

RESETTLEMENT PLAN

on the

HUNAN ROADS DEVELOPMENT II PROJECT

in

THE PEOPLE'S REPUBLIC OF CHINA (PRC)

**Changde-Jishou Expressway Construction and Development Co. Ltd.
Hunan, PRC**

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PREFACE

This Resettlement Plan (RP) has been prepared by the Hunan Provincial Expressway Construction and Development Co. Ltd. (HPEC) with assistance provided under the Project Preparation Technical Assistance (PPTA). The RP has been formulated based on the PRC laws and local regulations and the Asian Development Bank's (ADB's) Policy on Involuntary Resettlement. The RP addresses the land acquisition and resettlement aspects of the Changde-Jishou Expressway Project (the Project). The RP is based on socio-economic assessment and 657 households sample surveys of potentially affected persons (APs) according to the preliminary design. The overall impacts reported here are based on the reliable Detailed Measurement survey, and field surveys carried out during the PPTA work. After concurrence from ADB, the RP will then be approved by HPCD on behalf of Hunan People's Government.

BRIEF INTRODUCTION AND APPROVAL OF THE RP

HPCD has received approval to construct the Changji expressway, which is expected to commence in March 2004 and be completed by end of 2007. HPCD, through MOC/MOF, has requested a loan from ADB to finance part of the project. Accordingly, the Project must be implemented in compliance with ADB social safeguard policies. This RP represents a key requirement of ADB and will constitute the basis for land acquisition, compensation and resettlement. The RP complies with PRC laws and local regulations but includes some additional enhancement measures and implementation and monitoring arrangements to ensure high quality resettlement results.

HPCD hereby approves the contents of this Resettlement Plan and guarantees that funds will be made available as stipulated in the budget. HPCD has discussed the draft RP with relevant local officials and has obtained their concurrence. HPCD authorizes HPEC as the responsible agency to manage the implementation of the Project and related resettlement activities.

Approved on _____(date) by:

Director, HPCD

In concurrence with:

Changde City Government

Huaihua City Government

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Abbreviations

ADB	Asian Development Bank
APs	Affected persons
AAOV	Average annual output value
CECC	Changde-Jishou Expressway Construction Company
CRO	County Resettlement Office
DMS	Detailed Measurement Survey
EA	Executive Agency
FS	Feasibility Study
G319	National Road No.319
HPCD	Hunan Provincial Communication Department
HPDI	Hunan Provincial Design Institute for Communications Planning & Survey
HPEC	Hunan Provincial Expressway Construction and Development Co. Ltd.
HPG	Hunan Provincial Government
IA	Implementation Agency
LAR	Land Acquisition and Resettlement
LC	Land Compensation
M&E	Monitoring and Evaluation
MOF	Ministry of Communications
PPTA	Project Preparatory Technical Assistance
RC	Resettlement Subsidy
ROW	Right of Way
RP	Resettlement Plan
PRA	Participatory Rural Appraisal
TOR	Terms of Reference
TRO	Township Resettlement Office
VOC	vehicle operating cost

CN Yuan Unit of Chinese currency: US\$1.00 = CNY 8.28

Mu Area of land – 1 hectare = 15 mu

Terms Used in This Report:

Land-owning Group: Sub-division of a village collective, administratively it also called villagers' group or just use "group".

Cultivated land: Covering irrigated, non-irrigated (dry land) and vegetable land/green houses, it is used by the China Land Law to indicate the land with one or two harvests each year. Land for evergreen crops are excluded from this category.

Sub-district: In Yuanling County, there is an administration level between County and Township Government, called sub-district. It usually administrates 5-10 townships; the Governor is equivalent to the Deputy County Governor in official rank. This situation occurs in the big counties of southern provinces of China.

