

# Resettlement Planning Document

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Resettlement Plan – Qingxi Road Landfill Component  
Document Stage: Final  
Project Number: 36595  
December 2006

## PRC: Hefei Urban Environment Improvement Project

Prepared by Hefei Urban Construction and Investment Co. Ltd.  
Hefei Construction Commission

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**Hefei Urban Environment Improvement Project**

**Improvement of the Closed Qingxi Road Landfill  
Site Sub-Component**

# **Resettlement Plan**

**Hefei Urban Construction Investment Co. Ltd.  
Hefei Construction Commission**

**Hefei China**

**30 November, 2006**

## **ENDORSEMENT LETTER FOR THE RESETTLEMENT PLAN**

The Hefei Urban Construction and Investment Company (HUCIC) Ltd, the implementation agency (IA) with the assistance of the Hefei Design Institute of Coal Industry has prepared this Resettlement Plan (RP) for the Qingxi Road Landfill Site Improvement Sub-component as part of the Hefei Urban Environment Improvement Project, which is under application for a loan from the Asian Development Bank (ADB).

The RP fully complies with requirements of the relevant laws, regulations and policies of People's Republic of China, Anhui Province and Hefei Municipal Government as well as complies with ADB's policy on involuntary resettlement.

This resettlement plan is based on the feasibility study report and socio-economic survey and Hefei Project Management Office hereby confirms the content of this RP and will guarantee the land acquisition and compensation budget being provided according to the provisions of aforesaid plan. No demolition and resettlement issues are applicable in this case.

This RP will be future modified and approved by ADB before its implementation when the detailed design is finished.

WANG Linjian, Vice Mayor, Hefei City  
LI, Wuhao, Director of Hefei Project Management Office:

November 2006

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## LIST OF ACRONYMS AND MEASURES

AAOV	Average Annual Output Value
ADB	Asian Development Bank
AP	Affected Person
CNY	Chinese Yuan
CRC	Community Residents Committee
DI	Design Institute
DMS	Detailed Measurement Survey
EA	Executing Agency
EIA	Environmental Impact Assessment
EPB	Environmental Protection Bureau
FB	Finance Bureau
GDP	Gross Domestic Product
FSR	Feasibility Study Report
Ha	Hectare
HDPE	High Density Poly Ethylene
HMCC	Hefei Municipal Construction Commission
HMG	Hefei Municipal Government
HSB	Hefei Statistical Bureau
HSMCLR	Hefei Supervision and Management Committee for Land Acquisition and Resettlement
HUCIC	Hefei Urban Construction Investment Holding Company Limited
IA	Implementing Agency
LAB	Land Administration Bureau
LSSL	Least Subsistence Security Line
M&E	Monitoring and Evaluation
NGO	Non Governmental Organisations
PMO	Project Management Office
PPTA	Project Preparatory Technical Assistance
PRA	Participatory Rapid Appraisal
PRC	Peoples Republic of China
RO	Resettlement Office
RP	Resettlement Plan
TA	Technical Assistance
ToR	Terms of Reference
WWTP	Wastewater Treatment Plant
US\$	United States Dollar
km <sup>2</sup>	square kilometre
mm	Millimetres
m <sup>3</sup> /d	Cubic Meters per day
%	Percentage
≤	Less than or equal to
≥	Greater than or equal to
#	Number
mu	Chinese area measure for land, 1mu = 1/15 ha (1 ha = 15 mu)
CNY	Chinese currency Yuan, 1 Yuan = 1/7.9 \$US ( \$US1=CNY 7.9)

## EXECUTIVE SUMMARY

In order to address the pollution from the former Qingxi Road Landfill Site into the Nanfei River, and to improve the overall regional ecological environment, Hefei Municipal Government (HMG) intends to utilize part of the Asia Development Bank (ADB) loan under the Hefei Urban Environment Improvement Project (HUEIP) to launch a comprehensive improvement project of the closed Qingxi Road Landfill Site– Subcomponent 1.4, to be implemented directly by Hefei Urban Construction Investment Co. Ltd (HUCIC). So far, a memorandum of understanding has been signed by HMG and ADB. The implementing agency (IA) of this sub-component is HUCIC.

The Project covers an area of 534 mu, including 181 mu (12 hectares) allocated from the former landfill site, 100 mu allocated by the Hefei Municipal Construction Commission (HMCC) from the sludge lagoon at the Third Water Plant, and 253 mu (16.9 hectares) of newly requisitioned land. The land requisition affects Qilitang Group and Qingxi Road Residents' Community, but no houses or shops will require demolition and hence no relocation of affected persons is required.

In order to minimize land requisition impacts, there was close consultation with the local officials and the Community Residents' Committee (CRC) on the project scheme selection early during the feasibility study stage, and alternative schemes had been compared and an optimized scheme has been recommended. The present Resettlement Plan (RP) is made in accordance with the Land Administration Law of the People's Republic of China (2004 revised version) and its matching policies, the Notice on the Further Reform of the Land Administration by the State Council ([2004]28) and the related policies in Anhui Province and Hefei Municipality, and meanwhile the RP was prepared to comply with ADB's Policy and requirements on Involuntary Resettlement. Based on the above-mentioned policies and the consultation with the local governments and the affected persons (APs), the resettlement principles established for the sub-component are: (i) That compensation and entitlements provided to the APs are adequate to at least maintain their "without project" standard of living, with prospect of improvement; (ii) All APs, titled or non-titled, are taken into account for compensation and resettlement assistance; (iii) Where post- requisition cultivated land per capita is not sufficient to maintain livelihood, compensation in cash or kind for replacement land for other income-generating activities will be provided for the APs; (iv) All the APs will be adequately informed on eligibility, compensation rates and standards, livelihood and income restoration plans, project timing, and will be involved in RP implementation; (v) No land requisition will take place unless replacement land or sufficient compensation for resettlement is given to the APs; (vi) The executing agency (EA) in this case the HMG and the independent / third party will monitor compensation and resettlement operations; (vii) Vulnerable groups should receive special assistance or treatment to ensure they are better off, so the affected persons listed in the RP will have the opportunity to benefit from the project; (viii) The RP shall be combined with the overall City / County / District planning; and (ix) The resettlement budget shall adequately cover the full aspects.

The people affected have been notified about the key elements of the RP. On various occasions during meetings, interviews, focus group discussions, public consultation workshops, and community consultation meetings, local representatives have participated in the planning and concerns have been integrated into the RP. The Hefei Project Management Office (PMO) will be responsible for the supervision of RP implementation, further consultation and grievance redress. The grievance redress procedures have been clearly described in the present RP.



Compensation standards for permanent land requisition are in accordance with HMG [2003] No. 138 and relevant documents. The Project will pay land compensation fee CNY 21,000 /mu to collectively owned land. Farmers under age 16 who are to be resettled will be paid a resettlement subsidy of CNY 10,000 /person. Those over 16 will be paid CNY 30,000 /person (among which CNY 12,000 /person is for seeking employment by oneself and CNY 18,000/person is for pooling basic living security fees); green crops compensation fee is calculated as CNY700/mu in one season.

Resettlement and income restoration strategies include, cash compensation, skill training for the APs, project related employment and non-cash assistance. The APs from whom the land is acquired will find employment in the intensified farming work or non-agricultural employment to increase their income after related skills training. The project has provided a budget of CNY 100,000 for skills training.

The land requisition and resettlement is scheduled to begin in July, 2007 and to be finished in November, 2008. The civil works will not take place before compensation for the APs is fully paid. In order to ensure successful implement of the RP, in addition to the internal monitoring and supervision, an independent external monitoring agency will conduct monitoring once half a year. The budget for the land requisition compensation and resettlement fee is CNY 20.3 million which is 21.1% of the total investment of this sub-component.

## EXPLANATION OF KEY TERMS INVOLVED IN THE REPORT

**Affected Persons:** Affected persons include any person, household, enterprise or private unit that has following changes caused by the project: (1) Living level is subjected to negative influence; (2) House, land (including house site, commercial land, agricultural land, woodland or grassland), water resource or any other movable property or real property gained or owned are subjected to restrictive and negative influence, wholly or partially, permanently or temporarily, so that their rights, qualifications or interests are subjected to affect; (3) Businesses, occupations, works or living places or environments, which may be moved or may not be moved, are subjected to negative influence.

**Replacement Cost:** Replacement Cost refers to a method of asset evaluation that uses market price to replace lost property or uses its closet equivalent, adding any transaction cost, for example, administration cost, tax, registry fee and the cost for gaining (owning or using) qualification. If the standard is not stipulated in any national law, a replacement cost is necessary to be complemented to it. The replacement cost is determined on the basis of the higher one of the current market price and the market price prior to property lost. In the absence of the functional market, a compensation structure shall be used to make the living level of affect persons recover at least to the level when losing property, moving or limiting use (of the property).

The replacement cost for most of the properties to be lost can be determined; however, under a system of collective land ownership where market price does not exist, Chinese government has adopted complementary means besides the compensation for land to be lost—resettlement subsidies can be increased (as HMG did, not limited to the stipulated times of average annual output value of land to be acquired), and reemployment training is provided for APs. In short, the key objective is to ensure that land loser's livelihood and income level at least main the same level as that before the project or improved.

**Allocation of the land use right:** Allocation of the land use right refers to acts that, after the land user has paid compensation and expenses for resettlement, etc. with the law, allocate the land to the land user or gratuitously allocate the land-use right to the land user.

**Transfer of the Land Use Right:** Transfer of the Land Use Right refers to the acts that the State grants land users the right to use the state-owned land for a certain number of years on condition that the users shall pay the State a transfer fee for the land-use right.

**Basic Farmland:** Basic Farmland generally means the fertile land used for agricultural production. In this Project there is no basic farmland occupied. The following lists Article 34 of the Land Administration Law of the PRC:

Article 34: The State fosters the system of protecting the basic farmland. The following cultivated land shall be demarcated as basic farmland protection areas and subject to stringent control according to the general plans for the utilization of land:

1. Cultivated land in the grain, cotton and oil-bearing crops production bases approved by the land administrative department of the State Council or the local people's governments at and above the county level;
2. Cultivated land with good water conservancy and water and soil conservation facilities and medium-and low-yielding land where the execution of amelioration plan is in progress or medium-and low-yielding land that is transformable.
3. Vegetable production bases;

4. Experimental plots for research and teaching;
5. Other cultivated land that should be designated as basic farmland protection areas as provided for by the State Council

Areas of basic farmland demarcated by various provinces, autonomous regions and municipalities should make up over 80% of the cultivated land within their administrative areas. Basic farmland protection areas shall be demarcated with township (town) as the unit and the protection of which shall be carried out by the land administrative departments of the county level people's governments together with agricultural administrative departments of the same level.

## **I. PROJECT DESCRIPTION**

### **1.1 Introduction**

1. The Resettlement Plan (RP) report is prepared in accordance with the following: ADB Policy on Involuntary Resettlement, Operational Manual F2: Involuntary Resettlement (issued on September 25, 2006), and other social security and guidelines in the social fields; Chinese laws and regulations, local by-laws and policies, which provide a policy framework for mitigating negative impact of the proposed sub-component and also provides a basis for measures to recover the income of the affected persons (APs).

2. Both for ADB and the Chinese PRC Government, the overriding fundamental objective of the RP is to ensure the people whose land or property is unavoidably affected due to the Project, receive adequate assistance so that they would be at least as well-off as they would have been in the absence of the Project, and get benefits from the project. This RP is prepared just for the above purpose. The Project Management Office (PMO) has made it clear that Hefei Urban Construction and Investment Company Ltd (HUCIC) will be responsible for the project implementation whilst Hefei PMO will have an overseeing role.

3. The RP is prepared based on: (i) review and discussion with authors of the relevant project reports, especially the feasibility study report (FSR) for the Project, environmental impact assessment (EIA) report, the original RP report (2005) that was prepared by the IA with the assistance of Hefei Design Institute of Coal Industry; (ii) the results of discussion with the authors of the above reports, especially the main authors of the RP report; (iii) a field survey on the project design area in the technique assistance preparation period at the early stage of the project; (iv) consultations with the local government, village leaders and the APs, affected household; and (v) the social economic survey for the APs conducted during April-July 2006.

4. Engineering data for this RP comes from the FSR and was obtained in the investigation for the preparation of the feasibility study and is considered reliable. However minor changes may occur during the stages of detailed design and preparation of construction drawings. Data regarding resettlement impact and cost will be reviewed and revised and the RP will be updated, based on the detailed measurement survey (DMS) for further assessment on the impact before the land acquisition takes place. Any findings through investigation from the DMS will be reflected in the RP and a final budget will be presented. The updated RP will be disclosed to APs before it is submitted to ADB for review and approval. The RP will be disclosed to APs and endorsed by Hefei Municipal Government (HMG) before MRM, and will be uploaded to the ADB website before appraisal.

