions and municipalities shall formulate the methods for attributing the land compensation fees within the rural collective economy organization on the basis of the principle that the land compensation fees shall be mainly used for the land-acquired farmers. The rural collective economy organization of the acquired land shall announce the income, expense and distribution of the land compensation fee to the members of the rural collective economy organization for supervision. The agricultural, civil administration and other departments shall enhance the supervision on distribution and use of land compensation fees in the rural collective economy organization.”

3.1.4 Key provisions of the Regulations on the Acquisition and Compensation of Houses on State-owned Land:

Article 17 The compensation to be paid by the city and county people's governments that have made the decisions on house acquisition to the persons whose houses are to be acquired shall include:

- (1) The compensation for the value of the houses to be acquired;
- (2) The compensation for relocation and temporary resettlement arising from the house acquisition; and
- (3) The compensation for losses arising from production and business suspension caused by the house acquisition.

City and county people's governments shall formulate the procedures for subsidies and incentives, and grant subsidies and incentives to the persons whose houses are to be acquired.

Article 19 The compensation for the value of houses to be acquired shall not be

less than the market price of the real estate comparable to the houses to be acquired on the date of the public notice of the house acquisition decisions. The value of the houses to be acquired shall be assessed and determined by real estate appraisal agencies with appropriate qualifications in accordance with the procedures for evaluating houses to be acquired.

Anyone who has objection to the value of the houses to be acquisition that has been assessed and determined may apply to the real estate appraisal agency for reassessment. Anyone who disagrees with the results of the review may apply to the real estate appraisal expert committee for appraisal.

Article 20 Real estate appraisal agencies shall be selected by the persons whose houses are to be acquisition through consultation. If consultations fail, the same shall be determined by majority decision, random selection and other methods. The specific procedures shall be formulated by the authorities of provinces, autonomous regions and municipalities directly under the central government.

Article 21 The persons whose houses are to be acquisition may choose monetary compensation or house property rights exchange.

If the persons whose houses are to be acquisition select house property rights exchange, city and county people's governments shall provide the houses to be used for property rights exchange, and, jointly with the persons whose houses are to be acquisition, calculate and settle the price difference between the values of the houses to be acquisition and the values of the houses to be used for property rights exchange.

Article 22 If any relocation is caused by house acquisition, the house acquisition department shall pay relocation costs to the persons whose houses are to be acquisition. If any persons choose house property rights exchange, the house acquisition department shall, prior to the delivery of the houses to be used for property rights exchange, pay temporary resettlement costs or provide transitional houses to the persons whose houses are to be acquisition.

Article 23 The compensation for any losses arising from production and business suspension caused by house acquisition shall be determined according to profits, duration of production and business suspension and other factors prior to the house acquisition.

Article 25 The House Acquisition Departments and the persons whose houses are to be acquisition shall, pursuant to these Regulations, enter into compensation agreements with respect the compensation method, the compensation amount and payment terms, the location and area of the houses to be used for property rights exchange, relocation costs, temporary resettlement costs or transitional houses, losses arising from production or business suspension, period of relocation, methods and periods of transition and other matters.

If, after any compensation agreement is entered into, one party fails to perform its obligations set forth in the compensation agreement, the other party may file an action

according to law.

Article 26 If any House Acquisition Departments and any persons whose houses are acquisition fail to enter into compensation agreements within the time limit for contract execution specified in the acquisition compensation program, or the owners of the houses to be acquisition are uncertain, the House Acquisition Departments shall request the city and county people's governments that have made the decisions on house acquisition to make decisions on compensation in accordance with the acquisition compensation program and publish the same to the public in the areas of house acquisition pursuant to these Regulations.

If any person whose house is to be acquisition has objection to the compensation decision, such person may apply for administrative reconsideration or file an administrative lawsuit according to law.

Article 27 In carrying out house acquisition, compensation shall be paid first before relocation.

Article 28 If the persons whose houses are acquisition fail to apply for administrative reconsideration or institute administrative proceedings within the statutory time limit, and fail to relocate within the period set forth in the compensation decision, the city and county people's governments that have made the decisions on house acquisition shall petition the people's court for enforcement.

3.2 Resettlement Policy of this Project

All the lands to be used in the project were acquired before end of 2009 and the project will be implemented in urban area, so the project is not currently entail resettlement according to the World Bank's OP4.12 and its annex.