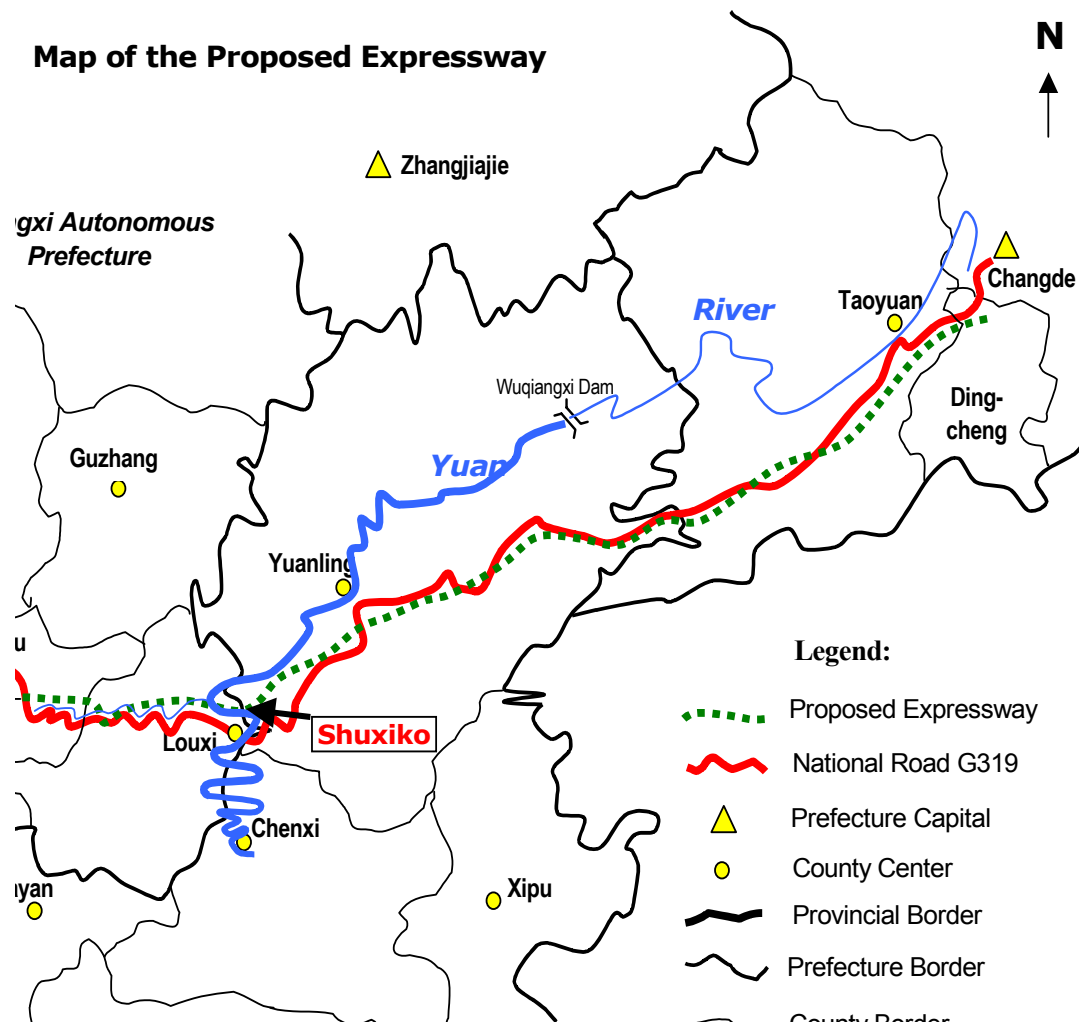


Figure 1

CHAPTER 1 INTRODUCTION AND PROJECT BACKGROUND

1.1 Introduction

1. This Resettlement Plan (RP) addresses the land acquisition and resettlement aspects of the Hunan Roads Development Project II. It has been prepared in accordance with the ADB's policies on *Involuntary Resettlement*¹, *Indigenous Peoples*², and other social safeguards and guidelines on social dimensions, the PRC's laws and regulations, local by-laws relating to land acquisition and resettlement. It outlines the policy framework on remedial measures for mitigation of adverse impacts of the proposed Project (the Project), and the rehabilitation plan for all affected people (APs) and seriously affected villages including how and when these measures must be implemented. This RP will be approved by Hunan Provincial Communications Department on behalf of the Hunan Provincial Government.

2. For both the PRC and the ADB, the over-riding objective of resettlement planning is to ensure that persons unavoidably losing land or property as a result of a development project attain equal or better livelihoods and living standards than if the project had not occurred. All policies, proposals and compensation measures contained in this RP are designed to meet this objective. The Project Executing Agency (EA) is the Hunan Provincial Expressway Construction and Development Co. Ltd. (HPEC), directly under the Hunan Provincial Communications Department (HPCD). On 15 August 2003, the Changde-Jishou Expressway Company (CECC) was established to construct and operate the Changde-Jishou Expressway. As the Project Implementation Agency (IA), the CECC will be directly responsible for resettlement planning, supervision and funding. The other relevant government agencies responsible for project implementation are discussed in Chapter 9.

3. The preparation of this RP was based on: (i) relevant Project reports: particularly the Project Feasibility Study and Preliminary Design Study, and the preliminary Resettlement Action Plan prepared by the HPEC in August 2002; (ii) discussions with the principal authors of the above documents; (iii) field visits along the proposed alignment; (iv) consultations with various levels of local government, village leaders and APs; (v) socio-economic surveys of affected households carried out during the PPTA stage of 2003; and (vi) meetings with representatives from seriously affected villages to discuss and determine preferred compensation and income restoration strategies.

4. The impact data used in this RP is based on the Detailed Measurement Survey, completed in November 2003. This data has a high level of reliability as they have been assessed on the selected right of way (ROW). While the principles and the resettlement entitlements have been stipulated in this document, the compensation packages for the

¹ Asian Development Bank, *Policy on Involuntary Resettlement*, Manila, November 1995; *Handbook on Involuntary Resettlement: A Guide to Good Practice*. ADB Manila, 1998.

² Asian Development Bank, *Indigenous Peoples Policy*, Manila, 1998.

affected households/shops and enterprises, including budget, may be slightly revised when compensation agreements are made. Chapter 11 provides a list of detailed planning and implementation preparation tasks to be completed by the EA.

5. This RP covers the Changde-Yuanling Section of Changde-Jishou Expressway component, 12 km inter-connector roads construction and 505 km of local road improvement of the project. The local road component only involves the upgrading of existing roads so it is not anticipated that this upgrading will have any significant acquisition or resettlement impacts. However to guarantee that unforeseen impacts are treated in accordance with the ADB's resettlement policy, the policies, measures and procedures described in this RP will be applied to the local road component, with the same compensation standards.

1.2 Project Background and Description

1.2.1 Project Background

6. The Project will involve the construction of a dual 2-lane expressway with hard shoulders from Doumuhu in Changde City to Shuxikou in Huaihua City. The total length of the expressway will be around 173 km (see Figure 1). The Project will also involve the construction of three inter-connector roads with a length of 12 km.

7. The Changde-Shuxikou Expressway is the part located in Changde and Huaihua cities (prefecture level city) of the proposed Changde to Jishou Expressway whilst the Changde to Jishou (Chang-ji) Highway is an essential section of National Highway No.319 (G319), which links the cities of Xiamen (Fujian), Changsha, Chongqing and Chengdu from the East to the West. It is also an essential section of Changsha – Chongqing highway, one of the eight Grand Corridors of the Western Region planned by the Ministry of Communications (MOC) for implementing the State Strategy for China's Western Development. Chang-ji Expressway is a vital link in the expressway network of Hunan Province, as well as an arterial corridor from the provincial capital Changsha to four western prefectures in the province, i.e, Changde, Huaihua, Xiangxi and Zhangjiajie prefectures, of which, Xiangxi Prefecture has been included in the "State Western Development Strategy".

8. The proposed expressway will accelerate the highway network upgrading in Hunan Province, meanwhile supporting China's Western Development Strategy through improving transport conditions, facilitating the exploitation of mineral resources and development of tourism resources particularly in Xiangxi Prefecture, and strengthening capacity building in local social-economic and environmental development. This will contribute to poverty alleviation and promotion of the welfare of minority nationalities in the project area.

