World Bank Financed Guiyang Rural Road Project
Laping - Liangshuijing Road

Resettlement Action Plan

World Bank Financed Guiyang Transport Project
Management Office
April, 2016
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1 Project Overview

1-1 Project contents

Listed as one of the subprojects of the World Bank Financed Guiyang Rural Road Project, the Laping - Liangshuijing Second-class Road (hereinafter referred to as “the road”) is a section of the south-to-north, county-level Road X132 in the Wudang District of Guiyang and the only road that connects Dongfeng Town and Xiaba Town in this district. The Songjiaba Industrial Park and Xiaba Town are located along the road. The road, across the Sanjiang River, Nanming River, and Baishui River, starts at Liangshuijing in the Wudang District and ends at Village Laping on Road X132. The Dongfeng Town, Shuitian Town, and Xiaba Town are located along the road. With regard to the road that covers a total length of 18.17 kilometers, 69.4% of its total length is old road while the remaining 30.6% is either renovated or newly built. Two long span bridges and one medium span bridge will be built on the road, and one medium span bridge will be rebuilt on it.

The total budget for this project is 450.654338 million Yuan, of which 231.629526 million Yuan will be used to cover the costs of construction and installation. The construction cost of the road averages 24.802109 million Yuan per kilometer.
1-2 Project objectives

Road X132 is a forth-class road designed for a driving speed of 20 kilometers per hour. It has an asphalt macadam pavement with a width of 5.5m-6.5m and its roadbed is 6.5m-7.5m wide. As Road X132 was built a long time ago, it has a poor layout, a low driving speed, and large, hidden dangers. Therefore, it is imperative to reconstruct this road. This project is aimed at achieving the following objectives:

1. **Improve the transport accessibility and services of road networks**

   This project is aimed at improving the rural road network in Guiyang and the transport accessibility and services of Road X132. It will help connect the urban road network with regional road networks, jointing all transit lines in Guiyang. This is done so that tourism resources in Pudu, Baishuihe River, Bala Gorge, and Guyidao can be further developed, which in turn will boost the local economy and accelerate the comprehensive building of a moderate prosperous society.

2. **Boosting the economy of the rural area in Wudang District**

   The Guiyang rural road project will not only better the road conditions in the rural area of Wudang District in Guiyang, but it will also greatly boost the local economy.

   *(1) Once the project construction is completed, the road conditions for*
transporting agricultural products will be improved immediately, the local agricultural products can be sold elsewhere in time, and both the price of local products and the income of local farmers will increase.

The important Modern Agriculture Demonstration Park in WuDang District will be affected by the project. Many farmers in the affected area have been primarily engaged in crop farming and animal farming. A few key distinctive agricultural products such as cherries grow in the Park. As the road conditions in this district were poor, it has been difficult to transport agricultural products to and from other places, which has limited the income of local farmers. Once the project is completed, the conditions and transport capacity of local roads will significantly improve and weather will no longer hold sway over the transport of agricultural products. Moreover, distinctive agricultural products can be transported elsewhere with no delay and sold at a better price, which in turn will directly increase the income of farmers.

(2) Once the project is completed, the road networks and road conditions in the rural area of Wudang District will be improved, which will not only facilitate the development of local transport and tourist but also increase the income of local residents

Wudang District, known as Guiyang’s “Urban Garden at Weekend”, has a great potential for tourism development. However, the rural roads in this district were narrow and a large number of roads wound through towns, so serious traffic jam occurred whenever it fell on a weekend or a market day. Poor transport accessibility fails to meet the need of social and economic development, hinders the development of local industry, agriculture, commerce, trade, and tourism, and impedes the development of tourism resources that a large number of villages boast. Once the project is completed, visitors may easily travel the area, which will help increase the income of local residents and farmers. In a word, the project will boost the local economy.

3. Promoting the social development of the rural area in Wudang District

The project will also help boost the economy in the local area where ethnic
minorities live and deliver better living standards for local residents. In the long run, the project will greatly promote local social development.

(1) The project will improve the living environment of local residents and upgrade local transportation, deliver better living standards for local residents, and increase their happiness.

Some rural roads in the affected area have fallen into disrepair for a long time; they not only have many curved sections, but they are also full of bumps and hollows. In sunny days dust tends to swirl in the air while in rainy days the ground tends to be muddy. This not only pollutes the local environment but also harms the health of local residents. The project will optimize the layout of the road, minimizing its curved sections and high slopes. The road will be paved with asphalt such that the environment of the villages along the road will be improved. By minimizing the curved sections and high slopes of the road, some of the villages that no road reached will be connected with the road. Once the project is completed, local residents can easily take bus or other motor vehicles to go to school, shop, and hospital despite the weather. It will save people a lot of time and money used on the road, improving local residents’ living standards and increasing their happiness.

(2) The project will help broaden local people’s horizons and enhance social interactions and social cohesion among local ethnic groups.

The area affected by this project is a place where multiple ethnic minorities live together. In the past, social interactions tended to be limited by poor traffic conditions. In the long run, the project will help broaden local people’s horizons, enable local farmers to become more open-minded about new ideas, and promote the social interactions and social cohesion among local ethnic minorities.

1-3 Affected areas and benefited areas

1-3-1 Affected areas

The project starts (K0+000) in the southwest of the Liangshuijing Village along
the county-level Road X132; this starting point joins Road Mabai, an under-construction urban expressway in the Wudang District. The project is along the northeastern extension of the county-level Road X132. Along the project are Songjiaba Industrial Park and Xiaba Industrial Park as well as Dingpa Village, Pudu Village, Xiaba Town, and Laping Village. The project ends in the eastern part of the Laping Village that joints Road X132 (Map 1-2).

![Map 1-2 The starting and ending points of the project](image)

The Wudang District of Guiyang municipality is the area affected by the project. Wudang District, one of the six municipal districts of Guiyang Municipality, is located in the northeastern part of downtown Guiyang. It has jurisdiction over five communities, six towns, and two villages, totaling 19 neighborhood committees and 76 administrative villages. The administrative region of Wudang District covers a total
area of 686 km². The project directly affects three villages and towns as well as seven administrative villages. See table 1-1 for the list of the villages, towns, and administrative villages that are affected by the project. The road project crosses four rivers, namely Sanjiang River, Nanming River, Pudu River, and Baishui River. All these rivers are perennial surface flow.

<table>
<thead>
<tr>
<th>Affected areas</th>
<th>District</th>
<th>Town</th>
<th>Administrative villages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Wudang District</td>
<td>Xiaba Town</td>
<td>Xiaba Village, Guding Village, Guba Village, and Laping Village</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shuitian Town</td>
<td>Dingpa Village</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dongfeng Town</td>
<td>Luowan Village, Sanjiang Community</td>
</tr>
<tr>
<td>Quantity</td>
<td>1</td>
<td>3</td>
<td>7</td>
</tr>
</tbody>
</table>

1-3-2 Benefited areas

All villages within 4km from either side of the road are identified as the areas benefiting from the project. All residents of these villages are considered benefiting from the project. As shown in Figure 1-3, the Villages B, C, E, and F that the road winds through are benefited areas and all residents of these villages are considered benefiting from the project. It has not been planned that the road goes across Villages A and D. However, as the residents of these two villages need to use the road for daily travel, the two villages are considered benefited areas and their residents are considered benefiting from the project.
On December 13\textsuperscript{th} and 17\textsuperscript{th} of 2015, the Project Management Office and Wuhan University jointly organized a socioeconomic survey for the project. According to the survey, the areas benefited from the project include Wudang District’s three towns (Dongfeng Town, Shuitian Town, and Xiaba Town) and seven villages (Luowan Village, Sanjiang Village, Dingpa Village, Xiaba Village, Guding Village, Guba Village, and Laping Village). The project benefits about 4,173 households, totaling 15,000 people (table 1-2). In addition, as the project goes across two industrial parks in Wudang District, over one hundred enterprises and social organizations will directly benefit from the project.

Table 1-2 The areas and population that are directly benefited from the project

<table>
<thead>
<tr>
<th>Benefited town</th>
<th>Benefited villages</th>
<th>Number of benefited households</th>
<th>Benefited population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dongfeng Town</td>
<td>Luowan Village</td>
<td>530</td>
<td>1786</td>
</tr>
<tr>
<td></td>
<td>Sanjiang Community</td>
<td>172</td>
<td>958</td>
</tr>
<tr>
<td>Shuitian Town</td>
<td>Dingpa Village</td>
<td>540</td>
<td>1992</td>
</tr>
<tr>
<td>Xiaba Town</td>
<td>Xiaba Village</td>
<td>1180</td>
<td>3982</td>
</tr>
<tr>
<td></td>
<td>Guding Village</td>
<td>666</td>
<td>2326</td>
</tr>
<tr>
<td></td>
<td>Guba Village</td>
<td>409</td>
<td>1379</td>
</tr>
<tr>
<td></td>
<td>Laping Village</td>
<td>676</td>
<td>2767</td>
</tr>
<tr>
<td>3</td>
<td>7</td>
<td>4173</td>
<td>15190</td>
</tr>
</tbody>
</table>

1-3-3 Benefited groups

Based on the survey, Social Stability Risk Assessment Team has identified the following groups as ones that will benefit from the project.

\textit{1. All residents living along the road}

Once the project is completed, the residents of the villages along the road will find it easier to go to school, hospital, or shop. It will save people a lot of time and money used on the road, and increase social interactions between local residents and people elsewhere. Moreover, once the road is built, pollution caused by dust in sunny days and
mud in rainy days will be solved, which will improve the environment of the villages along the road.

2. *Farmers engaged in crop farming and animal farming*

After the project is completed, farmers engaged in crop farming and animal farming along the road can transport their agricultural products elsewhere in a timely manner at a lower cost, selling their products at a better price and increasing their income.

3. *Students*

After the project is completed, students can take motor vehicles to go to school despite the weather, which will save their travel time and help them arrive at school on time.

4. *Local government*

This project will greatly improve local traffic and road conditions, facilitating the distribution of agricultural products. Thus the local economy will be boosted and the local government revenue will increase accordingly.

5. *Rural entrepreneurs*

The project has created opportunities for rural people to start their own business in transportation, tourism, agricultural products processing industry, and other non-agricultural sectors. Particularly the project has created opportunities for local residents to start their own agritainment business.

6. *The industrial parks, enterprises, and social organizations along the road*

This project will greatly improve the traffic and road conditions for the two industrial parks that are being established in Wudang District, increase the attractiveness of the two industrial parks to relevant industries, and create a favorable environment for the operation of the enterprises and social organizations along the road.

7. *Vulnerable groups*

The project will improve local traffic and road conditions, reducing the money and efforts that vulnerable groups (including women, children, the poor, the disabled, and
the elderly) in the rural area put in going to hospital or shop.

1-3-4 Project’s potential adverse impact

This project is designed to extend an old road and upgrade it. The project covers a total land area of 478.77mu (1mu=666.67m²), of which the old road covers 85.8mu and the newly built road section covers 392.97mu. Structures to be demolished for this project cover a total area of 11,436 m², which affects 40 households. As this project is about road construction, it affects a relatively large number of households. On the other hand, as a village’s requisitioned arable land area accounts for no more than 4% of its total arable land area, the project’s impact on households is insignificant. However, life of the families whose land is to be requisitioned for the project will be disrupted. So implementation of the project may bring about adverse impacts. The adverse impacts and potential risks are as follows.

1. If there is a lack of local people’s participation in the project design, their legitimate needs will be hardly met. This may cause social conflicts and hinder the successful implementation of the project.

   Local residents are the users of rural roads, so they know very well about the rural road conditions. For instance, they know which road sections have witnessed a large number of traffic accidents because of steep gradients or sharp curves; they know which road sections tend to suffer landslides; they know where culvert pipes are needed. Therefore, it is very important for the relevant design organization to survey the villages along the road and gather the complete information of local people’s legitimate needs, so as to optimize the project design. Past experience shows that if there is a lack of participation of local people and government in the project design, there may be serious disputes among local people with regard to road design after construction of a road begins. As a result, road design will have to be repeatedly modified; in some cases, local people may even obstruct construction.

2. As the project involves land requisition and structure demolition, conflicts between personal and collective interests may arise, but no one will boycott the project.
The project will greatly benefit local residents and promote local economic and social development. Therefore, all residents that have participated in the survey have expressed their support for the project. According to Social Stability Risk Assessment Team, no residents who were surveyed by this team were against the project. However, when the team pointed out that the project might involve land requisition and structure demolition, a small number of farmers show reluctance to support the project. Because these farmers worry that if their land is requisitioned, they will lose means of production and their livelihoods will suffer. However, despite the conflict between personal and collective interests, no one will boycott the project after they receive compensation for their loss of land.

3. China's policies on compensation for land requisition and structure demolition are being adjusted. Compensation standards are rising year by year, leading to an ever higher expectation of rural residents on compensation standards. This may make land requisition and structure demolition more troublesome for the project.

In recent years, social conflicts caused by land requisition and structure demolition in some places have become increasingly serious. In order to better satisfy the needs of the farmers whose land is requisitioned and reduce the social conflicts triggered by large-scale land requisition during China's industrialization and urbanization, the Chinese government has been reforming policies on compensation for land requisition. The government has standardized procedures for farmland requisition and has been raising compensation standards for land requisition and structure demolition year by year. The 18th CPC National Congress proposed “we should reform the land expropriation system and increase the share of gain in land value to farmers”. Frequent adjustment of compensation standards for farmland expropriation leads to an ever higher expectation of farmers on compensation standards for their requisitioned land. This may make land expropriation and structure demolition more troublesome for the project. According to a survey conducted by the Social Stability Risk Assessment Team, the compensation standards that are currently implemented in Wudang District were
formulated in 2010. Five years have passed since 2010, local residents request that their government update the compensation standards. Local people may oppose the compensation standards, which constitutes a new challenge to land expropriation and structure demolition for the project.

4. The old road may be damaged during construction, which will make daily travel inconvenient for local residents and thus temporarily disrupt their daily life.

This project focuses on renovating the old road. Therefore, the old road may be damaged during construction, which will make daily travel inconvenient for villagers for a period of time. Moreover, if the project is poorly managed, construction may produce dust and waste, which will pollute local environment and temporarily disrupt the daily life of local residents. Relevant parties must tighten their control particularly over construction of the bridges, in order to prevent the construction from contaminating relevant rivers.

5. After the project is completed, both the traffic flow and driving speed will increase. However, as local residents have a generally low awareness of traffic safety, traffic accidents may increase.

The houses of a large number of local residents are close to the road. As the old road was poorly paved, both the traffic flow and driving speed for it are low. Once the road is renovated, both the traffic flow and driving speed will greatly increase. If traffic control fails to be improved and if local people fail to raise their awareness of traffic safety, traffic accidents will increase.
2 Socioeconomic Survey and RAP Formulation

2-1 Socioeconomic survey

Before compiling a Resettlement Action Plan, the resettlement office must carry out a door-to-door survey of the affected population as required by the World Bank. The survey is aimed at gathering the information of the households and population that are affected by the project as well as the information regarding the number and use of structures to be demolished, the area and use of land to be expropriated, and the social and economic development of the affected area. Such information is very useful when assessing the impact of land expropriation on the incomes of affected households. Based on the information, the project design organization can optimize the project design in an effort to minimize the area of land that is to be expropriated and the number of structures that are to be demolished. Moreover, through the large-scale, door-to-door survey in the project area, the affected population can obtain information of the project’s progress in a timely manner; and the resettlement office can obtain advice from the local government and affected population. Based on the survey and advice, the resettlement office can develop a more effective resettlement and rehabilitation plan, ensuring that the livelihoods of the affected population will rehabilitate and improve.

2-1-1 Identification of affected areas

The scope of the socioeconomic survey for the project is determined by the project design organization based on the preliminary project design. All the arable land, structures, key infrastructure, and land attachments that fall within the boundaries marked off by red line will be registered and the representatives of the owners (including legal entities and natural persons) of the property will be surveyed. As the
boundary of the project has not been identified before survey begins, it is impossible to
survey the land of every household. Therefore as a result of this survey, the number of
structures to be demolished and the area of land to be expropriated are estimates, which
may not fully match the actual number of demolished structures and the actual area of
expropriated land. The data of land expropriation and structure demolition in this report
will not serve as the basis for compensation. Prior to implementation of the project, the
PMO, local government, and the land and resources department, together with the
affected population will jointly survey and register the expropriated property. The
register will be signed by the PMO, local governments, and the affected population and
then it will serve as the basis for compensation.