### **1.2 Project Background**

5. The former Qingxi Road Landfill Site is located in the northwest of Hefei City and is surrounded by Qingxi Road on the south, the Nanfei River on the north and west and Hejiu Railway on the east. The landfill site, which started operating in 1985, covers an area of 400 mu (about 26.7 hectares) after expanded twice in 1992 and 1994. The landfill was closed at the end of 1999 after having received an estimated 2.2 million tons of urban domestic garbage. Prior to filling with waste, the site was a large hole in the ground, from which earth had been excavated to

build the adjacent Jiujiang railway. The original soil had been dug out to several meters below the original ground level, with the base of the excavation at a lower elevation than the Nanfei River. No bottom liner was installed prior to deposition of the solid waste.

6. The top of the landfill lays several metres below the adjacent Hefei to Jiujiang railway line to the east, somewhat higher than Qingxi Road to the north, and approximately 10 metres above the normal level of the Nanfei River to the south and west. The total depth of waste is calculated to be up to 14 meters (10 meters above ground and 4 meters or more below ground).

7. In 1992, a vertical slurry wall was installed along the adjacent length of the landfill which abuts Nanfei River. This was constructed in order to reduce the leachate that was flowing into and polluting the river. Emplacement of the slurry wall involved drilling of boreholes every 1.5 meters and injecting a cement/chemical mixture, to solidify the soil and create a cement barrier between the landfill and the river, down to bedrock. However, this solution did not work, due to high groundwater and rainwater infiltration, gradual filling of waste to a height above the wall, and occasional flooding that raised the river level above the top of the slurry wall. The top of the slurry wall is approximately 5 metres above the normal river level. In addition, gas collection wells were also installed to allow landfill gas ejection from the landfill, although these are now passive with no suction or flaring. The landfill has no cap or other containment systems. Leachate is clearly visible seeping over the top of the slurry wall, and dead vegetation is apparent in patches along the length of the bank below the wall. Leachate appears to be actively flowing from the north-eastern corner of the site, where it pools on the bank of the Nanfei River.

8. In order to control the pollution from the former Qingxi Road Landfill Site into the Nanfei River and improve the regional ecological environment, the HMG, through the IA - HUCIC, intends to make use of the ADB loan to rehabilitate the area by the installation of a vertical cut-off wall, comprising an HDPE membrane, that will be installed to bedrock around the entire perimeter of the landfill and a composite capping system provided. A leachate collection system and gas collection system will be installed. Approximately 3,200m<sup>3</sup> of contaminated soil will be excavated; a surface water drainage system constructed; and the site will be landscaped. A memorandum of understanding on the project has been signed by Hefei Municipal Government and Asia Development Bank.

## 1.3 Project Description

### 1.3.1. Comparison and Selection of Project Schemes.

9. Since the technical alternatives are all to be constructed within the confines of the landfill without any land acquisition and resettlement, and have been reviewed by technical specialist and environmental specialist during the project preliminary technical assistance (PPTA) stage, the comparison of those alternatives will not be repeated here. The only relevant aspect concerning resettlement is the comparison of leachate transportation schemes. These are:

- **Scheme I:** Use HDPE pipelines: of diameter 100mm to convey the leachate directly to the Wangtang Wastewater Treatment Plant (WWTP).
- **Scheme II:** Use closed tankers to convey leachate to the Wangtang WWTP.

10. **Schemes Comparison:** Except for some environmental disturbance during the pipeline construction period, Scheme I will not have impacts on the environment after its completion; Scheme II has no environmental problems during construction, but the tankers will create some environmental impacts from dust, exhaust gases, smell and noise during the operational phase. In addition, Scheme II will create some disturbance to the city traffic and also

runs the risk of intermittent leachate seepage or leakage from the trucks on the route from the landfill to the WWTP. After a comprehensive comparison, Scheme I has been recommended. As there already is a sewer pipeline in Qingxi Road towards Wangtang Wastewater Treatment Plant, the only section need to install the HDPE pipeline is within the Closed Qingxi Road Landfill (see Figure 1). Therefore, there is no impact on the road, businesses and shops.

### 1.3.2. Main Construction Content

11. This sub-component mainly contains three major activities: (i) technical works for landfill treatment, (ii) landscaping and (iii) leachate treatment facilities (see Table 1-1 and Figure 1).

**Table 1-1 Major Improvement Works Closed Qingxi Road Landfill**

No.	Activities	Details	Links to land acquisition
1	Technical works for landfill treatment	Capping, installation of HDPE vertical containment system, installation of leachate, landfill gas collection system, and surface water drainage system.	Yes, on the 181 mu allocated land (landfill)
2	Landscaping Greening and coverage	A 10m isolation belt for sanitation precaution will be established along the railway and the urban roads and an additional 8m fire prevention isolation belt around the whole landfill site. All the rest area within the enclosure will be landscaped.	Yes, total 534 mu including landfill and environmental buffer zone area
3	Waste leachate collection and disposal system	It is consisted of leachate collecting wells, leachate collecting pipes and leachate regulation tanks. Altogether there are 10 leachate collecting wells, 1600m of leachate collecting pipes. The design scale of the sewage lift pumping station is 100t/d with 3 submersible sewage pumps (Q=4.5L/S), 2 in use and 1 spare.	No. within the closed 181 mu landfill area.
<b>Total</b>			<b>534 mu</b>

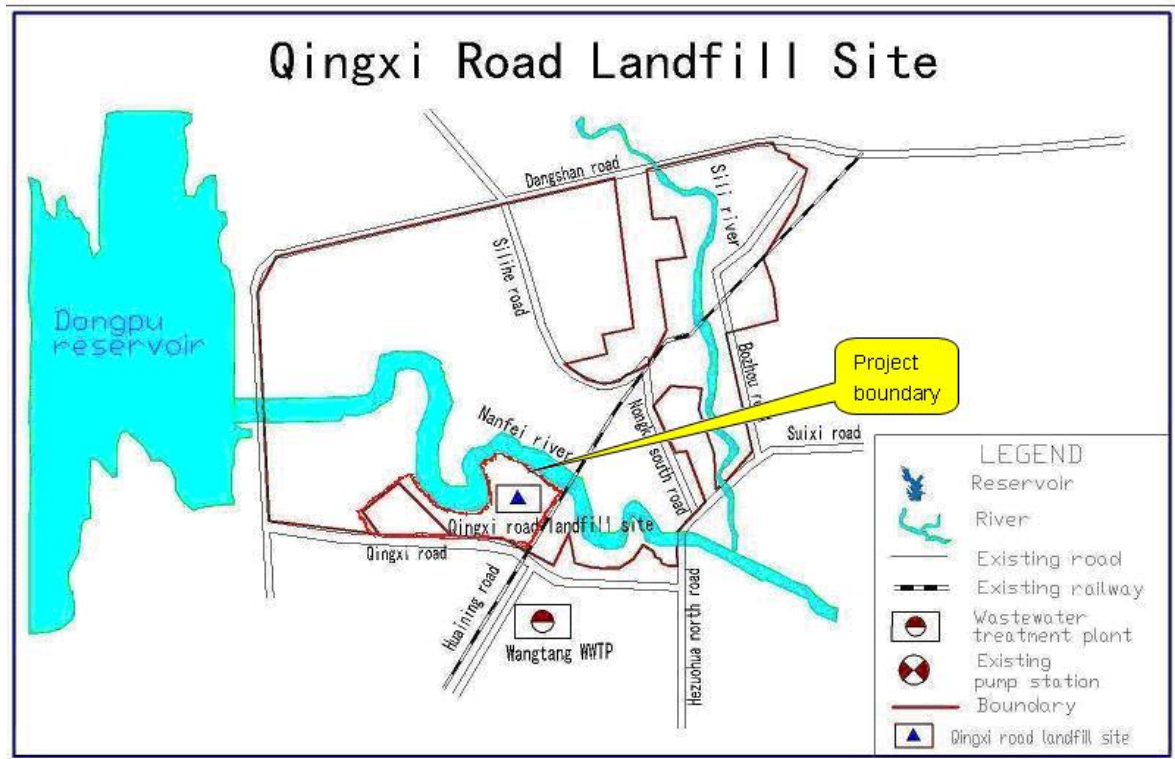


Figure 1 Map Showing Location of Closed Qingxi Road Landfill

## II. LAND REQUISITION AND RESETTLEMENT IMPACTS

### 2.1 Measures to Minimize Land Requisition and Resettlement

12. Hefei Municipal Construction Commission (HMCC), Environmental Protection Bureau, HUCIC and the Project design institute (DI), have carried out the site selection work according to the principles of project construction, site selection and the involuntary resettlement policy requirements of ADB, and have tried to minimize the amount of land requisition and demolition necessary (no demolition necessary on this subcomponent). Meanwhile, for those who will be inevitably affected by the land requisition, a variety of compensation measures have been taken into consideration to minimize the negative impacts of the project.

### 2.2 Impact of Land Requisition and Resettlement

13. According to the result of scheme optimization, the recommended scheme will permanently need land area of 534 mu, comprising 281 mu (18.7 hectares) of state owned land and 253 mu (16.9 hectares) of newly requisitioned collective land. The state owned land can be subdivided into 181 mu (12 hectares) from the closed landfill site, and 100 mu (6.7 hectares) from the sludge lagoon in the Hefei Municipal Third Water Plant which was allocated by HMCC.

14. The 253mu of collective land belongs to Qingxilu Community Residents' Committee (CRC) of Wulidun Sub-district, within Shushan District, including 173mu cultivated land and 80 mu forest land. Currently the cultivated land (173 mu) is leased to Hefei Municipal Landscaping Bureau (*Yuan Lin Ju*) for nursery cultivation. No houses or shops are to be demolished. In addition, five types of land attachment are affected (See Table 2-1). Since no temporary land is required for this sub-component (on-site construction), thus there is yet no temporary impact on the nearby roads, residents and shops.

**Table 2-1 Land Attachment to be Affected**

Village Name	Power Poles	Graves	Well	Mature Trees	Sand-gravel Road(m <sup>2</sup> )
Qingxilu Community Residents' Committee	127	32	24	10280	5600

### 2.3 Affected Population of the Project

15. In April 2006, HMCC, HUCIC, the local resettlement consultant from the Hefei Design Institute of Coal Industry conducted a social investigation on the social economic status in the affected areas. The result of the investigation shows that the project will directly affect 131 persons in 32 households of Qilitang Villager's Group, Qingxilu CRC.



### **III. SOCIAL ECONOMIC INTRODUCTION**

#### **3.1 Brief of Hefei Municipality**

Hefei Municipality has There are three counties (Feidong, Feixi and Changfeng) and, four districts (Baohe, Luyang, Yaohai and Shushan) and three development zones (Hefei Hi-tech Industrial Development Zone, Hefei Economic and Technical Development Zone and Hefei Xinzhan Pilot Zone)) under the jurisdiction of Hefei municipality. According to official statistics Hefei's CNY100 billion Investment Program Outline and Hefei's Short-term Construction Program, Hefei's GDP reaches reached CNY56 billion and has the a developed area of 210 km<sup>2</sup> with the population of 2 million by 2005. Hefei's GDP will is projected to rise to CNY100 billion by the year of 2010. Hefei and the city will cover the developed area of 280 km<sup>2</sup> with the an urban population of 3 million.

#### **3.2 Social Status of the Affected Village**

16. Currently there are 2600 residents of 860 households in Qingxilu CRC. The process of transfer from the agricultural population to urban citizenship started in 2004 and now there are 1050 members in this CRC that have become urban citizens. Of these, 180 households have been listed on the Least Subsistence Security Line (LSSL) program due to the standard shift from rural poverty lines<sup>1</sup> to urban LSSL, which has a designated monthly income of CNY230/person subsistence level. The LSSL is calculated as CNY2760/year, which is around 4 and 3 times of the amount for rural poor households and poor population poverty lines respectively. In the affected resident group (Qilitang Group), there are 26 households (21.7% of total 120 households) that are now protected by the LSSL program, but none of any AP is included (see Section 3.3.5).

17. According to data provided by the Hefei Statistic Bureau and Qingxilu CRC, in 2005 the income structure of the Qingxilu CRC (village) showed that agricultural income accounted for 6% and non-agricultural income occupied 94% of the total income.

#### **3.3 Social Economic Status of the Directly Affected Persons**

18. As a whole this Sub-Component will requisition a land area of 253mu, including 173mu of cultivated land<sup>2</sup>, which will directly affect 131 persons in 32 households. These households are all categorized as urban citizens although they still retain their land holding. The gender, age, education, job and income, etc., of the directly affected persons are as follows:

##### **3.3.1 Gender Structure**

19. In the 131 directly affected persons, 69 persons or 53% are male and 62 persons or 47% are female.

##### **3.3.2 Age Structure**

20. Of the directly affected persons, 26 persons, or 20% are under 16 years old; 105

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<sup>1</sup> The rural poverty lines were defined in 2005 as: that the annual per capita net income blow CNY 683/person was defined as absolute poor household, and blow CNY 934/person was defined as poor population.

