

**RESETTLEMENT POLICY FRAMEWORK**

**LIANBAN WWTP BOT PROJECT**

**Supplementary Appendix to the  
Report and Recommendation of the President  
to the Board of Directors**

**on the**

**FUZHOU ENVIRONMENTAL IMPROVEMENT PROJECT**

**in the**

**PEOPLE'S REPUBLIC OF CHINA**

**Fuzhou Water Environment Construction and Development Company**

**This report was prepared by the Borrower  
and is not an ADB document.**

**September 2004**

**China**  
**Fuzhou: Urban Environment Improvement Project**  
**Lianban WWTP BOT Project: Resettlement Policy Framework**

## **1. Introduction**

The proposed Fuzhou Environment Improvement Project consists of three physical components, which are Nantai Inland River Rehabilitation Project, Yangli Sewer Network Project, and Lianban Sewer Network Project. All three components would involve certain amount of land acquisition and resettlement and separate resettlement plans have been prepared in accordance with the ADB resettlement policy.

In connection with Lianban Sewer Network Project, the Lianban WWTP will be constructed on a BOT basis, which will be located in Shishan Village, Chengmen Township, Cangshan District. A total of 15 ha of farmland would be acquired affecting about both Shishan and Lianban Villages. Since the proposed Lianban WWTP will be integrated part of Lianban Sewer Network Project, following ADB policy on involuntary resettlement, EA has agreed that land acquisition would follow the same resettlement policy for the Lianban Sewer Network Project and a resettlement plan will be prepared prior to the implementation and submitted to ADB for review and approval. ADB disclosure and monitoring requirements would also be followed.

At present, a possible site has been identified and a decision on land acquisition has been made by Fuzhou Municipal Government. Also, no decision has been made on the selection of the potential BOT company and detailed engineering design has not yet been finalized. In order to meet the ADB project processing schedule for Fuzhou Environment Improvement Project, a resettlement policy framework is prepared which will follow the resettlement policy for Lianban Sewer Network Project. The proposed resettlement policy framework will provide the basic compensation policy and rehabilitation strategy for the people and communities affected by the proposed Lianban WWTP Project.

## **2. Policy Objectives**

The objectives of the policy framework will include the following elements:

(1) involuntary resettlement should be avoided or minimized through design efforts; (2) where involuntary resettlement is unavoidable, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to give the persons displaced by the project the opportunity to share in project benefits; and (3) displaced persons should be assisted in their efforts to improve their livelihoods and standard of living or at least to restore them, in real terms, to pre-displacement levels.

Here, the affected people, according to the ADB policy, refers to people who are directly affected socially and economically by the ADB assisted investment projects, caused by (a) the involuntary taking of land and other assets resulting in: (i) relocation or loss of shelter; or (ii) loss of assets or access to assets.

The resettlement policy should apply to all components under the project regardless whether or not they are directly funded by the ADB. It should also covers resettlement resulting from complementary activities that are not part of the ADB-assisted investment projects, but are necessary to achieve its objectives as set forth in the project documents. The policy applies to all displaced persons regardless of the total number affected or the severity of impact. Particular attention is paid to the needs of vulnerable groups among those displaced: especially those below the poverty line, the elderly, women and children, indigenous groups and ethnic minorities.

### **3. Project Description**

The Fuzhou Lianban Waste Water Treatment Plant Project will be located in Lianban Village, Chengmen Township, Cangshan District. It will be one of the two key waste water treatment plants for Nantai Island. The other one is Jinshan WWTP with treatment capacity being only 50,000 ton per day. Any additional wastewater beyond such limit will be treated through Lianban WWTP. The planned treatment capacity for Lianban WWTP will be 150,000 ton per day for the short term, and Y550,000 ton per day for the long term. The Lianban WWTP, following Fuzhou Municipal sector development policy will be developed on a BOT basis. Even though it will not be directly financed by ADB, since it will be directly linked with Lianban Sewer Network Component under Fuzhou Environment Improvement Project, the ADB policy on involuntary resettlement will be applied, and a resettlement plan will be prepared prior to the implementation and submitted to ADB for review and approval.