If later the project involves land acquisition and resettlement, the resettlement plan should be developed in accordance with not only Chinese national and also Tianjin's relevant regulations and stay in compliance with the requirements of the World Bank OP4.12 policy. Under the current Chinese regulations on acquisition and compensation of houses on state-owned land (in urban area), it uses market price valued by licensed real estate evaluation agency in determining the replacement cost for the houses or other similar assets. Depreciation of the asset and the value of salvage materials is not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. There is generally no gap any more in compensating houses or ground structures in urban areas between Tianjin regulations and the World Bank's requirements.

4. Preparation and Approval of the Resettlement Action Plan

The PMO is responsible for the preparation and implementation of resettlement plan (including ensuring sufficient funding for involuntary resettlement) . But many aspects of land acquisition and resettlement are implemented by the land management department. The project management office is supposed to take necessary coordination for the project activities, to ensure the development and implementation of an effective resettlement plan. Resettlement Plan should be combined with the regional construction, resource development, economic development and environmental protection, fully reflects the sustainable development of the local economy and affected displaced persons. Considering of local natural and socio-economic situation, develop practical resettlement plan, restore the production and living standards of displaced persons effectively, and maintain sustainable development.

Once the project need for expropriate of land and involuntary resettlement inevitable, and set the standard of the acquired land, at this time, it should begin to develop resettlement plan. Resettlement plans should estimate the transition period based on the time to restore their livelihood and living standards, and ensure that displaced persons can receive help in this transition period. The borrower carries out a census to identify the persons who will be affected by the project, to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance; identify the scope and extent of the negative impact in the affected areas, by socio-economic survey. The census must cover all directly affected people, socio-economic survey can take a sample survey. Whether the Census and socio-economic surveys shall be done at the same time or separately depends on formulating a comprehensive resettlement plan or an abbreviated resettlement plan (an abbreviated resettlement plan seen also in OP 4.12 Annex A) . If the affected people are more than 200, it has to formulate a comprehensive resettlement plan; if the impact on the overall displaced person groups is light, or affects fewer than 200 people, it may develop an abbreviated resettlement plan. If the affected person does not need to move, and the loss of production is less than 10%, it is considered "less affected."

If it needs to develop a resettlement plan, it should be prepared in accordance with the principles planning implementation arrangements in this Resettlement Policy Framework. Resettlement plans should be developed based on an accurate census and socio-economic survey, should contain measures to mitigate the negative impact (For example, property compensation, transition assistance, and economic recovery assistance) . 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. Based on the types of negative impact, the resettlement plan should pay attention to the following points:

- Description of activities leading to land acquisition
- The scope and extent of the potential negative impacts
- Baseline of socio-economic survey and census results
- Review of laws and regulations related to land acquisition and resettlement.
- Specific property compensation rates and replacement costs for all affected categories (or other options)
- Taking any necessary resettlement measures to provide the opportunities for displaced persons to restore the economy.
- Eligibility criteria for compensation and other assistance
- Resettlement arrangements, including transition period assistance measures, if necessary
- Prepare relocation sites, if necessary
- Restoration or replacement of community infrastructure and services
- Organizational arrangements for implementation
- Arrangements for consultation and information disclosure
- Resettlement implementation schedule
- Cost and Budget
- Monitoring and evaluation arrangements
- Grievance redress mechanism
- Summary of entitlement

If it is needed to develop an abbreviated resettlement plan, it should be also developed in accordance with the principles, planning, and implementation arrangements set in this Resettlement Policy Framework. It shall include at least the following:

- Resettlement census and affected property assessments
- Description compensation and other resettlement assistance (measures) to be provided
- Eligibility criteria of compensation
- Arrangements for consultation and information disclosure
- Organizational arrangements for implementation
- Schedule and budget
- Monitoring and evaluation arrangements
- Grievance redress mechanism

Any resettlement plan prepared in accordance with this framework, need to be reviewed by the Bank.

5. Resettlement compensations and entitlements

Generally, persons entitled to compensation include those affected in the following ways:

Permanent acquisition of land, including A) villagers having formal rights to land in the affected village, and B) villagers from non-affected villages who farm on or rent land there

Type A displaced persons are entitled to compensation at full replacement cost. Type B displaced persons are entitled to compensation for crops and properties.

Loss of housing, other properties and fixed assets, including trees and young crops: proprietors of properties and other assets (whether or not they hold a land use or building permit before the cut-off date).

Losses related to temporary impacts, including temporary land loss, transitional costs related to displacement or interference with business during the construction period.

The replacement costs (including compensation rates for various types of assets) shall be implemented in accordance with the demolition and resettlement policies of the country and Tianjin. A qualified real estate evaluation agency will be selected in consultation with the displaced person to evaluate the market value of the property and auxiliary assets. A entitlement matrix is in annex II..