9. Since the reform and opening to the outside world, especially since mid 1980s, Hunan has witnessed great changes. However, the economic development in the general

region of the project is lower than the average level of the province, underdeveloped communication infrastructure and a poor investment environment are cited as the main causes of this slower pace of development. At provincial level, Hunan sited in the center position linking the eastern and western provinces in China, the construction of the proposed expressway will play a pivotal role during the implementation of the China's Western Development Strategy.

10. The Yuanling County in the project area and its neighboring Xiangxi Prefecture have two primary advantages: mineral deposits and tourism resources. The weak transport links with the outside world severely constrain these advantages. In terms of the official strategic development plan for Hunan Province, the Xiangxi area has an important role in terms of social equality, economic development and environment protection.

11. The project will service many cities and towns along its route, and will provide a substantial boost to the economic development of the project area. During the entire investigation process, consultations have been conducted with concerned departments, local governments at various levels and project affected people. Sufficient notice has been taken of their comments to ensure this project is in line with the plans of each city and town as much as possible.

12. The Project also includes the upgrading of around 505 km of poor standard rural roads. This component has been designed explicitly to improve accessibility to impoverished townships and villages in the Project Area.

1.2.2 Project Description

1.2.2.1 Route Description

13. The proposed expressway is located in Changde and Huaihua cities of Hunan Province. The project runs through Dingcheng District and Taoyuan County of Changde City and Yuanling County in Huaihua prefecture. The alignment starts at the Doumuhu (where connecting Chang-Zhang Expressway) of Changde City, traverses Xujiqiao, Taohuayuan, Zhengjiayi, Yangxiqiao and enters into Yuanling County of Huaihua Prefecture at Taipingpu. Then it passes Guanzhuang, Nanmupu, Madiyi, Liangshuijing, Maxipu and Shuxikou, where it enters into Xiangxi Autonomous Prefecture. Total length of the alignment is 173 km.

14. In terms of the project RP covered scope, the alignment with a length of 173 km will cross 22 townships from Changde City to Huaihua City. The expressway length in Dingcheng, Taoyuan and Yuanling are about 23.5km, 47.7km and 102km respectively. The topographic features along the alignment are plain in Dingcheng District, rolling to hilly in Taoyuan County and hilly to mountainous in Yuanling County. In addition to the expressway, there will be three inter-connector roads with a total length 12 km, these are: Taoyuan connector road 4.3 km, Cha'anpu connector road 3 km and Yuanling connector road 4.7 km. These entire connector roads will be built in highway Class 1 or Class 2 standard with a subgrade width 18 or 12m. In

addition, the expressway will occupy around 3 km of the national road G319; thus, this RP includes the realignment of the 3 km G319 before the construction of the expressway.

1.2.2.2 Principal Technical Indicators and Cost

15. The major indicators are listed in Table 1. The total cost is estimated to be in the order of RMB 6.86 billion (\$830 million). The MOC, ADB and HPCD will jointly finance the expenditure. The Asian Development Bank will provide a loan amount of RMB 2,481 million (\$US300 million). It is currently anticipated that contractors will commence civil works in October 2004. Some land acquisition may take place early in 2004 to avoid losses to summer crops. This schedule will provide adequate time for compensation of affected land and structures, and for people to be located prior to commencement of civil works. The expressway is to be completed by the end of 2007.

Table 1 Major Technical Indicators of Chang-Ji Expressway (first 173 km)

No.	Item	Unit	Quantity	Remark
01	Highway class		Expressway	
02	Total length	Km	173	
03	Designed driving speed	Km/h	100/80	After K65+733, 80km/h
04	Requisitioning land	Mu	20,220	Permanent land acquisition
05	Removing buildings	M ²	225139	
06	Subgrade width	M	26/24.5/(2x12.5)	K4+086-K65+733: 26m; separate sections: 2X12.5m
07	Lane widths	M	2x(2x3.75)	
08	Length of bridge & tunnel	%	18%	
09	Various bridges	M/No.	21550/108	
10	Length of tunnels	M/No.	9528/15	
11	Interchange	No.	7	
12	Culvert	No.	350	
13	Grade separations	No.	26	
14	Overpass/Underpass	No.	394	Including those with dual purposes for irrigation aqueduct bridges and drainage culverts.

Source: Preliminary Design Study. The data for land acquisition and resettlement was adopted from detailed design survey.

1.2.2.3 Socio-Economic Benefits

16. The Project is expected to have the following socio-economic benefits: 1) reduced vehicle operating costs (VOCs) and travel times for traffic using the Changde to Jishou corridor; 2) the removal of constraints to economic growth (especially mineral production) in the project area resulting from the poor condition of the new and existing roads; 3) improved environmental conditions and reduced accident risk on the existing road; and 4) increased short-term construction jobs in townships crossed by the Expressway. In addition, the improvements to the local road network are expected to lead to the following benefits to mountainous communities: 1) reduced transport and agricultural input costs; 2) increased opportunities for cash cropping; 3) increased non-agricultural employment activity; and 4) improved access to markets, schools and health facilities.

17. All the above will contribute to improving the standard of living of the poor and impact favorably on women and ethnic minorities living in the Project Area. For instance, it is estimated that ethnic minority groups³ will benefit equitably from the Project. They are widely dispersed throughout the project area and support road construction as being one key measure to improving economic opportunities. For the expressway, 38% of the beneficiaries will be ethnic minorities; for the local roads, 54% will be ethnic minorities. An ethnic minorities development plan (EMDP) has been prepared to ensure project benefits and proposed mitigation measures for ethnic minority communities within the PA. The EMDP also highlights current government policies and programs for minority nationalities further help to protect and enhance project benefits to ethnic minority groups.

1.2.2.4 Project Land Acquisition and Resettlement Impacts

18. Based on the DMS results, the total expected permanent acquisition of land is around 20,220 mu (1,348 hectares) and the temporary use of land will amount to 4,345 mu (290 hectares). About 38% of the land to be permanently acquired is currently under cultivation. The number of people who will lose some of their land over which they now have user rights will be around 30,564 people. The number of rural people whose residential houses will be demolished is 4,807. Five schools will require relocation, temporarily affecting 1,607 students and teachers. Also, a forestry observation shelter will need relocation. It is currently estimated that the total number of persons directly affected will be around 37,000.