### **4. Scope of Resettlement**

The proposed Lianban WWTP will be located in Lianban Village, Chengmen Township, Cangshan District. According to preliminary design estimate, about 15 ha of land areas will be required. Based on the plans for the sewer network, the acquired land for the WWTP would be farmland belonging to two villages: Shishan Village and Lianban Village from Chengmen Township. Depending final layout of the Lianban WWTP, small amount house demolition might also be needed. Both villages belong to Chengmen Township in Cangshan District. The average land holding in the township is 0.12 mu. For two affected villages, the per capita land holding is 0.25 mu for Lianban Village and 0.11 mu for Shishan Village. In the affected areas, people no longer rely on agriculture for their living. In Chengmen Township, the agricultural income accounts for only 0.9 percent and industrial income accounts for more than 90 percent of total income. Most villagers are working in factories, or various non-farm activities. Their limited farmlands are often leased to outsiders to farm with rental charge being Y400 to Y500 per mu per year. The number of affected villagers that would lose their land use rights is estimated to be about 1000 people (250 households), but the impact on their incomes would be insignificant. The estimated number of affected farmers who rent the land and derive much of their income from farming would be about 250 people (40 to 50 households). Some of these farmers have simple houses that will need to be moved. At this time, it is not known whether any permanent structures will be affected; this will be determined when the final site selection is made.

### **5. Legal Framework for Land Acquisition and Resettlement**

The land acquisition and resettlement of this Project is governed by the following laws and regulations, which will be the same as that for Lianban Sewer Network Component:

- *Land Administration Law of the People's Republic of China* issued on May 20<sup>th</sup>, 1998
- *Urban Housing Removal Administrative Regulations* issued on June 13<sup>th</sup>, 2001
- *Fujian Provincial Urban Housing Resettlement Management Regulations* put into operation on December 1<sup>st</sup>, 2002.
- *Fuzhou Municipal Urban Housing Removal Management Regulations* put into operation on August 9<sup>th</sup>, 2000

### **Key Provisions**

The State can make a requisition of the collectively-owned land for the need of public interest according to the law.

Land in urban areas belongs to the State; except for the land owned by the State according to the law, land in rural areas and outskirts of cities is collectively owned by the farmers; homestead, private plots and private hilly land are collectively owned by the farmers.

The land owned by the state or collectively owned by farmers can be used by government units or individuals according to the law.

Compensation for acquired cultivated land shall include compensation for land, resettlement subsidies and attachments and young crops on the acquired land. Land compensation for cultivated land shall be six to ten times the AAOV of the acquired land for the past three years preceding. Resettlement subsidies shall be calculated according to the agricultural population to be resettled to be four to six times the AAOV of the acquired cultivated land. However, the highest resettlement subsidies for each hectare of the acquired cultivated land shall not exceed fifteen times its AAOV for the three years preceding such acquisition.

Compensation for attachments and young crops on the acquired land shall be prescribed by provinces, autonomous regions and municipalities directly under the Central Government.

If land compensation and resettlement subsidies are still insufficient to help them maintain their original living standards, the resettlement subsidies may be increased upon approval by people's governments of provinces. However, the total land compensation and resettlement subsidies shall not exceed 30 times the AAOV of the acquired land for the past three years.

### **Urban Demolition**

The compensation of house demolition can take the forms of cash compensation or in kind, in which cash compensation is encouraged.

For cash compensation of the demolition of houses, the compensation amount can be decided through negotiation of both sides concerned. In case the negotiation fails, the demolition agency should entrust a real estate appraisal agency and adopt the cash compensation rates based on the appraised price.

For the in kind rehabilitation in demolition of houses, the demolition agency and the affected people should calculate the compensation rates for the demolished house and the price of the exchanged house, and settle the price difference caused by exchange of the property rights accordingly.”

For the loss of production caused by demolition of non-residential structures, besides the compensation for the lost profit during interruption, the impacts of lost wages by the employees should also be compensated.

