

Resettlement Plan

November 2010

PRC: Xinjiang Altay Urban Infrastructure and Environment Improvement Project

Resettlement Plan for Fuhai County Municipal Infrastructure and Environmental Improvement Project

Prepared by Fuhai County Construction Bureau for the Asian Development Bank.

CURRENCY EQUIVALENTS

(as of 11 November 2010)

Currency unit	–	Yuan Renminbi (CNY)
CNY1.00	=	\$0.1507
\$1.00	=	CNY6.6337

ABBREVIATIONS

ADB	–	Asian Development Bank
CPC	–	Communist Party of China
EMDP	–	Ethnic Minority Development Plan
FS	–	Feasibility Study
GMSS	–	Grassland Monitoring and Supervision Station
M&E	–	Monitoring and evaluation
MLS	–	Minimum living security
FCCB	–	Fuhai County Construction Bureau
FCG	–	Fuhai County Government
FCLRB	–	Fuhai County Land and Resources Bureau
HDMO	–	House Demolition Management Office
PMO	–	Project Management Office
PRC	–	People's Republic of China
RP	–	Resettlement Plan
TA		Technical assistance
XUAR		Xinjiang Uygur Autonomous Region

WEIGHTS AND MEASURES

ha	–	hectare
km	–	kilometer
Km/h	–	Kilometer per hour
m	–	meter
m ²	–	square meter
mu	–	Chinese area measure for land
		1mu = 1/15 ha (1 ha = 15 mu)

NOTE

- (i) In this report, "\$" refers to US dollars.

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

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ADB-financed Xinjiang Altay Urban Infrastructure and

Environment Improvement Project

Resettlement Plan for Fuhai County Municipal Infrastructure and Environmental Improvement Project

Fuhai County Construction Bureau

11 November 2010

Joint Signed letter of Resettlement plan

As implementation entity of the project, Construction Bureau of Fuhai County and Xinjiang ecological geographical institute of Chinese Academy of Sciences together prepared a plan of resettlement of affected residents arising from the road construction, water supply, water drainage, heat supply, garbage treatment engineering projects of Qinghe County seat and road construction, water drainage, heat supply and garbage treatment engineering projects of Fuhai under Asian Development Bank Loan project for infrastructure and eco-environmental improvement of bordering counties and ports of Altay prefecture.

The resettlement plan is prepared in conformity with relevant laws and regulations specified in guarantee declaration of Asian Development Bank, the people's government of Fuhai County, Altay prefecture, Xinjiang Uygur Autonomous Region, the People's Republic of China.

The resettlement plan can be compiled based on feasibility research report and results of social and economic survey. The People's government of Fuhai County confirms the contents of the resettlement plan and ensure the payment for land acquisition and compensation to the affected residents will be carried out according to above-mentioned plan. The plan in both Chinese and Kazak Language version will be notified to the affected residents at the end of February of 2011.

After completion of all designs, the resettlement plan will be upgraded accordingly and the submitted to Asian Development Bank for

examination and approval, then implementation can be started.

We are grateful to your support and assistance to Asian Development Bank project of Fuhai County.

deputy county magistrate of Fuhai County: 符. 浩. 峰

Deputy head of the leading group of Asian Development Bank Loan project of Fuhai County

January 25, 2011

Letter of Commitment

The Fuhai County Construction Bureau (“FCCB”) has applied for a loan from the Asian Development Bank (“ADB”) for the Fuhai County Municipal Infrastructure and Environmental Improvement Project. Therefore, this project must be implemented in accordance with ADB’s Social Safeguard Policy. This resettlement plan (“RP”) represents a key requirement of ADB and becomes a basis of the land acquisition, house demolition and resettlement work of this project. This RP complies with the applicable laws and regulations of the People’s Republic of China (the “RPC”), Xinjiang Uygur Autonomous Region (“XUAR”) and Fuhai County. In order to complete the resettlement work more effectively, this RP includes some additional measures, and implementation and monitoring arrangements.

The Fuhai County ADB Project Management Office hereby acknowledges the contents of this RP and warrants that land acquisition, house demolition, resettlement, compensation and budgeting activities under the Project will be carried out according to this RP. This RP is based on data from the Feasibility Study (“FS”) Report and preliminary socioeconomic survey. If the final scope of works of the Project differs from that described in the FS Report and has any material impact on this RP, this RP will be revised accordingly. Such revised RP will be approved by ADB before implementation.

Fuhai County ADB Project Management Office

_____ (Signature)

_____ (Date)

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Abbreviations

ADB	-	Asian Development Bank
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GMSS	-	Grassland Monitoring and Supervision Station
M&E	-	Monitoring and evaluation
MLS	-	Minimum living security
FCCB	-	Fuhai County Construction Bureau
FCG	-	Fuhai County Government
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HDMO	-	House Demolition Management Office
PMO	-	Project Management Office
PRC	-	People's Republic of China
RP	-	Resettlement Plan
TA	-	Technical assistance
XUAR	-	Xinjiang Uygur Autonomous Region

Units

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

Executive Summary

A. Overview of the Project

1. In order to improve the living environment of the Fuhai County town and the urban image of the county, and adapt to socioeconomic development, the Fuhai County Government (executing agency, "FCG") plans to use part of ADB lending to start the Fuhai County Municipal Infrastructure and Environmental Improvement Project (the "Project") that includes road construction, water supply, sewage treatment and refuse disposal in the county town. The Project is a subproject of the ADB-financed Xinjiang Municipal Infrastructure and Environmental Improvement Project. The Project consists of the following components: (1) Road construction: construction and expansion of 8 roads, with a total length of 9,557.03m, together with lighting, landscaping and traffic marking facilities, and maintenance equipment; (2) Sewage treatment: construction of a 7,000m³/d sewage treatment plant, branch sewer pipes of 8,790m, 164 drainage manholes, an access road of 2.0km and 10KV power lines of 2.0km; (3) Refuse disposal: construction of a 50t/d refuse disposal plant and operating equipment, 70 refuse collection points, 522 ashbins, an access road of 7,000m and 10KV power lines of 7.0km; (4) Central heating: reconstruction of heating networks of 7,296m.

B. Project impacts

2. The land acquisition and house demolition impacts of the Project are determined based on the recommended option at the FS stage. Land acquisition and house demolition for road construction will affect one village in one Xiang, namely Linye Village, Jietearale Xiang. Permanent land acquisition and house demolition will affect 40 households with 159 persons, and one enterprise needs to be relocated. 9 minority households with 37 persons will be affected, accounting for 23% of the total affected population.¹

3. Residential houses of 6,380.22m² will be demolished, affecting 29 households with 109 persons; an enterprise will be affected, with a demolition area of 398.9m². 129.25 mu of collective land will be acquired permanently, affecting 13 households with 59 persons. 382.04 mu of state-owned land will be occupied permanently, including 32.24 mu of housing land, 1.8 mu of land for enterprise and 348 mu of unused land.

4. In addition, state-owned urban roads and green belts will be excavated for network laying, and 23.69 mu of will be occupied temporarily.

5. At the FS Report stage, the impacts of land acquisition have been minimized in close consultation with local officials and communities/villages. An optimum option has been selected through comparison of some options. The RP has been prepared in accordance with the relevant state, provincial and municipal land policies, and ADB's Policy on Involuntary Resettlement. The RP is based on the FS Report, and will be updated and improved based on the detailed design.

¹ ADB's Safeguard Policy Statement (2009) trigger for involuntary resettlement changed the terminology of "affected persons" to "displaced persons" which are defined as persons who are physically and/or economically displaced as a result of involuntary acquisition of land or involuntary restrictions on land use or on access to legally designated parks and protected areas. In the PRC, although the resettlement plans maintain the original terminology of "affected persons", the definition is equivalent to ADB's definition of "displaced persons".

C . Policy framework and entitlement

6. According to the land laws and policies of the PRC and ADB Safeguard Policy Statement 2009, the resettlement principles of the Project are: (1) The affected persons are granted compensation and rights that can at least maintain or even improve their livelihoods in the absence of the project.; (2) The affected persons are given compensation and assistance in resettlement whether legal title is available or not; (3) If the land available to everyone is insufficient to maintain his/her livelihood, replacement in cash or in kind and other income-generating activities are provided for the lost land; (4) The affected persons fully understand their entitlements, the method and standard of compensation, the livelihood and income restoration plan, and the project schedule, and participate in the implementation of the Resettlement Plan; (5) No land should be acquired before the affected persons are satisfied with the compensation and resettlement (plan).; (6) The executing agency (FCG) and an independent agency / third party should monitor the compensation, relocation and resettlement operations; (7) The vulnerable groups (including women) are provided special assistance or treatment so that they lead a better life, and all affected persons should have an opportunity to benefit from the project; (8) The Resettlement Plan is consistent with the master plans of the affected counties and towns.; and (9) The resettlement expenses are sufficient to cover all affected aspects.

D. Compensation and resettlements

7. The acquired farmland will be compensated for by land replacement and cash compensation. The rates of cash compensation are: land compensation fees 8,400 yuan/mu, resettlement subsidy 22,800 yuan/mu and young crop compensation fees 1,200 yuan/mu, totaling 32,400 yuan/mu. Anyone who does not accept cash compensation will be replaced with the same area of land. The replacement land will also be entitled to the county's preferential policy for water-saving irrigation; training on farming, etc. will be offered.

8. The final compensation rate for house demolition will be appraised by a real estate appraisal and surveying company. The households affected by house demolition will receive a moving subsidy, a transition subsidy and a TV displacement fee, etc. After receiving cash compensation, the affected households may elect to: (1) buy commercial housing; (2) buy resettlement housing; (3) buy a shop front; or (4) build a house on the free housing site offered under unified planning.

E. Organization responsible

9. The implementing agency will be responsible for project implementation, land acquisition, house demolition and coordination. The land acquisition and house demolition management office will consist of officials from the land administration and urban construction authorities. All affected sub-district offices and village committees will supply one member to the house demolition management office to carry out house demolition, resettlement and income restoration activities, etc.

F. Public participation

10. In August and September 2009, a survey was made of the physical indicators of the affected population, houses, land and special facilities, as well as the affected residents and rural collective economic organizations. In May 2010, the ADB resettlement TA experts,

and the relevant staff of the RP preparation agency and County PMO conducted a supplementary survey of the physical indicators of the affected population, houses, land and special facilities, as well as the affected residents and rural collective economic organizations, and a public opinion and advice survey of the people and entities affected by the Project. These surveys were designed to make the implementing and design agencies clear about the local conditions and the concerns of the affected persons. Information on the affected persons was collected through some meetings, involving FCG, the County PMO, urban sub-district offices, land administration bureau, civil affairs bureau, women's federation, urban planning bureau, affected persons, design agency and consultants. On different occasions, such as meeting, rural household survey and villager team focus group discussion (FGD), the affected persons have been involved in the preparation of the RP, and their concerns and opinions have been incorporated into the RP.

G. Appeal

11. The affected persons may file an appeal about any aspect of the Project, such as land acquisition, resettlement, income restoration and compensation. The RP defines the appeal procedures, which will be explained to the affected persons at public meetings convened by the implementing agency and communities before land acquisition and house demolition.

H. Costs

12. According to the FS Report and subsequent surveys, the resettlement costs for land acquisition and house demolition are about CNY20.3142 million, including contingencies of 8%. The resettlement costs will be subject to adjustment during project implementation. The implementing agency will ensure that sufficient resettlement funds will be available to address all resettlement issues.

I. Schedule

13. Land acquisition and resettlement will begin in January 2011 and end in June 2012. Construction will not commence only when the affected persons have been compensated in full.

J. Monitoring and reporting

14. The implementation of the RP will be subject to internal and external monitoring. The implementing agency is responsible for internal supervision, and will prepare reports regularly for submission to ADB to reflect resettlement progress, with focus on compliance with the RP and compensation policies. The County PMO will employ an independent agency to conduct external monitoring and evaluation (M&E), and prepare an evaluation report on resettlement progress, compensation fees disbursement and other measures to ensure that the affected persons can maintain their standard of living without being affected adversely by the Project.

1. Overview of the Project

1.1. Background of the Project

15. The Project is a subproject of the ADB-financed Xinjiang Altay Urban Infrastructure and Environment Improvement Project. The ADB technical assistance (TA) mission made a field investigation of the affected areas in Altay, Xinjiang during June 10-17, 2009, and entered into the Memorandum of Understanding for Provision of Technical Assistance for the ADB-financed Xinjiang Altay Urban Infrastructure and Environment Improvement Project with the competent authorities of XUAR.

16. In recent years, with the rapid development of Fuhai County's economy and tourism, and the growth of its population, domestic, productive and municipal water consumption has risen sharply, and urban refuse and sewage discharges, and heating area have risen accordingly. This has not only affected the ecological environment of the county, but also restricted the socioeconomic and tourist development of the urban area. It is very necessary to implement the Project as soon as possible. Therefore, the Project has been included in the ADB-financed Xinjiang Altay Urban Infrastructure and Environment Improvement Project as a subproject. The FS report preparation agency was entrusted by FCCB to prepare the FS report of the Project in July 2010. This RP has been completed based on the FS report, field investigation and relevant references.

17. The Project will:

- Promote the all-around and balanced economic development of the county's urban and rural areas;
- Facilitate the implementation of the important strategy of "stabilizing and revitalizing frontier areas, and enriching frontier residents", and the county's 11th Five-year Development Plan;
- Expedite the county's economic development;
- Improve the county's urban infrastructure and living environment, and people's standard of living; and
- Strengthen the economic cooperation with the Central Asian countries, and drive the economic development of XUAR effectively.

1.2. Overview of the Project

18. The Project consists of the road construction, sewage treatment, refuse disposal and central heating components, as shown in Table 1-1.

Table 1-1: Summary of project components

Component	Brief description
Road construction	Construction and expansion of 8 roads, with a total length of 9,557.03m, including 3 primary roads of 3,096.7m, 3 secondary roads of 3,671.61m and 2 branch roads of 2,788.72m, together with lighting, landscaping and traffic marking facilities, and maintenance equipment
Sewage treatment	Construction of a 7,000m ³ /d sewage treatment plant, branch sewer pipes of 8,790m, 164 drainage manholes, an access road of 2.0km and 10KV power lines of 2.0km

Component	Brief description
Refuse disposal	Construction of a 50t/d refuse disposal plant and operating equipment, 70 refuse collection points, 522 ashbins, an access road of 7,000m and 10KV power lines of 7.0km
Central heating	Reconstruction of primary and secondary heating networks of 7,296m, including a primary network of 2,905m and a secondary network of 4,391m

19. **(1) Road construction:** construction and expansion of 8 roads, with a total length of 9,557.03m, including 3 primary roads of 3,096.7m, 3 secondary roads of 3,671.61m and 2 branch roads of 2,788.72m, together with lighting, landscaping and traffic marking facilities, and maintenance equipment. See Table 1-2. Figure 1-2 and 1-3 shows the present Huancheng Road East and Xinfu Road East.

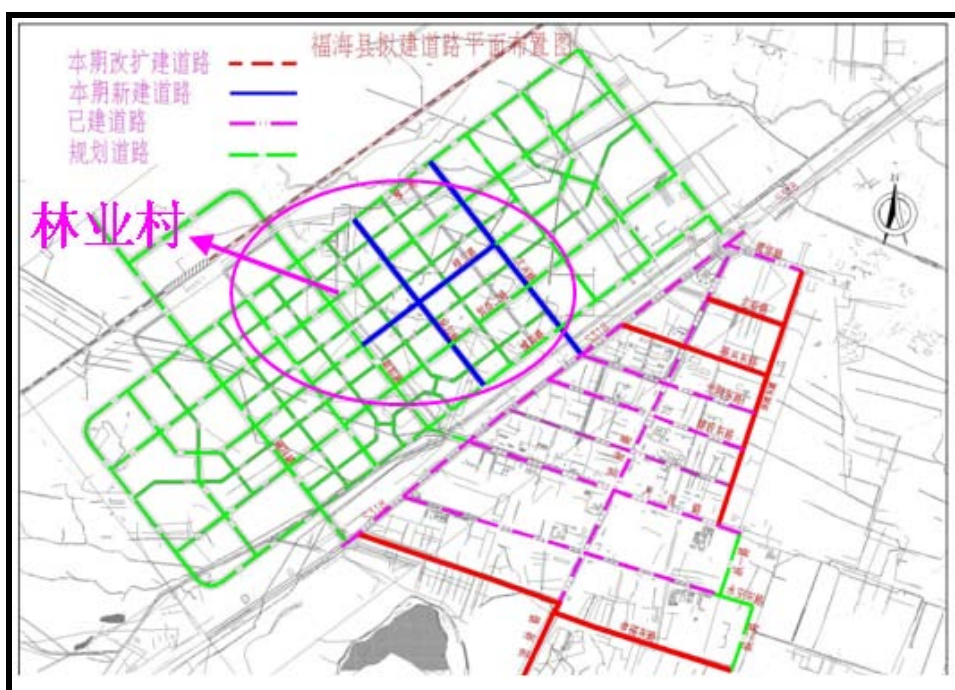


Figure 1-1: Proposed Roads

The roads marked in blue are in the station area, and the red ones are in old downtown areas. The land areas along the road have not been acquired and will be acquired based on the local development plan. These 3 roads (in blue) cover a section of new urban area. The rough size of the new urban area is about 342 ha or 5127 mu; The basic time line of acquisition and development of these areas is expected to commence from 2011. The county government will ensure that the same standards of compensation and rehabilitation measures of this RP are also applied when acquiring land from households who will lose land for the new urban area but not affected by the ADB project. However there are no estimates of such impacts now. For the APs affected by ADB project, the rehabilitation plan is prepared considering that they will lose all of their land for future urban development in the area.

Table 1-2: Size of proposed urban roads

Roads in old urban area											
No.	Road	Length	Nature	Width (m)	Central green belt	Driveway width (m)	Green belt width (m)	Non-driveway width	Sidewalk width (m)	Green belt width (m)	Remarks
		(m)			(m)			(m)			
1	Huancheng Road East	500	Secondary	24	—	14	—	—	2×3.0	2×2.0	Expansion
		1026.49		18		12	—	—	2×3.1	—	
2	Beixin Road	461.88	Branch	24	—	12	2×2.0	—	2×4.0	—	Expansion
3	Zhenxing Road East	877.47	Primary	16	—	12	—	—	2×2.0	—	Expansion
4	Xingfu Road	1205.37	Branch	18	—	12	—	—	2×3.0	—	Expansion
		1121.47		18		12	1×2.0		1×4.0		
5	Tuanjie Road	822.62	Primary	39	—	21	—	—	2×5.0	2×4.0	Expansion
Subtotal		6015.3									
Roads in station area											
1	Wenxing Road	1396.61	Primary	50	2	25	2×2.5	2×3.0	2×6.0		New
2	Zongsi Road	1200.16	Secondary	40	—	18	2×2.5	2×3.0	2×5.5		New
3	Hengsan Road	944.96	Secondary	40	—	18	2×2.5	2×3.0	2×5.5		New
Total		9557.03									



Figure 1-2 Photo of existing Huancheng Road East



Figure 1-3 Photo of existing Xingfu Road East

20. (2) Sewage treatment: construction of a 7,000m³/d sewage treatment plant, branch sewer pipes of 8,790m, 164 drainage manholes, an access road of 2.0km and 10KV power lines of 2.0km.



Figure 1-4 Existing Fuhai Sewage Treatment Plant Figure 1-5 Proposed site of sewage treatment plant

21. (3) Refuse disposal: construction of a 50t/d refuse disposal plant and operating equipment, 70 refuse collection points, 522 ashbins, an access road of 7,000m and 10KV power lines of 7.0km. Figure 1-6 shows the exiting disposal plant and figure 1-7 is the proposed site for the new plant.



Figure 1-6 Photo of existing refuse disposal plant

Figure 1-7 Site of proposed refuse disposal plant

22. (4) Central heating: reconstruction of primary and secondary heating networks of 7,296m, including a primary network of 2,905m and a secondary network of 4,391m

1.3. Socioeconomic benefits of the Project

23. The main components of the Project include road construction, sewage treatment, refuse disposal and central heating. The Project will improve the infrastructure and environmental quality of the urban area, promote the development of the local tourism and commerce, and generate great ecological and socioeconomic benefits.

24. Road construction: This component will improve the traffic network of the county town, promote commerce and tourism, and increase nearby residents' income.

25. Sewage treatment: The environment of the county town and surrounding areas will be improved greatly; the aged sewer network will be restored. At the outskirts, drainage facilities will dispose of domestic sewage timely, improve environmental hygiene, and be good to villagers' physical health.

26. Refuse disposal: With the implementation of this component, the living environment will be cleaner, the impact of urban refuse on the environment will be reduced, and the county's overall image will be improved.

27. Central heating: This component will further improve the quality of life of residents, conserve energy, reduce atmospheric pollution and improve atmospheric quality.

28. In general, the road construction, sewage treatment, refuse disposal and central heating components will drive the county's economic and tourist development. Presently, the soft environment for investment introduction is attractive, including the relevant preferential policies, but the hard environment is unsound, especially the infrastructure. The Project will improve this situation.

29. In the meantime, great importance is attached to public participation during project implementation. The County PMO will ensure that a certain number of unskilled job opportunities be available to affected women during project implementation, and give priority to female labor in technical training, so that their economic status will not be reduced.

1.4. Measures to reduce project impacts

30. Resettlement impacts have been considered at the design stage to minimize such impacts. The main principles are as follows:

- (i) Avoiding or minimizing occupation of existing and planned residential areas (urban and rural)
- (ii) Avoiding or minimizing occupation of high-quality farmland and pasture land
- (iii) Gaining access to the proposed construction sites through existing state and local roads
- (iv) Avoiding or minimizing occupation of environmentally sensitive areas
- (v) Selecting a resettlement community in line with the local development plan
- (vi) Laying drainage pipelines along highways or in barren land, avoiding exposed pipelines, and restoring the land surface after construction; and
- (vii) Building the sewage treatment plant and refuse disposal plant on barren land where possible according to topographic conditions

31. To optimize the road construction design, the ADB resettlement TA experts, and the relevant staff of the RP preparation agency, County PMO and design agency conducted a field investigation in May and June 2. It was found that 29 households with 104 persons on Maochang Road were to be displaced, with a demolition area of 3,487.25m². The ADB resettlement TA experts proposed to cancel this road in consultation with the County PMO to reduce impact on residents. Opinions of the affected households were further collected through public FGDs. Based on the opinions of different parties, this road was cancelled.

32. In addition, the existing roads in the old urban area will be improved in the road surface only and will not be broadened, reducing the impact of house demolition.

33. The refuse disposal and sewage treatment components will be built on unused state-owned land based on the experts' suggestions, reducing the negative impact of acquisition of collective land.

34. A large amount of land acquisition and house demolition has been reduced through road re-planning, as shown in Table 1-3.

Table 1-3: Measures to reduce resettlement impacts

Item		Unit	Before optimization	After optimization	Difference
Land acquisition	Collective land	Mu	157.74	129.25	-28.49
	State-owned land	Mu	423.46	382.04	-41.42
	Subtotal	Mu	581.2	511.29	-69.91
House demolition	Rural residents	m ²	8433.39	6380.22	-2053.17
	Urban residents	m ²	4568.39	0	-4568.39
	Enterprise / institution	m ²	629.3	398.9	-230.4

Item		Unit	Before optimization	After optimization	Difference
House demolition	Commercial store	m ²	20.4	0	-20.4
	Subtotal	m ²	13651.48	6779.12	-4819.19
Land acquisition	Affected population	/	80	59	-21
House / building demolition	Rural residents	Household	43	29	-14
	Urban residents	Household	26	0	-26
	Commercial store	/	1	0	-1
	Enterprise / institution	/	1	1	0
	Subtotal	/	71	30	-41

2. Project Impacts

2.1. Types of impact

35. Based on the physical indicator surveys, the main types of impact of the Project include:

- (i) Land acquisition/occupation;
- (ii) Demolition of residential houses and attachments;
- (iii) Demolition of non-residential houses (enterprises and institutions); and
- (iv) Demolition of ground attachments and infrastructure

2.2. Survey methodology and process

36. In order to learn the impacts of the Project, the County PMO, design agency and RP preparation task force investigated the range of land acquisition and house demolition of Fuhai County as required by ADB.

37. During June 2-19, 2009, a field investigation of the Project was conducted.

38. On August 4, 2009, a training meeting of the staff involved in the Ethnic Minority Development Plan (EMDP) and the RP was held at FCCB, explaining the planning concept, policy framework, issues arising from land acquisition and house demolition, the relevant requirements in the EMDP and relevant ADB policies in detail; the questions raised by the attendees were answered in detail; training was given to the survey staff on the affected population, houses, land, pasture land and special facilities, etc. in the affected areas, and a survey agenda was determined.

39. During August 5-15, 2009, a FGD was held at FCCB to further define the scope and range of the Project, and a field investigation was conducted; the County PMO and RP preparation agency organized relevant staff to conduct a detailed survey of the physical indicators of the affected population, houses, land and special facilities, as well as the

affected residents and rural collective economic organizations.

