Resettlement Planning Document

Resettlement Plan
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Wulanhada Dyke Subproject on the Taoer River in Xingan League, Inner Mongolia Autonomous Region

Under

People’s Republic of China: Songhua River Flood Management Sector Project

Prepared by Water Resources Bureau of Wulanhaote Municipality and Inner Mongolia Autonomous Region Institute of Survey and Design for Water Resources and Hydropower

The resettlement plan 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.
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Endorsement Letter

Wulanhada Dyke Project on the Taoer River of Wulanhaote Municipality (midterm adjusted subproject) under Inner Mongolia ADB Loan Songhua River Flood Management Project is a project financed by the loan that the People’s Government of Wulanhaote Municipality has requested from ADB through the State Development and Reform Commission and the Ministry of Finance. The implementation of the project was approved by the Development and Reform Commission of Inner Mongolia Autonomous Region and the Department of Water Resources of Inner Mongolia Autonomous Region with "The Reply to the Preliminary Design of Wulanhada Dyke Project on the Taoer River of Wulanhaote Municipality (midterm adjusted subproject)" under Inner Mongolia ADB Loan Songhua River Flood Management Project( Neifagainong No.2722[2008]). The Construction of the project is expected to commence on March 15, 2009 with a construction period of 1 year.

The People’s Government of Wulanhaote Municipality authorizes that the Construction Headquarter for Wulanhada Dyke Project is in charge of the construction management of the project. The Land Acquisition and Removal Office under the headquarters is responsible for the relevant land acquisition, removal and resettlement. The Resettlement Plan was formulated in compliance with the Involuntary Resettlement Policy of ADB and relevant laws and regulations of the People’s of Republic of China as well as the locality of the project and on the basis of sufficient discussion with the individuals and units involved and their concurrence. It is the fundamental reference for the land acquisition and compensation for relocatees during implementation of the project and includes practical extra measures and arrangements for implementation and monitoring.

The People’s Government of Wulanhaote Municipality hereby guarantees to strictly and effectively supervise the land acquisition and resettlement, to use the funds according to relevant policies, to smoothly carry out removal and to implement the Resettlement Plan as planned.

The People’s Government of Wulanhaote Municipality

Deputy Mayor: Zhou Wenfeng
March 3, 2009
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Definitions of objectives and terms of the Resettlement Plan:

The Resettlement Plan (RP) is formulated according to the related laws and regulations of the People’s Republic of China and Local Governments and the Involuntary Resettlement Policy of ADB. The objectives of this document is to provide a resettlement and recovery action plan for the impacted individuals in order to guarantee that they can benefit from the project and their living standards can be improved or at least that their living standard can be recovered after the project implementation.

During implementation and the acquisition of land or other properties, the project will induce negative impacts to the local people who are working on the land or rely on the land for their living. “Persons impacted by the project” are those whose living or production are negatively impacted by the land acquisition and demolition. They include:

1. The persons whose land (including housing land, public facility land, agricultural and construction land), buildings (including private houses and affiliated buildings, enterprise’s factory houses and public buildings and etc.), rights and interests or other properties are partly or totally, temporarily or permanently acquired.
2. The individuals who use the above mentioned land, buildings or properties or the persons whose business, employment, jobs, dwells, or living customs are negatively impacted.
3. The individuals whose living standard is impacted negatively due to the land acquisition and resettlement.

Definition of “Persons Impacted by the Project”

The “Persons Impacted by the Project” are those whose living standard is or will be impacted negatively by the project; or those whose any house possession, right and interest, land (including house land, farmland) or other movable properties or immovable properties are partly or totally, temporarily or permanently acquired; or those whose business, employment, jobs, dwells, or living customs are negatively impacted.

The “Persons impacted by the Project” can be individuals or legal persons such as enterprises and public organizations. The definition of “Persons Impacted by the Project” and the related compensation fee can not be limited by the legal registration, permission or business in the impacted area. It should include the persons who do not have the legal residential statues in the impacted area.

Therefore, no matter what kinds of situations of their properties, land or positions, all impacted persons should be treated as the impacted persons. If it is not limited to only one person or one household to receive the compensation for land or property acquisition, they should be compensated or recovered according the degree of damage, right and interests, and living standard. Under the condition with considering the legal right and interest, the definition of “Persons Impacted by the Project” has direct relation with the negative impacts of the project.

All persons impacted by project should be compensated in order to improve or at least recover to their original living standard. The damaged or lost properties should be compensated. The loss of property should be compensated according to the repurchasing price. Not reduction or discount is permitted under the pretext of depreciation or other reasons. All persons impacted by the project should benefit from the project implementation. Besides property loss compensation, subsidies should be provided to recover the loss. For those individuals among those persons impacted by the project, who occupy land without legal permission, build house without legal permission, dwell without certificates, do business without certificates, they should be treated as the same as those who have legal statues, legal dwelling right and business permission. They have the right to recover to their original living standard and receive compensations.
Definition of “Resettlement”

“Resettlement” refers to the arrangement of production and living to the persons impacted by the project and to benefit them from the project. It includes:

1. Relocating the living sites;
2. Helping the impacted persons to find new employments;
3. Recovering or compensating the impacted land, working site, trees, or basic facilities;
4. Recovering the living standard of impacted persons due to land acquisition and demolition;
5. Recovering and compensating the individuals and public enterprises impacted by the project;
6. Recovering the cultural or public site properties impacted by the project.

Definition of “Recovery”

The “Recovery” means that the production capacity of the persons impacted by the project is recovered, or their living standard is increased or at least is kept at the level of before the project implementation. The objective of “Resettlement Plan is to provide a resettlement recovering plan to make persons impacted by the project receive their compensation for their losses and to improve or at least maintain their living standard the same as that before the project implementation. In order to achieve this objective, this Resettlement Plan provides the recovering measures to make the impacted persons recover their incomes and maintain their livings. In the same way, other impacted assets, public properties, basic facilities, and cultural properties should be recovered to their present levels.
Executive Summary

1. GENERAL SITUATION OF THE PROJECT

The proposed subproject is located on the left bank of Taoer River. The dyke starts from the east of Honglian with stake No. 0+000 and geographic coordinates of X=5100271.159 and Y=41431475.537 and ends at Wulanhada No.2 headwork with stake No. 21+700. Its total length is 21.70km, which includes a new dyke reach of 1.40km with stake No.0+000—1+400; heightening and widening 20.30km existing dyke reach with stake No.1+400—21+700. The dyke crest width for the dyke reach of stake No.0+000—21+700 is 6m. Two cross dyke structures with design flow rate of 0.4—4.0m³/s will be built and one cross dyke structure maintained or repaired.

The main works of this subproject consist of (1) heightening and widening an existing dyke reach; (2) building new dyke; (3) slope protection; (4) cross dyke structures; and (5) wave prevention forest.

2. PROJECT IMPACTS

The land occupation of the project involves Honglian Village and Lianjun Village of Yonglian Office of Wulanhaote Municipality without any house removal problem.

The subproject will permanently occupy 68.55 Mu cultivated land of Honglian Village, affecting 132 people from 32 households, and 4.05Mu cultivated land of Lianjun Village, affecting 32 people from 9 households. This subproject will permanently occupy a total of 86.55Mu of lands, including 72.6Mu of cultivated land, 4.8Mu of orchard, 7.95Mu of forest land, and 1.2Mu of wasteland. It will temporarily occupy 198.75Mu of land, which is wasteland within the floodplain.

3. SOCIO-ECONOMIC SURVEY

According to analysis of the survey results, there are no minority nationalities affected and the main impact is partial loss of farmland. The resident living standards are relatively low and their living environment is relatively poor. Only 20% of households have indoor sewage system and 80% of households need to drain sewage outdoors. 75% of households use coal or stalks as fuels for cooking and 95% of households need to heat their houses by themselves in winter.

4. LEGAL FRAMEWORK

There are two sources for the legal framework and resettlement policies of land acquisition and resettlement: (i) China laws and regulations and (ii) ADB policy.

5. COMPENSATION POLICIES, STANDARDS, AND ENTITLEMENTS

The resettlement policies of the Project are formulated by following the laws and regulations on resettlement established by the People's Republic of China, Inner Mongolia Autonomous Region Government, Wulanhaote Municipality Government, and Asian Development Bank.

The land acquisition standard is determined according to <Land Administration Law of the People's Republic of China>, <Regulations about Land Acquisition and Resettlement for Large and Middle Hydraulic and Hydroelectric Engineering>, <Decision of the State Council on Deepening Reform to Tighten UP Land Administration by [2004]No.28>. The land compensation fee for permanent farmland acquisition is 8 times the annual average production value of the last 3 years. The resettlement subsidy is 8 times the annual average production value of the last 3 years. The compensation fee for young crops is 1 times the annual
average production value of the last 3 years. The wasteland is considered as the land without usage, which compensation fee is 10 times the annual average production value of local rain-fed farmland of the last 3 years.

6. RESETTLEMENT MEASURES

After consulting with local leaders and the impacted persons, they consider that the optimum resettlement scheme is for the resettlement subsidies be disbursed directly to the impacted persons. The impacted persons are guided by village and local government leaders to invest the resettlement subsidies into production development, such as: planting vegetables in greenhouses on the remaining land and raising cows or pigs to fully use the remaining land to increase production value and to fully restore their losses. Land adjustment was considered but it has been decided that it is no longer necessary. The two village collectives will retain the land compensation fee and utilize it to improve the production conditions of their villages such as building roads, water resources facilities and other investments to provide good conditions for the villagers to develop production and improve their living conditions.

7 BUDGET

All costs of land acquisition and resettlement are included into the total budget. According to the prices in 2007 and taking into account the 2 years inflation, the total investment for land acquisition and resettlement of this project is 3.1804 million Yuan.

8 SCHEDULE OF RESETTLEMENT ACTIVITIES

The construction period of Wulanhada Dyke Project is planned in one year according to the features of the project and the evaluation conclusion of “Feasibility Study”. The construction can be scheduled according to the importance, quantity, difficulty and other factors. The project will be started in March 2009 and finished by December 2009. According to construction plan, the schedule of land acquisition and resettlement is determined and is linked with the project construction.

9 INSTITUTIONS

In the implementation of the Project, the following agencies are responsible for the planning, administration, implementation and monitoring of the resettlement.

- Project Leading Group of Xingan League (PLGXL)
- Project Management Office of Wulanhaote Municipality (PMOW)
- Land Bureau of Wulanhaote Municipality
- Yonglian Street Office
- Water Resources and Hydropower Survey and Design Institute of Inner Mongolia (WRHSDI)
- External monitoring and evaluation agency.

10. PUBLIC PARTICIPATION AND APPEAL

In order to formulate relevant policies, compile a sound resettlement plan, reduce complaints and disputes, and realize the objectives of resettlement, the project has put great attention to participation and consultation of relocatees during the formulation of resettlement policies, formulation of the resettlement plan and its implementation. The project convened symposiums which were participated by town and village inhabitants, village cadres, female representatives to intensively introduce the project situation to them and listen to their opinions and suggestions. The resettlement plan was disclosed on 11 February 2009.
11. MONITORING AND EVALUATION

The monitoring and evaluation is carried out on the basis of planning and implementing data provided by the resettlement agencies by applying the method of combining the sampling and rapid evaluation. It mainly investigates the changes of impacted person's living standard. Before the resettlement implementation, the basic production and income situation is investigated and the sampling households are selected. The investigations of resettlement implementation will be conducted twice a year, and the living standard investigation is carried out once every year in order to understand the production and income changes of the impacted households. During investigation, general households are selected and informal discussions and visiting on site is carried out in order to receive necessary data. The collected data are analyzed and evaluated in more detail. The monitoring and evaluation groups should inquire about the impacted persons for their comments and suggestions about the resettlement implementation during visiting and meetings. All these comments and suggestions should be summarized in the Monitoring and Evaluation Report and then submitted to the proprietor and ADB.
1. GENERAL SITUATION OF THE PROJECT

1.1 Brief Description of the Project

Located in the east slope of Daxinan Mountain's south end and in Xingan League of Inner Mongolia Autonomous Region, Taoer River is a first grade branch of Nen River System and flows through Charsen Reservoir and Wulanhaote Municipality and enters into Jilin Province at Taipingna. Its total length in Inner Mongolia is 293km. Guiliu River, which is a first branch of Taoer River and is 218km, joins Taoer River in the south of Wulanhaote Municipality. Jiaoliu River, which is another first branch of Taoer River and is 141.2km in Inner Mongolia, enters into Jilin Province at Yematu.