2-1-2 Survey methods and steps

With the help of Guiyang Project Management Office, the project design
organization has surveyed the entire project area and registered the affected property.
Wuhan University has then conducted a socioeconomic sample survey of the affected
households. The survey takes the following steps: (1) the project design organization
determines the scope of requisitioned land in accordance with the latest design. (2) The
project design organization surveys the land and structures within the requisitioned area
with the help of village committees, and identifies the use and area of the requisitioned
land. (3) Wuhan University Survey Team identifies the owners of the requisitioned
property with the help of village committees, and conducts a socioeconomic survey of
the affected households and businesses/organizations. (4) The local government
identifies the vulnerable groups among all affected persons in accordance with
relevant standards; the survey team surveys the families of the affected vulnerable
groups. (5) The survey team and the government department that is responsible for land
expropriation and structure demolition jointly hold meetings where the survey team
consults the department about relevant laws and policies.

2-1-3 Contents of survey

The socioeconomic survey for the project covers the land, structures, and other
property that fall within the boundaries marked off by red line as well as the affected households and population. Statistics for benefited persons has also been determined through the survey. This survey includes the following parts.

(1) Register of the affected property. When surveying the project area, the project design organization registers the property affected by land expropriation for this project. The property includes the requisitioned land and structures to be demolished as well as the affected land attachments, electric power infrastructure, telecommunications infrastructure, and other infrastructure.

(2) Survey of the affected households, businesses, and organizations. Using the data and drawings provided by the project design organization, the survey team of Wuhan University surveys the incomes and consumption levels of the affected families and the impacts to them, the general information of the affected population, the general information of the affected enterprises and social organizations and the impacts to them, and the socioeconomic levels of the affected villages and the impacts to them.

(3) Survey of vulnerable families and population. A special survey of vulnerable groups among the affected households and population should be carried out based on the relevant standard of the local government so as to obtain information with regard to the economic conditions of these vulnerable groups, impacts to them, and their views on relocation.

(4) Consultation and the survey of views on relocation. A sample survey of the affected population will be carried out to solicit their advice on the project design and implementation as well as on the resettlement policy and rehabilitation plan.

(5) Survey of relevant policies, laws, and documents. The survey team and the government department that is responsible for land expropriation and structure demolition jointly hold meetings where the survey team consults the department about relevant laws and policies and obtains the socioeconomic statistics and historical documents of the project area.

(6) Statistics for the benefited population. The survey team determines statistics
for the villages and population (including women and the poor) that benefit from the rural road subproject.

2-1-4 Process of survey

On May 28th of 2015, Guiyang Project Management Office and Tongren Project Management Office jointly held a meeting for the World Bank policy on involuntary resettlement in Guiyang. This meeting focuses on the World Bank’s purpose, its funded project cycle, its work at different stages, its policies and requirements on involuntary resettlement, its requirements on consultation about resettlement and on resettlement-related information disclosure, its successful and unsuccessful experience in resettlement planning, and its procedures for resettlement survey. Mr. Hao Aimin, the World Bank resettlement expert, and Prof. Cheng Dening were invited to give a speech on the World Bank policies of social security at the meeting. At the meeting, the leaders responsible for land expropriation and structure demolition in the areas affected by the project shared their successful and unsuccessful working experience in land expropriation and structure demolition (Picture 2-1). This meeting serves as the preparatory work for the compilation of Resettlement Action Plan.

Picture 2-1 the World Bank resettlement policy meeting held by PMO

Since October of 2015, with the help of local governments and village committees, the project design organization has surveyed the project area. The resettlement experts representing the World Bank have also surveyed the project area (picture 2-2). In
December of 2015 when the project design organization finished the preliminary design for the project, Wuhan University and PMO have surveyed the affected households in the project area (picture 2-3). Based on the survey, PMO has registered the information regarding the use and area of the requisitioned land, the use and number of the structures that are to be demolished, the households and population that are affected by land expropriation, and the affected vulnerable groups. PMO has estimated the impacts of land expropriation to the incomes of the affected households. During the survey, PMO has held meetings of the affected population for them to consult and discuss about resettlement as a way to understand their view on resettlement and to solicit their advice on resettlement.

2-2 Identification of resettlement documents

If the World Bank financed project involves involuntary resettlement, the World Bank Operational Policy 4.12 (OP 4.12) will be applicable to the project and the Project Management Unit (PIU) will need to develop resettlement-related policies and measures to avoid or minimize the adverse impacts of resettlement on the displaced persons (DPs).

The World Bank Financed Guiyang Rural Road Project has multiple subprojects and these sub-projects will be implemented at different phases. As the second group of
subprojects that will be implemented has yet to be determined at the appraisal stage, the land to be requisitioned for each subproject has not been identified. Therefore, at the preparation stage, the Project Management Office (PMO) submitted Resettlement Policy Framework (RPF) to the World Bank. According to the RPF, if the number of Project Affected Persons (PAPs) exceeds 200, if the proportion of the arable land expropriated for the project to the total area of arable land in villages exceeds 10%, or if land expropriation involves relocation, the PIU should compile a complete and detailed Resettlement Action Plan (RAP) and submit it to the World Bank for review and approval.

According to relevant surveys, some lands in Dongfeng Town, Shuitian Town, and Xiaba Town will be expropriated for this project and structures on these lands will be demolished. The project covers a total land area of 478.77mu, of which the old road covers 85.8mu and the newly built road section covers 392.97mu. Though a village’s requisitioned arable land area accounts for no more than 4% of its total arable land area, structures to be demolished for this project cover a total area of 11,436 m², which affects 40 households. In other words, some households need to relocate. For their relocation, the PMO has decided to compile a detailed RAP and submit it to the World Bank for review.

2-2 Preparation of RPF

Resettlement Policy Framework (RPF) is designed to determine resettlement principles and policies so as to ensure all resettlement activities of the project are consistent with the World Bank’s policy on involuntary resettlement. The preparation and refinement of RPF underpin the whole process of the project planning and implementation. In order to make the project resettlement plan better conform to the local reality, the PMO has carried out a number of activities to answer people’s questions about resettlement policies and to increase public participation in social impact assessment, socio-economic survey, and discussion of resettlement policies.

1. Selecting and determining subprojects. When selecting or determining
subprojects, PMO has repeatedly consulted and communicated with the transport departments at district-and county-level. Based on the *Twelve Five Year Plan of Guiyang Rural Road Development* (2011-2015), PMO has analyzed the social and economic benefits of every rural road that is to be constructed in recent years, determining the subprojects of the Guiyang Rural Road Project and prioritizing the subprojects that will be implemented. Based on the project implementation plan, Guiyang Municipality has decided to include the Laping – Liangshuijing Second-class Road Renovation &Extension Project in the second group of projects that are to be implemented.

2. *Assessing the project’s social impact*. In order to encourage the project planner to pay more attention to the role of the project in the social development of the entire project area from a forward-looking perspective and to avoid making short-sighted decisions with regard to the project, PMO has entrusted Wuhan University to assess the project’s social impact. In December of 2015, the Social Impact Assessment Team of Wuhan University organized a number of meetings for all kinds of stakeholders in the affected areas to discuss about the project and submitted a *Project Social Assessment Report* (PSAR) to the World Bank at the end of 2015. Based on the PSAR, the project planner has identified the project’s benefits and adverse effects on the local social development, and has got a big picture of the project’s potential benefits and risks. The PSAR has also laid a foundation for improving the resettlement plan, minimizing or avoiding the social risks and conflicts that may lead to project failure, and increasing the social benefits of project investment.

3. *Holding meetings for consulting about resettlement policies*. In order to formulate an effective resettlement plan, PMO has consulted the management department of land acquisition and structure demolition under the Guiyang Municipal Government about the latest policy on compensation for land expropriation in Guiyang, and has consulted with the local government and the representatives of the project affected persons (PAPs) about resettlement options. After the compensation plan for
land expropriation is approved, the PIU will work with the local government and the representatives of PAPs to formulate detailed rules for the implementation of the resettlement plan.

4. Conducting socio-economic survey. Before implementation of the project begins, the PMO should carry out a door-to-door survey of the affected population as required by the World Bank. The survey is aimed at gathering the information of the affected population as well as the information regarding the number and use of structures to be demolished, the area and use of land to be expropriated, and the social and economic development of the affected area. Based on the information, the project design organization can optimize the project design and the resettlement office can develop a more effective Resettlement Action Plan. Moreover, through the survey, affected population can obtain information of the project’s progress in a timely manner.

5. Establishing a public participation mechanism. The resettlement plan for this project is prepared based on open information and full communication with the affected population. In order to ensure DPs have the opportunities to participate in developing and implementing resettlement plans, PIU has developed a public participation plan, ensuring that DPs understand all feasible resettlement plans and sufficient options are provided for them to choose from.

2-3 Approval and implementation of RPF

The procedures for the approval of Resettlement Policy Framework for this project include domestic procedures and the World Bank procedures. The approval procedure and schedule for all kinds of resettlement documents is shown in Table 2-1.
### Table 2-1 Procedures and Schedule for Approval of the Project

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Procedures for approval</th>
<th>Time</th>
<th>Procedures for approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compilation of Project Proposal Report</td>
<td>2011</td>
<td>The World Bank procedures</td>
<td></td>
</tr>
<tr>
<td>Official written reply of Guizhou Provincial Development and Reform Commission to Project Proposal Report</td>
<td>2012</td>
<td>Project Identification</td>
<td></td>
</tr>
<tr>
<td>Compilation, approval, and submission of Project Fund Use Report</td>
<td>Before October, 2013</td>
<td>Project Appraisal</td>
<td></td>
</tr>
<tr>
<td>Compilation and approval of Project Preliminary Design</td>
<td>Before November, 2013</td>
<td>Negotiation of loan</td>
<td></td>
</tr>
<tr>
<td>Formulation and approval of the scheme and detailed rules for land acquisition and structure demolition</td>
<td>Before November, 2013</td>
<td>Reviewed and approved by the World Bank Board</td>
<td></td>
</tr>
<tr>
<td>Commencement of project construction</td>
<td>Before December, 2013</td>
<td>Submission of a RAP or its abbreviation to World Bank, the loan is declared effective</td>
<td></td>
</tr>
</tbody>
</table>
3 Terminology, Objectives and Principles of Resettlement

3-1 Resettlement terminology

1. Resettlement

In the World Bank terminology, “Resettlement” covers all direct economic and social losses resulting from land taking and restriction of access, together with the consequent compensatory and remedial measures. Resettlement is not restricted to its usual meaning—physical relocation. Resettlement can, depending on the case, include (a) acquisition of land and physical structures on the land, including businesses; (b) physical relocation; and (c) economic rehabilitation of displaced persons (DPs), to improve (or at least restore) incomes and living standards.

2. Displaced Persons or Affected Persons

“Displaced Persons” are defined as the people or entities directly affected by a project through the loss of land and the resulting loss of residences, other structures, businesses, or other assets. The word thus connotes all those people who lose land or the right to use land or who lose access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods. The term “displaced persons” is synonymous with “affected persons” and is not limited to those subjected to physical displacement.

3. Stakeholders of the Project

“Stakeholders of the project” is a broad term that covers all parties affected by or interested in a project or a specific issue. In other words, all parties who have a stake in a particular issue or initiative are included in stakeholders. The stakeholders can be classified into “primary stakeholder” and “secondary stakeholders”: primary stakeholders are those most directly affected by a project, including the population that
loses property or income because of the project and accept relocation. Secondary stakeholders are the people or groups who have an interest in the project, such as the Project Management Unit (PIU), the project beneficiaries and interested NGOs.

4. Replacement Cost

“Replacement cost” is used to valuate assets, helping ensure that the amount of compensation is sufficient to replace the lost assets and cover transaction costs. When replacement cost is being used to valuate assets, depreciation of structures and assets should not be taken into account. In the countries or regions where markets provide reliable price information, replacement cost equals the price of assets plus transaction costs (all preparation and transfer fees for the transaction).

5. Vulnerable Groups

Vulnerable groups often refer to the social groups who suffer hardships, lack adaptability to social changes and lack ability to rehabilitate after relocation. The extent, nature, and severity of their vulnerabilities may vary significantly. The vulnerable population affected by a project will be identified by the local government in accordance with relevant national policy and the real situation in the project area. Vulnerable groups affected by this project include the poor, women, and ethnic minorities; those less able to care for themselves (children, the elderly, and the disabled); and other groups whose interests are not protected by the national land compensation law.

6. Project Cycle

“Project Cycle” refers to the process of identifying, planning, approving, and implementing a project. In the World Bank, the project cycle is divided into the following stages: Identification, Preparation, Appraisal, Negotiations, Approval, Loan Effectiveness, and Implementation.

7. Relocatees

“Relocatees” or “Resettlers” refers to the groups of people who have to physically move to new locations because of a project.
8. Affected Family

“Affected family” refers to any family (household) that loses home, land, or business interests because of land acquisition.

3-2 Objectives of resettlement policy

The World Bank Financed Guiyang Rural Road Project will achieve the overall objectives of OP 4.12.

(1) All viable alternative project designs will be explored so avoid or minimize involuntary resettlement. It is impossible to fully avoid land acquisition and relocation during implementation of the project, but when designing the project, relevant parties should try to minimize the land to be requisitioned, structures to be demolished, and the number of the DPs, and attempt to avoid or mitigate the serious negative effects that may be caused by the project.

(2) Where it is impossible to avoid resettlement, resettlement activities should be planned and executed as sustainable development programs. Sufficient funds should be made available so that DPs can share the benefits brought about by the project. Relevant parties should sincerely consult with DPs and create opportunities for them to participate in the planning and implementation of resettlement programs.

(3) Relevant parties should assist DPs in their efforts to improve their livelihoods and living standards, or at least help them rehabilitate their livelihoods to the level before resettlement or the project commences.

3-3 Main principles of resettlement

The basic principles of resettlement for this project are identified as follows:

(1) Effective compensation determined based on the full replacement costs should be promptly provided for the loss of assets attributable directly to the project. Assistance should be provided to DPs to help them improve their livelihoods or at least help them rehabilitate their livelihoods to the level before resettlement or the project commences.

(2) Technically and economically feasible alternatives should be provided for
resettlement; relevant parties should discuss with DPs about these resettlement alternatives and let them make choices at their free will. When developing a resettlement scheme and rehabilitation plan, relevant parties should take into account all legally and illegally affected persons.

(3) All affected persons should be timely informed of the compensation standards, livelihood rehabilitation plan, project implementation schedule, all available resettlement options, and resettlement-related entitlements.

(4) The PMO and construction contractors should minimize the duration of temporary occupation of land. They are responsible for rehabilitating the irrigation facilities and rural roads that have been damaged by the project.

(5) Land shall not be requisitioned and structures shall not be demolished before an agreement on land requisition and structure demolition is entered into between affected persons and relevant parties.

(6) If the remaining land owned by affected persons falls short of maintaining their livelihoods, the affected persons should not only be compensated but also provided with development assistance, such as training, loans, or job opportunities.

(7) The residential housing and homestead that are provided to DPs should be no inferior to the DPs’ previous housing and homestead in terms of location advantage and development potential. Moving expenses should be covered by subsidies provided to DPs during their relocation. During transition, DPs will also receive financial support for their livelihood rehabilitation and the support will be determined based on the transition duration.

(8) Efficient and transparent procedures for collecting and settling the DPs’ complaints and appeals should be established, so as to ensure that the problems appearing in the implementation of the project can be solved without delay.
4 Project Impact Analysis

4-1 Measures to minimize the impacts of land acquisition and structure demolition

This project is about old road upgrade, reconstruction and expansion. In the whole process of the project design and road construction, the PMO has been working on all feasible project design proposals in an attempt to minimize or avoid involuntary resettlement. When designing the project, the project design organization thoroughly surveys the conditions of the existing road. By comparing the route alternatives of the following road sections, the organization selects the routes that are away from populated areas such as villages, small towns, factories, and schools, so as to minimize the area of the requisitioned land, the number of structures to be demolished, and displaced persons.

1. Comparison and selection of route alternatives for the Xiaba Street section. The Option BK for this section focuses more on expanding an old road and less on building new road sections. However, the old road winds through villages and there are a large number of structures on both sides of the road, so it is hard to control disruption to the local residents during construction. Moreover, the old road tends to be occupied on market days. It would be a bad choice for safe drive and daily travel. By contrast, Option K involves new road construction, requiring more land area, but the number of structures that are to be demolished is relatively small, the new road will have less curved sections and less high slopes, disruption caused by construction is insignificant, and the road capacity will be strong after it is built. So option K will better meet the demand of local residents and boost the local economy. Therefore, the project design organization selects option K as a preferred design proposal.
2. Comparison and selection of route alternatives for the Xiadashan Section.