<sup>2</sup> Currently this land has been rented out for seedling cultivation. Thus according to current use, it is forestry land, but the RP will pay the compensation according to the original use which was as cultivated land.

persons or 80% of them are at or over 16. See Table 3-1.

**Table 3-1 Age Structure of Directly Affected Persons**

Age	Under 16	Over 16	Total
Number	26	105	131
Percent	20%	80%	100%

### 3.3.3 Education Structure

21. Of the directly affected villagers, 16 persons or 12% did not or have not completed primary school education; 52 persons or 40% completed or are currently pursuing primary school education; 43 persons or 32.6% have completed or are receiving middle school education; 16 persons or 12% are at high school level; and 4 persons or 3.1% are at college level. See Table 3-2.

**Table 3-2 Educational Background of Affected Persons**

Educational Status	Under Primary School	Primary School	Junior Middle School	High School	College Education	Total
Number	16	52	43	16	4	131
Percent	12%	40%	33%	12%	3%	100%

### 3.3.4 Occupational Structure

22. The occupational structure of the directly affected persons shows that 11 of them have not reached school age; 10 or 7.6% are part-time workers as door-man (4 persons) or part-time gardener in the Hefei Municipal Greening Nursery neighboring to their CRC; 75 or 57.3% are workers employed in nearby factories; 11 or 8.4% are long-term migrant workers; 24 or 18.3% are students. About 30% households in the CRC have at least one migrant worker; among them, of which females take up about 40% of this total. With the development of the local economy, the amount of migrant workers are decreasing since the wages are low compared with what can be earned at enterprises nearby their own CRC.

**Table 3-3 Occupational Structure of Affected Persons**

Occupation	Parti-time worker	Worker	Migrant worker	Student	Children under school age	Total
Number	10	75	11	24	11	131
Percent	7.6%	57.3%	8.4%	18.3%	8.4%	100%

### 3.3.5 Financial Status and Vulnerable Groups

23. In order to understand the financial status of potential APs, a specifically focused sample survey has been undertaken following ADB requirements. A survey on 15 of the total 32 households that will lose land (the survey is targeted at the lower income households) was undertaken. The financial results are listed in Table 3-4. The average disposable income from the survey was CNY5,019/person in 2005, with the average expenditure of CNY3,769/person; the resulting average per capita savings were CNY1,250/person. Three households responded that they had no savings in 2005, but none of them have been listed in the LSSL program. Thus there is no vulnerable group that was found in the surveyed households and in fact it was confirmed by CRC leaders, that there are no vulnerable households at all in the 32 households to be affected. That's means the incomes of all the 32 affected households are above the LSSL standard.

24. Of the total income, about 82.3% was from salary or wages, the rest 17.7% was from property income—confirmed as land rental. No households reported that they owned cultivated land but they did own forest land (see footnote 1 and more details on this are provided in section 3-4). The expenditure pattern in 2005 showed about 78.7% of the household expenditure was for food and clothes, 13.2% spent on healthcare and 8.1% on transport and communications.

**Table 3-4 Financial Status of Surveyed Households in 2005**

Unit: CNY/person

Item	N	Minimum	Maximum	Mean	Std. Deviation
Per capita income	15	2,500	6,650	5,019.	1254
Per capita expenditure	15	2,500	5,133	3,769	670
Per capita saving	15	0	2,500	1,250	777

## 3.4 Analysis of Land Requisition Impact

### 3.4.1 Nature of the Land to be Acquired

25. Normally the collective land use right owned by a farmer will be terminated after the farmer's agricultural status has been converted to non-agricultural, and the land will be shared by members in the same collective organization. However, in a CRC, after the status transfer, all residents will be protected by urban safeguard program and nobody would like to conduct farming due to the low profit earned from agriculture<sup>3</sup>. Accordingly, in the urban fringe area of Hefei City, during the transitional period—after the farmers' status conversion and before the land has been acquired by any project to become state-owned land, the collective land will be managed by the respective CRC. In Qingxilu CRC, there are still 173 mu cultivated land and 80 mu of forestland owned by households, which are currently managed by the CRC. Although the land is still titled under villagers' name, they do not conduct farming any more. Instead, the CRC has leased the 173 mu cultivated land based on the PRC Land Contract Law, to Hefei Municipal Landscaping Bureau (*Yuan Lin Ju*) as a forestry nursery on a 2-year basis at the contracted price of CNY 2800/mu (based on the average annual output value of CNY1400 x 2 years) to get an additional income for their resident. The 2-year contract signed in April 2004 and will be terminated in March 2007. Having been informed on the Project progress, leaders of Qingxilu CRC stated that they will no longer continue with this arrangement and the contract will not be renewed when it expires in March 2007. The 80mu of forest land managed by CRC, also has

<sup>3</sup> This is found from group discussion with APs and interview with CRC leaders. The reason is that the income from agricultural is about CNY800/mu per year, which is only equivalent to two-month minimum salary of CNY400/month stipulated by Hefei Municipal Government.

been allocated to the land loss APs evenly, but currently has no income generated for residents.

26. The 173 mu land to be acquired is arable in nature (designated in 1960's) with good fertility, thus it is good for forestry (seedling cultivation). For Qingxilu CRC, this is highly beneficial as the land rental that can be obtained can supplement residents' income after APs conversion from farmer status. The land rental is shared by residents who own the land.

### 3.4.2 Impact of Permanent Land Requisition

27. Given the background of the land to be acquired, it is clearly that land acquisition will related to the interest of land owning residents and the land renter. For the land renter side, since the nursery can be used for this project and is very compatible to the future forest park, thus IA has planned to retain the nursery without relocation. Thus there will be no adverse impact on the land renter side.

28. Regarding the land owner side, almost all APs will lose 100% of their land; however, since the land sooner or later will be acquired due to the urban development, and all of the labor-age APs have jobs, they are eager to have their land acquired so that they can get compensation earlier<sup>4</sup>. Now the land acquisition is simply only an issue of compensation. If the compensation is fair, then the APs in Qingxilu CRC can complete the smooth transformation process from farmers to urban citizens. Now the land compensation rate has been agreed between IA and Qingxilu CRC following the local compensation standard at 15 times AAOV for land compensation fee (which is 15 times of the land rental when they lease out the land), there should be no risk for APs livelihoods after land acquisition. Table 3-5 and Table 3-6 show the statistics of land acquisition.

29. The remaining 1.14 mu land for 7 households of the APs is court yard for some vegetables or flowers.

**Table 3-5 Analysis on Permanent Land Acquisition**

Name of affected sub-village	Household	population (per)	Farmland (mu)	Land acquisition (mu)	Per capita farmland before land acquisition (mu/p)	Per capita farmland after land acquisition (mu/p)	Land loss (%)	Income loss (%)
Qilitang	120	370	200	173	0.54	0.07	<b>86.5%</b>	
Affected household	32	131					<b>96%</b>	

<sup>4</sup> In China, the urban residents are not eligible to own cultivated land. Since the APs have become urban residents, and they have jobs, the land they owned sooner or later will be expropriated by government. Due to no policy stipulates when the land will be expropriated in the transitional period of urbanization from village to CRC, APs worried that they may not get paid if there were no project to requisition their land. Source: group discussion of APs. June 2006.

**Table 3-6 Statistics of Household Affected By Land Acquisition**

No.	Name of Household whose land is expropriated	Family Member (person)	Laborer (person)	Area of acquired land (mu)	Area before land acquisition (mu)	Area after land acquisition (mu)	Compensation (Yuan)	Income Loss (%)	Land Loss (%)
1	Wei Dali	6	4	7.68	8.12	0.44	306656	5.69	95
2	Li Hua	3	2	4.12	4.12		179404	5.3	100
3	Li Xianmin	4	3	5.33	5.33		235661	5.2	100
4	Li Xiancheng	4	2	5.15	5.15		191755	2.95	100
5	Li Guixiang	4	3	4.95	4.95		227415	6.89	100
6	Li Guiqin	4	2	5.06	5.06		227415	8.25	100
7	Wang Gang	5	3	6.95	7.02	0.07	260815	6.24	99
8	Wang Jun	2	2	2.53	2.53		114901	4.11	100
9	Qing Taihua	3	2	4.72	4.88	0.16	172424	4.12	97
10	Qin Ke	5	4	6.27	6.27		246059	5.36	100
11	Wang Dexian	4	2	5.56	5.56		240652	2.36	100
12	Wang Zhaocai	7	4	9.63	9.63		378971	2.59	100
13	Liu Chao	5	3	6.13	6.25	0.12	263021	5.69	98
14	Liu Zhong	1	1	2.19	2.19		77523	4.98	100
15	Han Dayong	6	3	8.85	8.85		332045	5.47	100
16	Han Damin	6	4	7.69	7.82	0.13	306873	6.78	98
17	Han Chun	4	2	5.18	5.18		232406	5.21	100
18	Han Ping	4	2	4.51	4.51		217867	3.89	100
19	Li Yong	5	3	6.79	6.79		277126	7.24	100
20	Wei Yiqing	5	2	6.82	6.82		277994	2.29	100
21	Wei Wencai	4	2	4.23	4.23		211791	2.69	100
22	Wei Chuang	4	2	4.16	4.16		210272	9.58	100
23	Yuan Xiuli	5	2	5.88	6.01	0.13	237596	7.34	98
24	Yuan Fen	3	2	4.11	4.11		159187	2.85	100
25	Wang Fang	3	3	3.95	3.95		175715	5.86	100
26	Xu Linqin	6	4	8.12	8.12		316204	2.36	100
27	Xu Lili	2	2	3.26	3.26		130742	5.36	100
28	Hao Zhilai	3	2	4.55	4.55		188735	2.95	100
29	Li Shui	3	1	3.78	3.78		172026	3.77	100
30	Li Bin	5	3	6.61	6.61		273437	1.25	100
31	Wang Hao	2	2	2.47	2.47		113599	3.78	100
32	Wang Hifu	4	2	5.89	5.98	0.09	207813	5.58	98
	Total	131	80	173.12	174.26	1.14	7164100		

## **IV PARTICIPATION, CONSULTATION AND GRIEVANCE**

### **4.1 Identification of Stakeholders**

30. Public participation and consultation are important procedures according to ADB policies and Chinese laws and regulations. Above all, the stakeholders should be identified. According to the feature of the proposed project, the stakeholders can be categorized as primary and secondary.

31. Primary stakeholders are identified as those directly adversely affected and those who purely benefit from the project, it mainly includes: (i) People directly affected by land and property losses; (ii) Social and public institutions affected by land acquisition and resettlement; (iii) Villages CRCs as well as 5 townships/sub-districts (*Jie Dao Ban*) traversed by the river alignment; and (iv) all institutions and companies directly involved in the project construction and operation, such as construction contractors.

32. The secondary stakeholders include the indirectly beneficiaries such as the construction material suppliers, government organization involving in the project processing as well as those who are interested in the project and participated in the project related activities.

33. The purpose of identifying the project stakeholders is to ensure extensive public participation of and consultation to APs particularly those adversely affected in order to ensure the smooth implementation of the proposed project without affecting AP's livelihood. The following paragraphs describe what has been done and what still needs to be done in the process of achieving this goal.

### **4.2 Consultation during Project Preparation**

#### **4.2.1 Public Consultation**

34. The public consultation process for the Project began in December 2003 with a series of surveys by the Project DI. HUCIC has conducted a series of social mobilization measures since 2005. This was followed by further surveys and consultations carried out by the Hefei Design Institute of Coal Industrial Ministry in 2005-2006 and an in-depth socio-economic survey conducted by local survey teams supervised by the PPTA Consultants in June-July 2006. This survey also served to make the IA and DI aware of local conditions and of the APs' concerns. A summary of the key consultations/meetings and issues discussed is contained in Table 4-1.

**Table 4-1 Summary Consultation Records**

Institute	Date	Participants	No. of people	Objectives	Feedback/discussion of main issues
Hefei DI of Coal Industrial Ministry	May. 2005~ April. 2006	Staff from Districts, Towns, CRCs/villages, AP households	20	Data collection for RP	--support the project and survey --understand the attitudes of APs --collect basic data
Local government, PPTA consultants	April. 2006	HMG Officials, PMO staff	10	Prepare for compensation and rehabilitation	--suggestions for compensation standards of land acquisition, --method to calculate replacement price --suggestions for resettlement management and livelihood
Hefei Statistics Bureau, PPTA consultants	June.-July 2006	CRCs /village leaders, AP household, business managers	15	RP household survey	--make adequate compensation plan to rehabilitate AP's livelihood; --AP propose their choice for income rehabilitation; --discuss different ways of compensation, merits and shortcomings.
ADB Senior Resettlement specialist, TA consultants	June 14, 2006	Staff from PMO, IA and ADB officials	20	Keynotes for RP	--ADB staff introduce preparation of RP, RP policies, experience of RP implementation; --PMO staff introduced the importance of RP.

35. The RP household survey revealed that the major concerns raised by the households are fair compensation.

36. The policies and entitlement matrix contained in this RP have been heavily influenced by the results of these meetings and surveys. This applies particularly to the derivation of the compensation rates and the formulation of an income restoration strategy based on cash compensation, and livelihood/training programs.