Wulanhada Dyke Subproject is located in the south of Wulanhaote Municipality and on the left bank of Taoer River. Wulanhaote Municipality is located in the west of Songnen plain and the middle stream of Taoer River. Being a main branch of Nen River on the right bank, Taoer River originates from the northeast mountain top with elevation of 1,500m of Dajiudaogou in Arshan Municipality. It flows from northwest to southeast and enters Jilin Province at Haote Village of Hadanala Township of Keyouqian County. It then flows into Yuelliangpao Lake nearing Anguang of Baicheng Municipality of Jilin Province and joins Nen River. Its total length is 556km and its river basin is in form of fan. Its water basin area in Inner Mongolia is 18,477km² (the border between Keyouqian County and Taonan Municipality). There are two other branches – Guiliu River and Jiaoliu River joining Taoer River in the downstream of Charsen Reservoir. The geographic position of Taoer River Basin is in east longitude of 119°30'—122°21' and in north latitude of 45°51'—47°30'.

The objectives of the project are to protect 72 industrial enterprises seated in the Economic and Technical Development District of Wulanhaote Municipality and 22,590 people and 5,367.2hm² farmland of Wulanhada Town and its suburb. The construction of this subproject will protect the local people’s properties and get the local people free from the worry about the flood threat.

The proposed subproject is located on the left bank of Taoer River. The dyke starts from the east of Honglian with stake No. 0+000 and geographic coordinates of X=5100281.845 and Y=41431475.539 and ends at Wulanhada No.2 headwork with stake No. 21+700. Its total length is 21.70km, which includes a new dyke reach of 1.40km with stake No.0+000—1+400; heightening and widening 20.30km existing dyke reach with stake No.1+400—21+700. The dyke crest width for the dyke reach of stake No.0+000—21+700 is 6 m. Two cross dyke structures with design flow rate of 0.4—4.0m³/s will be built and one cross dyke structure maintained or repaired.

The main works of this subproject consist of (1) heightening and widening a existing dyke reach; (2) building new dyke; (3) slope protection; (4) cross dyke structures; and (5) wave prevention forest.

Being one of the right bank main branches of Nen River, the flood of Taoer River is caused by storms. When there are storms there will be floods with obvious seasons change. Most annual large flood peak flow rates happen in the period from June to September and especially during July to August. Due to the low standard of flood control works, a large amount of labor, materials and money are needed to fight against floods and dangers. Large amount resources are not only wasted but the local social and economic development is constrained also. Therefore, it is very necessary to construct high standard flood control works to provide a flood control shield to the people and their properties and to benefit the local economic development of Wulanhaote Municipality.

1.2 Affected and Benefited Area

By considering the protected area, population and importance and other factors, the flood control standard of Wulanhada Dyke of Wulanhaote Municipality is determined as once in 20 years. After the project implementation, the flood control security will be increased in a large step.
The main beneficial areas are a part of the Economic and Technical Development District and a part of the suburban area of Wulanhaote Municipality, protecting 72 industrial enterprises seated in the Economic and Technical Development District of Wulanhaote Municipality and 22,590 people and 5,367.2 hm² farmland of Wulanhada Town and its suburb area. The construction of this subproject will protect the local people’s properties and get the local people free from the worry about the flood threat. The subproject will play very important functions for the economic development of Wulanhaote Municipality.

1.3 Measures for Reducing Impacts of the Project

1.3.1 Minimizing Land Acquisition by Optimized Design

1. The existing dyke line should be used as much as possible and the existing dyke is to be heightened and widened. In this way, the land acquisition will be reduced. The residential area and enterprise production areas should be avoided as much as possible. The dyke should be widened and heightened on the river side. Under the permitted conditions, the management facilities should be located on the dyke management land without new land acquisition.

2. The design should be optimized to reduce land acquisition.

3. The temporary land acquisition should be optimized to reduce occupying farmland and wasteland.

4. Extensive discussions should be carried out with the impacted individuals and units during design optimization.

1.3.2 Measures for Minimizing Construction Impacts

The following measures should be taken in order to minimizing the construction impacts:

1. Suitable resettlement plan should be formulated by combining local conditions to minimize the construction negative impacts and to guarantee the impacted units and individuals keeping their original living standards.

2. High efficiency information feedback channels should be established and internal and external resettlement supervision should be enforced to guarantee that the problems in the project implementation be solved in time and effectively. Extensive discussions should be carried out with the impacted individuals and units during project implementation.

3. During the construction period, the local construction materials should used firstly. Under the technical permission, the local transportation laborers should be employed firstly.

4. Reducing construction period through optimizing construction design. The existing dyke is used whenever possible so as to reduce the project impacts. The optimized scheme for the project is shown in Table 1-1.

<table>
<thead>
<tr>
<th>Items</th>
<th>Unit</th>
<th>Quantity</th>
<th>Original design</th>
<th>Optimized design</th>
<th>Quantity reduced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent land acquisition</td>
<td>Mu</td>
<td>90.9</td>
<td>86.55</td>
<td>4.35</td>
<td></td>
</tr>
<tr>
<td>Temporary land occupation</td>
<td>Mu</td>
<td>198.75</td>
<td>198.75</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>House removal</td>
<td>m²</td>
<td>40</td>
<td>0</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>
1.4 Design Process

Inner Mongolia Autonomous Region Institute of Survey and Design for Water Resources and Hydropower prepared the Feasibility Study Report of Wulanhada Dyke on the Taoer River in Wulanhaote Municipality – a midterm adjusted subproject under Inner Mongolia ADB Loan Songhua River Flood Management Project in December. After that, authorized in December 2006 by the Water Resource Department of Inner Mongolia, Inner Mongolia Autonomous Region Institute of Survey and Design for Water Resources and Hydropower started to prepare the Resettlement Plan of Wulanhada Dyke Project of Wulanhaote Municipality in Xingan League of Inner Mongolia in the Nen River Basin according to the Regulation of Primary Design of Water Resources and Hydropower Project and the Code of Dyke Works Design as well as the spirit of the Letter of Authorization and revised it in October of 2008 according to the revised the Preliminary Design Report of Wulanhada Dyke on the Taoer River in Wulanhaote Municipality of Inner Mongolia - a midterm adjusted subproject under Inner Mongolia ADB Loan Songhua River Flood Management Project.

1.5 Proprietorship and Institutional Framework of the Project

For Wulanhada Dyke Subproject of Wulanhaote Municipality, Wulanhaote Municipality Project Management Office (PMO) was set up with the participation of Municipality Government, Municipality Water Resources Bureau, Wulanhaote Municipality Water Resources Bureau and other Departments being in charge of the land acquisition, resettlement, daily coordination, organization, information and policies synthesis of the project construction, and internal supervision.

The PMO is located in the Water Resources Bureau and headed by Water Resources Bureau. It is responsible for daily coordination, organization, information and policies synthesis of the project construction. After accomplishment, the works will be handed over to Wulanhaote Municipality Dyke Administration Station with the responsibilities of the daily management and maintenance of the dyke.

The total investment of land acquisition and resettlement compensation for Wulanhada Dyke Subproject of Wulanhaote Municipality is 3.1804 million Yuan, or 13.05% of the total investment.

1.6 Preparation of Resettlement Plan

According to the Involuntary Resettlement Policy of ADB, the land acquisition and resettlement plan consists of the following: investigations about social and economic information related to the project and land acquisition and demolition objects; determination about the data of land acquisition and resettlement and resettlement strategy; estimation of cost about Plan implementation; and establishment of monitoring organization.

1.6.1 Investigation of object indexes

According to land acquisition region of this project determined by Water Resources and Hydropower Survey and Design Institute of Inner Mongolia Autonomous Region (WRHSDIMAR), WRHSDIMAR and the related departments had carried out detail in kind investigations in May of 2008 for the impacted population, houses, enterprises and organizations. The land area is acquired according to the actual occupying land area which is measured in site.

1.6.2 Social Economic Investigations

In order to investigate the impacted population and determine reliable indexes and to formulate a viable resettlement plan, a joint investigation team was established in May of 2008 by Wulanhaote Municipality Water Resources Bureau, WRHSDIMAR and local government and related local departments. The investigation team has carried out sampling investigation about social economic and household information. About 25% of affected households are selected in
The whole production and basic living situations of Wulanhaote Municipality and its administrative areas has been investigated and analyzed comprehensively. The permanent land acquisition of the project accounts for 32.49% of the total cultivated land owned by the affected households, which accounts for 47.05% and 5.21% of that in Honglian Village and Lianjun Village respectively. The investigation is carried out by combining the methods of collecting all existing different statistic data and sampling in site. The social and economic situations of local area and resident’s actual production and living conditions are analyzed. More details will be described in Chapter three.

1.6.3 Resettlement Plan

The resettlement of Wulanhada Dyke of Wulanhaote Municipality is headed by Project Leading Group of Xingan League. The Resettlement Plan is prepared by the Municipality Resettlement Office of ADB Project and all related local departments jointly. According to the investigation of impacted population and combining the local actual situations, the Resettlement Plan not only meets the requirements of land acquisition and resettlement but also provide good opportunity for the improvement of local residential condition and urban environment.

1.7 Preparation of Resettlement Monitoring and Evaluation

The project proprietor will entrust a supervision unit with credentials as the independent resettlement monitoring and evaluation unit. The proprietor is responsible for the preparation of Resettlement Plan and the related design institutes and local governments participate. The preparations for resettlement has been finished, which include resettlement organization establishment, definition of project impacted region, investigation of land acquisition and demolition in kind, social economic investigation, determination of compensation policies, resettlement cost estimation, etc. Under the above mentioned bases, the preparation of resettlement monitoring and evaluation arrangement has been finished basically.

1.8 Objectives of Resettlement

1.8.1 Keeping Resettlement to a Minimum

The resettlement issues caused by the works construction should be avoided or reduced as much as possible through optimizing design and selecting dyke line reasonably. This can reduce the impacts of the Project on the production and livings of local residents and enterprises and improve local economic and social circumstances.

1.8.2 Impacted Persons Benefiting from the Project

Flood control works belong to important infrastructures with a great deal of social and environmental benefits. The completion of the Project will certainly improve local social and economic circumstances through increasing the regional flood control capacity at the actions of the dyke and improve the living standards of the residents as a result. The involved Impacted Persons (IP) will also benefit from the Project. Besides receiving proper economical compensation, their original poor living circumstances will be thrown off, the quality and standard of their livings will be improved and local education levels will be greatly increased.
2. PROJECT IMPACTS

The land occupation of the project involves Honglian Village and Lianjun Village of Yonglian Office of Wulanhaote Municipality without any house removal problem.

The subproject will permanently occupy 68.55Mu cultivated land of Honglian Village, affecting 132 people of 32 households, and 4.05Mu cultivated land of Lianjun Village, affecting 32 people of 9 households.