Route BK, along the old road across the Nanming River, involves the demolition of an old bridge and the construction of Xiadashan Bridge. Route K, about 350 m (K8+880) upstream of the old Xiadashan Bridge northeastward across the Nanming River, winds through the area between Shangdashan and Xiadashan to Pudu where it joins the old road (K9+980). Route K covers a total length of 1.100 km and it is new construction. Option BK involves a large number of structures that are to be demolished. Moreover, reconstruction of an old bridge involves building a long-span temporary bridge, which is difficult and costly. By contrast, option K involves a smaller number of structures that are to be demolished. The old bridge is still in service, which saves the cost of building a temporary bridge. Besides, construction does not affect road traffic. Therefore option K can reduce the impacts of structure demolition and bring about more social, economic, and environmental benefits to the local area. So the project design organization selects option K as a preferred design proposal.
3. Comparison and selection of route alternatives for the Laping Section. Route BK, with a total length of 1.172km, starts at the entrance to Jieshang Village (EK16+552.476) and then runs beside Road X132 northeastward through Laping Village, ending to the north of Laping Village (EK17+724.654). Option BK focuses on upgrading and reconstructing the old road. Route K, with a total length of 1.087km, starts at the entrance to Jieshang Village (EK16+552.476) and then runs along a vacant lot in the south of Laping Village, ending to the north of Laping Village and joining the old road (K17+640). Route K is new construction.

Route BK runs through a part of Laping Village. The old Road X132 winds through Laping Village. There are numerous streets on both sides of Road X132 and passageway between two streets is narrow. Road X132 has sharp curved sections and steep slopes, with the minimum radius being only 25 meters. So numerous structures will have to demolished if Road X132 is to be upgraded and renovated. Moreover, as Road X132 runs through Laping Village, it poses risks to traffic safety. By contrast, Route K changes direction at Laping Village. It runs around the village, so fewer structures will be demolished and fewer residents will be affected. In addition, Route K has less curved sections and less steep slopes, so the road can be greatly upgraded. Obviously, option K is superior to option BK in terms of construction conditions and the social, economic, and environmental benefits. So the project design organization
selects route K as a preferred design proposal.

4-2 Land acquisition impact analysis

4-2-1 Land acquisition impact assessment

The project focuses on expanding the old road in an effort to upgrade it. According to the preliminary design for the project, lands in Dongfeng Town, Shuitian Town, and Xiaba Town will be expropriated for this project. The project covers a total land area of 478.77mu, of which the old road covers 85.8mu and the newly built road section covers 392.97mu. As this project is about road construction, it affects a relatively large number of households. On the other hand, as a village’s requisitioned arable land area accounts for no more than 4% of its total arable land area (table 4-1), the project’s impact on each household is insignificant.

Table 4-1 Proportion of the area of the arable land requisitioned for the project to the area of the total arable land

<table>
<thead>
<tr>
<th>No.</th>
<th>Affected towns/villages</th>
<th>The use and area(mu) of the requisitioned land</th>
<th>Original arable land area (mu)</th>
<th>Requisitioned arable land area/original arable land area (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dongfeng Town</td>
<td></td>
<td>Subtotal</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Dongfeng Town</td>
<td>Luowan Village</td>
<td>Paddy field 13.2  Dry land 13.2  Subtotal 14.31</td>
<td>2080  0.69</td>
</tr>
<tr>
<td>2</td>
<td>Shuitian Town</td>
<td>Sanjiang Community</td>
<td>0 80.43  80.43</td>
<td>2997  2.81</td>
</tr>
<tr>
<td>3</td>
<td>Xiaba Town</td>
<td>Dingpa Village</td>
<td>0 54.94  54.94  0</td>
<td>1401  3.92</td>
</tr>
<tr>
<td>4</td>
<td>Xiaba Town</td>
<td>Xiaba Village</td>
<td>13.2  65.5  78.7  3.9</td>
<td>2042  4.05</td>
</tr>
<tr>
<td>5</td>
<td>Guding Village</td>
<td>Guding Village</td>
<td>7.12  35.02  42.14  2.61</td>
<td>1388  3.22</td>
</tr>
<tr>
<td>6</td>
<td>Guba Village</td>
<td>Guba Village</td>
<td>3.9  37.74  41.64  3.4</td>
<td>1123  4.01</td>
</tr>
<tr>
<td>7</td>
<td>Laping Village</td>
<td>Laping Village</td>
<td>14.2  48.4  62.6  4.5</td>
<td>2265  2.96</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>38.42  335.23  373.65  19.32</td>
<td>392.97  3.00</td>
</tr>
</tbody>
</table>
4-2-2 Impact of structure demolition

This project is about rural road reconstruction. In principle, the project focuses on expanding the old road. However, as the old road runs through a few villages, expansion of the old road will require a large number of structures to be demolished, which will greatly affect the life of local residents. Therefore, the PIU, local governments, and the project design organization optimize the project design. They have decided that some road sections will be constructed. Newly constructed road sections do not run through villages, preventing a large number of structures from being demolished. It will also reduce traffic jams, especially the traffic jams on the road that local residents use to go to market. According to the preliminary design, structures to be demolished for this project cover a total area of 11,436 m², affecting 40 households. See table 4-2 for the number of affected households and structures.

Table 4-2 The use and number of the structures affected by the project

<table>
<thead>
<tr>
<th>No.</th>
<th>Towns</th>
<th>Number of affected households</th>
<th>Brick structures (m²)</th>
<th>Brick and concrete structures (m²)</th>
<th>Prefabricated structures (m²)</th>
<th>Tile-roofed wooden structures (m²)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dongfeng Town</td>
<td>14</td>
<td>1458</td>
<td>5641</td>
<td>520</td>
<td>0</td>
<td>7619</td>
</tr>
<tr>
<td>2</td>
<td>Shuitian Town</td>
<td>11</td>
<td>281</td>
<td>862</td>
<td>91</td>
<td>0</td>
<td>1234</td>
</tr>
<tr>
<td>3</td>
<td>Xiaba Town</td>
<td>15</td>
<td>518</td>
<td>1990</td>
<td>25</td>
<td>50</td>
<td>2583</td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>40</td>
<td>2257</td>
<td>8493</td>
<td>636</td>
<td>50</td>
<td>11436</td>
</tr>
</tbody>
</table>

4-2-3 Land Acquisition Impact on Incomes of Local Residents

The areas affected by the project fall within Wudang District. This district used to be home to special agricultural products, such as cherries, pears, and other fruits. As Guiyang has been experiencing a fast social and economic development in recent years, the social and economic development of the affected areas is also undergoing fast changes. Such changes are reflected in the following aspects. First, a large number of rural laborers have moved from the agricultural sector to non-agricultural sectors; these laborers either work in the coastal area or start up agritainment business nearby. Second,
as the built-up area in Wudang District is expanding, a large number of industrial parks are emerging in the areas affected by the project; a lot of affected areas are developing into built-up areas. Third, while the incomes of local residents are rapidly increasing, the composition of their incomes is undergoing remarkable changes. According to the survey of the affected population that is conducted by the Social Stability Risk Assessment Team, 75.3% of the affected households’ incomes come from non-agricultural sectors and only 24.7% comes from agricultural sector (table 4-3). In addition, as this project is about road construction, land requisition for the project has an insignificant impact on the income of every household. As long as local governments compensate farmers fully and promptly for their requisitioned land, the affected household will be able to increase their incomes by developing business in non-agricultural sectors. In the long run, renovation of rural roads may create more job opportunities in non-agricultural sectors for local residents, which in itself is a way of increasing the incomes of local residents.

Table 4-3 The affected households’ income levels and the composition of their incomes

<table>
<thead>
<tr>
<th>Towns</th>
<th>Village</th>
<th>Head of a household</th>
<th>Number of a family’s member</th>
<th>Number of laborers</th>
<th>Total annual income (10,000 Yuan)</th>
<th>From non-agricultural sectors</th>
<th>From agriculture</th>
<th>Per capita annual income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Luo Fengqian</td>
<td>5</td>
<td>4</td>
<td>18</td>
<td>14</td>
<td>77.8%</td>
<td>4</td>
</tr>
<tr>
<td>Shuitian Town</td>
<td>Dingpa Village</td>
<td>Xie Daqiao</td>
<td>6</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>60.0%</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Li Qiyu</td>
<td>7</td>
<td>4</td>
<td>4.2</td>
<td>3</td>
<td>71.4%</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wei Yuming</td>
<td>4</td>
<td>4</td>
<td>6.5</td>
<td>6</td>
<td>92.3%</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Liu Zhenghua</td>
<td>6</td>
<td>3</td>
<td>3.8</td>
<td>3</td>
<td>78.9%</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yin Wenfu</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>33.3%</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Xiaba Village</td>
<td>Du Yingsheng</td>
<td>3</td>
<td>2</td>
<td>4.8</td>
<td>2.8</td>
<td>58.3%</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Zhang Jiuou</td>
<td>5</td>
<td>4</td>
<td>8</td>
<td>3</td>
<td>37.5%</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Song Beicheng</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>25.0%</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yu Yinghua</td>
<td>7</td>
<td>5</td>
<td>8</td>
<td>5</td>
<td>62.5%</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Goba Village</td>
<td>Feng Kaibong</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>6</td>
<td>75.0%</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Xu Guanghui</td>
<td>5</td>
<td>2</td>
<td>12</td>
<td>12</td>
<td>100%</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Guding Village</td>
<td>Zhang Yuauxue</td>
<td>6</td>
<td>5</td>
<td>21</td>
<td>20</td>
<td>95.2%</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Luo Dusheng</td>
<td>8</td>
<td>6</td>
<td>13</td>
<td>10</td>
<td>76.9%</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>75</td>
<td>52</td>
<td>119.3</td>
<td>89.8</td>
<td>75.3%</td>
<td>29.5</td>
</tr>
</tbody>
</table>


4-3 Project social impact assessment

In order to objectively evaluate the social benefits and risks brought about by the project, the PIU have entrusted Wuhan University to assess the project’s impact on society. According to the Project Social Assessment Report provided by Wuhan University, the project will promote local social development and create great social benefits; on the other hand, it may cause some social conflicts and risks.

4-3-1 Social benefits of the project

The social benefits brought about by the project include long-term and short-term benefits.

1. Short-term social benefits

This project brings the following direct, short-term benefits to local society.

(1) The project makes it easier for local residents to go to school, hospital, or shop, making daily travel generally easier.

(2) The project minimizes the curved sections and high slopes of original roads, eliminating the relevant hidden danger; it helps reduce mud in rainy days and dust in sunny days, improving the local environment.

(3) The project improves product transportation conditions. As a result, local resources and agricultural products can be transported elsewhere in a timely manner at a low cost, while consumer goods and the means of production can be transported to the project area.

(4) The project accelerates local tourism resources development, and helps develop the transportation, commerce, trade, agricultural products processing industry, and other non-agricultural sectors, increasing the income of local farmers.

(5) The project promotes the exchange of information between rural and urban areas, creating opportunities for people to invest in the rural area.

(6) The project improves the quality of farmers’ life and increase local people’s happiness.

2. Long-term social benefits
This project brings the following long-term benefits to local society.

(1) The project helps reduce the cost of childhood education, lowering the local dropout rate and raise the image of the local area. In the long run, it will change the demographic structure of local villages, improve the quality of local population, and increase human capital, laying a firm foundation for the local social transformation and development.

(2) The project makes daily travel easier for local residents, saving the money and energy that local farmers put into daily travel; it improves the local environment and reduces hidden traffic hazards, which will help improve the quality of local residents’ lives and increase their happiness.

(3) The project improves the environment for local farmers to trade their products, which will increase the income of local farmers and boost local economy. The project facilitates the development of local tourism, agricultural product processing industry, and other non-agricultural sections. It will greatly accelerate local agriculture modernization.

(4) The project helps eliminate the natural barriers that hinder the exchange of information between urban and rural areas, strengthening economic ties between urban and rural areas. It serves as the infrastructure required for the rural area to attract urban capital, enhancing the integrated development of urban and rural areas.

(5) The project will increase the exchange of information in a region or between regions and increase communication between local farmers and people elsewhere. This will help broaden the farmers’ horizon, which will in turn accelerate the socialist modernization of local areas.

(6) The project increases communication among local ethnic groups, promoting the harmonious development of local society and strengthening unity among local ethnic groups.

4-3-2 Potential social risks of the project
According to relevant survey, interview, and analysis, Wuhan University’s Social Impact Assessment Team believes that implementation of the project faces the following potential risks.

(1) Whether the construction of the road can be started and completed on schedule is the primary concern of local residents. Delayed construction in many places has triggered discontent of local residents with their governments.

(2) Construction quality is a common concern for local people. If construction quality is poor, local people’s interests will suffer most, which may cause local people to boycott construction.

(3) Compensation standards is also a major issue that local people pay close attention to, so the resettlement organizations should ensure the compensation standards for affected assets comply with relevant laws and policies.

(4) In the process of land acquisition, if information are not disclosed or compensation for affected assets is unfair, conflicts will arise among local people.

(5) When the construction is completed, if the damaged irrigation facilities fail to be rehabilitated in time, or if the former rural roads fail to be connected with the new road, it may lead to local people’s complaints and trigger new conflicts.

(6) If there is a lack of women’s participation in resettlement, the women’s legitimate rights and interests that are related to resettlement may not be fully protected, which may lead to gender inequality.

(7) During construction, if the project is poorly supervised by its manager and construction contractor, or if the project manager and construction contractor fail to respect the custom of local ethnic groups, conflicts may arise between construction teams and local residents.

(8) If the affected vulnerable groups’ special needs fail to be included in the resettlement plan, and no special support policy will be implemented for them, the vulnerable groups may find it difficult to resume their work and rehabilitate their livelihoods.
When the road is built, both the traffic volume and the driving speed will increase. However, given that local people’s awareness of traffic safety is generally low, there is a big risk that the probability of serious traffic accidents may increase.

**4-3 Assessment of Impact on Ethnic Minorities**

The area affected by this project is a place where multiple ethnic groups live together. These ethnic groups share the same language, and cross-cultural marriages among them are very common. They live harmoniously and interdependently, helping each other forward. No conflicts arise among these ethnic groups.

This project will bring short-term and long-run benefits to ethnic minorities. The project-related benefits will be shared equally among different ethnic groups. However, implementation of the project may also negatively affect local ethnic minorities. Such adverse effects are as follows:

1. Ethnic minority people are generally worried that there are no effective channels for them to reflect their needs and requirements. They have no say in selecting and prioritizing items to be implemented for the project, as a result of which local roads have failed to be included in the list of the project’s items and this area has missed a development opportunity.

2. During construction, if the project is poorly supervised by its manager and construction contractor, or if the project manager and construction contractor fail to respect the custom of local ethnic groups, conflicts may arise between construction teams and local ethnic minority people.

3. The ethnic minority people are generally worried that the project design may exclude their requirements and that the construction quality may fail to meet their expectations. In this case, the production and livelihood rehabilitation will become very difficult for these people. As a result, discontent and conflicts may arise among the ethnic minority people.

4. Ethnic minority people worry that once the road is renovated, both the traffic volume and driving speed for the road will increase. However, given that local people’s
awareness of traffic safety is generally low, there is a big risk that the probability of serious traffic accidents may increase.

5. When the project is completed, the project area will be more widely opened to the outside world and foreign cultures may impact the traditional culture of ethnic minorities. As a result, some traditions may gradually die out and it will be difficult to preserve the distinctive cultures of local minorities.

4-4 Gender impact assessment

The project will change local production methods and the life style of local people. Such changes may affect men and women differently. Therefore, relevant parties should take gender differences into account when developing and implementing resettlement programs. Gender impact assessment can help eliminate gender inequality, contributing to building a harmonious society.

In the long run, construction of rural roads will create more job opportunities for women and increase their income. Generally speaking, women in the affected area may benefit more from the construction of rural roads than men in the same area. So construction of rural roads can help enhance gender equality.

(1) Construction of rural roads will create more job opportunities for women, increasing their income and promoting their social position. After the rural roads are renovated, the vegetable and fruits grown by women will become a new important source of income for their families. Therefore, it is expected that both the women’s income and the proportion of the women’s income to the total income of their households will greatly increase. As a result, the women’s position in their households will also rise, which in turn will help eliminate gender inequality.

(2) Construction of rural roads will greatly reduce the physical work of rural women. As more and more young men in the affected area choose to work in towns and cities, most of agricultural production in the affected villages has been undertaken by women. In addition to agricultural production, women in these villages also have to take care of their underage children and the elderly in their families. Once the rural
roads are renovated, the agricultural production conditions will be greatly improved. It will make the work of rural women easier, reducing their physical and mental burden.

