

Resettlement Due Diligence Report

Project Number: 42019-014
March 2019

PRC: Multimodal Passenger Hub and Railway
Maintenance Project for the E'mei–Miyi Main Rail
Line

To: Mr. Jeffrey Miller
Principal Transport Specialist
Sustainable Infrastructure Division, East Asia Department
Asian Development Bank

致：杰弗瑞·米勒先生

亚洲开发银行东亚局可持续基础设施处主任交通专家

From: Chengdu-Kunming Railway Company (CKRC)

发白：成昆铁路有限责任公司（CKRC）

日期：2019年4月25日

Dear Mr. Miller,
尊敬的米勒先生

Subject: PRC 42019-014: People's Republic of China: Multimodal Passenger Hub and Railway Maintenance Project

主题：PRC-42019-014：中华人民共和国：多式联运枢纽及铁路养护项目

The China Railway Corporation has applied for a loan with the Asian Development Bank (ADB) for the Multimodal Passenger Hub and Railway Maintenance Project (the Project). It is understood that the Project must be implemented in accordance with ADB's safeguard policies. The Chengdu-Kunming Railway Company, Ltd. will be responsible for the implementation of the Project. According to the Minutes of Negotiation dated 24 October 2018, a Resettlement Due Diligence Report has been prepared for the existing facilities (Emei Miyi main line).

中国铁路总公司向亚洲开发银行申请贷款实施铁路多式联运枢纽和铁路养护项目。因此，据悉本项目的实施必须满足亚洲开发银行的社会保障政策。本项目将由成昆铁路有限责任公司实施。根据2018年10月24日贷款谈判的纪要，编制了一份对于现有设施（峨眉米易全线）的移民安置尽职调查报告。

The audit report includes a table showing the Required Activities of Responsible Agency and Timeline. Since the LAR activities are carried out by local government, we confirm that we will continue to coordinate with the local government to monitor regularly the progress of the required activities and to have them completed by the specified end date.

该进度报告包含一个表格，说明了相关机构和时间节点上所需的活功。由于征地拆迁工作属于地方政府负责，我们确认将继续定期协调地方政府监测补充措施的实施进度，并在指定的时间内完成所述补充行动。

Mr. Cheng Mu
Director,
Construction Coordination Department
Chengdu-Kunming Railway Company (CKRC)
成木先生
协调部部长
成昆铁路有限责任公司



UNITS

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

ABBREVIATIONS

ADB	-	Asian Development Bank
AH	-	Affected Household
AP	-	Affected Person
DH		Displaced household
DP		Displace person
LAR		Land Acquisition and Resettlement
AAOV		Average Annual Output Value
DMS	-	Detailed Measurement Survey
FGD	-	Focus Group Discussion
LA	-	Land Acquisition
CKRC		Chengdu-Kunming Railway Corporation
PRC	-	People's Republic of China
SCAR	-	Social Compliance Audit Report

NOTE

In this report, "\$" refers to US dollars.

This resettlement due diligence report is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

TABLE OF CONTENTS

1	PROJECT DESCRIPTION AND OBJECTIVE OF THE DDR	1
1.1	BACKGROUND	1
1.2	DESCRIPTION OF E'MEI-MIYI MAIN RAIL LINE PROJECT	1
1.3	LAR IMPACTS AND MITIGATING MEASURES.....	2
1.4	OVERALL PROGRESS IN IMPLEMENTATION OF LAR	5
1.5	PURPOSE OF DDR.....	6
2	ORGANIZATION STRUCTURE.....	7
2.1	ORGANIZATION.....	7
2.2	CAPACITY OF ORGANIZATION	8
2.3	EVALUATION ON RESETTLEMENT IMPLEMENTING AGENCIES	9
3	METHODOLOGY FOR THE PREPARATION OF THE DUE DILIGENCE REPORT	9
4	RESETTLEMENT POLICIES AND COMPENSATION RATES.....	10
4.1	DOMESTIC LAWS, REGULATIONS AND POLICIES APPLICABLE TO RESETTLEMENT	10
4.2	CUT-OFF DATE OF ELIGIBILITY	11
4.3	LAND ACQUISITION COMPENSATION RATES AND RESETTLEMENT SCHEMES.....	12
4.3.1	<i>Compensation rates.....</i>	12
18.9	13
78030	13
4.3.2	<i>LA resettlement</i>	13
4.3.3	<i>A sample implementation of LA compensation and resettlement.....</i>	14
4.4	RURAL HOUSE DEMOLITION COMPENSATION RATES AND RESETTLEMENT SCHEMES	17
4.4.1	<i>Compensation rate.....</i>	17
4.4.2	<i>Rural HD resettlement.....</i>	19
4.5	URBAN HOUSE DEMOLITION COMPENSATION RATES AND RESETTLEMENT SCHEMES	19
4.6	ENTERPRISES DEMOLITION COMPENSATION RATES AND RESETTLEMENT SCHEMES	20
5	LAR IMPACTS AND IMPLEMENTATION.....	ERROR! BOOKMARK NOT DEFINED.
5.1	LAND ACQUISITION IMPACTS	21
5.2	RESIDENTIAL HOUSE DEMOLITION IMPACTS	22
5.2.1	<i>Rural house demolition.....</i>	22
5.2.2	<i>Urban house demolition</i>	24
5.3	NON-RESIDENTIAL HOUSE DEMOLITION IMPACTS.....	25
6	LAND ACQUISITION AND RESETTLEMENT IMPLEMENTATION.....	26
6.1	IMPLEMENTATION PROGRESS OF LAND ACQUISITION AND RESETTLEMENT ACTIVITIES	26
6.2	SAMPLE COMPENSATION AGREEMENT AND PAYMENT FOR EACH PICs. ERROR! BOOKMARK NOT DEFINED.	
6.3	INTERVIEW RECORD WITH STAKEHOLDERS	28
	<i>E'mei PMO interview</i>	28
	<i>Affected households' interview.....</i>	30
6.4	PUBLIC PARTICIPATION AND GRIEVANCE REDRESS	27
6.5	REMAIN ISSUES	ERROR! BOOKMARK NOT DEFINED.
7	CONCLUSIONS AND FURTHER ACTIONS	33
7.1	CONCLUSION.....	33
7.2	SUGGESTIONS.....	34

APPENDIX 1: DOCUMENTS REVIEWED.....	37
APPENDIX 2: LIST OF PERSONS CONTACTED AND MET	38

1 PROJECT DESCRIPTION AND OBJECTIVE OF THE DDR

1.1 Background

1. The Multimodal Passenger Hub and Asset Maintenance Project (the Project) aims to assist China Railway Corporation (CRC) in developing modern, energy efficient and sustainable transport solutions in South Western People's Republic of China (PRC).¹ The government is developing a new railway line connecting the provincial capitals of Sichuan and Yunnan provinces. The Project will develop a demonstration multimodal hub² on this line in Xichang city in Liangshan Prefecture, improve maintenance systems by introducing modern maintenance equipment and institutional capacity building and training. The Project includes two components:

1) Component 1, Multimodal Hub developed. This component will construct a multimodal passenger hub in Xichang (Xichang West Station).³ The hub will include (i) good intermodal connectivity; (ii) energy efficiency features; and (iii) earthquake resistant design.

2) Component 2, Railway maintenance improved. This component will procure modern railway track maintenance machines. The equipment will cover track inspection and repair as well as rescue and restoration equipment.

2. According to project design, only the construction of Component 1 will involve land acquisition and resettlement (LAR). The LAR of Component 1 started in April 2016 and completed in February 2017. As the requirements of ADB's involuntary resettlement policy of Safeguard Policy Statement (SPS) (June 2009), a social compliance audit report (SCAR) for the existing facilities, E'mei-Miyi main rail line, including outstanding issues and time-bound corrective actions should be prepared and submitted to ADB by Chengdu-Kunming Railway Corporation (CKRC).

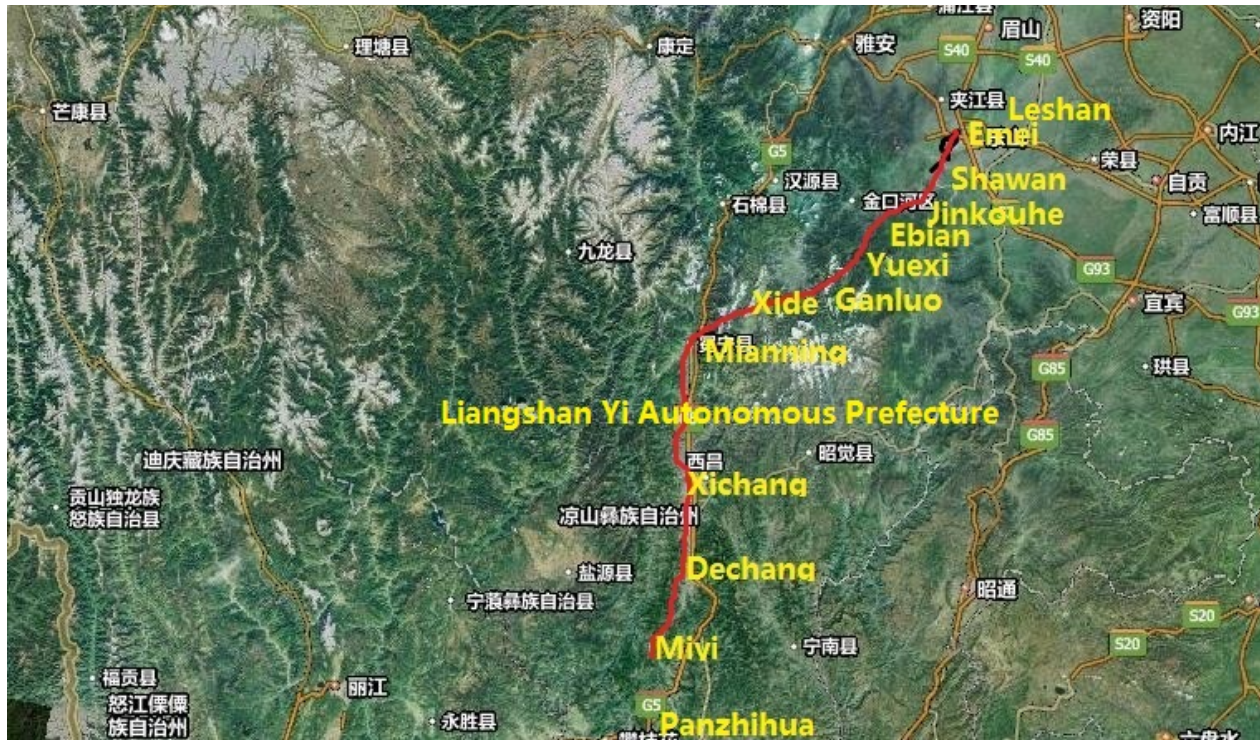
1.2 Description of E'mei-Miyi Main Rail Line Project

3. The E'mei-Miyi Main Rail Line (EMRL) is started in E'meishan City (county level city) and ended in Miyi County, will pass through 11 project impact counties/county level cities (PICs) in 3 cities/prefecture of Leshan City, Panzhihua City and Liangshan Prefecture. Please find Figure 1 below which shows the EMRL and the location of 11 counties/county level cities along the EMR. As shown in the figure, there is an extensive road network in the PICs. This includes national and provincial roads. In addition, there is an airport (Xichang City) with flights to Chengdu, Kunming and Chongqing, and these cities provide connections to all areas in China as well as many international destinations. Thus, the PICs will generally well-served with respect to transportation but railway capacity has been constrained between the dynamic provincial population centers and has all but meant that resources in the PICs remain relatively under-exploited. The EMRL will facilitate development of mineral and tourism resources in the area that will substantial impact on job creation, increasing incomes and reducing poverty.

¹ The project is included in ADB's country operations business plan for the PRC, 2017–2019 as a standby project for 2018.