#### 4.2.2 Public Participation and Consultation Plan

37. Notwithstanding the amount of public consultation already carried out, the EA/IA and local government fully accept that additional consultative meetings will be required after the PPTA mission and during the implementation of the resettlement and land acquisition process. The principal activities to be undertaken are: (i) Publication and dissemination of a Resettlement Information Booklet RIB (see Annex 1), in standard Chinese, summarizing the policies, entitlements, compensation standards and rates, grievance procedures and resettlement/ land acquisition program, (ii) Formal CRC/village meetings to ratify the options relating to compensation disbursement and utilization, and (iii) Detailed Measurement Survey (DMS) in the field to measure and agree the final requirements for land, property and other acquisition, from each affected household/shop/enterprise. Table 4-2 contains a schedule and activity of the consultation plan.

**Table 4-2 Consultation Plan**

Purpose of Event	Tasks	Timing <sup>1</sup>	Implementation Agency	Participants	Remark
1. Publicizing of RP program	Resettlement Booklet	October, 2006	IA, District/County/ and Township Resettlement Agencies	All APs	Completed
2. Disclosure of final RP, including compensation rates	Distribution of Chinese version RP	Nov. 15, 2006	IA, District and Sub-district/ Township Government	All APs	Distribution of final RP to the affected CRC
3. Conduct Detailed DMS Disclosure of updated RP	Face to face meetings with APs	June, 2007	EA, Resettlement Offices at district/county and Townships levels and township officials	All APs	(i) inventory of all assets and land holdings; (ii) Create definitive list of APs; (iii) Prepare basis for household compensation contracts

<sup>1</sup> Full details of the schedule and timing are contained in Table 9.1

### 4.3 Distribution of the RP

38. Resettlement is a critical social activity. The information dissemination work will be performed well in advance to ensure that all people concerned understand the purpose of the project and the policies and procedures regarding land acquisition, resettlement, compensation, payment, and provision of grievance redress and appeal procedures. The EA/IA distributed a RP Information Booklet (RIB) (see Annex 1) on 20 October, 2006. The RP will be disclosed to all APs, affected CRC by December 15 2006. The RP will be sent to the ADB and uploaded to the website before Mid-December, 2006

### 4.4 Appeals and Grievance Redress

39. Attention should be paid to participation of APs and affected organizations during the preparation and implementation of the RP. Mechanisms of grievance redress for undergoing projects of each IA are available and can be applied for this Project.

40. In case APs are dissatisfied with compensation arrangements made by the resettlement agencies, or they feel they are treated unfairly or unreasonably, they can seek settlement through grievance or appeal redress procedures. Generally there are five channels for grievance redress in Hefei City: (i) the project IA, (ii) the external independent supervision institution, (iii) the township/CRC and the County/District LABs and Resettlement Offices, (iv) the HMG or (v) by taking legal action.

41. **The Project IA:** This is the direct channel to redress the project related grievance since each project subcomponent will establish an on-site land acquisition and resettlement office with telephone number disclosed, and most of the appeals will be settled at this level.



42. **The External independent supervision Institution:** There is a strong supervision committee led by HMG high ranking officials and consisting of about 20 members named as the Hefei Supervision and Management Committee for Land Acquisition and Resettlement (HSMCLR), with a major responsibility to inspect the compensation provided to APs. If the compensation (resettlement location, size and amount) and timing are not in line with the approved and disclosed document, the Committee has the mandate to stop the project construction. Therefore, if APs have grievance with the compensation and the timing, they can easily air their appeals to the HSMCLR members who patrolled from project to project frequently.

43. **Township/CRC and the County/District LABs and Resettlement Offices:** This is a formal project procedure for grievance redress to enable problems aired for those that cannot be settled by lower level institutions. However for each level, the solution must be done within one week, if it cannot be solved, then it must be submitted to its immediate higher authority for a solution.

44. **The HMG:** When APs feel dissatisfied with the implementation of the RP, they may submit an appeal or express their dissatisfaction in writing or verbally to the Municipal Land Administration Bureau and the Municipal Administration Office for Demolition and Resettlement. If their appeal is in verbal form, the two departments should record it and give settlement within 7 days. If APs are not satisfied with the solution of these institutes, they can go to see the deputy mayor at the “Mayor’s Appeal Redress Day” held each Monday morning.

45. **Legal Action:** In case any of the above solutions are not accepted by APs, they can appeal to the People’s Court according to Administrative Case Law or the PRC Ministry of Land and Resources. AP can appeal against any aspects of resettlement work, including compensation standards.

46. The complaints and appeal procedures will be conveyed to APs through public meetings and other information dissemination procedures, to ensure that they fully understand their rights and the mechanisms for complaint and appeal. r. Complaints raised by APs will be formally filed in writing with adequate follow-up for eventual resolution, and this documentation will be made available for the external monitoring officer at a later date.

## V LEGAL FRAMEWORK AND RESETTLEMENT POLICIES

### 5.1 Brief Introduction

47. The PRC has established and carried out laws, regulations, and policies on resettlement and compensation for many infrastructure projects. This Project will follow the related Chinese laws, national and provincial regulations and local by-laws and policies, and also include comments and suggestions from APs, to meet the requirement of ADB policy on involuntary resettlement. ADB policies include:

- 1) Involuntary Resettlement, ADB, November, 1995,
- 4) Operations Manual F2: Involuntary Resettlement, ADB, September 25, 2006,

48. Since the local regulations and by-laws cannot be in conflict with those of upper levels, the following listed documents are the basis for the Project land acquisition, demolition and resettlement:

1. The Land Administration Law of the PRC (revised, 2004);
2. The Real Estate Administration Law of the PRC (effective on January 1, 1995);
3. The Management Methods of Urban House Demolition of Hefei Municipality (effective, 2003);
4. The Standards of Compensation and Subsidies for Urban House Demolition of Hefei Municipality (HMG [2002] 195, effective, January 1, 2003);
5. Interim Methods for Acquisition of Collective-owned Land of Hefei Municipality, HMG [2003] 138, effective January 1, 2003)
6. Approval on Basic Compensation Rate, Property Ownership Replacement Price Difference and Temporary Resettlement Subsidies of Hefei Urban Housing Demolition, issued by Hefei Municipal Government, No. Hemi [2006] 32
7. Hefei Guidelines (HMG [2005]10) for Implementing No. 28 Documents (The State Council's Decision on Further Reform in Strengthening Land Management, No. [2004]28).
8. Circular on Related Issues of Strengthening Land Regulation and Control, PRC State Council [2006] No. 31.

49. The above laws and regulations have improved the protection of those whose living level might decline because of the project development.

### 5.2 The ADB Involuntary Resettlement Policies

50. ADB Involuntary Resettlement Policy (1995) and Resettlement Operations Manual (OM Section F2) specify the 3 important elements of the involuntary resettlement, namely; (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it. Some or all of these elements may be present in a project involving involuntary resettlement. For any ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle, taking into account the following basic principles:

- (1) **Involuntary resettlement should be avoided whenever feasible.**
- (2) **Where population displacement is unavoidable, it should be minimized by**

- providing viable livelihood options.**
- (3) **Replacing what is lost.** If individuals or a community must lose all or part of their land, means of livelihood, or social support systems, so that a project might proceed, they will be compensated and assisted through replacement of land, housing, infrastructure, resources, income sources, and services, in cash or kind, so that their economic and social circumstances will be at least restored to the pre-project level. All compensation is based on the principle of replacement cost.
  - (4) **Each involuntary resettlement is conceived and executed as part of a development project or program.** ADB and executing agencies or project sponsors, during project preparation, assess opportunities for affected people to share project benefits. The affected people need to be provided with sufficient resources and opportunities to re-establish their livelihood and homes as soon as possible, with time-bound action and coordination with the civil works.
  - (5) **The affected people are to be fully informed and closely consulted.** Affected people are to be consulted on compensation and/or resettlement options, including relocation sites, and socioeconomic rehabilitation. Pertinent resettlement information is to be disclosed to the affected people at key points, and specific opportunities provided for them to participate in choosing planning and implementation options. Grievance redress mechanisms for affected people are to be established. Where adversely affected people are particularly vulnerable groups, resettlement planning decisions will be preceded by a social preparation phase to enhance their participation in negotiation, planning, and implementation.
  - (6) **Social and cultural Institutions.** Institutions of the affected people, and, where relevant, of their hosts, are to be protected and supported. Affected people are to be assisted to integrate economically and socially into host communities so that adverse impacts on the host communities are minimized and socially harmony is promoted.
  - (7) **No formal title.** Indigenous groups, ethnic minorities, pastoralists, migrants/floating population, people who claim for such land without formal legal rights, and others, who may have usufruct or customary rights to affected land or other resources, often have no formal legal title to their lands. The absence of a formal legal title to land is not a bar to ADB policy entitlements.
  - (8) **Identification.** Affected people are to be identified and recorded as early as possible in order to establish their eligibility through a population record or census. A cut-off date is set preferably at the project identification stage, to prevent a subsequent influx of encroachers or others who wish to take advantage of such benefits.
  - (9) **The poorest.** Particular attention must be paid to the needs of the poorest affected people, and vulnerable groups that may be at high risk of impoverishment. This may include those without legal title to land or other assets, households headed by females, the elderly or disabled and other vulnerable groups, particularly indigenous peoples. Appropriate assistance must be provided to help them improve their socio-economic status.
  - (10) **The full resettlement costs are to be included in the presentation of project costs and benefits.** This includes costs of compensation, relocation and rehabilitation. Social preparation and livelihood programs as well as the incremental benefits over the without-project situation (which are included in the presentation of project costs and benefits). The budget also includes costs for planning, management, supervision, monitoring and evaluation, land taxes, land fees, and physical and price contingencies.

### 5.3 Related Laws and Regulation of China

51. This project can be implemented based on the PRC Land Administration Law

(effective as of January 1, 1999) and the P.R.C. Urban Real Estate Administration Law (effective as of July 5, 1994) as well as the other rules and regulations related to them. The State Council No. 31 document, in terms of the resettlement aspect, stress Article 13 of the State Council No. 28 and supplemented with two important measures—(i) skill training for employment of land loss farmers (rather than provided jobs for them) and (ii) social security, which prescribed that the social security expenses should be included in the land compensation/resettlement subsidies. Here listed are the most important excerpts form State Council No. 28 document:

- **Article 12: Improving land acquisition compensation practice:** People's Governments at the county level and above shall adopt practical measures to ensure that the farmers whose land is acquired shall not be made worse off. Provincial level government shall formulate and publicize the annual average output values (AAOV) in uniform amount or comprehensive land price for each city/ county, and the compensation should be uniformed within the same class of land. The full costs of land acquisition for national key development projects shall be included in the overall project budget.
- **Article 13: Resettle the land loss farmers properly:** County level and above government should specify detailed measures to secure APs' long-term livelihood. Within the planned urban area, local governments must bring farmers who have suffered land loss caused by land acquisition into the urban employment system, and establish a social security system; outside of the planned urban area, local government must reserve necessary cultivated land in its administrative jurisdiction for these land-loss farmers when land acquisition occurs, or corresponding jobs will be provided for them.
- **Article 14: Improve land acquisition procedure** Documentation on information disclosure to and confirmed by the farmers whose land is to be requisitioned should be treated as an integral part of the materials submitted for the approval of land acquisition.
- **Article 15: Strengthen supervision and management of the land acquisition process:** In case the resettlement of land acquisition has not been carried out, use of the acquired land is not allowed. Provincial government shall formulate the internal distribution options of the land compensation within the collective organization based on the principle that most of the compensation should be used for farmer households whose land has been requisitioned. The rural collective organization shall make the information on the revenues and allocation of the land compensation fund publicized to and supervised by its members. The agriculture, civil affairs and other departments shall strengthen the supervision over the distribution and use of the compensation fund within the rural collectives

## 5.4 Gaps between ADB and China Policies

52. In comparing the gaps between ADB and PRC policies, Table 5-1 shows the distinctive differences in the aspects of information disclosure and consultation which are lacking in content or in time delays. For some domestic central government funded small-scale projects, the only budget provided was for engineering works and the RP costs were left to the county or township government. Fortunately, this situation is changing and this Project is beyond that scope, as Hefei has well prepared local by-laws for land acquisition and resettlement, and there are no substantial differences from ADB policies.