40. During June 3-8, 2010, the ADB TA experts and RP preparation agency conducted a field investigation of the scope and range of the Project, a supplementary survey of the physical indicators of the affected population, houses, land and special facilities, as well as the affected residents and rural collective economic organizations, and interview and case study of affected residents.

41. The surveys were conducted in a combination of field investigation, data collection and inquiry, questionnaire survey and interview. The survey of house demolition included house ownership and attached facilities; the survey of land acquisition included nature and quantity of land, number of directly affected households, population, willingness of resettlement of affected households, and average output value of the past 3 years. Officials of the affected town government and villager teams participated in the physical indicator surveys of the Project.

42. Land acquisition survey: The survey team surveyed the area of the acquired land by ownership and type after the design agency defined the range of land acquisition by field setting-out.

43. Socio-economic Survey: A sampling survey of affected population, including ethnic group, age, educational level and employment status, etc.

44. House and attachment demolition survey: Demolished houses were measured on spot one by one, and registered by ownership and structure together with their attachments.

45. Scattered tree survey: Scattered trees within the affected areas were counted on spot to differentiate fruit trees and other trees, and registered by species.

46. Special facility survey: The affected water resources, electric power and telecommunication facilities were surveyed based on the existing information of the competent authorities, and verified and registered on spot.

2.3. Impact identification of the components

47. At the present stage, the impacts of land acquisition and house demolition of the Project are determined based on the recommended option selected at the FS stage. Resettlement impacts by different component is shown in table 2-1.

1. Road construction

48. 8 roads will be expanded in the road construction component, including 5 in the old urban area and 3 in the new station area. The 5 roads in the old urban area will be improved in the road surface only, and involve no resettlement impact; the 3 roads in the new station area will have resettlement impact.

49. Land acquisition and house demolition for road construction will affect one village in one Xiang, namely Linye Village, Jietearlele Xiang. Land acquisition and house demolition is expected to affect 40 households with 159 persons, including 9 minority households with 37 persons. 29 households with 109 persons are involved in house demolition (including 2 households affected by both land acquisition and house demolition), with a demolition area of

6,380.22m²; 13 households with 59 persons (including 2 households affected by both land acquisition and house demolition) will be affected by acquisition of 129.25 mu of collective land.

50. One enterprise will be affected by house demolition for road construction, namely Pingyuan Forest Farm, whose premises of 398.9m² will be demolished, including 315.28m² in masonry concrete structure and 83.62m² in masonry timber structure, and 1.8 mu of state-owned land will be acquired.

2. Sewage treatment

51. Sewage treatment will occupy 70.5 mu of unused state-owned land permanently, including 49.5 mu (including administrative area) for the sewage treatment plant and 21 mu for the access road. In addition, the excavation of the sewer network will occupy 1.8 mu of state-owned urban roads and green belts temporarily. No individuals or units will be affected for the sewage treatment plant.

3. Refuse disposal

52. Refuse disposal will occupy 277.5 mu of unused state-owned land permanently, including 204 mu for the refuse disposal plant (including administrative area) and 73.5 mu for the access road. No individuals or units will be affected.

4. Central heating

53. Central heating involves the laying of the heating network only, which will occupy 21.89 mu of state-owned urban roads and green belts temporarily. No individuals or units will be affected.

Table 2-1: Impact identification of the components

Component	Permanent land acquisition									Tempo rary land occup ation	House demolition							
	Collective land						State-owned land				Residential house demolition					Demolition of enterprises /institutions		
	Farmland	Affected house- holds	Affected population	Minority house- holds	Minority population	Housing site (mu)	Housing land (mu)	Land for enterprises (mu)	Unused state-owned land (mu)	State- owned roads (mu)	Demolition area	Affected house- holds	Affected population	Minority house- holds	Minority population	Demolition area	Number affected	Persons affected
Road construction	129.25	13	59	1	5		32.24	1.8			6380.22	29	109	8	32	398.9	1	0
Sewage treatment									70.5	1.8								
Refuse disposal									277.5									
Central heating										21.89								

2.4. Impacts of permanent land acquisition

2.4.1. Collective land

54. Permanent acquisition of collective land for road construction involves one village (Linye Village), affecting 13 households with 59 persons, and acquiring 129.25 mu of collective land.

Table 2-2: Impact analysis of land acquisition (household level)

Householder	Agricultural income (%)	Before acquisition		After acquisition		
		Household population	Arable area (mu)	Lost land (mu)	Land loss rate (%)	Annual income loss rate (%)
Chen Jinliang	44.66%	3	6	5	83.33%	37.22%
Zhang Fengyou	40.51%	5	28	28	100.00%	40.51%
Yan Xuxue	74.23%	7	27	6	22.22%	16.49%
Taowanjia Manhala	25.47%	5	11	1.2	10.91%	2.78%
Hu Changshi	89.63%	4	20	6.3	31.50%	28.23%
He Qinrang	86.19%	7	63	0.75	1.19%	1.03%
Wang Jianguo	13.04%	4	5	2	40%	5.22%
Li Chengxin	61.54%	4	10	10	100.00%	61.54%
Gao Dongjie	61.54%	2	10	10	100.00%	61.54%
Gao Donghua	61.54%	4	10	10	100.00%	61.54%
Meng Xueyin	98.80%	5	40	10	25.00%	24.70%
Ma Chunlin	19.29%	4	27	27	100.00%	19.29%
Meng Tingjun	100.00%	5	70	13	18.57%	18.57%
Average	63.62%	4.54	25.15	9.94	39.52%	29%

Note: (1) Loss rate of annual rate = proportion of agricultural income to household income * loss rate of land; (2) proportion of agricultural income to household income comes from the socio-economic survey.

55. 129.25 mu of collective land of Linye Village will be acquired permanently, accounting for 16.44% of the village's total arable area, affecting 13 households with 59 persons, accounting for 3.05% and 2.54% of the village's households and population, respectively, 9.94 mu per household. It can be seen from Table 2-2 that for the 13 affected households, 5 have a land loss rate of 100%, accounting for 38.46%; 5 have a land loss rate of 20%-100%, accounting for 38.46%; and 3 have a land loss rate of below 20%, accounting for 23.08%.

56. *Although 16.44% of Linye Village's farmland will be occupied only, Linye Village has been included in the future station area (development area around the Fuhai Railway Station) according to the latest county development plan. With the development of this area, all land of Linye Village will be acquired in future. .*

2.4.2. State-owned land

57. Permanent acquisition of state-owned land is caused mainly by road construction, sewage treatment and refuse disposal. 382.04 mu of state-owned land will be occupied permanently, including 32.24 mu of housing land and 1.8 mu of land for enterprise by road construction; and 70.5 mu and 277.5 mu of unused state-owned land by sewage treatment and refuse disposal, respectively. See Table 2-3.

Table 2-3 Statistics of state-owned land permanently occupied by the Project

Component	Nature of affected entity	Name	Area of occupied state-owned land (mu)
Road construction	Enterprise	Pingyuan Forest Farm	1.8
	Village / community	Linye Village	32.24
Sewage treatment	Unused state-owned land		70.5
Refuse disposal			277.5
Total	—	—	382.04

2.5. Temporary land occupation

58. State-owned urban roads and green belts will be excavated for network laying, and 23.69 mu of will be occupied temporarily, in which sewer network laying will occupy 1.8 mu and the heating network will occupy 21.89 mu temporarily. No people will be affected.

2.6. House demolition

2.6.1. Residential houses

59. House demolition is caused by the construction of the 3 roads in the station area, affecting 29 households with 109 persons in Linye Village, with a total demolition area of 6,380.22 m², including 1,491.79 m² in masonry concrete structure (23.38%), 1,303.32m² in masonry timber structure (20.43%), 1,794.11m² in earth timber structure (28.12%) and miscellaneous houses of 1,791m² (28.07%). This village is called linye (forest) village and the housing land here is state-owned. They have the State-owned land-use right certificate.

60. Of the 29 households with 109 persons affected by house demolition, 16 households with 53 persons live on Zongsi Road, accounting for 55.17%; 1 household with 3 persons lives on Hengsan Road, accounting for 3.45%; and 12 households with 53 persons live on Wenxing Road, accounting for 41.38%. See Table 2-4 and figure 2-1.

Table 2-4: Houses to be demolished of residents of Linye Village

Road	Village / community	Total households	Total population	Demolition area (m ²)				Total
				Masonry concrete	Masonry timber	Earth timber	Misc.	
Zongsi Road	Linye Village	16	53	689.97	688	792.14	786	2956.11
Hengsan Road		1	3		144.32	55	9	208.32
Wenxing Road		12	53	801.82	471	946.97	996	3215.79
Total	—	29	109	1491.79	1303.32	1794.11	1791	6380.22



Figure 2-1: Photos of houses to be demolished

2.6.2. Enterprises and institutions

61. □ Road construction will affect one state-owned enterprise Pingyuan Forest Farm by house demolition and state-owned land occupation, with a demolition area of 398.9 m² (include 315.28m² in masonry concrete structure and 83.62m² in masonry timber structure) and an occupied area of 1.8 mu. The enterprise needs to be relocated to a new location. The affected houses are office building and will not affect its production, as management of the forest is their work. The workers will not experience income loss, because only the houses need to be relocated.

2.7. Affected vulnerable groups

62. The vulnerable groups refer to those individuals and their families whose living standard is lower than the minimal living standard line of Fuhai (for rural people in the standard is CNY700 per year per person and for urban people the standard is CNY 1860 per year per person), including orphan, aged people, handicapped people, mentally disabled persons, impoverished people, and women headed households.

63. Based on the survey, 2 households with 7 persons affected by house demolition fall into vulnerable groups.

64. Zhang Hong, 42 years, Han, senior high school education, dealing with industry, lives in a 3-member family. His wife Zhang Chunxiang, 38 years, junior high school education,

receiving MLS, does housework mainly and casual labor sometimes; his son Zhang Haojie, 10 years, is attending primary school. The family's income comes mainly from wages, employment and MLS, and is about 17,655 yuan per annum.

65. The family has a demolition area of 208.32m² due to road construction. The householder and his family support road construction, which will improve the environment and make traffic more convenient. They expect cash compensation for the demolished house, and build a house on the planned housing site. The resettlement site should preferably have sound infrastructure and a good living environment; they expect to participate in project construction to increase their income.

66. Zhang Ping'an, 53 years, Han, senior high school education, is working outside all the year round, and lives in a 4-member family. His wife Wang Guiying, 48 years, senior high school education, does housework mainly and receives MLS at 1,644 yuan per annum; his elder son Zhang Weizheng, 26 years, unmarried, junior college education, is working outside; his second son Zhang Tengfei, 24 years, unmarried, senior high school education, is also working outside.

67. The family has a demolition area of 255m² due to road construction. However, Zhang Ping'an supports road construction strongly because he thinks the new road will facilitate traffic. The roads in and out of Linye Village would be muddy in rainy days. Road construction will change this situation. Zhang Ping'an expects the government to provide reasonable compensation. They will build a house themselves on the planned housing site according to the state's new countryside building program. The resettlement site should have a comfortable living environment, well-built roads, green spaces and other infrastructure. He expects that guardrails should be erected properly during project construction to alert students to traffic safety. They wish to participate in the project to increase their income.

2.8. Affected population

68. As indicated in table 2-5, the Project will affect 159 persons in total actually, including 9 minority households with 37 persons, accounting for 19.58% of the total affected population. 40 households with 159 persons. 11 households with 50 persons will be affected by land acquisition only; 2 households with 9 persons will be affected by both land acquisition and house demolition; 27 households with 100 persons will be affected by house demolition only..

Table 2-5: Statistics of affected population

Type of impact	Acquisition of collective land only		House demolition only		Both land acquisition and house demolition		Affected enterprises		Total		
	Affected households	Affected population	Affected households	Affected population	Affected households	Affected population	Number affected	Affected population	Affected households	Number affected	Affected population
Total	11	50	27	100	2	9	1	0	40	1	159

2.9. Ethnic minorities

69. Of the 40 households with 159 persons affected by land acquisition and house demolition, there are 9 minority households with 37 persons; of the 13 households with 59 persons affected by land acquisition, there is one minority household with 5 persons; of the 29 households with 109 persons affected by house demolition, there are 8 minority households with 32 persons. The key ethnic minorities are Kazakh and Hui. The affected ethnic minorities enjoy the same social and economic status as the local Han people, and have kept their own ethnic customs and religious believes. See Table 2-6.

Table 2-6: Statistics of affected minority population

Road	Village/ community	Total		Ethnic minorities		Kazakh		Hui		Proportion to total population
		households Total	population Total	Households	Population	Households	Population	Households	Population	
Zongsi Road	LinYE Village	21	77	3	12	3	12	-	-	15.58%
Hengsan Road		6	24	0	0	-	-	-	-	0.00%
Wenxing Road		13	58	6	25	5	22	1	3	43.10%
Total		40	159	9	37	8	34	1	3	23.27%

2.10. Affected attachments and infrastructure

70. The ground attachments and infrastructure affected by road construction are shown in Table 2-7.

Table 2-7: Affected attachments and infrastructure

Item	Unit	Qty.
Big tree (non-fruit)	/	232
Small tree (non-fruit)	/	21
Fruit tree (usable as timber)	/	55
Fruit tree (small sapling)	/	42
Toilet	/	30
Pressure well	/	17
Telegraph pole	Cement	7
	Wood	11
Enclosing wall	M ²	105

3. Socioeconomic Profile

3.1. Socioeconomic background of the affected areas

71. Fuhai County governs 5 Xiangs, one town and one farm, with 61 administrative villages in total. The county has 1.2 million mu land available for reclamation, 500,000 mu of farmland, 35.35 million mu of grassland and 22.94 million mu of usable pasture land. The county's population is 96,600, including 39,000 farmers and herdsmen, in which there are 15,000 herdsmen, with ethnic minorities composed mainly of Kazakh accounting for 50.4%. The county's highway network is composed mainly of National Highways 318, 320 and 324, and the "635" canal-side highway. The county town is 637km away from Urumqi, the capital city of XUAR and 300km away from the oil town of Karamay in the south, 850km away from Yining City, the seat of Yili Kazakh Autonomous Zone, in the south, and 99km away from Altay City, the seat of the prefectural administrative office, in the north.

72. In 2009, the county's GDP was 1.7 billion yuan, up 12% year on year; industrial added value at and above the Xiang level 100 million yuan, up 33%; local fiscal revenue 130 million yuan, up 65%; local social investment in fixed assets 872 million yuan, up 47%; the total retail sales of consumer goods 330 million yuan, up 15.9%; the per capita net income of farmers and herdsmen 5,386 yuan, up 506 yuan.

3.2. Socioeconomic background of the affected townships

73. The Project will affect one Xiang, namely Jietearale Xiang, which has an area of 9,700km², and governs 18 administrative villages, including 6 stockbreeding villages and 12 agricultural ones, and 10 ones composed mainly of Kazakhs. The Xiang is home to such ethnic groups as Han, Kazakh, Uygur, Hui, Mongolian and Dongxiang, with a total population of 13,134, including 6,365 Kazakhs, 5,555 Han people, 1,014 Hui people, 82 Mongolians, 35 Dongxiang people, 32 Uygurs, 27 Tibetans and 24 Tartars. It is a major agricultural and stockbreeding Xiang inhabited by multiple ethnic groups.

74. Jietearale Xiang produces wheat, corn, oil sunflower, watermelon and beet, with its economy relying on agriculture and stockbreeding. In 2009, sown area was 74,817 mu, including 36,000 mu for order-based agriculture, 4,231 mu of beet, 400 mu for new agricultural facilities and 1,825 mu for extension of field vegetables. In 2009, the amount of livestock on hand was 134,000 heads, the total investment in fixed assets 167 million yuan, general fiscal budgetary revenue 9.7 million yuan, the gross revenue of the rural economy 89.82 million yuan, the per capita net income of farmers and herdsmen 5,556 yuan, and the employment income of farmers 6.73 million yuan.

3.3. Socioeconomic profile of affected villages and communities

75. Land acquisition and house demolition for road construction will affect one village in one Xiang, namely Linye Village, Jietearale Xiang.

76. Linye Village, Jietearale Xiang is located by National Highway 318 north of the seat of the Xiang government, connected to the periphery of the county town. The village has 222 households with 802 persons, including 233 minority persons, and an arable area of 786 mu; in 2008, the villagers' per capita net income was about 5,500 yuan; the main traditional crops are corn, watermelon and oil sunflower.

3.4. Socioeconomic survey

77. In May 2010, the ADB TA experts, RP preparation agency and County PMO conducted a supplementary survey of the affected residents and rural collective economic organizations for the following purposes: (1) collecting socioeconomic information of the affected persons whose land or properties may be lost due to project construction; (2) collecting the affected persons's opinions about the Project; and (3) determining concerns of the affected persons about land acquisition, resettlement and income restoration measures.

78. This socioeconomic survey collected basic data on family, income, population, land and losses of the people affected by road construction. It was conducted in two forms: (1) interviewing farm leaders and village officials by FGD; and (2) questionnaire survey (the questionnaire was provided by the ADB consultants).

79. The door-to-door socioeconomic questionnaire survey covered all the 40 households with 159 persons in Linye Village, Jietearlele Xiang affected by the Project, and leaders of Pingyuan Forest Farm affected by house demolition.

3.5. Socioeconomic profile of affected persons

3.5.1. Demographics

80. The demographic profile of the affected persons is shown in Table 3-1, covering different genders, ages, educational levels and occupations.

Table 3-1: Demographic profile of surveyed households

Type	Men		Women		Total	
	Qty.	%	Qty.	%	Qty.	%
Households					40	
Average population					3.975	
Age	Men		Women			
≤6 years	3	1.89%	2	1.26%	5	3.14%
7-19 years	16	10.06%	13	8.18%	29	18.24%
20-35 years	24	15.09%	21	13.21%	45	28.30%
36-50 years	26	16.35%	33	20.75%	59	37.11%
51-60 years	7	4.40%	5	3.14%	12	7.55%
61-70 years	4	2.52%	1	0.63%	5	3.14%
≥71 years	2	1.26%	2	1.26%	4	2.52%
Total	82	51.57%	77	48.43%	159	100.00%
Ethnic group						
Han	60	37.74%	62	38.99%	122	76.73%
Uygur	0	0.00%	0	0.00%	0	0.00%
Kazakh	21	13.21%	13	8.18%	34	21.38%
Other	1	0.63%	2	1.26%	3	1.89%
Total	82	51.57%	77	48.43%	159	100.00%

Educational level						
Illiterate or semiliterate	5	3.14%	10	6.29%	15	9.43%
Primary school	18	11.32%	14	8.81%	32	20.13%
Junior high school	23	14.47%	28	17.61%	51	32.08%
Senior high school or technical secondary school	24	15.09%	15	9.43%	39	24.53%
Junior college or above	12	7.55%	10	6.29%	22	13.84%
Total	82	51.57%	77	48.43%	159	100.00%
Marital status						
Unmarried	38	23.90%	27	16.98%	65	40.88%
Married	41	25.79%	48	30.19%	89	55.97%
Divorced	1	0.63%	0	0.00%	1	0.63%
Bereaved of spouse	2	1.26%	2	1.26%	4	2.52%
Total	82	51.57%	77	48.43%	159	100.00%
Occupation						
Farming	34	21.38%	35	22.01%	69	43.40%
Stockbreeding	6	3.77%	4	2.52%	10	6.29%
Industry	2	1.26%	0	0.00%	2	1.26%
Commerce	4	2.52%	4	2.52%	8	5.03%
Service	7	4.40%	5	3.14%	12	7.55%
Traffic	0	0.00%	0	0.00%	0	0.00%
Teacher	1	0.63%	4	2.52%	5	3.14%
Official	6	3.77%	2	1.26%	8	5.03%
Student	12	7.55%	12	7.55%	24	15.09%
Retired	3	1.89%	1	0.63%	4	2.52%
Unemployed	5	3.14%	7	4.40%	12	7.55%
Migrant work	2	1.26%	3	1.89%	5	3.14%
Total	82	51.57%	77	48.43%	159	100.00%

Note: (1) Retiring age refers to 65 years for men and 60 years for women, so labor includes people between 16 years and this age, excluding those at school; (2) "Other" in "Occupation" refers to occupations not covered in this table;

Source: Socioeconomic survey 2009-2010 under the RP

3.5.1.1. Age

81. The age distribution reveals that the population is largely in a normal distribution. Most of the population is between 20-50 years, constituting the main part of labor and accounting for 65.41% of the sample size. The surveyed population is divided into different age groups. For example, students account for 25.79%, and those aged 7-19 years account for 18.24%. In labor identification, it was found that many family members (over 60 years for men and 55 years for women) are still laboring, so the actual labor force should be defined

as men aged 16-65 years and women aged 16-60 years out of school education. According to this definition, labor force accounts for 76.10% of the sample size.

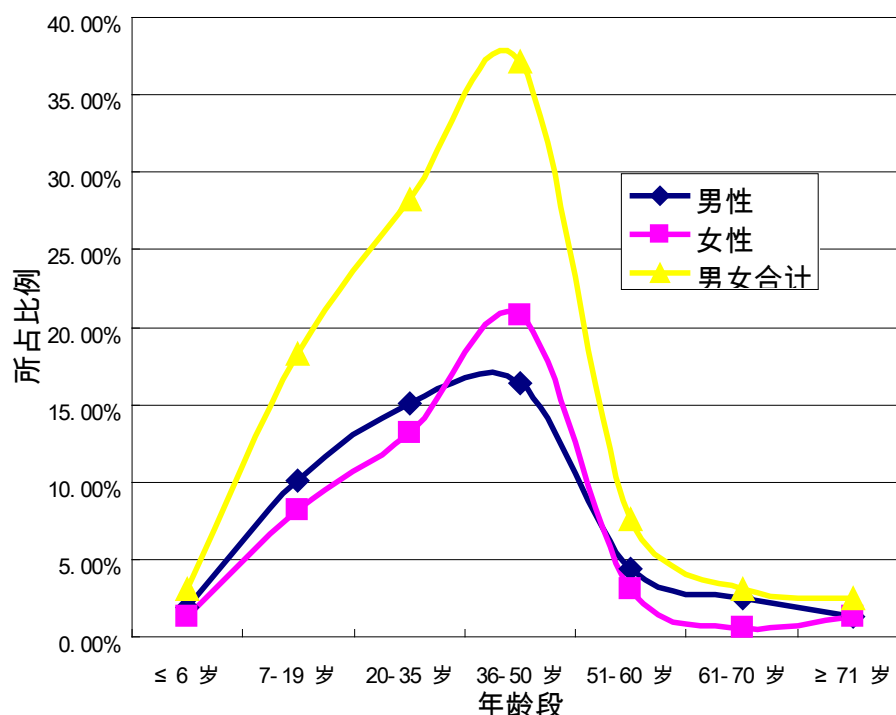


Figure 3-1: Age distribution of affected population

3.5.1.2. Education

82. 32.08% of the affected persons have received junior high school education, followed by primary school and senior high school/technical secondary school, accounting for 20.13% and 24.53% respectively. 38.37% of the respondents have completed or are receiving senior high school or higher education, and the 15 illiterate or semiliterate respondents that account for 9.43% are all aged over 50, showing a higher overall educational level of the affected persons, with lower (e.g., primary school) and higher (e.g., senior college or above) education levels accounting for a small proportion in the affected population, and moderate educational levels (e.g., junior high school) accounting for a greater proportion.

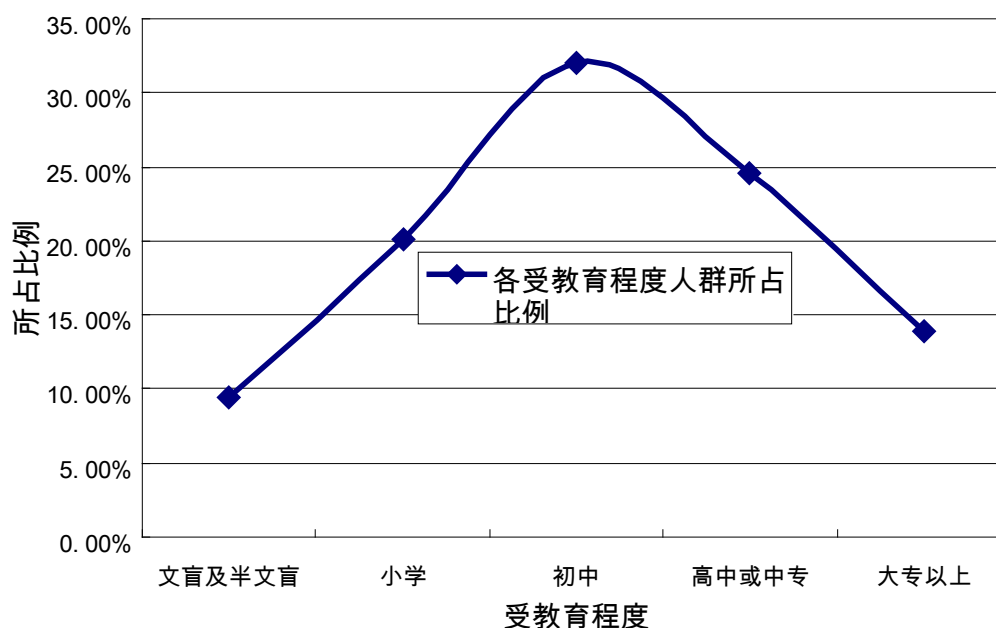


Figure 3-2: Educational level distribution of affected population

3.5.1.3. Occupation

83. Occupation distribution is largely as follows: 43.4% of the affected persons deal with agriculture, 1.25% deal with industry, 5.03% do business, 0.63% deal with services, 5.03% do administrative work, retirees account for 2.52%, those unemployed account for 7.55%, and other occupations (doing odd jobs) account for 3.14%. (see table 3.1)

3.5.2. Housing conditions

84. Table 3-2 reveals that the average living space of these households is 220m², up to 977.5m² (33 rooms). Of all the surveyed houses to be demolished, 23.38% are in masonry concrete structure, 20.43% in masonry timber structure, 28.12% in earth timber structure and 28.07% in simple structure.