## **6. Compensation Rates for Land Acquisition, House Demolition, and Attachments**

### a. Permanent Land Acquisition

According to national laws and local regulations and limited land holding in the project affected areas, ranging from 0.11 mu in Shishan Village to 0.25 mu in Lianban Village, the total compensation will be set at about 25 times of AAOV with 10 times of AAOV for land compensation, 14 times AAOV for resettlement subsidy and 1 time for green crop compensation. Based on AAOV for different types of farmlands, the compensation rates are listed in Table 1 below.

Table 1 Compensations for Permanent Land Acquisition (Yuan/ mu)

Types of Land	Land Compensation	Resettlement Subsidy	Green Crop	Total
Paddy field	29,177	43,289	2,918	75,384
Dryland	23,341	43,289	2,918	69,548
Average	26,259	43,289	2,918	72,466

### b. Tenants on Farmland

For those outsiders who are renting these lands, they will receive compensation for green crops and other relevant attachments. They will also be assisted to find alternative farmland to rent near the city.

### c. Houses Demolition

For potential affected relocated households, according to Fuzhou City Urban Building Demolition Administration Method, the compensation for demolished houses will be based on cost of rehabilitation, which include two options for house compensation. One is cash option, and the other is in kind option.

The cash compensation is to provide cash to affected households based on house compensation rate and affected house floor space. The house compensation rate for this project, based on commodity housing price in these locations, is tentatively set at Y1,400 per square meter. If the affected households are not satisfied with compensation rate, they could also choose a qualified real estate appraisal agency to appraise their

affected structures. The cost of house appraisal will be provided by the project owner. Following the approved procedure and regulations, the result of appraisal will be disclosed to the affected households, which will be used as the basis for house compensation.

The second option is to provide replacement housing by the project owner to the affected households. Following the Fuzhou City Urban Building Demolition Administration Method, the replacement housing option will be based on the same amount of affected floor space in the similar locations. The standard replacement housing units include 45, 60, 75, 90 and 105 square meters. For those household with more than 105 square meters, two separate apartments should be provided. The affected household will be entitled to same amount of replacement housing with no additional charges. If the difference of demolished spaces and the proposed unit is within 10 square meters, the affected people need only to pay basic cost of such additional space, which is set at Y700 per square meter. In order to meet different needs of affected people, the project owner will provide several different housing estates in the same areas for selection.

In addition to basic house compensation, the affected people will be provided compensation for various affected facilities, which include Y450 for each electricity meter, Y70 for each water meter, Y100 for each telephone line, and Y160 for each cable TV. In terms of decoration compensation, it will be assessed during resettlement implementation, and adjusted in the final compensation rate, which will be set at no more than 15 percent of basic housing compensation rate.

During the relocation, various transfer allowances will be provided for each affected household. They include (1) moving allowance, (2) medical subsidy, (3) transfer assistance, and (4) compensation for lost working time. Based on Fuzhou city regulations, it is decided that moving allowance will be set at Y300 per household for those with less than 4 persons; and Y400 per household for those with more than 5 persons. For medical subsidy, it is agreed that it will be based on Y100 per person per month for 6 months. For transfer assistance, it will be set at Y200 per household; and lost time compensation will be set at Y300 per household.

The above compensation standards were established for the Lianban Sewer Network component after consultation and comprehensive consideration of location, functions and structures of the demolished houses. Final compensation rates will be determined by the resettlement administration department according to the progress of the project, and published and implemented upon approval. Table 2 lists key entitlements for different types of impacts which are the same as that for Lianban Sewer Network Component.