**Table 5-1 Gaps between ADB and PRC Policies on Involuntary Resettlement**

No	ADB IR Policy	Comparison	Remark
1	Involuntary resettlement should be avoided whenever feasible	No difference Usually conducted with technical and financial optimization (alternative analysis)	
2	Where population displacement is unavoidable, it should be minimized by providing viable livelihood options	No difference c.f. Clause 13 of No. 28 document	
3	Replacing what is loss	No difference With compensation and assistance	
4	Each involuntary resettlement is conceived and executed as part of a development project or program.	Slight difference Also see No. 10	ADB procedure has been and will be followed
5	The affected people are to be fully informed and closely consulted.	Different Usually no consultation, and the information disclosure are conducted after RP approval in China	ADB procedure has been and will be followed
6	Social and cultural Institutions	No difference With compatibility analysis, China is experienced on this aspect	
7	No formal title	No difference. Negotiation on a agreed compensation price in China	
8	Identification	No difference (ADB statement “as early as possible” is vague)	
9	The poorest	No difference Provided assistance	
10	The full resettlement costs are to be included in the presentation of project costs and benefits	Slight difference c.f. point of clause 12, No 28 doc. The full costs of land acquisition for national key development projects shall be included in the overall project budget.	ADB procedure has been and will be followed

53. Notwithstanding the minor difference in either clause or statement, the most significant difference is on procedures, ADB requires RP preparation starting from the beginning of project preparation, but it will only be considered during the project land approval stage with no detailed social economic survey and no consultations with potential APs at that time. Meanwhile, during the time of project preparation, there are no specific persons responsible for RP affairs on a proposed project. It is very unlikely that project resettlement can achieve a successful result without a well-prepared RP. In short, the successful implementation of resettlement work needs strong enforcement of currently improved regulations and policies. Efforts have been made for this Project to bridge this gap by training and coaching IA staff. The ADB senior resettlement specialists, as well as PPTA consultants, have endeavored to make IAs fully understand ADB requirements and PRC policies on involuntary resettlement. This is just a start; further measures will be adopted after the PPTA phase and before RP implementation (details are discussed in the institutional capacity section).

## 5.4 Project Policies on Resettlement

54. The compensation to the APs and resettlement policies are made based on the

ADB's policies and the laws and regulations of China. The first objective should be to assure the APs of their income rehabilitation and the increase of their living standard and minimize the social and environmental impacts. The preparation and the future implementation of the RP are based on the above targets. Special attention should be given to vulnerable groups, such as the poor, women, elderly, and disabled. In addition, the comparison of the schemes considers the need of the involuntary resettlers.

55. Table 5-2 summarizes the principles applied in the land acquisition and resettlement. The principles might be flexible regarding compensation, resettlement and rehabilitation considering the differences among communities (such as disbursement of cash, rehabilitation methods of communities and individual income rehabilitation). All these approaches target at the assistance with sufficient compensation to the APs during resettlement so as to rehabilitate and increase their livelihood.

**Table 5-2 Summary of Resettlement Principles**

No.	Principles
1	Assistance for rehabilitation to achieve at least the same level of well-being with the project as without it.
2	Consideration about compensation and resettlement is given to all APs regardless their entitlement or not.
3	In case land per capita is not sufficient to maintain the livelihood of APs, compensation will be provided with cash or similar economic activities.
4	The APs should be fully informed and closely consulted on resettlement and compensation options and standards, social and economic rehabilitation, project implement schedule, and participate in the implement of resettlement. .
5	Land should not be acquired before the APs obtain the replacement land or sufficient compensation.
6	The EA and the independent third party conduct monitoring over the implementation of the RP.
7	Special attention should be given to poor people and other vulnerable groups to ensure their living conditions are improved. The APs should be provided opportunities to get benefits from the Project.
8	The RP should be combined with local development program.
9	The budgets of compensation and resettlement should be made complete and the funds should be disbursed in a timely manner .
10	Provision of transfer to urban registration (where applicable)
11	Land acquisition certificate
12	Adoption of modern socialist countryside program (where applicable)

## 5.5 Compensation Standards

### 5.5.1 Principles

56. Lost property should be compensated based on the principle of replacement value.
- The property is compensated in line with the principal of resettlement. Compensation fees are paid before land acquisition.
  - Training and assistance and employment opportunities should be provided to the APs to maintain their living level.
  - The compensation for the crops, green seedlings, trees and attachments are paid according to market prices.
  - Management of construction should be strengthened to reduce the construction period and negative impacts.

- Compensation funds for resettlement subsidies will be given to affected labor force with which they can continue the existing work after they get subsidies or they can develop individual business.

### 5.5.2 Compensation Standards

57. According to No.138 document of Hefei Government, the compensation rates for land acquisition for the improvement to the Closed Qingxi Road Landfill Sub-component are formulated as follows:

- Land compensation fee is CNY21,000/mu calculated on 15 times AAOV of CNY1400/mu.
- Resettlement subsidy due to land acquisition is calculated for those agricultural population who require resettlement (lose all of his/her land share), based on the rate of CNY10,000/person for those under the age of 16, and CNY30,000/person at and over the age of 16.
- Compensation rates for standing crops are calculated based on CNY700 /mu for dry land.

58. Table 5-3 lists the compensation rates for the acquisition of collectively-owned land, for land attachment and specific facilities. The 281 mu state-owned land will be allocated free of charge. In addition, duties and taxes to be paid for the acquisition of collective-owned land have been fixed and included in the project budget.

**Table 5-3 Compensation rates for acquisition of collective land and attachments**

No.	Item	Unit	Amount in CNY
I.	Permanent Acquisition for Collective-owned Land		
1	Land compensation fee	CNY/mu	21,000
2	Resettlement Subsidy --below 16 years old	CNY/person	10,000
3	Resettlement Subsidy --at and over 16 years old	CNY/person	30,000
4	Compensation for standing crops	CNY/mu	700
II	Compensation for Land Attachments		
1	Young tree	CNY/tree	25
2	Fruit tree	CNY/tree	75
3	Mature trees	CNY/tree	75
4	Graves	CNY/tome	300
5	Power poles	CNY/pole	200
6	Wells	CNY/well	5000
7	Sand-Graveled road	CNY/m <sup>2</sup>	50

### 5.5.3 Adequacy of Compensation Standards

#### i) Land Compensation Fee

59. Based on the current compensation the land will be paid at 15 times of its AAOV of CNY1400, and will be paid at one time present value. Compared with the rental as described in Section 3, CNY1400/year, but will be paid at a yearly base, and the rental usually is based on the AAOV, which is relatively static about 5 years. Given the pre-conditions here, we can

calculate the future value of the following two cash flows: 1) Assume the land would not be acquired and the rental increases at the second five years up to CNY 1600/mu, and then the third five years up to CNY1800/mu. 2) The compensation will be paid at one time, then assume it is deposit in a bank, with yearly interest at 2.5%, 3% and 5% respectively. Table 5-4 shows the future values after 15 years, and it shows that the future values for pure land compensation fees (not include resettlement subsidy) at any cases if “with project” are higher than those values achieved at “without project” status. That’s why APs would like to get the compensation at one time. It is obvious that if there is no project, the resettlement subsidy would not be paid to them, and thus not necessary for comparison.

**Table 5-4 Comparison of Land Incomes**

Item	Cash flow description	Future Value after 15 years (CNY)
Without project	1. If land continuously rent out at CNY 1400/mu for 15 years and get paid yearly,	$1400 \times 15 = 21000$
	2. If land continuously rent out at CNY 1400/mu for the 1 <sup>st</sup> 5 years, 1600 for the 2 <sup>nd</sup> 5 years, and CNY1800 for the 3 <sup>rd</sup>	$1400 \times 5 + 1600 \times 5 + 1800 \times 5 = 24000$
With project	3. If the land is deposited in a bank with annual interest rate 2.5%	$21000 \times (1 + 2.5\%)^{15} = 29672$
	4. If the land is deposited in a bank with annual interest rate 3.0%	$21000 \times (1 + 3.0\%)^{15} = 31764$
	5. If the land is deposited in a bank with annual interest rate 5.0%	$21000 \times (1 + 5.0\%)^{15} = 41578$

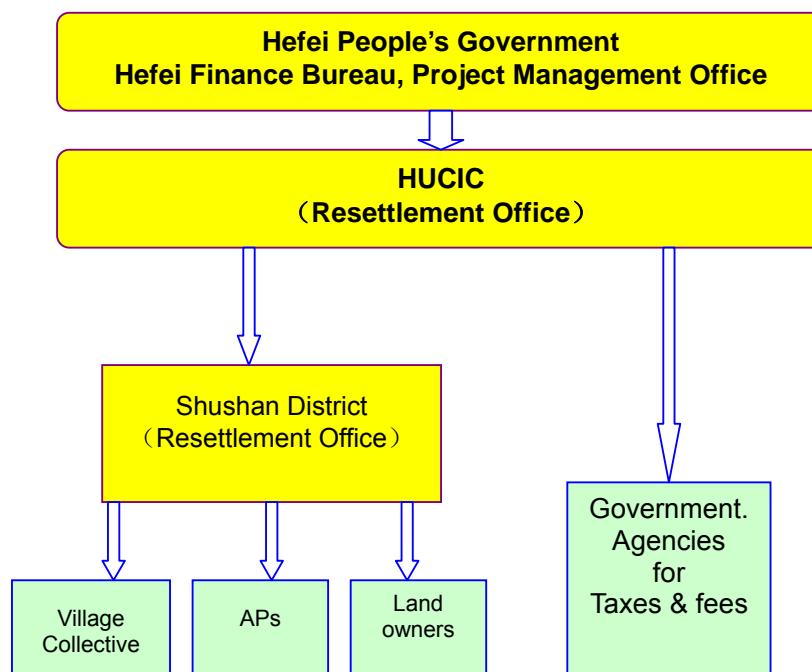
#### ii) Trees

60. Based on the local by-laws, the trees will only be paid for the relocation fee or labor cost and the trees can be treated by the tree owners. The standard for relocation trees are CNY1 for a tree with a diameter less than 5cm (measured at the height 1 meter above ground), and CNY25 which is the highest cost for relocate or cut a mature with a diameter greater than 30 cm. For this sub-component, there are 10280 trees involved, which are poplar, willow, and other local trees, young and mature with diameter range from 1cm to 20 cm. Considering that the tree owners/APs are urban residents at present, they have land for relocate the trees, and if they sell them, nobody will buy. Simultaneously, the environmental specialists either from PPTA and local government suggested that the trees can still leave there since the area will become a forestry park. Then IA has negotiated with APs, based on the market price of a similar wood, the trees can be bought by the project without cutting any tree. The prices are basically CNY25 for a young tree, and CNY75 for a mature tree (but there is no fruit tree to be affected). However, IA has decided to pay APs at the high rate at CNY75/tree for each of the 10280 trees of this sub-component, this is a ‘win-win’ solution, and APs are happy for this decision.

## 5.6 Compensation Fund Flow and Allocation Date

61. Compensation fees for land acquisition and resettlement will be paid by the IA — HUCIC. According to Article 52 of the Regulations on the Implementation of the Land Administration Law of the PRC, payment of various expenses for land requisition should be effected in full within 3 months starting from the date of approval of the land requisition and RP or three months after the signed agreement between the IA and the APs. Figure 2 showed the flow of compensation fund.





**Figure 2 Flow of Compensation Fund**

## 5.7 Compensation Entitlement

62. All APs are subject to the compensation for the affected properties based on the replacement price of these properties. The compensation entitlement matrix (see Table 5-5), is established according to the compensation principles and compensation eligibility.

**Table 5- 5 Compensation Entitlement Matrix**

Type of loss	Application	Definition of Entitled person	Compensation policy	Implementation issues
Permanent loss of productive land	Productive land located in the Project control line <b>253 mu (173 mu arable land and 80 mu forest land)</b>	a) 1 CRC b) Residents who own the land  <b>c. 131 APs</b> <b>c. 32 households</b>	Land compensation CNY 21,000 per mu and resettlement subsidies CNY 10,000 per capita for those below 16 years old, and CNY30,000 for those at and above 16 years old. Cash payments to APs Except CNY18000 from the resettlement subsidy for those over 16 years old will be paid for their social insurance, the rest all be paid to APs.	APs will use the compensation for their own investment or expenditure.
Loss of State-owned land	Land within the Project control line <b>281 mu</b>	Current users of the state-owned land	Allocation by HMG free of charge (not in use)	Be sure the timely turn over of the state-owned land
Loss of land	Facilities attached to	Owners of the attachments	Cash compensation relocation of power transmission	Announcement should be made for tomb relocation in

Type of loss	Application	Definition of Entitled person	Compensation policy	Implementation issues
attachments	land (wells, graves, roads, power poles)		poles by respective agency, graves to be relocated or treated by owners, rebuilding road if necessary	the newspaper of <i>Hefei Evening Paper</i> at least one month age before land acquisition
Loss of standing Crops	Standing Crops to be destroyed	Crop owners	Cash compensation for any standing Crops based on HMG 138 document	Only those land with standing crops will be paid
Loss of trees	Trees in the project boundary (10,280 in total)	Owners of trees	Cash compensation for any trees	IA will remain the trees
Land renter	Renter who using the 173 mu cultivated land	Hefei Landscaping Bureau	No stoppage of their forestry nursery and no compensation for them	Sign a new land lease contract with IA after land is turned over.