² The term multimodal hub generally refers to any facility that caters to more than one mode of transport.

³ Xichang City is the capital of Liangshan Prefecture in Sichuan Province, located in the middle of the Chengdu–Kunming Railway Line.



Source: Adopted by Consultant from Baidu maps, June 2016.

Figure 1-1: EMRL (in red) and the Location of the PICs (in yellow)

1.3 LAR Impacts and Mitigating Measures

4. The EMRL will provide 160 km/hour passenger services, the total length is 386.334 km including 84.875 km of 140 bridges, 211.337 km of 52 tunnels and 18 railway stations. The LAR mainly happened because of the construction of the sectional railway lines and railway stations. The Sectional railway lines usually need 30 to 50 meters wide in line, which led to land acquisition and house demolition in the red line directly. The residential houses inside the environmental sensitive scope within 30 meters on both sides of the railway maybe affected by the noises or road truncation which will obstructing residents from travelling. The DI and contractors will design and take measures to protect them and solve the problem of travel firstly to mitigate the LAR impact. If all of the measures couldn't work, the residential households have to relocated. Furthermore, there is kind of marginal land which is caused by the LAR of sectional railway line, once part of the land was acquired, the left small part was not good for planting anymore, this kind of land also considered to be acquired on the basis of fully considering the interests of the APs during the project design period and implementation period. Please find some samples of the project components in figure below.

5. The LAR impacts including collective-owned land acquisition, temporary land occupation, residential houses demolition in rural areas and urban areas, non-residential houses demolition such as enterprises and schools, temporary land occupation and public facilities relocation of public facilities. In order to mitigate adverse impacts on the APs, the mitigate measures and principles has been included and conducted during the project design and implementation period.

- Avoid and reduce the farmland acquisition and house demolition through technical selection and site selection. For example, use more bridges and less subgrade when

conditions permit in order to reduce the permanent farmland acquisition. Chose waste land and low-output farmland as far as possible when LA couldn't avoid.

- Avoid and reduce the farmland temporary occupation through site selection and related implementation programs. Such as long-distance transportation of the construction waste instead of stacked on nearby farmland. Restoring the function of farmland through the implementation of land reclamation.



Figure 1-2: Project Components Sample Pictures

6. According to the approved Preliminary Design Report in July 2015, the total cost of the project is about 44.1 billion yuan including about 4.7 billion yuan for resettlement, accounting for 10.7% of the total. The original LAR impacts were calculated and estimated by the DI in 2015 and they did not count the number of APs of each kind of impact at that time. The main LAR impacts included: 1) LA: 15,142 mu of collective-owned land need to be newly acquired, including 12,411 mu of farmland and 2,731 mu of non-farmland such as wasteland, roads and homestead land, etc. 200 mu of state-owned land of the CRC themselves will be permanently occupied.

13,341 mu of collective-owned farmland need to be temporarily occupied for 2 to 3 years. 2) HD: 910,509 m² of houses need to be demolished, among them, 635,233 m² of houses were affected because of the project red line and 191,197 m² of houses in environmental sensitive scope. The residential houses demolition area was about 177,603 m² and the left non-residential houses demolition was about 732,906 m² including enterprises and schools.

7. The project started implementation at early 2016. Since then, the detailed measurement survey (DMS) for both LA and HD were conducted by independent survey institutes, the DMS of LA was conducted by Sichuan Xichang Panxi Geological Survey Institute (Panxi GSI), and DMS for HD was conducted by Sichuan Province Geological Survey Institute (Sichuan GSI). Up to now, all of the surveys have been completed. The results have been signed and confirmed by the “five parties”⁴ and publicized in the affected villages. The survey results were the basis for the formulating compensation agreements. If the APs have any comments on the results, they could apply for re-survey and confirmation at any time, until the results were fully accepted by all of the parties. The final compensation agreement will be signed according to the accepted DMS results.

8. The updated LAR impacts after DMS were provided by the Panxi GSI and Sichuan GSI in Dec 2018 and the data were as of August 2018. Because the implementation of LAR has not finished yet, some of them maybe adjusted because of the re-survey and some of the DMS have not started yet, for example, the DMS for urban residential house demolition of E'mei has not conducted and the DMS for the enterprise's demolition in Shawan also not conducted. But the County PMOs have provided the estimated data to make up the table. Please find the summary updated LAR impacts in Table 1-1 and detailed description in Chapter 5. As the temporary land use is too trivial to count and the consultant didn't receive enough feedback about the information, the report will not reflect the implementation progress of temporary land use. But it could be confirmed that farmland temporary occupation has been mitigated during implementation and only have temporary impact on the APs. The report will use this updated LAR impacts as the planned LAR impacts instead of the data provided by the DI in 2015 in above para.

Table 1-1: Summary of updated LAR impacts

Type of Impact	Amount Number	Affected Townships	Affected Villages	Affected households (AHs)/Enterprises	Affected Persons (APs)
Land acquisition of collective-owned land	Total: 13,025 mu Farmland: 10,867 mu	50	184	5,521	22,086
Rural Residential House demolition	626,835 m ²	41	91	2,891	11,564
Urban Residential	46,980 ⁵ m ²	2	N/A	636	2,544

⁴ Including APs, City/county Railway Construction Coordination and Service Center, local government, DI □ construction supervision units.

⁵ Urban residential house demolition only affected E'mei and Shawan.

Type of Impact	Amount Number	Affected Townships	Affected Villages	Affected households (AHs)/Enterprises	Affected Persons (APs)
House demolition					
Enterprises	309,751 m ²	8	N/A	65	3,943

Source: the DMS results as to August 2018 by Panxi GSI and Sichuan GSI in Dec 2018 and feedback tables from County PMOs.

1.4 Overall progress in implementation of LAR

9. As of Dec 2018:

- 90% of the LA has been finished. Among them 8 out of 11 PICs have finished fully LA compensation fee distribution and social security resettlement of APs which is about 5,320 APs. Among the other 3 PICs (Yuxi, Ganluo and Xichang), 2 (Yuxi and Ganluo) have finished DMS by the survey institutions, but the results are still under confirmation and the LA compensation agreements have not finished and distribution of compensation fee for LA have not finished, too. Xichang has distributed part of the compensation fee to the APs (20,000 yuan per mu out of 51,000 yuan per mu) and the application for distribution of remaining compensation is waiting for the approval of the Mayor and will be implemented soon before the Chinese Spring Festival in 2019. Only one social security pilot township of Yuehua township in Xichang have fully distributed compensation to the APs, and 424 APs out of 559 APs chose to participant and purchase social security voluntarily.
- For the residential HD, only Miyi County, Jinkouhe and Shawan District have totally completed the residential HD and compensated fully to the APs, the implementation of residential HD of other 8 counties have not finished and still left 1%~44% of the total. The main reasons for the unfinished HD are: 1) newly added HD impacts during project implementation. For example, it is found during the project implementation, some of the roads were cut off by the project and the residential households couldn't go out. Some of the households didn't live in the environmental sensitive scope but still complaint that they were affected by the project and after the "five parties" confirmation through meetings, they were listed as the HD APs. 2) the results of DMS for the houses still under confirmation. 3) the resettlement sites are still under selection.
- For the non-residential HD, 7 out of 11 PICs have this type of impacts. Among them, the HD of 2 PICs has been completed, another one has completed 44% (15 out of 34 affected enterprises), the left 4 are conducting the house demolition compensation evaluation by the independent evaluation agency. All of the affected employer and employees have been noticed HD and the compensation and resettlement schemes are being negotiated. The enterprises HD impacts need to be further determined in E'mei city. E'mei PMO is trying to consult with CKRC and DI to avoid the enterprises demolition in the city. Among 11 enterprises, 10 of them were belonged to the E'mei branch of China Railway Corporation (CRC). So, it was not included in the totally impacts of this report.

10. Please find the summary in Table 1-2 and details in Chapter 5.

Table 1-2: Overall progress in implementation of LAR

City/Prefecture	County/City/District	Implementation Progress of LAR		
		LA	Residential HD	Non-residential HD
Leshan	E'mei	100%	100% for rural and ongoing for the urban	TBD
	Shawan	100%	100%	Ongoing
	E'bian	100%	99%	N/A
Liangshan	Jinkouhe	100%	100%	100%
	Ganluo	Ongoing	50%	Ongoing
	Yuxi	Ongoing	86%	N/A
	Xide	100%	N/A	Ongoing
	Mianning	100%	90%	44%
	Xichang	90%	95%	N/A
	Dechang	100%	100%	Ongoing
Panzhihua	Miyi	100%	100%	100%

Source: CKRC and County PMOs.

1.5 Purpose of SCAR

11. The purpose of this SCAR on the LAR of EMRL aims to: (i) review the land acquisition and resettlement in light of the Land Administration Law of the PRC, and the applicable provincial and county regulations and policies on resettlement; (ii) check the land acquisition and resettlement processes, their progress and effectiveness, and fund management; (iii) the affected persons (APs) production level and living standards; iv) their satisfaction with land acquisition and resettlement; (v) identify outstanding land acquisition and resettlement issues and confirm any actions to be taken during the project implementation in accordance with ADB's Safeguard Policy Statement (SPS, 2009), Policy Requirement 2 "Involuntary Resettlement"; and (vi) propose feasible recommendations.

2 ORGANIZATION STRUCTURE

2.1 Organization

12. According to project management plan, the executing agency is the China Railway Company (CRC), and will be responsible for overall project implementation.

13. The implementing agency is the Chengdu-Kunming Railway Corporation (CKRC), which is a joint-venture shareholding company established under the PRC company law. The shareholders are the China Railway Development Fund Company Ltd., Chengdu Railway Bureau (both under CRC) and Sichuan Provincial Railway Industry Investment Group Ltd. (under Sichuan Provincial Government). CKRC will be responsible for project construction, operations management, finance and accounting and maintenance of infrastructure assets. CKRC will be responsible for coordinating and implementing all project components, and the LAR are mainly implemented by local governments.

14. In order to facilitate the land acquisition, house demolition and resettlement and ensure the lawful rights of affected persons, every project impact city has established a Railway Construction Coordination and Service Center (City PMO) and each PIC Government issued implementation program of LAR for E'mei~Miyi (name of the PIC section) of Chengdu–Kunming Railway Line. According to the Programs, the main responsibilities of organizations related the LAR implementation include:

- **County/ city level county LAR Headquarters**, headed by County Party Secretary, is consisted of government departments, such as land resource bureau, finance bureau, housing construction and planning bureau, civil affair bureau, and ethnic minority, poverty reduction bureau, public security and social security bureau, etc. Have several **working groups** for the implementation of resettlement and house demolition.
 - Leading and supervising land acquisition and resettlement; and making decisions, explanations and guidance on LAR policies;
 - Deploying compensation and resettlement tasks; and,
 - Coordinating all agencies involved in compensation and resettlement
- **County/city level county Railway Construction Coordination and Service Center (County PMO)**
 - To collect and compile the information of railway construction and establish related database, and report the information,
 - To collect and compile the opinions and suggestions from contractor, engineering supervision and control unit, and affected townships, and summarize the problems for decision-making;
 - To coordinate work of related organizations.
 - To collect, sort out and report various information of LAR.
 - Reporting the implementation progress to the City PMO and CKRC.
 - To manage LAR resettlement files
- **Township governments**, responsible for implementing compensation and resettlement in its own township.
 - Assisting independent survey institutes such as Panxi GSI) and Sichuan GSI in DMS and participating in the review, publicity and complaints and grievance of APs relating to DMS results;
 - Organizing public participation, and communicating the resettlement policies;

- Implementing, inspecting, monitoring and recording all resettlement activities within the township;
- Responsible for the disbursement and management of land compensation fees;
- Assisting the social security bureau for the implementation of social security resettlement for APs in the township;
- Reporting LA and resettlement information to the City PMO and City Government;
- Coordinating and handling conflicts and issues arising from its work;
- Reporting the implementation progress to the County PMO.