Table 3-2: Housing conditions of surveyed households

Item	Households surveyed	Min.	Max.	Ave.	Std. deviation
Number of rooms	29	2	33	7.48	5.58
House area (m ²)	—	57	977.5	220	182.71

3.5.3. Land resources

85. The average arable area of the 13 households affected by land acquisition is 21.31 mu, ranging from 5 mu to 63 mu. See Table 3-3.

Table 3-3: Land statistics of surveyed households

Unit: mu

Item	Surveyed households	Min. (mu)	Max. (mu)	Ave. (mu)	Std. deviation
Farmland	13	5	63	21.31	16.31

3.5.4. Income and expenditure

The surveyed households are divided into two groups by income structure: farming and non-farming². In consideration of the complexity of households at outskirts, the income, expenditure and deposits of each household is calculated based on the availability of agricultural income other than agricultural household registration.

Table 3-4: Per capita income and expenditure in 2009

Unit: yuan/year/person

Item	Households	Min.	Max.	Ave.
Farming households				
Per capita income	15	2510.5	12050.7	8620.4
Per capita expenditure	15	1950.7	7560.4	4530.6
Non-farming households				
Per capita income	25	2420.4	11500.9	7980.8
Per capita expenditure	25	2250.8	8200.7	4860.6

Note: 15 farming households include 13 households who are only affected by land acquisition and 2 are affected by house demolition.

Source: Socioeconomic survey 2009-2010 under the RP

86. It can be seen from Table 3-4 that averagely, the income of farming households is little higher than that of non-farming households. It can be seen from Table 3-5 that the affected farming households have both higher agricultural income but also wage income, stockbreeding income and employment income, which explains the complexity of outskirts. The affected non-farming households have no agricultural income, and live mainly on wages and employment. With the rise of prices of farm products in recent years, the shift of many households to oil sunflower and other more economically efficient crops, and the increase of agricultural subsidies, the overall income level of the affected farming households is higher than that of the affected non-farming households. There is also a similar pattern in per capita expenditure and savings.

87. Farming and non-farming households spend 13.86% and 28.42% of their expenditure on children's education, and their living expenses account for 16.42% and 31.68%, respectively, as shown in Table 3-6.

Table 3-5: Income sources of surveyed households in 2009

Unit: %

	Item	Agriculture	Stockbreeding	Outside employment	Doing business	House leasing	Wages	Other	Total
Farming households	Income per HH	12031.60	4352.24	3149.75	1541.23	—	1763.64	1621.47	24459.93
	percentage	54.26%	16.83%	12.18%	5.96%	—	6.82%	3.95%	100%
Non-farming households	Income per HH	—	—	6600.26	4610.84	760.23	10251.11	1596.80	23819.24
	percentage	—	—	27.57%	19.26%	3.68%	42.82%	6.67%	100%

Source: Socioeconomic survey 2009-2010 under the RP

² Since this village is a forestry village, where many villagers are employed by the forestry farm and have no farmland, they have no agricultural income.

Table 3-6: Expenditure of surveyed households in 2009

Item	Farming households		Non-farming households	
	Expenditure per HH (yuan/HH)	Percentage (%)	Expenditure per HH (yuan/HH)	Percentage (%)
Water	—	—	62.69	0.43%
Electricity	207.93	1.53%	306.18	2.10%
Heating	557.19	4.10%	1170.77	8.03%
Communication	464.78	3.42%	1204.31	8.26%
Living	2503.28	18.42%	4123.22	28.28%
Clothing	705.32	5.19%	1233.47	8.46%
Agriculture	4255.03	31.31%	—	—
Business	1123.89	8.27%	—	—
Livestock breeding	841.25	6.19%	—	—
House leasing	—	—	237.65	1.63%
Education	1883.57	13.86%	4143.64	28.42%
Medical treatment	668.63	4.92%	1301.99	8.93%
Traffic	53.00	0.39%	83.11	0.57%
Other	326.16	2.40%	712.96	4.89%
Total	13590.03	100%	14580.15	100%

Source: Socioeconomic survey 2009-2010 under the RP

3.6. Gender analysis

88. This section provides a gender perspective of resettlement impacts, and includes 3 aspects: (1) gender differences in education; (2) gender differences in occupation; and (3) resettlement-related gender considerations.

3.6.1. Education

89. It can be seen from Figure 3-4 that less men have received junior high school than women, but more men have received primary school, senior high school/technical secondary school, and college or above education than women. Generally, men's educational level is higher than women's.

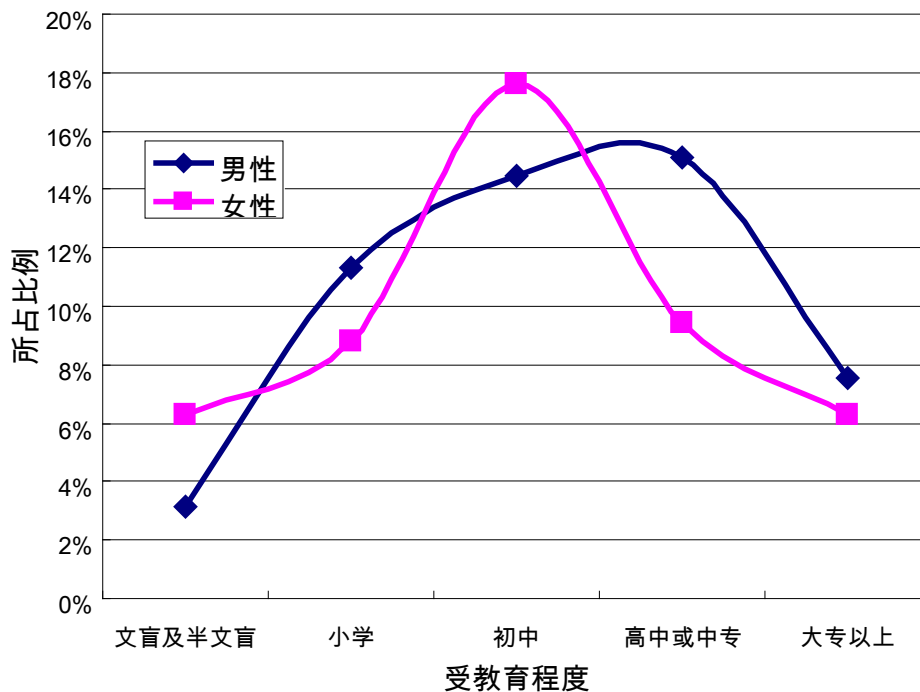


Figure 3-3: Gender difference in educational level

3.6.2. Occupation and income

90. Similar to and associated with the educational background of the male and female groups, the number of women doing farm work is slightly more than that of men. More men deal with industry and administrative work than women. The proportion of women in teachers is slightly higher than that of men. In other occupations, the proportions of men and women are largely equal.

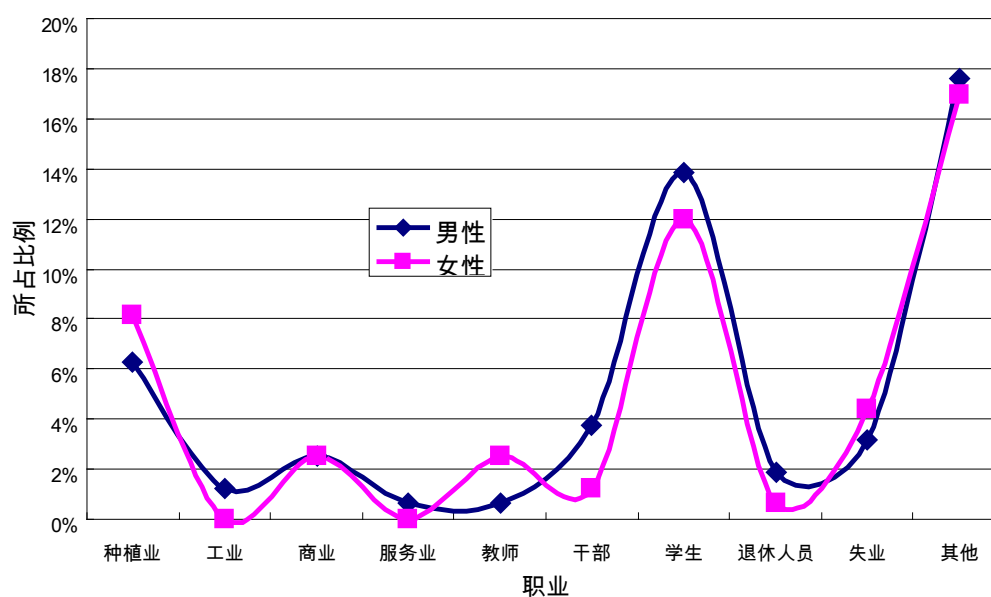


Figure 3-4: Gender difference in occupation

91. In consideration of the gender differences in educational and occupational

background of the potentially affected persons, the proportion of women's income in household income has been analyzed (see Table 3-7). There are 44 women laborers. The results show that their income accounts for 20-90% of household income, 49.24% on average.

Table 3-7: Share of women in household income in 2009

Item	Persons surveyed	Min.	Max.	Ave.	Std. deviation
Proportion of women's income	44	20%	90%	49.24%	0.15

3.6.3. Expectations of different genders for resettlement

92. In urban families, the role of men is closer to that of women, where women also have stable wage income and assume child fostering and housework in family life. In leisure time, women would also take part in amusements like men do; men play their role in social intercourse mainly. There are no differences between urban and rural families in other aspects.

93. If houses/buildings are to be demolished, women's concerns about resettlement are identical with men's: (a) Compensation should be based on land output and resettlement cost; (b) The resettlement housing should be close to the road for the convenience of going to work, doing business and attending school; (c) Cash compensation should be paid directly to the affected households based on their needs; and (d) The living environment of the resettlement community should be better so that they can adapt to urban life more easily.

4. Legal Framework and Policies

4.1. Introduction to laws, regulations and policies on resettlement

The resettlement policies of the Project are based mainly on the applicable regulations and policies of ADB and the PRC, including:

ADB policies

- (i) ADB Safeguard Policy Statement (2009), Safeguard Policy 2: Involuntary Resettlement
- (ii) ADB Safeguard Policy Statement (2009), Safeguard Policy 3: Indigenous Peoples
- (iii) *The RP has already described the resettlement impacts on ethnic minorities, but other social impacts will be described in a separate EMDP.*
- (iv) ADB Policy on Public Participation
- (v) Gender and Resettlement Analysis

94. Laws and regulations of the PRC

- (i) Land Administration Law of the PRC (effective from January 1, 1999, amended on August 28, 2004)
- (ii) Regulation on the Dismantlement of Urban Houses of the PRC (Decree No.305 of the State Council, effective from November 1, 2001)
- (iii) Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (Guo Fa [2004]28) (effective from October 21, 2004)
- (iv) Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR Fa [2004] No.238) (effective from November 3, 2004)
- (v) Property Right Law of the PRC (Decree No.62 of the PRC, effective from October 1, 2007)

95. Applicable policies of XUAR

- (i) Circular of the XUAR CPC Committee and People's Government on Carrying through the Requirements of the CPC Central Committee and the State Council on Further Strengthening Land Administration and Protecting Farmland Practically (XUAR CPC Fa [1997] No.13, effective from June 27, 1997)
- (ii) Measures of XUAR for the Implementation of the Land Administration Law of the PRC (XUAR PC [1999] No.9-13, effective from October 1, 1999)
- (iii) Detailed Rules of XUAR for the Implementation of the Regulation on the Dismantlement of Urban Houses of the PRC (XUARG [2004] Decree No.127, effective from December 21, 2004)
- (iv) XUAR Development Planning Commission, Document DOF [XJJF (2001) No.500]

96. Applicable policies of Fuhai County

Measures of Low-rent Housing Security of Fuhai County

See Appendix 1 for the applicable provisions of some of the above regulations and policies.

4.2. Applicable provisions of PRC laws, regulations and policies

97. The Land Administration Law of the PRC is the main policy foundation of land acquisition under the Project. In addition, the principles of compensation and resettlement, compensation rates, procedures and supervisory mechanism for pasture land acquisition have been defined by reference to the Measures of XUAR for the Implementation of the

Land Administration Law of the PRC and XUAR Development Planning Commission, Document DOF [XJJF (2001) No.500].

98. The main policy applicable to house demolition on state-owned land in the urban planning area is Regulation on the Dismantlement of Urban Houses; correspondingly, the XUAR and Fuhai County governments have formulated relevant policies.

4.3. Principles of and eligibility for compensation of the Project

4.3.1. Principles of compensation

99. The principles for compensation and entitlement of the Project have been formulated in accordance with the laws, regulations and policies of the Chinese government and ADB, with the aim of ensuring that displaced persons can obtain sufficient compensation and assistance measures so that their production and livelihoods are at least restored to pre-displacement levels. The resettlement principles are shown in Table 4-1.

Table 4-1: Resettlement principles

Principles	
1	Involuntary resettlement should be avoided where feasible.
2	The affected persons are granted compensation and rights that can at least maintain or even improve their livelihoods in the absence of the project.
3	The affected persons are given compensation and assistance in resettlement whether legal title is available or not.
4	If the land available to everyone is insufficient to maintain his/her livelihood, replacement in cash or in kind and other income-generating activities are provided for the lost land.
5	The affected persons fully understand their entitlements, the method and standard of compensation, the livelihood and income restoration plan, and the project schedule, and participate in the implementation of the Resettlement Plan.
6	No land should be acquired before the affected persons are satisfied with the compensation and resettlement (plan).
7	The executing agency and an independent agency / third party should monitor the compensation, relocation and resettlement operations.
8	The vulnerable groups (including women) are provided special assistance or treatment so that they lead a better life, and all affected persons should have an opportunity to benefit from the project.
9	The Resettlement Plan is consistent with the master plans of the affected counties and towns.
10	The resettlement expenses are sufficient to cover all affected aspects.

4.3.2. Eligibility for compensation and beneficiaries

100. The cut-off date for definition of the eligibility for compensation is the date on which FCG confirms the RP. Affected persons who are resettled in the affected areas, newly reclaimed farmland, newly built houses and other trees planted and facilities added purely for extra compensation after the cut-off date will not be entitled to compensation or subsidization.

4.4. Compensation rates

4.4.1. Compensation for acquisition of collective land

101. XUAR Development Planning Commission, Document DOF [XJJF (2001) No.500] stipulates that the average output value of the high, medium and low grades of farmland are

1,200 yuan/mu, 640 yuan/mu and 480 yuan/mu respectively, and that the annual output values of farmland, vegetable plots and orchards that grow special crops should be higher than the highest average output value rates, not more than 1.5 times for cotton land, not more than 2 times for orchards, not more than 3 times for vegetable plots and not more than 4 times for grape land.

102. The compensation rates of the Project have been determined in consultation with FCLRB and the affected households. The compensation rates for different types of land have been determined based on the practical conditions, as shown in Table 4-2.

Table 4-2: Compensation rates for land acquisition

Land type	Annual output value (yuan/mu)	Compensation multiple			Compensation rate (yuan/mu)			
		Land compensation fees	Resettlement subsidy	Young crop compensation fees	Land compensation fees	Resettlement subsidy	Young crop compensation fees	Total
Farmland	1200	7	19	1	8400	22800	1200	32400

4.4.2. Compensation rates for state-owned land

103. The Project is a public program, where state-owned land will be acquired by allocation.

104. For the allocated state-owned land, land use rights will be acquired by paying leasing fees at a rate of 8-15 yuan/m². The Project will involve acquisition of state-owned land within and out of the built-up area of Fuhai County, and the compensation rate is 15 yuan/m² within the built-up area and 8 yuan/m² out of the built-up area; for land out of the built-up area to be occupied by the Project, the land and resources authority will further collect leasing fees for construction land. According to Attached Table 1 of Document [XJJF (2001) No.500] (Collection standard of leasing fees for new construction land of XUAR), the rate of leasing fees for construction land of Fuhai County is 7 yuan/m².

105. For state-owned land of enterprises and institutions occupied, land use rights will be obtained by paying compensation fees based on the benchmark land price. The prevailing benchmark land prices of Fuhai County are shown in Table 4-3.

Table 4-3: Benchmark land prices of Fuhai County

Unit: yuan/m²

Benchmark land price	Land type		
	Commercial land	Industrial land	Housing land
Tier-1 areas	520	210	318
Tier-2 areas	390	140	180
Tier-3 areas	210	80	120

106. The roads involved in the Project and their benchmark land price ratings are shown in Table 4-4.

Table 4-4: Benchmark land price ratings of the affected areas

No.	Road	Grade	Land type
1	Wenxing Road	3	Housing land
2	Hengsan Road	3	Housing land
3	Zongsi Road	3	Housing land

4.4.3. Compensation rates for house demolition

4.4.3.1. Residential houses

107. The compensation rates for house demolition have been fixed by reference to the replacement costs of similar local housing in 2009; the final rates will be agreed between the demolisher and displaced persons on this basis after a field appraisal by a real estate appraisal and surveying company. Since the persons to be displaced are villagers of Linye Village, which is located at the outskirts of the Fuhai county town, and have a certificate of title to house property and land use permit, compensation for house demolition also includes compensation for state-owned land use rights. See Table 4-5.

Table 4-5: Compensation rates for rural houses

Category	Item	Unit	Rate	Remarks
Residential house	House compensation			
	Masonry concrete	yuan/m ²	890	
	Masonry timber	yuan/m ²	670	
	Earth timber	yuan/m ²	630	
	Simple structure	yuan/m ²	300	
	Leasing fees of state-owned land	yuan/m ²	120	Tier-3 areas
The following subsidies are provided for the affected households all of whose houses are demolished:				
Other compensation	Moving subsidy	yuan/household	600	
	Transition subsidy	yuan/month/household	600	The transition period will be calculated from the date of displacement to the date of move-back; a reasonable transition period is 10 months; compensation will continue beyond 10 months.
	TV displacement fee	yuan/household	300	

4.4.3.2. Enterprises/institutions

108. If losses are incurred due to suspension of production, a certain amount of compensation will be paid based on mutual consultation during project implementation. See Table 4-6.

Table 4-6: Compensation rates for business premises

Category	Item	Unit	Rate	Remarks
Premises	House compensation			
	Masonry concrete	yuan/m ²	890	
	Masonry timber	yuan/m ²	670	
	Earth timber	yuan/m ²	630	
	Simple structure	yuan/m ²	300	
	Land compensation			
	Leasing fees of state-owned land	yuan/m ²	80 yuan/m ²	Tier-3 areas
Other	Moving subsidy	Yuan	2000	

Category	Item	Unit	Rate	Remarks
compensation	Transition subsidy	yuan	2000	The transition period will be calculated from the date of displacement to the date of move-back; a reasonable transition period is 10 months; compensation will continue beyond 10 months.

4.4.4. Compensation rates for attachments

109. See Table 4-7 for the compensation rates for affected attachments and special facilities.

Table 4-7: Compensation rates for affected attachments and special facilities

Item	Unit	Qty.
Big tree (non-fruit)	/	100
Small tree (non-fruit)	/	50
Fruit tree (usable as timber)	/	80
Fruit tree (small sapling)	/	25
Toilet	/	1200
Pressure well	/	600
Telegraph pole	Cement	800
	Wood	400
Enclosing wall	M ²	80

4.4.5. Other costs and taxes

110. The rates of other costs of land acquisition and house demolition are shown in Table 4-8.

Table 4-8: Rates of other costs

No.	Item	Rate
1	Land acquisition management fees	4% of land acquisition and resettlement compensation fees
2	Survey, design and scientific research fees	3% of land acquisition and resettlement compensation fees
3	Implementation management fees	3% of land acquisition and resettlement compensation fees
4	Technical training fees	1% of land acquisition and resettlement compensation fees
5	M&E fees	1.5% of land acquisition and resettlement compensation fees
6	Contingencies	8% of land acquisition and resettlement compensation fees

4.5. Entitlement matrix

Table 4-9: Entitlement matrix

Type of impact	Degree of impact	Affected persons	Rights	Compensation policies and rates
Permanent acquisition of collective land	129.25 mu of collective land will be acquired,, affecting 13 households with 59 persons	13 households with 59 persons	(1) Receiving land compensation fees, resettlement subsidy and young crop compensation fees; (2) Having the option of land replacement; (3) Receiving farming training, at least once per household	Land compensation fees: 8400 yuan/mu, resettlement subsidy: 22800 yuan/mu, young crop compensation fees: 1200 yuan/mu Land replacement: at a ratio of 1:1
Demolition of rural residential houses	Demolition of rural residential houses will affect 29 households with 109 persons, with a demolition area of 6,380.22 m ² .	29 households with 109 persons	(1) Receiving house compensation at replacement cost; (2) Selecting a resettlement mode voluntarily, including cash compensation, buying resettlement housing, buying a shop front, being offered a housing site for self-building; (4) Being granted transition and moving subsidies, and TV displacement fee, etc.	Masonry concrete structure: 890 yuan/m ² ; Masonry timber structure: 670 yuan/m ² ; Earth timber structure: 630 yuan/m ² ; Simple structure: 300 yuan/m ² ; Moving subsidy: 600 yuan/household; Transition subsidy: 600 yuan/household/month, with a basic period of 10 months; if the basic period is exceeded, the transition subsidy will be based on the actual length; TV displacement fee: 300 yuan/household; State-owned land compensation fees: 120 yuan/m ²
Demolition of enterprises and institutions	The forest farm will be affected by house demolition and state-owned land occupation, with a demolition area of 398.9 m ² .		(1) Receiving house compensation at replacement cost; (2) Being allocated land for self-building	Masonry concrete structure: 890 yuan/m ² ; Masonry timber structure: 670 yuan/m ² ; Earth timber structure: 630 yuan/m ² ; Simple structure: 300 yuan/m ² ; Moving subsidy: 2,000 yuan; Transition subsidy: 2,000 yuan/month, with a basic period of 10 months; if the basic period is exceeded, the transition subsidy will be based on the actual length; State-owned land compensation fees: 80 yuan/m ² .
Vulnerable groups	2 households with 7 persons, with a demolition area of 463.32m ² .	2 households with 7 persons	(1) During project construction, labor from vulnerable group households will be recruited to do unskilled jobs first; (2) If necessary, such households may apply for low-rent housing with governmental assistance. (3) Receiving assistance from the village / community committee in house building. (4) Receiving 500 yuan additional subsidy;	The compensation rates for land acquisition and house demolition are the same as above.
Ethnic minorities	9 minority households with 37 persons, mainly being Kazakhs, in which	One household with 5 persons affected by land	(1) The same resettlement policies as other displaced households (2) Priority in employment	The compensation rates for land acquisition and house demolition are the same as above.

Type of impact	Degree of impact	Affected persons	Rights	Compensation policies and rates			
	one household with 5 persons will be affected by land acquisition (1.1 mu); 8 households with 32 persons will be affected by house demolition (1,900.34m ²).	acquisition and 8 households with 32 persons by house demolition					
Women	44 women, 15 affected by land acquisition, 27 by house demolition and 2 by both land acquisition and house demolition	44 persons	(1) Having priority in receiving unskilled job opportunities arising from the Project (2) Giving priority to female labor in labor training, so that their economic status will not be reduced. (3) Ensuring that they receive relevant information during resettlement and are able to participate in consultation	The compensation rates for land acquisition and house demolition are the same as above.			
Ground attachments and public facilities	Including pressure wells, trees, enclosing walls, etc.	Proprietors	The compensation for ground structures or attachments is paid to proprietors. Compensation will be paid at replacement cost or such facilities restored by the demolisher to the original size and standard.	Item	Unit	Qty.	Rate (yuan)
				Big tree (non-fruit)	/	232	100
				Small tree (non-fruit)	/	21	50
				Fruit tree (usable as timber)	/	55	80
				Fruit tree (small sapling)	/	42	25
				Toilet	/	30	1200
				Pressure well	/	17	600
				Telegraph pole	Cement	7	800
					Wood	11	400
				Enclosing wall	M ²	105	80

5. Resettlement Measures

5.1. Objectives of resettlement

111. The objectives of resettlement have been determined as follows based on the actual standard of living of the displaced persons in 2009, and the 11th five-year national economic and social development plan and 2015 long-term goals of Fuhai County:

- (i) The annual per capita net income of the displaced households is restored to the pre-displacement level, and further improved in step with regional economic growth rate;
- (ii) The living environment of the displaced households is at least restored to the pre-displacement level or improved;
- (iii) The utilities, infrastructure, cultural, educational and sanitary facilities, and natural environment available to the displaced persons are equivalent or better than pre-displacement conditions; and
- (iv) All affected land attachments are compensated for at replacement cost; public buildings and special facilities are compensated for at replacement cost and restored to the original standard.