**Table 2 Entitlement Matrix of APs for Lianban WWTP**

Type of Losses	Level of Impact	Entitled Persons	Compensation Policy and Standards	Implementation Issues
Permanent land loss	Permanent loss of agricultural land, non-agricultural land and crops. (about 15 ha of land in total for the Project)	<p>The affected village (groups) will entitle to land compensation fund.</p> <p>The affected households and persons from affected villagers will receive cash compensation for loss of standing crops. If no farmland could be re-allocated by affected village groups, the affected persons will receive cash compensation of resettlement subsidy and part of land compensation fund to be used for income generation and restoration of income and livelihood,</p>	<ul style="list-style-type: none"> <li>● The land compensation and resettlement subsidy rates for crops shall be around Y72,446 per mu for paddy field, Y66,630 for for dryland.</li> <li>● If no farmland could be allocated, the AP will be provided with resettlement subsidy and part of land compensation (no less than 80 percent) for income generation.</li> </ul>	
Loss of standing Crops	Loss of green crop for 10 to 15 ha	Farmers in affected villages and farmers who rent the land.	<ul style="list-style-type: none"> <li>● Cash compensation for loss of standing crops at market prices. The compensation rates for crops shall be around Y2,918 per mu for paddy field, and dryland.</li> </ul>	Renters will be provided assistance to find alternative land to rent.
Permanently affected private house	With structures built thereon. square meters private houses in total	<p>Cash compensation or replacement house will be provided to the APs.</p> <p>All users with or without legal house certificate papers including AP settled on the land after 29/08/98 (Land Law) as long as they are included in the final AP list or are able to prove their occupation of affected plots and structures before the cut-off date. The cut-off date will be determined by the Fuzhou municipal government.</p> <p>The house owners without house certificate (e.g., renters with simple houses) will be treated as the same as the legal owners</p>	<ul style="list-style-type: none"> <li>● The provision of replacement housing of equivalent size, at a location satisfactory to the AP.</li> <li>● Cash compensation for affected structures at full replacement cost of materials, equipment and labor with no deduction for depreciation or salvageable materials. The rates shall be RMB 1,400 per square meter.</li> <li>● If the APs do not agree compensation rates, they could select a qualified real estate appraisal agency to appraise their properties. The final compensation rates will be based on appraised rates.</li> <li>● If the residential land and/or structure is only partially affected by the Project and the remaining residential land is not sufficient to rebuild the residential structure lost, then at the informed request of the AP the entire residential land and structure will be acquired at full replacement cost, without deduction for depreciation or salvageable materials.</li> <li>● AND</li> <li>● Rehabilitation assistance</li> </ul>	<p>Assistance will be provided to both legal and illegal APs during resettlement process</p> <p>IA will provide construction materials at preferential prices to the APs</p> <p>Encroachers (persons who occupied the affected land after the cut-off date) will not be compensated.</p> <p>The threshold of insufficient remaining residential land is to be determined based on consultation with AP.</p>

Type of Losses	Level of Impact	Entitled Persons	Compensation Policy and Standards	Implementation Issues
Permanently affected temporary house	A few renters have simple houses	Ownership of the structure will need to be clarified. The owner will receive normal entitlements	<ul style="list-style-type: none"> <li>● Cash compensation for affected structures at full replacement cost of materials, equipment and labor with no deduction for depreciation or salvageable materials.</li> </ul>	
		Renters of affected houses	<ul style="list-style-type: none"> <li>● The renters will receive assistance to move and find similar rental accommodation</li> </ul>	
Other private properties	Affected electric meters, water meters, telephones, and cable TVs	Cash compensation will be paid to the APs	<ul style="list-style-type: none"> <li>● Cash compensation for affected property at replacement cost, OR</li> <li>● Compensation to move the property, OR</li> <li>● Repair of property by contractor to original or better condition.</li> </ul>	
Measures for income restoration and transfer assistance	Loss of farmland for the construction of Lianban WWTP	The affected households with land use rights.	<ul style="list-style-type: none"> <li>● If no farmland could be allocated, the AP will be provided with resettlement subsidy and part of land compensation (no less than 80%) for income restoration.</li> <li>● The local district and township governments will provide assistance to AP to be employed in local enterprises or engage in various non-farm activities.</li> <li>● The project owner will give AP priority to be employed in pumping stations, including technical training prior to employment.</li> </ul>	
	Materials, transfer and transportation allowance	Relocating AP, including renters  Cash compensation will be paid to the APs	<ul style="list-style-type: none"> <li>● All relocating AP will be entitled to cash assistance for moving and transfer. They include Y300/Y400 per HH for moving; Y300 per HH for lost working time; Y200 per HH for transfer; and Y100 per person per month of medical subsidy for 6 months.</li> </ul>	
	Special allowance for households receiving social assistance and/or households.	Affected vulnerable population including renters (may be the very poor, minority, elderly disabled, receiving social assistance, or female-headed households)	<ul style="list-style-type: none"> <li>● The vulnerable groups will be identified and they will be provided with special assistance and attention, including resettlement assistance fund at RMB 2,000 per household, the provision of government economy house if needed, and the provision of loan for house purchase by the municipal housing sponsor agency.</li> </ul>	