This subproject will permanently occupy a total of 86.55Mu of lands, including 72.6Mu of cultivated land, 4.8Mu of orchard, 7.95Mu of forest land, and 1.2Mu of wasteland. It will temporarily occupy 198.75Mu of land, which is wasteland within the floodplain.

The affected population due to permanent land acquisition is 114 persons.

2.1 Permanent Land Acquisition

The Wulanhada Dyke will permanently occupy 68.55Mu of cultivated lands of Honglian Village of Yonglian Office, accounting for 1.75% of its total cultivated land of 3915Mu; and will permanently occupy 4.05Mu of cultivated lands of Lianjun Village of Yonglian Office, accounting for 0.05% of its total cultivated land of 7144.5Mu. The land acquisition is so small that it will have little impact on the production and living of the local residents. The land acquisition is detailed in Table 2-1.

Table 2-1 Inventory of land acquisition for the dyke subproject

<table>
<thead>
<tr>
<th>No.</th>
<th>Type</th>
<th>Unit</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Honglian village</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lianjun village</td>
</tr>
<tr>
<td>1</td>
<td>Permanent land acquisition</td>
<td>Mu</td>
<td>86.55</td>
</tr>
<tr>
<td>1.1</td>
<td>Farmland</td>
<td>Mu</td>
<td>72.6</td>
</tr>
<tr>
<td>1.1.1</td>
<td>- Rain-fed land</td>
<td>Mu</td>
<td>68.25</td>
</tr>
<tr>
<td>1.1.2</td>
<td>- Vegetable land</td>
<td>Mu</td>
<td>4.35</td>
</tr>
<tr>
<td>1.2</td>
<td>Orchard</td>
<td>Mu</td>
<td>4.8</td>
</tr>
<tr>
<td>1.3</td>
<td>Forest land</td>
<td>Mu</td>
<td>7.95</td>
</tr>
<tr>
<td>1.4</td>
<td>Wasteland</td>
<td>Mu</td>
<td>1.2</td>
</tr>
<tr>
<td>2</td>
<td>Temporary land acquisition</td>
<td>Mu</td>
<td>198.75</td>
</tr>
<tr>
<td>2.1</td>
<td>Wasteland</td>
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<td>198.75</td>
</tr>
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<td>3</td>
<td>Others</td>
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<td>12</td>
</tr>
<tr>
<td>3.2</td>
<td>Tube well</td>
<td></td>
<td>17</td>
</tr>
</tbody>
</table>

2.2 Temporary Land Acquisition

The temporary land acquisition is used for construction material borrowing areas and construction roads. All temporary land acquisitions are wasteland within the floodplain, in which the construction material borrowing areas occupy 116.25Mu and construction roads occupy 82.5Mu. The total temporary acquired land is 198.75Mu which locates at Yonglian Office. The land is temporarily acquired one year.
Table 2-2  Temporary Land Acquisition  

<table>
<thead>
<tr>
<th>Item</th>
<th>Material borrowing area</th>
<th>Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wasteland</td>
<td>116.25</td>
<td>82.5</td>
<td>198.75</td>
</tr>
</tbody>
</table>

2.3 Demolishing Private Houses and Affiliated Facilities

This project does not have demolition of houses and affiliated facilities and has no impact on enterprises.

2.4 Resettlement Impacts on Affected Households

Table 2-3  Impact on cultivated land of affected households

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Population</th>
<th>Cultivated land acquisition (Mu)</th>
<th>Total cultivated land per household(Mu)</th>
<th>Land acquisition rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Honglian Village</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Chen Guozhu</td>
<td>2</td>
<td>0.7</td>
<td>2.8</td>
<td>25.00</td>
</tr>
<tr>
<td>2</td>
<td>Chen Fujun</td>
<td>5</td>
<td>0.51</td>
<td>10.5</td>
<td>4.86</td>
</tr>
<tr>
<td>3</td>
<td>Yang Cunsheng</td>
<td>3</td>
<td>4.04</td>
<td>4.2</td>
<td>96.19</td>
</tr>
<tr>
<td>4</td>
<td>Li Zhanwu</td>
<td>4</td>
<td>0.77</td>
<td>10.5</td>
<td>7.33</td>
</tr>
<tr>
<td>5</td>
<td>Wan Changming</td>
<td>4</td>
<td>6.9</td>
<td>10.5</td>
<td>65.71</td>
</tr>
<tr>
<td>6</td>
<td>Sun Zaijun</td>
<td>3</td>
<td>1.4</td>
<td>6.0</td>
<td>23.33</td>
</tr>
<tr>
<td>7</td>
<td>Xu Dehui</td>
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<td>0.9</td>
<td>8.4</td>
<td>10.71</td>
</tr>
<tr>
<td>8</td>
<td>Wang Huawen</td>
<td>5</td>
<td>1.7</td>
<td>8.4</td>
<td>20.24</td>
</tr>
<tr>
<td>9</td>
<td>Wang Huamin</td>
<td>4</td>
<td>0.1</td>
<td>7.8</td>
<td>1.28</td>
</tr>
<tr>
<td>10</td>
<td>Wang Guoyi</td>
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<td>0.1</td>
<td>8.4</td>
<td>1.19</td>
</tr>
<tr>
<td>11</td>
<td>Wang Guoliang</td>
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<td>0.9</td>
<td>10.5</td>
<td>8.57</td>
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<td>4.26</td>
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<tr>
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</tr>
<tr>
<td>14</td>
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<td>9.7</td>
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<td>15</td>
<td>Dong Hongshan</td>
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<td>8.4</td>
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</tr>
<tr>
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<td>5.5</td>
<td>18.18</td>
</tr>
<tr>
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<tr>
<td>18</td>
<td>Xu Defu</td>
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<td>0.1</td>
<td>10.5</td>
<td>0.95</td>
</tr>
<tr>
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<td>8.8</td>
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</tr>
<tr>
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<td>14.29</td>
</tr>
<tr>
<td>23</td>
<td>Guo Yuansheng</td>
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<td>1.8</td>
<td>2.8</td>
<td>64.29</td>
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<tr>
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<td>Sun Hengyou</td>
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<td>27</td>
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<tr>
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<td>Wu Shenghong</td>
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<td>3.0</td>
<td>94.67</td>
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<td>Cultivated land acquisition (Mu)</td>
<td>Total cultivated land per household (Mu)</td>
<td>Land acquisition rate (%)</td>
</tr>
<tr>
<td>-----</td>
<td>--------------</td>
<td>------------</td>
<td>----------------------------------</td>
<td>-----------------------------------------</td>
<td>---------------------------</td>
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<td>1.4</td>
<td>8.57</td>
</tr>
<tr>
<td>31</td>
<td>Bi Jianhua</td>
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<td>1.5</td>
<td>4.8</td>
<td>31.25</td>
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<td>Mou Jincai</td>
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<td>2.74</td>
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<td><strong>Sub total</strong></td>
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<td><strong>68.55</strong></td>
<td><strong>145.7</strong></td>
<td><strong>47.05</strong></td>
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</table>

**Lianjun Village**

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Population</th>
<th>Cultivated land acquisition (Mu)</th>
<th>Total cultivated land per household (Mu)</th>
<th>Land acquisition rate (%)</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Cheng Xianzhuang</td>
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<td>0.7</td>
<td>4</td>
<td>17.5</td>
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<td>6.4</td>
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<td>1.85</td>
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<td>0.4</td>
<td>17.5</td>
<td>2.29</td>
</tr>
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<td>0.96</td>
</tr>
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<td>6.7</td>
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<td>0.44</td>
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<td>19.38</td>
</tr>
<tr>
<td></td>
<td><strong>Sub total</strong></td>
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<td><strong>4.05</strong></td>
<td><strong>77.77</strong></td>
<td><strong>5.21</strong></td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>164</strong></td>
<td><strong>72.6</strong></td>
<td><strong>223.47</strong></td>
<td><strong>32.49</strong></td>
</tr>
</tbody>
</table>

**Summary of Household Impacts**

<table>
<thead>
<tr>
<th>Degree of Loss</th>
<th>No. of HHs</th>
<th>Percent of HHs</th>
</tr>
</thead>
<tbody>
<tr>
<td>75-100%</td>
<td>4</td>
<td>9.8%</td>
</tr>
<tr>
<td>50-74.9%</td>
<td>5</td>
<td>12.2%</td>
</tr>
<tr>
<td>25-49.9%</td>
<td>8</td>
<td>19.5%</td>
</tr>
<tr>
<td>10-24.9%</td>
<td>10</td>
<td>24.4%</td>
</tr>
<tr>
<td>0-9.9%</td>
<td>14</td>
<td>34.1%</td>
</tr>
</tbody>
</table>

The permanent land acquisition of the project is 72.6 Mu, or 32.49% of the total cultivated land owned by the affected households. It will occupy 68.55 Mu of cultivated land or 47.05% of the total in Honglian Village and 4.05 Mu of cultivated land or 5.21% of the total in Lianjun Village. The land loss is not significant for one-third of the 41 affected households, but the loss is quite severe (>25%) for 41.5% of the affected households.
3. **SOCIO-ECONOMIC SURVEY**

3.1 **Socio-Economic Background Survey for Affected Area**

In order to understand the socioeconomic background of project area, WRHSDIIIM has carried out comprehensive impact survey and investigation with the help of Wulanhaote Municipality Water Resources Bureau and local Governments. Large amount of social and economic data has been collected and a general realization of all levels for the project area has been achieved from the social and economic view point.

3.1.1 Basic Situation of Wulanhaote Municipality

3.1.1.1 Basic Natural Geographical Conditions of Wulanhaote Municipality

Wulanhaote Municipality is located in the west of Songnen Plain and in the middle-up stream of Taoer River. It is in the join location of Guiliu River, which is a second grade branch of Nen River, and Taoer River, which is a first grade branch of Nen River.

Being a main branch of Nen River on the right bank, Taoer River originates from the northeast mountain top with elevation of 1500m of Dajiudaogou in Arshan Municipality. It flows from northwest to southeast and enters Jilin Province at Haote Village of Hadanala Township of Keyouqian County. It then flows into Yueliangpao Lake nearing Anguang of Baicheng Municipality of Jilin Province and joins Nen River. Its total length is 536km and its river basin is in form of fan. Its water basin area in Inner Mongolia is 18,477km² (the border between Keyouqian County and Taonan Municipality). There two other branches – Guiliu River and Jiaoliu River joining Taoer River in the downstream of Charsen Reservoir. Its geographic position is in east longitude of 119°30’—122°21’ and in north latitude of 45°51’—47°30’.

Located in the northeast of Inner Mongolia, Wulanhaote Municipality is in north-temperate zone with continental climate. Its winter is long and summer is short and the four seasons are quite clear. The annual average temperature is 4.7 °C and the annual average wind speed is 3.1m/s. the multiyear average maximum frozen depth is 2—2.5m and the annual average evaporation is 1820.2mm (20 cm evaporator). The annual average precipitation is 448.7mm and no-frost period is about 130 days.

Wulanhaote Municipality is the center of politics, economy, culture, and transportation of Xingan League. Its total area is 865.15km² and its population is 0.28 million. Wulanhaote Economic and Technical Developing District was established in February of 2002 and was approved formally in March of 2003 by the Autonomous Region as a Regional Economic and Technical Development District. It is located in the southeast of Wulanhaote Municipality urban area and is 2km away from the urban area. It is within the northeast economic circle of China.

