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Inner Mongolia Highway and Trade Facilitation Project

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Social Assessment and Resettlement Action Plan

For

Genhe-Mangui Class III Highway

(The Revised Draft)

Genhe-Mangui Class III Highway Project Office

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Objective of RAP and Terms in Land Acquisition and Resettlement

The RAP has been compiled according to the relevant laws and regulations of the PRC and localities as well as the World Bank's Implementation Outline for Involuntary Immigrants (OD4.30). Its objective is to ensure that the impacted people can get benefit from the proposed highway project so that their living standard can be raised or at least can be restored to that before the impact of the project.

The acquisition of land and other properties may impact whoever lives on them. The impacted people include those whose life or income is impacted by the land acquisition and resettlement for the project, including:

- 1. those whose buildings (such as houses, the buildings of an enterprise or unit, or other public buildings) or land (such as courtyards, cultivated land, pastures) or other properties of which who have the ownership, right or economic benefit are acquisitioned either partially or completely;**
- 2. those who use the above building or other properties, or whose production or management, jobs, living environment are impacted;**
- 3. those whose living standard is impacted by land acquisition for the project.**

Consequently, we can define the impacted population as follows.

The impacted population is composed of those, 1. whose life has already or will be impacted by the project; 2. whose buildings or land (such as courtyards, cultivated land, pastures) or other movable or immovable properties of which who has the ownership, right or economic benefit are acquisitioned either permanently or temporarily; 3. whose production or management, jobs, living quarters are impacted.

An impacted object may be a person or a juristic one of a company or a public organization. Whether a person is impacted does not depend on whether he or she has been registered or approved legally to work or live in an impacted area, nor does it depend on whether he or she has the ownership of the properties. Therefore, the impacted people include all those who are impacted by the project:

- 1. whether they have the legal right of acquisitioned properties; or**
- 2. live in the impacted area without a legal approval.**

If a number of persons or a family jointly own or use a piece of acquisitioned land or other properties, they will get compensation according to the seriousness of the impact on their right and living standard. The definition of impacted population is directly related to the negative impact of the project instead of the ownership of these properties or other things.

All the impacted people's living standard should be raised or at least restored. They should get compensation for the loss in properties at least equal to that calculated based on repurchase cost and for no reason should the compensation be deliberately deducted or underestimated.

Resettlement includes the following aspects.

- 1. to rearrange the living areas;**
- 2. to arrange the jobs for the impacted people;**
- 3. to restore or compensate for the impacted productive resources, e.g., land, working places, trees and infrastructures;**
- 4. to eliminate the other negative impact from land acquisition, e.g., environmental pollution;**

- 5. to restore or make compensation for the public or private enterprises, and**
- 6. to eliminate the negative impact on cultural facilities or public properties.**

To restore means to make restoration of the impacted people's productive resources, so that they will carry on their production or management at least on the original levels before the construction of the project and maintain their life style.

The RAP is intended to make a plan for the impacted people to be resettled and their life restored, so that their losses will get compensated for and their living standard will be raised or at least maintained to the original level before the construction of the project. Therefore, restoring measures will be introduced in this RAP for the impacted people to raise their income or at least maintain the previous level, and for the productive resources and public properties, infrastructure and cultural facilities to be improved or increased or at least maintained the original levels before the construction of the project.

Chapter 1 Brief Description of the Project

1.1 Introduction

One of the Highway Network Components of the World Bank-financed Inner Mongolia Highway and Trade Facilitation Project, the Genhe-Mangui Class III Highway (hereinafter referred to as the Highway), starts from the end point of the forest protection road of Genhe City, going through Jinhe Town, Alongshan Town, and Mangui Town. The Highway stops at the border between Mangui Town and Mohe County of Heilongjiang Province. The total length of the Highway is 263.3 km, and it includes 2 big bridges with the total length of 234 m, 65 medium and small bridges with the total length of 1408.5 m, 287 culverts, 8 grade crossings between highway and railway, and 46 grade crossings between highways. The Highway was designed according to Class III highway in heavy hilly area, and the design speed was 30 km/h. Its subgrade width was 7.5 m, and the traveled lane width was 6.5 m.

As one section of a vertical from “four horizontal, four vertical and twelve exit” of Hulun Buir City highway network planning, the proposed Highway is an important road from Genhe City to Mohe County. It plays a key role in economic development of Hulun Buir City, especially Genhe City.

The existing road from Genhe to Mangui is a special forestry road, which is low in the technical standard. It is apparently unable to meet the increasing needs for transportation, and to keep abreast of the economic and tourist development in those areas. In order to bring the State’s strategies of developing the West into force, carry out natural forest protection project, improve the present traffic conditions, accelerate the resource exploitation and tourist development in the areas along the alignment, and avoid or reduce forest fire, the Highway is in urgent need of construction.

1.2 Project impacted areas

The Highway goes through Genhe City of Hulun Buir City. There are 1 prefecture-level city, 1 county-level city, and 3 towns. For details, please refer to the following table:

Table 1.1 City and towns affected by the Project.

City	Town
Genhe City	Jinhe Town
Genhe City	Alongshan Town
Genhe City	Mangui Town

1.3 Minimization of land acquisition and resettlement

The IMAR's governments at all levels pay great attention to the land acquisition and resettlement. When preparing the Resettlement Action Plan for the Project, it has been considered that all PAPs and units should receive reasonable compensation and be well resettled. As soon as the resettlement starts, the implementation will be carried out in accordance with the RAP to minimize the Project impact. A series of measures will be taken to rehabilitate or reconstruct the affected residents, units and enterprises, infrastructure as soon as possible. Even when the civil construction of the Project is initiated, further efforts, such as technological innovation and strengthening the management of construction, can be made to mitigate negative impacts on the affected areas and convenience the PAPs' work and life.

The construction of the development projects usually involve land acquisition, housing relocation, and displacement, and affect local people's production and living conditions. When the different route alternatives were compared, much

attention was paid to the impacts of the projects on local society and economy. In order to minimize the land acquisition and displacement, in the determination of the alignment, the design institutions prevented the highway from directly passing through the residential spots, used cultivated land as less as possible, and minimized housing relocation.

As early as the techno-economic feasibility study and the preliminary engineering design for the Project, based on the Design Norm of Highway Route combined with the terrain along the route, the departments concerned planned and designed the route alignment according to the principles such as economizing on land, reducing the cultivated land acquisition, not taking high-yield land and minimizing the building relocation. They solicited opinions from the local governments and villagers in the affected areas, and decided the route alignment scheme on the basis of repeated comparison of different route alternatives. Therefore, the Project impact on the cultivated land, housing and units and enterprises has been reduced as much as possible.

During the Project planning and construction stages, the following principles will be applied to reduce Project impact on production and living conditions of local residents.

A. Recognize the impacts and inconvenience brought upon by the construction of the Highway, and adopt measures such as building elevated pass-way or underground passageway for those residential concentrated areas; when passing through a township town, parallel local roads will be provided; and all highway pass-ways will be designed to accommodate farm-use vehicles and transporting animals. For those affected irrigation canals, they will be restored in order to ensure the normal farming activities will not be adversely affected.

B. Collect basic information, analyze local socio-economic conditions, and combine local actual condition to develop a feasible RP so as to reduce the

impact of construction and ensure that the living standard of the affected people won't decrease because of the Project.

C. Strengthening internal monitoring and external monitoring on resettlement implementation; and setting up an effective feedback system in order to solve problems in timely fashion in resettlement implementation.

D. Enhancing Public Awareness and Participating: Before Project construction, construction schedule notices will be posted in Project impact areas and resettlement areas. Meanwhile, the compensation policies of land requisition, house removal and resettlers' relocation will be published, which will be monitored by the PAPs. During construction, priority will be given for using local materials, local transportation means and local labor forces, so affected people can obtain additional benefits from the Project.

1.4 Policies and objectives for the RAP preparation

Policies

- 1) The Land Administration Law of the People's Republic of China (PRC) and its Implementation Regulations**
- 2) The IMAR Implementation Regulations of the PRC Land Administration Law**
- 3) The PRC Forestry Law and the IMAR Administration Regulations**
- 4) World Bank's OD 4.30 Involuntary resettlement**

Objectives

- 1) Involuntary resettlement should be avoided or minimized where feasible, exploring all viable alternative project designs. Where displacement is unavoidable, the effective measures should be taken to minimize the impacts of the land acquisition and housing relocation on local people's production and life.**

- 2) At the project preparation stage, socio-economic survey should be conducted and resettlement plans should be developed.
- 3) Resettlement should be based on the concrete objects affected and compensation standard, with the aim that the living standards of the Project-affected persons (PAPs) can be improved, or at least restored to their former levels.
- 4) Community participation in planning and implementing resettlement should be encouraged□
- 5) All the PAPs will benefit from the Project.

1.5 Principles of resettlement program and safeguarding of PAPs' entitlements

Principles of resettlement program

1. Make sure that the impacted units and individuals can raise or at least keep their original living standards in the shortest possible time.
2. Anyone who loses his or her houses should get new ones, and should be resettled in a nearby place.
3. Resettlement plans, sites of new houses, standards and building areas, as well as the corresponding compensation standards should be determined after the impacted people's opinions have been asked.
4. For all the impacted buildings, the other compensation should be calculated based on the current substituting price without the consideration of depreciation charge. The objects in the houses to be demolished belongs to the owners of the houses.

Safeguarding of PAPs' entitlements

Therefore, a series of measures will be taken to safeguard the entitlements of the affected people:

1. Ensure that all PAPs receive compensation at replacement cost for their total loss due to the project, and are well resettled and rehabilitated so that they can share the benefits of the project;
2. Special care will be taken for the vulnerable groups (including the poor households, the households having the disabled members, the households headed by the women, and the households where the aged live alone), such as assistance in building and moving into their new houses, and receiving specific compensation.
3. Help those whose houses are relocated select their new sites and build their new houses, and make them harmonize with the new environment as soon as possible;
4. The implementation of the land acquisition and resettlement will be monitored and evaluated (M&E) by the independent monitoring institute. The representatives of the PAPs will participate in the resettlement and the PAPs have avenues for redressing their grievances.

Chapter 2 Socio-economic situation of Project-affected areas

2.1 The Inner Mongolia Autonomous Region (IMAR)

The Project Area, the IMAR is situated in the northern frontier of China. It stretches 2400 km from west to east and 1700 km from north to south, traversing northeast, north and northeast China. The IMAR covers an area of 1.183 million km² or 12.3 % of the country's territory, and its land area is the third largest in China. The Region is surrounded by eight provinces and regions in its south, east and west, and Mongolia and Russia in the north, with a borderline of 4200 km.

The total population of the IMAR is 23,790,000. There are Han, Mongolian, Hui, Manchu, Tibetan, Korean, Tahur, Olunchun and some other nationalities. The Mongolian Nationality is the main body in the IMAR. In 2002, the GDP in the IMAR reached 173.248 billion yuan, the annual average income per urban citizen was 6051 yuan, and the annual average net income per farmer or herdsman was 2086 yuan. The IMAR has national iron and steel and coal production bases. In addition, it has industries of forest, farm and animal production processing, electricity, machinery, chemicals, electronics, textile, sugar, paper making and light industry. It has developed agriculture and animal husbandry. The Region is a national production base of cash grain, oil and sugar, and also an important animal husbandry base, ranking top among the five major pastoral areas in the State.

2.2 Hulun Buir City

Hulun Buir City is situated in the northeast of IMAR, between longitude 115°31'□126°04' E. and 47°05'□53°20' N., stretching 630 km from west to east.

It covers an area of 253,000 km² or 21.4% of the IMAR's territory. The City is surrounded by Xing'an League in its south, Heilongjiang Province in the east, Russia in the north and northwest, and Mongolia in the west and southwest, with a borderline of 1685.82 km. In 2002, its population was 2.676 million with 35 minorities, accounting for 15.9% of the total population.

The land area of Hulun Buir City accounts for 11.9% of the IMAR's area. Per capita land (8.82 hectare), per capita cultivated land (0.49 hectare), per capita forest land (4.50 hectare), and per capita grassland (3.08 hectare) are 11.5 times, 4.9 times, 27.3 times and 16.3 times of the corresponding indicators in China separately. As shows the rich land resources and potentials to develop. Except for the sand land, rock land, bare land, swampland, and saline and alkali land, accounting for 1.8% of the City's area, which are difficult to be developed, the other 98% of land can be utilized easily. The land availability percentage of the City is higher than that in whole IMAR, 80.7%, and much higher than that in whole China, 65%. The quality of land resources is high in IMAR and China. The organic content here is 4-6% so land is suitable for agriculture and animal husbandry.

The City is one of the important farm production bases in IMAR. The cultivated land increased from 15.09 hectare in 1949 to 108.6 hectare in 2000, and in the same period, the grain production output increased from 165,000 tons to 1,754,000 tons. The agricultural technology is an important fact in agricultural development. The agricultural mechanization in the family farms has been accomplished in Hailar Reclamation Area and Great Xing'an Mountains Reclamation Area. Fine varieties of farm products, such as wheat, soybean have been developed, and every year 70% of the farm product are exported to foreign countries, ranks first in IMAR.

The animal husbandry of the City is becoming benefit-oriented, Sanhe Cattle, Sanhe Horse, Hulun Buir fine-fleece sheep and other fine varieties of livestock

have been bred. Through returning land for farming to grassland, the problem of lack of fodder grass in Lingxi Area has been resolved. Lots of cattle and sheep from the pasturing areas were fattened in the farming areas, miming areas, reclamation areas and suburban areas. In 2000, the annual livestock number reached 5.763 million, and the animal husbandry production system focusing on milk, meat, and grass has been formed.

The industry sectors of the City are relatively complete, and its production structure is becoming appropriate gradually. The industries of forest, coal, electricity, textile, dairy products and construction materials are the mainstays of industry production with local national characteristics. Now Hailar, Manzhouli, Zhalantun, and Yakeshi are the centers of the industries of farm and animal husbandry product processing, forest, timber processing, machine manufacturing. The City's industry is beginning to be intensified and formed economic groups. The state-owned, collective, individual, stock-holding, privately owned, jointly managed sectors have diversified the City's economy. In 2000, the value-added of industry of the enterprises at township level and above in the City was 1.438 billion yuan.

The City is rich in tourist resources, such as prairie, and forest landscape, ethnic scenes, ancient and modern sight spots. Long Sino-Russian and Sino-Mongolian borderline and lots of ports are potential resources which can be developed as new tourist attractions. The prairie, forest, rivers, lakes, mineral springs, rare animals and plants, mountains, and ice and snow made the City's natural landscape very beautiful. Besides, Barag Mongolian Nationality, Buliyate Mongolian Nationality, Tahir Nationality, Ewenki Nationality, and Olunchun Nationality still retain traditional production, habits and customs, and colorful ethnic festival celebrations. The City's tourist industry, with the characteristics of Hulun Buir prairie, forest, rivers, ports, and ethnic customs and manners, has evolved a style of domestic tourism, international tourism, frontier tourism, and foreign tourism.