Type of Losses	Level of Impact	Entitled Persons	Compensation Policy and Standards	Implementation Issues
Grievance	Property indexes, compensation standards, compensation payment, resettlement and rehabilitation measures	APs involved in making appeal and grievance for the settlement of land acquisition and resettlement issues	<ul style="list-style-type: none"> <li>The affected people will be exempted from various kinds of fees involved in making complaints and claims for land acquisition and resettlement issues</li> </ul>	

## 7. Resettlement and Rehabilitation

### A. Economic Rehabilitation for Land Loss Farmers

For the proposed Lianban WWTP, about 15 ha amount of land will be required. Most of them will be farmland. The land acquisition will affect two villages in Chengmen Township. They are Lianban Village and Shishan Village. Given the relatively small land holding and small share of agricultural income in these villages, such limited land acquisition will not have significant impacts on the incomes of the affected villagers. According to available statistics, the average land holding in Chengmen Township is only 0.12 mu with 0.25 mu for Lianban and 0.11 mu for Shishan, and income from non-farm sectors account for more than 99 percent with over 90 percent coming from industrial activities. In the project area, people no longer rely on agriculture for their living. Most villagers are working in factories, or various non-farm activities. Their limited farmlands are often leased to outsiders to farm with rental charge being Y400 to Y500 per mu per year.

The land acquisition would have certain impacts on agricultural production and income of affected villages and individuals. To mitigate such impacts, a range of measures will be taken by the project owner, which will be the same as that for Lianban Sewer Network Component. They will (1) provide generous compensations for the lost land; (2) arrange non-farm employment opportunities for the affected farmers; and (3) provide other rehabilitation assistance during the process. The combination of these measures will ensure that affected households and persons will restore or improve their income to their previous levels.

#### (1) Adequate Compensations

Following local regulations, generous compensation rates will be provided for affected farmland with 25 times of AAOV, which ranges from Y75,400 per mu for paddy and Y69,500 per mu for dryland. Using averaging Y72,500 per mu, the acquisition of 15 ha or 225 mu farmland, compensation of Y16.3 million will be provided for the affected villages and individuals. Given the fact that there are very small land holdings among two affected villages (ranging between 0.11 mu per person for Shishan and 0.25 mu per person for Lianban), and most of persons in these villages are no longer relying on agriculture, there is little chance to have land readjustment after land acquisition among these villages. Based on discussions with Fuzhou City Land Administration Bureau and relevant local officials, the common practice of compensation and rehabilitation for land

acquisition is to deliver most of compensations to the affected households, which include compensation for green crops, resettlement subsidy and part of land compensation.

Assuming 20 percent of land compensation will be kept by the affected village groups to be used for collective welfare, the affected households could receive up to 80 percent of total land compensation, averaging Y58,000 per mu. These cash compensations will provide sufficient funding for affected persons to engage in various non-farm activities and to restore their livelihood and incomes to their previous levels.

For affected tenants who are renting these lands for farming, according to relevant regulations, Rental contracts are annual. They will be paid with green crop compensation and compensation of related attachments. In addition, if the affected tenants wish to continue farming, the local township and villages will provide them assistance in obtaining alternative farmland in the same villages or townships.

## (2) Non-farm Employment Opportunities

With reduction of farmland, there may be some the affected persons who may lose their farmland. Often, these are vulnerable people (older farmers, retired workers or disabled people) who could not get employment in industries. Since the number of such people is expected to be small, they could be provided small garden plots within the village. The vulnerable people can also be provided pensions from the collective land compensation fund.