19. It is not anticipated that the local road component will involve significant resettlement or land acquisition impacts. The rural roads involve the upgrading of existing roads, normally within the same right-of-way or with minor widening and realignment. The amount of land to be acquisitioned is roughly estimated as 50 ha, and another 25 ha may be affected temporarily. Few structures will need to be relocated. As the roads pass through 250

³ Ethnic minority groups refer to those groups that are different from the majority ethnic group—the Han.

villages, the land acquisition impacts will be very minor (less than 0.5%). The compensations standards and rates for the local roads will be the same as for the expressway. The precise amounts of land affected will be recorded during detailed measurement survey and reported to ADB prior to commencement of civil works.

20. The total cost of implementing the Resettlement Plan is estimated at 434.5 million CN Yuan (US\$ 52.5 million), including contingencies.

21. Preparatory activities of Land acquisition and resettlement were commenced in January 2004.

CHAPTER 2 LAND ACQUISITION AND RESETTLEMENT IMPACTS

2.1 Measures to Reduce Resettlement

22. As a national important highway, the project shall have safe, fast and comfortable driving conditions while it shall be economically reasonable and environmentally sound. When aligning the route, these principles have been followed: (1) “being close to the urban area but not entering into the urban area”, namely, avoiding cities, towns and densely populated residential areas; (2) reducing house dismantling as much as possible by aligning the road along the village sides rather than through its centre, and occupying as little fertile farmland and economic forest as possible; (3) being far away from or avoiding natural scenic spots, water source areas and other facilities sensitive to vehicle vibration, noise and exhaust gas; and (4) being beneficial for improvement of investment environment along the road, promotion of economic development and creation of preferred social economic benefit.

23. Obviously, a key design principle was to minimize the land acquisition and house demolition of the Project thus to minimize the overall Project cost. Given the alignment optimisation based on the overall Project cost minimization, in the Preliminary Design Study, the resultant amount of land acquisition is the lowest among major alignment alternatives (See Table 2); particularly the irrigated land has reduced by 21 ha. Although the house relocation in the recommended alignment was 9,448 square meters more than alternative alignments, with the significant reduction of total earth/stone work, the overall Project cost would have been reduced by CNY102 million. The unavoidable resettlement impact could not be minimized further, which also reflects APs’ preferences that if unavoidable, they would like to demolish houses rather than lose fertile land.

Table 2 Comparisons of Major Alternatives

Code	Description of alternative and recommended (bold) sections	Length of Section (km)	Total Earth /stone Work (M ³)	Concrete Protection (M ³)	*	Total Land Acquisition (ha)	of which, irrigated (ha)	House relocation (M ²)	Total Cost (CNY10000)
H	K70+518.328~K74+628.4	4.11	652801	39049	...	20.1403	7.1415	4384	11291
	<u>HK70+518.328~HK74+543.7**</u>	4.025	483395	14789	...	17.4497	8.0715	6064	10484
I	K78+713.243~K82+525.924	3.813	981723	31876	...	20.1194	5.035	12155	12686
	<u>IK78+713.243~IK82+577.09</u>	3.864	862038	25636	...	22.3578	3.8125	9914	13607
M	K82+525.924~K87+391.068	4.889	866360	36061	...	20.4732	6.6471	7418	19615
	<u>MK82+525.924~MK87+184.5</u>	4.659	764610	34249	...	20.1796	2.922	4612	21344
N	K101+986.927~K105+398.496	3.412	454138	13847	...	12.4822	7.8893	3550	13358
	<u>NK101+986.927~NK105+375.9</u>	3.389	1065304	25361	...	17.4384	11.8672	3434	17210
J	zK122+059.09~zK127+829.531	5.77	1345113	114791	...	35.7865	6.859	2641	32557
	<u>JzK122+059.099~Jzk127+863</u>	5.795	1355405	114255	...	30.4613	6.8592	2250	31442
P	K132+068.956~K146+853.345	14.784	2142133	80750	...	73.2167	35.3078	18285	39043
	<u>PK132+068.956~PK146+850.6</u>	14.782	2241521	83859	...	77.3904	57.6714	13175	39226
O	K155+837.592~K164+482.002	8.644	1869192	67184	...	44.6596	9.71	4502	31022
	<u>OK155+837.592~OK164+345.8</u>	8.508	1409999	61228	...	49.3406	11.9041	6870	27581
(1)	Sum un-recommended sections	45.167	8920264	396369	...	235.7142	101.2061	44903	165336
(2)	Sum recommended sections	45.277	7573468	346566	...	225.7815	80.4915	54351	155130
(3)	Difference = (2) - (1)	+0.11	-1346796	-49803	...	-9.9327	-20.7146	+9448	-10206

N B Other alternatives A, B...had been vetoed during FS examination. * Other items include tunnels, large to medium bridges and underpasses, etc.

**The recommended alignment sections are underlined.

Source: Project Preliminary Design Study, 2003.

24. During the Detailed Design phase, the total land area again was reduced by 807 mu (54 ha) compared with the data in Preliminary Design, namely from 17,643 in the preliminary design to 16,836 mu in the detailed design, of which, the total cultivated land was reduced by 544 mu (36 ha, from 8,747 to 8,203 mu).