(3) Construction of rural roads will make the local residents’ daily travel easier; it can also help improve the quality of women’s lives. In the past, due to poor transportation conditions and high cost of travel, migrant workers rarely returned home. Construction of rural roads will make it easier for migrant workers to return home, letting them participate more in household chores. This will help reduce the burden of women’s life, and improve childhood education and the living conditions of the elderly. On the other hand, land acquisition will also bring some new challenges for the women’s development. In the long term, land acquisition will change the local production methods and the life style of the local people. The share of non-agricultural employment in total employment will increase, as more and more laborers will move from agricultural sector to non-agricultural sectors. However, as rural women migrate less than men, their knowledge and experience tend to be more limited. Hence, these women will be less adaptable to a new situation and environment, which will harm gender equality.
5 Resettlement Policies & Compensation Standards

The resettlement work involved in the Project will be conducted in strict compliance with laws, regulations, and policies of the P.R.C and the project-impacted areas. The planning and implementation of the resettlement work will also comply with World Bank’s policies on involuntary resettlement.

5-1 Resettlement laws, regulations and policies

5-1-1 Laws, regulations and policies

1. National laws and regulations on resettlement

(1) The Land Administration Law of the People’s Republic of China (revised on August 28, 2004)


(3) Real Right Law of the People's Republic of China (October 1, 2007)


(6) Agriculture Law of the People's Republic of China (December 28, 2002)

(7) Decision of the State Council on Deepening the Reform on Strict Management to Land (October 21, 2004)


(9) Measures for the Administration of Annual Plans on the Utilization of Land (revised in 2004)
2. Local regulations and policies

(1) Implementation Measures on Land Administration in Guizhou Province (January 1, 2001).

(2) Circular of the People’s Government of Guizhou Province on Further Strengthening Land Acquisition Management (June 1, 2005)

(3) Regulations on the Value Evaluation of the Demolished Houses (March 1, 2005)

(4) Measures on Announcement for Land acquisition of the Land & Resource Bureau of Guiyang City (January 1, 2002)

(5) Guidance Opinions on Improving the Job and Social Security Safeguard Works for the Farmers Whose Land have been Acquired(September 1, 2011)


(7) Protection Measures for Vegetable Base Construction of Guiyang City (March 28, 2002)

(8) Management Regulations on Land Development and Consolidation of Guizhou Province (September 10, 2002)

(9) Regulations on Temporarily Use Land by the Key Project of Road or Railway in Guiyang City (October 16, 2009)

(10) Regulations on compensation for standing crops and land attachments of Wudang District (trial) (December 3, 2015)

5-1-2 World Bank’s policies on involuntary resettlement

The project aims to realize the following objectives stipulated in the World Bank’s OP 4.12 on involuntary resettlement:

(1) Involuntary resettlement should be avoided where feasible, or minimized,
exploring all viable alternative project designs. During project construction, if involuntary resettlement cannot be avoided, it should be minimized, so as its adverse impacts.

(2) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(3) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-project levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

5-1-3 Major principles of resettlement

The basic resettlement principles of the Project are identified as follows:

(1) Ensure that the DPs are provided with prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project; and DPs should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

(2) Ensure that the DPs are consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; all legal or illegal affected persons are to be considered and to be included in the resettlement scheme and rehabilitation plan.

(3) Ensure that all the PAPs are informed timely of the relevant qualification requirements, compensation rates and standards, production rehabilitation plan, and project implementation schedule; informed about their options and rights pertaining to resettlement.

(4) Ensure that PMO and PIU will minimize temporary occupation of land and the
disruption time; and PMO or construction units are responsible to rehabilitate all the former rural roads or the destroyed irrigation facilities

(5) Acquisition of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to DPs.

(6) If the remaining land of PAPs is not enough to maintain their living standards, they should be provided with development assistance in addition to compensation measures, such as training, or job opportunities or favorable loans, etc.

(7) DPs will be provided with residential housing, or house-building plots with a combination of productive potential, locational advantages, and other factors at least equivalent to the advantages of the old site. DPs will be provided assistance (such as moving allowances) during relocation. DPs will also be offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living.

(8) Ensure that effective and transparent procedures are established to collect and deal with the DPs’ complaints and appeals, so as to ensure that the problems appeared in the project implementation can be solved as soon as possible.

5-2 Compensation for land acquisition

5-2-1 Compensation for permanently acquired rural land

According to the World Bank’s policy, if the project-affected persons’ land is not directly replaced, PMO should provide prompt and effective compensation at replacement cost for losses of assets attributable directly to the project. Since the land acquisition of the project is not huge, PMO don’t take the land-based options to replace the permanent acquired land, but directly pay cash compensation to the contracted farmers.

In 2009, Guiyang Municipal People's Government issued “The Notice about Promulgating and Implementing the Unified Annual Output Value of Land and Comprehensive Land Price”; which stipulates the unified annual output value and the
comprehensive land prices of each region. The document clearly required that since January 1, 2010, the resettlement and compensation for all approved land acquisition should comply this new policy. The compensation standard for the permanently acquired land is listed in Table 5-1.

Table 5-1 Land acquisition compensation standard

<table>
<thead>
<tr>
<th>Scope</th>
<th>Type of acquired land</th>
<th>Comprehensive land price (Yuan /mu)</th>
<th>Revision coefficient</th>
<th>Compensation standard (Yuan / mu)</th>
<th>Social security compensation (Yuan / mu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dongfeng Town</td>
<td>Cultivated land</td>
<td>75,000</td>
<td>1.0</td>
<td>75000</td>
<td>18800</td>
</tr>
<tr>
<td></td>
<td>Other land</td>
<td></td>
<td>0.4</td>
<td>30000</td>
<td>7520</td>
</tr>
<tr>
<td>Shuitian Town</td>
<td>Cultivated land</td>
<td>67,100</td>
<td>1.0</td>
<td>67100</td>
<td>11800</td>
</tr>
<tr>
<td></td>
<td>Other land</td>
<td></td>
<td>0.4</td>
<td>26840</td>
<td>6720</td>
</tr>
<tr>
<td>Xiaba Town</td>
<td>Cultivated land</td>
<td>53,200</td>
<td>1.0</td>
<td>53200</td>
<td>13300</td>
</tr>
<tr>
<td></td>
<td>Other land</td>
<td></td>
<td>0.4</td>
<td>21280</td>
<td>5320</td>
</tr>
</tbody>
</table>

(1) The unified annual output value of land is calculated on the average annual output of land in the recent three years and the price of agricultural products. The type, quality, grade of land; farmers’ investment in land; the price of agricultural products and other factors are all taken into account. The compensation standard for land acquisition doesn’t include compensation for standing crops and land attachments.

(2) Apart from land acquisition compensation, the social security compensation also needs to be paid. The social security compensation will be remitted into the special account established in the county-level Financial Bureau at county level and will be used for covering social security of land-acquired farmers. The social security compensation standards are shown in Table 5-1.

5-2-2 Compensation standards for temporarily acquired land

Temporarily acquired land refers to land temporarily used for construction or geological survey, including land temporarily occupied for the make-shift sheds, office buildings, spoil yard, access roads, stockyard, concrete-mixing yard, materials storage field, etc. It is not allowed to build up permanent buildings or structures on the temporarily acquired land. Generally, the duration of temporary land acquisition is 2
years and it can be extended based on actual needs. The temporarily acquired land will be returned to the original land owner or user when the cut-off date has expired. The temporary users should reclaim or restore the land to the former state. If the user is incapable to reclaim or restore the land, or the reclaimed or restored land doesn’t meet the requirements, land reclamation fee should be paid according to Regulations on Land Management of Guizhou Province.


Compensation standards for temporary acquisition of cultivated land are calculated based on the annual output value, the duration of land occupation, maturation period of arable land, losses for the change from paddy land to dry land of the acquired land. The formula is: 

\[
\text{Temporary land compensation} = \text{Duration of occupation} \times \text{annual output value} + \text{compensation for standing} + \text{compensation for maturation period of arable land} + \text{Losses for the change from paddy land to dry land}.
\]

(1) The standard of annual output value is unified annual output value of land determined in the compensation and resettlement plan of land acquisition.

(2) Duration of occupation: duration is calculated by year. If the duration is less than half a year, it will be counted as half a year; if the duration is between half a year and one year, it will be counted as one year.

(3) Compensation for standing crops: compensation for standing crops is one time of the annual output value of land.

(4) Compensation for maturation period of arable land is calculated on three times of the annual output value of land.

(5) Compensation for the change from paddy land to dry land: If the paddy land has been changed to dry land because the irrigation infrastructure has been destroyed, the compensation shall be paid according to the gap between paddy field compensation and dry land compensation.

(6) Compensation standard for cultivated-land that cannot be reclaimed: If the temporary occupied cultivated land cannot be reclaimed, the user should pay
compensation in accordance with the compensation standard for permanent land acquisition, and reclaims the same quantity and quality of the original cultivated-land or purchase the quota of new cultivated-land so as to realize the objective of counterpoise of cultivated-land reclamation and occupation.


Compensation standards for temporary acquisition of non-cultivated land acquisition are based on the annual output value of land and the duration of land occupation. The duration is calculated by year. If the duration is less than half a year, it will be counted as half a year; if the duration is between half a year and one year, it will be counted as one year. The compensation standard for standing crops is calculated on one time of the annual output value of land.

5-2-3 Compensation standards for standing crops and land attachments

1. Compensation standards for standing crops. According to Regulations on compensation for standing crops and land attachments of Wudang District (trial) (December 3, 2015), the compensation standards for standing crops in the project-affected areas are listed in Table 5-2.

Table 5-2 Compensation standards for standing crops in the project-affected areas

<table>
<thead>
<tr>
<th>Area</th>
<th>Compensation standards (Yuan /mu )</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Vegetable field</td>
</tr>
<tr>
<td>Shuitian Town</td>
<td>4,500</td>
</tr>
<tr>
<td>Xiaba Town</td>
<td>4,500</td>
</tr>
<tr>
<td>Dongfeng Town</td>
<td>All land is compensated by standard of 3,600 Yuan /mu.</td>
</tr>
</tbody>
</table>

2. Compensation for land attachments

(1) Compensation standard for fruit trees: since fruit trees can be transplanted, the
PIU shall pay certain compensation to the transplantation of these fruit trees, at 40% of value of the fruit trees. The value of the fruit trees shall comply with the compensation price of fruit trees in WuDang District. Compensation for tree transplantation shall not exceed 30,000 Yuan / mu. Trees that cannot be transplanted shall be compensated by the actual economic values of the fruit trees.

(2) Compensation standards for flowers and plants. For nursery land of flowers and plants with business license, the transplantation compensation will be 40% of the flowers and plants. For nursery land of flowers and plants without business license, the transplantation compensation will be 18000 Yuan / mu. For lowers and plants that cannot be transplanted, the compensation standard will be based on the economic values of the plants. If the value of the plants is within 18,000 Yuan /mu, the nursery field shall be compensated by 18,000 Yuan /mu; if the value of the plants is larger than 18,000 Yuan / mu, it shall be compensated by the actual value of the plants, but the compensation shall not exceed 25,000 Yuan /mu.

(3) For agricultural land with no land attachments, compensation will be paid by 15,000 Yuan / mu as an award to the land owner. Any land attachments planted or structures built on the land to be acquired after the release of land acquisition notice will not be compensated.

5-3 Compensation standards for house demolition

5-3-1 Compensation for demolition of urban houses

According to Regulation on the Expropriation of Buildings on State-owned Land and Compensation by the State Council, the compensation granted to the displaced person by the people’s government at the city or county level shall include: (1) compensation for the value of the building demolished; (2) compensation for the relocation or temporary settlement resulting from the building demolition; and (3) compensation for the loss from production or business interruption resulting from the building demolition. The detailed policies for house demolition are as follows.

1. Compensation for the value of the expropriated building.
The compensation for the value of the expropriated building may be negotiated between the house demolishing agency and relocated households. If the agreement couldn’t be reached, two parties would consign a real estate valuation agency to valuate the building.

(A) Compensation for residential houses. The valuation of the demolished houses should be conducted based on considering the location, purpose, structure, decoration and building area of the houses by market comparison approach. The compensation for the demolished house shall be no less than its replacement cost. The compensation will be paid according to the amount valuated by the real estate valuation agency. For instance, the value of houses demolished in the 2013 Wudang District Shuidong Road Extension Project is appraised as 2,437 Yuan / m² for brick-concrete structures and 2,230 Yuan /m² for brick-wood structures. Since the cost of steel and concrete in Guiyang City declines dramatically in recent years, it suggests that the values of the demolished houses in the Project will not be higher than the appraised value in 2013. Therefore, the valuation in 2013 can be used as basis for formulating the compensation standard of the residential houses.

(B) Compensation for commercial houses. For houses with state-owned land use permit and property right of commercial houses, they shall be compensated according to valuation of commercial houses. For residential houses used for commercial business and with required certificates, apart from providing cash compensation and property right transfer, cash compensation at 50% of the valuation of houses shall also be paid.

2. Compensation for the relocation and temporary settlement. During relocation, displaced house owners or tenants shall be compensated with relocation subsidies. The compensation standard for relocation subsidies will be calculated in accordance with the area of the demolished house. If the house demolishing agency provides resettlement houses for the affected owners, relocation subsidies shall be paid once; if the affected households need temporary housing for transition period, relocation subsidies shall be paid twice; the relocation subsidies for the rental houses should be
paid to the tenants.

If the owners or tenants choose to resettle by themselves, temporary resettlement subsidies shall be paid to them. The compensation standard for temporary resettlement subsidies will be calculated in accordance with the area of the demolished house. Detailed compensation standards are shown as Table 5-3.

Table 5-3 Compensation standards for relocation subsidies and temporary resettlement subsidies

<table>
<thead>
<tr>
<th>Item</th>
<th>House type</th>
<th>Compensation standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relocation subsidies</td>
<td>Residential buildings</td>
<td>10</td>
</tr>
<tr>
<td>(Yuan /m²)</td>
<td>Shop or business buildings</td>
<td>20</td>
</tr>
<tr>
<td>Transition subsidies</td>
<td>Residential buildings</td>
<td>10</td>
</tr>
<tr>
<td>(Yuan /m²-month)</td>
<td>Shop or business buildings</td>
<td>20</td>
</tr>
</tbody>
</table>

The local laws or policies of Guiyang City have clear regulations about transition period.

(1) The transition period will not exceed 18 months. If the new buildings for the displaced persons belong to high-rise or super high-rise buildings, the transition period may be extended, but not longer than 24 months.

(2) If the house-demolishing agencies cannot resettle the affected households within the agreed duration, they should pay extended temporary resettlement subsidies to the DPs or tenants. If the DPs or tenants choose to find resettlement houses by themselves, the extended temporary resettlement subsidy paid to them will increase 10% monthly since the expiration date, but the extended temporary resettlement subsidy will not exceed 5 times of temporary resettlement subsidy standard. If the house-demolishing agencies have provided temporary houses for the DPs, they will also begin to pay temporary resettlement subsidies to the DPs since the overdue month.

3. *Compensation for losses from production suspension.* If demolition of
non-residential buildings causes production shutdown or business closure, compensation shall be paid to the DPs for their losses. The losses will be calculated by the monthly tax sum of the DPs last year and 6-month income shall be paid as compensation to the DPs. For cost of idle time of workforce, 6-month salary of the affected workforce shall be paid according to their monthly salary last year.

5-3-2 Compensation standards for rural houses demolition

1. Compensation options and standards for rural residence. If the residential houses are demolished and relocated, the owner of these houses can select one from the following two options:

   (1) Cash compensation. The cash compensation standard will be negotiated between the house demolishing agency and the affected owners. If the negotiation fails, both sides can entrust the real estate valuation agency to assess price. If both sides cannot sign agreement to entrust the real estate valuation agency, the House Demolition Management Bureau may recommend an agency to assess the value of the demolished house. The valuation agency should apply market comparison approach according to location, purpose, structure, decoration and building area of relocated housing. The compensation standard for the relocated buildings will not be less than their market price on the date when the notice of house demolition is made public.

   (2) Rebuilding houses in other sites. After the house demolishing agency has paid compensation for the civil engineering cost of the houses, the owners of the houses rebuild their house themselves in another site in accordance with the urban or town planning.

   The house demolishing agency will pay compensation to the DPs for gas, electric, telephone, cable TV, electricity, water in the original houses and other important facilities relocation based on the replacement cost.

2. Compensation for Non-residential Buildings in Rural Areas. The house demolishing agency shall pay one-time compensation to the DPs for the non-residential building demolition.
3. The Compensation Standard for reLOCATION and Temporary Subsides for Rural Houses is same as Urban Houses. If the rural residents become rural residents after land acquisition, the compensation for their houses demolition shall be followed the regulations and policies on the compensation for urban houses demolition. For affected family of which some family members are rural residents while others are urban residents, they have freedom to choose from the two compensation standards for rural residents or urban residents.

5-3-3 Compensation standard for buildings without license or temporary buildings

1. After the scope of house demolition has been identified, PMO and local government will inform the cut-off date of house property identification to the public. Nobody will be allowed to build new houses, expand their old houses, or change their housing purposes within the scope of house demolition after the cut-off date. If somebody violates the provisions to build new houses, expand their old houses, or change their houses’ purposes, the additional costs will not be compensated.