(1) The compensation of affected people : Permanent building estimated by real estate evaluation agency will be selected, estimated value, in order to determine the compensation, or building property right exchange

(2) Machinery, equipment and its auxiliary equipment of displaced person will be compensated in kind , or in cash at full replacement cost, and will receive assistance in displacement.

(3) If the demolition results in suspending of manufacture and business, the affected staff of the suspending business should be provided compensation, which is counted basing on the number of the staff that registered in labor and social security institutions (including temporary workers) and local standard, generally, is equal to local minimum wage standard multiplied by suspension time. For the suspending enterprise, compensation should be provided which equals to a certain number of times of the average monthly after-tax profit in the year when the enterprise made a maximum profit as recorded by tax department in the past 3 years. The number of times is determined based on negotiation and actual situation of the affected enterprise/shops. The relocation allowance of workshop and office is handled according to their local situations prior to relocation.

(4) Human resources and social security agency provides job training to unemployed people.

6. Implementation procedures of involuntary resettlement

6.1 Implementation organizations and responsibilities

In order to ensure smooth implementation of resettlement and achieve the expected effect, a set of organizations must be set in order to carry out coordination and monitoring for plan and implementation of resettlement activities. Resettlement

covers a wide range of issues and needs assistance and cooperation of various agencies. Therefore, the PMO under Tianjin Construction and Transportation Commission established relevant organizations successively and defined the responsibilities of each organization.

The Project Management Office under Tianjin Construction and Transportation Commission.

Relevant government organizations of Tianjin (such as Development and Reform Commission, Traffic Police Office, Land and Resources Bureau, Construction Bureau and etc) .

District governments and street offices along Tianjin urban transport improvement engineering project.

Monitoring and evaluation units of the project.

Project Management Office under Tianjin Construction and Transportation Commission: responsible for leading and coordination of social safeguard management of the whole project, including preparation and implementation of resettlement plan. The PMO can hire experienced professional institute to prepare and monitor the implementation of the resettlement plan;

Relevant government organizations of Tianjin (such as Development and Reform Commission, Land and Resources Bureau, Transportation Management Bureau, Environment Protection Bureau, Highway Bureau and etc) : responsible for inspecting relevant documents of the project and supervising implementation of the project;

Tianjin Municipal Construction Company: responsible for construction of metro transfer and public transportation station project;

District government and street offices of project sites: coordinate with the project to carry out social management of the project and carry out training of relevant policies of World Bank.

Monitoring and evaluation units of the project: investigate and evaluate implementation situation of resettlement plan of the project and put forward relevant problems and suggestions and submit monitoring and evaluation report to project management office and the World Bank.

6.2 Implementation Procedure

The resettlement plan shall include a detailed schedule. The compensation payment, other recovery measures (by cash or other methods) and other necessary settlement shall be finished at least one month before the land acquisition. If the compensation cannot be made in full before the land acquisition or necessary support measures cannot be provided, transitional subsidy shall be provided. The transition period shall not exceed two years. Moreover, the following basic legal procedure shall

be observed in the project acquisition and resettlement process.

General Procedure for House Demolition in stated-Owned land

In accordance with *Regulations on the Acquisition and compensation of Houses on State-owned Land*, the following basic procedures shall be observed:

1. Refer to legitimate conditions and procedures and make decision on house acquisition and demolition;
2. Publicize the house acquisition and demolition announcement and recovery of state-owned land use rights;
3. Select a qualified evaluation agency to evaluate house value and announce the evaluation results;
4. Sign compensation agreement on house acquisition and demolition with affected people or organization;
5. Publicize the compensation conditions and build relevant files
6. Demolish the house and transfer the land for project owner's use.

7. Public participation and information disclosure

In order to ensure that the opinions and suggestions of the affected persons can be fully considered, public participation should precede the implementation of the project design and compensation and resettlement measures. Public participation throughout the whole process of the implementation of the resettlement plan and external monitoring.

In the first draft and final draft of resettlement plan, the project area should also be specific in the project localities and to the affected people and the public.. The resettlement action plan should be prepared a few months in advance before any involuntary resettlement actually begins. After the World Bank's review, the final draft of the resettlement plan must be tuned by reflecting the Bank's review comments and redisclosed to the public.

This project will be carried out 3 times of public consultation across project areas. The public participation activities will cover all the key issues and critical sites of the

project. The PMO will coordinate these consultations.