➤ **Village committees**

- Participate in the DMS;
- Organizing public participants inside the villages such as convene Villagers' Congress to discuss the compensation and resettlement program, etc.;
- Organize the implementation of the resettlement program;
- Disburse and manage compensation fees;
- Providing assistance to the vulnerable groups.

15. All functional departments (land and resources bureau, planning bureau, forestry bureau, labor and social security bureau, and civil affairs bureau, etc.) should not only carry out their own works, but also should assist township governments in conducting compensation and resettlement practically.

16. The DI, contractors and engineering supervision and control unit also not only carry out their own works, but also assist the township governments, village committees in conducting compensation and resettlement practically and help to collect the complaints of the APs and solve them within their capabilities.

2.2 Capacity of Organization

17. In order to ensure the successful implementation of the resettlement work, each County PMO is composed mainly of 5~15 staff and specialized technicians. Each township governments and village committees fully support the LAR implementation and assigned specified staffs to cooperate with the works. A smooth channel of communication has been established among agencies at different levels.

18. The total number of staffs joined in the project resettlement implementation is about 2,000 persons. Except one County PMO in Yuexi County, Liangshan Prefecture, most of the staff members involved in the component have rich experience in land acquisition and resettlement. They are familiar with the land acquisition and compensation practices and policies and have played a good organizing and coordinating role in the land acquisition and resettlement. They have performed their duties very well, thereby ensuring successful resettlement implementation.

19. According to the telephone interview with the officer from Yuexi County PMO, the Project is the biggest one in the county and this is the first time they encountered such a large LAR impacts with the new resettlement policies, such as social security resettlement. They don't have such experience, but they are trying to work and learn from nearby counties to improve their work progress.

2.3 Evaluation on Resettlement Implementing Agencies

20. During resettlement implementation, each City Government formulated the detailed LAR implementing schemes including establishment of resettlement organizations. Most of the resettlement organizations are well staffed and equipped with clear responsibilities. Their staff members are familiar with LA operations and policies, have rich experience in LAR, and are able to perform their duties properly. Only one County PMO capacity need to be strengthened.

3 METHODOLOGY FOR THE PREPARATION OF THE SCAR

21. This social compliance audit was conducted during December 2018 in a very short term. The consultant has contacted and met with large number of project stakeholders with the assistance of CKRC. As to 31 Dec 2018, only Miyi County, Shawan District and Jinkouhe District have finished all of the LA and HD and fully distributed the compensation to the APs. There are mainly two methods for the preparation of this report, one was desk research and the other was fieldwork. The process of the report preparation are as follows:

- The consultant prepared an information requirement list (including LAR impacts, consultation, information dissemination, and participation, cut-off date of eligibility, compensation standards, support, Relocation and Livelihood plan, Grievance Redress, Implementation Status and Issues) and submitted to ADB for review then forward to CKRC in 16 Nov 2018 to request for the support of the audit of the LAR of the EMRL.
- Then the consultant contacted with CKRC and explained the list and requirements of ADB safeguard policy to them, assist them to collect the data and related documents.
- In 30 November 2018, CKRC issued a letter to the City Railway Construction Coordination and Service Centers (City PMOs), County Railway Construction Coordination and Service Centers (County PMOs) of PICs and Design Institution and ask them to cooperate in providing data information and materials according to the list, coordinating all related departments to participate in telephone interview, site visit and meetings with the consultant. Up to now, CKRC have received feedbacks from County PMOs for LAR due diligence information list of the main rail line. They forward the feedbacks to the consultant for review. The consultant has called the officers from County PMOs to better understand the feedback information except Jinkouhe District PMO in Leshan City which couldn't contacted successfully. Please find the list of the persons contacted and met by the consultant and CKRC during the report preparation in Appendix 1.
- The consultant kept communication with County PMOs about the information list and conducted further interviews with some of the PMOs for further understand of the LAR implementation situation, policies and identify whether there were outstanding issues and need corrective actions.
- In the desk research, documents and materials on the Project and resettlement implementation were collected and verified. The materials collected in this compliance audit include project design and approval documents, LAR Implementation status and Issues, LAR compensation rates, distribution of LAR compensation fees, etc. land approvals, rosters of APs receiving compensation fees, transition fees, and endowment insurance for land expropriated farmers, agreements on resettlement, public participation information related to resettlement, announcement of land acquisition and resettlement issued by City Government, brochures of land acquisition and house

demolition policies, minutes of village meetings, etc. Please find the list of the documents reviewed by the consultant during the report preparation in Appendix 2.

22. During field work from 9 Dec 2018 to 18 Dec 2018, the consultant had FGDs and field interviews as follows:

- FGDs with land acquisition and house demolition affected households and officers from townships affected villages in Leshan city, E'mei City and Xichang City.
- Key informants' interview and meetings with CKRC, City PMOs, County PMOs and related bureaus, such as land resource bureau, social security bureau, planning and construction bureau, township government officers, DI and construction company for better understand the LAR implementation situation, organization, resettlement policies, compensation standards, compensation distribution, outstanding issues and the resolution of grievances and complaints.

4 RESETTLEMENT POLICIES AND COMPENSATION RATES

4.1 Domestic Laws, Regulations and Policies Applicable to Resettlement

23. The LAR of the Project was conducted strictly in accordance with relevant resettlement policies and regulations of the PRC, Sichuan Provincial Government and City Government. According to the state, provincial and city level resettlement policies, each PIC Government has issued their own Implementation Details, Compensation Standards and Implementation Programs. The main policy and legal framework used in the Project is presented in Table 4-1 and the sample of the copy of the documents are presented in Annex 1.

Table 4-1: Resettlement Policy Framework

Level	Policy Procurement	Effective Date
State	Land Administration Law of the PRC	August 28, 2004
	Regulations on the Implementation of the Land Administration Law of the PRC (Decree No.256 of the State Council)	December 27, 1998
	Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28)	October 21, 2004
	Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238)	November 3, 2004
	Notice of the Ministry of Land and Resources on Formulating Uniform Annual Output Value Rates and Location-based Integrated Land Prices (MLR [2005] No.114)	July 23, 2005
	Notice of the General Office of the State Council on Forwarding the Guidelines of the Ministry of Labor and Social Security on Doing a Good Job in the Employment Training and Social Security of Land-expropriated Farmers (SCGO [2006] No.29)	April 10, 2006
	Regulations on Housing Demolition and Compensation on State-owned Land (Decree No.590 of the State Council)	Jan 21, 2011

Level	Policy Procurement	Effective Date
Sichuan Province	The Opinions of the Provincial Department of Land and Resources on Adjusting the Standards of LAR Compensation and Resettlement (SCG (2008) No.73)	April 23, 2008
	Notice of the General Office of the Sichuan Provincial People's Government on Further Improving the Social Security of Land-expropriated Farmers (SCG (2008) No. 15)	April 11, 2008
	Notice of the General Office of the Sichuan Provincial People's Government on Further Improving Safeguard of Land Use for Railway and Highway Construction Project (SCO (2010) No.88)	Nov 2010
	Notice of the Sichuan Provincial Government on Publishing and Implementing Uniform AAOV Rates for Land Acquisition (Sichuan Provincial land resource department [2014] No.1170)	January 1, 2015
	Regulations on Housing Demolition and Compensation on State-owned Land of Sichuan Province (No. SC122621)	May 1, 2015
Leshan City	Notice of the Leshan Municipal People's Government on Publishing the Standards of Unified Annual Output Value at the Executing Place (LSG (2014) No.90)	Nov 25, 2014
	Approval of Compensation Standards for Green Seedlings and Ground Adhesions in Leshan City by the People's Government of Sichuan Province (SCG (2012) No.90)	June 1, 2012
Liangshan Prefecture	Notice of the Office of the People's Government of Liangshan Prefecture on the Issuance of Guidelines for Compensation and Resettlement of Land Expropriation, Demolition and Relocation in Liangshan Section of Chengdu-Kunming Railway Capacity Expansion Project (LSG (2015) No.221)	June 1, 2015
Panzhihua City	Notice of the Office of the People's Government of Panzhihua City on the Issuance of Guidelines for Compensation and Resettlement of Land Expropriation, Demolition and Relocation in Liangshan Section of Chengdu-Kunming Railway Capacity Expansion Project (PZHG (2014) No.398)	October 17, 2014
	Notice of the Leshan Municipal People's Government on Publishing the Standards of Unified Annual Output Value at the Executing Place (PZHG (2014) No.208)	Dec 28, 2104

4.2 Cut-off Date of Eligibility

24. The cut-off date for compensation of the Project was the date of LAR announcement. After the cut-off date, settlement, newly cultivated land, newly built houses and any other trees newly planted and facilities newly set up just for extra compensation on the affected areas shall not be counted in the scope of compensation or subsidy for the project. The cut-off date of the whole Project in July 2015, the approval time of Preliminary Design Report. But as the construction started at different time in the PICs and the actual cut-off date of each PIC is different. Most of them are in 2016. The local government of PICs have officially posted the notice of cut-off dated on the government website and also posted in the affected counties and village. Please find the sample of the notice of cut-off date in the following pictures.

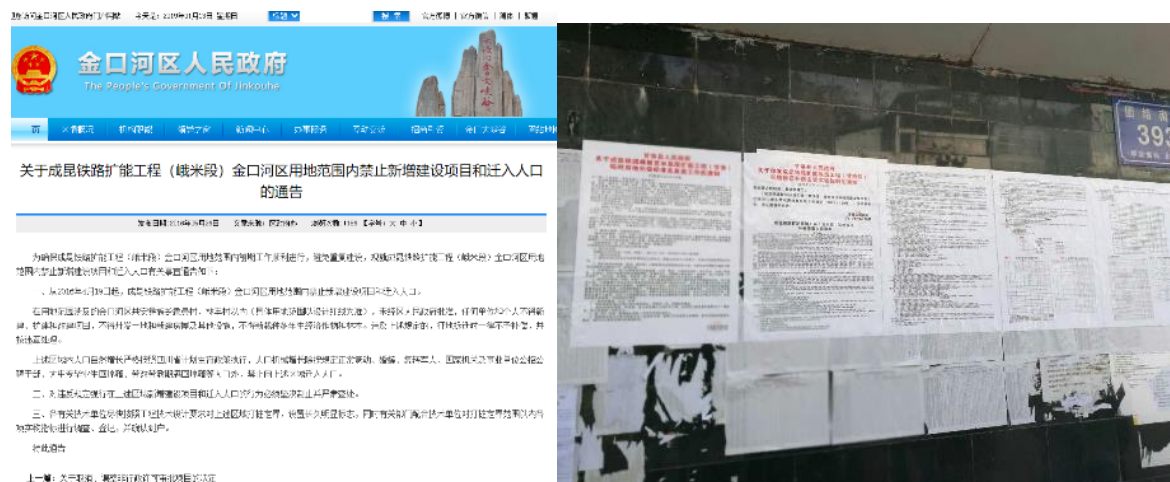


Figure 4-1: The notice of cut-off date in the government website of Jinkouhe District in April 2016 (left) The notice of cut-off date in the village of Ganluo in Jan 2016 (right)

4.3 Land Acquisition Compensation Rates and Resettlement Schemes

4.3.1 Compensation rates

25. According to the *The Opinions of the Provincial Department of Land and Resources on Adjusting the Standards of LAR Compensation and Resettlement (SCG (2008) No.73)*, LA compensation includes land compensation and resettlement subsidy. Among LA of compensation, land compensation is 10 times of average annual output value (AAOV) of the land, and the resettlement subsidy is calculated in two situations for different method:

- For the affected area where average farmland area per capita is more than 1 mu or equal to 1 mu, the resettlement subsidy is 6 times of AAOV;
- For the affected area where average farmland area per capita is less than 1 mu, the resettlement subsidy is calculated by the number of persons affected by LA of 1 mu. For example, the average farmland area per capita is 0.5 mu, then 1 mu LA could affect 2 APs, the resettlement subsidy is 12 times of AAOV. If the average farmland area per capita is 0.3 mu, the resettlement subsidy is 20 times of AAOV. Then the total LA compensation rate will be 30 times of AAOV.
- According to the state law, the total times of the LA compensation could not exceed 30 times.