The geographic location of Wulanhaote is very special. Wulanhaote is circled by the mountains of Daxingan Mountain and it bases on Hanshan Mountain. Taoer River and Guiliu River, which originate from the deep forest of Daxingan Mountain, flow around it from the east and west. There are more than 0.1 million mu (1hm²=15mu) paddy field in its south and there is Charsen Reservoir 30km away in its north. It is called "The south China in the north China". Located on the top of Hanshan Mountain, Chengqisihan Temple, which is unified in the building styles of Han nationality, Mongolia and Tibetan, is very grand and represents its long history and beautiful culture. It is the first grade of State’s opening Municipality. It is also the State’s model cities in double supporting, environment comprehensive control and education and science development and civilized Municipality.

3.1.1.2 Basic Economic situations of Wulanhaote

The affected area of the project is situated in Wulanhaote Municipality in the northeastern part of Inner Mongolia.
Wulanhaote Municipality has a population of 293,200 with a population density of 375.25 person / km². The affected area of the project is one where many minority groups inhabit, mainly including Mongolia, Korean, Manchu and Hui nationalities. During the 50 years since the founding of the People’s Republic of China, under the leadership of CPC and the Chinese Government, the people of various nationalities in the affected area of the project devote themselves as masters into the activities of socialist construction. When creating fortune for the society, they have been improving constantly their own living standards and have made favorable material conditions and social basis for lifting the general quality of the affected area of the project.

Under the leadership of the municipal committee of CPC and the municipal government, the people of various nationalities of Wulanhaote Municipality seriously carries out the scientific develop outlook and actively promote the stability of the development of the municipal economy and its sustainable development. At present, it has realized the stable increase of the living level of urban and rural people and has maintained a health and harmonic development of the national economy. The production output value of the whole municipality was 455,920×10⁴ Yuan in 2007, of which the added value of the primary industry is 39550×10⁴ Yuan, the added value of the secondary industry is 183,051×10⁴ Yuan and the added value of the tertiary industry is 233,319×10⁴ Yuan.

The industry of Wulanhaote Municipality is progressing quickly. So far the iron and steel industry, mining industry, manufacture industry and various town enterprises have grown up to certain scale and the added value of industry reached up to 166,109×10⁴ Yuan in the end of 2007. The principal crops of the affected area are maize, wheat, rice and soybean and the total grain output reached to 46,800 tons in 2007. It also produces a great amount of milk, egg, silkworm cocoon and fish. Its mineral resources include titanium, chromium and silver and it produces such precious medicinal materials as muskiness, bear’s ball and velvet.

3.1.1.3 Economic situation of the project affected area in Wulanhada Town

Wulanhada Town consists of 17 villages and has a population of 21,685, of which the agricultural population is 18,796. It covers 392.75km² with a cultivated land area of 85,000 mu. In recent years, taking development as main theme, taking structural adjustment as leading line, taking building harmonious society as goal, it thoroughly carried out “122” project and made a great efforts to build it self into a economically strong town in Xingan League as a whole.

3.2 Sample Investigation of Affected Households

In order to have a better understanding about the livelihood condition for the affected persons, in May, 2008, following ADB policy requirements, a social economic survey was carried out by selecting 20 households which was based on a random sample survey. The investigations mainly consist of population, employment structure, basic assets, economic situation, income sources, living conditions and comments of public to the project implementation and etc.

Inner Mongolia Autonomous Region Institute of Survey and Design for Water Resources and Hydropower and local governments and related departments participated in this random sampling survey in the impacted area. The investigation questionnaire suitable to local conditions was designed. The investigators were divided into two groups with 2 members for each group. They distributed the investigation questionnaire to the sampling households and asked detail indexes and filled them into the investigation questionnaire. The investigated basic information is detailed in Table 3.2-1.

3.2.1 Household Population

There are 71 persons from 20 households in 2 villages in the sampling survey, of which the female is 35 persons accounting for 49.3% of the total, and the aged over 61 years old is 10 persons, accounting for 14% of the total. There are no disabled persons in the sampling survey.
3.2.2 Age Structure

Of the surveyed 71 persons from 20 households, 3 persons (4.2%) are less than 7 years old, 3 (4.2%) are 8~18 years old, 55 (77.5%) are 19~60 years old, and 10 (14%) are above 61 years old.

3.2.3 Education Levels

Of the surveyed 71 persons from 20 households, 3 persons (4.2%) are below primary school ages, 13 persons (18.3%) finished primary schools, 45 persons (63.4%) finished middle schools, 3 persons (4.2%) finished secondary specialized schools, and 7 persons (9.8%) finished college or university education.

3.2.4 Employment

Of the surveyed 71 persons from 20 households, there are 62 farmers (87.3%), and 9 students (12.7%).

3.2.5 Housing Condition

Of the surveyed 71 persons from 20 households, their total housing area is 1,500m². The average housing area of per household is 75 m² and per capita average housing area is 21.13m².

3.2.6 Household Annual Incomes and Expenditures

Of the surveyed 71 persons in 20 households, the total annual household gross income is 358,000 Yuan, and the average annual household income is 17,900 Yuan. Of the total incomes, 12,000 Yuan (3.5%) is from wages; 156,000 Yuan (43.6%) is from commercial business; 70,000 Yuan (19.5%) is from labor exporting; and 120,000 Yuan (33.5%) is from cultivated land. The gross average per capita income is 5042 Yuan and the net average per capita income is 2619 Yuan.

Of the surveyed 71 persons from 20 households, their total annual household expenditure is 172,000 Yuan, and the average annual household expenditure is 8,600 Yuan. Of the total expenditure, 59,500 Yuan (34.6%) is for food; 11,800 Yuan (6.9%) is for clothes; 16,500 Yuan (9.6%) is for dwelling; 11,200 Yuan (6.5%) is for transporting and telecommunicating; 12,500 Yuan (7.3%) is for medical and healthy care; 26,100 Yuan (15.2%) is for entertainment and education; 1,400 Yuan (0.8%) is for household wares and services; 8,000 Yuan (4.7%) is for gifts; and 25,000 Yuan (14.5%) is for agricultural activities (production expenditures).

According to analysis of the survey results, there are no minority nationalities in the 2 affected villages. The resident living standards are relatively low and their living environment is relative poor. Only 20% of households have indoor sewage system and 80% of households need to drain sewage outdoors. 75% of households use coal or stalks as fuels for cooking and 95% of households need to heat their houses by themselves in winter.
Table 3.2-1 Sampling survey for the project

<table>
<thead>
<tr>
<th>Serial number of sampling household</th>
<th>Population (Persons)</th>
<th>Age</th>
<th>Education</th>
<th>Profession</th>
<th>Household income and expenditure (Yuan)</th>
<th>Floor area</th>
</tr>
</thead>
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<td></td>
<td></td>
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</tr>
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</tr>
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<td>15000 8000 80</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>2 1 3 1 3 2</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>30000 15000 90</td>
<td></td>
</tr>
<tr>
<td>Lianjun</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>17</td>
<td>2 4 1 4 1 1 1 4</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>18000 6000 100</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>2 1 3 2 1 2 3 1</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>13000 10000 100</td>
<td></td>
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<tr>
<td>19</td>
<td>2 2 4 1 1 2 2 2</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>25000 15000 100</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>2 2 4 1 2 2 2 2</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>25000 15000 80</td>
<td></td>
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<tr>
<td>Total</td>
<td>36 35 3 3 55 10 3 13 45 3 7 62 9</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>358000 172000 1500</td>
<td></td>
</tr>
</tbody>
</table>
4. LEGAL FRAMEWORK

4.1 Legal Rationale

There are two sources for the legal framework and resettlement policies of land acquisition and resettlement: (i) China laws and regulations, and (ii) ADB policies.

4.1.1 Laws and Regulations about land acquisition and resettlement of China

The resettlement policies of this project are formulated under the bases of the following State laws and local regulations:

- <Land Administration Law of the People's Republic of China>
- <Implementation Regulations for the Land Administration Law of the PRC>
- <Urban Houses Removal Administration Laws of the PRC>
- <Regulations about Land Acquisition and Resettlement for Large and Middle Hydraulic and Hydroelectric Engineering>, Order by the State Council of the PRC Circular 471
- <A Notice about Some Questions on Land Use of the Construction of Water Resources and Hydropower Projects>, [2001]No.355, issued by Ministry of Land and Resources
- <A Notice about Issuing Some Charged Components and Standards of Land Administration System>, [1992] No.597, issued by the State Administration of Commodity Prices and the Ministry of Finance
- <Temporary Regulation about Forestry Recovering Charging and Usage Management> [2002]No.73, issued by the Ministry of Finance and State Forest Bureau
- <Decision of the State Council on Deepening Reform to Tighten UP Land Administration by [2004]No.28>
- <Announcement about Regulation of Forest Land Acquisition Charging Standard and Management Usage> [1993]127, issued by the Inner Mongolia Forest Department, Price Bureau of Inner Mongolia, and Finance Department of Inner Mongolia
- <Opinion of the People’s Government of Inner Mongolia Autonomous Region on Perfecting Land Acquisition Compensation and Resettlement Institution to Guarantee the Lawful Rights and Interest of Farmers and Herdsmen >

4.1.2 Policy and Guidelines of Asian Development Bank

- <Resettlement Handbook> of ADB (1998)

4.2 Acquisition Authority and Compensation Nature

<Land Administration Law of the People's Republic of China>

**Article 2:**
The People’s Republic of China applies the socialist public ownership of land that is all people and labors own the land. No units and individuals can seize, buy or sell, or transfer land in other illegal means. The land use right can be transformed according to laws. The State can requisite collective land according laws for the requirement of public interests.

**Article 8:**
The urban land of Municipality belongs to the State. Except regulated by laws and belonging to the State, the land in countryside and suburban belongs to farmer collectives. House land, private land and mountain belong to farmer collectives.
Article 44: In case the land acquisition involves transforming agricultural land to urban land, the agricultural land transformation procedures should be transacted for approval. In case the land acquisition of the roads, pipelines and large-size infrastructure construction projects approved by the governments of the provinces and municipalities directly under the central authority and the projects approved by the State Council involves transforming agricultural land to construction land, the transformation should be approved by the State Council. In case agricultural land must be transformed to construction land for the purpose of implementing the general planning of land utility within the construction scopes of cities, villages and market towns regulated by the general planning, the transformation should be approved in batches by the authorities, which originally approved the general planning, conforming to the yearly plan of land utility. Within the scope of land with approval for transformation, the concrete land acquisition can be approved by the governments of cities and counties.

Article 58: In case of any following case, ⅰ ) land will be used for public benefit, ⅱ ) land will be relocated to rebuild old cities for the purpose of implementing Municipality planning, the land administration authorities of relative governments should report it to the governments approving the land acquisition originally or the governments having approving authority for approve, then the tenure of state-owned land can be drawn back.

<Urban Houses Removal Administration Laws of the PRC>

Article 6: The house removal units can remove the houses only after they receive house removal permission certificate.

Article 9: The house removal units should remove the houses within the limit and period specified by the house removal permission certificate. In case that the removal period needs to be extended, the house removal units should apply to the House Removal Administrative Department to extend the removal period 15 days before the expiring time of removal period. The House Removal Administrative Department should reply to the applicant within 10 days after receiving the extending application.

Article 13: The house removal units and the householders to be relocated should conclude a removal compensation agreement which specifies the compensation method, compensation amount, resettled house area and location, removal period, removal transition method and period and others according to this Regulation. For the removal of rented houses, the house removal units, the householder to be relocated, and tenants should conclude a removal compensation agreement.

<A Notice about Some Questions on Land Use of the Construction of Water Resources and Hydropower Projects>

Article 3: About land acquisition compensation
(1) The legal persons of water resources and hydropower project should check the land compensation fee, and resettlement subsidies if they start the dam and reservoir construction and resettlement and specified facility removal and apply the construction land acquisition of collective farmland after the implementation of new < Land Administration Law> (Jan.1, 1999). The land compensation fee and resettlement subsidy of other acquired land and the facilities on the acquired land should apply the principle of restoring their original scale, original standard and original functions.