8. Grievance redress mechanism

Based on current information available, the project does not involve land acquisition and resettlement. However, in case there are any emerging social problems during the project implementation, the project team will facilitate the participation of affected people and build the complaint handling mechanism. The procedure is as follows:

- Phase 1: if the project affected people are not satisfied with the project, they may propose oral or written complaints to the local district or country, street or the PMO; in case of oral complaint, the street office, neighborhood committee or the PMO shall dissolve and keep records within 2 weeks.
- Phase 2: if the affected people are still not satisfied about the treatment decision in Phase 1, they may propose the complaints to the Project Management Office after receiving the decision within 2 weeks; the Project Management Office shall handle the complaints and coordinate with relevant authorities such as Land Resources agency, municipal/District resettlement offices and reach a decision within 2 weeks.
- Phase 3: if the affected people are still not satisfied with the decision in Phase 2, they may apply lawsuit to administrative authorities level by level for arbitration in accordance with the *Administrative Procedure Law of the People's Republic of China* after receiving the decision. Such appeal should be handled within 4 weeks.
- Phase 4: if the affected people are still not satisfied with the arbitration decision, they may apply to the Civil Court in accordance with the Civil Procedure Law after receiving the arbitration decision.

All authorities shall receive complaints and appeals of the affected population free of charge, and if any reasonable expenses incurred thereby, they shall be treated as unexpected contingency expenses of the project.

These complaint handling procedures shall be always effective during the whole

construction period of the project to ensure that the affected people can apply them to solve relevant problems.

During the acquisition period, the acquisition department shall well register and manage the complaint materials and handling results and report to the project management office once a month in written form. The project management office shall regularly check complaint handling. To fully record the complaints of affected people and solution to their complaints and relevant problems, the project management office shall file the registration form filled by affected people and handling of the complaints and issues, see sample format as follow.

Table 8-1 Project Complaint and Appeal Registration Form

Applicant:		Time:	
Accepted by:		Place:	
Contents:			
Required Solution			
Planned Solution			
Actual Treatment Status			
Applicant (signature)		Recorded by (signature)	
Note: 1. The recorder shall record the complaints and requirements of the applicant according to the facts; 2. The complaint process shall not be subject to any interference and barriers; and 3. The planned solution shall be replied to the applicant within the specified time.			

9. Monitoring

To ensure smooth implementation of the project, the Project Management Office of Tianjin Municipal Urban and Country Construction and Transportation Commission will regular monitor and evaluate the involved land demolition and relocation of the project in accordance with the requirements of *World Bank policy OP4.12 Involuntary Resettlement* and *Guideline for Monitoring and Evaluation of Resettlement of World Bank-supported project*. The monitoring consists of internal monitoring and if needed, external independent monitoring of resettlement.

9.1 Internal Monitoring

The project management office shall be responsible for internal monitoring and the project affected and relevant districts and streets committees and other units shall assist through the process. The project resettlement authority shall build land acquisition and resettlement files, and apply it to prepare the resettlement plan to monitor the resettled households and demolition units and carry out internal monitoring on the whole preparation and implementation for resettlement and relocation.

9.2 External Monitoring

As, if and when required in this project depending on the scale and impacts of involuntary resettlement, the World Bank task team can give advice on this need as resettlement emerges. Once a RAP is needed, Tianjin PMO shall ensure an independent and impartial third party with over 5 years of experience in monitoring and evaluating land acquisition and house demolition to monitor and evaluate the land acquisition and resettlement of this Project.

Monitoring and reporting as applicable and necessary, usually one time or twice a year of monitoring, according to the circumstances of actual needs. External monitoring can start after 6 months of resettlement starts in the project. About 10%-20% or even higher percentage of affected household samples can be surveyed for monitoring and evaluation purposes. Main objectives are below:

- Assess the participation, compensation and resettlement of affected people, whether their rights to compensation, relevant assistance and livelihood restoration are consistent with the resettlement plans.
- Assess whether to achieve a "increased or at least restored living standards and income to the level prior to resettlement in the project" policy framework.
- Collection of project implementation to qualitative indicators of the social and economic impact of the displaced person.

After the project implementation, they shall apply the project post-evaluation theories and methods to carry out post-evaluation on the resettlement on the basis of monitoring and evaluation, and evaluate the successful experience and lessons from the

acquisition and demolition to provide useful experience for later relocation and resettlement. The post-evaluation shall be carried by the external independent monitoring and evaluation institution entrusted by the Project Management Office of Tianjin Municipal Construction and Transportation Commission. The institute undertaking the post-evaluation shall prepare the post-evaluation program, build the evaluation index system, carry out social economic analysis and investigation, carry out socioeconomic analysis and investigation, prepare the “*Post-Evaluation Report on Involuntary Resettlement of the Project*” and submit to the Project Management Office and the World Bank.