2. Since October 1, 2012, Guiyang Municipal Government started to identify and register the property of the houses on the collective lands and house-building plots, and had issued certificates to their owners. If the owner have lost the planning permission for their houses or they are lack of planning permission due to historical reasons, their houses also can be registered and the owner also can obtain certificates after being reviewed and approved by government at county/district level. For the new houses, the owners should apply to the Planning Bureau or Land Resources Management Bureau for “Planning Permission Certificate for Rural Structure Construction” and “Collective Land Use Right Certificates”, and apply to House Agency for “Building Ownership Certificates”. Through houses ownership registration, all buildings are recognized and registered by local governments, so no compensation will be paid for all buildings or structures without Building Ownership Certificates and Land Use Right Certificates in the future.
3. Compensation for temporary buildings which exceed the approved duration will be calculated based on civil cost of the building. That means the owner of these temporary buildings will only be compensated for their structures, no compensation will be paid for their use of land.

5-4 Compensation standards for affected infrastructures

The affected infrastructures in this project include power lines, telecommunication lines, broadcast lines, optical cables, etc. As for infrastructure that needs to be moved or be rebuilt, PMO and infrastructure owner will negotiate to recover or rebuild them during project construction according to impact degrees of different infrastructure. If the owner of infrastructure chooses cash compensation, PMO will evaluate and determine the replacement cost of these special infrastructures after negotiating with owners and pay compensation to the owners accordingly.

5-5 Entitlement of DPs

Although there are some gaps between the World Bank’s resettlement policy and China’s national laws and regulations, they follow one principle, i.e. To safeguard the legitimate rights and interests of PAPs, and rehabilitate them as soon as possible. In 2004, China State Council had promulgated Decision of the State Council on Deepening the Reform on Strict Management to land (Document No.28), the government had strengthened the capability to protect the PAPs’ rights by means of improving compensation standard, resettlement options, resettlement monitoring, etc. In 2010, Guiyang Municipal Government issued the new compensation standards for land acquisition, and since January 1, 2010, Guiyang City had implemented compensation for land acquisition based on the principle of “land types in the same region apply to same compensation standard regardless of their nature of property”.

During the resettlement implementation, the interests or rights of the owners of all kinds of assets will be safeguarded fully. The entitlement of DPs is shown in Table 5-4.
### Table 5-4 Entitlement Matrix

<table>
<thead>
<tr>
<th>Type of loss</th>
<th>Entitled persons</th>
<th>Entitlements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent land acquisition</td>
<td>Affected villages/groups or persons</td>
<td>(1) All affected villages/family shall obtain cash compensations for land acquisition.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2) PAPs shall obtain resettlement subsidies and compensation for the young crops directly.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) PAPs shall receive resettlement subsidies for restoration of their living standard and income.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(4) Preferential job opportunities shall be offered to PAPs by local government.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(5) Preferential technical training opportunity shall be offered to PAPs by the Project owner.</td>
</tr>
<tr>
<td>Residential housing demolition</td>
<td>Property/house owner</td>
<td>(1) PAPs may choose options such as cash compensation or exchange residential buildings.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2) House owners without certificate of title shall receive compensation based on the civil cost of the structure (excluding land price) without any depreciation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) If PAPs are not satisfied with the compensation, they may entrust the specialized institution to conduct an assessment of the real estate, the result of which shall be considered as the house relocation compensation rates.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(4) House relocation subsistence allowances are paid for the full duration of the period of disruption and re-establishment.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(5) All compensation for structures and other lost assets is paid to PAPs in full before relocation.</td>
</tr>
<tr>
<td>Ground attachments</td>
<td>Property owner</td>
<td>All ground attachments will be compensated at replacement cost in cash.</td>
</tr>
<tr>
<td>Public facilities</td>
<td>Property owner</td>
<td>(1) All affected property owners will be provided with satisfactory relocated land and site.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2) The demolished structure will be compensated at replacement cost in cash (including compensation for loss of facilities and labor on the basis of replacement cost).</td>
</tr>
<tr>
<td>Affected enterprises, institutions</td>
<td>Owner of the affected building and affected</td>
<td>(1) The affected enterprises can choose cash compensation options. All affected owners who run the business before the announcement of the project construction shall be compensated at the replacement cost even for unlicensed buildings or overstay temporary buildings.</td>
</tr>
<tr>
<td>and shops</td>
<td>workers</td>
<td>(2) All affected employees, whether permanent, or contracted, shall obtain cash compensation for the income/wage loss resulting from interruption of work.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) The owner of the affected enterprise will be compensated by cash for their business income loss; they can also obtain subsidies for relocation.</td>
</tr>
<tr>
<td>Income rehabilitation measures</td>
<td>All PAPs</td>
<td>(1) The collective-owned land is not redistributed within the village. All resettlement subsidies and most of land compensation (not less than 80% of total land compensation) will be paid directly to PAPs to restore their income and living standard.</td>
</tr>
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<td></td>
<td></td>
<td>(2) PAPs have the right to choose the options of income rehabilitation, the income restore program should be negotiated with PAPs and approved by PAPs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) The project owner will provide preferential employment opportunities and technical training for the affected persons.</td>
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<td></td>
<td></td>
<td>(4) Affected laborers can get same wages as before land acquisition.</td>
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<td></td>
<td></td>
<td>(5) Farmers who lost land can join in basic social security for aged of their free will. 60% fee will be paid by the farmer, 30% will be paid by local government and another 10% will be paid by the village committee. If the fee is not enough, PMO is responsible for making up the deficiency after examination.</td>
</tr>
<tr>
<td>Type of loss</td>
<td>Entitled persons</td>
<td>Entitlements</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Special supporting measures for affected groups | Affected vulnerable groups                           | (1) All resettlement programs should consider the women’s special needs; the women must be fully informed.  
(2) The vulnerable groups, especially the women, have priority to obtain the project-related employment opportunities.  
(3) Labor support for the vulnerable groups in the house reconstruction will be provided  
(4) If the building area of residential house for the families of vulnerable groups is less than 45㎡ and no other residential house, the compensation will be calculated in accordance with a building area of 45㎡  
(5) The resettlement offices and local government will establish formal social insurance for the farmers whose cultivated lands had been totally acquired or the disabled labors, so that these resettled labors can obtain sustainable income resources. |
| Complaints and Grievances                       | PAPS                                                 | (1) All PAPs have the rights to express their complaints or appeals to ROs at every level or local governments. The RO and local government must reply to PAPs clearly. If the PAPs are not satisfied with the reply, they can go to the court for a lawsuit.  
(2) Every resettlement office must hire at least one female worker to responsible for women’s affairs in the process of resettlement.  
(3) Various expenses related to complaints and appeal will be exempted. |
6 House Relocation Options and Income Restoration Measures

If project construction needs to relocate some houses, it means some households’ living conditions will be affected by the project. PMO should carefully make an optimal design for house relocation and rebuilding and let DPs move to their new-built-houses as soon as possible. Similarly, if project construction may acquire some land; some households may lose part of their income resources. PMO also need to formulate a plan for income restoration. The aim is to rehabilitate the production conditions for DPs, provide new income resource for DPs, and ensure the DPs’ livelihoods and standards of living can be at least to restore to pre-project levels.

6-1 DPs Relocation and House Rebuilding

6-1-1 Options for house reconstruction

The project-affected houses mainly are farmer’s residences and attached structures nearby rural road. According to the actual condition of Guiyang City, local government and PMO provide three options for the DPs to rebuild their houses. The DPs can freely select one option according to their own wishes.

1. Cash Compensation. If PMO and the DPs can reach agreement for house relocation through consultation, PMO will pay house compensation directly to the DPs according to the compensation standard agreed by the DPs. If both sides cannot reach agreement about the compensation rate, they may entrust the real estate valuation agency to assess the value of the house, and PMO will pay compensation to the DPs based on the evaluated price of the house. The DPs may buy new house on market by themselves after they obtain the compensation.

2. Rebuild New House in the Original Communities. According to the documents of Guiyang Municipal Government, within the areas of every district of
Guiyang City, it’s not allowed to rebuild new houses in the original community. However, many farmers really want to rebuild their houses in the original communities. Through negotiation with local government, the project-affected farmers have been permitted to rebuild their houses in the original village, but the area of the new house is limited according to the following criteria: (a) if original land area is less than 130 square meters, relocation housing land shall not be more than 130 square meters; (2) if original land area of is 131~170 square meters, relocation housing land shall not be more than 170 square meters; (3) if original land area of is more than 171 square meters, relocation housing land shall not exceed 200 square meters.

3. **Rebuild House in the Planned Sites.** PMO will pay cash compensation directly to the DPs in accordance with the civil cost and allocate requisitioned land for house relocation. The DPs build their house in accordance with requirements of the planning. If the demolished buildings belong to the township or village-level enterprises or private non-residential buildings, PMO may pay one-time cash compensation to the owners according to the replacement price, and no land will be provided to rebuild these buildings.

6-1-2 **Identification of house property and area of demolition**

From October 1, 2012, Guiyang City started to register the houses on the collective land and the houses foundation land, and issued property certificate to the owners. If the house owners are lack of land use and planning permission documents because in the past time the farmer’s house construction doesn’t need approval of government, their houses may be registered by housing registration agency after local government at district/county level has checked and identified the property in cooperation with Land Resource Management Bureau and Planning Bureau. The owners of newly-built houses need apply to the Land Resource Bureau and Planning Bureau for the certificate of “Rural Construction Planning Permit” and "Collective Land Use Rights". They should also apply to housing registration agency for “Building Ownership Certificate” (BOCs). Now all the owners of rural houses have possessed
BOCs. PMO will pay house compensation according to the nature of property and the areas identified in BOCs.

**6-1-3 House reconstruction scheduling**

In order to ensure the affected households build new house in time, PRO shall design detailed schedule in the light of construction progress. The schedule should abide by the following principles:

(1) The house demolition and relocation should abide by the principle of “relocating only after compensation has been paid”, the DPs could still live in their original house before the new house is completed, anybody cannot be forced to move out before full compensation is paid. If PMO has paid all compensation for house demolition and relocation, DPs should complete house relocation within the agreed deadline. However, any unit or individual cannot force the DPs to remove by taking illegally methods such as by use of violence, threat or stopping water, heating, gas, electricity supply, and interrupting road accessibility.

(2) PMO shall ensure that the house compensation is paid in full and enough before house demolition and relocation, the compensation funds shall be deposited in a special account and only be used for house demolition and relocation. If the DPs selected the cash compensation option, PMO will pay all compensation by cash to the owners of the project-affected houses once the agreement for house compensation was signed. If the DPs selected to rebuild their house by themselves on the other site, ROs should pay at least 50% house compensation before DPs begin to build their new houses, and the remaining 50% of compensation should be paid when half of house reconstruction is finished.

(3) The RO should negotiate with affected persons about the schedule of house reconstruction. The identified schedule for house reconstruction should ensure the DPs have at least 2 months for moving out and 5 months for new house construction.

(4) If the implementation schedule has changed, ROs will inform all affected persons and units in time.
6-1-4 House site selection

If the DPs decide to rebuild their houses by themselves, they should abide by the following procedures: at first, the DP should select one site for new house himself within his own village, and then the DPs should apply to the village committee and local government at township level for approval. Only when DP’s application is approved by local government, they can start to rebuild the new house. The house site selection in the project shall obey the following principles:

1. The site for new house construction must be located within the original village or group;

2. The site for new house construction should be arranged on the wasteland and avoid to occupy the arable land.

3. The site for new house shall be arranged to locate as close as possible to their contracted land and rural road, it should be very convenient for residents to do farming work or go outside.

4. The vulnerable groups have priority to choose the site for their new houses.

5. If the new house construction for the DPs has been included in the New Socialist Village Construction Plan in some project-affected villages, the DPs can reconstruct their new houses on a planned plot together, but the plan and scheme must be approved by DPs. The local government or RO cannot force the displaced persons to rebuild their houses in a centralized zone.

6-2 Income Restoration Measures

Since the Project is a typical linear project, i.e. the project affected area is a long, narrow zone. The number of affected households may be large, but the impact on these affected households is very slight. The land acquisition for the project has no adverse impact on the project-affected households. In fact, the rural roads construction will change the backward rural transport network of the rural areas of Wudang District; improve travel conditions for local residents, strengthen linkage between villages and cities, promote urban-rural integration, and ultimately accelerate local economic
development. Once the project is completed, the cost of transportation and trade in local villages will be reduced greatly, it will promote development of local non-agricultural industries such as trade, tourism, transport, agro-processing and resource exploitation industries. It may create new income resource for the project-affected persons. The project itself is an important way to increase the project-affected persons’ income.

Income improvement is the core objective of the project resettlement program. PMO has designed a program of income restoration for the DPs according to the nature and features of the project. This income restoration program includes two key points: (1) pay full compensation for land acquisition to the project-affected persons on time; (2) Give full play to the spillover effects of rural road construction and make more people benefit from the project, create a long-run term and sustainable income resources for the project-affected persons, and improve their livelihoods and standards of living, or at least to restore these to pre-project levels.

6-2-1 Prompt and sufficient compensation for land acquisition

In the short-term, compensation is a key measure to restore the project-affected persons’ income when their land is acquired by the project. Base on the nature and features of this project, PMO will pay cash compensation and provide pension for the affected persons whose land will be acquired by the project.

1. Cash Compensation. The project-affected area is an area with rapid economic growth where there are a wider range of opportunities in local areas. However, in the past time, the local farmers lack money to obtain these development opportunities. For this reason, most of the project-affected persons prefer cash compensation for land acquisition. If PMO pay enough cash compensation timely for land acquisition to the project-affected persons, they can start, extend, or diversify their private business. It is considered to be the best method to restore or improve income. PMO will pay full cash compensation to the project-affected persons, so as to offset the DPs’ income loss. The cash compensation should be paid in its entirety and in a timely manner, because partial
or delayed cash payments may not enable DPs to make productive use of cash compensation, and if payment of compensation is significantly delayed, the DPs may suffered losses caused by inflation.

2. **Provide Social Pensions.** According to the regulations of *Guiyang Municipal Government's Advice on Employment and Social Security of the Land-acquired Farmers* which is implemented since September 1, 2011 (No. Z.F.F. (2011) 62), the people's governments above the county level must provide social security for the land-acquired farmers who is more than 16 years old (except for the students) after land acquisition. The project-affected persons who still reserve rural household registration should be included in *New Type of Rural Social Security System* and the DPs whose household registrations have been changed from urban resident to rural resident should take part in *Social Security System for Urban Residents*. The farmers whose land will be acquired by the project can also choice to take part in *Social Security System for Urban Residents* based on his economic conditions, but they cannot be included in two social security system at the same time.

If the age of the project-affected persons is between 16 years and 60 years when their land is acquired for the project, local government will provide social security subsidy for them. The subsidy will be paid to PAPs for 15 years. The standard for the subsidy is determined based on the ratio of remaining arable land per capita:

1. If the ratio of remaining arable land per capita is lower than 30% (including 30%), one persons will be paid RMB 900 Yuan every year.
2. If the ratio of remaining arable land per capita is between 30%~50% (including 50%), one persons will be paid RMB 600 Yuan every year.
3. If the ratio of remaining arable land per capita is between 50%~70% (including 70%), one persons will be paid RMB 300 Yuan every year.
4. If the ratio of remaining arable land per capita is more than 70%, one persons will be paid RMB 100 Yuan every year.

If the age of the project-affected persons is more than 60 years old at the time of
their land is taken by the project, and they never received subsidy before, Local
government will provide additional pension for them. The standard of additional
pension is as follows:

(1) If the ratio of remaining arable land per capita is lower than 30% (including
30%), one persons will be paid RMB 97 Yuan every month.

(2) If the ratio of remaining arable land per capita is between 30%~50% (including
50%), one persons will be paid RMB 64 Yuan every month.

(3) If the ratio of remaining arable land per capita is between 50%~70% (including
70%), one persons will be paid RMB 32 Yuan every month.

(4) If the ratio of remaining arable land per capita is more than 70%, one persons
will be paid RMB 10 Yuan every month.

(5) If the project-affected persons have received basic pension for urban workers,
no additional pension will be paid to them.

The social security subsidy and the additional pension will be paid from the social
security fund for land-acquired farmers at district/county level.