2.3 Genhe City

Genhe City is situated in the northern section and western foot of Great Xing'an Mountains, and surrounded by Olunchun Banner, Ergun City, Yekeshi City, Mohe County and Tahe County of Heilongjiang Province. It is between longitude 120°12'-122°55' E. and 50°20'-52°30' N.. It stretches 198.8 km from west to east and 240.4 km from north to south, and covers an area of 20,012 km². The City is one of the cities in the highest latitude areas, and the average air temperature here is the lowest in Inner Mongolia.

The percentage of forest cover in the City is 75%, which is the highest in Inner Mongolia. The City is a typical state-owned forest area. The main trees are larch, white birch, camphor, and poplar and willow. There are a lot of wild animals and plants here and the City has mineral resources, such as lead, zinc, silver, gold, etc.. Besides the natural landscape of Great Xing'an Mountains, there is also human cultural landscape made of special production and life customs of Ewenki hunters at Aoluguya of Great Xing'an Mountains.

By the end of 2004, its population is 169107 people in 53217 households. Among those, 86024 people are male and 83083 people are female. The population density is 8.45 people/km².

The City has 5 towns, 1 township, and 3 subdistricts. They are Haolipu Town, Deerbuer Town, Jinhe Town, Alongshan Town, Mangui Town, Aoluguya Ewenki Nationality Township, Hedong Subdistrict, Hexi Subdistrict, and Sengong Subdistrict. There are also 5 forestry bureaus under Inner Mongolia Great Xing'an Mountains Forestry Bureau, i.e. Genhe Forestry Bureau, Deerbuer Forestry Bureau, Jinhe Forestry Bureau, Alongshan Forestry Bureau, and Mangui Forestry Bureau.

At present lodging and timber processing are still main industries in Genhe City's national economy, and they formed the economy of forestry mainly owned by the state. In 2004 its GDP was 2.008 billion yuan, and the annual average income per urban citizen was 6572 yuan. Since 99.91% of the local population are non-agricultural residents, no per farmer or per herdsman net income was counted. The living conditions of urban people in Genhe City are as follows:

Table 2.1 living conditions of urban people in Genhe City (2004)

item	unit	Amount
annual average income per urban citizen	yuan	6572
annual average expenditure per urban citizen	yuan	4112
Average consumer durable holding per 100 urban households		
Color TV	no.	100
Refrigerator	no.	52
Washing machine	no.	86
VCD	no.	50
Fixed phone	no.	98
Mobile phone	no.	66

2.4 Affected Towns

According to the investigation, the proposed highway will go through 3 towns in Genhe City. All of the 3 towns are primarily focused on forestry and timber processing industries, while making forest production manufacture and diversified industries subsidiary. They are typical state-owned forest areas and forestry towns. Their general situations are described as follows:

Jinhe Town

Jinhe Town is located in the central area by west of Genhe City. It is surrounded by Genhe City in the southeast, Elunchun Autonomous Banner and Tahe County of Heilongjiang Province in the east, Deerbuer Town and Haolipu Town in the southwest, Eerguna City in the west, and Alongshan Town in the north. The total area is 5353 square kilometers, accounting for 26.86% of Genhe's total area. Among that, its forest area is over 3000 square kilometers, accounting for 89.9% of Jinhe Town's area.

Jinhe Town has 5 neighborhood committees, and 3 residential points in forestry areas, and its population is 24,038. There are 9 ethnic minorities including Mongolian, Hui, Manchu, Korean, Tahur, Ewenki, Xibe, Russian, Tibetan. The ethnic population is 2412, accounting for 10% of Jinhe Town's population.

Alongshan Town

Alongshan Town is located in the central area of north Genhe City, between longitude 121°12' E. and 51°33' N.. It is surrounded by Huma County of Heilongjiang Province in the east, Eerguna City in the west, Jinhe Town in the south, and Mangui Town in the north. The total area is 2643 square kilometers, accounting for 13.35% of Genhe's total area. Among that, its forest area is 376,894 ha., accounting for 84% of Jinhe Town's area.

Alongshan Town has 4 neighborhood committees, and 12 residential points in forestry areas. There is Alongshan forestry administration bureau in the Town area. In 2004, its population is 22,988. There are 9 ethnic minorities including Mongolian, Hui, Manchu, Korean, Tahur, Ewenki, Xibe, Russian, Zhuang. The ethnic population accounts for 12% of Alongshan Town's population.

Mangui Town

Mangui Town is located between longitude 122°09' E. and 52°02' N., and the north gate of Inner Mongolia Autonomous Region, Hulun Buir City and Genhe City. It is surrounded by Tahe County and Mohe County of Heilongjiang Province in the east and northeast, Eerguna City in the west, and Alongshan Town in the south. The total area is 3072.81 square kilometers, accounting for 15.70% of Genhe's total area. Among that, its forest area is 390,557 ha..

Mangui Town has 5 neighborhood committees, and 3 residential points in forestry areas. There is Mangui forestry administration bureau in the Town area. Its population is 20,185. There are 10 ethnic minorities including Manchu, Hui, Mongolian, Tahir, Russian, Korean, Xibe. The ethnic population is 2986, accounting for 14.13% of Mangui Town's population.

Chapter 3 Project impacts

3.1 Brief account of the survey

In order to know exactly and completely the impacts of the land acquisition and resettlement of the Highway, before the compilation the RAP, between October and November 2005, the investigation team, which was composed of the personnel from the related departments in Genhe City, conducted the detailed survey of impact inventory including population, houses, land, and infrastructure, according to the range determined by the Hulun Buir Highway Reconnaissance and Design Institute.

3.1.1 Impact inventory survey

Impact inventory survey were divided into: land acquisition survey, the Project affected people survey, house demolition and attachment survey, scattered tree survey, rural production and living facility survey, special facility survey, etc.. The detailed survey methods are described as follows:

Land acquisition survey

It was conducted according to the present conditions of land used, the cultivated land, grassland, forest land, housing plot will be registered separately. Various lands survey were done by the design institute adopted GPS positioning system of whole world, the results were registered and counted up as every village and every piece of land, by 1: 2000 actual survey topographic maps.

Affected people survey

It was registered and counted up as numbers of actual Project affected persons. Affected persons of land acquisition are registered and counted up as real number of land acquisition households. The items to be investigated included

relationship with household head, sex, age, nation, occupation, level of education, and technical level, etc., especially ethnic minorities.

House demolition and attachment survey

The methods to check house property certificate, land-use certificate and combined with site actual condition survey were adopted. All land attachments and accessory facilities belonging to the resettles were registered and counted up one by one.

Special infrastructures survey

The items Surveyed and counted up included water conservancy, power facilities and communication apparatus affected by the Project.

In order to analyze the Project impact and prepare practicable RAP, the relevant departments organized by Genhe City surveyed socioeconomic conditions of the affected towns and resettlers in the affected areas. The survey adopted the methods of collecting present statistic data and surveying samples on field sites. According to the survey results, local socioeconomic situations and the villagers' actual production and living conditions were analyzed carefully.

General conditions of the areas affected by Project, socioeconomic situation and development plan

Collecting related documents and statistical data from the departments of plan and price of local governments including GDP, national income, gross output value of industry and agriculture, fiscal revenue, income level, agriculture product and by-product, price information needed, and livestock number. The information could reflect generally the local socioeconomic conditions.

The present condition of production and living for local villagers in the affected areas

Determining various indexes to judge production and living for local villagers in the affected areas, and surveying samples of effected items due to land acquisition and house demolition.

3.1.2 Socioeconomic survey

Documentary research

Documentary research was aimed to understand the history and current situations of the Project affected areas. It is a base and precondition to carry out a field survey.

Field survey

According to the survey outline and questionnaires, survey of the villagers was conducted on site, and public meetings were had.

Because of different socioeconomic background and characteristics, different projects have different major issues. It is necessary to define the major social issues, which are important to the preparation and implementation of the Project, according to the characteristics of the Project. Then those issues would be investigated, and analyzed, and planning would be made. Based on the Project's features, the major social issues were determined as follows: resettlement; highway project and local socioeconomic development; and minorities. For details, please refer to the related sections of this report.

3.2 Land occupation

All the land to be occupied by the Project is 197 mu of state-owned forest land, no land will be acquired for the Project.

3.3 Affected houses

The house demolition of the Project will affected 22 households. It is listed as follows:

Table 3.1 The affected houses

No.	Item	City	Genhe
		Unit	A
1	brick timber houses	Sq.m	824
2	timber tile houses	Sq.m	292.08
3	Simple structures	Sq.m	303.72
4	Total construction area	Sq.m	1419.8
5	Affected households	household	22
6	Affected persons	person	42

3.4 Affected enterprises and institutions

According to the survey, no enterprise or institution will be affected by the Project.

3.5 Affected crops

The Project only occupy some state-owned forest land and no farmland will be acquired. Therefore, there will be no affected crops due to the Project.

3.6 Affected infrastructure and other main assets

The infrastructure and other main assets affected by the Project are listed as follows:

Table 3.2 The affected infrastructure and other main assets

No.	Item	City	Genhe
		unit	A
1	Electric poles	no.	10
2	Over head electric poles	no.	4
3	Communication poles	no.	3
4	Over head communication poles	no.	1

3.7 Project-affected people

The population affected by the house demolition of the Project is 42 persons in 22 households. Because some of the affected houses are discarded ones and the original residents now live elsewhere, usually only one person (household head) in each of such households is calculated as Project-affected people. Since the land to be occupied by the Project is state-owned forest land, and that land isn't contracted by the forestry workers, there are no people affected by land occupation.

3.8 Analysis of the socioeconomic impacts

There were 3 big changes of Chinese rural land system. The first change happened just after the founding of the P.R.C--during democratic reform movement (1950). Feudal ownership of land was perished and small peasant private land ownership became the most popular land ownership. The second one happened in agricultural cooperation movement (from the middle 1950's to the end of the 1950's). Small peasant private land ownership was changed into farmer collective ownership. The third one happened at the end of the 1970's and at the beginning of the 1980's. This change does not alter the previous collective ownership. But land ownership and land operation right are detached, which partly changes the land application system. Farmers begin to contract for

collective land (including cultivated land, forest, pasture and wasteland) by household. The State stipulates that land in the rural areas and suburban areas, except otherwise provided for by the State, shall be collectively owned by farmers including land for building houses, land and hills allowed to be retained by farmers.

The term for contracting for the cultivated land is 15 years and the term for contracting other kind of land is decided by owners and contractors in the form of contract. The state issued a policy for a new round land contract: land contract further prolongs 30 years in the 1990's after the 15-year contract term expired in the 1990's. The revised P.R.C Land Administration Law reflected this policy. For the state-owned forest area, since its function has changed from exploitation of forest to protection and management of forest, now the forest land is no longer contracted by the staff members of forestry bureau.

Chinese formal rural organization network has been well developed. It plays an important role in technology dissemination and information transmission in farmers' daily life. The project preparation and implementation, especially the resettlement and rehabilitation, well relate to the formal rural organization network.

The People's Commune was set in Chinese rural area in the latter part of the 1950's and the People's Commune system made administration extend to the grass-root units. The production of a production team had to be decided by the higher authorities. The base of the rural organization structure: production team---production brigade---people's commune---county thus was formed due to the People's Commune. The present Chinese rural organization structure was also formed in early 1980's. It was changed into county (banner) – township (Sumu) - administrative village (Gacha) – villager group which has gone on since then. Under this structure, administrative organs are set in county (banner) and

township (Sumu), and administrative village and villager group belong to self-government organizations.

In recent years□the original administrative functions of township governments have been gradually changed into service functions. However, the rural formal organization network is relatively stable. In order to adopt Genhe’s administrative structure to the characteristics of mainly state-owned forest areas with non-agricultural population, its local organization network is city – town/township/street community – resident’s committee/residential area.

According to the actual situations of the affected area, and based on the rural land system and organization network, the impacts of the Project are analyzed as follows:

Positive impacts

1. Accelerating local economic development during Project construction

During Project construction, priority will be given to purchasing local construction materials and using local labors and technical services. In addition, related industries such as agricultural sideline product supply and development of tertiary industry will be accelerated to some extent.

2. Accelerating local economic development after Project completion

‘Giving priority to road construction in order to become rich’ has become social common view in the Project area. The Project will bring the advantages of local vital communications line into full play. It speeds and facilitates not only transporting and selling the products of local agriculture, animal husbandry and sideline to the outside but also circulating the interior goods. Its swiftness, convenience, time-saving and money-saving thus will develop local economy, increase income of local farmers and herdsmen, and improve local people’s living standards. Furthermore, areas near the Project area will also benefit from the convenient transportation due to the completion of the Project.

3. Improving the socioeconomic development of Genhe City

Genhe City's latitude is among the highest in China and located in the north of IMAR. The Project goes through north areas of the Genhe City, so the Project will perfect the main trunk highway in the City, and get through a key trunk highway linking Mohe County of Heilongjiang Province. The Highway will promote the trade and tourist development along the alignment, and will be beneficial to the socioeconomic development of Genhe City.

Potential Negative impacts

Some adverse impacts will appear due to Project construction. Therefore, full consideration has been given to the potential negative impacts during Project designing. The plans to mitigate the negative impacts have been worked out.

The possible negative impacts will be mainly on house demolition: although house demolition has been minimized as far as possible in Project designing, some house demolition is unavoidable.

The Project owner and design institute have taken some measures to mitigate the potential impacts. As for resettlement impacts, RAP has been well prepared, and will be well carried out. People suffering house demolition due to the Project will be provided with replaced houses or compensated in cash so as to protect affected people's interest.

At present non-agriculture industry has become farmers' vital income resources. In general, they go outside to do their jobs. Some of them are engaged in trade and transportation. Some farmers take the advantage of slack season to work outside while other farmers work all the year round outside. Investigation shows that usually one laborer per household works outside as a worker or tradesman. In some cases all the laborers in a household go into non-agriculture industry.

3.9 Stakeholder Analysis

Project stakeholders are people or sectors whose benefits directly or indirectly relate to the Project and who are directly or indirectly influenced by the Project success. The groups engaged in border trade, people along the proposed alignment and in peripheral area, communications sectors, governments at various levels, sectors concerned, and designing and consulting agencies are all the stakeholders. Their demands for and attitudes toward the Project directly and indirectly affect the Project success.

Among the stakeholders, people engaged in border trade, urban people along the alignment, farmers and herdsmen along the alignment, and people employed in highway transportation are main stakeholders while people in peripheral area are minor stakeholders. Among people along the alignment, a few people will be adversely affected by the Project house demolition.