5.2. Principles of resettlement restoration

112. According to the applicable laws and regulations of the PRC and ADB's Policy on Involuntary Resettlement, the following basic principles will apply to the resettlement work of the Project:

- (i) Since the Project is constructed in a linear form, the design route may be modified appropriately to minimize the affected areas and resettlement;
- (ii) Implement resettlement and the applicable compensation policies properly to improve or at least restore the production level and standard of living of the affected residents;
- (iii) The RP shall be prepared based on physical indicators and compensation rates for land acquisition and house demolition;
- (iv) The affected persons shall be fully consulted for resettlement options;
- (v) The planning layout shall be determined on the principle of "facilitating production and life"; and
- (vi) Resettlement shall be combined with the local urban development, resources development, economic development and environmental protection programs. Feasible measures shall be designed to restore and improve the displaced persons' production level and standard of living, and create necessary conditions for their self-development.

5.3. Summary resettlement option for villages affected by land acquisition

113. As described in Section 2.4.1, most of the people affected by land acquisition will lose part of their land only. Some of them will lose all their farmland. However, since Linye Village is in the outskirts of the Fuhai county town, the land to be acquired for the Project will be acquired along with that for the Fuhai Railway Station. Therefore, all farmland of Linye Village will be acquired and all the houses will be demolished. In view of this, the restoration options of the Project are based on a land loss rate of 100%. The land-expropriated farmers will have two options:

- (i) Direct cash compensation: The land compensation rates and amounts of lost farmland will be determined in strict accordance with the applicable state and

local policies, and compensation fees will be paid timely and directly to the affected households.

- (ii) Replacement land: The land lost by the affected households will be compensated for by land replacement at a ratio of 1:1.

114. The site of land replacement is the Hun'erhai irrigation area, an irrigation sub-area of the Halahuoying main canal in Fuhai County, 3 km in the southeast of the county town and 4km away from the Wulungu River. It's nearly 2.5 kilometers from the existing villages. 15,000 mu of farmland has been developed in this area, and a total of 40,000 mu is to be developed. The soil here is irrigated brown soil and sandy loam, loose in structure, featuring fast heating and flat terrain, suitable for large-scale mechanized farming. All developed land has been leveled, plowed and solarized, and farmland water resources facilities, efficient water saving irrigation systems and field roads have been built, and shelter forests have been planted. The soil type and quality are the same as those in Linye Village before land acquisition. If replaced land has been improved for water conservation according to the unified rural plan (e.g., drip irrigation), it will be entitled to the preferential policy for water-saving irrigation of Fuhai County. The location of the houses and the location for the replacement land is the same. And the whole village will be demolished and all the farmland will be acquired, people who choose the replacement land will also prefer to re-construct their houses here.



Figure 5-1 Existing farmland developed in the Hun'erhai irrigation area



Figure 5-2 Completed canal system in the Hun'erhai irrigation area



Figure 5-3 Supporting facilities for drip irrigation



Figure 5-4 Supporting facilities for electric power and anti-seepage canal system

115. According to the survey of the 13 affected households, 3 plan to select direct cash compensation, and use the compensation to buy a shop front in the county to run a shop, and 10 plan to exchange for pieces of land for the convenience of mechanized farming.

116. During project construction, the implementing agency will take some measures to

support the displaced persons, including:

- (i) Making job opportunities available first to the displaced persons to generate cash income;
- (ii) Arranging the affected persons for labor export first;
- (iii) During production restoration, it will give technical training on cash crop cultivation, etc. to the affected persons, and invite technicians of the stockbreeding, and labor and social security authorities to give agricultural and nonagricultural training to farmers, so that each affected household receives training on stockbreeding and nonagricultural production skills at least once. These measures will improve the quality and output of crops, improve the affected persons's income, and restore their livelihoods.

5.4. Resettlement options for displaced households

117. 29 households with 109 persons in Linye Village will be affected by house demolition. The available resettlement options include cash compensation, buying resettlement housing, buying a shop front and being offered a housing site for construction under unified planning. After receiving the compensation for house demolition, the displaced persons may select different resettlement options based on their affordability or personal needs.

118. A displaced household may buy commercial or resettlement housing in the county town. Of course, it may also buy housing out of the county town.

119. According to the survey ,among the 29 households, as indicated in annex 5, there is no household have small and poor houses. Even the 2 poor households, both of them have more than 200 M² houses. After they get the replacement compensation, they can afford to buy or re-construct the houses. The 2 poor households may lack of labor force during constructing the houses, the PMO will provide necessary help, as introduced in section 5.4.4.

5.4.1. Cash compensation and purchase of resettlement housing/shop front

120. The current average price of commercial housing of Fuhai County is 2,150 yuan, and the average purchase price of resettlement housing is 1,300-1,500 yuan/m², varying with floor. An area of not more than 90m² will be subject to the purchase price of resettlement housing; any excess of 90m² will be subject to the market price. The displaced households may also buy a shop front at an average price of 3,500 yuan/m², but one household can buy one shop front of 30m² only.

121. **Case:** A 3-member household with a masonry concrete house of 75m² and an masonry timber house of 50m² will receive: (1) compensation fees for demolished houses and attachments at replacement cost of 124,250 yuan; (2) leasing fees of state-owned land of 43,200 yuan; and (3) a moving subsidy 8,900 yuan, totaling 176,350 yuan.

122. According to information on the real estate market of Fuhai County in the first half of 2010, the average housing price is 2,150 yuan/m². With the above sum, this household can buy a 82m² commercial house. If this household elects to buy resettlement housing, it may buy both a resettlement house of 90m² and a shop front of 16m² (with the remaining sum of 60,000 yuan). The shop front may be used by itself for business operation or rented for rental income.

Introduction to resettlement apartments

123. The displaced households may buy resettlement housing in two resettlement communities built by the government. Upon signing the compensation agreement, HDMO will

learn their desired layouts before construction. It will be 10 months from the time of house demolition to moving into the resettlement communities. If house demolition occurs in March or April 2011, the displaced households can move into the resettlement communities by the Spring Festival of 2012. During the transition period, each household can get 600 yuan subsidy per month, and according to the survey it's enough to rent a houses for short time living. Also some APs decide to live in their relatives.

5.4.1.1. (1) Station Area Resettlement Community

124. Station Area Resettlement Community is located south of Hengsan Road and north of Maochang Road, and is the future development center of the station area. The infrastructure will be improved with the development of the station area, such as kindergartens, schools and hospitals. The community is 500-1,000m away from the existing houses of the displaced households, so there is no risk of living inconvenience for them after displacement. The community offers 5 layouts at the displaced households' option: A layout: 3 bedrooms and 2 living rooms (115.9m²), B layout: 3 bedrooms and 2 living rooms (94.05m²), C layout: 2 bedrooms and 2 living rooms (83.9m²), D layout: 2 bedrooms and 2 living rooms (83.7m²), and E layout: 3 bedrooms and 2 living rooms (104.6m²). The displaced households may select layouts based on their needs. There are power, communication, broadcast, TV, water supply and sewerage, central heating facilities, and roads in the resettlement community, which will be built in a unified manner. There are also cultural and entertainment places, and fitness apparatus. In sum, the living environment and quality of the resettlement community is much higher than that of the existing area.



Figure 5-5 Planning map of resettlement community in the station area

5.4.1.2. (2) New Area Resettlement Community

125. New Area Resettlement Community is located on Renmin Road West, east of No.2 Junior High School, 1.5km away from the center of the county town, 200m away from the nearest kindergarten and 900m away from the hospital. The community is 2km away from the existing houses of the displaced households, so there is no risk of living inconvenience for them after displacement. The community offers 12 layouts at the displaced households' option: A1 layout: 2 bedrooms, 2 living rooms and one bathroom (90.98m²), A2 layout: 3

bedrooms, 2 living rooms and one bathroom (92.87m²), B1 layout: 3 bedrooms, 2 living rooms and one bathroom (104.08m²), B2 layout: 3 bedrooms, 2 living rooms and one bathroom (102.69m²), C1 layout: 3 bedrooms, 2 living rooms and one bathroom (118.91m²), C2 layout: 3 bedrooms, 2 living rooms and one bathroom (117.08m²), C3 layout: 3 bedrooms, 2 living rooms and one bathroom (113.79m²), C4 layout: 3 bedrooms, 2 living rooms and one bathroom (118.72m²), D1 layout: 3 bedrooms, 2 living rooms and 2 bathrooms (137.58m²) D2 layout: 3 bedrooms, 2 living rooms and 2 bathrooms (137.48m²), D3 layout: 3 bedrooms, 2 living rooms and 2 bathrooms (137.69m²) D4 layout: 3 bedrooms, 2 living rooms and 2 bathrooms (137.96m²). The displaced households may select layouts based on their needs. There are power, communication, broadcast, TV, water supply and sewerage, central heating facilities, and roads in the resettlement community, which will be built in a unified manner. There are also cultural and entertainment places, and fitness apparatus.

5.4.2. Allocation of housing site for unified planning and self-building

126. Any displaced household that is unwilling to buy resettlement housing and a shop front will be allocated a housing site for construction under unified planning. The housing site is located in the Hun'erhai irrigation area, an irrigation sub-area of the Halahuoying main canal in Fuhai County, the same as the site of land replacement, so there is no risk of living inconvenience for them after displacement. The land here has been leveled, with an average area of 360-800m² per household, to allow for a home garden and a livestock pen. The residents will not only have a self-sufficient vegetable supply, but also raise livestock at home. The displaced households may select locations and areas with priority, and build houses themselves. A kindergarten, a school, a health center and other infrastructure have been planned, and there are water supply and sewerage, central heating facilities, and roads. FCCB has entrusted the design agency to plan a number of layouts at the displaced households' option.



Figure 5-6 Planned housing site area



Figure 5-7 Supporting power facilities

5.4.3. Application procedure

127. After the compensation agreement is entered into, a household that selects cash compensation will receive full cash compensation directly; a household that selects property swap will select a house of desired floor, area and orientation, and enter into a contract, specifying the floor, area and orientation of the selected house. Those who sign the contract first will select a house first.

5.4.4. Vulnerable groups

128. The 2 vulnerable group households affected by house demolition expect cash compensation and self-building on the planned housing site. The County PMO will provide

necessary assistance in material transport and construction workforce in conjunction with the local village committee. See Table 5-1. In addition, each household will get additional 500 yuan , and they can spend the money to employ some people to help them. The additional subsidy can solve the problem of lacking of labor force in these families.

Table 5-1: Willingness to resettle of vulnerable groups

No.	Village	Householder	House demolition area (m ²)	Resettlement option
1	Linye Village	Zhang Hong	208.32	Cash compensation, self-building at the planned housing site
2	Linye Village	Zhang Ping'an	255	Cash compensation, self-building at the planned housing site

5.5. Restoration of enterprises and institutions

129. Pingyuan Forest Farm will get cash compensation and the government will allocate land for them to re-construct the building . Based on discussion, the land nearby to the present building with the area of 600 m² will be provided to the farm.

5.6. Training and employment

130. In addition to cash compensation, farmers and displaced households affected by land acquisition will be offered opportunities of skills training.

131. (1) Scope of training. According to the industry structure and market demand of Fuhai County and the surrounding areas, vocational skills training will be given with focus on planting, stockbreeding and services. The types of work suitable for training include domestic animal raising, livestock and poultry breeding, motorcycle repair, masonry, building painter, electric welding and clothes cutting, etc.

132. (2) Modes of training. The main modes of training are vocational skills training, single skill training and job training. Vocational skills training is governed by the administrative authority of labor and social security, and given by education and training institutions, industrial organizations and employers, with focus on agricultural techniques, stockbreeding and forest planting; single skill training is a highly pertinent and practical mode of training, where trainees may attend up to 3 sessions of single skill training within 3 years, with focus on services; job training is aimed mainly at skilled and demanding industries and types of work that are concerned with product quality, consumer health and living safety.

133. (3) Organization. FCG has established the Fuhai County Leading Group of Surplus Rural Labor Transfer, Employment and Training and the Fuhai County ADB Project Skills Training Workgroup for Land-expropriated Farmers/People Affected by House Demolition. The office is at the Fuhai County Personnel, Labor and Social Security Bureau. Leading groups have been established at the township level.

134. (4) Availability of funds. The total training costs of the Project are 147,700 yuan, in which the costs dedicated to ethnic minorities and vulnerable groups are 53,900 yuan, while the remaining 93,800 yuan will be used for other land-expropriated farmers/displaced households. The training costs include organizational funds, teaching material, printed

material, evaluation and practice costs, and trainer remuneration, and will be paid by the Fuhai County ADB Project Skills Training Workgroup for Land-expropriated Farmers/People Affected by House Demolition in a unified manner.

5.7. Protection of women's rights and interests

135. Women will participate in resettlement activities through information disclosure and villager meeting; they will enjoy the same rights in compensation, employment and training under the Project as men. In addition, the following measures will help women restore income.

136. (1) During project construction, 40 unskilled job opportunities will be provided to women. In addition, they will receive equal pay for equal work;

137. (2) Skills training (40%) will be offered to the affected female labor first, including hour labor, hairdressing and beauty care, so that their economic status will not be reduced;

138. (3) During project operation, 30% of the cleaning and landscaping jobs will be provided to the affected women to ensure their income restoration;

139. (4) The affected women will receive relevant information during resettlement and participate in public consultation and resettlement. The compensation agreement must be signed by a couple.

5.8. Ethnic minority development

140. Nine minority households with 37 persons will be affected by house demolition. The affected ethnic minorities enjoy the same social and economic status as the local Han people, and have kept their own ethnic customs and religious believes.

141. In terms of land acquisition, house demolition and resettlement, ethnic minorities will enjoy the same rights as the Han people, and have priority in employment and skills training. A special EMDP has been developed to promote the development of ethnic minorities. During project construction, 20 unskilled job opportunities will be provided to minorities and .30% of the training person times will be provided to minorities.

5.9. Restoration of infrastructure and ground attachments

142. The affected infrastructure and ground attachments will be compensated for the County PMO to their proprietors for restoration and rebuilding. Restoration measures must be planned in advance, and suited to practical conditions, so as to be safe, efficient, timely and accurate, with minimum adverse impact on nearby residents.

143. The affected municipal facilities will be demolished by the demolisher according to the construction drawings of the Project so as not to affect project construction and minimize displacement.

144. The affected infrastructure includes canals, small bridges and water supply pipelines, etc., which will be restored with the construction of the new roads. New bridges, culverts and water supply pipelines have been designed in the Project FS Report to replace the functions of the existing special facilities, and the corresponding investment has been included in the general budget of the Project and will no longer be included in the RP. For affected trees, the affected persons or collectives will be compensated in cash directly.

6. Public Participation and Grievance Redress

145. According to the state, provincial (autonomous region), municipal and county policies and regulations on resettlement, the policies and implementation rules of land acquisition, house demolition and resettlement of the Project, and the RP have been further improved, and the organizing work for resettlement done properly in order to maintain the lawful rights and interests of the displaced persons and entities, reduce grievances and disputes, and realize the goal of proper resettlement. Great attention will be paid to the participation of and consultation with the displaced persons at the resettlement policy-making, RP preparation and implementation stages of the Project.

6.1. Consultation during project preparation

6.1.1. Completed public participation activities

146. In August and September 2009, the RP preparation agency and County PMO conducted a preliminary housing condition and socioeconomic survey of the affected areas. During May 11-13, 2010, the ADB resettlement TA experts, and the relevant staff of the RP preparation agency and County PMO conducted a supplementary survey and interview of the persons and entities affected by the Project; and a series of socioeconomic survey and public consultation activities. Heads of the affected Xiang and displaced person representatives participated in the survey and consultation. For ethnic minority households, interpreters were employed for smooth communication. See Appendix 3 for the detailed interview and public participation records.

147. Representatives of the affected persons participated in many consultation meetings, and gave opinions on the project design, and compensation and resettlement for land acquisition and house demolition. A socioeconomic survey, a public opinion survey and a mentality survey were conducted. The socioeconomic survey addressed the displaced persons' willingness for resettlement and attitude toward the Project. These opinions have been well incorporated into the project design and the RP.

148. These meetings and surveys have played an important role in fixing reasonable compensation rates, and discussing income restoration programs and training programs. It was found through the public participation meetings and socioeconomic survey that the affected households are concerned about the following:

- (i) Since all the acquired land is farmland, and some households have a high loss rate, the greatest concern of these households is the land type and quality of the site of land replacement, and the second concern is the compensation rates.
- (ii) In terms of house demolition, the affected households are first concerned about the compensation rates, and then the resettlement site and rural housing site;
- (iii) . The leaders of Pingyuan Forest Farm expect cash compensation for their office building, and land be allocated for self-rebuilding.

149. Based on the above discussion, the County PMO will:

- (i) Discuss the feasibility of improving the road design with the FS preparation agency based on the concerns of the affected households, avoiding

- substantial land acquisition and house demolition;
- (ii) Discuss resettlement options that meet the displaced persons' willingness with the county government to cover the resettlement of the displaced households, and the training for them together with the labor and social security authority;
 - (iii) Discuss resettlement options that meet the displaced persons' willingness with the house demolition management authority and resettlement housing construction agency, where the house demolition management authority will further explain the policies and compensation rates for house demolition to the affected households. Some important consultation activities/meetings at the preparatory stage are outlined in Table 6-1.

Table 6-1: Key public participation activities during project preparation

Organizer	Date	Participant	Number of persons	Purpose	Key opinions/details
County PMO FS design agency RP preparation agency	May-Jun. 2009	Affected persons, village officials, engineering technicians, leaders of Pingyuan Forest Farm	110	Project resettlement, field investigation, preliminary project impact survey	<ul style="list-style-type: none"> ● Introducing the background and purpose of the Project ● Minimizing farmland occupation
Task force of County PMO	Aug.-Sep. 2009	Village officials, county PMO, affected persons, leaders of Pingyuan Forest Farm	70	RP preparation, socioeconomic survey	<ul style="list-style-type: none"> ● Assisting in the project impact survey ● Villagers expressed strong support for the Project ● Socioeconomic survey and displaced household survey
TA consultants, County PMO, RP preparation agency	May 9-10, 2010	County PMO, RP preparation agency, TA consultants, affected persons, leaders of Pingyuan Forest Farm, villageofficials	50	Preparing an income restoration plan	<ul style="list-style-type: none"> ● The displaced households accepted market appraisal
County PMO	Jul. 2010	Displaced households	40	Further defining the compensation rates and scope of the RP	<ul style="list-style-type: none"> ● The affected households largely accepted the RP ● The affected households suggested that extensive consultation be conducted at the implementation stage

6.1.2. Completed public opinion survey

150. During May 9-10 2010, the ADB resettlement TA experts, and the relevant staff of the RP preparation agency and County PMO conducted a supplementary survey of the physical indicators of the affected population, houses, land and special facilities, as well as the affected residents and rural collective economic organizations.

151. The respondents include 159 persons in 40 households affected by land acquisition, and leaders of Pingyuan Forest Farm. These surveys were designed to make the implementing and design agencies clear about the local conditions and the concerns of the affected persons. The survey results reveal that of the 160 respondents, 88.36% know that the Project is about to be constructed, and 11.64% are not quite clear or don't know; 86.35% approve of the Project, and 10% don't care; 35.23% think unsound infrastructure makes their work and life inconvenient, 32.13% think this affects quality of life, 17.86% think this affects investment environment and 14.78% think this affects urban image; 83.99% think unsound infrastructure affects life and work seriously, and 12.36% don't think so; 19.36% think the Project will improve their living environment, 18.69% think it will improve their working environment, 52.13% think it will increase job opportunities, and 9.82% think it will promote physical and mental health; 58.72% know or partly know the policies for land acquisition, house demolition compensation and resettlement, and 78.96% know the means of appeal when your lawful rights and interests are infringed on during land acquisition and house demolition. See Table 6-2.

Table 6-2: Public opinion and mentality questionnaire

No.	Question	Answer 1		Answer 2		Answer 3		Answer 4		Answer 5	
		Answer 1	Result (%)	Answer 2	Result (%)	Answer 3	Result (%)	Answer 4	Result (%)	Answer 5	Result (%)
1	Are you clear that the Project will be built?	Yes	88.36	Not clear	9.56	No	2.08	—	—	—	—
2	Do you approve of the construction of the Project?	Yes	86.35	No	3.65	Don't care	10	—	—	—	—
3	Your expected possible impact of unsound infrastructure	Inconvenience of life and work	35.23	Reducing quality of life	32.13	Affecting investment environment	17.86	Affecting urban image	14.78	—	—
4	To what extent unsound infrastructure will affect your life and work?	No	3.65	Slight	12.36	Serious	82.03	Very serious	1.96	—	—
5	Possible benefits of the Project for you	Improving living environment	19.36	Improving working environment	18.69	Increasing job opportunities	52.13	Promoting physical and mental health	9.82	—	—
6	Adverse impacts of the Project on you	No adverse impact	6.32	Affecting traffic	18.36	House demolition may cause economic losses.	40.23	Land acquisition may reduce income.	32.12	Other	2.97
7	Do you know the compensation and resettlement policies for land acquisition and house demolition?	Yes	26.36	Somewhat	32.36	No	41.28	—	—	—	—
8	Do you know the means of appeal when your lawful rights and interests are infringed on during land acquisition and house demolition?	Yes	78.96	No	21.04	—	—	—	—	—	—
9	Do you know that the Project will cause temporary land occupation?	Yes	35.23	Not clear	34.96	Not clear	29.81	—	—	—	—
10	Will temporary land occupation have any adverse impact on your life and production?	Yes	19.63	No	41.23	Not clear	39.14	—	—	—	—

6.2. Public participation and consultation plan

152. With the progress of project preparation and implementation, the County PMO and the Linhe Village collective will conduct further public participation, including discussion of resettlement housing construction, area and layout; scope of training for the affected persons; issues arising from construction and solutions; listening to the affected persons's opinions and expectations during implementation; disclosure of compensation rates and means of appeal; understanding the implementation of the RP and the livelihood restoration of the affected persons. The public participation plan is shown in Table 6-3.

Table 6-3: Public participation plan

Purpose	Mode	Time	Agency	Participant	Topic
Disclosure of the RP or RIB	Distribution of RIB	Oct. 2010	County PMO, Leaders and workers of Pingyuan Forest Farm, village officials	Affected persons	Publication of compensation rates and means of appeal
Disclosure of the RP	ADB website	Oct. 2010			
Land acquisition announcement	Village / community bulletin board, village/ resident meeting	Mar. 2011	County PMO, Leaders and workers of Pingyuan Forest Farm, village officials	All affected persons	Disclosure of land acquisition area, compensation rates and resettlement modes, etc.
Announcement of compensation and resettlement option for land acquisition	Village bulletin board and villager meeting	Mar. 2011	County PMO, village officials, leaders of Pingyuan Forest Farm	All affected persons	Compensation fees and mode of payment
DMS and disclose of the updated RP	Field survey	Mar.-Apr. 2011	County PMO, village officials, leaders of Pingyuan Forest Farm	All affected persons	Finding out anything omitted to determine the final impacts List of occupied land and lost properties of displaced persons Preparing the basic compensation contract
Determination of income restoration plan	Villager meeting	May 2011	County PMO, Leaders and workers of Pingyuan Forest Farm, village officials	All affected persons	Discussing the final income restoration plan and the plan for use of compensation fees
Disclosure of compensation fees and date of payment	Villager meeting	Mar. 2011	County PMO, village officials, leaders of Pingyuan Forest Farm	All affected persons	Disclosure of compensation fees and date of payment

6.3. Appeal procedures

153. Since public participation is encouraged during the preparation and implementation of the RP, no substantial dispute will arise. However, unforeseeable circumstances may arise during this process. In order to address issues effectively, and ensure the successful implementation of project construction and land acquisition, a transparent and effective grievance redress mechanism has been established, as shown in Figure 6-1. The basic means of appeal is as follows:

154. Stage 1: If any displaced person is dissatisfied with the RP, he/she can report this to village/community committee orally or in writing. In case of an oral appeal, the village/community committee shall make a disposition and keep written records. Such appeal should be solved within 2 weeks;

155. Stage 2: If the displaced person is dissatisfied with the disposition of Stage 1, he/she may file an appeal to the township government/urban district office after receiving such disposition, which shall make a disposition within 2 weeks;

156. Stage 3: If the displaced person is dissatisfied with the disposition of Stage 2, he/she may file an appeal to the Fuhai County Land and Resources Bureau (FCLRB) / House Demolition Management Office (HDMO) after receiving such disposition, which shall make a disposition within 30 days;

157. Stage 4: If the displaced person is still dissatisfied with the disposition of Stage 3, he/she may apply for administrative reconsideration with the County PMO or file an administrative action in the county people's court in accordance with the Civil Procedure Law of the PRC after receiving such disposition.