**6-2-2 Share the Project-related Benefits**

To restore or improve DPs’ income, the key is to take advantage of the project’s
spillover effects and let the DPs also share the project-related benefits. Project-related
benefits typically include access to resources, job opportunities, or a share of project
revenues. Such opportunities can directly restore income sources or at least contribute
to restoring them. PMO will take measures to promote the project-related benefits can
be shared by DPs:

1. **Accelerate the transfer of rural labors.** The project-affected areas are in the
development stage of rapid urbanization, the scale of the city is enlarged and the
number and proportion of urban population are increased rapidly. Today the built-zone
of Guiyang City has been expanded to 230 km², and the ratio of urbanization is
increased from 62.0% in 2002 to 69.2% in 2011. Under the context of rapid
urbanization, a large number of rural labors have migrated into the cities and the jobs in
the cities have become the farmers’ important income sources. When the project is completed, it will create more opportunities for local farmers to develop non-agricultural industries, accelerate the transfer of rural labors to cities or non-agricultural sectors and ultimately create new income sources for the local farmers.

2. Develop high Value-added agriculture. Many farmers of the affected areas have engaged in planting and breeding. However, because the road is filled with too much mud in the rainy days, even the sale situation of the local agricultural products is better and the price is higher, a lot of local agricultural products cannot be carried out in time. The farmers have to transport their products until the weather is better, but the sales season is usually over by that time. Not only the sale price declines, but also it becomes difficult to sell their agricultural products. The poor condition of the road directly restricts the local farmers’ income increase. If the project is completed, the traffic condition and traffic capability of the road may be improved greatly. The movement of agricultural products will not be affected by the weather, and the farmer’s products may be carried out in time, and will be sold by higher price. That means that the farmer’s income will be increased directly. In short, from the long-run perspective, the project will create opportunities for local farmers to change planting structure, develop high value-added agriculture, improve the value of the existing farmland and increase income.

3. Create small business or encourage self-employment. After the project is completed, the local transportation conditions will be upgraded greatly, and the opportunities for developing tourism, transport, farmhouse restaurant, and processing and marketing of agricultural products will increase rapidly. Local government and PMO will take measures to support the DPs to create small business or start up their own business, and let DPs obtain more income from non-agricultural sectors.

4. Skill development through training. In the future, the skill and human capital will be the most important wealth for the affected laborers. So skill development through training may be more useful for the DPs than cash compensation. Local
government and PMO will work together to train DPs. The first training program is to provide DPs with agricultural technology and improve the skills of local farmers, support the DPs to take advantage of road upgrading to develop higher value-added agriculture. The second training program is to provide employment training. The skill training program is designed based on demand of DPs and labor marketing needs. After skills training, local government will help them obtain jobs in the cities, and create new income sources for the DPs.
7 Resettlement Costs Estimation and Budgeting

Project budgeting should reflect resettlement costs as accurately and as transparently as possible, which will be included in the total project costs. The PIU will make out a resettlement fund use plan which includes details on resettlement costs, financing sources, funds distribution procedure.

7-1 Categories of resettlement costs

The resettlement-related costs incurred can be placed in four budgeting categories: compensation for land acquisition, relocation costs, administrative costs and contingencies.

1. Compensation for land acquisition. The compensation for land acquisition is paid for the land acquired (including the standing crops) and other land attachments. According to the World Bank’s requirements, the acquired property shall be compensated according to replacement cost. Once the site and scope of land acquisition is determined, the compensation shall be paid to the owners immediately to avoid cost increase due to inflation.

2. House demolition and relocation cost. The cost of house demolition and relocation covers the fees for sorting out the resettlement sources, relocation and transition cost for affected populations, and fees for training the DPs, recovering water, power and other infrastructures.

3. Costs for operation of ROs and resettlement management. These costs cover all the operational costs during the preparation and implementation of resettlement, including the cost paid for staff and equipment, resettlement planning, training of staff, organizational capacity building, consultation services, and internal and external monitoring.
4. Contingencies. During project implementation, contingencies may be the reason for going over resettlement budget. Generally these contingencies are unpredictable and only arise during project implementation. Therefore, taking contingencies into consideration is important to make sure that the resettlement has sufficient fund. This is because lack of fund may make a well-made budget meaningless.

There are many reasons for under-estimation of resettlement cost, such as cost increase of land acquisition due to inflation or change in design. In such cases, if the implementation is carried under the previous budget, there will be financial problems that may lead to unsuccessful implementation of resettlement work. For this reason, based on inflation expectations during project implementation period and other unpredictable factors, the contingencies for this Project is calculated by 10% of the land acquisition cost.

7-2 Estimation of resettlement costs

The total cost for resettlement cost is estimated to be 89.64 million Yuan. See the below table for detailed budget.

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of costs</th>
<th>Dongfeng Town</th>
<th>Shuitian Town</th>
<th>Xiaba Town</th>
<th>Total (100,000 Yuan)</th>
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<tr>
<td></td>
<td></td>
<td>Standard QTY.</td>
<td>Standard QTY.</td>
<td>Standard QTY.</td>
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<td>Land acquisition</td>
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<td>3596.21</td>
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<td>Acquisition of cultivated land</td>
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<td>Acquisition of non-cultivated land</td>
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<td>Standing crops of cultivated land</td>
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<td>93.63</td>
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<td>3600</td>
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<tr>
<td>5</td>
<td>Transplantation of fruit trees &amp; flowers</td>
<td>98.54</td>
<td>147.81</td>
<td>82.41</td>
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<tr>
<td>II</td>
<td>Taxation to government</td>
<td>287.15</td>
<td>168.54</td>
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<td>Land use fees of newly-added</td>
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<td>Land reclaiming fee</td>
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<tr>
<td>7</td>
<td>Demolition of brick-concrete houses</td>
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<td>Contingencies</td>
<td>10% of basic relocation cost</td>
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7-3 Principles and requirements for resettlement budgeting

In practice, underestimation of resettlement costs and insufficient resettlement funding sometimes create severe burdens for DPs and undermine other project objectives as well. Therefore, it is especially important that resettlement costs be comprehensively identified, accurately estimated, and fully internalized within the project and not be transferred to DPs, either intentionally or unintentionally. In order to achieve the objectives of resettlement program, PMO will arrange resettlement budget based on the following principles and requirements.

1. **Resettlement Budget should Include Adequate Contingency Funds.**

Unanticipated impacts or obligations in later sub-projects may outstrip the original estimates of resettlement costs. And underestimation of resettlement costs often leads to cost overruns. Because financial problems may arise only during implementation, so assuring adequate contingency funds is especially important for resettlement. And even the best budgets may be of little value if funds are unavailable. Generally, Underestimation of resettlement costs has many causes, such as inflation or design changes that increase the amount of land acquisition. In either case, the DPs are likely
to bear the burden of the financial shortage as project authorities or administrative officials strive to keep the project on schedule and contain costs. In order to avoid this problem, adequate contingency funds will be included in the project resettlement budget.

2. Establish Mechanisms for Financial Flexibility. Resettlement budgets should be viewed as guidelines, not as rigid blueprints. A thorough budgeting process can reduce uncertainty. But even the most elaborate budgeting exercise does not guarantee that adequate funds will be available when needed. So PMO should build in mechanisms for financial flexibility, ensuring that funds flow for anticipated resettlement activities when needed and that funds are reserved for unanticipated contingencies as they arise.

3. Clearly Define Financial Responsibilities and Establish Clear Arrangements for Coordinated Delivery of Funds. The internal sources of funding for Guiyang Rural Road Project actually come from the Wudang District Government. PMO already signed contract with Wudang District Government to implement resettlement. So the budget of the project already delineate sources of funds and mechanisms for timely delivery, and that financial responsibility is clearly assigned.

4. Resettlement Cost Budget should be Decomposed by Year-by-Year Fund Use Plan. Funds may be sufficient but released too late; it will generate delays, losses to inflation, or other difficulties. So it is important to decompose the total resettlement costs into annual budget. A good practice is to set up the resettlement budget according to year-by-year spending requirements.

5. Establish a Resettlement Funds Application, Examination and Payment Procedure. PMO will establish special accounts in the banks for resettlement costs and all compensation shall be paid through the special accounts. During the resettlement implementation, Firstly Wudang District RO shall report the fund use plan to PRO based on the budget and resettlement progress, and then PRO shall check the fund use plan and allocate resettlement funds to Wudang District RO. The compensation will be
paid directly to the affected townships, villages, households and the affected organizations or firms according to the agreement. PMO has the right to monitor the use and allocation of resettlement funds.
8 Public Participation, Consultation & Information Disclosure

The project is a typical linear project. Linear projects can usually be rerouted to avoid heavy concentrations of population and to avoid large-scale resettlement, so the negative impacts on local people are often very slight. However, the linear project usually stretches across many areas; the number of project-affected stakeholders is large and the needs of the affected stakeholders are different. So public participation and consultation pay important role during the project planning and implementation, they contributes to minimize resettlement, eliminate social conflicts between all kinds of stakeholders, and provide more benefits from the project.

World Bank Involuntary Resettlement Policy requires that “Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs”; and the resettlement plan or resettlement policy framework includes measures to ensure that the DPs “are consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives”.

The resettlement plan of the project is designed on the basis of consultations with the DPs and their representatives. During the planning, designing and implementation of the project, PRO and RO of Wudang district will also widely publicize resettlement policy through various means and seek comments from all kinds of stakeholders.

8-1 Public participation and consultations completed

Public participation and consultations activities have begun since project identification stage. Until now, PMO had carried out the following public participation and consultations activities, beside project information reports to local government and affected villages.
Since 2012, Guiyang Transportation Bureau had consulted with Wudang District government and had conducted detailed investigations on the rural roads under the jurisdiction of Guiyang City. Based on the plan for Wudang District’s rural road construction and the World Bank’ requirements, as well as the consultation results, the Laping-Liangshuijing Road Reconstruction Project has been listed as a second batch project.

From March 8 to March 17, 2013, Social Assessment Team of Wuhan University has organized a social impact assessment on Guiyang Rural Road Project (Figure 8-1). The project stakeholders in the discussion meetings are classified into 16 types: (1) Persons Affected by Land Acquisition; (2) Persons Not Affected by Land Acquisition; (3) Han Ethnic Populations; (4) Bouyei Ethnic Populations; (5) Miao Ethnic Populations; (6) Grassroots Officers; (7) Students; (8) Planting Farmers; (9) Aquaculture Farmers; (10) Transport Operators; (11) Small Entrepreneurs; (12) Poor Persons; (13) The Disabled; (14) Women; (15) The Elderly ; and (16) Single-Parent Families.

Figure 9-1 The PAPs expressed their opinions in the discussion meeting

The discussion meeting is organized by the Social Assessment Team. The participants are all kinds of stakeholders of the project. In the workshop, The Social Assessment Team have collected information on local people’s production or livelihood conditions by straight talk; they can also hear local people’s concerns and suggestions.
It can enrich the project planners’ knowledge on socioeconomic development, historical culture, custom, community development, and social networks of the affected areas. It can also provide some valuable information for project design and resettlement plan.

On December 14, 2015 and December 15, PMO have organized two discussion meetings at Xiaba town and Shuitian town. The face to face consultation and communication have provided the PMO with an in-depth understanding of PAPs’ attitude, main concerns, and suggestions. The public participation and consultation activities include two aspects: First, information exchange; second, decision-making. Information exchange include information dissemination (unidirectional dissemination: information will be disseminated from project staff to PAPs) and consultation (Bi-directional dissemination: participated by PAPs and project staff). Decision-making involves cooperation and right of option. It shall ensure that displaced persons and their representatives have a say in decision-making.

![Figure 8-2 Discussion between Social Risk Assessment Team with and representatives of PAPs](image)

**8-2 Arrangement for consultation with vulnerable groups**

PMO will take the following measures to ensure that the women, ethnic minorities and the poor can obtain full and equitable opportunities in taking part in project design and implementation and ensure the resettlement information are disclosed to them timely.

1. **Undertaking Gender Impact Assessment and Safeguard the Women’s Participation Opportunities**
Gender issues should be taken into consideration during the project design and implementation so as to narrow the gender gap and enhance the role of the women. In order to realize this aim, PMO will take the following measures.

1) PMO will convene a special meeting for the representatives of women to collect the women's views during the project design and implementation.

2) Key issues such as location of resettlement sites, types of resettlement options shall be discussed directly with the women. ROs require that all key decisions about resettlement made by the affected families must obtain the consent of female head of the family.

3) The government shall ensure that female-headed households and male-headed households obtain equal treatment in resettlement.

4) Every resettlement office at township level shall employ at least one female staff to receive women's complaints and appeals.

2. Respect for the Customs and Traditions of Ethnic Minorities, and Establish a Special Communication and Participation Mechanism for them

The project-affected areas are ethnic minorities regions; the local ethnic minorities have their own unique production and way of life. They may set a specific value for certain resources. ROs will negotiate fully with the ethnic minorities during the resettlement implementation. The resettlement program should comply with local PAPs’ culture, habits and wishes. All resettlement options should be negotiate with ethnic minorities and obtain their understanding or consent. Based on the requirements of PSAR and EMDP, PMO will take the following measures to safeguard the rights of ethnic minorities.

1) When PMO identifies the subjects, the rural roads in the poor ethnic minorities regions will be given priorities to be included into the list of project implementation. The rural roads which pass through the ethnic minorities regions may have no more economic benefits than other project, but they have great social benefits, so these rural roads should be implemented as soon as possible so that local people can share benefits
from the project early.

2) PMO will require clearly that PDI should make a field survey on the project-affected ethnic minority villages so as to learn the real request of local population, and then optimize the project design and meet the ethnic minorities’ reasonable request.

3) During resettlement implementation, the traditional leaders of ethnic minority pay an important role in mobilizing or convincing the local people. ROs should absorb them to take part in project planning and implementation and respect for their positive role. At the implementation stage, PMO will establish a monitoring mechanism for engineer quality in the project-affected ethnic minority regions based on public participation. The local ethnic minorities have the right to reflect the issues about the quality of engineer directly to PMO, engineer monitoring unit or local government.

4) PMO will establish strict regulations to manage project construction units. All project construction units will be clearly required to respect for the traditional custom of local ethnic minorities and properly deal with the interest disputes so as to avoid the conflict between the construction workers and local indigenous people.

3. Understanding the Special Needs of the Vulnerable Groups

In generally, it is not easy for the elderly, the disabled, children, poor families and other vulnerable groups to express their interest and willingness and their needs always are ignored; they also are lack of the ability to cope with change. So PMO will pay more attention to collect the opinions of these vulnerable groups, and take special measures to help them cope with various risks in the project implementation.

8-3 Potential social risk assessment

During the project, part of the land shall be expropriated and a small number of ancillary buildings shall be demolished. This will bring some interference to the production and life of a few households. Vulnerable groups are often lack of property and information, so it is difficult for them to cope with the new changes. To fully understand the potential adverse effects of the project, the Social Risk Assessment
Team has talked with the people in affected region about their concerns in the discussion meeting. After careful analysis of the former problems encountered in land acquisition inGuiyang city, they summed up the potential social risks during the project implementation phase. The adverse effects and potential risks can be summed up in the following points:

1. **If there is lack of participation of local people in project design, and their legitimate demands can not be met, then social conflicts may occur.**

   Local people are users of rural roads, so they know its conditions very well. They know where the gradient is large, where the curve is fast, and where there are frequent traffic accidents; they know which place is vulnerable to landslides and which place needs to install culvert. Therefore, it very important to fully understand the legitimate needs of the local people in project optimization. We know from previous experience that if the participation of local people and local government is not enough, then probably there will be large dispute on the project ’s road design. Some people will even deter the construction.

2. **Land acquisition or building demolition shall be needed in the project, and this will bring conflict between personal interests and collective interests. However, no one will resist project implementation.**

   The project will bring huge benefits to the socio-economic development of the local people. Therefore, we find in our interview that all residents are very supportive of the project. When asked by the Social Risk Assessment Team on their attitude toward the project, all residents have expressed that they are supportive towards the project. But local officials and residents also told the team that there may be very few people who are not supportive of the project as this project requires land acquisition and building demolition. As villagers' cultivated land will be expropriated, they may lose their means of production. This shows the conflicts between individual and collective interests. However, after receiving land compensation, these villagers will not boycott the implementation of the project.
3. The resettlement compensation policies of our country are in rapid adjustment, and compensation standards also increase. Therefore, rural residents' increasingly high expectations for the compensation may bring new challenges.

In recent years, social conflicts brought by land acquisition and building demolition become more prominent. In order to solve the social conflicts brought by land acquisition and building demolition, the government are constantly reforming relevant policies for its Land Requisition Compensation System. So, the compensation fee for land requisition are growing year by year. CPC's 8th party congress clearly states: "we will reform land acquisition system and improve the distribution ratio of farmers in land increment income." Therefore, the above phenomenon will bring new challenges to the implementation of the project. According to the survey of Social Risk Assessment Team, Wudang District's land acquisition compensation standard was formulated in 2010. Therefore, local residents demand that the local government to update the compensation standard. Local residents may have some resentment on the compensate standard, and this will be a new challenge.