(1) The urban people along the alignment

The Project will improve production conditions and investment environment, enhance local economic development and increase local people's income.

(2) The residents along the alignment

The Highway will make local residents get in and out, transport and sell farm products conveniently. Income from catering trade along the highway will increase. They can take the advantages of Project construction to develop and utilize the local stone construction materials, and obtain more employment chances. Since only a little state-owned land will be used by the Project, it won't have any adverse impacts on local people's income. Through house relocation, the affected people will have opportunities to improve their houses or get cash.

(3) The People employed in highway transportation

The completion of the Project will improve the traffic conditions, and thus make things convenient for people employed in highway transportation

(4) The People in peripheral area

The Highway will provide the peripheral area with convenient transportation conditions due to its swiftness and integral service function. It will cut down the transportation time, reduce the transportation costs, make the full use of resources of different regions, and facilitate the material and cultural exchange.

Chapter 4 Minorities and Women

4.1 Minority people in the Project area

In 2004, the total population of Genhe City was 169,107. There are 17 ethnic minorities with the population of 19,238. The ethnic minorities with the population over 300 are Mongolian, Manchu, Hui, Tahir, Korean, and Ewenki which are put in order from high to low. For details, please refer to the following table:

Table 4.1 Population and minority people in Genhe City (2004)

Nationality	unit	population	%
Han	person	149869	88.62%
Mongolian	person	9713	5.74%
Manchu	person	4002	2.37%
Hui	person	3393	2.01%
Tahir	person	885	0.52%
Korean	person	557	0.33%
Ewenki	person	375	0.22%
Other minorities	person	313	0.19%
Total population	person	169107	100.00%

The percentages of minority people in total population of Jinhe Town, Alongshan Town, and Mangui Town are 10%, 12%, and 14% respectively, which are nearly the same as that in whole Genhe City. There is no ethnic minority inhabited in the areas along the proposed highway.

4.2 Main ethnic minorities

The main ethnic minorities in the Project-affected areas include Mongolian, Manchu, Hui, Tahir, Korean, and Ewenki Nationalities. They are described as follows:

Mongolian Nationality

IMAR is a minority autonomous region with the Mongolian Nationality as its main body. Mongolian people in the Project area rely mainly on animal husbandry. Mongolian people have lived with the Han Nationality in pastoral area for a long time. They are similar to Hans in language, production, and habits and customs.

Mongolians and Hans work on animal husbandry, and are also engaged in other businesses together. Adapting to new development tendency, more Mongolians are engaged in secondary and territory industries.

There is no obvious difference in habits and customs, and religion between Mongolians and Hans living in the same area. Usually there is no necessity to make such difference. The Mongolian Nationality is defined as ‘main body’ in the IMAR. Chief local leaders are the Mongolians. The Mongolians have higher political and social status in the Project area. Mongolian villagers have more non-agriculture employment chances.

The Mongolian nationality and the Han nationality live together over a long period of time and share Chinese northern dialect. Some aged Mongolians can speak Mongolian.

Manchu Nationality

Manchu Nationality live mainly in Liaoning, Jilin, Heilongjiang Provinces, with the rest found in provinces of Hebei, Inner Mongolia, Ningxia, Gansu, Xinjiang, Shandong, Fujian Provinces. They also scatter in cities such as Beijing and Shanghai. Manchu Nationality have their own spoken and written language. Manchu characters were established in the end of 16th century. Manchu Nationality began to use Chinese Language when they moved to south of the Shanhaiguan Pass (east end of the Great Wall) in 1640s.

Manchu Nationality believe Shamanism, and are also affected by Buddhism. The traditional costumes of male Manchus are a narrow-cuffed short jacket over a long gown with a belt at the waist to facilitate horse-riding and hunting. They let the back part of their hair grow long and wore it in a plait or queue. Women coiled their hair on top of their heads and wore earrings, long gowns and embroidered shoes. Following the Manchus' southward migration, the common people came to wear the same kind of dress as their Han counterparts, while the Qipao has been recognized by all the nationalities.

Hui Nationality

Hui Nationality are distributed all over China. They speak Chinese with some daily and religious vocabulary from Arab and Persian languages. Hui Nationality are mainly involved in agriculture, but keep livestock, produce and trade handicrafts and food as well.

Hui Nationality are Moslems, and they have special cultural tradition and customs. The clothes of Hui people are broadly similar to those of Hans. The main difference lies in the head gear. Men often wear a little white cap, and women wear a head covering that covers the head and shoulders entirely. Young women usually wear green shorter one, reaching only the shoulder, and old women wear white one, hanging over the back.

Tahur Nationality

The population of Tahur Nationality in Hulun Buir City accounts for 60% of its total population in China. Tahurs have their language but no characters. Tahur Language belongs to the Mongolian Branch of the Altaic Language Family. Tahurs usually use Chinese, a small part of Tahurs in pastoral area also use Mongolian Language.

In the past Tahurs relied mainly on hunting. After settling down, they began to be engaged in agriculture and animal husbandry. Tahurs live close to Olunchuns, and there are many contacts between those 2 nationalities. There are no obvious differences in food, clothing, shelter, transportation, and customs and habits between Tahurs and Hans. Tahurs have freedom of marriage, and intermarry is common between Tahurs and other nationalities.

Korean Nationality

Korean Nationality mainly live in Yanbian Korean Autonomous Prefecture, Changbai Korean Autonomous County of Jilin Province, with the rest found in other areas of Jilin Province and the provinces of Heilongjiang, Liaoning and Inner Mongolia. Korean Nationality have their own spoken and written language, and they are mainly involved in agriculture.

Some Korean people believe Catholicism and Christianity, and some believe Buddhism. Women wear voluminous skirts with bright colors and a tight jacket which reaches just below the armpits. Men wear baggy trousers fastened at the ankles and a jacket which fastens on the right; sometimes they wear a high-crowned black horsehair hat.

Ewenki Nationality

Ewenki Nationality usually live in Ewenki Autonomous Banner in the south of Hulun Buir. Ewenkis have their language but no characters. Ewenki Language belongs to the Altaic Language Family. Ewenkis can speak Chinese, and also use Mongolian Language.

In the past Ewenkis relied mainly on hunting. They are engaged in different production activities, such as animal husbandry, reindeer breeding, and agriculture in different areas. Nearly a half of Ewenkis rely main on animal husbandry. Since they have lived close to other nationalities for a long time, there are many contacts among those nationalities. Ewenkis and Mongolians are alike in food, clothing, shelter, transportation, and customs and habits, and there are no obvious differences in those aspects between Ewenkis and Hans. Intermarry is common between Ewenkis and other nationalities.

4.3 Aoluguya Ewenki Nationality Township

One of the three branches of the Ewenki ethnic group, the Yakute tribe settled at Aoluguya ("place with lush poplar trees" in Ewenki) Township in the north part of Genhe in 1965, after leaving Ergune River valley along the Sino-Russian border. They used to live mainly on hunting and reindeer raising for food and income.

However, their living methods resulted in a sharp decline of wild animals and environment degradation in the area. Mushrooms and bryophyte on which reindeer mainly feed have almost disappeared in the area due to overgrazing. Meanwhile, Aoluguya is under increasing flooding threat as a result of reckless logging in the area.

The decision to move out of the forest was made after full consultations between the hunters and local authorities. The moving in 2003, or called ecological

immigration, has improved the productivity and livelihood of the 169-member tribe.

The new Aoluguya Township is located in the western suburbs of Genhe, about two kilometers from the city center. There are new houses with modern facilities for the Yakute families, together with the reindeer stables which cover an area of about 16,800 square meters surrounded by dense forest. Reindeer raising will still be a major income for Yakute people, although the reindeer is kept in stables instead of the traditional way of raising them in the wild. They can also take advantage of their unique culture to develop tourism. So far, 92 Yakute people have been employed to work for tourism, handicrafts product manufacture, forest protection, etc.

Through resettlement, their living standards have been improved and their traditional culture has been protected. The proposed Highway won't go through the new Aoluguya Township and they won't be affected adversely, on the contrary, they will benefit from better, faster, and safer traffic condition.

4.4 Woman

4.4.1 Rights women can be summed up

It has always been a basic state policy of China to promote equality between men and women. China now has built a complete legal system concerning the protection of women's rights and interests, and promotion of gender equality, based on the Constitution of the People's Republic of China, and with the Law of the People's Republic of China on the Protection of Rights and Interests of Women as the main body and various separate laws and regulations, local regulations and administrative rules adopted by various government departments as supplementary provisions. The legitimate rights women can be summed up include:

(1) Women enjoy equal political rights with men. Women have the right, through various channels and in various ways, to administer state and social affairs, and enjoy equal rights to vote and stand for election. People's congresses at all levels should include appropriate numbers of women, and leaders from governments at all levels should also include appropriate numbers of women.

(2) Women enjoy equal rights with men with respect to culture and education. These cover school admittance, advancement to higher levels of schooling, job assignment after graduation, conferment of academic degrees and being dispatched for study abroad, plus women's rights to engage in scientific and technological research and literary and artistic creation.

(3) Women enjoy equal working rights with men. These mainly include: the right to work and be employed, equal pay for equal work, time-off, on-the-job safety and medical care as well as special labor protection, and social insurance.

(4) Women enjoy equal property rights with men. Rural women enjoy the same rights as rural men in the allotment of "responsibility farmland" and "grain-ration farmland" and in the approval of housing sites. With regard to marriage and family property, women enjoy equal ownership and inheritance rights with men.

(5) Women enjoy equal rights with men relating to their persons. Women enjoy the right to life and health, freedom of the person, the right of portrait, reputation and other rights relating the person; and they enjoy the right of kinship, guardianship, fame and status as a producer.

(6) Women enjoy equal rights with men in marriage and the family. The law states that women enjoy equal freedom in marriage and divorce, and the relations between husband and wife are equal.

4.4.2 Women organization

The All-China Women's Federation (ACWF) is the largest NGO in China dedicated to promoting gender equality and women's development. It has an organizational system that covers women's federations and group members at various levels, and enjoys wide representation and mass involvement. The ACWF and local women's federations play a significant role in uniting and motivating women to participate in the country's economic construction and social development, encouraging them to take an active part in the democratic management and supervision of state and social affairs, and representing and safeguarding the rights and interests of women as a whole. In recent years, government departments have cooperated with women's federations and other NGOs to organize all kinds of activities to effectively utilize social resources for the promotion of gender equality and women's development.

In order to give full play to women's role in the rural economy, government departments and women's federations at all levels have jointly organized activities to encourage rural women to acquire knowledge and learn science and technology, and compete in their development and contributions, so as to bring their role in invigorating and developing the rural economy into full play.

4.4.3 Women and the economy

The state has made the guarantee of equal employment opportunities between women and men and the sharing of economic resources and results of social development the top priority for the advancement of gender equality and the development of women, and has worked out and adopted a series of policies and measures to ensure that women can equally participate in the economic development, enjoy equal access to economic resources and effective services, enhance their self-development ability and improve their social and economic

status. As the economic status of Chinese women improves, they are playing an increasingly significant role in the economic sphere. Women have become an important and indispensable force in invigorating and promoting the rural economy. Females account for more than half of all workers in agriculture, forestry, animal husbandry, fisheries and water conservancy.

4.4.4 Women and Poverty Elimination

The Outline for the Development of Chinese Women puts forth the main goals of reducing the extent of poverty among and the number of poor women, and calls for more support for poverty-stricken women in the country's western development strategy, so that women will be the main receivers of poverty-reduction resources and the direct beneficiaries of the achievements of the poverty-reduction efforts. The state poverty-reduction program has made it clear that the government strives to further motivate women in the poverty-stricken areas to engage in household sideline production and the "courtyard economy," launch labor-intensive and other poverty-reduction projects that are particularly suitable for women, and organize women to learn practical skills and enhance their ability to shake off poverty and become well-off.

Since 2001, the Chinese government has made sex indicator a component of the poverty monitoring work in rural areas, and stressed that attention should be paid to gender equality in the poverty-reduction work. Rural women have been helped to get rid of poverty by way of provision of small-sum credit loans, labor export and pairing-off assistance.

4.4.5 Social status of women

Women of the project areas have rather high social status, basically gender equality is realized. On the division of work, women are mostly in charge of housework, with limited opportunities to go outside, so that the chances for them

to undertake administration work are low. It is the same situation as those other parts of China, including Han people. On family position, women and men are equal. Important family affairs will be decided after consultation between both sides of men and women. The project will provide women with good transport services, and women will have more chances to obtain jobs like men.

4.5 Main conclusion

There is no ethnic minority inhabited in the areas along the proposed highway, and the proportion of ethnic people in total population is below 15%. The ethnic people have lived with the Han Nationality in pastoral area for a long time. They are similar to Hans in language, production, and habits and customs. All ethnic groups will benefit from transport improvements. Besides, the Project won't involve land acquisition, and all the people affected by house demolition will be non-agricultural population. As non-agricultural residents, members of ethnic minorities will be affected by the Project in the same ways as Han residents, and women will be affected by the Project in the similar ways as men. Therefore, no ethnic group-specific measures are necessary to mitigate specific adverse impacts. The implementation of RAP will safeguard the interests of ethnic people and women.

Chapter 5 Resettlement legal framework and policy

5.1 Brief account

The RAP for the Project has been prepared in accordance with the following laws and regulations, and the World Bank's policy on Involuntary Resettlement (OP 4.12 and BP 4.12).

Policies on land acquisition and resettlement are formulated at three levels of government in China:

- * The central government has established the basic policy framework through promulgation of national regulations and implementation guidelines;
- * Provincial governments have issued either general or project-specific regulations on implementation of national regulations;
- * Prefectures, municipalities and counties have issued regulations applying to specific projects.

5.2 National land laws and regulations relating to the Project

The following laws comprise the key national policies on land:

- * The Land Administration Law of the People's Republic of China
- * The Implementation Regulations of the Land Administration Law of the People's Republic of China

The main contents of above laws and regulations closely relevant to the Project are described as follows:

Land Administration Law of the People's Republic of China

Article 2. The People's Republic of China resorts to a socialist public ownership of land i.e. an ownership by the whole people and ownerships by collectives.

In ownership by the whole people, the State Council is empowered to be on behalf of the State to administer the land owned by the State.

No unit or individual is allowed to occupy, trade or illegally transfer land by other means. Land using right may be transferred by laws.

The state may make expropriation or requisition on land according to law for public interests, but shall give compensations accordingly.

The State introduces the system of compensated use of land owned by the State except the land has been allocated for use by the State according to laws.

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

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

Article 9. Land owned by the State and land collectively owned by farmers may be allocated to be used by units or individuals according to law. Units or individuals using land shall be responsible for the protection, management and a rational use of the land.