2.2 Requirement for Land and Property

25. According to the Guideline for Design Document Compilation of Highway Engineering Project issued by the Ministry of Communications of PRC, land and structures in the following categories has been estimated:

- Land: irrigated, non-irrigated (dry), orchard, forest, barren, residential. A distinction is made between land required permanently and temporarily and temporarily (i.e. during the construction period only).
- Trees and young crops: fruit trees, economic trees and timber trees
- Housing categorized by type of construction: e.g. brick-concrete, brick and tile roof house, clay and tile roof house, wood and tile roof house
- Structures and fixtures: e.g. sunning ground, enclosure wall, water pond, wells, fishpond, biogas digester and tombs
- Infrastructure: e.g. power lines and telecommunication lines
- Non-residential establishments: e.g. schools, government offices, enterprises

26. Table 3 summarizes the principal categories of land and property acquisition. More details, including a breakdown by village, are contained in Annex 1. Around 38% of the land to be acquired is currently farmed and over 80% of this land is irrigated. Most of the remainder are forestland and bush land. Around 1,414 private households will require relocation, as will five schools and one forestry observation shelter. About 65% of the land acquisition and 69% of the property demolition will occur in Yuanling County. Temporary land to be rented during construction and will amount to 4,345 mu (290 ha).

Table 3 Land and Property Acquisition (summarised)

ITEM	Dingcheng	COUNTY Taoyuan	Yuanling	TOTAL
No. of Townships crossed	4	7	11	22
No. of Villages crossed ¹	13	26	58	97
Permanent Land Requirements (in ha)				
Irrigated Land	49.77	144.6	208.1	402.3
Dry Land	11.5	10.6	84.8	106.9
Total Cultivated Land	61.2	155.2	292.8	509.3
% Irrigated	81.2%	93.1%	71.1	79%
Housing Plot	32.32	90.3	282.6	405.2
Orchard /Economic Forest		5.9	38.2	44.1
Timber Forest/Bush land	47.7	66	240.3	354.1
Other	1.2	6.9	28.1	36.2
Total land	142.5	324.4	882.1	1348.9
% Cultivated land	42.9%	47.8%	33.2%	37.7%
Temporary Land Requirement (ha)	37.05	101.31	151.28	289.64
Private Households requiring relocation	87	382	945	1414
Floor space (m ²)	17966	50167	157006	225139
Schools /Forestry shelter requiring relocation	0	4	2	6
Floor space (m ²)	0	4566	5298	9864

ITEM	COUNTY			
	Dingcheng	Taoyuan	Yuanling	TOTAL
Total Floor space	17966	54733	162304	235003
Infrastructure (km)—single line length	219.29	95.25	312.54	625

i.e. Grassland (1.7%) and water areas and barren land (1.4%).
Source: Preliminary Design Study

27. The impact of land and property acquisition will be widely spread over 97 villages in 22 townships losing land or property: 93 villages will lose farmland and 97 will lose property (see Annex1). Fourteen villages will lose more than 150 mu (10 ha) of farmland, of which 3 will lose more than 200 mu (13.3ha). These three villages are: Baiwuping in Madiyi Township, Songshanbian in Liangshuijing Township, and Sanyanqiao in Xiaoqiwan Township, Yuanling County. 4 villages will lose more than 20% of the farmland, they are Baiwuping in Madiyi Township, Majiaping and Lizhixi in Lizhixi Township, and Qingfengsha in Nanmupu Township. It is estimated that land will be acquired from around 465 land-owning groups (i.e., Villagers' Groups) and that these groups will on average lose 10% of their land while the total productive land loss at the village level (total 937 villagers' groups) will be nearly 6.5%.

28. Five schools and one forestry observation shelter will be affected by land acquisition. These are:

- Taoyuan County (4): Jinqiao Primary School of Taohuayuan Township, the Central Primary School and Huangnitian Primary School of Yangxiqiao Township, and a nursery of Zhengjiayi Forestry Farm.
- Yuanling County (2): The Central Primary School and the Qingfengshan Village Primary School of Nanmupu Township.

29. The infrastructure that will be affected includes power lines, telecommunication lines and cables, in addition, existing roads and irrigation systems will be "cut" by the expressway and will require rehabilitation. However, except the power and telecommunication line system, the restoration of the infrastructure will be included in the civil work of expressway construction. A condition of these contracts will be that the infrastructure is maintained at all times during the construction period.

2.3 Impacted Population

2.3.1 Population Requiring Resettlement

30. Based on the DMS results, around 1414 private households will require resettlement, the total number of persons affected will be around 4807.

31. Seventy-nine (79) villages will lose some housing however the impact will be concentrated in 15 villages which will displace houses of at least 30 households; these villages accounted for 44% of the total households requiring demolition. Eight villages, Chazhuang, Laojiecun, Lizhixi, Qingfengshan, Ma'anpu, Oujiawan, Dalixi and Hejiacun will have more than 40 households displaced in each village – nearly one forth (27.2%) of the total 1414households will be relocated.

32. There are five schools and one forestry observation shelter will be affected by the demolition (whole or partial), with total students, teachers and workers 1,607 persons.

33. The total number of people affected by structural demolition (households, schools and forestry observation shelter) is therefore around 6414 persons.

2.3.2 Population Affected by Loss of Land

34. The current estimate of farmland required is around 7,639 mu (509.3 ha), the number of affected persons is 30564.

35. This method used to be applied universally in China for detecting how many people will totally loss their cultivated land after land acquisition and need resettlement subsidy. Currently “land for land” is the preferred option for resettlement/economic rehabilitation. If the land can be re-distributed among farmer households in the same land loss group, then all farmers in the land owning group will share the land loss. For example, if the 7,639 mu cultivated land loss is shared by all villagers in the affected land-owning groups (30,564 persons), each person will only lose 0.25 mu; thereby all the farmers in the affected land owning groups are indirectly affected, but the degree of impact would be minimal.

2.4 Impact on Income Loss

36. In order to fully assess and well understand the project impact so that a robust basis can be provided for the preparation of the RP, related data based on the affected villages were collected and presented in Annex 1. Besides the impact assessment on the physical losses of land and housing property, an income loss was also assessed based on the socio-economic survey. The results (see Table 10 in Chapter 3) indicated that the income losses due to the land acquisition would not be significant in most of the affected land-owning groups since only one quarter of household incomes are derived from cropping. This situation can be attributed to the fact that over 60% of the farmer households in the surveyed area had income from off-farm activities and on average accounted for nearly half the household incomes. Table 10 shows that agricultural activities accounted for 54% of households incomes, and 46% for non-agricultural activities. The land loss accounted for around 8% of total village land and 15% for the affected land-owning groups; however the income loss at group level is only 4%. Since the average impact of land acquisition on farmer groups is not serious, resettlement planning only needs to focus on ten seriously affected villages (see Section 7).