4. The existing roads shall be destroyed during the project period. This will bring short-term interference to resident trip.

The main project is the transformation of existing roads. Hence, the existing roads may be damaged within a period of time, bringing inconvenience to the villagers. Moreover, the project may bring dust and dregs during its construction phase(under poor management), thus affecting the local environment. Particularly, in the construction of bridges, the construction site must be strictly managed to prevent river contamination.

5. After the project finishes, the traffic volume and traffic speed will both increase. As there is lack of safety awareness among residents along the road, traffic risks are likely to increase.

Many residents are living along the road of the project. In the past, there is little traffic and traffic speed is low. Once the road is built, the traffic will increase, and
traffic speed will also increase. As a result, risks of traffic accidents will also increase. Therefore, traffic management level needs to be improved, and local people's safety awareness shall also be enhanced.

8-4 Resettlement information disclosure

Resettlement information disclosure is an important method to establish mutual trust relationship between the government and DPs; it is also can create favorable condition for resettlement implementation. In order to safeguard the DPs’ rights to obtain resettlement information about resettlement options, compensation standard and rehabilitation measures, PMO will take the following measures to disclose the resettlement information.


PMO requires that all resettlement information (such as the amount of land acquisition for every household, resettlement policy, compensation standards, and the total cash compensation for every household) should be disclosed on the bulletin of the project-affected villages. When RAP has been approved by the World Bank and local government, PMO shall provide its copy to every local resettlement offices, so that the DPs can have an easily access to these documents.

2. Disclosing Resettlement Information through Media.

PMO will select suitable media such as TV or newspaper to disclose resettlement information for the public. The aim is to make the stakeholders timely know the project progress, so that they may plan their days better, thus avoiding some conflicts.

3. Compiling Resettlement Information Booklet and Deliver It to the DPs.

PMO will compile Resettlement Information Booklet which includes the World Bank’s resettlement principles and policies, the definite resettlement plan for the project, the quantity of land acquisition or building demolition for every affected household, the cash compensation for every affected household, the schedule of resettlement and the like. The Resettlement Information Booklet will be delivered to every project-affected household.
9 DPs’ Grievances and Appeals

During the project implementation, it is inevitable that some DPs may think they are being unfairly treated, so the World Bank requires PMO should establish a simple, convenient and effective channel for treating PDs’ grievances and appeals. The establishment of such channel can reduce the likelihood that the DPs openly resist the project. Furthermore, through collecting and analyzing the DPs’ grievances and appeals, ROs can eliminate many potential social conflicts in advance; It is also an important method to improve the resettlement program and promote the resettlement successfully. For the purposes of guarantee the interests of DPs, PMO will establish a highly transparent and fair procedure to collect and deal with the grievances and complaints so as to ensure that the DPs’ grievances may be handled objectively, justly, timely and efficiently.

9-1 Methods to collect grievances and complaints

PMO will take the following methods to collect the DPs’ grievances or complaints:

(1) The ROs at every level are the main channels to collect the DPs’ grievances or complaints. In every local resettlement office, at least one full-time personnel will be responsible for receiving and dealing with the DPs’ grievances and complaints. The resettlement office at every level should record and save the files about the DPs’ grievances and complaints and regularly report to superiors. The format of recording files about collecting and dealing with the DPs’ grievances and complaints is shown as Table 9-1.

(2) The relevant departments of government such as Petition, Auditing, and Supervise Department are also the important organizations for receiving the DPs’ grievances and complaints. PMO will establish a linkage and connected networks
with these organizations.

(3) The interview and survey undertaken by IMO is also an important channel for collecting DP’s grievances and complaints. PMO will pay more attention to the issues reported by IMO.

(4) PRO will accept the DP’s letters or have interview with the displaced persons, directly receive the displaced persons’ grievances or complaints.

Table 10-1 Format of Recording Files about the DPs’ Grievances and Complaints

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<tr>
<td>Name of the staff and organization</td>
<td>Name of the recorder</td>
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</table>

The content of the DP’s grievances and complaints

Date of grievance

Brief description of the DP’s grievances

The requirements of DPs

Treatment advice

Legal basis of treatment

9-2 Procedures for dealing with grievances and complaints

Resettlement offices at all levels should conduct field investigation on the DP’s grievances or complaints, carefully hear the voices of the displaced persons and fully consult with the displaced persons; and put forward treatment advice objectively and fairly based on the national resettlement laws or policies. If the DP’s grievances are beyond the authority of the local resettlement office, local resettlement office should report to the superiors timely. The detailed procedures for dealing with grievances and complaints are as follows:
1. **The First Stage.** The affected persons may present their grievances to the village committee or the local resettlement office orally or in a written form. For oral grievances, the village committee or the local PRO must keep a written record and provide a clear reply within two weeks. When it involves serious problems needing to be reported to the RO at a higher level, the village committee or the local resettlement office must endeavor to obtain a reply from the PRO at the higher level within two weeks.

2. **The Second Stage.** In case that reply at the First Stage does not satisfy the complainants, the complainants may appeal to the PRO at a higher level within one month after receiving the reply at the first stage. The PRO at the higher level must make a decision within three weeks.

3. **The Third Stage.** In the event that the affected persons are not satisfied with the reply of the PROs at district level, they may appeal to the PMO within one month after receiving reply at the second stage. The PMO shall make a reply within four weeks.

4. **The Fourth Stage.** In case that the affected persons are not satisfied with the reply at the third stage, they may appeal to the civil court within 15 days after receiving the reply from the PMO.

9-3 **Basic principles for dealing with grievances**

   (1) The ROs at every level must conduct field investigation and research about the complaints of DPs, and provide objective and just resolutions in line with the principles and standards specified in national laws and RAP or RPF after full consulting with DPs. If the complaint resolutions are beyond the scope of resettlement office’s authority, RO should report timely to the RO at higher level and provide assistance for investigation.

   (2) If the complaints or appeals belong to isolated cases, and the local resettlement agency can solve them within his authority, the local resettlement can reply DPs by written document or reply DPs by directly face-to-face talk. If the complaints or appeals belong to a universal problem existed in local districts, and the resolution of the problem needs to adjust policy, the resettlement office will hold the meeting at the
village level once the new policy is determined and inform DPs the new policy. It is also the responsibility of the resettlement office to implement the new policy.

(3) During the resettlement implementation, women may have their special complaints or appeals, so PMO has planned to hire at least one female staff for each resettlement team. This female staff is responsible for dealing with the women’s complaints. The local government and NGOs such as *Women’s Association* or *The Association for the Disabled* will also monitor the resettlement activities. The may accept the women and the disabled persons’ appeals and committee to safeguard the vulnerable groups’ rights.

**9-4 Measures taken to reply grievances and complaints**

If the DPs’ grievances or complaints have been treated by ROs based on investigation and national resettlement policy, RO should promptly inform the complainant himself the result of treatment and have an obligation to explain the treatment. RO should reply to the complainant in written form. The reply notice should be duplicated into two files. One copy file will be delivered to the complainant himself, another file will be stored in RO as archival materials. The format of reply notice is shown as Table 9-2.

Table 9-2 Notice of reply to DP’s grievances and complaints

<table>
<thead>
<tr>
<th>Name of the complainant</th>
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<tbody>
<tr>
<td>A brief content of the complaints or the requirements of complainant</td>
<td></td>
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<tr>
<td>A brief description of the complaints-resolved process</td>
<td></td>
</tr>
<tr>
<td>Results of fact-investigation and proposals for dealing with the DPs’ complaints</td>
<td></td>
</tr>
<tr>
<td>The policy basis of treatment</td>
<td></td>
</tr>
</tbody>
</table>

If the DPs are not satisfied with the reply, he/she can continue to appeal to | Name of the organization | Address of the organization | Telephone number |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of organization responsible for this reply</td>
<td>Date of reply</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10 Resettlement Organizations and Institutional Arrangement

Effective resettlement depends on the commitment and capacity of organizations responsible for resettlement preparation and implementation. For the purpose of successful implementation of the project’s resettlement, resettlement organizations at every level have been established in Guiyang City. PMO will take measures to improve resettlement agency networks, train the staffs and strengthen the capacity of the ROs at every level.

10-1 Resettlement organizations network

In order to ensure the resettlement work is implemented successfully, Guiyang Municipal Government has established the relevant organizations responsible for the overall plan and inter-organization coordination. Organizations in connection with the project resettlement work are as follows:

1. **Guiyang Rural Road Project Leading Group.** The leading group consists of leaders from Guiyang Municipal Government, Guiyang Municipal Development and Reform Commission, Guiyang Municipal Finance Bureau, Guiyang Transport Bureau, Guiyang Land Resources Management Bureau, and Guiyang Environment Protection Bureau, etc.

2. **PMO (World Bank Financed Guiyang Rural Road Project Management Office).** In order to implement the World Bank financed projects, Guiyang Municipal Government has established Project Management Office in 2004. In 2010, Guiyang Municipal People's Government Office adjusted the structure and staff of PMO.

3. **Wudang District Resettlement Office.** The Wudang District has established Resettlement Office in the Transport Bureau, of which the staff come from Wudang District People’s government, Transport Bureau, Land Resources Management
Bureau. It sets up town-level and village level resettlement groups to implement the land acquisition and house demolition work in the corresponding towns and villages.

4. Resettlement Groups at Township Level. All project-affected townships have established Resettlement Groups. The Resettlement Groups at township level are responsible for the resettlement implementation within the jurisdiction of township.

5. Project Design Institute. PMO has entrusted Nanyang Tongtu Highway Survey Design Institute Co., Ltd to conduct the engineering design of the project.

6. Independent Monitoring Organization. Before the resettlement implementation, PMO will hire a professional organization that is full of experiences to in World Bank financed projects. The organization will undertake external resettlement monitoring activities as an independent organization.

The resettlement organization networks of the project are shown as Figure 11-1.

Figure 11-1 Resettlement Organizations Network
10-2 Responsibilities of ROs

10-2-1 Responsibility of Project Leading Group

Guiyang Municipal Government has established Project Leading Group. This institute is headed by a deputy mayor. The members include Deputy Secretary Office of the Government, the leaders of Municipal Development and Reform Commission, Municipal Finance Bureau, Municipal Transportation Bureau and other relevant official units. The responsibility of Project Leading Group is:

(1) Responsible for overall coordination of resettlement implementation, including the coordination of different administrative units, coordination of resettlement units and engineer construction units.

(2) Responsible for making decision or policy to solve timely the major problems occurred in the resettlement implementation.

(3) Responsible for resettlement funds arrangement and urge the Financial Bureau to appropriate resettlement funds timely.

10-2-2 Responsibility of Project Resettlement Office

The World Bank Financed Project Management Office which was established in 2004 continues to responsible for daily management of the project. The resettlement department (PRO) is established under the PMO and responsible for detailed resettlement activities of the project. The main responsibility of PRO is as follows:

(1) Responsible for preparing all kinds of documents or materials about the project and submitting them to the government at every level for approval, and responsible for resettlement scheme design.

(2) Responsible for guiding, coordinating and supervising the work of Resettlement Offices at district and county level, monitoring all resettlement implementation at district and county level to comply with the policy and criteria established in the resettlement program, reflecting timely the major issues occurred in the resettlement implementation to the Project Leading Group and responsible for
resettlement program implementation.

(3) Responsible for consulting with the displaced persons, collecting the complaints or appeals in the resettlement implementation timely; and responsible for publicly disseminating information on resettlement policies, including various compensation rates and options of the project resettlement, rights and obligations of the affected persons, project implementation schedule and etc.

(4) Responsible for the disbursement of resettlement funds and monitoring payment and use of resettlement funds.

(5) Responsible for providing training for resettlement staff at all levels. The main purpose is to let resettlement staffs at all levels to get familiar with resettlement procedures, know the detailed operation methods, handle various problems in the resettlement implementation and enhance their working efficiency.

(6) Responsible for dealing with the displaced persons’ complaints or appeals and resolving timely the problems reflected from the resettlement offices at low level.

10-2-3 Responsibility of Wudang District Resettlement Office

The Wudang District Resettlement Office is under the management and supervision of PRO and responsible for implementation of resettlement work. Its responsibility is as follows:

(1) Provide local socioeconomic development information to the PRO, support PRO to undertake monitoring and survey.

(2) Provide training for staffs of ROs at town (village or street) levels.

(3) Guide and monitor the implementation of resettlement at township level, and take charge of public facilities relocation and rehabilitation within districts or counties.

(4) Distribute resettlement compensation to the affected units and individuals and supervise the use of funds.

(5) Provide quarterly working reports and resettlement progress reports to the PRO.

(6) Handle and report the complaints of project-affected persons to the
resettlement office at above levels.

10-2-4 Responsibility of Resettlement Groups at Town or Village Level

(1) Measure, register, check and report the data of land acquisition, structure demolition and the information about the affected population and workforce, establish the database for resettlement, and save the resettlement document files.

(2) Consult with the project-affected persons and assist PMO to sign compensation agreement for land acquisition in accordance with the identified policy and compensation standards; and apply to the superior resettlement agencies for the allocation of resettlement funds in accordance with the progress of resettlement; and timely pay resettlement compensation funds to the project-affected persons.

(3) Collect the DPs’ grievances and appeals and report to the ROs at district or county level, help PMO to deal with the problems in the process of resettlement.

(4) Responsible for organizing public participation and consultation, disclosing resettlement information to DPs, designing the scheme for house relocation and rebuilding, and responsible for implementation of EMDP (Ethnic Minority Development Plan).

10-2-5 Responsibility of Village Committee

(1) Check data of land acquisition, and information about land property rights, population and laborer in local village.

(2) Participate and assist socioeconomic survey and responsible for disclosure of resettlement information to the DPs.

(3) Responsible for planning new resettlement sites for DPs to rebuild their houses.

(4) Responsible for holding public consultation meetings with villagers to consult the production rehabilitation program at village levels.

(5) Report to the resettlement organizations at higher level about desires, suggestions and complaints of the project-affected persons.

(6) Organize and coordinate labors to provide assistance to the vulnerable families.
10-2-6 Responsibility of Independent Monitoring Organization

PMO will entrust a professional organization with rich experiences to undertake resettlement external monitoring. The Independent Monitoring Organization (IMO) will take his own methods to keep continued and sustainable monitoring on the project resettlement, and conduct assessment objectively of the effects of project resettlement. The responsibility of IMO is:

(1) Responsible for monitoring on the implementation of compensation standard and resettlement funds allocation, ensure that the project resettlement activities are abided by the RAP or RPF.

(2) Responsible for monitoring on house rebuilding, production rehabilitation, enterprises rehabilitation and upgrading, and provide feasible suggestions to deal with the problems appeared in the process of resettlement implementation.

(3) Conduct investigation on the DPs' living standard rehabilitation by way of sample survey and undertake comprehensive and objective assessment on the effects of the project resettlement.

(4) Responsible for submitting an independent monitoring report to the World Bank every half a year during the project resettlement implementation; when the project resettlement has been completed, be responsible for submitting the post evaluation report to the World Bank.

10-2-7 Responsibility of Design Institute

(1) Determine survey scope and the project-affected areas.

(2) Provide drawings to resettlement department and evaluate project impact.

(3) Give assistance to register property rights of land or assets coordinate with resettlement departments.

(4) Assist resettlement office to compile RAP or RPF.

10-3 Institutional Arrangements for Resettlement Implementation

The local governments in Guiyang City are capable and experienced and have
strong grassroots institutional networks, their executive ability are also strong. So the project will accept the “resettlement implemented mainly by local governments” model. Under this model, PMO usually remains responsible for resettlement planning, identification of resettlement policy and compensation standard, funding, and monitoring resettlement, but most other detailed implementation activities are contracted to the local governments.

The detailed institution arrangements for resettlement implementation are:

(1) PMO are responsible for formulating resettlement program based on full negotiation with the DPs in accordance with national laws and the World Bank’s policy on involuntary resettlement. The resettlement program should be submitted to Guiyang Municipal Government for approval, and will be disclosed timely to the DPs. PMO also is responsible for collecting adequate funds before resettlement implementation. A key principle is: if the agreement of land acquisition is not signed and the compensation is not paid to the DPs according to the agreed standard, any civil engineering is prohibited to implement.

(2) ROs at district or county level are responsible for formulating detail operation regulations based on RAP, and undertake to measure, register and check land acquisition, fully negotiate with the DPs and sign compensation agreement. Then ROs at county level will submit the resettlement funds plan to PMO, and once the resettlement funds are allocated to local resettlement offices, they are responsible for paying compensation to the project-affected persons on time.

(3) PMO is responsible for guiding, monitoring and managing ROs at county level and checking their performance. ROs shall promptly report the information and the grievances and appeals of DPs to PMO. All ROs will be subject to the internal supervision of the PMO.