26. The farmland LA compensation rate is as above and the compensation rates for mountainous dry land (orchard land) and woodland and other non-farmland are 0.67 and 0.5 times of the rate for farmland respectively. The LA compensation is to be used for land expropriated farmers to participate in social security in priority.

27. The AAOV of project villages varies from place to place. The standards were uniform released by the local government after measurement and hearing. The total LA compensation was from 16 times to 28.9 times of AAOV. Please find the LA compensate rate of each PIC in Table 4-2.

Table 4-2: LA Compensation Rates (Farmland)

PIC Name	AAOV (Yuan/mu)	Compensation Rates		
		Land Compensation	Resettlement Subsidy ⁶ (Times of AAOV)	Total (Yuan/mu)
E'mei	2,700	10	18.9	78,030
Shawan	2,240	10	6	35,840
E'bian	1,920	10	6	30,720
Jinkouhe	1,880	10	6	30,080
Ganluo	1,800~2,240	10	12	41,360~49,280
Yuxi	1,080~1,610	10	6	17,280~25,760
Xide	2,040	10	25	51,000
Mianning	2,812	10	16	45,000
Xichang	2,040	10	25	51,000
Dechang	2,240	10	16	35,840
Miyi	2,430~2,700	10	16	38,880~43,200

Source: Resettlement policies of each PIC and interview record with county PMOs.

4.3.2 LA resettlement

28. The main resettlement measures for land acquisition were: 1) Cash compensation. The APs have used the land acquisition compensation to start small businesses and spend on outside employment which increase both sideline income and wage income. Post land acquisition phase does not show any impoverishment of affected households. In fact, due to the generous cash compensation that they received, household income has increased. 2) Social security. The APs could choose to join the social security of LEF voluntarily and got pensions at retirement age. 3) Providing training and job opportunities.

29. Each PIC government has issued implementation details of the social security resettlement for the resettlement of APs of land acquisition. It could be summary for three kinds of social insurances.

- Endowment insurance. For the APs who is over 16 years old could choose to purchase this kind of insurance and receive the pension at the retired age (for male is over 60 years old, for female is over 50 years old). The pension is from 900 yuan to

⁶ Average farmland area per capita>1: 6 times of AAOV; Average farmland area per capita<1: The times of AAOV for the compensation rate of resettlement subsidy is equal to the number of persons affected by LA of 1 mu.

1,503 yuan per month in 2017 according to the calculation results by the Social Security Bureau.

- Medical insurance. For the APs who is at the retired age at the moment of land acquisition could have this kind of insurance for free.
- Job security. For the APs who is over 16 years old but not reach the retired age could purchase the job security which is a kind of transition subsidies for two years.

30. For the APs who was under MLS line could be included in the MLS system and enjoy the MLS subsidies. For the APs who was under 16 years old and willing to transfer from rural Hukou to urban Hukou will be given subsidies in lump sum.

4.3.3 A sample implementation of LA compensation and resettlement

31. Up to now, 8 PICs government have finished fully LA compensation fee distribution and the total amount of social security resettlement of APs was about 6,489 APs. Please find the implementation progress of LA compensation and social security resettlement in a sample village named Yangxuan village of E'mei City as an example.

● Introduction of the LAR process in Yangxuan village of E'mei City
<p>Jan 2016, the Notice of LAR was published by the E'mei City government and the LAR implementation organization, working groups were found.</p> <p>From Jan to April 2016, the public participants including project introduction, resettlement policies introduction for the APs were conducted by the township government.</p> <p>From April to May 2016, Panxi GSI conducted the DMS, the LAR working groups conducted DMS review and publicity in the affected village. After confirmation with APs, the DMS results was signed by "five parties". The total LA area of the sample village was 13.96 mu of farmland.</p> <p>In August 2016, the compensation rate for resettlement subsidy and number of social security resettlement persons was calculated by the Land Resource Bureau. The results were consulted fully in the affected villages through villagers' representatives' meetings and the draft rosters of APs participant in social security resettlement were approved and the total number is 37 APs.</p> <p>In August 18, 2016, LA compensation agreement was signed. From August to Nov 2016, several meetings were conducted inside the village group for the consulting of compensation allocation scheme and social security resettlement. The APs could apply for the social security resettlement voluntary. After the confirmation of the roster of social security resettlement APs, the County PMO and social security bureau conducted the process accordingly.</p>
● The copy of related documents during LA implementation for a sample village in E'mei

[illegible]

成昆铁路改建铁路山段(龙门乡)征占土地调查登记表							
序号	被占地人姓名	身份证号	性别	年龄	人口类别	本人是否	调查是否
506001	王绍文	27123	1.36	71.12.14.11	汉族	12.01	是
506002	王绍文	6145	6.46	1943.10.15	汉族	12.01	是
506003	王绍文	122013	1.36	1941.01.13	汉族	12.01	是
506004	杨开福	421412	1.41	1941.01.13	汉族	12.01	是
506005	王绍文	981572	1.41	1941.05.12	汉族	12.01	是
506006	王绍文	10165	1.36	1941.01.13	汉族	12.01	是
506007	王绍文	310105	1.36	1941.01.13	汉族	12.01	是
506008	王绍文	101281	1.36	1941.01.13	汉族	12.01	是
506009	王绍文	6152	1.36	1941.01.13	汉族	12.01	是
506010	王绍文	98153	1.36	1941.01.13	汉族	12.01	是
506011	王绍文	10165	1.36	1941.01.13	汉族	12.01	是
506012	王绍文	75189	1.36	1941.01.13	汉族	12.01	是
		5100					
合计: 506001-506012		调查是否: 是				调查是否: 是	

[illegible]

Signing of DMS results

4.4 Rural House Demolition Compensation Rates and Resettlement Schemes

32. According to *The Opinions of the Provincial Department of Land and Resources on Adjusting the Standards of LAR Compensation and Resettlement* (SCG (2008) No.73) and *Notice of the General Office of the Sichuan Provincial People's Government on Further Improving Safeguard of Land Use for Railway and Highway Construction Project* (SCO (2010) No.88), the mainly principles for house demolition compensation and resettlement of provincial level were as follows and each PIC has made the detailed implementation rules accordingly:

- The house structure compensation standard should be made according to the replacement cost.
- The resettlement house area after HD should not less than 30 m² per capita.
- The construction of resettlement houses should be started in advance and if the transition period is unavoidable, the transition subsidy should be provided to the APs and transition houses should also be provided to the APs if needed. If the transition period exceeds one year, the standard of transition subsidy should be doubled.
- In case of self-constructed resettlement houses, the local government should support the APs in purchasing of homestead in accordance with relevant policies and planning requirements.

33. Three options have been provided for the compensation and relocation for house demolition by the Project, which were: 1) cash compensation, 2) resettlement house by uniform planning and combined construction, and 3) resettlement house by self-construction. The AHs could choose the schemes voluntary according to the actual situation. Rural house demolition compensation included: 1) house structure compensation and decoration compensation, 2) ground attachment compensation, 3) other fees, such as transitional subsidy, moving subsidy, reward and other subsidies. Additionally, there are subsidies for purchasing houses and self-constructing of APs in for different resettlement schemes in the detailed implementation rules of each PIC.

4.4.1 Compensation rate

1) House Structure Compensation

34. The house structures were compensated at replacement cost, the compensation rates which were appraised by the third party based on market price and agreed by local government. according to Table 4.1.

Table 4-1: Compensation Rates of House StructureUnit: yuan/m²

Structure	Compensation rate										
	E'mei	Shawan	E'bian	Jinkouhe ⁷	Ganluo	Yuexi	Xide ⁸	Mianning	Xichang	Dechang	Miyi
Frame			1,400		1,045	1,040		1238	950~800		1,000
Concrete-brick	680~850	950	1,100		845	845~975		988	550~700	650~750	750
Brick-timber	600	750	900		455	455~585		591	270~400	500~650	500
Earth-timber	550	600	600~800		390	390		525	180~350	400~450	350
Shed	50~200		300		104	117		288	80~120	120	350

Source: CKRC and County PMO.

2) Ground attachment compensation

35. The ground attachments such as trees, fences, wells and tombs, etc. were evaluated and compensated according to the compensation rates which were made based on the replacement cost.

3) Other fees

In addition, the affected households could receive:

- a) Removal fee, normally including the cost of moving twice, for example, the removal fee in Xichang city was 400 yuan per capita and the removal fee in Dechang was 800 yuan per household. The removal fee in E'bian including not only the cost of moving, but also the insurance premium and charge for wage loss during the removal period, which was totally 630 yuan per capita.
- b) Transitional subsidy: the compensation rates of transitional subsidies were different from place to place, but all of them were calculated monthly and distributed in advance. There were mainly two kinds of compensation schemes: one was compensated according to the number of APs or household and the other was compensated according to the area of the affected houses. For transition period, cash compensation will be 3 to 6 months, and resettlement house by uniform planning and combined construction will be calculated from original house handing over to a month after relocation house delivery. For example, the transition subsidy in Xichang was 260 yuan per capita per month. In May 2017, Xichang city government issued an additional compensation document and the transition subsidy rose to 300 yuan per capita per month from the second month and lasted 11 months, then increased to 600 yuan per capita per month for the remainder of the transition period. Another example is in Ganluo, the transitional subsidy was 4 yuan/m²/month and calculated by the affected house area and the minimum subsidy was 300 yuan/month per household. If the total monthly subsidy was less than 300 yuan per household, the government would make up the gap.
- c) Rewards: there were many kinds of incentive fees during HD implementation which could make the total amount of HD compensation increased 10%–30%. For example, AHs could get 200 yuan/m² subsidy as rewards after house demolition which was about 24% of the house structure compensation rate.

⁷ Not received the feedback from the County PMOs yet.

⁸ Dido.

4.4.2 Rural HD resettlement

1) Cash compensation resettlement scheme

36. Cash compensation referred that local government will provide cash to displaced households directly. The displaced households can purchase the commercial apartments anywhere by themselves. The compensation base rates were appraised by the third party based on market price and agreed by local government.

2) Resettlement house by uniform planning and combined construction

37. There were two kinds of construction for the resettlement houses under this scheme: 1) combined construction in the original village or township. This referred that local Government will carry out site selection in the planning area of affected town, planning and design of relocation house uniformly, and then the town government, affected village and affected household will construct concentrated relocation house jointly. 2) uniform construction of resettlement houses in the city area. This referred that local Government will build the resettlement houses in the form of buildings and will not only used for only one project, but also for the resettlement of the nearby AHs for other projects. According to the interview, only one PIC used the second kind of scheme. As in Xichang, the affected area of Xichang station and resettlement site were included in the urban planning area. The resettlement houses will be built by Guozi Company which is the state-owned company of the local government uniformly.

3) Resettlement house by self-construction

38. The households who choose this option were also entitled to kinds of subsidies and support from the local government. For example, the AHs in Xichang city who choose this resettlement scheme could have the following entitlement:

- a) Three supplies and one levelling⁹ and public facilities of relocation site will be provided by the Government,
- b) The fees of planning, design, geological exploration and drawings review, etc. will be paid by the Government,
- c) Subsidy for construction cost: 20,000 yuan/person, and
- d) 5,000 yuan/person incentives for house construction if the house is constructed as the design.