Article 11. People's government at the county level shall register and put on record lands collectively owned by farmers and issue certificates to certify the ownership concerned.

People's government at the county level shall register and put on record the use of land collectively owned by farmers for non-agricultural construction and issue certificates to certify the right to use the land for construction purposes.

People's government at the country level shall register and put on record uses of land owned by the State by units or individuals and issue certificates to certify the right of use. The State Council shall designate specific units to register and put on record State-owned land used by central government organs.

Certifications of ownership or use right of wooded land and grassland and the uses or of water surface and beach land for breeding purpose shall be administrated according to relevant provisions of the Forest Law of the People's Republic of China, the Grassland Law of the People's Republic of China and the Fisheries Law of the People's Republic of China.

Article 43. Any unit or individual that need land for construction purposes shall apply for the use of land owned by the State according to law, except land owned by farmer collectives used by collective economic organizations for building township enterprises or building houses for villagers or land owned by farmer collectives approved according to law for use in building public facilities or public welfare facilities of townships (towns).

The term apply for the use of land owned by the State according to law used in the preceding paragraph refers to land owned by the State and also land originally owned by farmer collectives but having been expropriated by the State.

Article 53. Whereas a construction project approved needs land owned by the State for construction purposes, the construction unit shall file an application with land administrative department of the people's government at and above the county level with the power of approval on the strength of relevant

documents required by law and administrative decrees. The land administrative department shall examine the application and submit it to the people's government at the same level for approval.

Article 54. A paid leasing shall be go through in use of land owned by the State by a construction unit. But the following land may be obtained through government allocation with the approval of the people's governments at and above the county level according to law:

- 1. Land for use by government organs and for military use;**
- 2. Land for building urban infrastructure and for public welfare undertakings;**
- 3. Land for building energy, communications and water conservancy and other infrastructure projects supported by the State.**
- 4. Other land as provided for by the law and administrative decrees.**

Article 57. In the case of temporary using State-owned land or land owned by farmer collectives by construction projects or geological survey teams, approval shall be obtained from the land administrative departments of local people's 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 shall be obtained before being submitted for approval. Land users shall sign contracts for temporary use of land with relevant land administrative departments or rural collective organizations or villagers committees depending on the ownership of the land and pay land compensation fees for the temporary use of the land according to the standard specified in the contracts.

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

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

Regulations on the Implementation of the Land Administration Law

Article 2. The following land belongs to ownership by the entire people, that is, state ownership:

- (1) land in urban districts of municipalities;**
- (2) land in rural areas and suburban districts of municipalities that have been confiscated, requisitioned or purchased according to law and turned into state ownership;**
- (3) land requisitioned by the state according to law;**
- (4) forest land, grassland, barren land, shoals and other land not under collective ownership according to law;**
- (5) land previously under collective ownership by the members of a rural collective economic organization whose entire membership have become urban and township residents; and**
- (6) land previously under collective ownership by the migrated peasants but no longer in use after the peasants' collective migration and shifting due to state-organized migration or natural disasters.**

Article 5. For state-owned land to be used by units or individuals according to law, the land users shall file an application for land registration with the competent department of land administration of people's government above the county level of the locality wherein the land is located, the people's government above the county level shall enter a registration in the register, verify and issue a certificate of state-owned land use right in confirmation of the use right. Among which, the competent department of land administration under the State Council shall be responsible for the registration and certificate issuance of use of state-owned land by organs of the Central Committee of the Chinese Communist Party and the state. Specific measures for registration and certificate issuance shall be worked out by the competent department of land administration under

the State Council in conjunction with the General Affairs Administration for Organs under the State Council and other departments concerned.

For state-owned land the use right of which is not determined, people's governments above the county level shall enter a registration in the register and be responsible for the protection and administration.

Article 23. For need to use land for a specific construction project, an application must be filed according to law for the use of state-owned land for construction within the scope of urban land for construction determined in the overall planning for land utilization. Where an actual need arises for the use of land outside the scope of land for urban construction determined by the overall planning for land utilization for such construction projects as energy, communications, water conservancy, mines and military installations involving agricultural land, it shall be handled pursuant to the following provisions:

(1) at the time of the construction project feasibility study authentication, the competent department of land administration shall examine the matters relating to land use for the construction project and come up with a report on the preliminary examination of land use for the construction project; at the time of submission of the feasibility study for approval, the report on the preliminary examination of land use for the construction project produced by the competent department of land administration must be enclosed therewith.

(2) The construction unit shall, on the strength of the relevant approval document of the construction project, file an application for land for construction with the competent department of municipal or county people's government, the competent department of municipal or county people's government shall examine the application, draw up an agricultural land conversion plan, land requisition plan and land provision plan (where state-owned agricultural land is involved, no land requisition plan shall be drafted),

which shall, upon examination, verification and consent of the municipal or county people's government, be submitted level by level to the people's government with the authority of approval for approval; among which, the cultivated land supplement plan shall be simultaneously approved by the people's government that approves the agricultural land conversion plan at the time of approval of the agricultural land conversion plan; the land provision plan shall be simultaneously approved by the people's government that approves land requisition at the time of approval of the land requisition plan (where state-owned agricultural land is involved, the land provision plan shall be simultaneously approved by the people's government that approves the agricultural land conversion at the time of approval of the agricultural land conversion plan).

(3) Municipal, county people's governments shall, upon approval of the agricultural land conversion plan, cultivated land supplement plan, land requisition plan and land provision plan, organize their implementation and issue the certificate of approval of land for construction to the construction unit. Where there is paid-for use of state-owned land, the competent department of land administration of municipal or county people's government shall conclude a contract on the paid-for use of state-owned land with the land user; where state-owned land is appropriated for use, the competent department of land administration of municipal or county people's government shall verify and issue a certificate of decision on the appropriation of state-owned land to the land user.

(4) The land user should file an application for land registration according to law.

Where an actual need arises for land use for a construction project outside the scope of land for urban construction determined in the overall planning for land

utilization involving unutilized land under peasants' collective ownership, only land requisition plan and land provision plan shall be submitted for approval.

5.3 National forest laws and regulations relating to the Project

The following laws comprise the key national policies on forest:

- * **The Forestry Law of the People's Republic of China**
- * **The Implementation Regulations of the Forestry Law of the People's Republic of China**

The main contents of above laws and regulations closely relevant to the Project are described as follows:

Forest Law of the People's Republic of China

Article 3. The forest resources shall belong to the state, unless the law stipulates they belong to the collective.

For the forests, trees and woodlands owned by the state and the collective and the trees and woodlands owned by private individuals, the people's government above the county level shall register and record them, issue certificates and confirm the ownership and the right to use. The State Council may authorize the competent forestry authorities under the State Council to register and record the forests, trees and woodlands in key forest districts determined by the State Council to be owned by the state, issue certificates and inform relevant local people's governments.

The legitimate rights and interests of the owners and the users of the forests, trees and woodlands shall be protected by the law; no organization and private individual shall such rights and interests.

Article 4. The forests are divided into the following five categories:

(1) Protection forests: forests, trees and bushes mainly aimed at protection, inclusive of water source storage forests, forests for water and soil conservation, wind protection and sand bind forests, forests for farmland and grassland protection, river bank protective belts and road protection belts;

(2) Timber stands: forests and trees mainly at timber production, inclusive of bamboo groves mainly aimed at bamboo production;

(3) Economic forests: trees mainly aimed at the production of fruits; edible oils, soft drinks and ingredients; industrial raw materials; and medicinal materials;

(4) Firewood forests: trees mainly aimed at the production of fuels;

(5) Forests for special uses: forests and trees mainly aimed at national defense, environmental protection and scientific experiments, inclusive of national defense forests, experimental forests, parent stands, environmental protection forests, scenic beauty forests, trees for sites of historical interests and the forests of natural protection areas.

Article 5. Construction of forestry shall be guided by the approach of forest ranging as the basis, universal forest protection, great forestation efforts, combination of cutting and planting, and sustainable utilization.

Article 18. Prospecting, mining and various construction projects shall not occupy or occupy as little as possible woodlands; in case of necessary occupancy or expropriation of woodlands, upon examination and approval of the competent forestry authorities under the people's government above the county level, the examination and approval formalities for land needed for construction shall be

gone through in line with relevant land administration laws and administrative regulations; and the land-use organization shall pay forest vegetation recovery expenses in line with the relevant provisions of the State Council. The forest vegetation recovery payments shall be used for designated purposes; the competent forestry authorities shall use them, according to relevant stipulations, for afforestation, recovery of forest vegetation; the area of afforestation shall not be smaller than the area of forest vegetation reduced as a result of woodlands occupied or expropriated. The competent forestry authorities at a higher level shall periodically urge and inspect the competent forestry authorities at a lower level in the organization of afforestation and recovery of forest vegetation.

Article 23. Land reclamation at the expense of deforestation, rock quarrying, sand quarrying, soil extracting and other activities at the expense of deforestation shall be forbidden. Firewood cutting and grazing shall be forbidden in seedling forests and special-use forests. No person that enters into the forest and its adjacent area shall, without authorization, remove or damage marks that serve the forestry sector.

Regulations for the Implementation of Forestry Law of the People's Republic of China

Article 2. Forest reserves include forest, forest wood and forest land, as well as wild animals, plants and microbe dependent thereon surviving by depending on forest, forest wood and forest land. Forest includes arbor forest and bamboo forest. Forest wood includes tree and bamboo. Forest land includes arbor forest land with canopy density exceeding 0.2 as well as bamboo forest land, bush shrub forest land, open forest land, logging site, the site destroyed by fire, non-mature afforestation land, nursery land and land appropriate to the afforestation planed by the people's government at or above level.

Article 4. The state-owned forest, forest wood or forest land used by law shall be registered in accordance with the following provisions:

(1) The unit using forest, forest wood or forest land of key state-owned forest zone confirmed by the State Council (hereinafter referred to as "key forest zone"), shall submit registration application to the competent forestry authority of the State Council, and the competent forestry authority of the State Council shall record the registration, examine and issue certificates, and confirm the right of using the forest, forest wood or forest land as well as the title of forest wood owned by the user;

(2) Units or individuals using stated-owned forest, forest wood or forest land crossing administrative domains, shall submit registration application to the competent forestry authority of their common people's government above high level, and the said people's government shall record the registration, examine and issue certificates, and confirm the right of using the forest, forest wood or forest land as well as the title of forest wood owned by the user;

(3) Units or individuals using other state-owned forest, forest wood or forest land, shall submit registration application to the competent forestry authority of the local people's government at or above county level, and the local people's government at or above county level shall record the registration, examine and issue certificates, and confirm the right of using the forest, forest wood or forest land as well as the title of forest wood owned by the user.

The state-owned forest, forest wood or forest land unconfirmed in the right of use shall be recorded, protected and managed by the people's government at county level.

Article 18 Temporary occupancy of forest land required for building engineering facility directly used for serving forestry production by forest operation unit

within the range of the forest land it operated, shall be approved by the competent forestry authority of the people's government at or above county level; for building other engineering facilities and requiring forest land to be changed to non-forestry land for use in construction, procedures of examination and approval for use of land in construction must be conducted according to law.

The engineering facility directly used for serving forestry production in aforesaid section refers to:

- (1) Facility for cultivation or production of seed or nursery stock;
- (2) Facility for storage of seeds, nursery stock, timber;
- (3) Logger road or carriage way;
- (4) Forestry scientific research, test or model base;
- (5) Facility for wild life and plant protection, forest protection, forest disease and pest damage prevention, forest fire prevention, timber quarantine;
- (6) Infrastructure for water supply, power supply, heat supply, gas supply or communication.

5.4 Regulations of the IMAR

The IMAR drew up the IMAR Implementation Regulations of the Land Administration Law of PRC according to the State Land Law, and the IMAR Implementation Regulations of the Forestry Law of PRC according to the State Forest Law. The Hulun Buir City has not issued the written implementation regulations, and implements the land acquisition and resettlement within their jurisdictions according to the state's and IMAR's relevant laws and regulations with reference to the local actual situations.

5.5 World Bank policies

In order to assure the PAPs to be benefited from the Project, the involuntary resettlement is an inseparable part of the engineering design. Therefore, the following measures should be taken according to the relevant World Bank policies, especially resettlement requirements:

- 1) It should avoid or minimize the involuntary resettlement in a desirable scope, while taking all feasible replacement plan into consideration.

- 2) All involuntary resettlement should be included in the development projects which must be realized, while adequate funds should be provided to the PAP, who should have chances to be benefited in the Project. Thus, the PAP should:
 - a) obtain all compensations for their losses at replacement value before the resettlement;
 - b) being given assistance in the course of relocation, and in the transition period of moving to the new sites.
 - c) develop a strategy for enhancing or at least rehabilitating their previous living standard, income capability, and production level. Special attention must be paid to the necessity of the vulnerable group.

- 3) Encourage the mass participation in the process of planning and the RAP implementation, through the establishment of the corresponding social institutions set up by the residents.

- 4) Minimize the adverse impacts to the original residents in the resettlement area, therefore the PAP should integrate with the former in social and economic activities.

- 5) Land, housing, infrastructure, and other compensation should be provided to the adversely affected population and ethnic minorities who may have usufruct

or customary rights to the land or other resources taken for the Project. The absence of legal title to land by such groups should not be a bar to compensation.

6) Project-affected Person (PAP) is the person affected by the project due to the land acquisition and resettlement. The PAPs may be individuals, legal persons, or families, no matter what legal status, rights, obligations, and benefits they have, or whether they have the permit to reside in the affected area. The PAPs include, therefore,

- a) those project-affected persons who have full or partial, long or short authority, rights, or benefits over structures (including housings, simple structures, farming fields, arable land) or other acquired assets;**
- b) those project-affected persons who use the above land, structures and assets for business, residence, etc.;**
- c) those whose living standards are affected because of the project.**

All the PAPs within the above scope have the right to increase or at least maintain their current living standards and receive compensation for their loss of assets (the asset compensation shall cover the replacement expense) and compensation for resettlement and loss of properties. Those PAPs who have no authorities, rights or permits for residence shall enjoy the same compensation and resettlement grant as those who have.

5.6 Resettlement entitlement policy

- 1) All affected assets will be compensated at their full replacement cost without any deduction for depreciation;**
- 2) Compensation payments will be made before the acquisition of land and assets;**

- 3) Compensation rates were negotiated with the governments of the affected areas and the representatives of the PAPs;
- 4) All affected persons who lose assets occupied by them before the Project cut-off date will be assisted in their efforts to restore their standards of living without discrimination on the basis of their tenure status.
- 5) Affected people who cultivate land, construct buildings or settle in project affected areas after the cut-off date will not be eligible for compensation or subsidies. Compensation will also not be paid for any structures erected, or crops and trees planted purely for the purposes of gaining additional compensation, but those due to variation of design will be compensated as specified in the RAP.