Annex I Laws and Policies of Resettlement

Level	Policy Documents	Time of Effect
National and central ministries	<i>Land Administration Law of the People's Republic of China</i>	August, 28, 2004
	<i>Enforcement Regulations for Land Administration Law of the People's Republic of China</i> (Decree of the State Council No. 256)	December 27, 1998
	<i>Decision of the State Council on Deepening the Reform and Strictly Enforcing Land Administration</i> (Guofa [2004] No.28)	October 21, 2004
	<i>Guiding Suggestions on Improving Land Acquisition and Resettlement Regulation</i> (Ministry of Land and Resources [2004] No.238)	November 3, 2004
	<i>Notice of the State Council on Enhancing Land Control and Relevant Issues</i> (Guofa [[2006] No.31)	August 31, 2006
	<i>Notice of the General Office of the State Council on Forwarding the Guiding Suggestions of Labor and Social Security on Employment Training and Social Security of Land-acquired Farmers</i> (General Office of the State Council [2006] No.29)	April 10, 2006
	<i>Measures for Announcement of Land Acquisition</i> (Decree of Ministry of Land and Resources No. 10)	January 1, 2002
	<i>Notice of the Ministry of Land and Resources on Further Land Acquisition Management</i> (issued by the Ministry of Land Resources on June 26, 2010)	June 26, 2010
	<i>Notice on Improving Fiscal Interest Discount Policy for Micro Credits and Promoting Entrepreneurship and Employment of Women</i> (CJF [2009] No. 72)	July 27, 2009

Level	Policy Documents	Time of Effect
	<i>Regulation on Acquisition and Compensation of Houses on State-owned Land</i> (Decree of the State Council No. 590)	January 21, 2011
	<i>Methods for Evaluation and Compensation of Acquisition of Houses on State-owned Land</i> (JF [2011] No.77)	June 7, 2011
	<i>Regulations on Urban Minimum Living Standard Allowances</i> (Decree of the State Council No. 271)	October 1, 1999
Tianjin	<i>Tianjin Land Administration Regulation</i>	March 1, 2007
	<i>Tianjin Management Regulation on Demolition of Urban Buildings</i>	May 1, 2007
	<i>Notice of Tianjin Municipal Bureau of Civil Affairs and Tianjin Municipal of Finance on Adjusting Social Subsidy Scope and Standards</i> (JMF (2014) No.20)	April 1, 2014
	<i>Tianjin Regulation on Guaranteeing Rights and Interests of Minorities</i>	January 1, 2014
	<i>Tianjin Comprehensive Price Standards for Land Acquisition</i>	October 1, 2014
	<i>Tianjin Trial Methods for Social Security for Land-acquired Farmers</i>	December 10, 2004
World Bank	OP OP4.12 <i>Involuntary Resettlement</i> and annex(revised version)	April 1, 2013
	BP4.12 <i>Involuntary Resettlement</i> and annex(revised version)	April 1, 2013

Annex II Entitlement of displaced people affected in different ways

Type of impact	Type of affected persons	Type of compensation	Resettlement policy
Property demolition and rebuilding	Proprietors of affected properties on state-owned land	Providing cash compensation for the property based on the appraised market value, offering resettlement housing at the displaced person's option; moving subsidy and transition subsidy	Resettlement housing of equivalent size, location and quality, and satisfactory to the displaced person, or cash compensation sufficient to purchase such housing
	Property tenants	Consulting with the proprietor about compensation for the loss arising from the termination of the lease	Assisting in looking for another property
Loss of non-residential buildings	Business operators and employees forced to move	1) New operating plot or cash compensation based on replacement cost; 2) cash compensation for loss of operating property; 3) transitional support for loss of income (including employee wages); 4) moving subsidy	A new operating plot acceptable in size, location and operating conditions

Type of impact	Type of affected persons	Type of compensation	Resettlement policy
Loss of attachments and other assets	Proprietors of attachments and other assets	Cash compensation based on replacement cost	
Loss of infrastructure	Proprietors or management agencies of affected facilities	Funds for restoring the affected facility to the original condition and function, or paid to competent authority for restoration	Infrastructure and services should be restored timely to avoid any adverse impact on the host community.
Direct losses of various types	Vulnerable groups, such as the poor, the elderly, the disabled, woman-headed households	Offering extra support so that their income level and standard of living are restored or improved	