In addition, the project owner will also provide some non-technical employment opportunities for younger family members when the construction of Lianban WWTP and associated facilities are completed, which will mainly involve landscaping and maintenance. The affected persons will be given priority if such employment opportunities become available.

## (3) Other Rehabilitation Assistance

For the affected villages, they will directly benefit from the project, which will involve cleaning polluted rivers, building sewer lines and installing wastewater treatment capacity. In addition to an improved sanitation and living environment brought by the project, the affected villages could also use part of the land compensation fund to improve community services, such as increase living allowance for the elderly and vulnerable and education subsidy for the school age children.

## **8. Criteria and Eligibility for Compensation**

The compensation and rehabilitation will be provided for all affected persons under the following conditions:

- if their land area or income source will be removed due to land acquisition of the project;
- if their houses (or residential plots) will be demolished or partly damaged due to the land acquisition;
- if their other properties (crops, trees, and other facilities) or access to these properties will be removed or damaged due to land acquisition or construction of the project.

All affected persons, regardless of their legal status, will be provided compensation and rehabilitation based on the policies adopted by the project. Lack of legal paper of their customary rights of occupancy certificates shall not be an obstacle for obtaining compensation for them. It should also cover resettlement resulting from complementary activities that are not part of the ADB-assisted investment projects, but are necessary to achieve its objectives as set forth in the project documents. The policy applies to all affected persons regardless of the total number affected or the severity of impact. Particular attention is to be paid to the needs of vulnerable groups among those displaced: especially those below the poverty line, the elderly, women and children, indigenous groups and ethnic minorities.

## **9. Institutional Arrangement**

For proposed Lianban WWTP II BOT Project, three levels of institutions will be involved in the process of resettlement planning and implementation. The first level is the Fuzhou City Preparation Office for Lianban WWTP. As the representative of FMG, it will be responsible for overall project planning and preparation up to selection of potential developer. The second level of organization is municipal functional departments in charge of land acquisition and resettlement, including Fuzhou Land Resource Bureau and Fuzhou Urban Demolition Office, which will be responsible for review and approval of land acquisition and building demolition. The third level of organization is the affected district and township governments which will be responsible for implementing land acquisition and resettlement. These three levels of organizations will form the institutional network to ensure smooth implementation of resettlement activities in accordance with this resettlement policy framework and the forthcoming resettlement plan approved.

## **10. Implementation Process**

Based on current practice of land acquisition and urban demolition in Fuzhou City, for implementation of Lianban WWTP, the following steps will be carried out by Lianban WWTP Preparation Office (Preparation Office) in order to ensure the resettlement policy framework is being complied.

### Detailed Survey

Once the proposed site is confirmed and preliminary design is approved, the detailed survey of the project site will be carried out by relevant resettlement implementation agency, with the participation of staff from project owner, and officials from concerned township and villages. During the survey, scope of land acquisition and demolition impacts for all affected households will be carefully measured, and confirmed by the affected people. Also, a socioeconomic baseline survey will be conducted for 20% of affected households and at least half of the affected households that are renting farmland.

### Prepare Resettlement Plan

Based on detailed impact survey, a RP including compensation rates, budget, livelihood rehabilitation plans, and monitoring arrangements will be prepared by the project owner based on this resettlement policy framework. The RP should be endorsed by FMG and submitted to ADB for review and approval at least 3 months prior to acquisition of the land.

### Consultation with Affected People

The compensation policies and rehabilitation measures in the RP will be consulted with affected villages and individuals. The comments and feedback from local governments and affected people will be reviewed by the project owner and considered in the RP finalization.

#### Disclose the RP policy to the Affected People

After finalization of the RP with detailed compensation standards and rehabilitation measures, it will be disclosed to the affected people, villages and relevant government offices. The public disclosure of RP could be carried out by holding public meeting, putting up notice in the affected villages, or distributing resettlement information booklet to the affected people. The endorsed RP will be uploaded on ADB's website.

#### Sign Compensation Contract and Pay Compensation to the Affected People

The final step of resettlement implementation is to sign compensation contracts and deliver payments to the affected villages and people, which should be completed prior to the transfer of land use rights, displacement of housing or dispossession of assets. Along with cash compensation, the project owner and local governments will provide necessary assistance during the relocation and rehabilitation.