The Entitlement Matrix for each of the impact categories is as follows:

Table 5.1 The Entitlement Matrix

impact categories	receivers	Entitlements	basis for calculating compensation	implementors
houses and other land attachments	owners of houses and other land attachments	cash compensation; to be relocated in the original villages; free salvageable materials from the old houses; to get assistance in rebuilding and relocating; rights to redress grievances	cash payment including moving and transitional allowances at replacement cost of the demolished structures and attachments; suitable alternative sites provided by towns	City and town resettlement offices
loss of infrastructure	affected utilities	cash compensation; to be restored or reconstructed; rights to redress grievances	cash payment at replacement cost of the demolished infrastructure	City and town resettlement offices
loss of other	owners of the affected	cash compensation; to be restored or reconstructed;	cash payment at replacement cost of the	City and town

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assets	assets	rights to redress grievances	affected assets	resettlement offices
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Chapter 6 Laws and regulations relating to minorities and implementation of minorities policy

6.1 Laws and regulations relating to minorities

Laws and regulations relating to minorities are:

Constitution of the People’s Republic of China

Law of the People’s Republic of China on Regional National Autonomy

The Administration Regulations of Minority Towns and Townships and other laws and regulations relating to nationality

Constitution of the People’s Republic of China

Preamble. The People’s Republic of China is a unitary multi-national state built up jointly by the people of all its nationalities. Socialist relations of equality, unity and mutual assistance have been established among them and will continue to be strengthened. In the struggle to safeguard the unity of the nationalities, it is necessary to combat big-nation chauvinism, mainly Han chauvinism, and also necessary to combat local-national chauvinism. The state does its utmost to promote the common prosperity of all nationalities in the country.

Article 4. All nationalities in the People’s Republic of China are equal. The state protects the lawful rights and interests of the minority nationalities and upholds and develops the relationship of equality, unity and mutual assistance among all of China’s nationalities. Discrimination against and oppression of any nationality are prohibited; any acts that undermine the unity of the nationalities or instigate their secession are prohibited.

The state helps the areas inhabited by minority nationalities speed up their economic and cultural development in accordance with the peculiarities and needs of the different minority nationalities.

Regional autonomy is practiced in areas where people of minority nationalities live in compact communities; in these areas organs of self- government are established for the exercise of the right of autonomy. All the national autonomous areas are inalienable parts of the People's Republic of China.

The people of all nationalities have the freedom to use and develop their own spoken and written languages, and to preserve or reform their own ways and customs.

Article 112. The organs of self-government of national autonomous areas are the people's congresses and people's governments of autonomous regions, autonomous prefectures and autonomous counties.

Article 113. In the people's congress of an autonomous region, prefecture or county, in addition to the deputies of the nationality or nationalities exercising regional autonomy in the administrative area, the other nationalities inhabiting the area are also entitled to appropriate representation.

The chairmanship and vice-chairmanships of the standing committee of the people's congress of an autonomous region, prefecture or county shall include a citizen or citizens of the nationality or nationalities exercising regional autonomy in the area concerned.

Article 114. The administrative head of an autonomous region, prefecture or county shall be a citizen of the nationality, or of one of the nationalities, exercising regional autonomy in the area concerned.

Article 115. The organs of self-government of autonomous regions, prefectures and counties exercise the functions and powers of local organs of state as specified in Section V of Chapter Three of the Constitution. At the same time, they exercise the right of autonomy within the limits of their authority as prescribed by the Constitution, the law of regional national autonomy and other laws, and implement the laws and policies of the state in the light of the existing local situation.

Article 116. People's congresses of national autonomous areas have the power to enact autonomy regulations and specific regulations in the light of the political, economic and cultural characteristics of the nationality or nationalities in the areas concerned. The autonomy regulations and specific regulations of autonomous regions shall be submitted to the Standing Committee of the National People's Congress for approval before they go into effect. Those of autonomous prefectures and counties shall be submitted to the standing committees of the people's congresses of provinces or autonomous regions for approval before they go into effect, and they shall be reported to the Standing Committee of the National People's Congress for the record.

Article 117. The organs of self-government of the national autonomous areas have the power of autonomy in administering the finances of their areas. All revenues accruing to the national autonomous areas under the financial system of the state shall be managed and used independently by the organs of self-government of those areas.

Article 118. The organs of self-government of the national autonomous areas independently arrange for and administer local economic development under the guidance of state plans.

In developing natural resources and building enterprises in the national autonomous areas, the state shall give due consideration to the interests of those areas.

Article 119. The organs of self-government of the national autonomous areas independently administer educational, scientific, cultural, public health and physical culture affairs in their respective areas, sort out and protect the cultural legacy of the nationalities and work for the development and prosperity of their cultures.

Article 120. The organs of self-government of the national autonomous areas may, in accordance with the military system of the state and concrete local needs and with the approval of the State Council, organize local public security forces for the maintenance of public order.

Article 121. In performing their functions, the organs of self-government of the national autonomous areas, in accordance with the autonomy regulations of the respective areas, employ the spoken and written language or languages in common use in the locality.

Article 122. The state gives financial, material and technical assistance to the minority nationalities to accelerate their economic and cultural development.

The state helps the national autonomous areas train large numbers of cadres at different levels and specialized personnel and skilled workers of different professions and trades from among the nationality or nationalities in those areas.

Law of the People's Republic of China on Regional National Autonomy

Article 25. Under the guidance of State plans, the organs of self-government of national autonomous areas shall, in the light of local characteristics and needs,

work out the guidelines, policies and plans for economic development and independently arrange for and administer local economic development.

Article 27. In accordance with legal stipulations, the organs of self-government of national autonomous areas shall define the ownership of, and the right to use, the pastures and forests within these areas.

The organs of self-government of national autonomous areas shall protect and develop grasslands and forests and make arrangements for and encourage the planting of trees and grass. Destruction of grasslands and forests by any organization or individual by whatever means shall be prohibited. Reclamation of land from grasslands or forests by destroying grass or trees shall strictly be prohibited.

Article 32. The finance of a national autonomous area constitutes a particular level of finance and is a component of State finance.

The organs of self-government of national autonomous areas shall have the power of autonomy in administering the finances of their areas. All revenues accruing to the national autonomous areas under the financial system of the State shall be managed and used by the organs of self-government of these areas on their own.

Under the unified national financial system, a national autonomous area shall enjoy preferential treatment by the financial department at a higher level through the standard financial transfer payment system exercised by the State.

A national autonomous area shall, in accordance with State stipulations, lay aside a reserve fund for expenditure in its budget. The proportion of the reserve fund in its budget shall be higher than that in the budgets of other areas.

While implementing its fiscal budget, the organ of self-government of a national autonomous area shall arrange for the use of extra income and savings from expenditures at its own discretion.

Article 48. The organ of self-government of a national autonomous area shall guarantee equal rights for the various nationalities in the area.

The organ of self-government of a national autonomous area shall unite the cadres and masses of the various nationalities and give full play to their initiative in a joint effort to develop the area.

Article 50. The organ of self-government of a national autonomous area shall help other minority nationalities living in concentrated communities in the area establish appropriate autonomous areas or nationality townships.

The organ of self-government of a national autonomous area shall help the various nationalities in the area develop their economic, educational, scientific and technological, cultural, public health and physical culture affairs.

The organ of self-government of a national autonomous area shall give consideration to the characteristics and needs of nationalities living in settlements scattered over the area.

Article 51. In dealing with special issues concerning the various nationalities within its area, the organ of self-government of a national autonomous area must conduct full consultation with their representatives and respect their opinions.

The Administration Regulations of Minority Towns and Townships and other laws and regulations relating to nationality

In 1993, the State Ethnic Affairs Commission of PRC issued its No. 1 decree of that year: “the Administration Regulations of Minority Towns and Townships”. The Regulations stipulate that the minority towns and townships are the administrative areas at township level in compact communities of various minorities. The governments of the minority towns and townships support the development of economy, education, science, hygiene, etc. following the State’s laws and regulations and in consideration of the local conditions and the characteristics of the minorities.

Besides, the Organization Law of the Villager Administrative Committees of PRC also gives the regulations concerning nationality. Article 5 stipulates: the villager administrative committees in compact communities of various minorities should teach the villagers to be united, help each other, and respect each other. Article 9 stipulates: each villager administrative committee consists of director, vice-directors and members totaling 3 to 7 persons. The minorities with less population should have their representatives in the villager administrative committees.

Each autonomous banner draws up autonomous regulations according to the constitution and autonomous law in minority regions and in consideration of the real situations of the locality, and exercises its governmental functions and autonomous powers.

6.2 Right of Self-Government of Ethnic Autonomous Areas

The organs of self-government in ethnic autonomous areas perform the following right of self-government as prescribed in the Constitution, the Law on Regional Ethnic Autonomy and other laws:

(1) Independently Managing the Ethnic Group's Internal Affairs in Its Autonomous Area

People of various ethnic origins in autonomous areas are entitled to vote and stand for election, as provided for in the Constitution and other laws and, by electing deputies to the local people's congresses and establishing other organs of self-government, exercise their democratic rights to manage the internal affairs of their own ethnic groups in their autonomous areas.

(2) Ethnic Autonomous Areas Enjoy the Right to Formulate Self-Government Regulations and Separate Regulations

The Law on Regional Ethnic Autonomy stipulates, "Besides enjoying the same rights as enjoyed by other local state organs, people's congresses in autonomous areas have the right to formulate self-government regulations and other separate regulations in light of the particular political, economic and cultural conditions of the ethnic group in that autonomous area.

(3) Using and Developing the Spoken and Written Languages of the Ethnic Groups

According to the provisions of the self-government regulations for ethnic autonomous areas, the organs of self-government of such areas shall use one or more commonly used local languages when they are performing official duties. If more than one language can be used for such official duties, the language of the ethnic group exercising regional autonomy should be used primarily.

(4) Respecting and Guaranteeing the Freedom of Religious Belief of Ethnic Minorities

Organs of self-government in autonomous areas, in accordance with the provisions of the Constitution and relevant laws, respect and guarantee the

freedom of religious belief of ethnic minorities, and safeguard all legal and normal religious activities of people of ethnic minorities.

(5) Retaining or Altering the Folkways and Customs of Ethnic Groups

Organs of self-government of autonomous areas respect the habits and customs of minority people, respect and show special consideration for their festivals, ensure the supply of special foods, support and ensure the production and supply of special items, and respect their marriage and funeral customs.

(6) Independently Arranging, Managing and Developing Economic Construction

Organs of self-government of autonomous areas may, in accordance with legal provisions and the characteristics of local economic development, rationally adjust the relations of production or economic structure of the said areas. Under the guidance of state planning, they shall independently arrange local capital construction projects, depending on the local financial and material resources, and other conditions. They manage local enterprises and institutions independently. Ethnic autonomous areas can engage in foreign trade in accordance with the provisions of the state. They can also open ports for foreign trade after obtaining approval from the State Council. Autonomous areas enjoy state preferential policy treatment in their foreign trade. All ethnic autonomous areas have formulated their own plans, goals and measures for economic and social development by following the guidance of the overall state plan for national economic and social development, while at the same time taking into consideration local conditions.

(7) Independently Developing Educational, Scientific, Technological and Cultural Undertakings

Organs of self-government of autonomous areas determine the educational plan, the establishment of schools, school system, the forms by which schools are run, curricula, language of teaching and method of enrollment, in accordance with principles concerning education and legal provisions of the state. Organs of self-government of autonomous areas independently determine plans for the development of science and technology of their areas to disseminate knowledge of science and technology. Organs of self-government of autonomous areas independently develop cultural undertakings with ethnic characteristics, including literature, art, news, publishing, broadcasting, movies and television programs. They independently determine development plans for their medical and health work, and promote modern medicine as well as their traditional medicine.

6.3 Implementation of minorities laws and regulations, and policy

6.3.1 Principle of minorities policy

The principle of minorities policy is described as follows:

(1) Adherence to equality and unity among ethnic groups

In China, equality among ethnic groups means that, regardless of their population size, their level of economic and social development, the difference of their folkways, customs and religious beliefs, every ethnic group is a part of the Chinese nation, having equal status, enjoying the same rights and performing the same duties in every aspect of political and social life according to law, and ethnic oppression or discrimination of any form is firmly opposed. Unity among ethnic groups means a relationship of harmony, friendship, mutual assistance and alliance among ethnic groups in social life and mutual contacts. To achieve such unity, the various ethnic groups are required to, on the basis of opposition to ethnic oppression and discrimination, safeguard and promote unity among

themselves and within every particular ethnic group and the people of all ethnic groups should, jointly and with one heart and one mind, and promote the development and prosperity of the nation.

(2) Implement regional autonomy for ethnic minorities

Regional autonomy is practiced in areas where people of ethnic minorities live in concentrated communities. In these areas organs of self-government are established for the exercise of autonomy and for people of ethnic minorities to become masters of their own areas and manage the internal affairs of their own regions. Autonomous areas for ethnic minorities in China include autonomous regions, autonomous prefectures and autonomous counties (banners). For places where ethnic minorities live in concentrated communities but where autonomous areas and organs of self-government are not fit to be established because the areas and populations of the ethnic minorities are too small, ethnic townships are established so that the minority peoples there can also exercise their rights as masters of their homelands.

All ethnic groups in autonomous areas shall elect an appropriate number of deputies to take part in the people's congresses at various levels; among the chairman or vice-chairmen of the standing committee of the people's congress of an autonomous area there shall be one or more citizens of the ethnic group or groups exercising regional autonomy in the area concerned; the head of an autonomous region, autonomous prefecture or autonomous county shall be a citizen of the ethnic group exercising regional autonomy in the area concerned, and the other members of the people's governments of these regions, prefectures and counties shall include members of the ethnic group exercising regional autonomy as well as members of other ethnic minorities as far as possible.

(3) Develop education, culture, and medical and health service among national minorities

The development of education among national minorities is of paramount importance to the improvement of the quality of the minority population and the promotion of economic and cultural development in ethnic minority areas. They have the rights to develop ethnic education on their own. Organs of self-government of autonomous areas may decide their own local education programs, including the establishment of schools, the length of study, the forms of school running, course contents, language of instruction and procedures of enrollment and develop independently their own type of education based on their ethnic minority characteristics. The building of the ranks of minority teachers has been strengthened, and special care in terms of funds has been offered,

All ethnic minorities have formed their unique cultures in the long process of historical development. China respects and preserves the traditional cultures of ethnic minorities, and all of the minority peoples are free to maintain and develop their own cultures. The collecting, editing, translating and publishing of their cultural heritage have been carried out, and their famous historical monuments, scenic spots, rare cultural relics and other important items of the historical and cultural heritage have been protected.