4.3 Laws and Administrative Procedures

<The Land Administration Law of the People’s Republic of China>

Article 46: After approval according to the legal procedure, the land acquisitioned by the State is to be published and implemented by the County or above level Governments. The land owner and user should register in the land administrative departments of the local Government for the compensation fee by presenting their land certificate in the specified period.
**Urban Houses Removal Administration Laws of the PRC**

Article 8:
The house removal administrative departments should issue house removal public notices which specify the house removal persons, removal limit and period and others when they issue the house removal permission certificate. The house removal administrative departments and the house removal persons should publicize and interpret the related issues to the persons who houses are to be demolished.

### 4.4 Regulations on Compensation

**Land Administration Law of PRC**

Article 47: In case land acquisition shall take place, compensation shall be made in accordance with the original usage of the acquired land, which shall include land compensation fee, resettlement subsidies and compensation fee for the attachments on the land and young crops. The compensation fee for the acquired cultivated land is 6-10 times of the average annual yield of the land in the previous 3 years before land acquisition. The total compensation fee of acquired cultivated land is calculated according to the number of agricultural population which should be resettled. The compensation fee for resettlement for each of the agricultural population is 4-6 times of the average annual yield of the land in the previous 3 years. In case the living standards of the peasants needing resettlement can not be restored to the original conditions after the land compensation fee and the resettlement subsidies have been paid according to the previous regulations on cultivated land acquisition, the resettlement subsidies can be increased with the approval of the governments of the provinces, autonomous regions and municipalities directly under the central authority. However, the sum of the land compensation fee and the resettlement subsidies should not exceed thirty times of the average annual yield of the land in previous 3 years before land acquisition.

**Urban Houses Removal Administration Laws of the PRC**

Article 23: The compensation of house removal can be carried out either in cash or in the exchange of house property right.

**Opinion of the People’s Government of Inner Mongolia Autonomous Region on Perfecting Land Acquisition Compensation and Resettlement Institution to Guarantee the Lawful Rights and Interest of Farmers and Herdsmen**

(6) Taking that the living standards of farmers and herdsmen whose lands are to be acquisitioned are not decreased due to land acquisition and their long term livelihood is guaranteed as principle, the local people’s governments at all levels should adopt effective measures to determine the unified annual production value times for land compensation fee and resettlement subsidy fee in accordance with laws. For land acquisition in the scope of the autonomous region, the resettlement subsidy rate for an agricultural or animal husbandry person that needs to be resettled should not less than 6 times of the average annual production value over 3 years prior to land acquisition. For the basic farmland that is approved to be occupied in accordance with laws, the land subsidy rate should adopt the maximum rate promulgated by local people’s governments. In case that the sum of land compensation fee and the resettlement subsidy fee has reached the upper limit specified by law (30 times of the average annual production value over 3 years prior to land acquisition.), but is not sufficient to keep the original living standard of farmers or herdsmen, the local people’s government should take out certain part from the income gained from onerous use of state-owned land as an extra subsidy or make resettlement for them through other measures. The land compensation fee, resettlement subsidy fee, and compensation fee for ground attachments and seedlings should be paid in full amount and in time in accordance with law.

### 4.5 Legal Liabilities of Institutions

**Land Administration Law of PRC**

Article 66: The land administration authorities above county-level shall be responsible for supervising and inspecting the activities against land administration laws and regulations. The land administration supervision and inspection
personnel should be familiar with the land administration laws and regulations and should be devoted to their duties and handle affairs according to the law.

**Article 70:** In case the land administration authorities above county level find out the illegal activities of some national functionaries in the supervision and inspection, treatment should be legally given to those who ought to be dealt with administrative sanction. In case the authorities have not been authorized to deal with the matters, they should submit a proposal of administrative sanction to the administrative supervision department of the governments of same or superior level and the relative administrative supervision department should deal with the matters legally.

**Article 77:** In case any one embezzles or diverts the compensation costs or other relative costs and constitutes guilty, he/she will be legally prosecuted for his/her criminal responsibility. In case not constituting guilty, he/she will be dealt with administrative sanction legally.

<Urban Houses Removal Administration Laws of the PRC>

**Article 4:**
The remover must provide compensation and resettlement to the resettler according to this article, and the resettler must finish the removal during the assigned removal time.

**Article 5:** The realty administration authorities of the State Council are responsible for the urban house removal work all over the country.
The realty administration authorities of or the departments authorized by the local governments above county level are responsible for supervision and management of the urban house removal work in the districts. The other departments of the local governments above county level should help each other to guarantee the smooth progress of house removal according this law.
The land administration authorities of the local governments above county level are responsible for supervision and management of land related to the urban house removal work in the districts according to related laws, administrative regulations.

**<Decision of the State Council on Deepening Reform to Tighten UP Land Administration by [2004]No.28>**

(3) Strictly carrying out cultivated land occupation compensation system. For cultivated land occupation by various approved non-agricultural construction, the construction unit must supplement cultivated land equivalent in quantity and quality, and the quantity and quality of supplemented cultivated land should follow grade conversion approach so as to prevent from that more land is occupied but less land is supplemented, quality land is occupied but poor land is supplemented. In case that supplement can not be done on their own, reclamation fee of cultivated land must be paid in accordance with the stipulations by the provinces, autonomous regions and municipalities direct under the state. The reclamation fee of cultivated land should be listed in a special account for management and should not be deducted or moved out for other purposes. The cultivated land supplement fee must be included into the project budget for a construction project invested by government.

4.6 ADB's Resettlement Policy

4.6.1 Involuntary Resettlement Policy of ADB

ADB approved and issued formally some requirements about involuntary resettlement in 1995. The requirements of this policy are the following:

- Resettlement should be avoided from taking place as far as possible.
- If resettlement can't be avoided, the impacted persons should be minimized by feasible alternatives and Resettlement Plan should be prepared for those displaced.
- Compensation and assistances should be provided to the impacted persons to prevent their future economic and social livings from inconvenient due to the impacts of the Project.
- The impacted persons should be informed of and consulted on resettlement and compensation option.
- The impacted persons without normal land tenure should receive compensation. Special considerations and relevant assistances should be provided to the households headed by women or other vulnerable persons such as original inhabitants and minorities to improve their status.
Resettlement should be an integral part of project design to be planed and executed. The costs of resettlement and compensation should be involved in the expenses and incomes of the Project.

Much attention should be given to the participation of persons with correlative benefits in the preparation and execution of the Resettlement Plan.

A smooth grievance mechanism should be established.

The Resettlement Plan and implementation policies should be made public completely to the impacted persons.

The resettlement should make the resettlers reach to their original living standard at least or increase to new level.

4.6.2 Differences and adaptations

In summary, the principles of land acquisition and resettlement are established on the bases of Land Administrative Laws of China, local laws and regulations and ADB's policy requirements and procedures. The main objectives of land acquisition and resettlement are to recover the incomes and living standard of impacted persons within in short period after the resettlement and to minimize their damages to social and economic environment. For ADB, the requirements of relocated poor households and disadvantaged group should be considered especially. This Resettlement Plan is formulated under this guideline.

It is generally the same for the resettlement laws of PRC and Wulanhaote Municipality with ADB’s resettlement policies.
5. COMPENSATION POLICIES AND STANDARDS, RIGHTS

The resettlement policies of the Project are formulated by following the laws and regulations on resettlement established by the People's Republic of China, Inner Mongolia Autonomous Region Government, Wulanhaote Municipality Government, and Asian Development Bank.

The land acquisition standard is determined according to <Land Administration Law of the People's Republic of China>, <Regulations about Land Acquisition and Resettlement for Large and Middle Hydraulic and Hydroelectric Engineering>,<Decision of the State Council on Deepening Reform to Tighten UP Land Administration by [2004]No.28>. The land compensation fee for permanent farmland acquisition is 8 times the annual average production value of the last 3 years. The resettlement subsidy is 8 times the annual average production value of the last 3 years. The compensation fee for young crops is 1 times the annual average production value of the last 3 years. The wasteland is considered as the land without usage, which compensation fee is 10 times the annual average production value of local rain-fed farmland of the last 3 years.

In order to guarantee the uniformity of these policies and the resettlement objectives, the implementation of Wulanhaoda Dyke Subproject will follow the following compensation policies and standards.

5.1 Compensation Standard of Permanent Land Acquisition

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Annual average production value</th>
<th>Times of Land Compensation Fee</th>
<th>Times of Resettlement Subsidies</th>
<th>Times of Standing Crops Compensation Fee</th>
<th>Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rain-fed land</td>
<td>Yuan/Mu</td>
<td>1240</td>
<td>8</td>
<td>8</td>
<td>1</td>
<td>21080</td>
</tr>
<tr>
<td>Vegetable land</td>
<td>Yuan/Mu</td>
<td>4295.2</td>
<td>8</td>
<td>8</td>
<td>1</td>
<td>73018.4</td>
</tr>
<tr>
<td>Wasteland</td>
<td>Yuan/Mu</td>
<td>82.67</td>
<td>10</td>
<td></td>
<td></td>
<td>826.7</td>
</tr>
<tr>
<td>Orchard</td>
<td>Yuan/Mu</td>
<td>35600</td>
<td>1</td>
<td></td>
<td></td>
<td>35600</td>
</tr>
<tr>
<td>Forest land</td>
<td>Yuan/Mu</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td>18800</td>
</tr>
</tbody>
</table>

5.2 The Entitlement and Resettlement of the Impacted Persons

The compensation will be disbursed in 8 times the average annual production value to both the affected people and the village collectives. Young crop compensation is paid directly to the affected people.

5.3 Entitlement Matrixes
### TABLE 5.3-1 Entitlement Matrixes

<table>
<thead>
<tr>
<th>Impact type</th>
<th>Impacts</th>
<th>Entitlement</th>
<th>Compensation standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village</td>
<td></td>
<td>* help the impacted persons to recover incomes by using land compensation for collective production investments (e.g., .</td>
<td>Land compensation: Rain-fed land: 9920 Yuan/Mu; Vegetable land: 34361.6 Yuan/Mu; Wasteland: 826.7 Yuan/Mu; Orchard: 16800 Yuan/Mu; Timber forest: 12600 Yuan/Mu</td>
</tr>
<tr>
<td>Collective land</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impacted Households</td>
<td></td>
<td>* receive resettlement subsidies due to losing land and invest in income restoration measures (e.g., new greenhouses and animal breeding)</td>
<td>Young crop compensation: Rain-fed land: 1240 Yuan/Mu; Vegetable land: 4295.2 Yuan/Mu; Orchard: 16800 Yuan/Mu; Timber forest: 4200 Yuan/Mu</td>
</tr>
<tr>
<td></td>
<td></td>
<td>* receive training in income generation activities</td>
<td>Resettlement subsidies: Rain-fed land: 9920 Yuan/Mu; Vegetable land: 34361.6 Yuan/Mu; Orchard: 2000 Yuan/Mu; Timber Forest: 2000 Yuan/Mu</td>
</tr>
<tr>
<td></td>
<td></td>
<td>* receive preference for employment in project construction</td>
<td>Other subsidy: Large open Well: 1,000 Yuan/well; Tube well: 1,500 Yuan/well</td>
</tr>
<tr>
<td>Ground attachments</td>
<td>Owners</td>
<td>* Compensation in cash</td>
<td></td>
</tr>
</tbody>
</table>

### 5.4 Compensation standard for temporary land acquisition

Because the temporary land occupation of the project is the flooding land of the river without crops and the construction impact lasts for only one year, it can be recovered naturally and the temporary and short period impact will be easily removed. Therefore, no compensation fee and recovery fee are paid for the temporary land acquisition.
6 RESETTLEMENT MEASURES

6.1 Objectives and tasks

The general construction schedule of Wulanhada Dyke Subproject is that the construction will start in March of 2009 and the construction period is one year.