10-4 Training Program for Resettlement Organization

In order to make the staff of ROs can understand national policies and the World Bank’s policy on involuntary resettlement, update their knowledge and ideas and
improve their professional quality, the PMO of Guiyang Project and the PMO of Tongren Project conducted a training seminar in Guiyang on the World Bank’s involuntary resettlement policies on May 28, 2015. Mr. Aimin Hao, a World Bank expert on resettlement, and Professor Dening Cheng of Wuhan University were invited to introduce the World Bank Safeguard Policies, and the leaders responsible for carrying out land acquisition and house demolition also shared their lessons and experiences in their work (See Figure 10-1).

![World Bank resettlement expert lecturing on World Bank safeguard policies](image)

Figure 10-1 World Bank resettlement expert lecturing on World Bank safeguard policies

The PMO will carry out training programs during all the stages of the project cycle. Training contents include national and local policies and regulations on resettlement, involuntary resettlement policies of World Bank, socioeconomic survey method, gender impact assessment method, social impact assessment method, skill of consultation with PAPs, computer data management knowledge, resettlement Operation handbook, internal monitoring procedure, funds allocation procedure, compensation management, methods of handling PAPs’ complaints, etc.

Forms of training include the following:

(1) **Resettlement Policies Consultation.** PMO will invite the officers who are responsible for land acquisition and house demolition to explain the latest compensation policies for land acquisition and house demolition. It may provide policy
framework for developing RAP.

(2) **Special Training.** PMO will invite some resettlement experts to teach the staff of ROs the World Bank’s policy on involuntary resettlement, resettlement experience, communication and negotiation skill with DPs, and resettlement operation handbook, so as to enhance the actual capability of the staffs.

(3) **Visiting The Similar Project To Learn Resettlement Experience.** PMO will organize the staffs to visit the similar project management office. The aim is to learn experience from successful resettlement implementation, and avoid the similar problems during the resettlement implementation.

PMO has formulated a training program for every stage of project cycle based on the requirements of works. The preliminary plan is shown in Table 10-2; the training plan may adjust according to the request of the project.

### 10-5 Measures Taken to Strengthen the Capabilities of ROs

The capabilities of ROs and their staffs are one of the key factors to determine whether the resettlement implementation is successful or failure. In order to ensure that the resettlement implemented successfully, Guiyang Municipal Government will strengthen the networks of resettlement organizations, employ staffs with higher quality, and provide adequate equipment. ROs will also be empowered sufficient authority so as to enhance their executive abilities.

In order to realize these aims, Guiyang Municipal Government may take the following measures to strengthen the capabilities of the ROs.

(1) PMO has arranged a leader to take charge of resettlement; this leader must have responsibility for resettlement preparation and planning and sufficient authority to coordinate activities of various agencies or ministries. During the process of resettlement implementation, PMO will also arrange staffs with rich experience and capability to undertake all kinds of resettlement.

(2) PMO shall ensure that the grassroots ROs can learn the contents, aims and measures of resettlement program. PMO shall conduct resettlement training or hold
resettlement conference. The WB’s expert, experts from IMO and Management staffs from ROs will be invited to take part in the conference. Though training and conference, the resettlement policies will be informed to the grassroots resettlement organizations.

(3) PMO should have direct channel to report information to the key decision-makers. If PMO can’t report to the key decision-makers who are in charge of overall project implementation, the decision-makers may not know the problems existed in the resettlement works, and can’t deal with these problems as soon as possible.

(4) ROs should have adequate budget. If ROs have no adequate budget or have no enough authority to allocate funds, any expenditure needs to apply for approval of higher authority; the internal procedures may spend a lot of time and it may lead to inefficiency.

(5) PMO shall establish a reasonable and effective performance evaluation mechanism. PMO will check the performance of ROs at every level and give appropriate reward or punishment according to the evaluation results.
11 Resettlement Monitoring and Evaluation

11-1 Purpose of Resettlement Monitoring & Evaluation

According to World Bank’s OP 4.12 on Involuntary Resettlement, PMO shall establish an internal and external resettlement monitoring and evaluation system and continuously monitor resettlement activities so as to ensure the resettlement activities is carried out in accordance with the policies or principles identified in RAP or RPF, and when resettlement has been completed, PMO shall evaluate the living standards of PAPs in order to safeguard the objectives established in RAP or RPF can be achieved.

Monitoring and evaluation is the main management mechanism to correct wrong approaches appeared in the process of resettlement implementation. The aim of resettlement monitoring is to realize the existed problems or successful experiences in the process of resettlement implementation as soon as possible so as to adjust resettlement scheme promptly. According to requirements of World Bank, PMO shall establish an internal and external resettlement monitoring and evaluation system. The internal monitoring is organized and performed by the ROs, while the external monitoring is implemented by independent monitoring organization with rich expertise and relevant experiences.

The purpose of internal monitoring is to regulate and guide the resettlement activities of all ROs, and ensure the resettlement activities are carried out in accordance with RAP or RPF, so as to safeguard resettlement works progress orderly and efficiently. It also aimed to ensure ROs be able to grasp actual progress of resettlement promptly and realize and then solve the problems appeared in the process of resettlement implementation.

The purpose of external monitoring and evaluation is to monitor and evaluate whether the target of the land acquisition, structure relocation are realized and through
external monitoring, IMO shall put forward opinions or suggests about land acquisition, structure relocation and income rehabilitation, and provide recommendations to PMO so as to take timely actions to guarantee the objectives of resettlement policies can be achieved.

11-2 Internal Resettlement Monitoring

Internal monitoring system is a constant monitoring system on the implementation of RAP or RPF. This system is performed by the internal management organizations of PIU. The aim of this system is to make PIU has a full, instant and precise control on the resettlement progress, and can promptly identify and solve problems appeared in the process of resettlement.

11-2-1 Contents of Internal Monitoring

1. Checking and Verify the Amount of Land Acquisition or Structure Relocation

The internal monitoring organizations together with local governments will investigate and check the amount of land acquisition or structure relocation. It is a basis for resettlement and compensation; it is also an important responsibility of internal monitoring organization.

2. Monitoring on the Progress of Resettlement Activities

The internal monitoring system will mainly grasp the progress of the overall schedule and annual plan of resettlement. The resettlement progress includes: progress of the staffs and equipment allocation of resettlement organization; implementation progress of permanent land acquisition or temporary occupancy of land; implementation progress of distribution of resettlement compensation; house relocation and rebuilding progress, progress of production rehabilitation, public facilities construction progress, industrial enterprises and institutions relocation and construction progress, labor employment arrangement progress and progress of other resettlement activities. The form of monitoring report is shown in Appendix 12-1.

The internal monitoring organization shall monitor fulfillment of the resettlement policies and compensation rates. The key is to monitor establishment and implementation of resettlement policies, and the compensation rates for various assets affected by the project (permanent land acquisition, temporary land acquisition, relocation of houses, relocation of shops, relocation of enterprises and institutions, relocation of special facilities, etc.). The internal monitoring organizations shall focus on whether compensation is paid in accordance with compensation rates identified in the RAP or RPF. If the compensation rates have changed, the internal monitoring organization shall explain the reason.

4. Monitoring Resettlement Budget and Budget Execution

The main task is to monitor the amount and time of resettlement fund appropriation, collect the information about resettlement fund use and management, the progress of land compensation paid to land owners, the use plan of resettlement fund at the village level, and supervision the use of resettlement fund. The form of monitoring resettlement fund is shown in Appendix 12-2.

5. Monitoring on Production Rehabilitation and Employment Arrangement for DPs

The internal monitoring organizations shall monitor the major means of production rehabilitation (land adjustment, new land development, enterprises and institutions reconstruction, and self-employment), the status of the DPs employed, the production rehabilitation of relocated enterprises, the income rehabilitation of the vulnerable groups (including ethnic minority, women, the elderly, the disabled persons, and the poor household, etc.), reclamation of temporary occupied land, the results of production and income rehabilitation.

6. Monitoring on Reconstruction of DPs’ House and Arrangement of their Life

The contents including the ways and destination of the displaced persons, allocation of house sites, the methods of house reconstruction, the progress of public infrastructure (water, electricity, road and market networks) construction for new house
7. Monitoring on Rehabilitation and Reconstruction of Enterprises and Institutions and Various Public Facilities

The internal monitoring organizations shall continuously monitor on production rehabilitation of all affected enterprises and institutions, the labors employment. The schedule, progress and result of various public facilities reconstruction will also be monitored continuously.

8. Monitoring on Collection and Solution of Complaints, Appeals from Displaced Persons

The PIU shall establish the channels, procedures and organizations to deal with the displaced persons’ complaints or appeals. The internal monitoring organizations shall record and analyze the complaints or appeals from the displaced persons. If the problems collected from the displaced persons are the common problems and can be resolved only by ways of policy adjustment, it is necessary to report to the government promptly, so as to formulate new policy to deal with the problems. At the same time, the PIU shall prepare Resettlement Information Booklet and disclose the resettlement information to the displaced persons.

9. Dealing with the Problems Reported from IMO.

The internal monitoring organization shall review the report from IMO timely, maintain communication with IMO and develop solutions to the problems. If the new policy to solve resettlement problem is beyond the scope of PRO’s authority, PRO shall report to the higher level of government and formulate or implement new policies.

11-2-2 Internal Monitoring Methods

The following methods are adopted in the Internal Monitoring of the Project based on the project implementation status:

1. Standardized Statistics Report System

The PIU will adopt standardized statistics report system according to the needs of resettlement works. The content of includes progress of completion of land acquisition sites.
and structure relocation, progress of resettlement fund appropriation and the main complaints or appeals from the displaced persons. The report forms shall be submitted regularly to PRO from bottom to top at the end of each month.

2. Regular or Occasional Report System

PMO shall adopt various forms to exchange resettlement information between IMO and the resettlement organizations at all level. The resettlement organizations and IMO shall discuss and analyze together the problems appeared in the process of resettlement implementation and present solutions to deal with the problems.

3. Regular Working Meetings

During the period of project implementation, PRO shall call the leaders of resettlement organizations at district or county level together to hold a meeting at the beginning of each month. In the meeting, each resettlement organization mainly report the progress of local resettlement, the problems appeared in the process of resettlement implementation and exchange their experiences, new policies and solutions will be also discussed and developed in the meeting to deal with the problems.

4. Site Inspection

The PRO will perform routine and non-routine field inspections of the resettlement work of the resettlement organization at lower level, solve resettlement problems on the spot and monitor the resettlement schedule and execution status of the resettlement policies.

5. Exchange Information with IMO

The PMO will keep frequent communication and information exchange with IMO; promptly report the findings and results from IMO to the leaders. PRO is also responsible for coordinating resettlement organizations at all levels, and dealing with the problems reported from IMO.

11-3 External Resettlement Monitoring & Evaluation

In the process of project implementation, an external monitoring organization that is experienced in resettlement shall be employed to monitor resettlement activities
regularly and evaluate the effect of resettlement. The external monitoring organization is also responsible for evaluating the change of the DPs’ income before and after resettlement.

11-3-1 Contents of External Monitoring

1. Monitoring on Compensation Standards and Payment of Compensation

Through field survey and interview with the affected persons, IMO will check and verify the resettlement works. The emphasis of monitoring is whether the compensation standards are executed in accordance with RAP or RPF, whether the compensation is paid to the DPs timely.

2. Monitoring on Rebuilding and Rehabilitation of Relocated Structure

The IMO will make on-the-spot survey to monitor reconstruction and rehabilitation of relocated structures. The emphasis of monitoring includes: Whether house sites for the newly constructed houses are acceptable; whether the schedule and progress for house relocation is reasonable; whether the natural environments and social networks for the DPs are restored.

3. Monitoring on Operation and Performance of Resettlement Organization

The IMO will observe the actual operation status of resettlement organizations at all level; evaluate the performance of resettlement organizations; evaluate the capability of resettlement organizations, and provide suggestions to strengthen the capability of resettlement organizations.

4. Monitoring on Rehabilitation of Income and Living Standard

A baseline survey will be conducted by IMO before project implementation. The living standard will be investigated once a year to evaluate the variation in the DPs’ living standards or their income. The emphasis of evaluation is to monitor and analyze the change of income sources and assess whether the DPs’ income is restored or improved.

5. Providing Suggestions to Improving Resettlement Works

The IMO shall provide opinions and suggestions to resettlement organizations on
time according to the results of external resettlement monitoring and evaluation so as to improve the resettlement works.

6. Providing Training and Technical Assistance for Resettlement Organizations

The IMO is responsible to provide technical assistance and training for resettlement organizations so as to make the workers of resettlement organization fully understand the World Bank’s resettlement policy and procedure.

11-3-2 Methods of Independent Monitoring & Evaluation

1. Household Interview  The IMO will conduct face-to-face interview with the affected households to give audience to the complaints, grievances and suggestions of the DPs; and inform the information about resettlement to the displaced persons, IMO is also responsible to explain the relevant national policies or World Bank’s resettlement policies for the DPs.

2. Occasional Seminars  Occasional Seminars are held with the affected persons in regions where the affected persons are concentrated. The representatives of displaced persons, local officers and the workers of resettlement organizations will be invited to take part in the seminar. They can express their opinions freely in the seminar. Such seminars may be formal or informal.

3. Baseline Living Survey  The IMO will select some affected families as sample households by way of random sampling and perform continual monitoring on the change of their income levels and income structures. IMO will evaluate objectively the degree of income and living standard rehabilitation of the displaced persons by way of comparing the displaced persons’ living standards before and after the land requisition.

4. Case Studies  The IMO will analyze the typical cases in the process of project implementation. By way of case studies, IMO shall analyze the origins of the problems, find out the solutions and provide suggestions to deal with the problems. The results of case studies will be reported to Word Bank through Special Resettlement Monitoring Report.
11-4 Resettlement Monitoring Report System

11-4-1 Internal Resettlement Monitoring Report System

Internal resettlement monitoring is a continuous process. The frequency of resettlement monitoring report may be different due to different needs at the different stage of project implementation. At the preparatory stage of the project, the internal monitoring organization shall compile internal progress reports half a year for review by World Bank. After the project starts, the detailed monthly resettlement monitoring report shall be compiled and some special reports maybe needed according to needs of project management. The final resettlement completion report shall be prepared by PRO after the completion of project. Internal monitoring reports shall be submitted to the local government, resettlement organization at higher level. PRO shall submit internal resettlement monitoring reports to World Bank for review.

11-4-2 External Resettlement Monitoring Report System

The IMO compiles external monitoring reports based on the observation and survey data, and will report independently to the PMO and World Bank. The reporting cycles to World Bank and PMO are as follows:

(1) The semi-annual external resettlement monitoring report shall be submitted to World Bank and PMO before 30, June every year.

(2) The annual evaluation report shall be submitted to World Bank and PMO before 31, December every year.

(3) Some special resettlement monitoring reports maybe submitted to World Bank according to the requirements of the resettlement experts from World Bank.

(4) Before project completion, an assessment will be made by PMO, to determine whether the main objectives of the resettlement instrument have been realized. If the assessment reveals that these objectives may not be realized, PMO should propose follow-up measures that may serve as the basis for continued Bank supervision.

(5) When all resettlement activities have been finished, a resettlement completion report will be submitted to World Bank and PMO.
## 12 Appendix

### 12-1 Format of Internal Resettlement Monitoring Report

**Unit:** ______________________

**Deadline of report** __________/_________/__________ (year/month/day)

**Date of report** __________/_________/__________ (year/month/day)

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<th>Completed amount</th>
<th>Cumulative completed amount</th>
<th>Completed ratio (%)</th>
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<td></td>
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<tr>
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<td></td>
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<td></td>
<td></td>
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<td>Shop</td>
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<td>m²</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affected population moving to new house</td>
<td>person</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affected population getting training</td>
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<tr>
<td>Land adjustment</td>
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Report Writer: _________ Signature of Responsible Person: _________ Stamp:
12-2 Format of Resettlement Funds Monitoring Report

City___________ District___________ Township (street) ____________ Village

Date ___________/__________/_________ (year/month/day)

Report writer:

Signature of Responsible Person:

Stamp:

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<tr>
<th>Affected unit</th>
<th>Brief Description *</th>
<th>Amount (unit)</th>
<th>Needed Money (Yuan)</th>
<th>Compensation Received during the Reporting Period (Yuan)</th>
<th>Cumulative Amount of Compensation Obtained (Yuan)</th>
<th>Proportion of Compensation Obtained in total Compensation Money (%)</th>
</tr>
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<td>Village Collective</td>
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<td></td>
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<tr>
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<td>Household</td>
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<tr>
<td>Village B</td>
<td>Village collective</td>
<td></td>
<td></td>
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* Brief description of rural road construction, workforce training and employment, subsidies to the vulnerable groups, etc.