39. During implementation, some of the additional subsidies have been rewarded to the APs, for example, in Dechang, the APs who choose self-construction and cash compensation have received additional 10,000 yuan per household and they could choose the new homestead by themselves and the relevant examination and approval procedures are handled with the help of the government. In Miyi, the homestead subsidy is 38000 yuan per capita.

4.5 Urban House Demolition Compensation Rates and Resettlement Schemes

40. Compensation for the urban house demolition on the state-owned land was according to the *Regulations on Housing Demolition and Compensation on State-owned Land (Decree No.590 of the State Council, 2011)* of the state and *Regulations on Housing Demolition and Compensation on State-owned Land of Sichuan Province (NO: SC122621,2015)* of Sichuan province and county level detailed rules for the LAR implementation and resettlement schemes for the Project.

⁹ Water supply, electricity supply, road supply and land levelling.

The APs of urban residential house demolition could choose cash compensation and resettlement housing scheme.

41. Among the Project, only two PICs have urban house demolition and one of them have completed which was Shawan District. According to the interview with the officer of Shangwan District PMO, after fully public participations of the APs about the resettlement schemes during the end of 2017, 100% of the APs choose Cash Compensation. The compensation rate is according to the market price of urban houses with property right certificate in the location nearby. The nearby house market price was 1,800 yuan/m² to 1,900 yuan/m². The compensation rate was 1,490 yuan/m² to 2,050 yuan/m² in different areas without decoration compensation. Additionally, there were rewards included in the compensation policy of this Project which could increase 20% to 30% of the compensation standard which was 1,788 yuan/m² to 2,655 yuan/m². The decoration compensation was from 400 yuan/m² to 700 yuan/m². The total compensation was 2,188 yuan/m² to 3,355 yuan/m² which was much higher than the market price of the nearby houses. The price of new house in better location was 3,000 yuan/m², some of the APs choose to move to better location and purchased new houses.

4.6 Enterprises demolition compensation rates and resettlement schemes

42. For the non-residential house demolition, the compensation including: 1) the compensation for the estate properties, such as lands, houses and unmoved ground attachments. 2) Compensation for machines and equipment which included the replacement price of non-transferable equipment and machines and the cost for relocation and reinstall of transferable equipment and machines which were assessed by the independent evaluation and assessment agency and consulted between the implementation agency and the APs. 3) the compensation for business losses due to production or business suspension which will be determined according to the actual conditions and the duration of shutdown generally include the actual business loss and the expected business loss and income loss of the employees. 4) the subsidies including removal subsidy¹⁰, temporary transition subsidy and relocation reward if the enterprise could finish remove on time. 5) Promote rewards, for example, in Shawan, APs who affected by non-residential HD could got 15% of the total compensation fee as rewards. Both 2 and 3 were decided on the basis of the assessment price conducted by independent assessment agency and the results of the negotiations between the two parties before the project implementation.

43. The resettlement schemes for employees were mainly depend on the actual situation. For the affected enterprises who relocated to other places to continue their business, the employees could continue their contract with the enterprise without compensation. For the enterprise shut down after the house demolition and terminated the contract with employees in advance, the employees could be compensated for the loss of their wages on the basis of the negotiation with the employer. The employees were also noticed the information of LAR in advance for the preparation of looking for new jobs. According to the interview with the Leshan City PMO, during the design and implementation, the HD of big enterprises with many employees should be avoid firstly through optimizing design measures. If HD impacts were unavoidable, they would notice the enterprise at least 6 months before HD and provided free job opportunities information and trainings to the employees and help them find new jobs.

¹⁰ The removal subsidy is calculated by considering transport distance, measurements and materials.

5 LAND ACQUISITION AND HOUSE DEMOLITION IMPACTS ANALYSIS

5.1 Land acquisition impacts and analysis

44. The total amount of collective-owned land acquisition area was about 13,025 mu, among which about 81% was farmland. The total number of APs was 22,086 in 184 affected villages of 50 affected townships. Please find details in Table 5-1.

Table 5-1: Collective-owned Land Acquisition Impacts and Implementation Progress

City/ Prefecture	County/ City/ District	No. of Town	No. of Village	Collective-owned Land Acquisition			LA Implemen- tation Progress
				Total	Farmland	No. APs	
				mu	mu	Person	
Leshan	E'mei	5	12	633.41	570.07	821	100%
	Shawan	3	8	228.72	222.00	402	100%
	E'bian	3	12	533.66	486.96	916	100%
Liangshan	Jinkouhe	1	4	194.00	139.00	369	100%
	Ganluo	5	21	824.45	780.00	696	Ongoing
	Yuxi	5	42	1,728.39	1381.46	12,462	Ongoing
	Xide	1	5	354	336.3	392	100%
	Mianning	4	11	616.00	212.72	1,274	100%
	Xichang	13	41	4,966.35	4,098.97	2,439	90%
	Dechang	6	19	1,834.49	1,445.95	1,314	100%
Panzhihua	Miyi	4	9	1,111.99	889.00	1001	100%
Total		50	184	13,025.46	10,562.43	22,086	77%

Source: CKRC and County PMOs.

45. According to the interview with the officer from CKRC and engineer from DI, as it was a railway line construction project, bridges and tunnels account for 70% of the total which didn't have so much LA. The mainly LA were focus on the sectional railway line component and station construction component. The land loss rate of the sectional railway line was very small, the main crops in the farmland before LA were corn and soybean with lower production. As the railway stations located in the suburban area and very near the city, the APs were not relied on the agriculture income anymore and the LA impacts on them were very small.

46. According to the interview with the officers from County PMOs, the social security of LEF was very popular in the suburban area or among the APs who have reached the retired age or near the age. For example, 100% of the APs in E'mei city whose average land area per capita was only 0.41 mu choose to purchase the social security of LEF once they received the compensation. But according to the willingness survey in Ganluo, only 10% of the APs willing to purchase the social security with part of the compensation, the left 90% prefer to get money.

47. The LA compensation of 3 PICs still not completed which may be one of unstable factors leading to a social conflict. The main reasons for the delay and uncomplete of the implementation according to the interview with the County PMOs was that the DMS for the line project was very complicated and was apt to arise ownership disputes which need resurvey until the confirmation of each party. And the compensation was distributed at the same time. For example, the DMS of LA impacts in Ganluo was started in October 2016 and only 90% of them have confirmed the results and signed the compensation agreements, the compensation will be distributed to all of the APs once compensation agreements signing completed. It is estimated to be completed at the beginning of February 2019.

5.2 Residential house demolition impacts

5.2.1 Rural house demolition

48. The total amount of rural residential house demolition area was about 642,676 m², among which about 36% were in frame and concrete-brick structure, 33% were brick-timber structure and 31% were in earth-timber structure. The total number of Aps was 11,564 in 2,891 HHs in 91 affected villages of 41 affected townships. According to the feedback from the County PMOs, the progress of HD and resettlement implementation was dynamic and as to the preparation of this report, only Miyi has finished the HD and completed the resettlement. Except for the two County PMOs of Jinkouhe and Xide for which information could not be obtained, all of the land for resettlement sites has been identified and most of the construction of resettlement houses is still ongoing. The information of LAR of resettlement sites were not obtained from the County PMOs as the information need to be collected from each township government and the officers from PMOs were busy conducting the LAR implementation works and didn't have enough time to collect further information. Except Xichang city, according to the field interview with the township government and city government in Xichang, the LAR of resettlement site has not finished yet. But all of the County PMOs who were interviewed could confirm that: 1) for houses paid at replacement cost, there was no deduction for depreciation; 2) all of the APs were given notice when there were delays in construction of relocation sites and transition subsidies were paid to AHs in advance according to the policy and doubled in the second year after HD; 3) AHs affected due to LAR of combined construction of sites will be compensated and resettled as same as the AHs of this project; 4) all of the compensation fees were paid to the AHs after they signed the HD compensation agreements before HD. Please find details in Table 5-2.

Table 5-2: Rural House Demolition Impacts and Implementation Progress

City/ Prefecture	County/ City/ District	No. of Town	No. of village	Rural Residential HD (Planned)		Rural Residential HD (Completed)		HD Resettlement Progress				
				No (m ²)	AH	No. (m ²)	AH	Option 1: Cash Compensation	Option 2: Uniform Construction		Option 3: Construction by Self	
									Land already identified (Yes/No)	Construction of new house (completed/ ongoing)	Land were already allocated (Yes/No)	Construction of new house (completed/ ongoing)
Leshan	E'mei	3	6	41,160	293	27,762	263	90%	N/A	N/A	N/A	N/A
	Shawan	3	9	17,592	96	17,592	96	100%	Yes	Ongoing	N/A	N/A
	E'bian	1	1	2,762	20	2,700	19	95%	N/A	N/A	N/A	N/A
Liangshan	Jinkouhe	1	1	6,030	34	6,030	34	100%	No feedback	No feedback	No feedback	No feedback
	Ganluo	4	7	9,441	66	3,822	33	50%	Yes	Ongoing	Yes	Ongoing
	Yuxi	2	7	37,650	619	32,379	530	86%	Yes	One township has finished, the other townships are ongoing	Not finished.	ongoing
	Xide	1	5	14,840	76	14,840	76	100%	No feedback	No feedback	No feedback	No feedback
	Mianning	4	9	54,711	240	48,784	214	89%	N/A	N/A	Yes	Ongoing
	Xichang	13	20	313,393	989	298,500	942	95%	Yes	Ongoing	Yes	Ongoing
	Dechang	5	17	102,301	366	102,301	366	100%	Yes	Ongoing	Yes	Ongoing
Panzhihua	Miyi	4	9	26,955	92	26,955	92	100%	Yes	Completed	Yes	Completed
Total		41	91	626,835	2,891	581,665	2,665					

Source: CKRC and County PMOs.

49. The average house area of AH was 218 m² per household. Among which, about 120 m² were main house in frame and concrete-brick structure, the others were subsidiary houses such as kitchen and storeroom etc. So, the main house area per capita was about 30 m². The provincial resettlement policy has the principle for the HD compensation and resettlement as the guidance for the local government to make detailed LAR implementation rules for their counties. 1) the house structure compensation standard should be made according to the replacement cost. 2) The resettlement house area after HD should not less than 30 m² per capita. The standards of resettlement house area of the PICs were higher, at least the same with the standard of the provincial level which was 30 m². For example, the resettlement house area in E'mei and Xichang was 50 m² per capita and 35 m² per capita in Shawan. 3) transition subsidy should double if the transition exceeded one year. According to the interview with APs and officers from PMO, the transition subsidies have been paid to the APs in advance for 12 to 18 months which were enough for the APs to rent houses nearby. And the subsidies standards doubled during the second year after house demolition agreement signing. 4) Additionally, according to the documents review and interview with County PMO, the compensation for the HD has been disturbed to the APs in full and the, the rewards, moving subsidy were almost 10% to 30% of the total house compensation.

50. The resettlement house construction progress was delayed in Xichang City. Resettlement site selection has been completed, but construction and the relocation of the APs will be postponed because the resettlement site has become part of the urban planning area and needs to be combined with resettlement building construction for the resettlement of persons affected by HD for another project. In that case, the transition period of the APs will also be extended. Additional consultations inform APs of these changes have been conducted.

5.2.2 Urban house demolition

51. The total amount of urban residential house demolition area was about 46980 m², among which about 88% were in frame and concrete-brick structure, 12% were brick-timber structure and earth-timber structure. The total number of Aps was 2,544 in 6,261 HHs in 3 affected neighborhood communities of 2 townships. Please find details in Table 5-3.