158. Displaced persons may file an appeal on any aspect of resettlement, including compensation rates, etc. The above means of appeal, and the names, locations, persons responsible and telephone numbers of the appeal accepting agencies will be communicated to the displaced persons at a meeting, through an announcement or the RIB, so that the displaced persons know their right of appeal. Mass media will be used to strengthen publicity and reportage, and comments and suggestions on resettlement from all parties concerned will be compiled into messages for disposition by the resettlement organization at all levels.

159. All agencies will accept grievances and appeals from the affected persons for free, and costs so reasonably incurred will be disbursed from the contingency costs. During the whole construction period of the Project, these appeal procedures will remain effective to ensure that the affected persons can use them to address relevant issues.

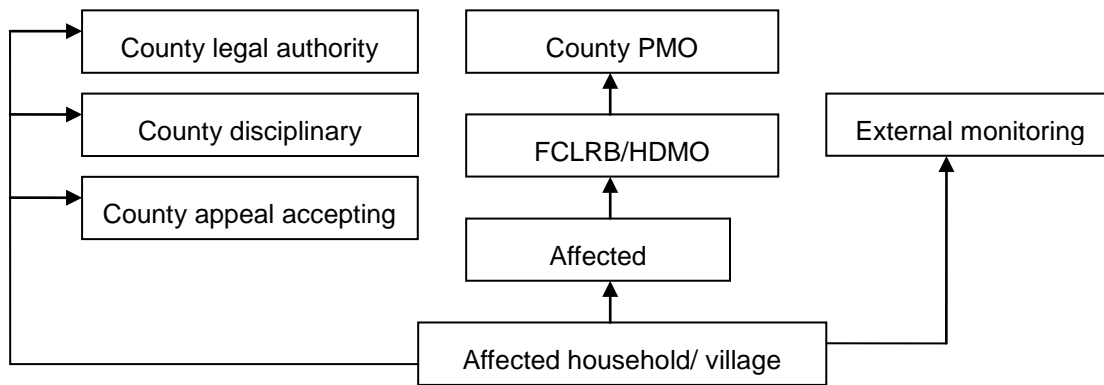


Figure 6-1 Appeal procedures

6.4. Appeal contact information

160. In order that the affected persons can feed back their grievances timely, contacts have been appointed for different appeal accepting agencies and their contact information disclosed.

Head of Linye Village Committee: Hu Changshi Tel: 13999791220

Head of FCLRB: Ma Yan Tel: 13070335280

Head of HDMO: Zeng Quanxin Tel: 13565793186

Head of County PMO: Dai Xiaodong Tel: 13809966286

External resettlement monitoring agency (TBD)

After the external resettlement monitoring agency is determined, its contact and information will be disclosed to the affected persons during the baseline survey.

7. Resettlement budget

7.1. Resettlement budget

161. All costs incurred in land acquisition and resettlement will be included in the general budget of the Project. All resettlement funds are from domestic sources. Based on prices of the first half of 2010, the total resettlement costs of Project are 20.3142 million yuan.

162. Acquisition of collective land: totaling 4.1877 million yuan (20.51% of total costs), including farmland compensation fees, resettlement subsidy, and standing crops.;

163. State-owned land occupation: totaling 6.1641 million yuan (30.34% of total costs), including leasing fees of state-owned land, and compensation fees for industrial and housing land;

164. House demolition: totaling 4.4272 million yuan (21.79% of total costs), including house compensation fees, moving subsidy, transition subsidy, reward etc.;

165. Attachments and infrastructure: The total compensation for ground attachments is 94,300 yuan (0.46% of total costs);

166. Other costs: including survey and design fees, implementation management fees, skills training costs and contingencies, totaling 2.4541 million yuan (12.08% of total costs);

167. Stipulated fees for land acquisition: totaling 2.9868 million yuan (14.7% of total costs)

Table 7-1: Resettlement investment estimates

No.	Item	Unit	Compensation rate	Qty.	Cost (10,000 yuan)	Proportion	Remarks
			(yuan/unit)				
1	Acquisition of rural collective land	mu			418.77	20.61%	
	Farmland	mu	32400	129.25	418.77		
	Land compensation fees	mu	8400	129.25	108.57		
	Resettlement subsidy	mu	22800	129.25	294.69		
	Young crop compensation fees	mu	1200	129.25	15.51		
2	State-owned land occupation				616.41	30.34%	
	Leasing fees of state-owned land	M ²	15	108860.00	163.29		Within built-up area
		M ²	8	232000.00	185.60		Out of built-up area
Housing land	Class 3	M ²	120	21493.33	257.92		
Industrial land	Class 3	M ²	80	1200	9.60		
3	House demolition				442.72	21.79%	
	Rural house demolition				406.86		
	House compensation						
	Masonry concrete	M ²	890.00	1491.79	132.77		
	Masonry timber	M ²	670.00	1303.32	87.32		
	Earth timber	M ²	630.00	1794.11	113.03		
	Simple structure	M ²	300.00	1791	53.73		
	Other subsidies						
	Moving subsidy	Household	600	29	1.74		
	Transition subsidy	Household	600	29	17.40		10 months

No.	Item	Unit	Compensation rate	Qty.	Cost (10,000 yuan)	Proportion	Remarks
			(yuan/unit)				
		/month					
	TV displacement	Household	300	29	0.87		
	Enterprises and institutions				35.86		
	House compensation						
	Masonry concrete	M ²	890.00	315.28	28.06		
	Masonry timber	M ²	670.00	83.62	5.60		
	Other subsidies						
	Moving subsidy	Household	2000	1	0.20		
	Transition subsidy	yuan	2000	1	2.00		10 months
4	Ground attachments						
	Total of attachments				9.43	0.46%	
5	Subtotal of Items 1-5				1487.33	73.22%	
6	Other costs				245.41	12.08%	
	Survey, design and scientific research fees	A percentage of land acquisition and resettlement compensation fees	3		44.62		
	Implementation management fees		3		44.62		
	Technical training fees				14.77		
	Support to vulnerable group				0.1		
	Supervision and M&E fees		1.5		22.31		
	Contingencies		8		118.99		
7	Stipulated fees of land acquisition				298.68	14.70%	
	Leasing fees of new land for construction	yuan/m ²	7		222.72		
	Land acquisition management fees	4% of land acquisition and resettlement	4%		17.37		

No.	Item	Unit	Compensation rate	Qty.	Cost (10,000 yuan)	Proportion	Remarks
			(yuan/unit)				
		compensation fees					
	Farmland reclamation fees	yuan/mu	3000	129.25	38.78		
	Farmland occupation tax	yuan/m ²	2.3		19.82		
Total					2031.42	100.00%	

7.2. Investment plan by year

168. All resettlement funds of the Project are from local counterpart funds. Before project construction or during project implementation, the investment plan will be implemented in stages in order not to affect the production and livelihoods of the affected households, as shown in Table 7-2.

Table 7-2: Resettlement investment plan

Year	2011	2012	2013	2014	2015
Proportion	50%	20%	10%	10%	10%
Investment (10,000 yuan)	1015.71	406.28	203.14	203.14	203.14

7.3. Disbursement flow and plan of resettlement funds

7.3.1. Fund flow

169. During project implementation, the County PMO will pay compensation fees to the affected entities and individuals according to the compensation policies and compensation rates specified in the RP.

The fund flow is as shown below:

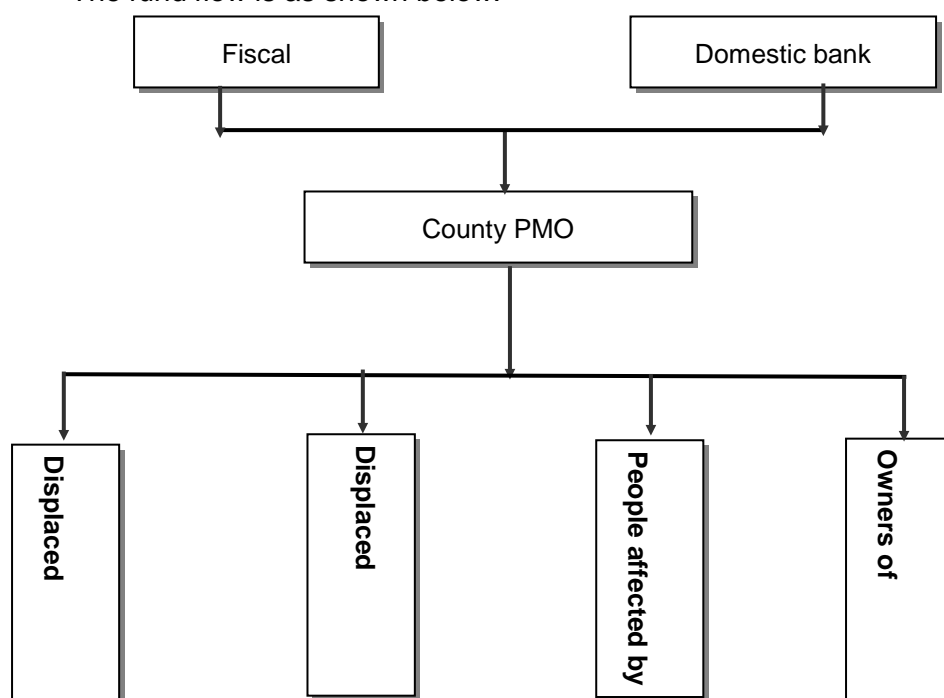


Figure 7-1: Flowchart of resettlement funds

7.3.2. Disbursement plan

170. Land compensation fees and resettlement subsidy should be used in full consultation with the affected persons; young crop compensation fees will be paid directly to the affected persons; house demolition compensation fees, and compensation fees for infrastructure and

attachments will be paid to the affected entities and individuals.

171. To ensure that resettlement funds are available timely and in full for the production, livelihood and income restoration of the affected households, the County PMO will take the following measures:

- (i) All costs related to house demolition and resettlement will be included in the general budget of the Project;
- (ii) Land compensation fees and resettlement subsidy will be paid up before land acquisition so that all affected persons are resettled properly; and
- (iii) To ensure the successful implementation of land acquisition and resettlement, financial and supervisory agencies will be established at all levels to ensure that all funds are disbursed on timely and in full.

172. The budget is a cost estimate of resettlement. Depending on practical changes within the affected areas, and due to the practical impacts of detailed measurement survey (DMS), modifications to compensation and inflation, etc., resettlement costs may be increased, but the County PMO will ensure the payment of compensation fees. The budget incorporates contingencies, and will be applied and revised as necessary.

8. Organization and Responsibilities

8.1. Resettlement action agencies

173. During project implementation, the agencies that plan, manage, implement and monitor resettlement activities of the Project include:

- (i) Fuhai County Leading Group for the Promotion of the ADB-financed Road Reconstruction and Expansion Project (County Leading Group for short)
- (ii) Fuhai County ADB-financed Project Management Office (executing agency, County PMO for short)
- (iii) FCCB (implementing agency)
- (iv) FCLRB
- (v) HDMO
- (vi) Fuhai County Forestry Bureau
- (vii) Jietearele Xiang
- (viii) Linye Village Committee
- (ix) Design institute

174. County Leading Group: leading, organizing and coordinating land acquisition, house demolition and resettlement activities, approving the RP and implementing internal supervision and inspection.

175. County PMO: directing the formulation of resettlement policies, the preparation of the RP, and the implementation of land acquisition and house demolition

176. FCCB: being the implementing agency, responsible for socioeconomic and physical indicator surveys, assisting in preparing the RP, contacting FCLRB, the township governments and affected village committees in carrying out practical resettlement work

177. FCLRB: going through, examining and approving land acquisition formalities, and carrying out coordination, management, supervision and arbitration of land acquisition

178. HDMO: going through, examining and approving house demolition formalities, issuing permits, and carrying out coordination, management, supervision and arbitration of house demolition and resettlement

179. Fuhai County Forestry Bureau: going through, examining and approving woodland acquisition formalities, and carrying out coordination, management, supervision and arbitration

180. Sub-district offices: assisting in the County PMO's survey, entering into a land acquisition and house demolition agreement with FCLRB, and assisting FCLRB in implementing land acquisition, house demolition and resettlement

181. Affected village/community committees: providing land contracting information, assisting in the surveys, reallocate housing sites and contracted land after land acquisition and house demolition, providing information on affected vulnerable groups, carrying out community mobilization and publicity, assisting technicians in measurement, valuation, and signing and negotiating the resettlement agreement

182. *Design institute*: preparing the project design and defining the range of land acquisition and house demolition

8.2. Organizational chart

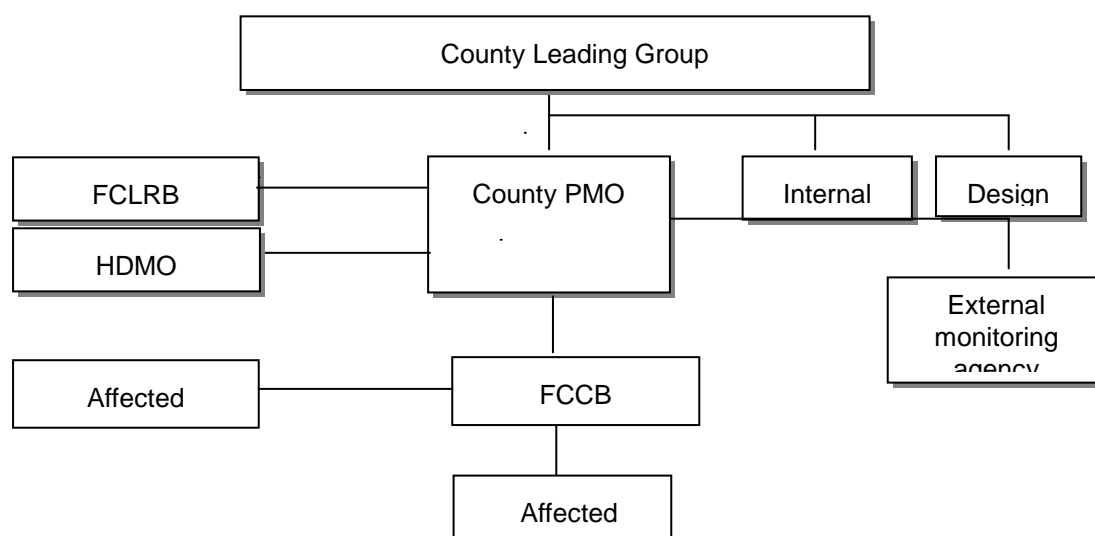


Figure 8-1: Resettlement organizational chart

8.3. Organizational qualifications and staffing

183. The staff of the Leading Group is from different functional departments of FCG, and is experienced in municipal construction works, and land acquisition, house demolition and resettlement. Since the members are from different levels and functions of government, it will play a good organizing and coordinating role in land acquisition, house demolition and resettlement. Other agencies involved in resettlement implementation are composed of staff experienced in urban construction project management.

Leader: Zhao Liangbo, member of the standing county CPC committee, executive deputy county head

Deputy leader: Xu Xuefeng, deputy county head; Director, County PMO

Members:

Wu Jianjun, Director, County Development and Reform Commission; Deputy Director, County PMO

Jie Xinyuan, Director-general, Fuhai County Construction Bureau

Zhang Hejun, Director-general, County Finance Bureau

Jiang Shuying, Director-general, County Audit Bureau

Wang Yujiang, Director-general, County Environmental Protection Bureau

Yang Dafu, Director-general, County Communications Bureau

Song Wenjun, Director-general, FCLR, Fuhai County Land and Resources Bureau

Li Xiaoyun, Director-general, County Forestry Bureau

Zhong Weihai, Director-general, County Water Resources Bureau

Fan Lixiang, Secretary, CPC Committee of Jietarele Xiang

Xiang Yang, Secretary, CPC Committee of Aerda Xiang

Dai Weiguo, Secretary, CPC Committee of Fuhai Town

Wang Dekui, Director-general, County Agriculture Bureau
Adali Rezihan, Deputy Director-general, County Animal Husbandry and Veterinary
Bureau
Dai Xiaodong, Deputy Director-general, FCCB

8.4. Division of labor

8.4.1. County Leading Group

184. Responsible for project leadership, organizing, coordination and decision-making, examining the RP, implementing internal supervision and inspection, and making decisions on major issues arising from resettlement

8.4.2. County PMO

- (i) Appointing a design agency to define the affected areas
- (ii) Organizing socioeconomic survey
- (iii) Organizing and coordinating the reparation of the RP
- (iv) Executing the policies in the RP
- (v) Coordinating the implementation of the RP according to the project construction schedule
- (vi) Disbursing funds and supervising the use thereof
- (vii) Directing, coordinating and supervising resettlement activities and progress
- (viii) Organizing and implementing internal monitoring, appointing an independent monitoring agency, and assisting in external monitoring activities
- (ix) Reviewing monitoring reports
- (x) Coordinating and handling conflicts and issues arising from implementation
- (xi) Coordinating and handling appeals arising from implementation
- (xii) Reporting the progress of land acquisition and house demolition, fund use and implementation quality to ADB periodically

8.4.3. FCCB

- (i) Organizing socioeconomic survey
- (ii) Registering physical indicators of land acquisition and house demolition, and conducting surveys
- (iii) Organizing public participation activities
- (iv) Negotiating resettlement options, and organizing the preparation of the RP
- (v) Applying for a land use planning permit and a permit to use land with FCLRB
- (vi) Implementing the relevant measures of house demolition
- (vii) Implementing the state policies and regulations on the administration of land for project construction
- (viii) Developing resettlement options and compensation rates for land acquisition according to the established policies, and submitting to the competent authorities for approval
- (ix) Going through the land use approval formalities
- (x) Applying for a land use planning permit and a permit to use land
- (xi) Implementing the RP
- (xii) Signing a compensation and resettlement agreement for land acquisition with the affected rural collective economic organizations together with the township governments
- (xiii) Signing a compensation agreement for temporary land occupation with the

- affected entities
- (xiv) Signing a compensation and resettlement agreement for land acquisition and house demolition with the displaced households and entities together with HDMO
- (xv) Inspecting resettlement implementation
- (xvi) Managing information on land acquisition, house demolition and resettlement activities
- (xvii) Training the staff
- (xviii) Coordinating and handling conflicts and issues arising from implementation
- (xix) Coordinating and handling appeals arising from implementation
- (xx) Reporting land acquisition, house demolition and resettlement progress to the County PMO

8.4.4. Affected townships/sub-district offices

185. These offices are led by leaders in charge and composed of officials of CPC and government offices, land administration offices and villages, with the following responsibilities:

- (i) Participating in the surveys and assisting in preparing the RP;
- (ii) Organizing public participation, and publicizing the resettlement policies;
- (iii) Implementing, inspecting, monitoring and recording all resettlement activities;
- (iv) Going through house demolition formalities;
- (v) Paying and managing land compensation fees;
- (vi) Supervising land acquisition, house and attachment demolition, house rebuilding and relocation;
- (vii) Reporting land acquisition, house demolition and resettlement progress to FCLRB and HDMO;
- (viii) Coordinating and handling issues arising in their work

8.4.5. Village/community committees

186. Composed of village/community officials, with the following responsibilities:

- (i) Participating in the socioeconomic and project impact surveys;
- (ii) Organizing public consultation, publicizing the land acquisition and house demolition policies;
- (iii) Paying and managing relevant funds;
- (iv) Reporting displaced persons' opinions and suggestions to the competent authorities;
- (v) Reporting the progress of resettlement implementation;
- (vi) Providing assistance to difficult households affected by land acquisition;
- (vii) Performing other land acquisition and house demolition tasks assigned by superior agencies

8.4.6. Design institute

- (i) Reducing project impacts by design optimization;
- (ii) Defining the range of land acquisition and house demolition

8.5. Measures to strengthen institutional capacity

187. In order to implement resettlement successfully, the displaced persons and

resettlement staff must be trained under a program developed by the County PMO.

8.5.1. Training program for resettlement management staff

188. A staff training and human resources development system will be developed for the county, township and village resettlement agencies. The resettlement project and process management training under this system will be given in such forms as workshop, training course, visit of similar projects and field training, and will cover:

- (i) Principles and policies of resettlement
- (ii) Resettlement project planning management training
- (iii) Resettlement implementation planning and design
- (iv) Resettlement implementation progress control
- (v) Resettlement financial management
- (vi) Resettlement quality control
- (vii) Management information system
- (viii) Resettlement M&E
- (ix) Resettlement project management

8.5.2. Measures to improve the resettlement organization

- (i) Define the responsibilities and scope of duty all resettlement agencies, and strengthen supervision and management;
- (ii) Improve the strength of all resettlement agencies gradually, especially technical strength; all staff must attain a certain level of professional proficiency and management level; improve their technical equipment, such as PC, monitoring equipment and means of transportation, etc.;
- (iii) Select staff strictly, and strengthen operations and skills training for management and technical staff of all resettlement agencies to improve their professional proficiency and management level;
- (iv) Appoint women officials appropriately, and give play to women's role in resettlement implementation;
- (v) Establish a database and strengthen information feedback to ensure a smooth information flow, and leave major issues to the Leading Group;
- (vi) Strengthen the reporting system and internal monitoring, and solve issues timely; and
- (vii) Establish an external M&E mechanism and an early warning system.

9. Resettlement Implementation Plan

189. According to the project implementation schedule, the Project will be constructed from 2011 to 2015, and have a preparation period of 2 years, in which the preparatory work will be completed; the implementation period will be 5 years (2011-2015). The land acquisition, house demolition and resettlement schedule links up the construction schedules of the components, and will span from January 2011 to June 2012. The resettlement schedule is developed based on the following principles:

- (i) The land acquisition work will be completed at least one month prior to project construction so that the affected villages have sufficient time to prepare production resettlement and income restoration programs;
- (ii) During resettlement, the affected persons shall have an opportunity to participate in the Project. Before project construction commences, the range of land acquisition will be disclosed, the RIB distributed and public participation activities conducted properly;
- (iii) All compensation fees will be paid to the affected proprietors directly and in full within 3 months of approval of the compensation and resettlement option for land acquisition. No agency or individual should use such compensation fees on their behalf, nor should such compensation fees be discounted for any reason.

9.1. Pre-resettlement work

Defining the range of land acquisition and house demolition

190. The range of land acquisition will be defined according to the project design and layout. The resettlement work will be announced to the affected sub-district offices at a meeting, which will disclose the land acquisition notice in the affected villages. The County PMO will survey and register land, houses and attachments, and their ownership within the define range.

Investigating the range of land acquisition and house demolition

191. The County PMO will organize relevant staff of the sub-district offices, HDMO, FCLRB and to visit the affected areas, investigate and register land, houses, attachments, facilities and equipment, etc., judge the nature and ownership of infrastructure, and keep detailed records.

Drafting the RP and preparing the budget

192. Before the beginning of land acquisition, house demolition and civil works, the RP will be updated based on the detailed design and detailed measurement survey (DMS), and submitted to ADB for approval. According to the survey findings, the County PMO will prepare the RP and budget according to the applicable policies and regulations, and then submit them to FCCB for approval.

Contract signing

193. Under the coordination and direction of the County PMO, FCCB will enter into land acquisition and house demolition agreements with FCLRB and HDMO, and pay the contract

price.

194. The compensation agreement for land acquisition will be signed based on the compensation rates specified in the RP, and in accordance with the state, provincial and municipal laws and regulations on resettlement. FCLRB, and HDMO will negotiate with the affected village committees, residents, enterprises and stores about compensation and resettlement respectively. The sub-district offices and village committees then negotiate with the affected households. After consensus, FCLRB and HDMO will sign the compensation agreement for land acquisition immediately. A copy of such agreement should be submitted. FCLRB will supervise and witness the whole process.

9.2. Resettlement work

Permit to use land

195. The executing agency should endeavor to obtain a permit to use land timely by applying for it with the land and resources authorities level by level. The permit to use land must be obtained before the payment of compensation fees and the acquisition of land, houses and private properties.

Facility relocation and rebuilding

196. The facilities affected by the Project will be relocated under the supervision of the executing agency. FCCB will pay compensation fees to proprietors, who will arrange the relocation, restoration and rebuilding of such facilities.

Resettlement

197. The affected villagers may elect to receive cash compensation, property swap or buy commercial. In the latter two options, their housing conditions will improve greatly.

Internal and external M&E

198. Internal supervision is a responsibility of the implementing agency, which will submit a monitoring report to the executing agency semiannually. External monitoring is a responsibility of the executing agency, which will commission this task to an independent consulting agency and submit a monitoring report to ADB annually. The purpose of external monitoring is that the income and standard of living of the affected persons should be maintained after land acquisition and house demolition. Compulsory measures should be taken if this purpose is not fulfilled.