The dyking and drainage sluices will be constructed from May to July and the concrete slab will be precast from May to August.

The concrete slab will be laid from August to October.

The greensward and the dyke crest road will be constructed from October to November.

The resettlement objectives of this project include specially the following:
(1) Guarantee the impacted person to recover their per capita net income to the level before the project implementation.
(2) Guarantee that public facilities, social benefit level, natural environment and transportation conditions are better than those before the project implementation.

According the impact of Wulanhada Dyke Subproject, its permanent land acquisition is 86.55Mu and its temporary land acquisition is 198.75Mu.

6.2 Recovery plan of land acquisition

6.2.1 Recovery plan of permanent land acquisition

The permanent land acquisition of the project is 86.55Mu and involves Honglian Village and Lianjun Village. The land acquisition will have a large impact on the acreage of the land of affected households. The per capita average cultivated land is reduced to 0.58 Mu/person from 1.1 Mu/person for Honglian Village and to 2.3 Mu/person from 2.43 Mu/person for Lianjun Village. The land loss is not significant for one-third of the 41 affected households, but the loss is quite severe (>25%) for 41.5% of the affected households.

The local leaders and the impacted persons consider, in the consultation with them, that the preferred resettlement scheme is as follows: the resettlement subsidies should be disbursed directly to the impacted persons who can invest the resettlement subsidies into production development, for example, planting fungus and raising cows on their remaining land to increase production value and to make up their losses. Land readjusting but it has been decided that it is no longer necessary. The village collective will use the land compensation fee to improve the production conditions of village such as building roads, water resources facilities and others to provide good conditions for the villagers to develop production.

6.2.2 Recovery plan of temporary land acquisition

The temporary land acquisition is 198.75 Mu of wasteland. As the temporary acquired land mainly locates in the flood plan and the construction period is only one year, the temporary impacts can be removed easily.

6.3 Training Plan for Affected Persons

The project needs acquisition 72.6 Mu of cultivated land and involves 41 households with a production resettlement population of 114, including 106 laborers.
6.3.1 Fungus planting

In order not to reduce the income of the farmers who will lose their cultivated land due to land acquisition, Wulanhaote Municipality Government will provide a fungus planting technique training for them. It was planned to organize a one-day training class at the meeting room of the Agricultural Bureau of Wulanhaote Municipality in the last 10-day period of April, 2009. After the training class, the trainees will be arranged a one-day visit to the Fungus Base of Keyouqianqi and fungus planting farmers of Yileelite Township of Wulanhaote Municipality for them to combine theory with practice. The number of trainees will be 50 persons.

6.3.2 Cow raising

Wulanhaote Municipality Government has also planned a cow raising technique training with a period of one day and for 56 trainees in June, 2009. The training contents include:
1) The state policies on subsidy for cow quality variety and quality replacement cow raising.
2) Management and standardized raising of high yield cow.
4) Quality pasture planting techniques and silage processing techniques.

Follow-up on-farm extension services will be available to these farmers to help them perfect these techniques. Marketing information will also be available from the local Agricultural Office.
7  BUDGET

7.1  Budgeting Bases
(1) <Land Administration Law of the People's Republic of China>
(2) <Regulations about Land Acquisition and Resettlement for Large and Middle Hydraulic and Hydroelectric Engineering>, Order by the State Council of the PRC Circular 471
(3) <Implementation Regulations for the <Land Administration Law of the PRC> of Inner Mongolia Autonomous Region>
(4) Other related specifications and regulations.

7.2  Compensation Standard and Unit Price Analysis

7.2.1 Compensation fee and resettlement subsidies of acquired farmland

7.2.1.1 Crop species and grain yield

According to the investigation of vegetable planting area and yield within three years from 2005 to 2007 in the project acquired land area, the main crop is vegetable. This estimation is based on the yield of main crop. The yield of fresh vegetable of the Yonglian Office is listed in Table 7.2-1.

<table>
<thead>
<tr>
<th>Location</th>
<th>Species</th>
<th>Yield (kg/Mu)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Year in 2005</td>
</tr>
<tr>
<td>Yonglian Office</td>
<td>Cabbage</td>
<td>3317</td>
</tr>
<tr>
<td>Yonglian Office</td>
<td>Rain-fed</td>
<td>1008</td>
</tr>
</tbody>
</table>

7.2.1.2  Vegetable and grain price

Since the vegetable and grain prices vary as the change of demand-supply relation, the average prices of fresh vegetable and grain are used. The price of cabbage is 1.4 Yuan/kg and the price of maize is 1.24 Yuan/kg.

7.2.1.3  Compensation fee and resettlement subsidies of acquired farmland

According to <Land Administration Law of the People's Republic of China> and <Regulations about Land Acquisition and Resettlement for Large and Middle Hydraulic and Hydroelectric Engineering>, and <Decision of the State Council on Deepening Reform to Tighten UP Land Administration by [2004]No.28>, the compensation standards are determined as the following: (i) the land compensation fee for permanent farmland acquisition is 8 times the annual average production value of the last 3 years; (ii) the resettlement subsidy is 8 times the annual average production value of the last 3 years; (iii) the compensation fee for young crops is 1 times the annual average production value of the last 3 years; and the wasteland is considered as the land without usage, which compensation fee is 10 times the annual average production value of local rain-fed farmland of the last 3 years. The calculated compensation standard according to the investigated yield and prices are shown on table 7.2-2.
### Table 7.2-2  Compensation unit price of permanent land acquisition

<table>
<thead>
<tr>
<th>Land type</th>
<th>unit</th>
<th>Unit price</th>
<th>Times</th>
<th>Compensation standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rainfed farmland</td>
<td>Yuan/Mu</td>
<td>1240</td>
<td>17</td>
<td>21,080</td>
</tr>
<tr>
<td>Vegetable land</td>
<td>Yuan/Mu</td>
<td>4295.2</td>
<td>17</td>
<td>73,018</td>
</tr>
<tr>
<td>Wasteland</td>
<td>Yuan/Mu</td>
<td>82.6</td>
<td>10</td>
<td>826.7</td>
</tr>
<tr>
<td>Orchard</td>
<td>Yuan/Mu</td>
<td>35600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest land</td>
<td>Yuan/Mu</td>
<td>18800</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 7.2.1.4 Compensation fee and resettlement subsidies for orchard
At Wulanhada Dyke section, Honglian Village has 4.8 Mu orchard. Its compensation fee is 35600 Yuan/Mu in total, of which the compensation for fruit tree is 16800 Yuan/Mu, the compensation for orchard land is 16800 Yuan/Mu and the resettlement subsidy is 2000 Yuan/Mu.

#### 7.2.2 Compensation fee of forest resources

#### 7.2.2.1 Compensation fee of timber

According to the Article 7 of <Announcement about Regulation of Forest Land Acquisition Charging Standard and Management Usage> [1993]127 issued by the Inner Mongolia Forest Department, the compensation fee of timber is determined as the following:

The timber production per mu is 6 m$^3$ and the price of each cubic meter timer is 700 Yuan. Therefore, the compensation fee per mu is 4200 Yuan/Mu.

#### 7.2.2.2 Compensation fee of forest land

According to the Article 6 of <Announcement about Regulation of Forest Land Acquisition Charging Standard and Management Usage> [1993]127 issued by the Inner Mongolia Forest Department, the compensation fee of forest land is determined as the followings.

Timber forest land: 3 times of the accumulated volume value of mature forest.

According to the above specification, the compensation standard is the following:
- Timber forest production is 6 m$^3$ timber per mu
- Timber price 700 Yuan/m$^3$
- Compensation times: 3 times
- Compensation price per mu: 12,600 Yuan/mu.

#### 7.2.2.3 Resettlement subsidies

According to the Article 8 of <Announcement about Regulation of Forest Land Acquisition Charging Standard and Management Usage> [1993]127 issued by the Inner Mongolia Forest Department, the resettlement subsidy of forest land is determined as 40,000 Yuan for 20 mu forest land or the cost of one laborer.
Since the forest land resettlement subsidy is 40,000 Yuan for 20 mu forest land, the subsidy per mu forest land is 2,000 Yuan/mu. No resettlement subsidy is included for suitable forest land and land with a few trees.
7.2.2.4 Recovery fee of vegetation

According to the Article 9 of <Announcement about Regulation of Forest Land Acquisition Charging Standard and Management Usage> [1993]127 issued by the Inner Mongolia Forest Department, the recovery fee of vegetation is 3 times of the total price of land preparation, planting and cultivating. The forestland recovery fee is 4,000 Yuan/mu.

7.2.3 Other costs

The resettlement implementation fee is 3% and the monitoring and evaluation fee is 1.5%. The survey and planning and design fee is 3%, land acquisition management fee (given to land administration department) is 3%, basic contingency is 10% and the contingency for price variation is 2%. The training fee is 100 Yuan/person. The cultivated land reclaiming fee is determined as 5 times of the annual average production value of the last 3 years according to <Announcement about < Leving and usage management method of cultivated land reclaiming fee and land idling fee of Inner Mongolia Autonomous Region> [1998] No.410 issued by Inner Mongolia Finance Department, which specifies that the compensation fee should be 5 to 7 times of the annual average production value of the last 3 years.