Table 5-3: Urban House Demolition Impacts and Implementation Progress

City/Prefecture	County/City/District	No. of Town	No. of Neighborhood Community	Urban Residential HD		Progress
				No (m ²)	AH	
Leshan	E'mei	1	1	23524	406	Ongoing
	Shawan	1	2	23456.14	230	100%
	E'bian	N/A	N/A	N/A	N/A	N/A
Liangshan	Jinkouhe	N/A	N/A	N/A	N/A	N/A
	Ganluo	N/A	N/A	N/A	N/A	N/A
	Yuxi	N/A	N/A	N/A	N/A	N/A
	Xide	N/A	N/A	N/A	N/A	N/A
	Mianning	N/A	N/A	N/A	N/A	N/A
	Xichang	N/A	N/A	N/A	N/A	N/A
	Dechang	N/A	N/A	N/A	N/A	N/A
Panzhihua	Miyi	N/A	N/A	N/A	N/A	N/A
Total		2	3	46,980.14	636	36%

Source: CKRC and County PMOs.

52. Among 636 AHs, 230 AHs belong to Shawan District and the implementation of HD of Shawan have been finished in 2018. All of the AHs were paid in full and 100% of the AHs choose cash compensation as HD resettlement scheme. The average house area of AH was about 100 m² per urban household. The compensation rate was totally was 2,188 yuan/m² to 3,355 yuan/m² including house structure compensation, decoration compensation and rewards. The compensate rate was much higher than the market price of the nearby houses. The price of new house in better location was 3,000 yuan/m², some of the APs choose to move to better location and purchased new houses. Additionally, AH also got transition subsidy which was 6 yuan/m²/month for 3 months and moving subsidy which was 20 yuan/m². According to the interview with the Shawan PMO, most of the AHs have bought new houses in two month and the transition subsidy and moving subsidy were enough for them to transition and relocation.

53. The other 406 AHs were located in Guihuaqiao township in E'mei City. The houses were the staff dormitory of the E'mei branch of China Railway Corporation (CRC). The E'mei PMO said that the DMS of the houses have not finished yet, they are planning to have further consulting with the CKRC, the E'mei branch and AHs about the house demolition compensation and resettlement scheme after the Chinese Spring Festival in 2019.

5.3 Non-residential house demolition impacts

54. Among the total 65 affected non-residential houses, about 22 have already stopped producing many years before because of the environment pollution issues and need transformation which didn't have employees. Among the left non-residential houses, 1 school and 1 big enterprise have confirmed to relocated to the new site and also do not have employee's resettlement issues.

City/ Prefecture	County/City/ District	No. of Town	Non-residential HD (Planned)			Non-residential HD (Completed)		Progress
			No (m ²)	Affected Number	Employee (Persons)	No (m ²)	Affected Number	
Leshan	E'mei	N/A	N/A	N/A		0	0	TBD ¹¹
	Shawan	2	68,651	10	3,500	0	0	Ongoing
	E'bian	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Liangshan	Jinkouhe	1	181	1	0	181	1	100%
	Ganluo	1	3,610	4	200	0	0	Ongoing
	Yuexi	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Xide	1	17,027	6	0	0	0	Ongoing
	Mianning	1	170,103	34	150	23,144	15	44%
	Xichang	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Dechang	1	47,211	7	78	0	0	Ongoing
Panzhihua	Miyi	1	2,965	3	15	2,965	3	100%
Total		8	309,750	65	3,943	26,290	19	29%

Source: CKRC and County PMO. As the independent compensation evaluation by the third parties have not finished, the planned affected area of the enterprises was estimated by the County PMO according to the early survey and will be updated after the evaluation.

¹¹ There were totally 11 enterprises in Guihuaqiao township in E'mei City maybe affected by HD of the Project. Further determination for the HD impacts will be consulted between the local government, railway company and DI recently. If no need to demolition, the HD impact could be avoided.

55. According to the interview with Mianning PMO, where the total number of affected enterprises was the biggest of all which was 34 enterprises, 15 of them have been compensated in full, most of them were mining enterprises and construction enterprises which were stopped for many years without employees. For the enterprises who were still operating now could get the compensation for business losses due to production or business suspension and subsidies for moving and relocation in cash, the PMO also coordinated with the local government to support the enterprise handle the business procedures in new site. The PMO officer said they have noticed the employer and employees of enterprises 6 months before HD and as most of the employee were skilled workers and they could find new jobs nearby in a very short period. for the unskilled workers, they have provided free trainings and job opportunities information to them the help them find new jobs.

6 LAND ACQUISITION AND RESETTLEMENT IMPLEMENTATION

6.1 Implementation progress of land acquisition and resettlement activities

56. As the construction started at different time in the PICs and the actual start-up date of LAR implementation of each PIC is different. Most of them are started in April 2016. The local government of PICs have officially posted the notice of LAR and resettlement policies on the government website and also posted in the affected counties and village/neighborhood community. Please find the sample of notices in Figure 6-1.

- Cut-off date: July 2015
- Notice of Land Acquisition: Jan to April 2016
- The started-up meeting of LAR was held at the same time of the notice of LA in early 2016 in each PIC, the participants including the representatives of the villagers, leader of village committee, township government, County PMO, officers from Land Resource Bureau, the land acquisition and demolition headquarter and etc.
- Detailed measurement survey (DMS): Jan to April 2016. DMS for both LA and HD were conducted by independent survey institutes, the DMS of LA was conducted by Sichuan Xichang Panxi Geological Survey Institute (Panxi GSI), and DMS for HD was conducted by Sichuan Province Geological Survey Institute (Sichuan GSI).
- Notice of Land Acquisition and House Demolition Compensation and Resettlement Plan: 2016 to 2017
- Signed Land Acquisition Compensation Agreement: 2016 to now
- Signed House Demolition Compensation and Resettlement Agreement: 2017 to now
- Payment of Compensation □ 2016 to now

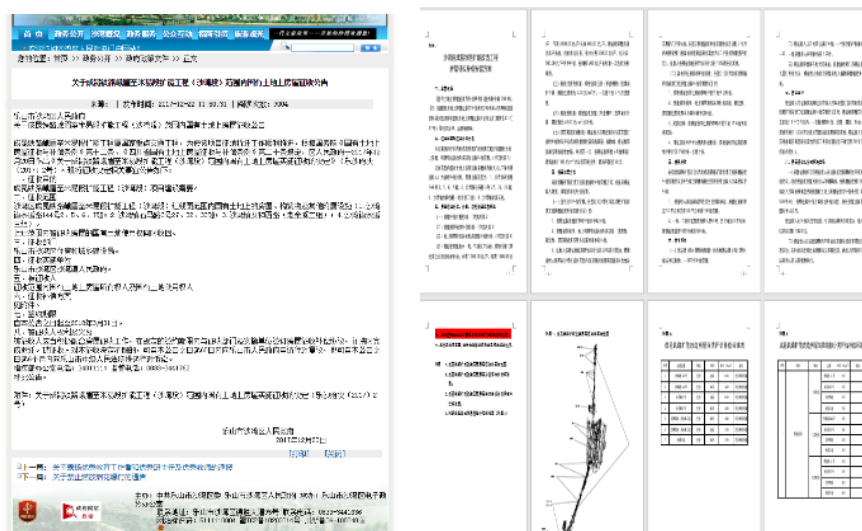


Figure 6-1 The notice of urban house demolition for the Project in Shawan District in Leshan City by the local government in December 2017 (left) The compensation and resettlement plan of urban house demolition for the Project in Shawan District in Leshan City (right)

6.2 Public Participation and Grievance Redress

57. According to the state, provincial, and municipal policies and regulations on land acquisition and resettlement, it is necessary to conduct public consultations at the preparation and implementation stages of the project in order to protect the lawful rights and interests of the affected persons and reduce grievances and disputes.

58. The compensation rates, resettlement schemes, and compensation distribution program of the APs have been determined through repeated consultations, and the land acquisition compensation has been paid fully to the affected households in a timely manner. Due to adequate and careful planning and public participation, no grievances from the affected persons have been received by the project management. The compensation rates and resettlement program comply with the applicable state and provincial regulations and policies, and ADB's involuntary resettlement safeguard policy principles.

59. A sound grievance redress mechanism has been established during resettlement implementation, where villagers may lodge their grievances and obtain relief. Appeals to the village committee/township government/ contractors/ County PMO were the primary channel of grievance redress, and Land Resource Bureau for Letters and Visits. The APs may file appeal about any aspect of resettlement, including compensation rates. The above grievance redress mechanism has been communicated to the APs. They know their right to appeal. In addition, the appeal process was published to the affected population on mass media. Especially during implementation period, contractors also have special department to responsible for the collective of grievance redress and cooperation with the LAR implementation of the local government. Including the resettlement polices propaganda, resettlement plan consulting and DMS confirmation. If the grievance was about the construction impacts, the contractors will feedback and processing quickly to solve the problems. If they it was not in their responsibilities, they will transfer the information to the local government in time.

60. In practice, the grievance redress mechanism was in place and the APs have been properly informed, the APs were noticed fully about their entitlement and their grievances were considered by the local government and feedback in time. As of December 2018, for the LAR where have been completed¹², since the compensation rates of LA and HD comply with the applicable regulations and policies, and the compensation has been paid fully and timely, the APs are highly satisfied, and there has been no grievance regarding land acquisition and compensation. For the LAR which have not completed¹³, the main complaints are focused on the unpaid LA compensation in Ganluo, Yuexi and Xichang, and slow progress of resettlement housing construction in Xichang. It could be confirmed that project team has fully understood the issues of complaints focused on unpaid compensation in several project areas where LAR is ongoing. According to the interview with the officer in the Yuexi PMO and Ganluo PMO, the final confirmation of the DMS results will be finished in February 2019 and the LA agreement signing will also completed at that month, then the LA compensation will be distributed to the APs immediately. The Xichang PMO said the application for the payment of the remaining resettlement to the APs prepared by the Coordination Office has been approved by the government orally, pending the official approval from the mayor. Once it is approved, the township government should pay the resettlement funds immediately. The construction of resettlement housing in Xichang will be started in April 2019 and estimated to be completed in 2022. The draft resettlement building design will be completed in Feb 2019, and participation and consultation with APs will be conducted from February to March 2019. The APs have been noticed that the transition subsidy will be paid until relocation complete.

6.3 Interview record with stakeholders in Sample PIC

E'mei PMO interview

Date: *Morning of December 4, 2018 and morning of December 13, 2018*

Interview Method: *phone call and site visit*

Participants: *ADB consultant, CKRC officers (3 persons), Mr. Li from County PMO*

Summary:

LAR status: *E'mei section of the project involves 5 townships (i.e. Shengli Town, Guanghuaqiao Town, Jiuli Town, Ledu Town and Longmen Town), 11 villages, 35 village groups and 1 community. The total area of land acquisition is 633.41 mu of collective land, of which 90% is farmland, the number of APs is 821; 263 households will be affected by house demolition and resettlement within the project boundaries, and 30 households beyond the project boundaries, mainly distributed at both sides of the railway, impacts on those APs can't be mitigated through engineering measures as the roads for production and living will be intercepted or there will be impacts from environmental protection works, thus they have been included into the LA&R scope after agreements reached among the project owner, design institute, supervision company, construction contractor, local government and the affected persons. House demolition and relocation on state-owned land will all happen in Guanghuaqiao Town, with 406 buildings affected (looking at the house numbers, there could be 2~3 households per building), those are the houses*

¹² 90% of the LA has been finished. Among them 8 out of 11 PICs have finished, such as E'mei, Shawan and E'bian in Leshan city, Jinkouhe, Xide, Mianning and Dechang in Liangshan prefecture, Miyi in Panzhihua city. For the residential HD, only Miyi County, Jinkouhe and Shawan District have totally completed the residential HD and compensated the APs fully. For the non-residential HD, 7 out of 11 PICs have this type of impacts. Among them, the HD of 2 PICs (Jinkouhe and Miyi) has been completed. Please find details in Section 1.4 and Table 1-2.