9.3. Post-resettlement work

Continuing with internal and external M&E

Filing and documentation

199. After the resettlement work is completed, the person responsible will write a supplementary resettlement report, which will be reviewed and filed by FCCB.

200. The general resettlement schedule of the Project has been drafted based on the progress of project construction, land acquisition and house demolition, resettlement preparation and implementation. The exact implementation times may be adjusted due to deviations in overall project progress. See Table 9-1.

Table 9-1: Resettlement implementation schedule

Number	Task	Target	Responsible agency	Deadline
A.	Disclosure			
1	Information booklet to APs	40 households	PMO	2010.10
2	RP distribution	20 copies	County PMO	2010.11
3	RP placed on ADB website			2010.11
B.	RP and Budget			
1	Approval of feasibility study	All sub-components	Xinjiang DRC	2010.12
2	Approval of RP and budget	CNY 20.31 million	County government	2010.10
3	Approval of compensation rates		County government	2010.10
C.	Detailed Design and RP Updating			
1	Establishment of cut-off date		County PMO	2010.10
2	detailed design for components		Design institutes	2011.2
3	Pegging and detailed measurement survey (DMS)		County Land Resources Bureaus ...	2011.3
4	Updated RP based on DMS		PMO, EA	2011.4
5	Land use approval	8.61 ha arable land	Land Resource Bureau	2011.5
D.	Compensation Agreements			
1	sign agreements	40 households	County Land Resource Bureau/house demolition office/county PMO	2011.5

2	Payment of compensation	40 households		2011.6
E.	Detailed Rehabilitation Plans			
1	Meeting on resettlement of RPs, rehabilitation plans		County PMO and villages, township RO	2011.3
2	Technical training plans for APs	All APs	County PMO	2011-2013
3	House plot arrange	?	County PMO	2011.6
4	New houses construction	?	County PMO	2011.12
5	APs move to new houses	29 households	County PMO	2012.2
F.	Implementing Capacity			
1	resettlement staff	1 villages	County Land Resource Bureau/house demolition office/county PMO	2011.1
2	Training of staff	All staff	County Land Resource Bureau/house demolition office/county PMO	2011.2
3	Setting of grievance redress mechanism	2 staff	County PMO and Land Resources Bureau	2011.2
G.	Monitoring and Evaluation			
1	Baseline survey	20 % of the affected households	External monitor	2011 .6
2	Set-up of internal supervision		County PMO	2011.1
3	Contract of external monitor		PMO	2011.3
4	Internal monitoring reports	Quarterly	PMO	2011 -2014

5	External monitoring reports	Semiannual	External monitor	2011-2014
6	Post evaluation report	Once	External monitor	2014.12
H.	Documentation of Consultation		PMO	2010-2014

10. Monitoring & Evaluation

201. To ensure the successful implementation of the RP and realize the objectives of resettlement properly, land acquisition, house demolition and resettlement activities of the Project will be subject to periodic M&E according to ADB's resettlement policies, including internal and external monitoring.

10.1. Internal monitoring

10.1.1. Purpose

202. The purpose of internal monitoring is to enable all resettlement agencies to function properly during project implementation, conduct internal supervision and inspection on the whole process of resettlement preparation and implementation, learn resettlement progress, and ensure that the land acquisition, house demolition and resettlement work can be completed on schedule according to the RP, and promote successful project construction.

10.1.2. Organization and staff

203. The internal resettlement monitoring agencies of the Project are the XUAR PMO, County PMO and other relevant authorities (e.g., FCLRB). These agencies will have a leader who is responsible specifically for the resettlement work. Such leaders should have rich resettlement experience and authority, and be able to coordinate all departments involved in the resettlement work. The members of such agencies should have knowledge on resettlement and social issues so as to perform their duties.

10.1.3. Scope of internal monitoring

204. The XUAR PMO and County PMO will develop a detailed internal monitoring plan for land acquisition and resettlement, including:

- (i) Relocation of displaced persons, allocation of housing sites and housing rebuilding, etc.;
- (ii) Payment, use and availability of compensation fees for land acquisition, and implementation progress and quality of production and development options of displaced persons;
- (iii) Investigation, coordination of and suggestion on key issues of the resettlement and implementing agencies during land acquisition, house demolition and resettlement;
- (iv) Restoration of the household income of displaced persons;
- (v) Restoration of vulnerable groups;
- (vi) Payment, use and availability of compensation fees for resettlement;
- (vii) Level of public participation and consultation during land acquisition, house demolition and resettlement;
- (viii) Resettlement training and its effectiveness; and
- (ix) Working mechanism, training, working hours and efficiency of local resettlement offices

10.1.4. Reporting of internal monitoring

205. The XUAR PMO will submit an internal monitoring report to ADB semiannually. Such report should indicate the statistics of the past 6 months in tables, and reflect the progress of land acquisition, resettlement and use of compensation fees through comparison. Tables 10-1 and 10-2 provide some formats.

Table 10-1: Progress report of resettlement for land acquisition and house demolition

_____, _____ Township, _____ District (County)

Cut-off date: MM/DD/YY

Date of completion: MM/DD/YY

Item	Unit	Planned	Actually completed	Accumulated	Proportion of completion
Permanent land acquisition	mu				
Temporary land occupation	mu				
Payment of land compensation fees	10,000 yuan				
Training	Person				
Employment arrangement	Person				
Land reallocation	mu				

Reported by: _____ Signature (person responsible): _____ Official seal:

Table 10-2: Fund use progress

_____, _____ Township, _____ District (County)

Cut-off date: MM/DD/YY

Date of completion: MM/DD/YY

Affected entity	Description ³	Unit/ qty.	Required investment (yuan)	Compensation received (yuan)	Adjusted compensation	Proportion of compensation
Village 1						
Village 2						
Collective						
Displaced household						

³ Fill in labor training, employment, vulnerable group subsidy, etc. in "Description".

Entity						
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Reported by: _____ Signature (person responsible): _____ Official seal:

10.2. External monitoring

206. According to ADB's policies, the XUAR PMO will employ a qualified, independent and experienced resettlement agency as the independent resettlement monitoring agency.

207. The external monitoring agency will conduct follow-up M&E of resettlement activities periodically, monitor resettlement progress, quality and funding, and give advice. It shall also conduct follow-up monitoring of the displaced persons' production level and standard of living, and submit M&E reports to the XUAR PMO and ADB. See Appendix 4.

10.2.1. Scope and methodology of external monitoring

208. (1) Baseline survey. The external monitoring agency will conduct a baseline survey of the affected villages and villager teams affected by land acquisition to obtain baseline data on the monitored displaced households' production level and standard of living. The production level and standard of living survey will be conducted semiannually to track variations of the displaced persons' production level and standard of living. This survey will be conducted using such methods as panel survey (sample size: 20% of the households affected by land acquisition and house demolition, 50% of the affected villages and 100% of affected commercial stores, which will be sampled randomly), random interview and field observation to acquire necessary information. A statistical analysis and an evaluation will be made on this basis.

209. (2) Periodic M&E. During the implementation of the RP, the external monitoring agency will conduct periodic follow-up resettlement monitoring semiannually of the following activities by means of field observation, panel survey and random interview:

- (i) Payment and amount of compensation funds;
- (ii) Preparation and adequacy of the resettlement site;
- (iii) House rebuilding;
- (iv) Relocation of the affected persons;
- (v) Training;
- (vi) Support for vulnerable groups;
- (vii) Restoration and rebuilding of infrastructure and special facilities;
- (viii) Production resettlement and restoration;
- (ix) Compensation for lost properties;
- (x) Compensation for lost working hours;
- (xi) Transition subsidy;
- (xii) Timetables of the above activities (applicable at any time);
- (xiii) Resettlement organization;
- (xiv) Use of compensation fees for collective land and income of displaced persons;
and
- (xv) Income growth of labor through employment

210. (3) Public consultation. The external monitoring agency will attend public consultation meetings held during resettlement implementation to evaluate the effectiveness

of public participation.

211. (4) Grievance redress. The external monitoring agency will visit the affected villages periodically and inquire the County PMO, township governments, village committees and resettlement agencies that accept grievances about how grievances have been handled. It will also meet complainants and propose corrective measures and advice for existing issues so as to make the resettlement process more effectively.

10.2.2. Reporting of external monitoring

212. The external monitoring agency will submit a monitoring or evaluation report to ADB and the XUAR PMO semiannually.

Table 10-3: Resettlement M&E agenda

	Resettlement report	Date
1	Socioeconomic Baseline Survey	Jun. 2011
2	Monitoring Report No.1	Jun. 2011
3	Monitoring Report No.2	Dec. 2011
4	Monitoring Report No.3	Jun. 2012
5	Evaluation Report No.4	Dec. 2012
6	Evaluation Report No.5	Dec. 2013
7	Final Report	Dec. 2014

10.3. Resettlement post-evaluation

213. After project implementation, the theory and methodology of post-evaluation will be applied to evaluate the Project's resettlement activities on the basis of M&E to obtain successful experience and lessons in land acquisition and house demotion as a reference for future work. The post-evaluation agency will prepare terms of reference for post-evaluation, establish a system of evaluation indicators, conduct socioeconomic analysis and survey, and prepare the Resettlement Post-evaluation Report of the Project for submission to the XUAR PMO and ADB.

Appendix 1 Applicable Laws and Policies

Applicable provisions of the Land Administration Law of the PRC

Ownership and right of use of land

Article 8 Land in urban districts shall be owned by the State.

Land in the rural areas and suburban areas, except otherwise provided for by the State, shall be collectively owned by peasants including land for building houses, land and hills allowed to be retained by peasants.

Article 22 The amount of land used for urban construction shall conform to the standards prescribed by the State so as to make full use of the existing land for construction purposes, not to occupy or occupy as less agricultural land as possible.

Urban general planning and the planning of villages and market towns should be in line with the general plans for land use. The amount of land for construction use in the urban general planning and the planning of villages and market towns shall not exceed the amount of land used for construction purposes in cities, villages and market towns fixed in the general plans for the utilization of land.

The land for construction purposes in cities, villages and market towns within the planned areas of cities, villages and market towns shall conform to the city planning and the planning of villages and market towns.

Article 24 People's governments at all levels shall strengthen the administration of plans for land use and exercise control of the aggregate land for construction purposes.

Article 26 Revision of the general plans for land use shall be approved by the original organ of approval. Without approval, the usages of land defined in the general plans for the utilization of land shall not be changed.

Whereas the purpose of land use defined in the general plans for the utilization of land needs to be changed due to the construction of large energy, communications, water conservancy and other infrastructure projects approved by the State Council, it shall be changed according to the document of approval issued by the State Council.

If the purpose of land defined in the general plans for the utilization of land needs to be changed due to the construction of large energy, communications, water conservancy and other infrastructure projects approved by provinces, autonomous regions and municipalities, it shall be changed according to the document of approval issued by the provincial level people's governments if it falls into their terms of reference.

Protection of cultivated land

Article 31 The State protects the cultivated land and strictly controls the conversion of cultivated land into non-cultivated land.

The State fosters the system of compensations to cultivated land to be occupied. In the cases of occupying cultivated land for non-agricultural construction, the units occupying the cultivated land should be responsible for reclaiming the same amount of land in the same quality as that occupied according to the principle of "reclaiming the same amount of land occupied. Whereas units which occupy the cultivated land are not available with conditions of reclamation of land or the land reclaimed is not up to requirements, the units concerned should pay land reclamation fees prescribed by provinces, autonomous regions and municipalities for reclaiming land for cultivation the land reclaimed.

Article 32 The local people's governments at and above the county level may demand units which occupy cultivated land to use the topsoil of the land occupied for use in the newly reclaimed land, poor land or other cultivated land for soil amelioration.

Article 33 People's governments of all provinces, autonomous regions and municipalities shall strictly implement the general plans for the utilization of land and annual plan for the use of land, adopt measures to ensure not to reduce the total amount of cultivated land within their jurisdictions. Whereas reductions occur, the State Council shall order it to organize land reclamation within the prescribed time limit to make up for the reduced land in the same quantity and quality and the land administrative department of the State Council shall, together with agricultural administrative department, examine and accept it.

Article 36 Land shall be used sparingly for non-agricultural construction purposes. Whereas wasteland can be used, no cultivated land should be occupied; whereas poor land can be used, no good land should be occupied.

Article 41 The State encourages land consolidation. People's governments of counties and townships (towns) shall organize rural collective economic organizations to carry out comprehensive consolidation of fields, water surface, roads, woods and villages according to the general plans for the utilization of land to raise the quality of cultivated land and increase areas for effective cultivation and improve the agricultural production conditions and ecological environment.

Local people's governments at all levels shall adopt measures to ameliorate medium-and low-yielding land and consolidate idle and scattered and abandoned land.

Article 42 Whereas land is damaged due to digging, cave-in and occupation, the units or individuals occupying the land should be responsible for reclamation according to the applicable provisions of the State; for lack of ability of reclamation or for failure to meet the required reclamation, land reclamation fees shall be paid, for use in land reclamation. Land reclaimed shall be first used for agricultural purposes.

Land for construction purposes

Article 43 Any unit or individual that need land for construction purposes should apply for the use of land owned by the State according to law, except land owned by peasant collectives used by collective economic organizations for building township enterprises or building houses for villagers or land owned by peasant collectives approved according to law for use in building public facilities or public welfare facilities of townships (towns).

The term "apply for the use of land owned by the State according to law " used in the preceding paragraph refers to land owned by the State and also land originally owned by peasant collectives but having been acquired by the State.

Article 44 Whereas occupation of land for construction purposes involves the conversion of agricultural land into land for construction purposes, the examination and approval procedures in this regard shall be required.

For projects of roads, pipelines and large infrastructure approved by the people's governments of provinces, autonomous regions and municipalities, land for construction has to be approved by the State Council whereas conversion of agricultural land is involved.

Whereas agricultural land is converted into construction purposes as part of the efforts to implement the general plans for the utilization of land within the amount of land used for

construction purposes as defined in the general plans for cities, villages and market towns, it shall be approved batch by batch according to the annual plan for the use of land by the organs that approved the original general plans for the utilization of land. The specific projects within the scope of land approved for conversion shall be approved by the people's governments of cities or counties.

Land to be occupied for construction purposes other than those provided for in the second and third paragraphs of this article shall be approved by the people's governments of provinces, autonomous region and municipalities whereas conversion of agricultural land into construction land is involved.

Article 45 The acquisition of the following land shall be approved by the State Council:

1. Basic farmland;
2. Land exceeding 35 hectares outside the basic farmland;

Acquisition of land other than prescribed in the preceding paragraph shall be approved by the people's governments of provinces, autonomous regions and municipalities and submitted to the State Council for the record.

Acquisition of agricultural land should first of all go through the examination and approval procedure for converting agricultural land into land for construction purposes according to the provisions of Article 44 of this law. Whereas conversion of land is approved by the State Council, the land acquisition examination and approval procedures should be completed concurrently with the procedures for converting agricultural land to construction uses and no separate procedures are required. Whereas the conversion of land is approved by people's governments of provinces, autonomous regions and municipalities within their terms of reference, land acquisition examination and approval procedures should be completed at the same time and no separate procedures are required. Whereas the terms of reference have been exceeded, separate land acquisition examination and approval procedures should be completed according to the provisions of the first paragraph of this article.

Article 46 For acquisition of land by the State the local people's governments at and above the county level shall make an announcement and organize the implementation after the approval according to the legal procedures.

Owners or users of the land acquired should, within the time limit specified in the announcement, go through the compensation registration for acquired land with the land administrative departments of the local people's governments on the strength of the land certificate.

Article 47 In acquiring land, compensation should be made according to the original purposes of the land acquired.

Compensation fees for land acquired include land compensation fees, resettlement fees and compensation for attachments to or green crops on the land. The land compensation fees shall be 6-10 times the average output value of the three years preceding the acquisition of the cultivated land. The resettlement fee shall be calculated according to the number of agricultural population to be resettled. The number of agricultural population to be resettled shall be calculated by dividing the amount of cultivated land acquired by the per capital land occupied of the unit whose land is acquired. The resettlement fees for each agricultural person to be resettled shall be 4-6 times the average annual output value of the

three years preceding the acquisition of the cultivated land. But the maximum resettlement fee per hectare of land acquired shall not exceed 15 times of the average annual output value of the three years prior to the acquisition.

The standards for land compensation and resettlement fees for land acquired shall be determined by various provinces, autonomous regions and municipalities in reference to the land compensation fees and resettlement fees for cultivated land acquired.

The standards for compensating for ground attachments and green crops on the land acquired shall be determined by various provinces, autonomous regions and municipalities.

In acquiring vegetable fields in suburban areas, the units using the land should pay new vegetable field development and construction fund.

Whereas the land compensation fees and resettlement fees paid according to the provisions of the second paragraph of this article are not enough to maintain the original level of living, the resettlement fees may be increased with the approval of the people's governments of provinces, autonomous regions and municipalities. But the combined total of land compensation fees and resettlement fees shall not exceed 30 times the average output value of the three years prior to the acquisition.

In special circumstances, the State Council may raise the standards for land compensation and resettlement fees for land acquired according to the social and economic development level.

Article 48 After the plan for land compensation and resettlement fees is finalized, related local people's governments shall make an announcement and hear the opinions of the rural collective economic organizations and peasants whose land has been acquired.

Article 49 Rural collective economic organizations shall make public to its members the receipts and expenditures of the land compensation fees for land acquired and accept their supervision.

It is forbidden to embezzle or divert the land compensation fees and other related expenses.

Article 50 Local people's governments at all levels shall support rural collective economic organizations and peasants in their efforts toward development and operations or in starting up enterprises.

Article 52 In the process of the feasibility study for construction projects, land administrative departments may examine the related matters concerning the land for construction purposes and put forward their proposals according to the general plans for the utilization of land, the annual plan for the use of land and standards for land used for construction purposes.

Article 53 Whereas a construction project approved needs land owned by the State for construction purposes, the construction unit should file an application with land administrative department of the people's government at and above the county level with the power of approval on the strength of related documents required by law and administrative decrees. The land administrative department shall examine the application and submit it to the people's government at the same level for approval.

Article 54 A paid leasing should be go through in use of land owned by the State by a construction unit. But the following land may be obtained through government allocation with the approval of the people's governments at and above the county level according to law:

1. Land for use by government organs and for military use;
2. Land for building urban infrastructure and for public welfare undertakings;
3. Land for building energy, communications and water conservancy and other infrastructure projects supported by the State;
4. Other land as provided for by the law and administrative decrees.

Article 55 Construction units that have obtained State-owned land by paid leasing can use the land only after paying the land use right leasing fees and other fees and expenses according to the standards and ways prescribed by the State Council.

Starting from the date when this law comes into effect, 30% of the leasing fees for new construction land shall be handed over to the central finance, with the rest 70% to be retained by related local people's governments, for the development of land for cultivation.

Article 56 In using State-owned land, construction units should use the land according to the provisions of the contract for compensated use of leased land use right or according to the provisions of the documents of approval concerning the allocation of land use right. The change of the land to construction purposes should get the consent from the land administrative departments of the related people's governments and be submitted to the people's governments that originally give the approval for the use of land. In changing the purpose of land within the urban planned areas, the consent should be obtained from the related urban planning administrative departments before submission for approval.

Article 57 In the case of temporary using State-owned land or land owned by peasant collectives by construction projects or geological survey teams, approval should be obtained from the land administrative departments of local people's governments at and above the county level. Whereas the land to be temporarily used is within the urban planned areas, the consent of the urban planning departments should be obtained before being submitted for approval. Land users should sign contracts for temporary use of land with related land administrative departments or rural collective organizations or villagers committees depending on the ownership of the land and pay land compensation fees for the temporary use of the land according to the standard specified in the contracts.

Users who use the land temporarily should use the land according to the purposes agreed upon in the contract for the temporary use of land and should not build permanent structures.

The term for the temporary use of land shall not usually exceed two years.

Article 58 In one of the following cases, the land administrative departments of related people's governments shall recover the land use right of State-owned land with the approval of the people's governments that originally gives the approval or the people's governments with the power of approval:

1. Use land for the sake of public interests;
2. Use land for adjustment in re-building old city districts in order to implement urban construction plans;
3. When the term for the land use right expires according to what is agreed upon in the contract for compensated use of land, the land user has failed to apply for extension or failed to get approval for extension;
4. The use of land originally allocated has been stopped due to cancellation or removal of units;

5. Roads, railways, airports and mining sites that have been approved to be abandoned.

Proper compensation should be given to land use right users whereas the use right of State-owned land is recovered according to the provisions of 1 and 2 of the preceding paragraph.

Article 62 One rural household can own one piece of land for building house, with the area not exceeding the standards provided for by provinces, autonomous regions and municipalities.

Construction of rural houses should conform to the general plans for the utilization of land of townships (towns) and the original land occupied by houses and open spaces of villages should be used as much as possible for building houses.

The use of land for building houses should be examined by the township (town) people's governments and approved by the county people's governments. Whereas occupation of agricultural land is involved the examination and approval procedure provided for in Article 44 of this law is required.

The application for housing land after selling or leasing houses shall not be approved.

Article 63 The land use right of peasant collectives shall not be leased, transferred or rented for non-agricultural construction, except in the case of legal transfer of the land that conforms to the general plan for the utilization of land and legally obtained by enterprises due to bankruptcy or acquisition.

Article 64 Buildings or structures put up before the general plan for the utilization of land and unconformable to the general plans are not allowed to be rebuilt or expanded.

Article 65 In one of the following cases, the rural collective economic organizations may recover the land use right with the approval of the people's government that gives the approval for the use of land:

1. Land needed for building public facilities and public welfare undertakings of townships (towns) and villages;
2. Land not used according to the purposes approved;
3. Land not used any more due to cancellation or removal of the original units.

Proper compensation shall be given to land users in the case of recovering the land owned by peasant collectives provided for in item 1 of the preceding paragraph.

Applicable provisions of the Regulation on the Dismantlement of Urban Houses

Article 6 Only if the agency about to demolish houses has obtained a permit for house demolition can demolition be implemented.

Article 8 When issuing the permit for house demolition, the administrative department for house demolition shall disclose the demolisher, scope and period of demolition specified in the permit for house demolition in the form of a house demolition announcement. The administrative department for house demolition and the demolisher shall make proper and timely publicity and explanation to displaced persons.

Article 22 The demolisher shall compensate displaced persons hereunder.

Article 23 Displaced persons may be compensated in cash or by property swap.

Article 24 The amount of cash compensation shall be determined based on the demolished house's geographic location, purpose and building area, and the appraised price on the real estate market. Specific measures shall be formulated by the people's governments of provinces, autonomous regions and municipalities directly under the Central

Government.

Article 25 In case of property swap, the demolisher and the displaced person shall calculate the amount of compensation of the demolished house and the price of the replacement house pursuant to Article 24 above, and settle the price difference of property swap.

In case of demolition of an attachment to a non-public-welfare institution's premises, no property swap shall be made and the demolisher shall offer cash compensation.

Article 26 In case of demolition of a public welfare institution's premises, the demolisher shall rebuild such premises in accordance with the applicable laws, regulations and urban plan, or provide cash compensation.

Article 27 In case of demolition of a leased house, and the displaced person and the lessee dissolves the leasehold relation or the displaced person resettles the lessee, the demolisher shall compensate the displaced person accordingly.

If the displaced person and the lessee fail to agree on the dissolution of the leasehold relation, the demolisher shall grant property swap to the displaced person. If the replacement house is leased by the former lessee, the displaced person shall enter into a new house lease contract with the former lessee.

Article 28 The demolisher shall provide housing that meets the national quality and safety standards for relocation and resettlement.

Article 29 For a house whose property right is unclear, the demolisher shall submit a compensation and resettlement proposal to the administrative department for house demolition for approval before demolition. Before demolition, the demolisher shall go through the conservation of evidence formalities with a notary organ for the demolished house.

Article 30 A mortgaged house shall be demolished in accordance with the state laws on guarantee.

Article 31 The demolisher shall pay a moving subsidy to the displaced person or the lessee. During the transition period, if the displaced person or lessee of the house finds a residence itself, the demolisher shall pay a temporary resettlement subsidy; if the displaced person or lessee uses a turnover house provided by the demolisher, such temporary resettlement subsidy shall not be paid. The rates of the moving subsidy and temporary resettlement subsidy shall be stipulated by the people's governments of provinces, autonomous regions and municipalities directly under the Central Government.

Article 32 The demolisher shall not extend the transition period without authorization; the user of the turnover house shall make it available on time.

If the transition period is extended for the demolisher's sake, the displaced person or lessee who finds a residence itself shall be paid an additional temporary resettlement subsidy from the month of extension, or the user of the turnover house shall pay a temporary resettlement subsidy from the month of extension.

Article 33 If demolition of any non-residential house results in suspension of production or business, the demolisher shall offer appropriate compensation.

Regulations of XUAR for the Implementation of the Land

Administration Law of the PRC

Chapter 1 General Provisions

Article 2 These Regulations shall be complied with by all those who engage in land protection, development, utilization, supervisory and administrative activities within the jurisdiction of Xinjiang Uygur Autonomous Region.