## VI. INCOME REHABILITATION PLAN

63. The improvement to the closed Qingxi Road Landfill Site sub-component will not involve any structure demolition but only land acquisition. Thus there are only income rehabilitation concerns that need to be addressed after compensation.

### 6.1 Compensation for the Permanent Requisition Land

64. For the permanent land requisition, the land compensation fee and resettlement subsidy will be paid directly to the affected CRC that lost land and then to APs. The compensation for green crops and land attachments will be paid to their owners. The distribution and utilization of the land compensation fee and resettlement subsidy are decided according to the related state policy and rules through discussions at the village-level meetings. At present, Qingxilu CRC has decided that except the CNY18000 social insurance fee from the resettlement subsidies will be paid to social safeguard agency, all the rest of the compensation fund including compensation for the forestry land will be paid to APs.

### 6.2 Livelihood Restoration Plan

65. Although the APs are all of urban citizenship status, around 82.3-94.0% of their income comes from non-agricultural activities, the sub-component will unavoidably affect parts of their cultivated land and thus part of their income from the land. During the RP survey, the question was asked--*"How will you rehabilitate your livelihood when you have lost 10% or more of your cultivated land?"* The results showed that of the total 15 respondents, five of them expressed that they would use the compensation fund to buy healthcare insurance or endowment insurance (*Yang Lao Bao Xian* in Chinese), the other ten respondents all expressed that they would use the money for small-scale business or operation of a shop. Based on the findings, in order to recover the income level of APs, the income restoration plan has been formulated as follows:

#### 6.2.1 Compensation in Cash

66. According to the existing compensation plan, the Qingxilu CRC (village) will receive corresponding compensation for its lost land. For the 173 mu requisitioned farmland, the land compensation fees and resettlement subsidy will be directly paid to all affected households. Therefore, APs can invest this money on developing the agriculture, or in the non-agricultural business, or large expenses (e.g., education or medical). This cash may provide income security to the households, which enables younger people to seek jobs at the enterprises near their village or go to other places to find jobs. Generally, the impact caused by the project will not be so severe as to require a new livelihood, and in fact it has been observed throughout China that the compensation process has been a means to improved wealth.

67. The compensation for 80 mu of the requisitioned woodland although belongs collectively to the Qingxilu CRC, but also titled under the names of land-loss APs. As this CRC has generated income of CNY1.8 million from their own enterprise in 2005, and not necessary to use the compensation fund for improving the working conditions of the community. Thereby, Qingxilu CRC has also decided to distribute the compensation fund (CNY21000/mu) directly to APs. Therefore, APs can use the compensation fund together with that from cultivated land compensation at their own will.

## **6.2.2 Technical Training for the Affected Persons**

68. With a separate skill training fund of CNY100,000 earmarked in the RP budget, the IA will entrust social security or other departments to train all APs especially the directly affected laborers so as to improve their income-generating capabilities. Through provision of technical training in the non-agricultural sector, the APs can obtain the necessary skills that are more suited for micro-urbanization. The precondition for the training is that at least 50% of trainees should be women and the training will be conducted on a needs basis and in a flexible manner. The reason for prescribing the proportion for women trainees is to ensure women's participation in technical training. The background is that previous training always put a condition on education level (e.g., above junior middle school level), since the more educated persons can learn fast; and meanwhile women usually obtained lower education than men do. Therefore, women were generally excluded from some training courses. In this case, training cannot be prescribed, training needs assessment after focused group discussion in a participatory manner is necessary.

## **6.2.3 Gender Dimension of Resettlement**

69. According to the Section on “women and economy” documented in Women's Development Compendium of Hefei Municipality (2001-2010), it clearly stated that “women's right of work should be protected”, and “it should be assured that women share the equal right with men on economic resources” Therefore, in the process of employment and training, women will enjoy the same rights as men.

## **6.2.4 Assistance to Vulnerable Groups**

70. As the affected CRC is relatively rich and there are no vulnerable groups in the affected households, no special assistance measures need to be taken for this sub-component.

## **6.2.5 Employment Relating to the Project**

71. After the landfill treatment is completed, a number of employment posts will be available. Persons who lost their farmland shall be given priority to be employed irrespective of gender and provided with job opportunities to the affected CRC. According to the preliminary considerations, after the work on the landfill rehabilitation is completed, three laborers from the APs will be recruited to work as a gardener, a sweeper and a security guard.

72. During the construction period of the Project, the nearby affected villagers can engage in some non-technical tasks in the Project so that their income can be increased. This could involve using the poorer APS in the landscaping program. However, the survey data showed that all of the APs engaged in nonagricultural jobs. Therefore, the requisition of their land will not exert strong impacts on their life but provide enough fund for their future development. It is observed that the APs will be direct beneficiaries of the Project, and their income will not decrease, but increase gradually with the implementation of the Project.

73. Landscaping of this project sub-component can employ direct or indirect APs, although the direct APs are not poor, the indirect APs in this CRC particularly the poor should be given the priority during the project implementation.

## VII. BUDGET FOR LAND ACQUISITION AND RESETTLEMENT

74. The total investment of the project is CNY 96.4309 million, among which the total cost of land requisition and resettlement is about CNY20.348 million, taking a proportion of 21.1% of the total cost of this sub component

### 7.1 Budget Calculation

#### 7.1.1 Land Requisition and Resettlement

75. **Permanent Land Requisition and Temporary Land Occupation:** The Project will permanently requisition 253 mu of land. Total compensation will be CNY10.1 million, including a resettlement subsidy, land compensation, green crops compensation. There is no temporary land occupation for this sub-component.

76. **Compensation for Land Attachment:** Altogether 5 types of ground attachments are affected, including 10,280 mature trees, 32 graves, 127 wire poles, 24 wells and 5,600 m<sup>2</sup> of graveled path, with total compensation of CNY1.21 million.

77. **Demolition Cost:** No demolition will take place with this sub-component.

#### 7.1.2 Taxes and Fees

78. Monitoring and evaluating fees are calculated at 2% of the basic costs for land requisition (see Table 7-1); administration cost take 4% of the basic costs; land mapping fees account for 1% of the basic costs; training cost is about CNY100,000, calculated based on two sessions of training courses; taxation involved is mainly the costs incurred due to permanent land requisition, including reclamation fee of cultivated land, land use charges for the newly added construction land, tax for cultivated land occupation, administration cost, etc., totaling CNY8.8 million.

#### 7.1.3 Contingency Costs

79. The contingencies are calculated at 15% of the basic costs for land requisition, totaling about CNY1.5 million, of which, 10% is physical contingency and the rest 5% is price contingency.

### 7.2 Financing and Disbursement Plan

80. The budget for land acquisition and resettlement of Qingxi Road Landfill Improvement Sub-component will be financed by Hefei Finance Bureau. The government will cover any budget shortfall and ensure that funds are available for disbursement before land is requisitioned. According to the progress of the project, 50%, 30% and 20% of the resettlement budget will be used in 2007, 2008 and 2009 respectively (See Table 7-2).

**Table 7-1 Resettlement Budget**

No.	Cost Items	Quantity	Unit	Unit Cost (CNY)	Total Costs (CNY10,000)
<b>A</b>	<b>Basic Costs</b>				<b>1005.01</b>
<b>I</b>	<b>I. Land acquisition</b>				<b>884.41</b>
1	Land Compensation Fee	253	Mu	21000	531.30
2	Resettled under 16 yrs. Old	26	Person	10000	26.00
3	Resettled $\geq 16$ yrs.old	105	Person	30000	315.00
4	Standing Crops	173	Mu	700	12.11
<b>II</b>	<b>Land Attachments</b>				<b>120.60</b>
1	--Mature tree	10280	Tree	75	77.10
2	--Graves	32	No.	300	0.96
3	--Power poles	127	Pole	200	2.54
4	--wells	24	No.	5000	12.00
5	Sand-gravel roads	5600	m <sup>2</sup>	50	28.00
<b>B.</b>	<b>Taxes and Duties</b>				<b>879.21</b>
1	1.Monitoring and Evaluation		2%	of A	20.10
2	2.Management fee for RP implementation		4%	of A	40.20
3	3.Skill training for APs				10.00
4	4.Land mapping fee	253	Mu	300	7.59
5	Land reclamation fee	173	Mu	5000	86.50
6	Fee for using newly increased construction land	253	Mu	21300	538.89
7	Tax for acquiring cultivated land	173	Mu	5000	86.50
8	Management cost for land acquisition and resettlement	253	2%	of A	20.10
9	Forest and vegetation restoration expenses	80	Mu	5333	42.66
10	Forestation funds	80	Mu	3333	26.66
	<b>Sub-total(A+B)</b>				<b>1884.22</b>
<b>C.</b>	<b>Contingency</b>				<b>150.75</b>
1	Physical contingency		10%	of A	100.50
2	Price Contingency		5%	of A	50.25
	<b>Total(A+B+C)</b>				<b>2034.97</b>

**Table 7-2 RP Fund Disbursement Plan**

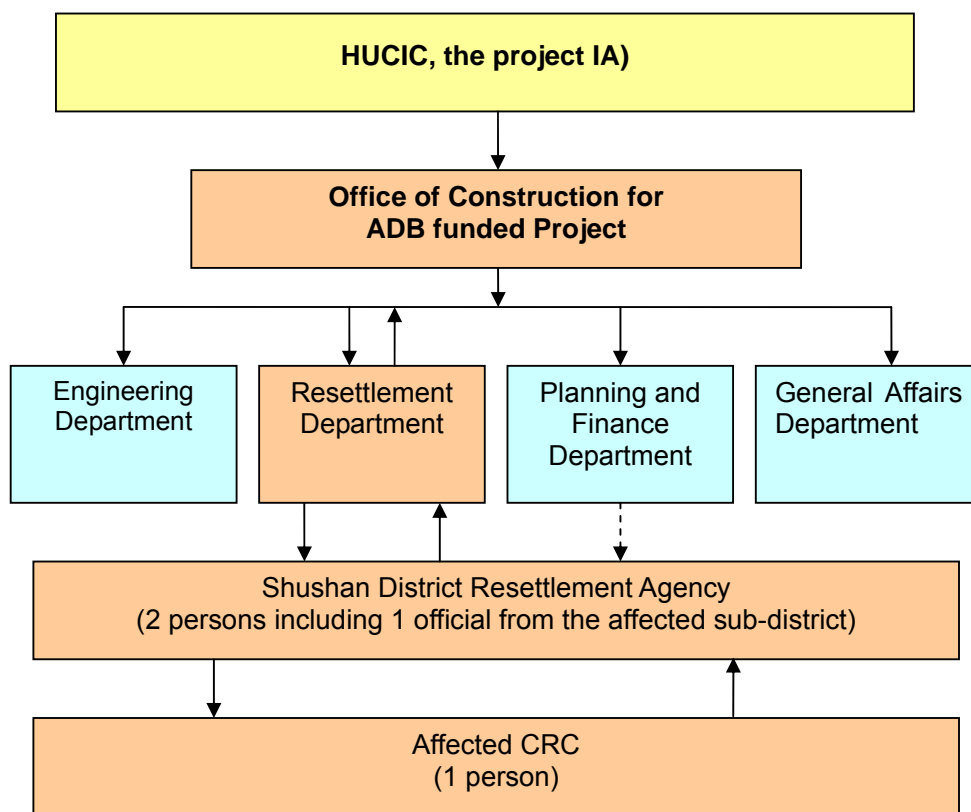
Year	2007	2008	2009	Total
Fund (CNY10,000)	1017	610	408	2035
%	50%	30%	20%	100%

## VIII INSTITUTIONAL FRAMEWORK

### 8.1 Institutions

81. The project leading group is established within the HMG with the PMO as the secretariat communicating with the other stakeholders. As previously mentioned, HUCIC is the project Implementation Agency (IA).

82. Under the IA, there is a section called the Office for Construction of ADB funded project, and within which there is a department responsible for resettlement. The organizational structure is shown in Figure 3.



**Figure 3 Resettlement Organization Structure**

83. The IA will play a key role during the resettlement process; however, besides the IA, there are other related institutions who will be unavoidably involved in the resettlement tasks. All these institutions and the staffing are presented in Table 8-1.