The state and relevant departments devote great efforts to fostering literary and artistic talent among the minority peoples, and promoting the creation of literature and art by setting up literature and art organizations, art institutes and schools, cultural centers and mass art centers. Organs of self-government of autonomous areas make their own decisions concerning medical and health work. Modern medicine and traditional ethnic minority medicine are promoted, prevention and cure of endemic diseases and maternal and child care have been improved, with the result that the health standards of the ethnic minorities across the country have markedly improved.

Genhe City has taken as main work of speeding up minority economy and social development to develop minority science and technology, culture, and medical and health service, and to improve civilization levels. The detailed implementation plan has been worked out.

(4) Train minority cadres

The organs of self-government in the autonomous areas have trained a large number of minority cadres, technicians, management personnel and other specialized personnel and skilled workers in line with the needs of national construction and brought their roles in work into full play. The main methods of minority cadre training in Genhe City are as follows:

Hold training seminars;

Secure certain proportion of minorities in total cadres;

Give priority to employ minority people;

Select suitable minority young people to be specially trained in universities and colleges.

(5) Respect and develop spoken and written languages of ethnic minorities

All ethnic groups in China have the freedom and right to use and develop their own spoken and written languages. Now, all the 55 national minorities, except the Hui and Manchu, who use the Chinese language, have their own languages: among them 21 use 27 languages.

The spoken and written languages of national minorities are widely used in judicial, administrative and educational fields, as well as in political activities and social life. The organs of self-government in ethnic autonomous areas all use one or more languages of their areas when they perform their duties. In the educational field the organs of self-government, in accordance with the educational principles of the state and the law, work out their local educational

programs and decide on the languages to be used in teaching in the local schools. In schools with minority students as the main body and other educational institutions the languages of the ethnic groups concerned or languages commonly used in the locality are used in teaching.

(6) Respect the folkways and customs, and freedom of religious belief of ethnic minorities

The various ethnic minority groups in China differ widely in their folkways and customs. They have different modes of production and life styles, as displayed in dress and adornments, diet, residences, marriage, etiquette and funerals. The minority peoples have the right to retain or change their folkways and customs, which are respected by the state. The government protects such rights in every aspect of social life.

Most people belonging to ethnic minorities in China hold religious beliefs. In the case of certain ethnic groups religions are followed on a mass scale. The freedom of religious belief for ethnic minorities has been respected and safeguarded, and all normal religious activities of ethnic minorities citizens have been guaranteed.

(7) Implement a more lenient childbirth policy with minority peoples than with the Han people

To improve the quality of the ethnic minority population and accelerate the economic and social development of the ethnic minority autonomous areas, the people's congresses of these areas have formulated their own family planning policies toward the ethnic minorities in light of the spirit of the state's regulations concerning the need also for minority peoples to practice family planning. These policies are more lenient than those with the Han people. Under these policies, an ethnic minority family generally may have two or three children; in frontier areas and areas with adverse geographical conditions, families of ethnic

minorities with very small populations may have more than three children each. As a result, ethnic minority populations have been able to increase at a higher rate than the rest of the population.

6.3.2 Minority economic policy

Minority economic policy is described as follows:

(1) Implement preferential policy

While adopting various preferential policies, such as extending financial subsidies to minority areas and establishing development funds, the state has encouraged minority areas to develop economy according to local circumstances. Preferential treatment to minority enterprises and trade has been offered in terms of credits, investment, taxation and the supply of commodities, and special discount-interest loans have been provided for the construction of an ethnic trade network, and the technological transformation of designated enterprises for producing ethnic articles for daily use.

(2) Adopt transfer payment method

With respect to the transfer payment method for the transition period which China adopted in 1995, the state specially added the policy-related transfer-payment contents for the five autonomous regions, including Tibet, and the autonomous prefectures in Yunnan, Guizhou, Qinghai and other provinces, offering preferential policies to the ethnic minority areas. The ordinary transfer-payment sum by the central authorities to the ethnic minorities areas has made up a half of the nation's total transfer-payment sum.

(3) Help impoverished minority areas get rid of poverty

The state has always attached importance to helping the minority peoples and minority areas. The Outline Program for Poverty Alleviation and Development in the Rural Areas of China, which began being implemented in 2001, once again recognized ethnic minority areas as key targets for assistance. The state has adopted special measures to assist the 22 ethnic minority groups each with a population of less than 100,000, and focusing on infrastructure construction and the problem of food and clothing for impoverished people in frontier regions and ethnic minority areas with small populations. Genhe City has taken as one of the main work contents of speeding up minority economy and social development to support minority township's economic and social development.

(4) Special forestry policy

Carrying out the Law of the People's Republic of China on Regional National Autonomy, there are 2 special stipulations in the Forest Law of the People's Republic of China:

Article 9. In terms of the forestry production and construction in ethnic minority autonomous areas, in line with the stipulations of the state in regard to the autonomous right of ethnic minority autonomous areas, the State and the people's government at the provincial or autonomous region level will offer more autonomy and economic benefits than ordinary areas in connection with forestry development, timber distribution and forestry fund utilization.

Article 48. If the provisions of this law cannot be fully applicable to ethnic minority autonomous regions, the autonomy authorities may, in line with the principles of this law and based upon the characteristics of ethnic minority autonomous regions, formulate contingent or supplementary provisions, which shall be implemented after submission to and approval of the provincial or autonomous government or the Standing Committee of the National People's Congress in conformity with legal procedures.

Those stipulations have reflect the support and consideration to the forestry production and exploitation in ethnic minority areas, and safeguarding of and respect to autonomy there.

Chapter 7 Compensation Rates and Budget

7.1 Compensation rates for the Project

In order to determine the reasonable compensation standards, special survey and analysis for the main affected items was carried out. The results are as follows:

Table 7.1 Cost analysis of brick timber house

Item	unit	Consumption per unit	price	Cost	remark
			Yuan/unit	Yuan	
Main material				173.88	
1□timber	cu.m	0.107	900	96.30	
2□cement	kg	33	0.35	11.55	
3□brick	no.	280	0.18	50.40	
4□stone	cu.m	0.023	30	0.69	
5□sand	cu.m	0.45	28	12.60	
6□glass	cu.m	0.18	13	2.34	
Other material				13.91	8% of main material
Manpower				60.00	
Water, electricity, road and ground				6.67	1000 yuan for 150 square meters per household
Reserve fund				12.39	5% of main material, other material and Manpower
Total				266.85	

Table 7.2 Cost analysis of timber tile house

Item	unit	Consumption per unit	price	Cost	Remark
			Yuan/unit	Yuan	
Main material				66.85	
1□timber	cu.m	0.07	900	63.00	
2□cement	kg	3.35	0.35	1.17	
3□brick	no.				
4□stone	cu.m	0.02	30	0.60	
5□sand	cu.m				
6□glass	cu.m	0.16	13	2.08	
Other material				5.35	8% of main material
Manpower				60.00	
Water, electricity, road and ground				6.67	1000 yuan for 150 square meters per household
Reserve fund				6.61	5% of main material, other material and Manpower
total				145.48	

From the above tables it can be found that the total cost for brick timber house and timber tile house are 266.85 yuan per square meter and 145.48 yuan per square meter separately. The indirect loss of the relocated households can be calculated at 13 yuan per square meter for brick timber house and 4.5 yuan per square meter for timber tile house. Therefore, the compensation rates for brick timber house and timber tile house can be determined at 280 yuan per square meter and 150 yuan per square meter separately.

According to the relevant laws and regulations, with reference to the actual conditions of the Project, and through the consultation with the local governments and the representatives of the PAPs, the compensation rates were fixed. The compensation rates to be paid for affected land, structures land other assets will not be below the levels given in the following tables and will be adjusted by the actual inflation rate from November 2005 to the time when the compensation is actually paid.

The Compensation rates for land attachments and other assets are as follows:

Table 7.3 Compensation rates for land attachments and other assets

No.	Item	Unit	rate
	A	B	C
1	brick timber houses	yuan/sq.m	280
2	timber tile houses	yuan/sq.m	150
3	Simple structures	yuan/sq.m	105

7.2 Basic cost

Basic compensation consists of those for house and infrastructure compensation.

7.2.1 Compensation for House Demolition and Removal

This compensation consists of the cost in demolition and removal of houses, resettlement subsidy and transitional allowance.

7.2.2 Compensation for Removal of Infrastructures

Infrastructure mainly refers to power and telecommunication facilities, which should be demolished and rebuilt by their owners. During the implementation, irrigation channels, highways and other facilities other than power and telecommunication facilities encountered should be rebuilt and restored by the

owner of the Project, for which the cost will come from the physical contingencies.

7.3 Other cost

A. Training cost

Training cost is used for enhancing the capability and cultural diathesis of the affected people, and administrative ability of the resettlement personnel.

B. Cost for RAP preparation

It covers the cost in the investigations, propaganda and the compilation of RAP.

C. Monitoring and Evaluation cost

It includes the cost of both internal and external monitoring conducted by the internal and independent monitoring agencies.

D. Administrative cost

The total administrative management expenses for the resettlement offices at different level make up 5% of the basic compensation. They are used for the routine work during acquisition and resettlement, including purchase of equipment, salary and transport allowance, etc..

7.4 Contingencies

A. Physical contingencies

They account for the unforeseeable expenses that may arise because in some special cases it may be necessary to adapt the design temporarily, resulting in a change of the RAP. They make up 15% of the basic compensation.

B. Price Contingencies

Since the resettlement cost for the Project is budget according to the present average price, 5% of the basic compensations are budgeted as price contingencies.

7.5 Cost estimation of the land acquisition and resettlement of the Project

The cost estimation of the land acquisition and resettlement of the Project is 2,059,385 yuan, and listed as follows:

Table 7.4 The cost estimation of the land acquisition and resettlement of the Project

Item	unit	Compensation rate (yuan)	Affected amount	Compensation fee (yuan)
1. basic compensation				1,596,423
Brick timber houses	Sq.m	280	824	230,720
Timber tile houses	Sq.m	150	292.08	43,812
Simple structures	Sq.m	105	303.72	31,891
Tree and infrastructure				600,000
Subtotal				906,423
Training cost				150,000
RAP preparation				180,000
Internal and external monitoring cost				360,000
2. Administrative cost (5% of the basic compensation)				79,821
3. Contingencies				319,285
(1) Physical contingencies (15% of the basic compensation)				239,463
(2) Price contingencies (15% of the basic compensation)				79,821

Item	unit	Compensation rate (yuan)	Affected amount	Compensation fee (yuan)
4. Other expenses (4% of the basic compensation)				63,857
Total				2,059,385

Notes: Costs for tree and infrastructure was initially budgeted at 600,000 yuan, and will be adjusted according to the real situation.

7.6 Fund flow

The total budgeted compensation for land acquisition and resettlement will come from the investment of the IMAR Government .On the basis of the compensation policies and rates given in the RAP, the Project Resettlement Office, the Genhe Resettlement Offices, the Town Resettlement Offices will sign compensation agreements with their subordinates, the affected units, the affected persons separately according to their jurisdiction. Payment of funds will be made timely in accordance with these agreements.

Chapter 8 Resettlement and Rehabilitation Program

8.1 Guideline and principle of resettlement program

8.1.1 Objectives of resettlement program

The ultimate objective of resettlement and restoration is to ensure a restoration of life and production of the impacted individuals, enterprises and institutions in a short period of time and to raise the living standards and productivity as quickly as possible.

8.1.2 Principle of resettlement program

A. Resettlement planning should be based on the property indexes and compensation standards to improve, or at least to restore the original production and living conditions of the resettlers.

B. The resettlement of the Project shall be combined with the regional construction, resource development, economic development and environment protection. Considering the actual local conditions, practical and feasible measure shall be worked out for restoring and developing the production and living of the resettlers case by case, meanwhile, some necessary conditions shall be created for self development of the resettlers.

C. Planning should be based on the principle "Beneficial to the production and make the life convenient".

D. Construction scale and standards of the resettlement Project should be guided by the original scale and standards. Investment should be based on the quota

planning. Investment for enlarging the scale, improving standards and future planning should be treated by the local government and relative departments.

E. All factors should be taken into consideration. Benefits between the state, collectives and individuals should be dealt with properly.

8.2 Overall resettlement scheme

All the land affected by the Project is state-owned forest land, besides, the function of state-owned forest farms has changed from forest exploitation and utilization to forest protection and management. Therefore, there is no need to pay land compensation for state-owned forest land. Also, since no people live on the occupied forest land, there is no need to pay resettlement subsidy for that forest land.

The Project will only affect a small part of houses in 3 towns, and won't have great impact on their original production and living system. A series of consultation meetings were held among affected villages and townships. According to the resettler's opinion and suggestion, and combining with the actual condition of affected area, it was determined: Project affected persons will be provided with replacement houses nearby no less than their original areas, structure and standard, or cash compensation. If cash compensation is provided, the relocated households can build their new houses nearby. Therefore, the PAPs' way of production, living and social relationship can be maintained, which will be beneficial for them to restore or improve their production and income level after resettlement.

8.2.1 Resettlement infrastructure program

Ground leveling

Because only 2 households will be relocated, there is not too much work for ground leveling. The ground will be leveled by a way of excavation of 0.5 m for brick concrete and brick timber houses. Simple ground leveling will be used for timber tile houses. The ground leveling fee has been included in the house compensation, and the ground leveling will be conducted by the resettlers themselves.

Public facilities

1. Water supply: For those who resettle in their original village have the water supply as that before.

2. Power supply: The capacity of existing power facilities for each village can meet demands after resettlement. The line distance for each host site to connect is about 50-200m and resettlers can have power supply by a 220V line to connect it.

The cost for water and electricity has been included in the house reconstruction expenses, so those fees come from house compensation.

3. Road and access to outside:

The host sites are chosen nearby, which solve the problems on access and also meet requirements of resettlers.

8.2.2 Facilities for social service

The resettlers and villagers affected by the Project can share the service from original schools, clinic and commercial nets, since no such facilities will be demolished duo to the Project, and no new ones are required. The distances between the affected residents' houses and the facilities won't change a lot.

8.2.3 Administrative management of resettlers

Since no people will be relocated out of the original towns, the administrative management keeps as that before. They are still under the leadership of original towns.

The building of resettlers' houses shall take account of their habits and suitable for agricultural requirements and also have some space for development in the future. The houses can be dismantled and built by themselves according their own thought. The house compensation is based on the house structure and area and at replacement cost. The compensation will be paid in stages according to progress of materials preparation and construction. Since the affected resettlers are relocated in the original communities, the distances between their new house sites and old house sites are within 500 meter. Besides, usually the new houses will be built before the old houses are demolished, therefore, no temporary houses are required.