Article 6 State-owned land shall be used on a compensated basis according to law, and shall not be invaded, traded or transferred illegally by any entity or individual in any form.

Governments at all levels shall take steps to plan, strictly manage, conserve and develop land resources, and prohibit illegal land occupation.

Chapter 2 Land ownership and use rights

Article 8 Users of state-owned land and owners or users of collective land must apply for land registration with the administrative authority for land of a county-level or above government, and obtain a permit to use state-owned land or certificate of ownership or permit to use collective land.

Chapter 4 Farmland protection and land reclamation

Article 20 A compensation system for farmland occupation is practiced in Xinjiang Uygur Autonomous Region. Anyone who occupies farmland for nonagricultural construction with approval must be reclaim farmland of the same amount and quality as the occupied farmland or obtain it by land consolidation; where conditions do not permit farmland reclamation, farmland reclamation fees shall be paid at a rate of 15,000-45,000 yuan per hectare based on the rating of the occupied farmland to be used specifically for farmland reclamation.

Article 21 Anyone who occupies basic farmland with legal approval and has to pay farmland reclamation fees shall pay such fees at 1.5 times the rate for ordinary farmland reclamation.

Article 25 The following types of land shall not be reclaimed:

- (1) Prohibited areas identified in overall land utilization plans;
- (2) Natural hay fields, artificial pastures, fenced pastures and high-grade pastures;
- (3) Woodland and river or lake flat;
- (4) Sloping land with a gradient of over 25 degrees and desert land exposed directly to sandstorm; and
- (5) Areas whose ownership is disputed.

Chapter 5 Land for Construction

Article 31 The examination and approval procedures for converting agricultural land to construction uses shall be gone through in accordance with the following provisions in case land is occupied by state construction.

(1) In the range of the land for village and town construction defined in the overall planning of township land utilization, the use of the land collectively owned by farmers and herdsmen for construction of township and village enterprises, rural common facilities, public utilities, rural roads, water conservancy projects and other facilities is subject to the approval of autonomous prefecture or municipal people's government or administrative office according to the control quotas defined by the yearly plan for land use.

(2) In the range of the land for village and town construction defined in the overall planning of land utilization, the use of the land for implementation of the planning is subject to the approval of the People's Government of the autonomous region or shall comply with the provisions of the laws and regulations approved by the State Council.

Article 35 Land expropriated for state construction shall be compensated according to the following standards:

- (1) 8 to 10 times the annual output value of local cultivated land shall be compensated

for expropriated basic farmland;

(2) 7 to 9 times the annual output value of local cultivated land shall be compensated for expropriated irrigable land and fish pond other than basic farmland;

(3) 7 to 8 times the annual output value of local cultivated land shall be compensated for expropriated dry cultivated land other than basic farmland;

(4) 6 to 7 times the annual output value of local cultivated land shall be compensated for expropriated forest land, artificial grassland, house site, rural road, threshing floor and other lands;

(5) 6 times the annual output value of local grassland shall be compensated for expropriated natural grassland;

The land as sated in Point (1), (2), (3) and (4) expropriated for construction of major transport, water conservancy and other projects approved by the state or the autonomous region shall be compensated 6 times the annual output value of local cultivated land.

The output values of all types of cultivated lands and grasslands shall be determined to the average annual production value of the three years before requisition.

Article 36 The young crops and their attachments on expropriated land shall be compensated to the following standards:

(1) Common young crops shall be compensated to their average output value of in the last three years. Young root crops shall be compensated to 2 to 3 times their average output value of in the last three years.

(2) The buildings, structures, other facilities and forest trees on expropriated land shall be compensated according to the actual losses under the relevant stipulations.

(3) For the relocation of the tombs on expropriated land, the local people's government makes an announcement on and time limit of and reimbursement for reburial in pursuance of the relevant prescriptions. Unclaimed tombs and those having not been relocated within the time limit will be removed by the associated department as organized by the local people's government.

Article 37 The relocation subsidy for expropriated arable land shall be paid under the Land Administration Law of the PRC, Article 47, Clause 2. The relocation subsidy may be appropriately increased provided that the per capita arable land is less than 0.1 hectare before land requisition. However, the total sum of the land compensation and relocation subsidy for expropriated land shall not exceed 30 times its average annual output value before land requisition.

The relocation subsidy for expropriated fish pond shall be paid with reference to that for adjacent cultivated land.

The relocation subsidy for expropriated forest and grass lands shall be determined with reference to that for cultivated land requisitioned. No relocation subsidy shall be paid for the requisition of house sites, rural roads and threshing floor.

Article 39 The compensation for expropriated rural land of collective economic organization is owned by the rural collective economic organization. The compensation for the attachments and young crops on the land is owned by their respective owners.

The collective economic organization expropriated of land shall make the incomings and outgoings of the compensation for land requisition to its members and subject itself to supervision. Misappropriation and peculation of the compensation for the land requisition and

other related funds are prohibited.

Article 40 When the people expropriated of land are to be resettled by a rural economic organization, the resettlement subsidy shall be paid to the organization, which manages and uses the money according to laws. If they are to be resettled by other organization, the resettlement subsidy shall be paid to the corresponding resettling organization. In case no unified resettlement is required, the resettlement subsidy shall be paid to the individuals to be resettled or used for pay their insurance expense with their approval. The resettlement subsidy shall be earmarked its specified purposes only without speculation.

Municipal, county and township governments shall enhance the supervision of the use of resettlement subsidy.

Article 46 The areas of the house sites of rural villagers shall follow the following standards (by county for per capita cultivated land).

(1) The area of the house site of each household shall not be greater than 200m² if the per capita cultivated land is less than 0.04 hectare.

(2) The area of the house site of each household shall not be greater than 300m² if the per capita cultivated land is 0.04 to 0.07 hectare.

(3) The area of the house site of each household shall not be greater than 400m² if the per capita cultivated land is 0.07 to 0.1 hectare.

(4) The area of the house site of each household shall not be greater than 500m² if the per capita cultivated land is 0.1 to 0.14 hectare.

(5) The area of the house site of each household shall not be greater than 600m² if the per capita cultivated land is 0.14 to 0.34 hectare.

(6) The area of the house site of each household shall not be greater than 800m² if the per capita cultivated land is over 0.34 hectare.

The above standards for the areas of house sites may be appropriately raised up to twice if unused lands are used for building houses.

Applicable provisions of the Forest Law of the PRC

Article 3 The forest resources shall belong to the state, unless the law stipulates they belong to the collective.

For the forests, trees and woodlands owned by the state and the collective and the trees and woodlands owned by private individuals, the people's government above the county level shall register and record them, issue certificates and confirm the ownership and the right to use. The State Council may authorize the competent forestry authorities under the State Council to register and record the forests, trees and woodlands in key forest districts determined by the State Council to be owned by the state, issue certificates and inform relevant local people's governments.

The legitimate rights and interests of the owners and the users of the forests, trees and woodlands shall be protected by the law; no organization and private individual shall such rights and interests.

Article 10 The competent forestry authorities under the State Council shall be responsible for the forestry work nationwide. The competent forestry authorities under the people's government above the county level shall be responsible for the forestry work in their

jurisdiction. The people's government at the township level shall set up full-time or part-time posts responsible for the forestry work.

Article 18 Prospecting, mining and various construction projects shall not occupy or occupy as little as possible woodlands; in case of necessary occupancy or expropriation of woodlands, upon examination and approval of the competent forestry authorities under the people's government above the county level, the examination and approval formalities for land needed for construction shall be gone through in line with relevant land administration laws and administrative regulations; and the land-use organization shall pay forest vegetation recovery expenses in line with the applicable provisions of the State Council. The forest vegetation recovery payments shall be used for designated purposes; the competent forestry authorities shall use them, according to relevant stipulations, for forestation, recovery of forest vegetation; the area of forestation shall not be smaller than the area of forest vegetation reduced as a result of woodlands occupied or expropriated. The competent forestry authorities at a higher level shall periodically urge and inspect the competent forestry authorities at a lower level in the organization of forestation and recovery of forest vegetation.

No organization and private individual shall divert the forest vegetation recovery payments. The competent auditing authorities of the people's government above the county level shall strengthen their supervision of the situation in connection with the use of the forest vegetation recovery payments.

Regulations of XUAR for the Implementation of the Forest Law of the PRC

Article 15 The occupation or requisition of forest land for mineral exploration and mining and other construction projects is subject to the approval of the competent forestry authority of the people's government above county level. For occupation or expropriation of the forest land directly administered by the competent forestry authority of prefecture (city), county (city) or autonomous region, an application form shall be submitted to the authority and the relevant formalities gone through in compliance with the laws and regulations on forest and land administration.

Article 16 The organization approved to occupy or expropriate forest land shall pay forest cover recovery charges to the competent forestry authority of the people's government above county level and forest land compensation, forest compensation and resettlement subsidy to the owners of the land.

The standards for forest cover recovery charges shall be developed by the competent forestry authority of the autonomous region together with competent pricing authority in pursuance of the concerned regulations of the state and submitted to the people's government of the autonomous region for approval before execution. Forest land compensation, forest compensation and resettlement subsidy shall comply with the Regulations of XUAR for the Implementation of the Land Administration Law of the PRC. It is required to go through examination and approval procedures as per Article 15 for conversion of forest land to non-forestry construction uses by a forest operator within the range of its forest land except the facilities directly used for forestry production.

Article 17 The organization approved to occupy or expropriate forest land shall pay forest cover recovery charges to the competent forestry authority of the people's government above county level and forest land compensation, forest compensation and resettlement

subsidy to the owners of the land.

The erection and arrangement of power transmission line, communication line and tourist cableway, laying of pipeline and construction (expansion) of road shall avoid forest. When it is unavoidable and required to fell an entire forest belt or forest, the construction unit shall present an application to the competent forestry authority of prefecture (city) in advance. For felling of odd woods, an application shall be submitted to the competent forestry authority of county (city) and associated procedures handled according to laws and the owner of the woods compensated economically.

For temporary occupation of forest land, the organization or individual occupying the forest land temporarily shall sign an agreement on temporary use of land with the organization or individual having the right to use the forest land, apply for examination and approval of the competent forestry authority above county level and pay vegetation recovery charge to the authority. If it is required to cut woods, the operator or owner of the forest shall be compensated for the woods.

Applicable provisions of the Grassland Law of the PRC

Chapter II Ownership of Grasslands

Article 9 The grasslands are owned by the State, with the exception of the grasslands owned by collectives as provided for by law. With respect to the State-owned grasslands, the State Council shall exercise the right of such ownership on behalf of the State.

No unit or individual may take illegal possession of, trade in or illegally transfer in other forms the grasslands.

Article 10 The State-owned grasslands may, in accordance with law, be allocated for use to the units under the ownership by the whole people and to collective economic organizations.

All units that use the grasslands shall fulfill the protecting, developing and rationally using the grasslands.

Article 11 With respect to the State-owned grasslands which, in accordance with law, are allocated for use to units under the ownership by the whole people and to collective economic organizations, the people's governments at or above the county level shall register such grasslands, issue certificates for the right of use to the said units and organizations after verification and thus establish their right to use such grasslands.

With respect to the State-owned grasslands, for which the right of use is not allocated, the people's governments at or above the county level shall register such grasslands and shall be responsible for their protection and control.

With respect to the grasslands owned by collectives, the people's governments at or above the county level shall register such grasslands, issue to the collectives the certificates of ownership after verification and establish their right of ownership of such grasslands.

Where the ownership of grasslands is changed in accordance with law, the formalities for registration of shall be completed.

Article 12 The right of ownership and the right of use of the grasslands registered in accordance with law shall be protected by law, and no unit or individual may infringe upon such ownership or right.

Article 13 The grasslands owned by collectives or the State-owned grasslands which

have been allocated for use to collective economic organizations may be contracted for management by households individually or jointly within the said collective economic organizations.

No adjustment may be made to the grasslands used by the contractors within the term of contractual management of the grasslands; where appropriate adjustments need be made to a few pieces of grasslands, the matter shall be subject to agreement by two-thirds or more members of the villagers (herdsmen) assembly, or two-thirds or more villagers' (herdsmen's) representatives, of the collective economic organization concerned and shall be reported for approval to the township (town) people's government and the competent administrative department for grasslands under the people's government at the county level.

Where grasslands owned by a collective or the State-owned grasslands which are allocated for use to a collective economic organization in accordance with law are contracted to units or individuals other than the ones of the said organization, the matter shall be subject to agreement by two-thirds or more members of the villagers (herdsmen) assembly, or two-thirds or more villagers' (herdsmen's) representatives, of the collective economic organization concerned and shall be reported for approval to the township (town) people's government.

Article 14 For contractual management of a piece of grasslands, the party contracting out the grasslands and the contracting party shall sign a written contract. The contents of the grassland contract shall include the rights and obligations of both parties, the four boundaries, area and grade of the contracted grasslands, the term of the contract and the starting and expiration dates, the purpose of use of the grasslands and the liabilities for breach of the contract, etc. At the expiration of the term of the contract, the original contractor shall, under equal conditions, have the priority of the right to contract.

The units and individuals for contractual management of grasslands shall fulfill the obligations of protecting, developing, and rationally using the grasslands in adherence to the purpose of use as agreed upon in the contract.

Article 15 The right to contractual management of grasslands is protected by law, and it may be transferred in accordance with law and on the principles of voluntariness and compensation.

The transferee of the right to contractual management of grasslands shall have the capability of pursuits in animal husbandry and shall fulfill the obligations of protecting, developing, and rationally using the grasslands in adherence to the purpose of use as agreed upon in the contract.

The transfer of the right to contractual management of grasslands shall be subject to agreement by the party contracting out the grasslands. The term of transfer agreed upon in the transfer contract by the contractor and the transferee may not exceed the remaining period of the original contract.

Article 16 Disputes over the ownership or the right of use of grasslands shall be settled by the parties through consultation; and where consultation fails, the disputes shall be handled by the people's government concerned. Disputes between units shall be handled by the people's government at or above the county level; disputes between individuals or between individuals and units shall be handled by the township (town) people's government or the people's government at or above the county level.

Pending the settlement of a dispute over ownership of grasslands, none of the parties may change the status quo in which the grasslands is being used, or damage the grasslands in question or the facilities thereon.

Chapter V Use

Article 33 Contractors for grassland management shall make rational use of the grasslands, and they may not exceed the stock-carrying capacity verified by the competent administrative department for grasslands; and they shall take such measures as growing and reserving forage grass and fodder, increasing the supplies of forage grass and fodder, readjusting their disposition of livestock, optimizing the mix of livestock and increasing the number of heads of livestock for sale, in order to keep the balance between grass yield and the number of livestock raised.

The standard for grassland stock-carrying capacity and the measures for control of the balance between the grass yield and the number of livestock raised shall be formulated by the competent administrative department for grasslands under the State Council.

Article 34 Contractors for grassland management in pastoral regions shall practice regional rotation grazing, rational distribution of herds and balanced use of grasslands.

Article 35 The State encourages rearing livestock in pens in rural areas, in semi-rural and semi-pastoral areas and in the pastoral areas where conditions permit. Contractors for grassland management shall, according to the kinds and number of livestock they raise, readjust and reserve forage grass and fodder and employ new techniques such as forage grass and fodder ensiling and processing, in order to gradually change the mode of production in which grazing depends solely on natural grasslands.

In areas where grazing is prohibited or closed grazing or rotation grazing is practiced, the State gives grain or funds as subsidies to people who raise livestock in pens, and the specific measures in this respect shall be formulated by the State Council or the relevant department authorized by it.

Article 36 For people working on haying grounds or bases for breeding wild grass seeds, shoots or tissues, the competent administrative departments for grasslands under the people's governments at or above the county level shall specify a rational period of time for grass mowing and variety collecting as well as the height for the stubble left and intensity for cutting and collecting, in order to practice rotation mowing and collecting.

Article 37 Where, under special circumstances such as natural disaster, it is necessary to temporarily readjust the use of grasslands, the matter shall, on the principles of voluntariness and mutual benefit, be resolved through consultation by the two parties concerned. Where it is necessary to temporarily readjust the use of grasslands between counties, the matter shall be resolved through consultation arranged by the relevant people's governments at the county level, or by the people's government at a higher level to which the people's governments at the county level are both subordinated.

Article 38 No grasslands, or as little grasslands as possible, may be occupied for exploiting mineral resources and engineering. Where it is necessary to acquisition or use grasslands, the matter shall be subject to examination and approval by the competent administrative department for grasslands under the people's government at or above the provincial level, and, the examination and approval formalities for the use of land for construction shall be completed in accordance with the laws and administrative regulations

on land administration.

Article 39 Where grasslands owned by collectives are to be acquired for construction, compensation shall be made to the said collectives in accordance with the Land Administration Law of the People's Republic of China; and where State-owned grasslands are to be used for construction, compensation shall be made to the contractors for grassland management in accordance with the relevant regulations of the State Council.

Where grasslands are to be acquired or used for construction, fees for restoration of grassland vegetation shall be paid. Such special fees shall be used for special purposes, that is, to be used in accordance with relevant regulations by the competent administrative department for grasslands to restore grassland vegetation, and no unit or individual may withhold or misappropriate them. The measures for collection, use and management of the fees for restoration of grassland vegetation shall be formulated by the competent administrative department for pricing and the financial department under the State Council jointly with the competent administrative department for grasslands under it.

Article 40 Where it is necessary to occupy a piece of grasslands temporarily, the matter shall be subject to examination and approval by the competent administrative department for grasslands under the people's government at or above the county level.

The time limit for temporary occupation of grasslands shall not exceed two years and no permanent building or structure may be put up on the grasslands that are temporarily occupied; and at the expiration of the time limit, the unit using the grasslands shall restore the vegetation and return the grassland without delay.

Regulations of XUAR for the Implementation of the Grassland Law of the PRC

Article 17 The requisition of collectively owned grassland for state construction shall comply with the Land Administration Law of the PRC and the Regulations of XUAR for the Implementation of the Land Administration Law of the PRC. The use of the grassland owned by the whole people for state construction shall be allocated with the approval in accordance with the procedure and approving authority of land expropriation for state construction. The construction unit shall properly compensate the original use unit for losses thus incurred and appropriately resettle the living and production of herdsmen, provide them with grassland or arrange the employment of conforming herdsmen. The construction unit shall be responsible for relocation of the original use unit if required.

The examination and approval of the expropriation or use of grassland for state construction shall ask for the advices from the concerned department in charge of animal husbandry in advance. Grassland compensation shall be used only for grassland construction other than other purposes. The appropriation or use of grassland in an autonomous prefecture or county for state construction shall give consideration of its interests and make arrangements in favor of its economic construction.

Article 19 The temporary use of grassland for geological prospecting, erection of lines above ground, laying of underground pipeline, military exercise, etc is subject to the approval of the quantity, location and time limit from the local county people's government by presenting the approval document or prospecting certificate issued by the higher competent authority. Consideration shall be given to the advices of the concerned department in charge of animal husbandry on approval of land use. For temporary use of grassland, the grassland

shall be compensated year by year according to its average annual output value in the last three years, grassland vegetation recovered and the grassland returned as scheduled.

The grassland shall be compensated 2 to 4 times its average annual output value of in the last three years in case of serious damage (irrecoverable within three years) of grassland vegetation and 4 to 5 times in case of fundamental damage (irrecoverable naturally).

Table Notes to Document [XJJF (2001) No.500]

Table Note 1:

Calculation bases of farmland compensation

Unit: yuan/mu

Grade	I (High-yield)	II (High-yield)	III (High-yield)
Level	1200	640	480
Notes	1. These rates apply to farmland on which cereal crops are grown; 2. For farmland on which special crops are grown, vegetable plots and orchards, annual output values shall be higher than that of Grade I farmland; that of cotton land may be up to 105 times, that of orchards up to 3 times, that of grape land up to 4 times, and that of other cash crops measured at actual annual output value.		

Table Note 2:

Calculation bases of pasture land compensation

Unit: yuan/mu

Grade Base amount Level	I Excellent/good	II Medium	III Inferior
1	328	262	120
2	262	148	88
3	136	96	63
4	80	69	50

Table Note 3:

Standard of resettlement subsidy

Per capita arable area (mu)	Multiple of average annual output value of the past 3 years
>3.5 mu	4—5
3.0—3.5	6—7
2.5—3.0	8—9
2.0—2.5	10—12
1.5—2.0	13—15
1.0—1.5	16—18
0.5—1.0	19—20

<0.5 mu	30 times of the sum of land compensation fees and resettlement subsidy
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Table Note 4:

Standard of compensation fees for urban state-owned land

Unit: yuan/m²

Entity	Within built-up area	Out of built-up area
Urumqi Municipality	30	20
Karamay, Shihezi, Kuytun, Changji, Bole, Yining, Tacheng, Korla, Altay, Turpan, Hami, Aksu, Artux and Hetian Municipalities	20	10
Other counties (cities)	15	8
Other townships	6	2

Table Note 5:

Compensation rates for timber and commercial forests

Item / species	Unit	Tree specification (breast diameter, cm)	Compensation rate (yuan)
Broad-leaf forest	/	<5cm	10-15.
	/	5-15cm	15-25
	/	13-30cm	25-35
	/	>30cm	45
Coniferous forest	/	<5cm	20-30
	/	5-15cm	30-50
	/	13-30cm	50-70
	/	>30cm	90
Fruit tree	/	<5cm	20-40
	/	5-15cm	40-60
	/	13-30cm	60-100
	/	>30cm	120
Grape	/	Not bearing fruit below 3 years	30-70
	/	Bearing fruit above 3 years	70-110
Note: The forest compensation fees of Zhengbo Reserve are higher by 50%.			

Table Note 6:

Compensation rates for scrub forests

Close canopy (%)	Rate (yuan/mu)
20—40	300
40—60	500
>60	600

Table Note 7:**Table 1.7 Rates of management fees for temporary land uses**

Nature of land	Land type and area	Rate	Remarks
Land for infrastructure construction projects, such as energy, traffic, water resources, communication and investigation		20 yuan/year*mu	Any period less than one year shall be counted as one year, and more than one year but less than two years as two years.
Operating temporary land uses	Within built-up area	1-2 yuan/month*m ²	
	Out of built-up area	0.1-0.5 yuan/month*m ²	
Other temporary land uses	Within built-up area	0.3-0.5 yuan/month*m ²	
	Out of built-up area	0.1-0.3 yuan/month*m ²	

Measures of Low-rent Housing Security of Fuhai County

Chapter V Application and Approval

Article 15 An applicant for low-rent housing shall submit the following materials:

- (1) A certificate of household income;
- (2) A certificate of household housing conditions;
- (3) ID cards of the family members and household register; and
- (4) Other evidence stipulated by the Measures for the Application, Examination,

Disclosure and Withdrawal of Low-rent Housing for Urban Minimum Income Households of Fuhai County

Article 16 The application procedures for low-rent housing specified in the Measures for the Application, Examination, Disclosure and Withdrawal of Low-rent Housing for Urban Minimum Income Households of Fuhai County shall be observed.

Article 18 The competent county authority for housing and security shall determine a mode of security and sequence of rotation by giving comprehensive consideration to the income level, level of housing difficulty, sequence of application and expected modes of security of registered urban low-income households with housing difficulty, and disclose them to the public.

Any urban household receiving minimum living security that has been registered as a subject of low-rent housing, and applies for a cash housing subsidy shall be subsidized with priority.

In case of housing supply, priority shall given to households with special difficulties, such as widow, old age, illness and disability, that have been registered as subjects of low-rent housing, urban households receiving minimum living security, and other households in urgent need of assistance.

Article 18 For any urban low-income household with housing difficulty that gets its turn, the competent county authority for housing and security shall enter into a housing rental subsidy agreement or low-rent housing lease contract, grant a housing rental subsidy or supply low-rent housing with it according to the determined mode of security.

Housing rental subsidies disbursed and low-rent housing supplied shall be disclosed.

Article 20 The rental subsidy agreement shall specify the amount of the rental subsidy, and cases in which the rental subsidy shall be ceased.

The low-rent housing lease contract shall specify the following:

- (1) Location, orientation, area, structure, attachments and equipment;
- (2) Rent and mode of payment;
- (3) Use and operating requirements;
- (4) Term of lease;
- (5) Responsibility for maintenance;
- (6) If housing supply is ceased, e.g., the lessee is no longer eligible, subleases the house or changes its intended use, fails to live in the house or fails to pay rent for 6 consecutive months without justification;
- (7) Liability for breach and settlement of dispute, including return of the house and adjustment of rent, subject to the applicable laws and regulations;
- (8) Other provisions

Article 33 These Measures shall come into effect from the date of promulgation. The Measures for the Administration of Low-rent Housing of Fuhai County (FCG Fa [2007] No.48) issued on April 19, 2007 shall be abolished thereupon.

Appendix 2 Resettlement Information Booklet (RIB)

_____ **(Name of affected person)**

In order to relieve traffic congestion, and improve road safety and the county town's ecological environment and overall image, FCG (executing agency) plans to use part of an ADB loan to implement a municipal infrastructure and environmental improvement project in Fuhai County, which is a subproject of the ADB-financed Xinjiang Municipal Infrastructure and Environmental Improvement Project.