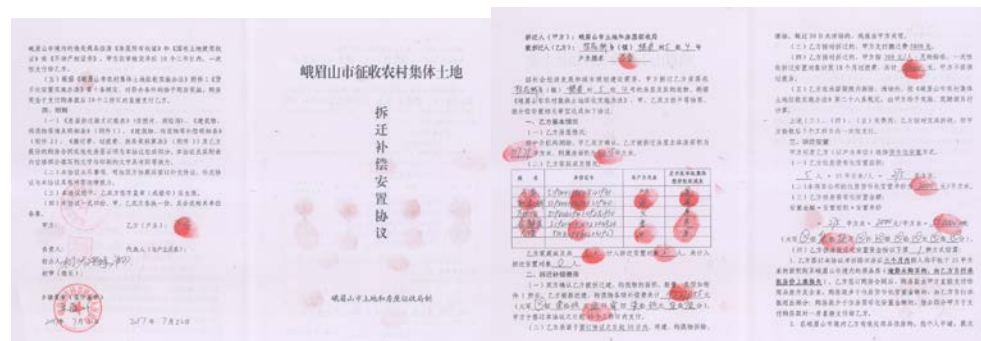
¹³ The same as footnote 12.

of the staff live on the sides of the railway. In addition, 27 shops and 12 enterprises need to be resettled. Estimated building area is 4,000 m² on a land area of 40,000 m². The scope of house demolition and relocation needs to be further confirmed by the DI, for example partial demolition or entire building demolition; if major production facilities will be affected, demolition and resettlement must be conducted; if partially affected, engineering mitigation measures will be considered to avoid demolition where possible. The assessment company also conducted the assessment on the resettlement and compensation for affected enterprises, including: a. immovable properties of the enterprises (land and house); b. equipment and facilities, including value of equipment and facilities and relocation costs; c. losses of shutting down business and production, including business loss, compensation of salary for employees, and compensation for restoration of production, etc.

Important timeline: the acquisition of collective land started in 2015, the cut-off date was announced in early 2016, the compensation was completed in early 2017; house demolition on collective land within the project boundaries started in April 2017, the compensation was completed in October 2018. The 30 households outside of the project boundaries are planned for demolition, but the detailed measurement survey and signing of compensation agreement are not carried out yet. The house demolition on state-owned land is not started, house measurement and property right verification is to be started, the compensation plan is under negotiation process, the completion is expected by 2019.

Resettlement policies and implementation: in the entire E'mei City, the per capita farmland is 0.41mu. 60% of the farmers are doing businesses such as construction, catering and transportation, the aged people are doing the farming. 1) the land acquisition compensation standard is as per the EMG (2013) No. 11 documents issued by the city government in 2013, i.e. LA compensation is 10 times of the annual product value, resettlement subsidy is 18.9 times of the value according to calculations, therefore the total LA compensation will be 28.9 times of the annual production value. The main resettlement mode will be to include them into social security of LEFs. The LA compensation fee will be directly allocated and used to buy social security of LEFs; the compensation of young crops and ground attachments will be paid directly to the APs; for the collective land not contracted to the households, the land compensation and young crops compensation will be paid to the village collective who will discuss the allocation plan through villagers' congress and finalize the plan after consent by 2/3 of the villager representatives. 2) rural house demolition and resettlement will be implemented according to EMG (2017) No. 12 Document issued by the city government in March 2017, i.e. provision of three kinds of resettlement methods: cash compensation, forward delivery housing and self-construction on allocated plot. All three resettlement methods are based on full replacement costs. Those who choose cash compensation and forward delivery housing are entitled to house purchasing subsidy of 55m² per person at market prices. For example, a household with 5 persons was resettled in June 2017, their affected house was 157 m², the demolition compensation was 195,000 yuan, i.e. 1,242 yuan/m², this household chose cash compensation, and they got the house purchasing subsidy for 275 m², the price of the commercial housing at that time was 2,000 yuan/m², therefore they could get house purchasing subsidy of 550,000 yuan, in addition there were relocation fee, incentive reward and transition subsidy adding up to 65,000 yuan, the total compensation they received was around 810,000 yuan. This household purchased two commercial apartments with 100 m² each, it was 400,000 yuan for the cost of the new houses at the price of 2,000 yuan/m², they got left of 410,000 yuan, some of which was used for decoration, some was deposited, and some to do business. Therefore, all affected households of the project chose cash compensation.

3) the house demolition on state-owned land will be implemented according to the EMG (2012) No. 10 Document issued by the city government in 2012, i.e. compensation price based on market evaluation, in case of objection, request for re-evaluation can be made to relevant government agencies, the costs for assessment will be borne by the government. In addition, there will also be moving subsidy, transition fee and compensation of shutting-down business and production.



Grievance and redress channels: during implementation, the APs can file any complaint to local government, all concerned parties (including village cadres) would go on site to resolve the issue. For example, there was intersection angles between this railway and the existing railway with high fill, which affected the production and living of the nearby residents, the villagers raised this issue, the solution is to first take engineering measures or other means to resolve, if not ok, negotiations would be held with the villagers to include such case into the scope of house demolition and resettlement on a voluntary basis, compensation and resettlement would be implemented according to the same policies. Similar cases would be handled in a unified manner, usually a meeting for a township, meeting minutes would be prepared and kept by the local government.

Affected households' interview

Date: afternoon of December 13, 2018

Interview place: Wangjia Village, Jiuli Town and E'meishan City

Participants: ADB consultant, CKRC officers (3 persons), Mr. Li from County PMO, Office Director of Jiuli Town, Mr. Yu, Village Head of Wangjia Village, Mr. Li, Village Group Leader of No.7 Group; AP representatives: Ms. Fang, Ms. Wang, Mr. Zhang and Mr. Li.

Summary

Overview of the Township: Jiuli Town administers 1 community, 15 administrative villages, 103 village groups, with a population of 31,847, including non-agricultural population of 12,805, agricultural population of 19,042, labor of 13,580. It's adjacent to E'meishan City, its economic development relies on industry, there are about 140 enterprises, thousands of people are employed at those enterprises. Sesame seed candy processing is a local feature. Locally, many people are doing logistics related works, such as driving trucks. Many are self-employed, except for those work part-time jobs such as construction worker. The project involves 3 villages in Jiuli Town, including Wangjia Village, including 302mu of land acquisition, all being farmland; house demolition of 145 households and 1 collective owned building (Elderly Activity Center). After resettlement, about 80% of the AHs went to E'meishan City to purchase housing, some purchased housing in the nearby townships such as Guanghuaqiao Town; there is also a few who constructed houses on their own.

LAR process: FSR stage was every early, before 2015, when initial land acquisition survey was conducted, along with publicity on LAR compensation policies. The LA officially started in 2016, LA announcement was posted at the village, followed by DMS and villagers signing to endorse the announcement, completion was in end 2016.

Resettlement policies and implementation: compensation agreements were signed with village groups, land compensation and resettlement subsidy are used to pay for social insurance, the list of insured people were decided by village group meeting. Social insurances costs for one person is around 138,000, including self-contribution and government contribution. The land acquisition per household is small as the per-capita farmland is little, therefore the land compensation is not enough even for the self-contribution part, the remaining part is all covered by the government, basically all affected villagers are included into social insurance coverage. For example, No. 7 group has a population of 86 people, land area prior to land acquisition was 31.6 mu, per capita farmland was 0.37 mu, area of land acquisition was 13.96 mu, number of APs resettled was 37. Mr. Li, the group leader, has 1 mu, of which 0.37mu was acquired, which means 1 person of the household could be insured, they decided for the wife to the person, 51 years old, reached retiring age, now she is entitled to 990 yuan/month of pension.

Mr. Zhang' family has 3 people, his son is working in E'mei as a technical worker, with 8,000 yuan/month of salary; Mr. Zhang himself is doing construction works in E'mei, earning 200 yuan/day. His wife is the cook of Chengdu-Kunming Project, month wage is 3,000 yuan. The compensation fee was paid one month after signing the compensation agreement.

Ms. Fang, Chairwomen of the Women's Federation, considers the public participation is very adequate. Prior to LA&R, meetings were held both at the village and village group levels to inform the policies. The meeting contents included: a. compensation standards; b. allocation plan; c. means for determining the list of people to be insured (such as drawing lot for collective land, and prioritization based on area of land loss for contracted land). Numerous meetings were held. The final implementation complied with the policies and agreed compensation agreements, no complaints were filed. Agreements were all signed by the heads of the households, except when the head was not available where other family members signed on behalf. Pension money was wired to personal bank accounts of the APs. Use of land compensation was based on joint discussion of the whole family. After signing the compensation agreements, the AHs would firstly choose the housing and sign purchase agreements with the developers, then portion of the compensation fee for purchasing the housing would be disbursed directly to the developers by PMO, the remaining compensation fee would be disbursed to the AHs' bank account. In case the AH already purchased house prior to resettlement, they can withdraw all compensation fee with the house purchase agreement. Such arrangement is very good, as some villagers would spend all the money after receiving the compensation fee, and would end up with no income source.

Mr. Li, AH: a family of 3, their house was 500 m², compensation agreement was signed on June 29, 2017, the received compensation of about 700,000 yuan, they already purchased house prior to LAR. With the property ownership certificate, the PMO directly disbursed the compensation fee to their person bank account. Even if transition was not needed, transition fee was provided. Mr. Li himself engages in road freight, in his opinion, the new railway wouldn't affect local freight, it would only make the transportation more convenient, and facilitate local economic development. The publicity on compensation policies was adequate, the compensation was fully made. No LAR was allowed if the AHs were not fully compensated.

6.4 Remain issues

61. The Project was expected to be completed in 2022 and there are still some LAR need to be completed as soon as possible, it is estimated that the LAR implementation should be completed before the end of 2019. Please find in Table 6-1.

Table 6-1: Remain Issues and Estimated Timeline of Each PIC

Name of PIC	LAR need to be completed	Estimated Timeline
E'mei	About 30 rural residential house demolition compensation and resettlement. The AHs were newly added HD impacts during project implementation. The roads of the HHs were cut off by the project and they couldn't go out. After the "five parties" confirmation through meetings, they were listed as the HD APs. About 406 urban residential house demolition compensation and resettlement. 11 enterprises HD impacts need further determination.	By the end of 2019
Shawan	The HD compensation evaluation of 10 enterprises by the third party have not finished, the compensation and resettlement plans were under consulting with the APs and local government.	
E'bian	There is only 1 AH has not signed the HD compensation agreement. There are 3 family members in the AH, two elderly people and their daughter. As the daughter is working outside and not at home, her parents want to wait until their daughter came back home, then discuss about the compensation and resettlement with her before signing the agreement.	
Jinkouhe	None	
Ganluo	90% of LA DMS results have been confirmed. LA compensation has not distributed. 33 rural households HD have not finished. The HD compensation evaluation of 4 enterprises have not finished.	
Yuxi	90% of LA DMS results have been confirmed. LA compensation has not distributed. 89 rural households HD have not finished.	
Xide	The HD compensation evaluation of 6 enterprises have not finished. All of them have been stopped for many years and the compensation and resettlement plan were under consulting between the APs and local government.	
Mianning	26 rural households HD have not finished. The HD compensation evaluation of 19 enterprises have not finished.	
Xichang	The remaining LA compensation have not distributed to the APs. 47 rural households HD have not finished. The construction of resettlement houses for the AHs in two villages have not finished.	
Dechang	The HD compensation evaluation of 7 enterprises by the third party have not finished, the compensation and resettlement plans were under consulting with the APs and local government.	
Miyi	None	

Source: CKRC and County PMOs.