8.2.4 Implementation origination of resettlement

The resettlement program shall be implemented by the Project Resettlement Office with personnel from the relative authorities under leadership of Project Resettlement Leading Group. Their responsibilities are to work out the resettlement policies, and give propaganda, mobilization, organization and implementation of resettlement. Also, the office is a main channel for resettlers to propose their issues. The office shall collect comments from resettlers in time and fully, report it to authorities at above level and relative authorities and return the respondents to resettlers in time.

8.3 Housing reconstruction

Housing reconstruction refers to the construction of the impacted people's residences and other buildings.

Of all the compensation for impacted houses, 50% of it should be paid before the impacted people start building their houses, another remaining 50% should be paid when the reconstruction has been half finished.

8.3.1 Implementation of the Schedule

1. The above control time has been determined according to the construction plan. Therefore, if there is any change in preparation time, the control time should be adjusted based on extensive consultation with the impacted families so as to ensure that they will have three months of removal time and three months for the reconstruction of their houses before the start of construction of the Project.

2. Before the completion of reconstruction, the impacted people may stay in their old houses, and will not be forced to move out of them.

8.3.2 Selection of Construction Sites

The selected sites should be determined through consultation with the impacted households. Measures will be taken for the impacted families to be resettled in their own villages “sparsely” because resettlement centers will not be provided.

The sites of construction should meet the following requirements:

1. The sites still belong to the original communities, (if the impacted families are willing to resettle there), which will be easy for them to adapt to.

2. There should be an adequate sanitary environment in the sites, being convenient to live in.

3. The suggestion for the sites will be made for the families to choose from, and it will not be against their willingness.

4. The desires of the people to be resettled will be considered.

The unoccupied land in a village should be used as the reconstruction sites wherever it is possible. Documents for reconstruction on such sites should be obtained by the towns from the land administration and building planning authorities.

8.4 Management of temporary land occupation and civil construction

The temporarily occupied land includes stocking grounds, mixing plants, borrow pits, production and living areas for builders and construction bypasses, etc.. The range of the temporarily used land was determined in the engineering design report. Excavation should be reduced, and impacts on the forest land should be minimized. The users should make full restoration of the temporarily used land after the temporary use expires.

During civil construction, optimize construction design, reduce construction period, and plan housing removal and construction in reasonable period such as during farm slack season, so as to decrease the Project impact on local production. Reduce the dust and improve treatment of waste materials. Construction contractors should carefully select routes for transporting soil and stone, and adopt measures to prevent the falling of soil on the roads. The construction contractors should follow the environmental regulations and requests of local environmental and hygienic departments on treatment of the domestic waste materials in the site of construction sites so as to protect environment.

The contracts between the Project owner and the constructors will include such articles as way and period of temporary land occupation, and that temporarily used land should be restored to the level before its use.

8.5 Assistance to vulnerable groups

The vulnerable groups include the poor households, the households having the disabled members, the households headed by the women, and the households where the aged live alone. The following measures will be taken to help vulnerable groups.

Table 8.1 Special measures for vulnerable groups

Type of Vulnerable Household	Eligibility Criteria	Entitlements for house loss (proposed measures)
households where the aged live alone	Over 70	Labour for house construction, and priority to select new housing sites
households headed by the women	No male labourers	Labour for house construction, and priority to select new housing sites
households having the disabled members	Recognized by the governments	Labour for house construction, necessary allowance form civil affairs departments and priority to select new housing sites
poor households	Less than 686 yuan per capita per year and recognized by	Labour for house construction, necessary allowance form poverty reduction departments and

Type of Vulnerable Household	Eligibility Criteria	Entitlements for house loss (proposed measures)
	the poverty reduction departments	priority to select new housing sites

8.6 Infrastructure facility restoration

The infrastructure facilities impacted are mainly power, telecommunication, water conservancy and transportation facilities. For these facilities, resettlement offices will make compensation based on the repurchase price through extensive consultation with the authorities concerned. The owners of the facilities will be in charge of the restoration and will work out the schedules for restoration before the removal. The restoration should be completed in the shortest possible time so as to ensure the normal life of the local people. Special attention should be paid to those facilities of national importance.

8.7 Resettlement activities and implementation schedule

In order to ensure all the PAPs and can be properly resettled, all resettlement implementation activities will be started in October 2005, and completed at least one month before initiation of the civil construction of the Project (the end of May 2006).

The following table describes the monthly implementation schedule of the land acquisition and resettlement.

The action plan is divided into three stages such as (1) preparation, (2) implementation and (3) inspection and evaluation (the internal and external monitoring is throughout the whole process). See the monthly implementation schedule for land acquisition and resettlement.

Preparation stage (October 2005□February 2006)

- 1. Set up resettlement offices.**
- 2. Carry out extensive propaganda through such mediums as newspaper, radio, television and notice, etc., to get the understanding and support from the impacted individuals, units, and whole society.**
- 3. Set up boundary poles. The boundary of land for construction should be marked permanently with poles.**

Implementation stage (March 2006~May 2006)

- 1. The Project Resettlement Office will sign the resettlement agreements with all the affected units and households.**
- 2. Construction sites for buildings will be chosen, their structure types be determined, and their construction be started, which will be jointly carried out by city and town resettlement offices, and individuals.**
- 3. The Project Resettlement Office will allocate all the compensation.**
- 4. The impacted will move to the new dwellings, and then have the original ones demolished. The Project Resettlement Office will be responsible for demolishing the land attachments, and handing over the land to the constructors.**

Monitoring stage (May 2006~December 2009)

- 1. Internal monitoring: it will be undertaken throughout the process, i.e. from the beginning of land acquisition/resettlement to the time one year after the completion of Project. The resettlement offices of each section of the highway and the Project Resettlement Office will accomplish the routine inspection and surveillance to ensure that the work has been carried out as specified in the RAP.**

2. **External monitoring:** first the socio-economic baseline survey will be carried out. After that, the monitoring will be carried on as stipulated in the RAP until one year after the completion of the Project. During this period, the external monitoring institute will carry out a socio-economic investigation so as to determine the impact of the Project on the income and living standards of the people involved. External monitoring will be carried out twice a year on the average.

Resettlement work must be completed at least one month before the start of civil engineering construction, which won't start until the following work has been finished.

- 1) **Compensations for all the affected individuals and enterprises have been paid according to the substituting value;**
- 2) **Reconstruction of houses for the resettled and enterprises have been completed, and the affected people have moved into their new houses;**
- 3) **Various subsidies have been distributed to the affected people;**
- 4) **Construction of infrastructure facilities on the new sites has been fully prepared.**

8.8 Resettlement implementation plan

8.8.1 Implementation procedures

House relocation and reconstruction

The procedures for house relocation and resettlement will be implemented as follows: (The work at preparation stage has been finished)

- a. **The design institute will submit the impacted house scales;**

- b. Investigation for houses quantities and qualities will be carried by the city resettlement office coordinated with related towns;**
- c. The city resettlement office are in charges of compensation standards of the houses and its appendages, and sign compensation agreements for houses relocation in consultation with related towns;**
- d. The city, towns will sign the compensation agreements with the affected households.**
- e. The towns are responsible for allocation of the new housing plot to the resettlers;**
- f. The resettlers will receive the compensation fees;**
- g. The resettlers will build the new houses and move in;**
- h. Removal of the old houses.**

Restoration of special facilities

It is described as follows:

- a. The design unit will propose the influence scope of each special facility;**
- b. The Project Resettlement Office, together with relevant government departments, will investigate into the grades and quantity of affected special facilities;**
- c. The Project Resettlement Office will entrust respective departments to prepare the removal and reconstruction scheme according to resettlement program;**
- d. The Project Resettlement Office will negotiate the compensation standards with respective departments, and sign the compensation agreements on restoration of special facilities;**
- e. The Project Resettlement Office will entrust respective departments to carry out the reconstruction of special facilities;**
- f. Each special facility will be put into operation.**

8.8.2 Progress planning

The progress for land acquisition and resettlement on the basis of Project construction will be controlled according to the following principles:

1. The old houses will be demolished gradually, but the demolishing should be finished before the commencement of the civil construction in the sections where the old houses are located.
2. Three months before the houses removal, the notice for houses removal shall be sent to resettlers, prior to the final limited date, at least four months shall be left for resettlers' to build their new houses, and before the new houses completed, the resettlers have the right to stay in their old houses.
3. The relative authorities shall fully consult with the resettlers about the house built time and this time shall be prolonged, if necessary.
4. Construction of the special facilities and infrastructures shall be completed before the construction of the Project or house relocation.

Chapter 9 Institutional Arrangements

9.1 Establishment of the resettlement agencies

To strengthen the coordination and management, and improve the institutional system of the land acquisition and resettlement of the Project, the following special agencies have been set up:

- ◆ **The Hulun Buir Resettlement Leading Group (set up in December 2003)**
- ◆ **The Hulun Buir Resettlement Office (set up in December 2003)**
- ◆ **The Genhe Resettlement Leading Group (set up in October 2005)**
- ◆ **The Genhe Resettlement Office (set up in October 2005)**
- ◆ **The Town Leading Groups (set up in October 2005)**
- ◆ **The Town Resettlement Offices (set up in October 2005)**

Other agencies concerning the land acquisition and resettlement are:

- ◆ **The IMAR Planning Committee**
- ◆ **The IMAR Department of Finance**
- ◆ **The IMAR Communications Department**
- ◆ **The IMAR Bureau of Land Administration**
- ◆ **The IMAR Communications Department Capital Introduction Office**
- ◆ **The independent monitoring institution**
- ◆ **The prefecture government and its departments of finance, communications and land administration in the affected areas**
- ◆ **The city governments and their departments of finance, communications and land administration in the affected areas**
- ◆ **The town governments and their department of land administration in the affected areas**

9.2 Staffing of the special agencies

1. The Hulun Buir Resettlement Leading Group

It is composed of the leaders from the Hulun Buir Department of Communications, Planning Committee, Department of Finance, Bureau of Land Administration and other relevant departments. The vice-mayor of Hulun Buir City in charge of communications is the head of the City Resettlement Leading Group.

2. The Hulun Buir Resettlement Office

It is composed of the specialized personnel in charge of the land acquisition and resettlement from the Hulun Buir Department of Communications, Planning Committee, Department of Finance, Bureau of Land Administration and other relevant departments. The leader of the Hulun Buir Department of Communications in charge of communications is the head of the City Resettlement Office.

3. The Genhe Resettlement Leading Group

It is composed of the leaders from the Genhe Departments of Finance, Departments of Communications, Bureaus of Land Administration and other relevant departments. The leader of the Genhe Government in charge of communications is the heads of the Genhe Resettlement Leading Groups.

4. The Genhe Resettlement Office

It is composed of the specialized personnel in charge of the land acquisition and resettlement from the Genhe Departments of Finance, Departments of Communications, Bureaus of Land Administration and other relevant departments. The leader of the Genhe Departments of Communications is the heads of the Genhe Resettlement Offices.

5. The Town Resettlement Leading Groups

They are composed of the leaders from the town governments and their Departments of Finance, Land administration, Civil administration, Environment protection, Forestry, and other relevant departments. The leaders of the town governments are the heads of the Town Resettlement Leading Groups.

6. The Town Resettlement Offices

They are composed of the specialized personnel in charge of the land acquisition and resettlement from the town governments. The leaders of the town governments in charge of communications are the heads of the Resettlement Offices.

9.3 Responsibilities of the agencies

1. The Project Resettlement Leading Group

- A. Define the job division and coordinate among various agencies;**
- B. Review and discuss the internal monitoring reports submitted by the Project Resettlement Office;**
- C. Review and discuss the independent reports submitted by various implementation agencies and the relevant departments.**

2. The Project Resettlement Office

- A. Cooperate with the relevant departments in preparing the RAP;**
- B. Apply for the Construction Land Use Certificate to the relevant authorities;**
- C. Train the staff of the subsidiary resettlement offices;**
- D. Sign the resettlement contracts with the City Resettlement Office;**
- E. Pay compensation and coordinate the implementation of the land acquisition and resettlement;**
- F. Undertake the internal monitoring activities;**

G. Suggest solutions for handling problems identified in monitoring the implementation;

H. Report to the Project Resettlement Leading Group on work progress, the problems and remedial measures regularly.

3. The Genhe Resettlement Leading Groups and Offices

A. Cooperate with the relevant agencies in making the census and surveys;

B. Train the staff of the subsidiary resettlement offices;

C. Implement the RAP;

D. Receive the resettlement funds from the Project Resettlement Office and allocate them to the PAPs according to the working procedures;

E. Guide and supervise the land acquisition and resettlement work in relevant townships and villages;

F. Report to the Project Resettlement Office on work progress, the problems and remedial measures regularly.

4. The Town Resettlement Leading Groups and Offices

A. Cooperate with the relevant agencies in making the census and surveys;

B. Assigned by the Genhe Resettlement Office, carry out the land acquisition and resettlement within their jurisdictions;

C. Examine and record all resettlement activity within their jurisdictions;

D. Report to the Genhe Resettlement Offices on work progress, the problems and remedial measures regularly.

5. Internal and external monitoring agencies

For details of the internal and external monitoring agencies, please refer to Chapter 9 of the RAP.

9.4 Training and development of the resettlement staff

Objectives

The training program is intended to train the administrative personnel and technicians concerning the resettlement of the Project so that they can acquire the knowledge of land acquisition and resettlement to ensure the fulfillment of the RAP.

Trainees

According to their responsibilities, the trainees fall into the following two groups.

Administrative personnel: they consist of high-level administrative personnel, who are to be trained to be able to handle the issues and emergent situations in land acquisition and resettlement. There are 7 persons altogether, with 4 from the Genhe Resettlement Office, and 3 from towns. They are to be trained to learn the new methods and management experience from the advanced countries and to introduce them to all the personnel in charge of land acquisition and resettlement work.

Working staff: They are to be trained to have a sound knowledge of environmental protection and the Project and to cooperate with the other authorities so as to ensure the fulfillment of the Project.

Methodology

The training program is divided into two parts. For the first one, training seminars for high-level administrative personnel are held in other cities and sponsored by the Project Office, with lectures given by the senior staff from the World Bank, government officials and experts; for the second one, training seminars are held in locality for the working staff and sponsored by each banner/county resettlement offices, under the guidance of directors from the Project Resettlement Office.

Contents

- ♦ General description and background of the Project

- ◆ **Relevant laws and regulations concerned**
- ◆ **RAP**
- ◆ **Procedures of management and reporting**
- ◆ **Management of expenses**
- ◆ **Index control**
- ◆ **Acceptance of complaints**

Cost

The training of 7 administrative personnel costs 70,000 yuan, with 10,000 yuan for each; the training of other working staff costs 80,000 yuan. The cost totals 150,000 yuan.