The Project will affect your family (entity) to some extent. This booklet is provided to you so that you understand the basic information of the Project, state policies on land acquisition, house demolition and resettlement, and possible impacts on you.

I. Composition of the Project

The implementing agency of the Project is FCCB. The Project involves:

1. Road construction: construction and expansion of 5 roads of 6,015.3m in the old urban area and 3 roads of 3,541.73m in the station area, with a total length of 9,557.03m, including 3 primary roads of 3,096.7m, 3 secondary roads of 3,671.61m and 2 branch roads of 2,788.72m, together with lighting, landscaping and traffic marking facilities, and maintenance equipment

2. Sewage treatment: construction of a 7,000m³/d sewage treatment plant, branch sewer pipes of 8,790m, in which DN400 is 5,260m long, DN500 3,210m long and DN600 320m long, 164 drainage manholes, an access road of 2.0km and 10KV power lines of 2.0km

3. Refuse disposal: construction of a 50t/d refuse disposal plant and operating equipment, where 10KV power lines of 7.0km will be connected directly to the substation of the administrative area at the plant, 70 refuse collection points, 522 ashbins and an access road of 7,000m (7m wide)

4. Central heating: reconstruction of primary and secondary heating networks of 7,296m, including a primary network of 2,905m (in which DN500 is 1,616m long, DN400 433m long and DN250 856m long) and a secondary network of 4,391m (in which DN300 is 560m long, DN250 1,325m long, DN200 1,856m long and DN150 650m long).

II. Impacts of the Project

The land acquisition and house demolition impacts of the Project are determined based on the recommended option at the FS stage. Land acquisition and house demolition for road construction will affect one village in one Xiang, namely Linye Village, Jietarele Xiang. Land acquisition and house demolition is expected to affect 40 households with 159 persons, including 9 minority households with 37 persons.

382.04 mu of state-owned land will be occupied permanently, in which road construction will occupy 32.24 mu of housing land and 1.8 mu of land of Pingyuan Forest Farm; sewage treatment will occupy 70.5 mu of unused land; and refuse disposal will occupy 277.5 mu of unused land.

129.25 mu of collective land will be acquired permanently, affecting 13 households with 59 persons, caused completely by road construction.

Residential houses of 6,380.22m² will be demolished, affecting 29 households with 109 persons; an enterprise will be affected, with a demolition area of 398.9m² and an acquisition area of 1.8 mu of state-owned land.

In addition, state-owned urban roads and green belts will be excavated for network laying, and 23.69 mu of will be occupied temporarily, in which sewer network laying will occupy 1.8 mu and the heating network will occupy 21.89 mu temporarily.

III. Compensation rates

(1) Compensation rates for permanent acquisition of pasture land

Table 2.1 Compensation rates for land acquisition

Land type	Annual output value (yuan/mu)	Compensation multiple			Compensation rate (yuan/mu)			
		Land compensation fees	Resettlement subsidy	Young crop compensation fees	Land compensation fees	Resettlement subsidy	Young crop compensation fees	Total
Farmland	1200	7	19	1	8400	22800	1200	32400

(2) Compensation rates for residential houses

Table 2.2 Compensation rates for rural houses

Category	Item	Unit	Rate	Remarks
Residential house	House compensation			
	Masonry concrete	yuan/m ²	890	
	Masonry timber	yuan/m ²	670	
	Earth timber	yuan/m ²	630	
	Simple structure	yuan/m ²	300	
	Leasing fees of state-owned land	yuan/m ²	120	Tier-3 areas
The following subsidies are provided for the affected households all of whose houses are demolished:				
Other compensation	Moving subsidy	yuan/household	600	
	Transition subsidy	yuan/month/household	600	The transition period will be calculated from the date of displacement to the date of move-back; a reasonable transition period is 10 months; compensation will continue beyond 10 months.
	TV displacement fee	yuan/household	300	

(3) Enterprises/institutions

Table 2.3 Compensation rates for business premises

Category	Item	Unit	Rate	Remarks
Premises	House compensation			
	Masonry concrete	yuan/m ²	890	
	Masonry timber	yuan/m ²	670	
	Earth timber	yuan/m ²	630	
	Simple structure	yuan/m ²	300	
	Land compensation			
	Leasing fees of state-owned land	yuan/m ²		Tier-1 areas: 210 yuan/m ² Tier-2 areas: 140 yuan/m ² Tier-3 areas: 80 yuan/m ²
Other compensation	Moving subsidy	Yuan	2000	
	Transition subsidy	yuan	2000	The transition period will be calculated from the date of displacement to the date of move-back; a reasonable transition period is 10 months; compensation will continue beyond 10 months.

(5) Attachments**Table 2.4 Compensation rates for affected attachments and special facilities**

Item	Unit	Qty.
Big tree (non-fruit)	/	100
Small tree (non-fruit)	/	50
Fruit tree (usable as timber)	/	80
Fruit tree (small sapling)	/	25
Toilet	/	1200
Pressure well	/	600
Telegraph pole	Cement	800
	Wood	400
Enclosing wall	M ²	80

IV. Resettlement**1. Land acquisition**

Permanent acquisition of collective land involves one village. All the acquired land of 129.25 mu is farmland. Since land acquisition is caused by road construction and in a linear form mainly, most of the people affected by land acquisition will lose part of their land only. However, since Linye Village is in the outskirts of the Fuhai county town, the land to be acquired for the Project will be acquired along with that for the Fuhai Railway Station. The

land-expropriated farmers will have two options:

a) Direct cash compensation: The land compensation rates and amounts of lost farmland will be determined in strict accordance with the applicable state and local policies, and compensation fees will be paid timely and directly to the affected households.

b) Land replacement: The land lost by the affected households will be compensated for by land replacement at a ratio of 1:1.

The site of land replacement is the Hun'erhai irrigation area, an irrigation sub-area of the Halahuoying main canal in Fuhai County, 3km in the southeast of the county town and 4km away from the Wulungu River. 15,000 mu of farmland has been developed in this area, and a total of 40,000 mu is to be developed. The soil here is irrigated brown soil and sandy loam, loose in structure, featuring fast heating and flat terrain, suitable for large-scale mechanized farming. All developed land has been leveled, plowed and solarized, and farmland water resources facilities, efficient water saving irrigation systems and field roads have been built, and shelter forests have been planted. The soil type and quality are the same as those in LinYE Village before land acquisition.

2. Resettlement of displaced households

29 households with 109 persons in LinYE Village will be affected by house demolition. The available resettlement options include cash compensation, buying resettlement housing, buying a shop front and being offered a housing site for construction under unified planning. After receiving the compensation for house demolition, the displaced persons may select different resettlement options based on their affordability or personal needs. An area of not more than 90m² will be subject to the purchase price of resettlement housing; any excess of 90m² will be subject to the market price. The displaced households may also buy a shop front at an average price of 3,500 yuan/m², but one household can buy one shop front of 30m² only.

The housing site is located in the Hun'erhai irrigation area, where a kindergarten, a school, a health center and other infrastructure have been planned, and there are water supply and sewerage, central heating facilities, and roads. The land here has been leveled, with an average area of 360-800m² per household, to allow for a home garden and a livestock pen. The residents will not only have a self-sufficient vegetable supply, but also raise livestock at home. FCCB has entrusted the design agency to plan a number of layouts at the displaced households' option.

Vulnerable Households: During project construction, labor from vulnerable group households will be recruited to do unskilled jobs first; If necessary, such households may apply for low-rent housing with governmental assistance; they will receive assistance from the village / community committee in house building and get 500 yuan additional subsidy;

V. Rights and obligations of the affected persons

(1) Rights of the affected persons

You will receive compensation according to the above compensation rates. You may express your opinions and suggestions to the county government, your township government, community/village committee, HDMO or PMO about compensation amount, compensation rates, time of payment and selection of rebuilding site, etc. The HDMO must respond to any

received appeal or inquiry within 7 days.

There are 5 options of appeal in Fuhai County:

1. Village/community committee;
2. Township government/urban district office;
3. FCLRB/HDMO;
4. County PMO/county government; and
5. Legal proceedings

In order that the affected persons can feed back their grievances timely, contacts have been appointed for different appeal accepting agencies and their contact information disclosed.

Head of Linye Village Committee: Hu Changshi Tel: 13999791220

Head of FCLRB: Ma Yan Tel: 13070335280

Head of HDMO: Zeng Quanxin Tel: 13565793186

Head of County PMO: Dai Xiaodong Tel: 13809966286

External resettlement monitoring agency (TBD)

After the external resettlement monitoring agency is determined, its contact and information will be disclosed to the affected persons during the baseline survey.

(2) Obligations of the affected persons:


1. A new storied building shall not be built within the defined range of house demolition, otherwise compensation fees will be withheld;
2. All buildings within the boundary line (red or blue line) will be demolished.


Appendix 3 Minutes of Public Participation and Interview


Minutes 1	
Time	2010-5-12
Venue	FCCB
Attendees	FCCB, County Environmental Protection Bureau, County Agriculture Bureau, County Tourist Bureau, County Development and Reform Commission, FCLRB RP preparation agency
Key points	<p>1. Compensation and resettlement for land acquisition: 1) Compensation fees: including land compensation fees, resettlement subsidy and young crop compensation fees; 2) Land replacement: on the basis of equal area replacement. The site of land replacement is the Hun'erhai irrigation area, an irrigation sub-area of the Halahuoying main canal in Fuhai County, 3km in the southeast of the county town and 4km away from the Wulungu River. 15,000 mu of farmland has been developed in this area, and a total of 40,000 mu is to be developed. Farmland water resources facilities, efficient water saving irrigation systems and field roads have been built, and shelter forests have been planted. The soil type and quality are the same as those in Linye Village before land acquisition. If replaced land has been improved for water conservation according to the unified rural plan, it will be entitled to the preferential policy for water-saving irrigation of Fuhai County. (3) The agriculture authority will provide training on farming skills.</p> <p>2. Livelihood restoration plan of Linye Village: Linye Village has an arable area of 786 mu (excluding collective land), and the villagers' per capita net income is about 5,500 yuan; the main traditional crops are corn, watermelon and oil sunflower.. The affected households support the Project strongly, and know that the village's land will be acquired, because Linye Village is within the future development area of the station area. Some villagers prefer land replacement. Some villagers select direct cash compensation, and use the compensation to buy a shop front in the county to run a store.</p> <p>3. Compensation and resettlement for house demolition: The affected village is located at the outskirts, which are also the future development area of the station area. The resettlement options include: (1) cash compensation (masonry concrete structure: 890 yuan/m²; masonry timber structure: 670 yuan/m²; earth timber structure: 630 yuan/m²; simple structure: 300 yuan/m²; moving subsidy: 600 yuan/household; transition subsidy: 600 yuan/household/month, etc.); (2) buying resettlement housing and shop fronts; (3) being allocated a housing site in Hun'erhai for construction under unified planning; (4) The displaced households may commercial housing at the market price or exchange for resettlement housing based on their affordability or personal needs.</p> <p>4. Compensation and resettlement for enterprises/institutions: (1) receiving house compensation at replacement cost (masonry concrete structure: 890 yuan/m²; masonry timber structure: 670 yuan/m²; earth timber structure: 630 yuan/m²; simple structure: 300 yuan/m²; moving subsidy: 2,000 yuan/household; transition subsidy: 2,000 yuan/household/month, etc.); (2) receiving compensation for business losses; and (3) being offered cash compensation and land.</p> <p>Attitude toward the Project: All departments support the Project and the work of the RP preparation agency.</p> <p>Reasonable compensation should be provided for the demolished houses. During appraisal,</p>

preference should be given because these people are displaced for public interests.

Minutes 2

Time	2010-5-9
Venue	Pingyuan Forest Farm
Attendees	HDMO, FCLRB, Pingyuan Forest Farm ADB TA experts, RP preparation agency
Key points	<p>1. Pingyuan Forest Farm, located on Huancheng Road West, has a workforce of 30 and 400 mu of farmland, and is a unit affiliated to the Fuhai County Forestry Bureau, taking charge of the secondary forests in the Wulungu River valley.</p> <p>2. The premises to be demolished are an office building in masonry concrete structure, with a demolition area of 398.9m².</p> <p>3. The leaders of the farm will receive cash compensation and be allocated land for self-rebuilding.</p> <p>4. The leaders and workers of the farm support the Project strongly, because road construction will improve traffic and promote the county's economic development.</p>
Photos	

Minutes 3	
Time	2010-5-9
Venue	County Agriculture Bureau
Attendees	HDMO, FCLRB, County Agriculture Bureau ADB TA experts, RP preparation agency Chen Xinkui, Director-general, County Agriculture Bureau
Key points	<p>Introduction to the Hun'erhai land replacement site by the head of the agriculture bureau:</p> <p>LinYE Village is located in the outskirts, where the villagers grow oil sunflower and watermelon mainly. The acquired farmland will be compensated for by land replacement and cash: 1,200 yuan/mu plus resettlement subsidy and young crop compensation fees; those unwilling to accept cash compensation will be replaced with land at a ratio of 1:1. The site of land replacement is the Hun'erhai irrigation area, 3km in the southeast of the county town and 4km away from the Wulungu River. 15,000 mu of farmland has been developed in this area, and a total of 40,000 mu is to be developed. The area has sound farmland water resources facilities and efficient water saving irrigation systems. The soil type and quality are good, suitable for large-scale farming. The villagers are entitled to the preferential policy for water-saving irrigation of Fuhai County. In addition, the agriculture and other related authorities will assign technicians to provide training on farming at the resettlement site to improve farmers' labor skills, crop output and income.</p>
Photos	

Interview Record 4	
Time	2010-5-9
Venue	Linye Village
Attendees	Interviewee: household affected by land acquisition Householder: Hu Changshi (village head) RP preparation agency
Key points	<p>1. Hu Changshi, 48 years, Han, senior high school education, is presently head of Linye Village, living in a 4-member family. His wife Ma Zaoxia, 45 years, junior high school education, doing farm work mainly. He has a son and a daughter. His son Hu Shiqiang, 26 years, senior high school education, is unemployed; his daughter Hu Xiaobing, 20 years, is attending senior high school.</p> <p>2. The family has 20 mu of farmland (growing edible sunflower), 18 mu of woodland, 150 mu of contracted land; the family lives mainly on stockbreeding, farming, doing odd jobs and wages, with annual income of 24,300 yuan.</p> <p>3. 6.3 mu of farmland will be acquired.</p> <p>4. Land acquisition has little impact on them. The villager supports the Project strongly, and expects land replacement, preferably large pieces of land suitable for mechanized farming. Since Linye Village is within the future development area of the station area, and all land of the village will be acquired, he hopes to grow greenhouse vegetables at the land replacement site.</p>
Photos	

Interview Record 5	
Time	2010-5-9
Venue	LinYE Village
Attendees	Interviewee: household affected by land acquisition Householder: Zhang Fengyou RP preparation agency
Key points	<p>1. Zhang Fengyou, 58 years, senior high school education, deals mainly with farming and stockbreeding, living in a 5-member family. His wife Gui Yueyuan, 57 years, junior high school education, deals mainly with farming; his son Zhang Zhenjiang, 28 years, university education, is working outside; his elder daughter, 30 years, junior high school education, is working outside; his younger daughter, 29 years, senior high school education, is doing business.</p> <p>2. The family has 28 mu of farmland, of which 7.5 mu will be acquired, which will affect its income to some extent.</p> <p>3. The family's income is from farming, sheep breeding, employment and business, and is about 80,000 per annum.</p> <p>4. Major expenses are agriculture, stockbreeding, living, clothing and telephone expenses, accounting for over 30% of annual income.</p> <p>5. After land acquisition, he expects cash compensation, and plans to buy a shop front in the county town for his daughter.</p>

Interview Record 6	
Time	2010-5-9
Venue	LinYE Village
Attendees	Interviewee: displaced household Householder: Shi Anjun RP preparation agency
Key points	<p>1. Shi Anjun, male, 39 years, senior high school education, is a businessman, living in a 3-member family. His wife Chen Mei, 39 years, is running the barber's shop together with him; his son Shi Hongqiao, 12 years, is attending primary school.</p> <p>2. His house will be demolished completely. Housing site area is 250m², the main rooms are in masonry timber structure 50m², and the side rooms in earth timber structure 27 m².</p> <p>3. The family's income is mainly from the barber's shop and house rental, and is about 33,440 yuan per annum, which is enough to cover the family's expenditure.</p> <p>4. After house demolition, he wants to buy resettlement housing in Station Area Resettlement Community, because this is the future development center of the station area, and close to sound infrastructure, such as school and hospital. He also wants to run another barber's shop in the station area.</p>

Interview Record 7	
Time	2010-5-10
Venue	LinYE Village
Attendees	Interviewee: displaced household Householder: Mahshati (Kazakh) RP preparation agency
Key points	<p>1. Mahshati, Kazakh, 46 years, senior high school education, is working outside, living in a 4-member family. His wife Jinzguli, 42 years, Kazakh, junior high school education, is working outside; his son Mulali, 21 years, is attending university; his daughter 19 years, is attending senior high school.</p> <p>2. His house will be demolished completely. Housing site area is 288m², the main rooms are in masonry timber structure 128m², and the side rooms in earth timber structure 25m².</p> <p>3. The family has no land, lives mainly on employment and small business (running a store), and earns about 30,000 yuan per annum.</p> <p>4. The family's annual expenditure is 20,260 yuan, mainly including living, clothing, educational, medical and telephone expenses.</p> <p>5. He supports road construction. After his house is demolished, he hopes to build a house on the allocated housing site, and continue to deal with stockbreeding at home.</p>

Interview Record 8	
Time	2010-5-10
Venue	Linye Village
Attendees	Interviewee: representatives of vulnerable groups (Zhang Hong, Zhang Ping'an) RP preparation agency
Key points	<p>Zhang Hong, 42 years, Han, senior high school education, dealing with industry, lives in a 3-member family. His wife Zhang Chunxiang, 38 years, junior high school education, receiving MLS, does housework mainly and casual labor sometimes; his son Zhang Haojie, 10 years, is attending primary school. The family's income comes mainly from wages, employment and MLS, and is about 17,655 yuan per annum. The family has a demolition area of 208.32m² due to road construction. The householder and his family support road construction, which will improve the environment and make traffic more convenient. They expect cash compensation for the demolished house, and build a house on the planned housing site. The resettlement site should preferably have sound infrastructure and a good living environment; they expect to participate in project construction to increase their income.</p> <p>Zhang Ping'an, 53 years, Han, senior high school education, is working outside all the year round, and lives in a 4-member family. His wife Wang Guiying, 48 years, senior high school education, does housework mainly and receives MLS at 1,644 yuan per annum; his elder son Zhang Weizheng, 26 years, unmarried, junior college education, is working outside; his second son Zhang Tengfei, 24 years, unmarried, senior high school education, is also working outside. The family has a demolition area of 255m² due to road construction. However, Zhang Ping'an supports road construction strongly because he thinks the new road will facilitate traffic. The roads in and out of Linye Village would be muddy in rainy days. Road construction will change this situation. Zhang Ping'an expects the government to provide reasonable compensation. They will build a house themselves on the planned housing site according to the state's new countryside building program. The resettlement site should have a comfortable living environment, well-built roads, green spaces and other infrastructure. He expects that guardrails should be erected properly during project construction to alert students to traffic safety. They wish to participate in the project to increase their income.</p>

Appendix 4 Terms of Reference of External Monitoring and Evaluation

1. Objective

The objective of external M&D is:

To analyze variations of the standard of living of the affected persons, and submit reports to ADB, the executing agency and competent authorities by conducting independent M&E of resettlement activities, and monitoring and tracking resettlement progress, funding and management according to ADB's Resettlement Handbook and Social Analysis Guidelines, so that they can learn the progress of resettlement and ensure that existing issues and suggestions are addressed consistently

2. M&E tasks

The M&E tasks are as follows:

Progress of Land acquisition and house demolition:

- Progress of land acquisition;
- Progress of temporary land occupation;
- Progress of project impact

Progress of resettlement:

- Progress of and compensation for house demolition;
- Progress of house construction of displaced persons;
- Progress of relocation

Progress of fund availability and payment:

- Payment of funds;
- Expenditure (budgetary vs. actual);

Standard of living of the affected persons, including: standards of living before and after resettlement;

- Employment before and after resettlement

Compensation for, restoration and rebuilding of public facilities

The affected persons's participation in resettlement (RP) preparation, land acquisition, house demolition, resettlement and income restoration

Grievance redress mechanism and efficiency

Collection of monitoring data and establishment of database

Comparative analysis

Submission of report

3. Technical procedures

Preparing terms of reference, questionnaires, random sampling plan, baseline survey, establishing information management system, supervision and inspection, establishing data files, comparative analysis, conducting evaluation, preparing evaluation report, final inspection and making a conclusion

4. Independent monitoring agency

An independent monitoring agency will be employed to monitor the resettlement work conducted by the County PMO or implementing agency.

The County PMO will provide assistance to the external monitoring agency, especially in field investigation, resettlement and logistic services.

5. M&E methods

The field observation, analysis and overall evaluation methods will be combined.

Comprehensive field investigation and random sampling inspection of progress, funding, organization and management

Sampling 20% of the households affected by house demolition for follow-up

Comprehensive interview, and meeting and document review

Collecting photos, tapes and real objects in addition to written documents

6. M&E arrangements

Table 4.1 M&E agenda

Mar. 2011	Preparing a monitoring plan, including terms of reference, tables, monitoring system and sample selection
Apr. 2011	Baseline survey, 1st visit, submission of Monitoring Report No.1
Oct. 2011	2nd visit, submission of Monitoring Report No.2
Apr. 2012	3rd visit, submission of Monitoring Report No.3
Oct. 2012	4th visit, submission of Monitoring Report No.4
Oct. 2013	5th visit, submission of Monitoring Report No.5
Sep. 2014	Submission of final report

Appendix 5 Information on houses to be demolished

Item			Former house area										Area of demolished house															
Village / community	Road	Householder	Main rooms (m ²)			Side rooms (m ²)					Temporary rooms		Main rooms (m ²)				Side rooms (m ²)					Temporary rooms						
			Masonry concrete	Masonry timber	Earth timber	Masonry concrete	Masonry timber	Earth timber	Misc.	Masonry timber	Earth timber	Masonry concrete	Masonry timber	Earth timber	Masonry concrete	Masonry timber	Earth timber	Misc.	Masonry timber	Earth timber	Masonry timber							
Linye Village	Zongsi Road	Kou Liyang	98										98															
Linye Village	Zongsi Road	Hu Jiqiang		128										128														
Linye Village	Zongsi Road	Xie Yunhai	68.42										68.42															
Linye Village	Zongsi Road	Zhang Yuying			114.64		60								114.64		60											
Linye Village	Zongsi Road	Yang Donglin	57										57															
Linye Village	Zongsi Road	Mahshati	128				25						128				25											
Linye Village	Zongsi Road	Yang Haiming	76										76															
Linye Village	Zongsi Road	Liu Taoyuan		100			45							100			45											
Linye Village	Zongsi Road	Lu Shirong			119		15			4	12				119		15						4	12				
Linye Village	Zongsi Road	Liu Zicai			85			15			45				85			15						45				
Linye Village	Zongsi Road	Huwati Mahmuthan	87.55				25			35			87.55				25						35					
Linye Village	Zongsi Road	Liu Fulin	85				50						85				50											
Linye Village	Zongsi Road	Shi Anjun		50				27						50				27										
Linye Village	Zongsi Road	Jiang Gangqin			84		60	80							84		60	80										
Linye Village	Zongsi Road	Yang Donglinag		130							50			130												50		
Linye Village	Hengsan Road	Zhang Hong		79.32			65	55	9				79.32				65	55	9									
Linye Village	Wenxing Road	Humaliya	90		140		6			200			90		140		6						200					
Linye Village	Wenxing Road	Ma Mingli			175			40			80				175			40								80		
Linye Village	Wenxing Road	Wang Dayuan		130						220				130											220			

Item			Former house area									Area of demolished house								
Linye Village	Wenxing Road	Yerkenbiek	86		60			43		55	49	86		60			43		55	49
Linye Village	Wenxing Road	Wei Suzhen	90								60	90								60
Linye Village	Wenxing Road	Kanar			104.97			68		4	8			104.97			68		4	8
Linye Village	Wenxing Road	Zhang Ping'an	130			60	65					130				60	65			
Linye Village	Wenxing Road	Kanaguli	74.82									74.82								
Linye Village	Wenxing Road	Zhou Zhaolin			118	75		113		160				118	75		113		160	
Linye Village	Wenxing Road	Liu Xingtian		110			35						110			35				
Linye Village	Wenxing Road	Hajikbier	160			36	60			60		160			36	60			60	
Linye Village	Zongsi Road	Ma Chunlin	90		127.5			140		640		90		127.5			140		640	
Linye Village	Wenxing Road	Meng Tingjun			85		65			100				85		65			100	