**Table 8-1 Resettlement Institutions and Staffing**

Institutions	Staffing
Hefei Project Management Office (PMO)	1
Hefei Municipal Land Administration Bureau	1
Hefei Municipal Spatial Planning Bureau	1

Institutions	Staffing
HUCIC	1
Shushan District Resettlement Agency	2
CRCs/villages	1
Legal consulting agency	1
Hefei Municipal Design Institute (DI)	1
External Monitoring Agency	1

## 8.2 Responsibilities

84. Table 8-2 lists responsibilities of each agency in resettlement.

**Table 8-2 Responsibilities of Agencies**

Agencies	Responsibilities
Hefei Project Executive Agency (PMO)	Preparing the RP and organizing the implementation of the RP
	Supervising the resettlement fund usage
	Coordinating and supervising the resettlement activities and progress
	Coordinating monitoring and evaluation/supervision activities, including contracting an external monitor for the overall Project
	Submitting progress report to the ADB
	Coordinating and dealing with conflicts and problems during project implementation
	Recruitment of external monitoring agency
	Preparing detailed income rehabilitation plans
HUCIC	Engaging a consulting institution to assess the impact of the project
	Organizing social-economic surveys
	Applying for "the permission of land use " from Hefei Municipal Spatial Planning Bureau and the Land Administration Bureau
	Applying for "House Demolition Permission"
	Managing the displacement of facilities in the city
	Scheduling the RP implementation
	Entrusting the Hefei Municipal Land Administration Bureau, Demolition and Resettlement Administration Office to contract land acquisition and displacement and pay resettlement funds in accordance with the agreement
	Conducting monitoring and evaluation
Hefei Land Administration Bureau	Carrying out the related laws and regulations relating to the management of construction land use
	Participating in the review of the compensation rates and resettlement schemes
	Dealing with the formalities of land acquisition
	Participating in the social-economic surveys
	Participating in the preparation of the RP and reviewing the RP
	Issuing permission of land used for construction
	Directing, coordinating and supervising land acquisition and resettlement activities
	Coordinating and dealing with the conflicts and problems in the process of land acquisition and allocation
	Registering land acquisition and making announcements
	Organizing public participation and public hearings, if required



Agencies	Responsibilities
	Proceeding with resettlement and compensation disbursement
Hefei Municipal Spatial Planning Bureau	Finalizing the Right of River alignment of land acquired (blue line)
Hefei Municipal Demolition Resettlement Administration Office	Issuing the permission of land use based on spatial planning
	Reviewing and approving the compensation plan for displacement and resettlement and making announcement of issuance of House Demolition Permission
	Registering and managing the house displacement files
	Managing information about resettlement
	Mediating in and arbitrating disputes in the process of house displacement
District/County Government	Assisting in social economic survey
	Assisting in the preparation of resettlement options and the RP
	Supervising CRCs/village committees on resettlement and the income restoration of APs.
	Reporting to the higher level institutions about the comments and suggestions of affected people
CRCs/ Villager committees	Participating in the social economic survey
	Participating in the preparation of the RP and resettlement scheme
	Assisting in the public consultation and conducting information dissemination of displacement policies
	Consulting on allocation of land compensation fee and payment of resettlement
	Organizing income-generating activities after land acquisition and restoring the income of the APs.
	Reporting to higher level authorities about the grievances and suggestions of the affected people.
	Providing assistance to the households with special difficulties
Consulting and designing agencies	Minimizing resettlement impacts through optimized design schemes
	Proposing/Finalizing the impact scope of land acquisition and demolition
	Assisting EA/IA in RP preparation
	Providing technical service in the aspects of collection and processing of information and data
External monitoring agency	Providing technical assistance in land acquisition and resettlement
	Working as independent monitoring agency, supervising the implementation of the RP, and reporting to the EA and the ADB

### 8.3 Institutional Capacity Strengthening

85. The ADB will provide support to train staff on resettlement procedures. A part of the ADB loan for implementation will be provided for institutional capacity building through specific training courses and by on the job training with the appointed external monitoring consultants (see Annex 2)

86. A variety of measures will be taken to support capacity building and ensure effective implementation and control of the RP. These include:

- The PMO should have sufficient funds and equipment to assure the efficiency of the work;
- A computer information system should be established to guarantee the smooth flow of information between the authority, agency and the lower levels;
- Vertical linking agencies will set up a reporting system, to report once a month;

- Horizontal linking agencies will hold coordination meetings once a quarter to enhance information exchange;
- Issues put forward by the APs will be reported and disseminated through the resettlement offices at each level;
- Issues which occur during construction will be reported by the resident engineer, first to his/her organizational level and then, if necessary, upwards through each of the hierarchical levels;
- Disciplinary measures will be introduced to constrain individuals from shifting responsibilities onto others and from delaying the resettlement process. People responsible for causing trouble will be punished, and those with good performance will be rewarded.

## IX. IMPLEMENTATION SCHEDULE

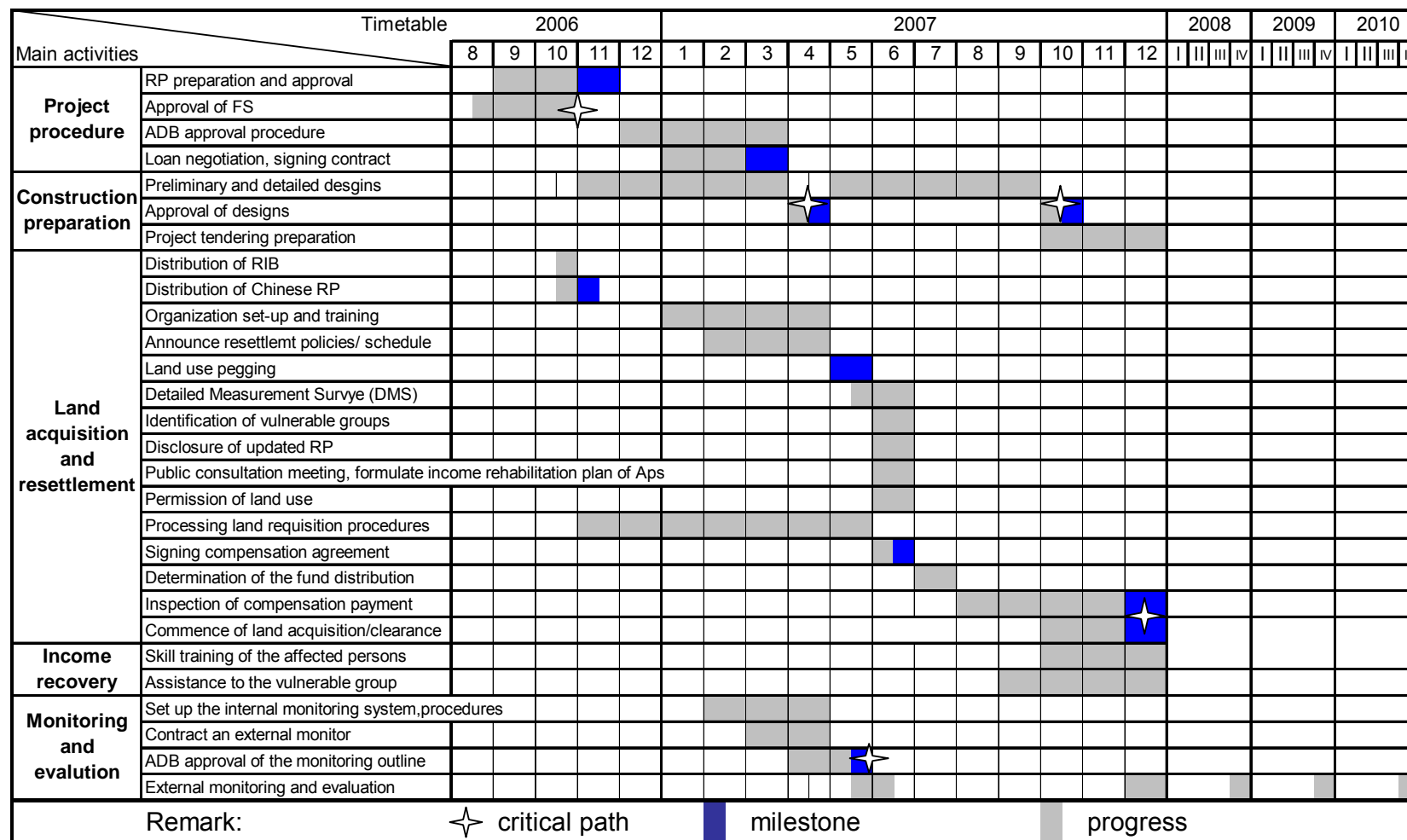
87. The Project construction is scheduled to start in 2007 and will be completed in 2011. Based on the project schedule of civil works, the resettlement plan preparation will be continue after the PPTA stage, and the land acquisition and resettlement are planned to commence in October of 2007. The RP planning and implementation schedule with time bound activities is shown in Figure 4. And RP supervision milestones are presented in Table 9-1.

**Table 9-1 Resettlement Supervision Milestones**

No.	Resettlement Tasks	Target	Responsible Agency	Completion Deadline	Status and Additional Deadlines
<b>1.</b>	<b>Disclosure</b>				
1.1	Information booklet <sup>5</sup>	35 copies	IA	Oct. 2006	Completed
1.2	Resettlement plan distribution to resettlement offices/villages/APs	6 copies	Shushan District	Nov. 2006	
1.3	RP placed on ADB website		ADB	Dec.2006	
<b>2.</b>	<b>Detailed Measurement Survey (DMS)</b>				
2.1	Updated RP based on DMS Distribution to resettlement offices/villages/APs	6 copies	IA	June 2007	
2.2	Updated RP based on DMS		IA	June 2007	
<b>3.</b>	<b>Detailed Rehabilitation Plans</b>				
3.1	Initial village rehabilitation plans (if applicable)	Not applicable	-	-	-
3.2	Refined village rehabilitation plans (if applicable)	Not applicable	-	-	-
3.3	Farmland adjustment agreements(if applicable)	Not applicable	-	-	-
3.4	Assistance for Vulnerable Groups	c.2 H.H.	Shushan District	Dec. 2007	
3.5	Technical training plan for AF	130 APs	Shushan District	Dec.2007	
<b>4.</b>	<b>Resettlement Plan and Budget</b>	253 mu			
4.1	Complete redline survey (map)		IA	Dec. 2006	
4.2	Approval of RP & budget		HMG	Nov. 2006	
4.3	Approval of compensation rates		HMG	Nov. 2006	
4.4	Staking survey		IA/LRB/RO	Apr. 2007	
<b>5.</b>	<b>Compensation Agreements</b>				
5.1	CRC/Village agreements	1 CRC	Shushan District	June 2007	
5.2	Enterprise/shop agreements	0 businesses			
5.3	Household agreements	32 HHs	Shushan District	June 2007	
<b>6.</b>	<b>Implementation Capacity</b>				
6.1	district resettlement staff	6 staff	Shushan District	Jan. 2007	
6.2	Designate village representatives	4 staff	Shushan District	Jan. 2007	
6.3	Training of staff	15 of staff	Shushan District	Apr. 2007	
6.4	Setting up grievance redress committees	3 of staff	IA	Apr. 2007	
<b>7.</b>	<b>Monitoring and Evaluation</b>				
7.1	Baseline survey	10% of APs	External Monitor	May. 2007	
7.2	Set-up internal supervision	As per RP	Shushan District	Apr.. 2007	
7.3	Contract external monitor	As per RP	Shushan District	Apr. 2007	

<sup>5</sup> The RIB will be disclosed to all APs and the RP will be posted on the ADB website before appraisal.

No.	Resettlement Tasks	Target	Responsible Agency	Completion Deadline	Status and Additional Deadlines
7.4	Internal monitoring reports	Quarterly	IA	Dec. 2007	
7.5	External monitoring reports	Semi-annual	External Monitor	Dec. 2009	
7.6	Evaluation reports (tracer surveys)	Annual	External Monitor	Dec. 2009	
7.7	Resettlement Completion Report		External Monitor/IA	Dec. 2009	
8.	<b>Documentation of Consultation</b>	As per RP	Shushan District	Dec. 2009	
9.	<b>Documentation of Grievances</b>	As required	Shushan District	Dec. 2009	
10.	<b>Flow of Funds / Compensation</b>		Shushan District		
10.1	Executing or Implementing Agency		Shushan District	Aug. 2008	
10.2	Project Management Office – Resettlement Unit or NGO Resettlement Implementer		Shushan District	Aug. 2008	
10.3	To affected households	131 APs, 32 HHs.		Dec.2007	
11.	<b>Commence Resettlement</b>				
11.1	Land acquisition	16.87 hectares	Shushan District	Dec 2007	
11.2	House removal	0 m <sup>2</sup> 0 APs			


**Figure 4 RP Planning and Implementation Schedule**

## **X MONITORING, EVALUATION AND REPORTING**

88. The PMO and IA will regularly monitor and evaluate the implementation of land acquisition and resettlement activities in order to ensure resettlement work is implemented successfully in accordance with the RP, and to achieve the target of appropriate livelihood restoration for APs. The monitoring will comprise two components: internal monitoring and external monitoring. Internal monitoring will be mainly conducted by the project leading group, PMO and the IA to ensure that organizations involved in implementation of land acquisition and resettlement work abide by principles and schedules of the RP.

89. The aim of internal monitoring is to encourage the concerned organizations to carry out good performance while the external monitoring and evaluation will be conducted by an independent agency regularly on the activities of land acquisition, demolition and resettlement.

90. Usually monitoring on resettlement is conducted by covering data collection, analysis, reporting, physical target and financial target, entitlement of APs.

91. Resettlement monitoring will focus on the following two aspects:

- The progress of disbursement and provision of entitlements to APs.
- Comparison of APs and villages pre and post resettlement socio-economic situation, particularly livelihood restoration. Background socio-economic data collected during the AP inventory and census will be used in this assessment.