7 CONCLUSIONS AND FURTHER ACTIONS

7.1 Conclusion

62. Up to now, the LAR implementation of the Project have not finished yet. For the part which has been completed, compensation for land acquisition and house demolition have been paid to the affected households, farm and enterprise timely and in full. The compensation rates, resettlement program, and compensation distribution program have been determined through repeated consultations. As a result, there has been no complaint to the grievance redress mechanism. The compensation rates and resettlement program comply with the applicable state and provincial regulations and policies, and ADB's involuntary resettlement safeguard principles. For APs who were interviewed, they are satisfied with the resettlement policies, and their income has risen, demonstrating that the resettlement program of the proposed plan has been effective. Through field investigation, interviews, FGDs and literature review, it is thought that:

- The LAR of the Project was conducted strictly in accordance with relevant resettlement policies and regulations of the PRC, Sichuan Provincial Government and City Government. According to the state, provincial and city level resettlement policies, each PIC Government has issued their own Implementation Details, Compensation Standards and Implementation Programs.
- The compensation rate of LA was conducted strictly in accordance with resettlement policy of Sichuan Province, the AAOV of project villages varies from place to place. The standards were uniform released by the local government after measurement and hearing. The total LA compensation was from 16 times to 28.9 times of AAOV.
- Except the main resettlement measures for LA which were cash compensation and social security of LEFs, skill trainings and job opportunities information were also provided to the APs for free as another resettlement measures and is still ongoing now. For example, Xichang City carries out free skills training for LEFs and the number of participants reached 200, including electricians, cooks and housekeepers. And special job fairs were organized for the LEFs, it was reported 112 people reached employment intention in a job fair in June 2018, and the LEFs were satisfied with the wages. It also provides temporary employment opportunities for the affected persons during the construction period.
- The Implementation Details, Compensation Standards and Implementation Programs of HD in each PIC was conducted strictly in accordance with principles in resettlement policy of Sichuan Province, 1) the standards of resettlement house area of the PICs were higher, at least the same with the standard of the provincial level which was 30 m². 2) All of the HD compensation and reward have been paid to the APs soon after the HD agreements were signed and the APs were relocated. 3) The transition subsidy with at least 12 months was paid to the APs before HD, and is enough for the APs to rent houses for transition. 4) The resettlement site for self-constructed resettlement houses were uniform selected and planned in accordance with relevant policies and planning requirements with the support of the local government.
- According to the interview with the officers from PMOs, the vulnerable households among the APs have been provided with additional vulnerability allowance by the local government before the project, such as subsidies for Minimum Living Standards (MLS) and subsidies for disabled person, etc. During the project implementation, they could

keep enjoying the subsidies. For the HD APs, there was an additional allowance for the vulnerable households. For example, in Shawan District, the affected urban households whose house area were lower than 50 m² could get the same compensation equivalent to 50 m² of for the same evaluation price. That means, if the original house area of one AH was 40 m² and the evaluation price of the house was 2,000 yuan/ m², the AH have got totally 100,000 yuan for the compensation, the additional 20,000 yuan compensation will be the subsidy for the household and paid by the local government. But none of the PMOs have the specialized statistics and documentation of the information, such as the number of AHs.

- The completed LAR have strictly obeyed the related policies and have fully public participants. According to the interview with the APs in Jiuli township in E'meishan City, APs who have already enjoy the social security now were very satisfied with the resettlement scheme. APs who have received cash compensation for HD have bought new houses nearby.
- During resettlement implementation, each City Government formulated the detailed LAR implementing schemes including establishment of resettlement organizations. Most of the resettlement organizations are well staffed and equipped with clear responsibilities. Their staff members are familiar with LA operations and policies, have rich experience in LAR, and are able to perform their duties properly. Only one County PMO capacity need to be strengthened.

63. For the LAR which have not completed, the main reasons are: 1) Although DMS have been finished by the survey institutions but the results are still under confirmation and the LA compensation agreements have not finished and distribution of compensation fee for LA have not finished, such as Ganluo and Yuexi; 2) DMS have not finished and the consulting for compensation rate and resettlement programs are ongoing, such as most of the uncompleted enterprises; 3) the implementation was suspended because of the policy changed. Such as the remaining compensation fee issues in Xichang.

7.2 Suggestions

64. Confirmation of the DMS results in Yuexi and Ganluo should be completed as soon as possible or at least to carry out the compensation agreement signing and distribution of compensation for the APs who's DMS results have been confirmed firstly. According to the interview with the officer from County PMOs, the compensation agreement signing will be completed around Chinese Spring Festival and the compensation will be distributed to the APs immediately after that. As the DMS was started in Oct 2016 and it is almost two years since then, the agriculture production maybe affected and the loss should be evaluated and compensation should be considered if needed.

65. The left houses of 406 AHs located in Guihuaqiao township in E'mei City were the staff dormitory of the E'mei branch of China Railway Corporation (CRC). The E'mei PMO said that the DMS of the houses have not finished yet, they are planning to have further consulting with the CKRC, the E'mei branch of CRC and AHs about the house demolition compensation and resettlement scheme after the Chinese Spring Festival in 2019. As there are also 11 enterprises in the project area and 10 of them are belonged to CRC, the house demolition resettlement schemes should also be considered to associated with the relocation plan of the enterprises if after consulting, the enterprises HD were unavoidable.

66. The construction of resettlement houses which are ongoing now in Shawan, Ganluo, Yuexi, Dechang and Xichang should be completed as soon as possible and full transition subsidies should be paid to the AHs in time. Some of the APs have already rented houses for the transition for more than one year, for example, in Xichang County. It is advised to conduct regular monitoring by the local government of PICs on the living conditions of the APs and the construction process of the resettlement buildings and transition support such as training or employment opportunities for the APs in order to keep their income and livelihood sources stable.

67. Further public participation and consultation on the implementation rules of Social Security of LEF need to be conducted with the APs after the new implementation rules completed.

68. Strengthen public participation and consultation at the resettlement building design stage with the APs, incorporate their opinions into the design, and prepare an allocation program of resettlement houses.

69. It is suggested to arrange a resettlement monitoring specialist for the monitoring of the further actions implementation and assist the PMO and IA for the implementation of the uncompleted LAR to compliance with ADB SPS. As per ADB requirement, the China Railway Corporation (CRC) was expected to prepare semi-annual monitoring report and submit to ADB during the implementation period. The next monitoring report is suggested to be conducted in August 2019.

70. Strengthen the institution capacity of Yuexi PMO which has less experiences in LAR before through visiting and learning from the completed project counties and conducting trainings for the staff by the City PMO and CKRC.

Table 7-1: Required Activities of Responsible Agency and Timeline

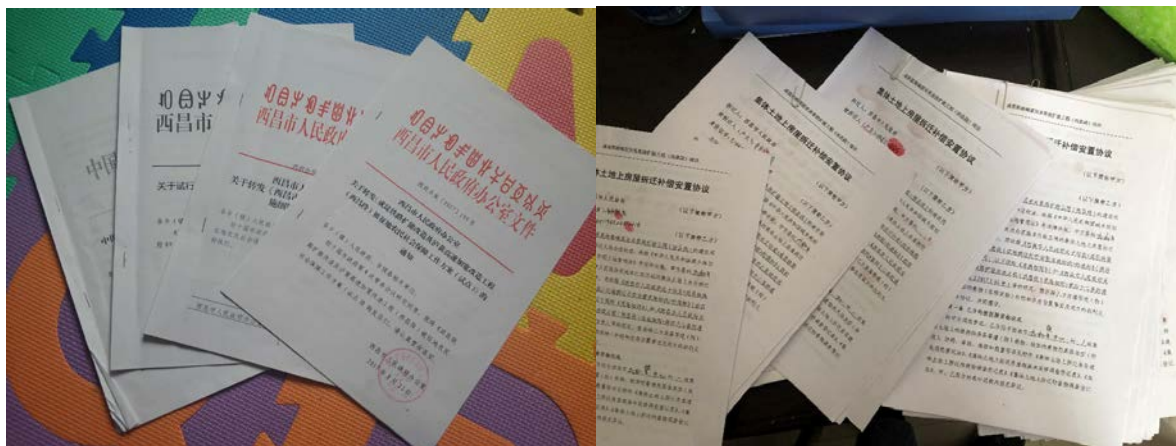
County/ City/District	Required Activities	Timeline	Responsible Agency
E'mei	<ul style="list-style-type: none"> Further consulting with about the compensation and resettlement scheme of 406 urban house demolition and 11 enterprises with the CKRC, the E'mei branch of CRC and AHs. Complete the LAR implementation. 	<ul style="list-style-type: none"> March to April 2019 By the end of 2019 	County PMO,
Shawan	<ul style="list-style-type: none"> The construction of resettlement houses should be completed as soon as possible. Transition subsidies should be paid to the AHs in time. 	<ul style="list-style-type: none"> During project implementation 	County PMO and local government of PIC
E'bian	Complete the LAR implementation.	By the end of 2019	County PMO and local government of PIC
Jinkouhe	N/A	N/A	N/A
Ganluo	<ul style="list-style-type: none"> Confirmation of the DMS results Carry out the compensation agreement signing and distribution of compensation for the APs whose DMS results have been confirmed The construction of resettlement houses should be completed as soon as possible. Transition subsidies should be paid to the AHs in time. 	<ul style="list-style-type: none"> March to April 2019 By the end of 2019 During project implementation 	County PMO and local government of PIC

County/ City/District	Required Activities	Timeline	Responsible Agency
Yuxi	<ul style="list-style-type: none"> ● Confirmation of the DMS results ● Carry out the compensation agreement signing and distribution of compensation for the APs whose DMS results have been confirmed ● The construction of resettlement houses should be completed as soon as possible. ● Transition subsidies should be paid to the AHs in time. ● Strengthen the institutional capacity of Yuxi PMO through visiting and learning from the completed project counties and conducting trainings for the staff by the City PMO and CKRC 	<ul style="list-style-type: none"> ● March to April 2019 ● By the end of 2019 ● During project implementation ● During project implementation 	County PMO and local government of PIC
Xide	<ul style="list-style-type: none"> ● Complete the LAR implementation. 	By the end of 2019	County PMO and local government of PIC
Mianning	<ul style="list-style-type: none"> ● Complete the LAR implementation. 	By the end of 2019	County PMO and local government of PIC
Xichang	<ul style="list-style-type: none"> ● The construction of resettlement houses should be completed as soon as possible. ● Transition subsidies should be paid to the AHs in time. 	<ul style="list-style-type: none"> ● During project implementation 	County PMO and local government of PIC
Dechang	<ul style="list-style-type: none"> ● The construction of resettlement houses should be completed as soon as possible. ● Transition subsidies should be paid to the AHs in time. 	<ul style="list-style-type: none"> ● During project implementation 	County PMO and local government of PIC
Miyi	N/A	N/A	N/A

Source: Source: CKRC and County PMOs.

APPENDIX 1: DOCUMENTS REVIEWED

Please find the sample policy documents of the PIC issued by the local government and compensation agreements samples as below:



APPENDIX 2: LIST OF KEY PERSONS CONTACTED AND MET

Name	Agency	Address
Mr Li	County PMO	E'mei
Mr. Yu	Township government	Jiuli Town in E'mei
Mr. Li	Village Head of Wangjia Village	Jiuli Town in E'mei
Mr Li	Village Group Leader of No.7 Group	Jiuli Town in E'mei
Ms. Fang, Ms. Wang, Mr. Zhang and Mr. Li.	AP representatives	Jiuli Town in E'mei
Mr Zhou	County PMO	Ganluo
Wang xi	County PMO	Yuexi
Luofen	County PMO	Xichang
Mr Luo	County PMO	Xichang
Chen Shengbiao	CKRC	Xichang
Mr Wu	Social Security Bureau	Xichang
Mr Wang and Mr Lan	Land Resource Bureau	Xichang
Mr Wang	Planning Bureau	
Zhang lai	Township government	Mianshan township in Xide County
Qiao Shengzhi	County PMO	E'bian
Yuebin	County PMO	Miyi
Lingli	County PMO	Mianning
Gongping	County PMO	Shawan
Mr Xu	County PMO	Dechang
Lv Kangzhen	CKRC	Chengdu
Mr Zhou	CKRC	Leshan and E'mei