### **11. Resettlement Funding, Cost Estimate, Flow of Funds and Contingencies**

The cost of potential land acquisition and resettlement will be included in the total project cost for Lianban WWTP Project; sufficient funding is available. A detailed cost estimate of the compensation and resettlement will be developed and included in the RP. The project owner will make funds available for implementing land acquisition and resettlement, and will be responsible for any cost overruns

### **12. Consultations with, and participation of, and disclosure in planning, implementation**

During the preparation of each subproject, extensive consultation will be carried out by the project owner and officials from local resettlement coordination committees with affected individuals and villages, regarding the potential resettlement impacts, compensation policies, and rehabilitation measures as well as grievance procedures. The affected people are invited to voice their opinion on the project, final site layout, compensation policies, and livelihood rehabilitation plans.

After preparation of the RP with detailed compensation standards and rehabilitation measures, they will be disclosed to the affected people and villages. The public disclosure of RP could be carried out by holding public meeting, putting up notice in the affected villages, or distributing resettlement information booklet to the affected people.

### **13. Grievance Redress Mechanism**

The affected people will be given many opportunities to review the survey results and compensation policies during the process of resettlement planning and implementation. During implementation, various issues might be encountered by the displaced people. In order to resolve these concerns effectively and timely, a grievance redress mechanism will

be set up. The affected people will be notified about the details of such mechanism before the resettlement implementation. If a person is not satisfied with his or her compensation or rehabilitation measure, he could voice his complaint to the affected village chiefs or township resettlement working group. The village chief or township resettlement working group will give him an answer within two weeks. If he still does not agree with the solution, he could appeal directly to the project office, who will give him a reply within two weeks. If he still does not agree with the decision, he could appeal to Fuzhou Land Resources Bureau, which will make a final decision within two weeks. If he still does not agree with the decision, he could go the court as a last option.

#### **14. Resettlement Monitoring and Evaluation Arrangement**

Following the requirements of the World ADB, during the project implementation, both internal and external resettlement monitoring and evaluation exercises will be carried out in order to monitor resettlement implementation and ensure all affected people are compensated adequately and their income and livelihood are restored after resettlement and rehabilitation.

##### Internal Monitoring

The internal resettlement monitoring will be carried out by the Lianban WWTP Preparation Office and the staff from relevant Land Resources Bureau, as well as those from concerned district and township governments. The main purpose is for the project owner to have an overview of the resettlement progress for Lianban WWTP Project during project implementation. The main content of internal resettlement monitoring effort will be focused on delivery of entitlements to the affected people and communities in accordance with the RP. During process of resettlement implementation, concerned village chiefs and township officials will report resettlement implementation to Lianban WWTP Preparation Office. Quarterly progress reports on land acquisition and resettlement will be submitted to ADB until all related activities are successfully complete. Subsequently, a resettlement completion report will be submitted to ADB.

##### External Monitoring and Evaluation

In addition, in order to ensure that the resettlement plan is being implemented, and livelihood and income of affected people are restored, an external resettlement monitoring and evaluation agency will be selected to carry out external resettlement monitoring and evaluation for Lianban WWTP BOT Project<sup>1</sup>. The selected institution should have extensive experience in similar activities. The main objective is by independently monitoring and evaluating the resettlement implementation, to see whether the objective of resettlement is achieved; and to provide basic assessment on resettlement implementation and restoration of livelihood for the affected people. The scope of monitoring and evaluation includes the implementation progress, resettlement policies, delivery of compensation and replacement land, changes of income and livelihood among affected people, consultation and participation and development of local communities. The method of resettlement monitoring and evaluation will be based on a combination of sample household survey and rapid appraisal in the field. The baseline survey will be utilized for tracking the same households to ensure their standard of living and incomes have improved.

---

<sup>1</sup> This can be the same monitor as for the Lianban Sewer Network Project.

This evaluation (tracking) survey will be conducted annually for 2 years. Monitoring and evaluation reports will be submitted to ADB annually.