7.3 Investment Estimation

All costs of land acquisition and resettlement are included into the total Project budget. According to the prices in 2007 and taking into account the 2 years inflation, the total investment for land acquisition and resettlement of this project is 3.1804 million Yuan. More details are listed in table 7.3-1.
<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Unit</th>
<th>Quantity</th>
<th>Unit price (Yuan)</th>
<th>Total (Yuan)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Part one</strong>  Resettlement compensation fee of villages</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Land acquisition compensation and resettlement subsidy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(I) Permanent land acquisition</td>
<td>Mu</td>
<td>86.55</td>
<td></td>
<td>2,117,172.04</td>
</tr>
<tr>
<td></td>
<td>1 Dyke occupying land</td>
<td>Mu</td>
<td>86.55</td>
<td></td>
<td>2,077,672.04</td>
</tr>
<tr>
<td>[1]</td>
<td>Cultivated land</td>
<td>Mu</td>
<td>72.6</td>
<td></td>
<td>1,756,340.04</td>
</tr>
<tr>
<td></td>
<td>- Rainfed land</td>
<td>Mu</td>
<td>68.25</td>
<td>21080</td>
<td>1,438,710.00</td>
</tr>
<tr>
<td></td>
<td>- Vegetable land</td>
<td>Mu</td>
<td>4.35</td>
<td>73018.4</td>
<td>317,630.04</td>
</tr>
<tr>
<td></td>
<td>[2] Forest land</td>
<td>Mu</td>
<td>7.95</td>
<td>18800</td>
<td>149,460.00</td>
</tr>
<tr>
<td>[4]</td>
<td>Orchard</td>
<td>Mu</td>
<td>4.8</td>
<td>35600</td>
<td>170,880.00</td>
</tr>
<tr>
<td>[5]</td>
<td>Unused land</td>
<td>Mu</td>
<td>1.2</td>
<td>826.7</td>
<td>992.00</td>
</tr>
<tr>
<td>2</td>
<td>Others</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Large open well</td>
<td></td>
<td>14</td>
<td>1000</td>
<td>14,000.00</td>
</tr>
<tr>
<td></td>
<td>- Tube well</td>
<td></td>
<td>17</td>
<td>1500</td>
<td>25,500.00</td>
</tr>
<tr>
<td></td>
<td>(II) Temporary land acquisition compensation fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>[1] Temporary land occupation compensation fee for earth borrowing area</td>
<td>Mu</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>[2] Reclaiming fee of temporary land acquisition</td>
<td></td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td><strong>Part two</strong> Other costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(I) Survey, planning, design and research costs</td>
<td>Yuan</td>
<td>2117172.04</td>
<td>0.03</td>
<td>63,515.16</td>
</tr>
<tr>
<td></td>
<td>(II) Implementation management costs</td>
<td>Yuan</td>
<td>2117172.04</td>
<td>0.03</td>
<td>63,515.16</td>
</tr>
<tr>
<td></td>
<td>(III) Supervision and evaluation costs (part one)</td>
<td>Yuan</td>
<td>2117172.04</td>
<td>0.015</td>
<td>31,757.58</td>
</tr>
<tr>
<td></td>
<td>(IV) Land acquisition management costs</td>
<td>Yuan</td>
<td>2117172.04</td>
<td>0.03</td>
<td>63,515.16</td>
</tr>
<tr>
<td></td>
<td>(V) Training costs</td>
<td>Yuan</td>
<td>106</td>
<td>100</td>
<td>10,600.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total of part one and part two</strong></td>
<td></td>
<td></td>
<td></td>
<td>2,350,075.10</td>
</tr>
<tr>
<td></td>
<td><strong>Part three</strong> Contingency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Physical contingency</td>
<td>Yuan</td>
<td>2350075.1</td>
<td>0.1</td>
<td>235,007.51</td>
</tr>
<tr>
<td></td>
<td>Price difference contingency</td>
<td>Yuan</td>
<td>2350075.1</td>
<td>0.02</td>
<td>47,001.50</td>
</tr>
<tr>
<td></td>
<td><strong>Sub-total</strong></td>
<td></td>
<td></td>
<td></td>
<td>2,632,084.12</td>
</tr>
<tr>
<td></td>
<td><strong>Part four</strong> Taxes and fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cultivated land reclaiming fee</td>
<td>Mu</td>
<td>68.25</td>
<td>6200</td>
<td>423,150.00</td>
</tr>
<tr>
<td></td>
<td>Vegetable land reclaiming fee</td>
<td>Mu</td>
<td>4.35</td>
<td>21475</td>
<td>93,416.25</td>
</tr>
<tr>
<td></td>
<td>Vegetation recovering fee of forest</td>
<td>Mu</td>
<td>7.95</td>
<td>4000</td>
<td>31,800.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>548,366.25</td>
</tr>
</tbody>
</table>
### 7.4 Plan of Investment by Year

According to the implementation schedule of the Project, the construction period is one year. The resettlement investment for 2009 is 3.1804 million Yuan.

### 7.5 Source of Funds

According to the project construction schedule, all the investments come from the project budget through financial disbursement of Wulanhaote Municipality Government.

### 7.6 Funds Flow

Prior to implementation of land acquisition and resettlement, the Project Office will sign compensation agreements with the two affected villages and all affected individual households. The agreements will specify the compensation amount, payment method, payment schedule, and responsibilities. The funds flow is presented in Figure 7.6.

**Figure 7.6 Resettlement Funds Flow**

**Legend**

- FA - Financial allocation
- PO - ADB Project Office
- RO - Resettlement Offices
- AH - Affected households
- OA - Owner of attachments on land
- CUG - Collective villages or groups
- CH - Contracted households
8 SCHEDULE OF RESETTLEMENT ACTIVITIES

8.1 Linkage of Resettlement Schedule with Construction Schedule

8.1.1 Construction Period of Wulanhada Dyke Project of Wulanhaote Municipality

The construction period of Wulanhada Dyke Project is planned in one year according to the features of the project and the evaluation conclusion of “Feasibility Study”. The construction can be scheduled according to the importance, quantity, difficulty and others. The project will be finished by December of 2009. According to construction plan, the schedule of land acquisition and resettlement is determined and is linked with the project construction.

8.1.2 Linkage of the Resettlement Schedule and the Construction Schedule

The principles to arrange the resettlement activities and the construction schedule are described as
- The schedule of land acquisition and resettlement should be linked with that of the construction of the Project.
- The schedule of land acquisition will be determined in accordance with the starting time of the project construction.

The linkage of the resettlement schedule and the construction schedule is shown on table 8.1-1.

| Table 8.1-1 linkage between land acquisition schedule and construction schedule |
|:-----------------|:-----------|
| Construction date | Starting   | March, 2009 |
|                  | Ending     | December, 2009 |

8.2 Principle of Schedule Establishment

The implementation of the land acquisition and resettlement will start after the Project passes the evaluation of ADB, and the schedule will be established in accordance with the following principles.
- The scope of land acquisition has been determined.
- The material measurement and calculation needed by land acquisition and house removal should be done by PMO together with the owners of property in accordance to the red line map before signing the compensation and resettlement agreement.
- PMO will organize a conference of all impacted communities, households, and work units to publicize the policies on land acquisition, house removal, compensation and resettlement. The conference will be held before the compensation and resettlement agreement is signed. After the conference, an announcement about land acquisition and house removal will be issued.
- The compensation agreement should be signed by the house removal persons and the resettlers after the material measurement and calculation and announcement about land acquisition and house removal is issued.
- The compensation fee should be paid for the temporary land occupation and payment should be made before construction.
- The payment should be carried out after the compensation agreement between the two parts is signed or before the implementation of land acquisition and house removal.

8.3 Overall Schedule of Land Acquisition and Resettlement Activities

According to the schedule of the land acquisition and removal, the resettlement for land acquisition will be completed by April, 2009.
9 INSTITUTION

9.1 Resettlement Implementing Agencies

In the implementation of the Project, the following agencies are responsible for the planning, administration, implementation and monitoring of the resettlement.

- Project Leading Group of Xingan League (PLGXL)
- Project Management Office of Wulanhaote Municipality (PMOW)
- Land Bureau of Wulanhaote Municipality
- Yonglian Street Office
- Water Resources and Hydropower Survey and Design Institute of Inner Mongolia (WRHSDI)
- External monitoring and evaluation agency.

9.2 Profile of Agencies

(1) Project Leading Group: responsible for project coordinating, policy formulating; examining resettlement plan; implementation supervise and inspection,

(2) Project offices of banners (counties, municipalities): responsible for routine coordinating, organizing and matter summarizing for project construction

(3) Water resources bureaus of banners (counties, municipalities): responsible for assisting Project Office to coordinate removal of attachments

(4) Finance bureau of banners (counties, municipalities): responsible for appropriating project funds,

(5) Land bureau of banners (counties, municipalities): responsible for land acquisition,

(6) Township(town) governments and villagers committees involved in land occupation: responsible for assisting project office of banner(county) to coordinate land acquisition and removal and organizing villager’s removal and production development

(7) Design institute: responsible for project design and determining scope of land acquisition

(8) Relevant departments: responsible for recovery and rehabilitation of special facilities

(9) Changchun Center of Development, Training and Consultation for Resettlement in Songhuan River and Liao River Reservoir Area: responsible for monitoring and evaluation on land acquisition, removal and resettlement.

9.3 Fund Management

9.3.1 Fund appropriation

The funds for land acquisition, removal and settlement of the project are all domestic funds. The fund for permanent land acquisition will be appropriated by the project entity and disbursed through financial departments of banners (counties, municipalities) to land administration departments at the same level. The land administration departments will be responsible for land acquisition and disburse the compensation fee for land acquisition to relevant townships and villages. Removal fund will be appropriate by financial department to project entity and then will be paid to affected households by project entity.
9.3.2 Supervision of fund use

The governments at the same level and the project administration departments of the autonomous region are responsible for the supervision of fund disbursement and use so as to ensure that the resettlement fund is allocated and used as specified by planning and avoid that the fund is seized and misappropriated. Supervision, monitoring and evaluation departments are responsible for the monitoring and evaluation on the timing, effectiveness and legitimacy for the use of resettlement funds.

9.4 Capacity Building

To strengthen the organizational capacity during resettlement implementation, the following measures will be adopted:

- The staff of organizations at all levels consists of 2 parts: professional personnel and administrative personnel, who must have certain professional skill and administrative competence.
- Organizing the main staffs to participate in professional training so that they can get familiar with the policies on resettlement of China and requirements of ADB.
- Providing sufficient funds and equipment to the project;
- Establishing data base, strengthening information feedback, keeping smooth communication among various departments, leaving important issues to be solved by leading groups.
- Strengthening reporting system, enhancing internal supervise, solving problems in time;
- Establishing external monitoring and evaluation mechanism and warning system.
10. PUBLIC PARTICIPATION AND APPEAL

10.1 Methods

In order to establish relative policies, work out a good RP, minimize complaints and disputes, and accomplish the appropriate resettlement, a great deal of efforts have been made to increase participation and consultation of the impacted persons during stages of preparation and implementation of the RP. In the stage of project feasibility study and design preparation, time after time, the proprietor had asked relative Municipality government and the representative villagers affected by the land acquisition for their suggestions, proposals and opinions on resettlement. In the stage of resettlement plan preparation, the proprietor had asked local governments and the representative villagers affected by the land acquisition for their suggestions, proposals and opinions on the compensation standard and resettlement. With the help of different level governments, the formulation of <Resettlement Plan> of this project has been finished. All resettlement organizations and affected persons will participate directly in all activities during the project implementation.

10.2 Public Participation during Project Preparation

10.2.1 Social and economic investigation

The statistic investigation and the socio-economic investigation of this project have been carried out in May of 2008. The design institute and proprietor and local government have investigated widely the social and economic situations. One of the investigated contents is to collect second hand data from Wulanhaote Municipality statistic almanac. By referring to the almanac, the economic, geological, social, and basic facilities situation in the resettlement area and Wulanhaote Municipality can be understood in certain degree. The other content of the investigation is to implement large scale in site investigation. The main objectives are to understand the basic social and economic situation of household and collectives the project affected area.

Impacted households

This investigation and consultation is to understand the attitudes and comments of impacted residents to this project. 20 households have been surveyed, which is about 25% of the total impacted households. The investigated results are shown on table 10.2-1. The investigated results show that most residents do not know that this project will be implemented. Since then the Project Management Office done a lot of awareness and consultation to ensure the affected persons know about this project.

Impacted enterprises and public institutions

Detail investigations for the impacted enterprises and public institutions had been carried out in May of 2008. The investigated contents include the impacted degree to enterprises and public institutions; the present production situation, annual total production value, staff structure and numbers, average wages, annual profit and resettlement methods of enterprises and public institutions.

10.2.2 Public participation and activities

In order to formulate relevant policies, compile a sound resettlement plan, reduce complaint and disputes, and realize the objectives of resettlement, the project has put great attention to participation and consultation of relocatees during the formulation of resettlement policies, formulation of resettlement plan and its implementation. On February 11, 2009, the Land Administration Bureau of Wulanhaote Municipality disclosed the compensation rates and resettlement policies through posters in the two affected villages so as to smoothly implement the resettlement plan. Also, it sent out randomly 50 questionnaires to collect public comments in the Yonglian Office administrative area. The
results are shown in Table 10.2-2.

10.3 Vulnerable Households

Through Survey, no vulnerable households have been found among affected households. If the vulnerable households are found during implementation, they will be given help to reduce the impact to them by the project. The project will establish a special fund to subsidize the vulnerable group in order to improve their living standard on a certain extent.