Chapter 10 Consultation and Participation

10.1 Consultations and participation

The RAP of the Project has been prepared through the active participation of the PAPs. The participation began with the dissemination of the resettlement information on the Project to the PAPs. As early as the engineering feasibility study and the preliminary design for the Project, the route alignment scheme was decided through the solicitation of the PAPs' opinions. It is designed that detailed information dissemination meetings will be held after the Construction Land Use Certificate is obtained.

During the course of the preparation of the RAP, the PAPs have participated in the following activities:

- 1. The Project impacts on people and assets were decided through the census. The local governments and the representatives of the PAPs participated in the census.**
- 2. The socio-economic survey has been carried out with participation of the PAPs and the representatives of the affected areas.**
- 3. In the course of designing the entitlement policies and compensation rates, and implementation program, the PAPs' suggestions and options were fully considered.**

During the course of implementing and monitoring the land acquisition and resettlement, the PAPs and their representatives will participate in the following activities.

1. **The affected residents will select their new housing sites.**
2. **The affected residents will construction their new houses according to the building plans chosen by themselves.**
3. **The PAPs can find out the entitlement policies and implementation progress from the organizations concerned.**
4. **The PAPs can raise their opinions and suggestions on the resettlement to the agencies concerned.**

After the implementation of the land acquisition and resettlement, the PAPs and their representatives will participate in the following activities.

1. **The PAPs can make the suggestions of improving the facilities and infrastructures in their communities so as to harmonize with the new environment as soon as possible.**
2. **The PAPs will participate in the socio-economic impact survey carried out by the independent monitoring institution, and put forward their satisfaction degree on various aspects of the resettlement and their problems in rehabilitation of living standards so that the agencies concerned can do their best to solve various difficulties of the PAPs.**

10.2 Resettlement Information Dissemination

To ensure that the PAPs and the local governments of the affected areas fully understand the details of the resettlement program, information about the compensation and rehabilitation packages applicable to the Project, the resettlement requirements, compensation policy and detailed arrangements will be disseminated in affected area. In order to strengthen the effectiveness of

information dissemination, it will be carried out according to the following 3 measures:

(1) The Project owner will publish announcement on the local newspaper. The affected people will be told to go to the City Public Library to review the full RAP, including detailed Project information, resettlement policy and compensation standards.

(2) The Genhe city resettlement office and township resettlement offices will have special persons to receive the PAPs and let them look up the RAP and explain the related content

(3) Various forms, including notification meeting, forum, visiting notice will be adopted to disseminate Project resettlement information.

10.3 Resettlement Information Booklet

In order to ensure the affected people can know the detailed information of the RAP, the Project resettlement office will prepare the Resettlement Information Booklet. Its main contents are as follows:

As one section of a vertical from “four horizontal, four vertical and twelve exit” of Hulun Buir City highway network planning, the proposed Highway is an important road from Genhe City to Mohe County. It plays a key role in economic development of Hulun Buir City, especially Genhe City. In order to secure the smooth resettlement implementation progress, following the related leaders’ arrangement from the Autonomous Region and the City, the Resettlement Information of the Project is prepared specially.

The civil work of the Project will start from 2006. For the PAPs, proper resettlement will be implemented in accordance with the relevant laws and

regulations so as to improve their production levels, income-earning capacity and living standards or at least restore to the levels they would have had without the Project.

The resettlement implementation will be carried out under the leadership of Genhe City Government. In order to strengthen the management of compensation standards, the compensation standards for the main affected categories will be not lower than the following:

No.	Item	Unit	Rate
	A	B	C
1	brick timber houses	yuan/sq.m	280
2	timber tile houses	yuan/sq.m	150
3	Simple structures	yuan/sq.m	105

Through replacement houses or cash compensation, the relocated households will be resettled in their original communities. The salvageable material from the old houses can be used by the relocated households themselves without deduction from compensation. The compensation will be paid based on the agreements with the affected people.

For the affected vulnerable groups include the poor households, the households having the disabled members, the households headed by the women, and the households where the aged live alone, reasonable assistance will be provided according to the real situations, such as providing labour for house construction, necessary allowance form poverty reduction departments, and giving priority to select new housing sites

To ensure that the PAPs have avenues for redressing their grievances related to any aspect of the land acquisition and resettlement, the detailed procedures of redress of grievances will be established for the Project.

The procedures

Stage 1

If any person is aggrieved by any aspect of the resettlement and rehabilitation program, he can lodge an oral or written grievance with the Township Resettlement Offices.

In case an oral complaint is made, it will be written on paper by the receiving unit. The above issue will be resolved within 15 days.

Stage 2

If the aggrieved person is not satisfied with the decision of the Township Resettlement Offices, he can bring the complaint to the attention of the Genhe Resettlement Office within 1 month from the date of the receipt of such decision. The above issues will be resolved within 15 days.

Stage 3

If the aggrieved person is not satisfied with the decision of the Genhe Resettlement Office, he can bring the complaint to the attention of the Project Resettlement Office within 1 month from the date of the receipt of such decision. The above issues will be resolved within 15 days.

Stage 4

If the aggrieved person is dissatisfied with the decision, he can appeal to the People's Court in accordance with the "Civil Procedure Act" within 15 days of receiving the decision of the Project Resettlement Office.

After the World Bank passes the Project appraisal, the Resettlement Information Booklets will be delivered to the township resettlement offices and affected households.

Chapter 11 Redress of Grievances

Since the entire resettlement and rehabilitation program is being carried out with the participation and consultation of the PAPs, it is expected that no major grievance issue will arise. However, to ensure that the PAPs have avenues for redressing their grievances related to any aspect of the land acquisition and resettlement, the detailed procedures of redress of grievances will be established for the Project.

The procedures

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Stage 4

If the aggrieved person is dissatisfied with the decision, he can appeal to the People’s Court in accordance with the “Civil Procedure Act” within 15 days of receiving the decision of the Project Resettlement Office.

Aggrieved Aspects

PAPs can make an appeal on any aspect of the land acquisition and resettlement, including the compensation being offered.

Detailed procedures for redress of grievances and the appeal process are publicized among the PAPs by distributing RIBs.

In spite of the above procedures established for redressing grievances, in case any conflicts arise regarding the land acquisition and resettlement, the conflicting parties will first negotiate and mediate the case in cooperative effort. The above appealing procedures will be employed only when the mutual negotiation mediation fails.

Chapter 12 Internal and External Monitoring

To ensure that the implementation of the land acquisition and resettlement is carried out in accordance with the relevant requirements of the RAP and to guarantee the progress and quality of the resettlement action, the resettlement action will be monitored and evaluated both internally and externally during the preparatory arrangements and the implementation, and after the completion.

12.1 Internal monitoring

The Project Resettlement Office (PRO) will undertake the routine internal monitoring and evaluation of the implementation of the land acquisition and resettlement so as to ensure that all the responsible units follow the schedule and comply with the principles of the RAP.

Objectives

The objective of the internal monitoring is to monitor the implementation of the whole RAP for the Project.

Responsibility

- 1. To ensure the implementation of the specific provisions of the Resettlement Action Plan;**
- 2. Monitor the progress of various jobs regularly so as to identify and timely solve problems and to further ensure that the resettlement be completed in line with the schedule.**

Indicators to be monitored

- 1. Payment of Compensation to the PAPs and the affected units according to the compensation rates described in the RAP;**

2. The determination of the new housing sites and building plans in consideration of the affected residents' options. The number of households finishing building new houses at the scheduled time will be recorded. In order to compare the conditions of the old and new houses, the houses to be removed will be registered which will be kept in the file records of the Project;

3. Rehabilitation of the affected infrastructure;

Personnel

The Project Resettlement Office will be responsible for the internal monitoring activities. They will collect information from the departments concerned once every 3 months and fill the information in the relevant tables. On the basis of such information collection, the database of monitored data and information can be set up at the Project Resettlement Office and renewed every 3 months.

Methodology & Procedure

1. Identify the major indicators to be monitored, and formulate corresponding tables for the departments concerned to fill in every month or season;

2. Carry out the sampling verification to examine the correctness of the filled tables;

3. Convene regular meetings to report on progress of the resettlement, and supervise the progress of implementation;

4. Pay visit to the Project sites irregularly so as to appraise the progress of the on-site jobs;

5. Set up the system of regular report.

Report

The internal monitoring reports will be prepared every 6 months according to the data and information obtained from the survey tables. The reports will be submitted to the Project Resettlement Leading Group.

The Project Resettlement Leading Group will convene to discuss the internal monitoring reports after they are submitted. The Project Resettlement Leading Group will identify those parts where the implementation of the resettlement is too slow or inadequate according to the resettlement and rehabilitation program.

The internal monitoring reports will be submitted to the Project Resettlement Leading Group and the World Bank once every 6 months by the Project Resettlement Office.

12.2 External monitoring

In order to ensure the proper implementation of resettlement, the Economic Development and Cooperation Institute of Donghua University (hereinafter referred to as “the Institute”) has been entrusted as the external agency for independent monitoring and evaluation of the land acquisition, resettlement and rehabilitation activities of the Project.

The Institute has conducted the RAP preparation consultation and resettlement monitoring for the World Bank-financed IMAR Tri-provincial Highway Project, and resettlement monitoring for the World Bank-financed IMAR Expressway Project (Laoyemiao to Jining). The consultation project leader is a resettlement specialist acceptable to the World Bank, has been engaged by the World Bank as a resettlement consultant for more than 10 World Bank-financed projects, and has also been entrusted by the project owners to take charge of the RAP

preparation consultation and resettlement monitoring for other more than 10 World Bank-financed projects.

Now the Institute has organized a project team for independent monitoring and evaluation of the land acquisition and resettlement of the Project.

Objective

Looking at the overall implementation from a broader, long term point of view, the Institute, as the independent monitoring and evaluation agency for the Project, will follow the resettlement activities to evaluate whether the goals of resettlement are achieved through:

- 1. Compliance with the specific provisions of the Resettlement Action Plan;**
- 2. Improvement in the standards of living of the PAPs or at least maintenance of the pre-project levels of well-being.**

Responsibilities

- 1. Before implementation of the RAP, verify the census result and engage in the socio-economic baseline survey on the PAPs including their standards of living;**
- 2. During implementation of the RAP, conduct the overall monitoring of the RAP and raise suggestions on improving the implementation;**
- 3. After implementation of the RAP, survey and evaluate the socio-economic influence of the Project.**

Indicators to be monitored

In addition to the above-mentioned indicators, the Institute will also monitor and evaluate the following indicators:

1. Payment of compensation

A. Pay sufficient compensation to all the PAPs and affected units and enterprises one month before the civil construction of the Project begins;

B. Monitor and make detailed record of the type, rate, amount, date and payee of the compensation;

2. Linkage between the land acquisition, resettlement and the civil works construction of the Project

Land acquisition and resettlement will be finished at least 1 month before the initiation of civil construction of the Project;

3. Rehabilitation of Infrastructures

A. All the necessary infrastructures will at least be rehabilitated to their pre-acquisition level;

B. The compensation for the infrastructures will be adequate for reconstructing it to the pre-acquisition level in quality;

4. Provision of Housing

A. The PAPs will be provided with the new housing sites in accordance with their choice;

B. The PAPs must move into the new houses 1 month prior to the civil construction of the Project;

C. The compensation payment for self-constructed houses will be formulated in compliance with the criteria and features of the construction equivalent to the reconstruction cost of the house in spite of the depreciation and the value of the usable material of the old houses;

D. Monitor and make detailed records of the PAPs specific requirements on moving into the new houses, date of the moving and general resettlement of housing;

E. The PAPs will obtain the resettlement compensation, transitional subsidy and award, etc. which they are entitled;

5. Satisfaction Degrees of the PAPs

A. The PAPs' satisfaction degree and concrete opinions on various aspects of the resettlement program;

B. The mechanism and speed of handling conflicts;

6. Living Standards of the PAPs

Living standards surveys will be carried out on the PAPs and a control group. The survey will employ the combination of stratum sampling and group random sampling so as to identify and report the potential problems in rehabilitation of living standards. The general socio-economic survey and analysis will be conducted about 1 year after the land acquisition and resettlement is completed and report in written form the living standard and conditions of the PAPs after their resettlement so as to evaluate the actual impact of the implementation of the RAP on the living standard of the PAPs.

Methodology

1. Questionnaire in depth interviews and observational methods will be employed in the survey. The investigating staff, who have received systematic training, will make the on-the-spot investigation, talk with the PAPs so as to be informed of their ideas on various problems and therefore conduct the monitoring and evaluation of the Project from various angles and a wider viewpoint;

2. 100% of the affected towns and 20% of the relocated households will be investigated in monitoring the implementation of the RAP;

3. Data and information will be collected by the following methods:

- A. Apply questionnaires to the relevant villages, units, and households to be answered by individuals;
 - B. Direct visit will be paid to the affected people and units;
 - C. Groups on special problems will be organized so as to identify such problems as the eligible old PAPs, women, children, affected units and enterprises, etc. Investigation on such specific subjects will be made at least every 6 months and reports submitted accordingly;
4. The collected data and information will be analyzed according to the affected areas, resettlement site, time and types of the influence, compensation level, duration of the resettlement, etc.;
5. The Institute will maintain a database, which are composed with the data and information collected for various reports. Every Project-affected household and enterprise will have a separate record in the database which will be continuously renewed according to the latest information.

Report

The Institute will compile reports of monitoring and evaluation every 6 months after the implementation of the RAP begin. The report will compose of a quantitative part (in order to verify the data and information provided in the internal monitoring report) and a qualitative part (see the above). The report will be submitted to the Project Resettlement Leading Group and the World Bank on May 31 and November 30 every year. To be more specific, the report will consist of the following 5 parts:

- 1. Verify the implementation of the RAP;
- 2. Review whether the compensation, resettlement, and rehabilitation have met the major objectives stipulated in the RAP;

3. Report the participation and satisfaction degree of the PAPs on the resettlement program;
4. Identify the main problems in carrying out the RAP and raise suggestions on solving problems and improve the overall efficiency of the land acquisition and resettlement program;
5. Report the actions taken by the departments concerned as suggested in the last report.

The Project Resettlement Leading Group will convene a meeting to discuss and decide solutions on the problems identified in the independent monitoring report immediately after it is submitted.

12.3 Submission of the monitoring reports

All the monitoring reports of the land acquisition and resettlement of the Project are listed as follows:

Table 12.1 The schedule for submitting the monitoring reports

Reporter	The reported	Name	Frequency/time
The Project Resettlement Office	The Project Resettlement Leading Group, The World Bank	The internal monitoring report	Once every six months (May 31 and November 30 every year)
The Economic Development and Cooperation Institute of Donghua University	The Project Resettlement Leading Group, The World Bank	The external monitoring report	Once every six months (May 31 and November 30 every year)