CHAPTER 3 SOCIO-ECONOMIC CHARACTERISTICS

3.1 The Project Influence Area

37. The area influenced by the proposed Changde-Jishou highway project includes Dingcheng district and Taoyan county of Changde, Yuanling county and Chenxi county of Huaihua, Luxi county in the Xiangxi autonomous prefecture, Jishou city, Fenghuang, Guzhang and so on (including the additional Huayuan and Baojing counties). Same as the other areas of western Hunan, the society and economy development level in the above mentioned ten counties is still in a relatively impoverished and laggard state, and social and economic development level between them is also unbalanced, taking on a gradually declining trend from east to west. For example, the social and economic development level of Dingcheng and Taoyuan in the eastern part of the area is relatively high, while the rest eight counties (cities) in the western part of the area are still in the impoverished and underdeveloped state. (See Table 4)

Table 4 Socio-Economic Status of the Counties in Project Area (2002 figure)

Location		(1) Per capita GDP (Yuan)	(2) Percentage of (1) to Provincial level (%)	(3) Per Capita Net Income of Rural Households	(4) Proportion of (3) to Provincial level (%)	(5) Financial Income (10,000yuan)	(6) Proportion of (5) to that of the provincial level
Hunan Province		6054	□	2299	□	2054100	□
East Project Area	Dingcheng	6108	100.9	2249	97.8	14843	0.7
	Taoyuan	5991	99.0	2403	104.5	16813	0.8
West Project Area	Yuanling	4375	72.3	1359	59.1	9575	0.5
	Chenxi	2361	39.0	1731	75.3	6640	0.3
	Luxi	2255	37.3	1129	49.1	1446	0.1
	Jishou	6928	114.4	1867	81.2	8425	0.4
	Fenghuang	2267	37.5	1254	54.5	2838	0.1
	Guzhang	2091	34.5	1120	48.7	756	0.04
	Huayuan	2462	40.7	1150	50.0	3750	0.2
	Baojing	2233	36.9	1117	48.6	2272	0.1

Note: The highlighted rows show the data of the RP covered district/counties.

Source: Social and Poverty Survey, Hunan Academy of Social Sciences. August 2003

3.2 Basic Situations of Expressway Traversed District/County

38. The Chang-Ji Expressway Changde-Shuxikou Section will require land and/or property in the following district/counties: Dingcheng, Taoyuan and Yuanling. Over 85% of the cultivated land will be acquired in Taoyuan and Yuanling counties. The basic situations of these district/counties are presented as follows.

39. DINGCHENG DISTRICT. Suburb of Changde (former Changde county), with a population of 905,000, of which 752,000 belongs to rural population. Its total area is 2,518 km², of which cultivated land is 1.233 million mu and forestry 1.1 million mu, and wood storage is 0.59 million m³. Aquaculture area in Dingcheng district is 120,000 mu. It belongs to one of the base counties for commercial rice production of China, rice production in 2002 was 483,225 tones, cash crop include mainly cotton, oil crop, sugarcane, tea, orange. Per capita GDP in 2002 was 6,108 Yuan, and per capita net income of farmers was 2,249 Yuan.

40. TAOYUAN COUNTY. The total population is 973,000, of which 762,000 belongs to rural population. Its total area is 4441km², of which cultivated land is 1.387 million acres, and forestry 3.17 million mu, and wood storage is 0.96 million m³. Taoyuan is rich of mineral reserves, mainly including coal, vanadium, zinc, lead, antimony and gold. It is also a production base of grain, cotton, eatable oil and pig in Hunan. The grain output in 2002 was 511,887 tones, per capita GDP was 5,991 Yuan and per capita net income of farmers was 2,403 Yuan. There is a famous tourist attraction - Taohuayuan - in the county.

41. YUANLING COUNTY. It is located in the mountainous area, with a population of 641,000, of which 544,000 belongs to rural population. Its cultivated land is 0.54 million mu and forestry 6.647 million mu, and wood storage is 10 million m³. The economic forest including mainly tung tree, oil tea, tea and chestnut. Per capita GDP in 2002 was 4375 Yuan, and per capita net income of farmers was 1,359 Yuan. It is one of the 10 hydraulic-power generation bases in Hunan Province, including Fengtan and Wuqiangxi hydraulic power stations in the county.

3.3 Socio-Economic Surveys

3.3.1 General

42. This Section presents information on the socio-economic characteristics of the population likely to lose land or property to the expressway. The information comes from the following sources:

- (1) HPDI field survey investigations undertaken in parallel to the surveys for the project Engineering Feasibility Study, Preliminary Design and Detailed Design. These were carried out in 2001-2002, and 2003.
- (2) The socio-economic survey undertaken by the Hunan University, which is contracted by PPTA consultant team in May and June 2003.
- (3) The consultation and discussions of PPTA consultants with seriously affected villages for the formulation of economic rehabilitation plans in August 2003; and
- (4) the analysis of local township and village statistics compiled by HPDI and the PPTA consultants in 2003.

3.3.2 The HPDI Survey (2001-2002)

43. The Feasibility Study survey was conducted by collecting information from the Statistical Bureau, the Planning Bureau and the relevant departments, interviewing the local government officials on the alignment by taking consideration of the local social-economic development and environmental projection. Detailed topics included future development industries; the layout of the expressway alignment and the interchanges along the traversed townships; inter-connector roads, frequency of underpasses and culverts; minimization of fertile land occupation and resettlement, and other related issues to facilitating local economic growth and poverty alleviation.

44. The Preliminary Design survey was conducted by focusing on collecting information from village leaders and the people whose land is likely to be acquired. Likely APs were consulted on resettlement, acquisition and compensation of land and houses. Further, the Detailed Design was conducted with the facilitation of the local officials, by which the minimization of cultivated land occupation and household relocation had been paid due attention.