10.4 Public Participation during Resettlement Implementation

During the project implementation, impacted persons and community will be encouraged to participate continuously in the following activities:

- Before the resettlement implementation, the impacted persons and units should be notified the resettlement policies and its progress.
- The resettlement standard will have direct relation to the interests of impacted persons. The resettlement organizations and the impacted persons will sign compensation agreement for the demolished house and others before starting demolition. The related policies should be published before signing the agreement.
- The construction of project will produce certain more or less impacts to the local area. In order to guarantee that the impacted persons can benefit from the project, the impacted persons are encouraged to participate in the project construction.
<table>
<thead>
<tr>
<th>No</th>
<th>Question</th>
<th>Response</th>
<th>Conclusion (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>(1)  (2)  (3)  (4)  (5)</td>
</tr>
<tr>
<td>1</td>
<td>Do you know that Wulanhada Dyke of Wulanhaote Municipality is to be constructed?</td>
<td>(1) Yes (2) Not clear (3) No</td>
<td>65  20  15</td>
</tr>
<tr>
<td>2</td>
<td>Approve of the Project?</td>
<td>(1) Yes (2) No (3) Indifferent</td>
<td>56  17  27</td>
</tr>
<tr>
<td>3</td>
<td>Who do you think will benefit from the Project? (Multiple choices)</td>
<td>a) State (1) Yes (2) No</td>
<td>71</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b) Collectivity (1) Yes (2) No</td>
<td>62</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c) Individuals (1) Yes (2) No</td>
<td>65</td>
</tr>
<tr>
<td>4</td>
<td>What harm do you know is caused by floods? (Multiple choices)</td>
<td>(1) Cause houses and properties lost (2) Affect agricultural production (3) Damage infrastructure (4) Affect people’s health (5) Affect investment conditions</td>
<td>90  85  81  78  65</td>
</tr>
<tr>
<td>5</td>
<td>What degree did floods affect your living and production?</td>
<td>(1) No impact (2) Not severe (3) Severe (4) Very severe</td>
<td>17  48  24  11</td>
</tr>
<tr>
<td>6</td>
<td>What benefits do you think you can get from the Project?</td>
<td>(1) Protect securities of people and production (2) Increase agricultural production levels (3) Improve living environment (4) Provide more opportunities of employment</td>
<td>97  42  64  12</td>
</tr>
<tr>
<td>7</td>
<td>What unfavorable impacts do you think the Project will bring to you?</td>
<td>(1) No unfavorable impact (2) Construction will affect production and living (3) Removal will cause economic lost (4) Economic incomes are likely to be reduced because of the land acquisition</td>
<td>12  30  61  7</td>
</tr>
<tr>
<td>8</td>
<td>Do you know about the policies on resettlement and compensation for land acquisition and removal?</td>
<td>(1) Yes (2) A little (3) No</td>
<td>36  39  25</td>
</tr>
<tr>
<td>9</td>
<td>Do you know to appeal if you are aggrieved in the land acquisition and removal?</td>
<td>(1) Yes (2) No</td>
<td>70  30</td>
</tr>
<tr>
<td>No.</td>
<td>Question</td>
<td>Answer</td>
<td>Sampling households</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------------------------------------------</td>
<td>-----------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>1</td>
<td>What do you think is the main problem constraining local economy development?</td>
<td>Electricity</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transportation</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Water resources</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Natural resources</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Don't know</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Do you think a flood control project will be constructed?</td>
<td>Know</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Don't know</td>
<td>27</td>
</tr>
<tr>
<td>3</td>
<td>Do you think the construction of flood control project will benefit to local economic development?</td>
<td>Yes</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Don't know</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Do you think the construction of flood control project is necessary?</td>
<td>Yes</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Don't know</td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>Do you think the land acquisition and resettlement will impact the local residents and society?</td>
<td>Beneficial</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Harmful</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Beneficial and harmful</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Don't know</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Do you think you will support the project construction?</td>
<td>Yes</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Don't know</td>
<td>4</td>
</tr>
<tr>
<td>7</td>
<td>What kind impacts will be caused by the flood control project?</td>
<td>Increase local economy</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increase employment</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Beautify urban environment</td>
<td>24</td>
</tr>
<tr>
<td>8</td>
<td>How can you support the project construction?</td>
<td>Most people consider that the importance of the project should be publicized and they want to contribute to the project construction.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Give your comments and suggestions about land acquisition and resettlement?</td>
<td>Resettle according to laws</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Meet the requirements of resettlers by reaching limit of compensation standard</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others</td>
<td>6</td>
</tr>
</tbody>
</table>
10.5 Public Announcement

Public announcement

The impacted persons should be notified of the related resettlement impacts, resettlement policies, and compensation standards by posting notices. The information should be distributed in the impacted area by posters before the resettlement implementation.

Publicity of Resettlement Plan

In order to let the impacted persons evaluate the contents of the Resettlement Plan, the Resettlement Plan was disclosed on 11 February 2009.

10.6 Appeals

During the process of formulation and implementation of this Resettlement Plan of this project, the resettlers are encouraged to participate in the whole process. But if there are still some problems, in order to solve these problems in time and effectively and guarantee the smooth progress of the land acquisition and resettlement, this project has established the effective appealing channels for the impacted persons besides the existing appealing channels. The detail procedures are as follows:

Step one: If the impacted persons are not satisfied with the resettlement plan or its implementation, they can appeal to Yonglian Office orally or written. If the appeal is in oval, Yonglian Office should record it in written and treat it. The Resettlement Group of the District Government should reply within two weeks.

Step two: If the impacted persons are not satisfied with the answer of step one, they can appeal to Municipal Resettlement Office. The Municipal Resettlement Office should make treatment decision within two weeks.

Step three: If the impacted persons are still not satisfied with decision of Municipal Resettlement Office, they can bring a suit to a civil court according to civil procedural law.

In order to let the impacted persons know their rights, the above mentioned appealing procedures will be notified to them by means of resettlement publicity manuals, publicity meeting, and posters. The Resettlement Office should check the problems which happen during the resettlement implementation and make the necessary reply and follow-up actions after acquiring the comments of Governments of different levels.
11. MONITORING AND EVALUATION

11.1 Internal Monitoring and Evaluation

11.1.1 Objectives

The objectives of internal monitoring and evaluation are to guarantee all resettlement organizations to fulfill their functions during the implementation of this <Resettlement Plan> and to ensure that the basic interests of impacted persons are not infringed and that the project construction can be implemented smoothly.

11.1.2. Organizations and Personnel

The internal monitoring and evaluation is implemented by the Wulanhaote Municipal Resettlement Working Group under the guidance of the proprietor. In order to excise effectively the internal monitoring and evaluation functions, 1 or 2 special personnel in each resettlement agency are responsible to this job. They have all participated in the formulation and implementation of this <Resettlement Plan> and will carry out the internal monitoring and evaluation according to this <Resettlement Plan>.

11.1.3. Internal Monitoring Contents

(1) Disburse and use of land compensation;
(2) Support to vulnerable groups;
(3) Schedule for above activities;
(4) Implementation of Resettlement Plan and relevant policies;
(5) Manning, training, working schedule and work efficiency of the municipal resettlement office.

11.1.4. Implementation Procedure

The internal monitoring and evaluation is carried out by the resettlement implementation agencies. The Municipal Resettlement Office is the main resettlement implementing agency, which is responsible to establish the resettlement database which will be updated during the resettlement implementation process. According to this database, the Resettlement Office will monitor the whole process of resettlement. The objective is to fully guarantee the successful implementation of Resettlement Plan.

The internal monitoring will start from Yonglian Office. The street (township) resettlement working group will record the resettlement implementation process according the tables prepared by the Resettlement Office. The recording will be submitted to the Municipal Resettlement Office which will prepare the internal monitoring report and resettlement progress report.

11.1.5. Report

Since starting resettlement implementation, the district resettlement working group should submit a working progress report to the Municipal resettlement leading group and proprietor every three months. According to working progress, the Municipal Resettlement Office should submit the internal monitoring and evaluation report to the provincial Project Management Office and ADB in every 6 months. Once the land acquisition and recovery measures are finished, the Municipal PMO should prepare a resettlement completion report and submit to ADB by July 2010.

Progress report form and contents

The report consists of two parts. The first part is the main text which describes in detail the land acquisition and resettlement and the distribution of compensation fee and others, the situation during the implementation, the problems and difficulties and the methods and measures used to solve them. The second part is tables which
summarize the data of resettlement in the last 6 months and represent the actual implementation data of land acquisition and compensation and the comparison between planned numbers and the actual implemented numbers.

11.2 External Monitoring and Evaluation Report

11.2.1 Objectives and tasks

For the external monitoring and evaluation, an independent agency will be engaged by the proprietor to monitor and evaluate the resettlement activities periodically and to check whether the resettlement objectives have been achieved. The purpose of the external monitoring and evaluation is to: (i) evaluate the recovery of impacted person’s living standards; (ii) evaluate the quality of resettlement management, and (iii) provide another channel for affected persons to express their the resettlement comments.

11.2.2. Organizations and Personnel

The proprietor will entrust the agency with certain qualifications as the general monitoring and evaluation agency. The entrusted monitoring agency should have wide experiences of social and economic investigation, resettlement plan, and resettlement monitoring. The personnel of the entrusted agency should have social science background and especially the ADB’s or World Bank’s financed projects.

11.2.3. Main indexes of monitoring and evaluation

One main task of resettlement monitoring and evaluation is to guarantee the approved resettlement plan is fully implemented. In order to realize this objective, three indexes are applied during the process of monitoring and evaluation. The first index is to measure the in kind quantity of the resettlement impacts which include the impacted population and the number of impacted households, the number of land acquisition and demolished buildings or facilities. The second index is to check whether the applied compensation standard and policies have some differences with the Resettlement Plan. The third index is to record whether there are some differences between the decided plan and the implementation and whether there are any changes of the impacted person’s living standard, which include the changes of economic development conditions, living standard and employment before and after resettlement implementation, and especially the situation of impacted persons who lose their main production facilities. The independent monitoring agency should pay attention to the following indexes:

- Arrangement and recovery of production;
- Support to vulnerable groups, if applicable;
- Disbursement and quantity of compensation;
- Training.

11.2.4. Methods of monitoring and evaluation

The monitoring and evaluation is carried out under the basis of planning and implementing data provided by the resettlement agencies by applying the method of combining the sampling and rapid evaluation. It mainly investigates the changes of impacted person’s living standard. Before the resettlement implementation, the basic production and income situation is investigated and the sampling households are selected. The living standard investigation is carried out one every year in order to understand the production and income changes of the impacted households. During investigation, general households are selected and informal discussion and visiting on site is carried out in order to receive necessary data. The collected data are analyzed and evaluated in more detail. The monitoring and evaluation groups should inquire about the impacted persons and collectives for their comments and suggestions about the resettlement implementation during visiting and meetings. All these comments and suggestions should be summarized to the Monitoring and Evaluation Report and then submitted to the proprietor and ADB.
11.2.5. Basic Procedure

- Formulating resettlement monitoring and evaluation plan;
- Formulating investigation guidelines and tables of sampling households and the two affected collectives;
- Designing sampling investigation scheme;
- Investigating basic reference indexes;
- Establishing monitoring and evaluation information system;
- Monitoring and evaluating;
- Dealing with data and establishing database;
- Comparing and analyzing; and
- Writing resettlement monitoring and evaluation report in every six months.

11.2.6. Independent monitoring and evaluation report of resettlement

The monitoring and evaluation agency should submit their working report to the resettlement office within one month after they complete their project site investigations and surveys. According to the requirement of ADB, the monitoring and evaluation agency should start monitoring and evaluation from the beginning of resettlement work (i.e., March 2009). The first monitoring and evaluation report should be prepared and Submitted by the end of July 2009. Subsequently, two annual evaluation reports should be submitted by the end of December for two years (2009 and 2010. The basic contents of the reports include the following:

- Basic investigation of impacted persons;
- Progress of land acquisition;
- Compensation for and recovery of production;
- Assistance to vulnerable groups;
- Opinions of the affected persons and Problems and suggestions.