### **10.1 Internal Monitoring**

92. Internal monitoring and evaluation will be undertaken by the PMO, Hefei LAB and HUCIC, to assure the concerned departments abide by the RP. Internal monitoring and evaluation aims at the well performance during the resettlement process.

#### **10.1.1 Objectives of Internal Monitoring**

93. The objectives of internal monitoring are:

- To inspect the progress of demolition, displacement and land acquisition.
- To assure the smooth communication channel between project managerial staff and affected people.
- To assure timely full disbursement of compensation.
- To assure timely settlement of appeals by affected people.
- To assure that the compensation disbursed is legally appropriate and that corruption is prevented.

#### **10.1.2 Major Tasks of Internal Monitoring**

94. The EA will take major responsibility for

- Internal monitoring, covering the activities of APs, entitlement, advice, grievance, problems, efficiency, timing, and budget, etc.
- Disbursement of entitlements to AP: compensation, housing, cultivated land, and employment as specified in the RP.
- Social adaptability and cohesion: impacts with a gender perspective on APs and vulnerable groups, public participation, non-government's role, AP's attitudes

and commons after resettlement, number of complaints and appeal procedures, implementation of preferential policies and income restoration measures, and improvements in women's status in villages.

- Timing of house demolition and restoration: provision of residential land, disbursement of compensation for house replacement costs, and reconstruction of adequate housing and updating of resettlement schedule and resettlement budget where required
- Rehabilitation of community facilities and services: timely rehabilitation of community facilities and services and ensuring that mitigation measures to minimize impacts are implemented.
- Public participation and consultation: involvement of AP in resettlement implementation as per the public consultation plan outlined in the RP. Review of grievance register and responses to complaints.
- Assistance to vulnerable groups.

95. It is anticipated that internal monitoring reports will be brief documents reporting on progress to date and identification of issues, how issues were resolved, consultations undertaken, and revisions of the resettlement schedule and disbursement of budget where required.

## **10.2 External Monitoring and Evaluation**

96. Required by the ADB, the PMO will appoint an independent agency to carry out the external monitoring and evaluation on resettlement. The independent agency should have a good reputation, be well experienced and fully understand the ADB's policy and requirements on resettlement. The PMO will sign a contract with this agency. The terms of reference (TOR) for the independent evaluator are listed in Annex 2.

### **10.2.1 Objectives**

97. The objectives of external monitoring and evaluation are as follows:

- Certify the level of rehabilitation of APs after land acquisition and resettlement.
- Identify the causes of any problems with the policies or implementation in case rehabilitation is not fully made.
- Assess the performance, effect, affection including the response of APs, resettlement policies, and sustainability.
- Evaluate whether AP's living conditions, livelihoods and incomes have been fully restored.

### **10.2.2 Methodology**

98. The methodology of external monitoring and evaluation are listed as follows:

- The Independent agency will conduct a baseline survey on the affected area and acquire the baseline data of the APs. The investigation about production and AP's living conditions will be made every year to measure the change. A sample trace investigation will be adopted. Irregular interview or site visits will be made to acquire sufficient data for evaluation.
- Group discussion and consultation with various groups of people from government, non-government, community and APs.
- Interview with key persons such as local CRC leaders and village heads regarding resettlement implementation.

- Community public meetings to collect further information about resettlement.
- Purposeful direct observations regarding progress of demolition and replacement and visits to the individuals or groups.
- Informal investigation or interview by non-sampling means such as with the APs, villagers and staff engaged with resettlement.

### **10.2.3 Major Tasks**

99. The independent monitoring agency will monitor and evaluate the resettlement relative with the project and consolidate their findings and assessment into a report to ADB, EA and other concerned departments. These reports can be helpful in the policy-making by these concerned department. The APs and NGO's and communities will participate in the activities of assessment.

100. Monitoring and assessment will cover the following:

- Progress of land acquisition and house demolition;
- Progress of old house and facilities demolition;
- Progress of reconstruction of resettlement houses;
- Progress of resettlement of APs;
- Progress of reconstruction of facilities;
- The compensation fee being settled and allocated;
- The house demolition and resettlement of APs;
- Analysis and evaluation on the situation of house and living environment pre and post resettlement; bear in mind with a gender perspective
- Livelihood restoration of APs;
- The operation and efficiency of the resettlement institutions.

## **10.3 Reporting Requirements**

101. Internal monitoring and assessment reports will be submitted quarterly by the project IA to the EA while the external monitoring and evaluation reports will be submitted every six months by the external monitor. The external monitoring and evaluation (M&E) reports will be continued once every six months after the completion of the resettlement until the construction works are completed or until the APs livelihood is fully rehabilitated, whichever the latter. These reports will also be submitted to ADB every six months and uploaded onto the ADB website. Annual evaluation reports will also be prepared by the external monitor once every 12 months until Project completion



## ANNEXES

### Annex 1 Resettlement Information Booklet (RIB)

(Name of APs)

The construction of Improvement of the Closed Qingxi Road Landfill Site Sub-Component (name of a component/ or sub-component), a key component of Hefei Urban Environmental Improvement Project financed by ADB loan, will affect the location of your family (unit) to some extent. The booklet is distributed to inform you on the basic status of the sub-component of the Project, relevant land acquisition and relocation policies of the state and the impacts on your household.

The former Qingxi Road Landfill Site is located in the northwest of Hefei City and is surrounded by Qingxi Road on the south, the Nanfei River on the north and west and Hejiu Railway on the east. The landfill site, which started operating in 1985, covers an area of 400 mu (about 26.7 hectares) after expanded twice in 1992 and 1994. The landfill was closed at the end of 1999 after having received an estimated 2.2 million tons of urban domestic garbage. The Project covers an area of 534 mu, including 181 mu (12 hectares) allocated from the former landfill site, 100 mu allocated by the Hefei Municipal Construction Commission (HMCC) from the sludge lagoon at the Third Water Plant, and 253 mu (16.9 hectares) of newly requisitioned land. The total investment is CNY96.89 million, of which ADB loan is US\$6 million (equivalent to CNY48 million)

Both for ADB and the Chinese PRC Government, the overriding fundamental objective of the RP is to ensure the people whose land or property is unavoidably affected due to the Project, receive adequate assistance so that they would be at least as well-off as they would have been in the absence of the Project, and get benefits from the project.

#### 1. Compensation Rates

The compensation rates of land acquisition and resettlement are determined on the basis of sufficient surveys, with reference to involuntary resettlement principle of Asian Development Bank, state laws and regulations and Anhui and Hefei by-laws and aimed to restore and improve living standard of affected persons in short period after resettlement. The compensation rates applied to the Improvement of the Closed Qingxi Road Landfill Site Sub-Component (name of a component/ or sub-component) are tabulated in Table A1-1 (To be filled in based on different components by IA based on RP, particularly the entitlement matrix and budget table)

**Table A1-1 Compensation Rates for Land Acquisition and Resettlement**

Category	Compensation Rates	Remark
1. Permanent Land Acquisition	Compensation fee: CNY21000/mu Resettlement subsidy: CNY 30000/person	CNY 10000/person for APs ≤16 years old
3. Compensation for Standing Crops	CNY700/mu	
4. Compensation for trees	CNY75/tree	
6. land attachments	CNY1.21 million	Road, graves, trees

#### 2. Impacts on Your Household (unit)

**Table A1-2 Impacts of a Specific Household or Unit**

Impacts	Quantity	Compensation rate	Compensation deserved	Remark

### 3. Estimated time of project implementation

**Table A1-3 Proposed Schedule for Key Activities**

Items	Time	Remark
Promulgated bulletin of land acquisition and relocation	2006.10-2007.06	
Compensation payment	2007.7-2007.12	
Land acquisition and relocation	2007.10-2007.12	
Preparation for the project	2007.11-2007.12	
Implementation of the project	2008.1—2009.12	

### 4. Rights and Obligations of Affected Persons

#### (1) Rights of affected objects

Get all kinds of deserved compensation in complete conformity with the above compensation rates; reflect opinion and suggestions to land acquisition and relocation offices or project resettlement offices of CRCs/village committees, towns, district progressively, specific contents of which including base number of compensation quantity, compensation rate, time of compensation payment, site selection for house reconstruction, etc. various resettlement offices must reply to complaints of affected people and problems subordinate resettlement office reflects within 7 days. Generally there are five channels for grievance redress in Hefei City: (i) the project IA, (ii) the external independent supervision institution, (iii) the township/CRC and the County/District LABs and Resettlement Offices, (iv) the HMG or (v) by taking legal action.

#### (2) Obligation of affected persons

- Actively cooperate with implement of state project.
- New buildings shall not be constructed within the scope of the resettlement survey, otherwise the compensation fund will be canceled.

### 5. Organizations of Land Acquisition and Resettlement

The Project Management Office (PMO)

Address: PMO, Finance Bureau, HMG      Postal code: 231300      Tel: 0551-2843995

Project Resettlement Office (RO) within IA

Address: No. 17 Rongshida Road, Hefei      Postal code: 231300      Tel: 0551-2669523

Project RO at District/County

Address:      Postal code:      Tel:

**6. Right of Interpretation of the Booklet**

The right of interpretation of the booklet belongs to the PMO.

## **Annex 2 TOR for External Monitoring and Evaluation**

### **1. Objectives**

The objectives of the external M&E are:

According to ADB's Resettlement Handbook and ADB's Social Analysis Guideline, an independent monitoring and assessment will be made on the resettlement to analyze and compare the change of living level of APs by checking and tracking the progress and fund and management relative to resettlement.

The report that is provided to the ADB, the EA and concerned departments will provide sufficient information and suggestions for reference to the concerned departments to keep them informed on the progress and status of resettlement, so as to assure them that the problems and the proposed solutions for improvements are identified.

### **2 Tasks for Monitoring and Evaluation**

Tasks for M&E are shown below.

Progress of land acquisition and demolition includes:

- Progress of land acquisition;
- Progress of temporary land occupation;
- Affected progress of the project.

Progress of house demolition and resettlement includes:

- Progress of house demolition and status of compensation;
- Progress of house construction for resettlers;
- Progress of removal.

Progress of funds availability and payment includes:

- Payment of fund allocation;
- Expenditure (budget and factual expenditure).

Monitoring and assessment on living level of AP includes:

- Living level of AP prior resettlement;
- Living level of AP after resettlement;
- Employment of AP prior and after resettlement.

Monitoring on availability of compensation, rehabilitation and reconstruction of public facilities and progress of construction;

AP's participation in the processes of preparation of RP, land acquisition and resettlement and income rehabilitation;

Monitoring on the mechanisms and efficiency of grievance procedures;

Collection of monitoring data and establishment of a data file;

Comparison analysis;

Report submission.

### **3. Technical Procedures**

Prepare RP working outline; prepare questions and tables for investigation; prepare the scheme of random sampling; base investigation; set up information management system; supervise survey; establish data files; compare analysis and make assessment; prepare monitoring report; check the completion of monitoring; draw conclusion.

### **4. Independent Monitoring Agency**

An independent monitoring agency will be engaged to take the responsibility of monitoring on the resettlement of the project by PMO or separately by IAs.

The PMO will provide assistance to the external monitoring and evaluation agency, particularly in the aspects of field survey, staffing and logistics.

### **5. Monitoring and Evaluation Methods**

A combined method of field survey, analysis and comprehensive assessment will be undertaken;

An overall and site survey of progress, funds, institution and management and a random sampling survey.

Sampling according to classification. Tracking the samples at the percentage of 10% of house-demolished households and 10% of households who loss land.

Overall survey including table investigation, meetings, and file review.

Collection of photos, tape records, video records, physical substance except for written documents.

### **6. Schedule of Monitoring and Assessment**

Dec. 2006	Contract an independent evaluator, prepare the working outline;
March.2007	prepare monitoring plan such as outline of survey, tables, establishment of monitoring system, defining assignment, and selection of monitoring samples;
Apr. 2007	Baseline and first survey, submit No. 1 monitoring report;
Dec. 2007	Second survey, submit No. 2 monitoring report;
June.2008	Third survey, submit No. 3 monitoring report;
Dec.2008	Fourth survey, submit No. 1 evaluation report;
June.2009	Fifth survey, submit No. 2 evaluation report;

Pictures showing the situation at the closed Qingxi Road Land Fill

Picture 1: The east end, towards to Huai—Jiu Railway



Picture 2: North end adjacent to Nanfei River:  
below the level of the covering earth about 15 meter lower is the Nanfei River, where some  
leaching liquid flowed into Nanfei River during summer time.



Picture 3

West end adjacent to the Nanfei River. (1)

Crossing the Nanfei River, also showing the forest land of 80 mu to be acquired in the environmental buffering zone area; however, the trees will be retained for project purpose after paying compensation to APs



Picture 4: West side to Nanfei River (2)

Cross the forest land showing in above picture, showing the completed treatment section of Nanfei River and its surrounding environment