45. The HPDI survey found strong support from government at all levels and villagers along the proposed expressway alignment. HPDI also concluded that, in most cases, land-owning groups would respond to land losses by re-allocating land and that income rehabilitation should be focused on further agricultural development. This survey however did not provide any socio-economic data for either affected villages or individual households.

3.3.3 The Socioeconomic Survey (2003)⁴

46. This survey was undertaken by the survey team from Hunan University and supervised by PPTA consultants in May and June 2003. Its main objectives were: (1) to compile socioeconomic information on the APs likely to lose land or property to the expressway; (2) to obtain information on the extent of AP's knowledge of the proposed expressway; (3) to identify APs preferences regarding land re-allocation, house relocation and income restitution measures.

47. The survey involved collecting primary data from selected villages and households on the proposed alignment. Two survey instruments were used: (1) a village questionnaire, administered to village leaders, and (2) a household questionnaire administered to individual households. The survey team included members of 18 staff from Hunan University. The county and township officials provided full cooperation.

48. A strict purposive sampling frame was designed and applied using data collected in

⁴ The survey report was completed in September 2003 and copies are available from HPECDE, on request.

the earlier HPDI survey, information collected by the TA survey team during a preliminary field visit traversing the length of the road, and the 1:10,000 scale alignment map prepared for the feasibility study. The following selection criteria were applied: (1) strong representation of villages that will suffer high proportionate land loss; (2) an even geographic distribution along the alignment; (3) relative inclusion of the least well-off villages and villages with significant minority populations; (4) a spread between rural villages and those nearer the county towns; and (5) an equal distribution of better-off, intermediate and poor households for household interview.

49. Within each village, individual households were selected on the basis of their proximity to the proposed alignment. Because the alignment had neither been finalized nor clearly marked on the ground, it was not certain that the expressway would affect all interviewed households. The ROW has now been approved and the DMS was conducted in November 2003.

50. The socioeconomic survey covered 72 villages to be transected by the expressway. A total of 657 individual households were interviewed containing around 3000 people, representing about 23% of affected people. Also, 56 village surveys were conducted.

3.4 Socioeconomic Characteristics of the Affected Population

3.4.1 General

51. The data collected during the socioeconomic survey has been analyzed using the Household Livelihood Framework. The framework involves consideration of four different aspects of household socioeconomic characteristics:

Human Resources: demographic and education/skill characteristics

Natural Resources: land, forests and access to water supply

Physical Resources: ownership of productive and consumer assets

Financial Resources: household incomes, expenditure and access to credit.

52. The following sections examine each of these in turn. An additional section describes the survey findings in respect of APs attitudes towards the expressway.

3.4.2 Human Resources

53. The average household size of the population surveyed was 4.57 persons (See Table 5). The household size in Yuanling is significantly higher than that in Taoyuan and even Dingcheng; the obvious reason for this disparity is that Yuanling County consists of more ethnic minority households, which usually has a big family size. A high proportion of

households (69%) have 3 to 5 persons and there are very few small or very large families.

Table 5 Selected Demographic Characteristics

Household size					
Persons	Dingcheng	Taoyuan	Yuanling	TOTAL	%
1-2	6	20	16	42	6%
3-5	25	128	303	456	69%
6-7	3	30	78	111	17%
7+	4	0	44	48	7%
All	38	178	441	657	100%
Total Pop.	170	749	2083	3002	-
Average	4.47	4.21	4.72	4.57	-

Age Distribution					
Age Group	Dingcheng	Taoyuan	Yuanling	Total	%
<5 years	0	34	79	113	4%
6-11 years	11	32	102	145	5%
12-14 years	3	16	111	130	4%
15-17 years	10	38	125	173	6%
18-29 years	24	153	455	632	22%
30-39 years	30	118	396	544	19%
40-49 years	30	117	223	370	13%
50-59 years	20	118	277	415	14%
60-69 years	19	64	121	204	7%
>70 years	12	50	112	174	6%
Total	159	740	2001	2900	100%

Occupation by sex					
Occupation	Male	Female	Totals	%	
Farming only	696	825	1521	67%	
Farming + second job	301 (120)*	135 (103)	436	19%	
Worker	31	15	46	2%	
Migrant labor	73	86	159	7%	
Other occupations**	75	36	111	5%	
All employed	1176	1097	2273	100%	
% of farming only	59.2%	75.2%	66.9%		

Note: * indicates migrants labors/workers within the second job.

** indicates teachers, officials, managers, transport, business/shop operation, animal raising, etc.

Education by sex and Ethnic Groups (excl. under 7 years)									
Attainment	Male	Female	Han	Miao	Tujia	Hui	Other*	Total	%
None	57	160	111	90	10	2	4	217	8%
1-3 yrs prim.	35	27	40	22	0	0	0	62	2%
4-6 yrs prim.	494	507	583	370	28	9	11	1001	36%
1-3 yrs mid.	630	496	594	468	42	19	3	1126	41%
High school	176	135	143	146	14	8	0	311	11%
Tertiary	21	12	14	15	2	1	1	33	1%
All	1413	1337	1485	1111	96	39	19	2750	100%

* others are one household of Uigur and unclassified.

Source: Field Survey 2003.

54. Around 19% of the population is aged under 17 years and 13% are over 60 years. 41% of the population is aged 20~40 years indicating a high birth rate between 1960 and 1980. The current trend is for a leveling off as family sizes continue to stabilize. The proportion of older people will however increase.

55. Of the population over 18 years, 80% is employed, 12% are students and the remainder is retired, sick or disabled. The overall dependency ratio is 1.3 (persons per worker); this ratio varies little with household size indicating that larger households reflect extended families under one roof (e.g., two or more nuclear families with one common elderly parent). The survey data of occupation indicated 1,176 males and 1,097 females were employed, reflecting the high female participation rate.

56. Virtually all households are farming households although 16 household heads have non-agricultural status, such as local schoolteachers. Out of the population interviewed, 67% are farmers relying on farming only, 19% are farmers with a second occupation and 14% are wholly engaged in non-agricultural occupations (over half of these are migrants). Men are more likely than women to have a second occupation or work outside agriculture. However, compared with men, women have a similar proportion of migrant jobs in this category. Women make up the majority of those working exclusively in agriculture. Other occupations are varied with a preponderance of small business, transportation, and crafts persons including carpentry and, bamboo mat making. Overall, the survey households have at least one member working full-or part-time in a non-agricultural occupation and one in two households have a member working as migrant labor. The incidence of non-agricultural occupations is similar among different ethnic groups except Hui minority focused more on business and restaurant operation rather than migrant jobs.

57. Migrant workers include people that travel outside the prefecture for employment for seasonal or year-round employment. Local officials estimate that 20% of migrant workers are away 1-3 months during periods when farm labor is minimal, 20% are away 4-9 months; and 60% are away from 10-12 months (permanent employment outside or return only for harvest or festivals).

58. Over 80% of the population aged 6 years and over have at least primary education; 41% have been to middle school but only 13% have been to high school or college. Over half of households have at least one member with high school or tertiary education. Proportionately more women have no education at all but the incidence is low and the situation is improving (i.e. most illiterate people are elderly). School attendance amongst those aged under 15 years is almost 100%. However less half those aged 15-19 years are currently in education because they join the workforce.

59. In the surveyed households, amongst different ethnic groups, the Hui nationality has the highest education level in terms of the proportion of people that attended high education, which is also confirmed in other areas of China. The Tujia ranked the second, then the Han, and finally the Miao.

60. Amongst the adult population, illiteracy (no formal education) is concentrated amongst those aged between 40 and 60 years and over 60 years. In contrast, most of those aged from 18 to 39 years have been to middle school or beyond. The household data suggests that for most land-owning groups on the alignment, around half of the adult APs have completed middle school education or more. This represents a considerable foundation

on which to strengthen the skills-base through vocational and technical training, or simply facilitating off-farm opportunities.

61. Allied to the prevalence of households engaged in non-agricultural activities (50%), and despite the relatively low proportion with high school or tertiary education, the results suggest that a large proportion of APs have the skills and education to assimilate improved cultivation techniques and to engage in off-farm employment opportunities. Some basic training would make this transition quite effective (See Detailed Planning in Chapter 11).

3.4.3 Natural Resources

3.4.3.1 Land Tenure

62. In the mid-1980s, the collective form of agriculture introduced in the 1950s was replaced by the household responsibility system, which divided land equally amongst households on the basis of their size. Where there were marked variations in the quality of land within the same village, households were allocated plots of different land quality; many households therefore have fragmented land holdings. Households were given contracts (originally for 15 years but since 1998, contract were for 30 years) giving them user rights to cultivate this land; ownership of the land however remained with the original land owning group – administratively the land owning group is also called villagers' group. In some villages, 5-10% of the land was not allocated to individual households but was held in reserve, and is farmed based on annual agreement.

63. The original distribution of land was equitable in the extreme. However as time passes, the household situation changes – people die, others are born, some leave to marry out, others marry in. reserve land can be used to accommodate new arrivals. However, given the fact that population is increasing (albeit slowly), the general trends are: (1) for land per capita to decrease; and (2) a growing mismatch between household size and the amount of cultivable land. In the survey over 55% of households had per capita land holdings below the average, and a total of 372 new born and married-in persons (12%) have no cultivated land because they have to wait in a queue to get land after 1-3 years when the land adjustment takes place (i.e., redistribution in a small scope and basically keep the 30-year land contract unchanged).

3.4.3.2 Cultivated land, Orchard/Economic Forest (Table 6)

64. The households surveyed cultivated a total of over 4,800 mu land. All households had some irrigated land and some dry land. Dry land is more prevalent in the area where the expressway leaves the valley and crosses a more mountainous area. In addition, just over two-thirds of households had nearly 2 mu orchard/economic forest land (mainly tea but also some citrus and other fruits).

65. The average cultivated land per capita amongst the households interviewed is 1.62

mu, which is higher than the average obtained from village level data (1.39 mu). The reason is that the expressway-traversed area along national highway G319 is most in the valley where has more cultivated land than these households in the upper mountain area (where has more forest). Per capita land areas are higher in the east of the project area affected villages compared with the west – around 2 mu in Dingcheng and Taoyuan as against 1.14 mu in Yuanling. The variation in land per household is shown in the Table 6: few households (under 3%) have less than 0.5 mu per capita (in Hunan, 0.5 mu per capita is the minimum holding considered to be adequate for subsistence). Nearly half of the households have more than 1.5 mu indicating a general land abundance in the project area. The smallest households have more land per capita; there is however a bigger land holding among the three to four-person households in Dingcheng.

Table 6 Natural Resources

Land Area (of all surveyed households)

Land type	Dingcheng	Taoyuan	Yuanling	Total	%
Irrigated	292	1075	2007	3375	30%
Dry	31	468	994	1494	13%
Total cultivated land	324	1543	3002	4869	43%
% Irrigated.	90%	70%	67%	69%	
Orchard/tea	24	118	715	857	8%
Forest land	58	2058	3421	5536	49%
Total Farmland	406	3719	7138	11262	100%

Per Capita Cultivated land Distribution among Households

Mu/Capita	Dingcheng	Taoyuan	Yuanling	Total	%
<0.5 mu	0	2	14	16	2.4%
0.5-1mu	0	12	111	123	18.7%
1-1.5mu	8	36	148	192	29.2%
>1.5 mu	30	128	168	326	49.6%
ALL	38	178	441	657	100%
Average-Households	1.99	2.06	1.44	1.62	-
Average-Villages	1.59	1.75	1.14	1.39	-

Cultivated Land per Capita by Household Size

Household size (persons)	Dingcheng (households)	Per capita land (mu)	Taoyuan (households)	Per capita land (mu)	Yuanling (households)	Per capita land (mu)	Total (h.h.)	Per capita land (mu)
1-2	6	1.83	20	2.81	16	1.74	42	2.27
3-4	17	2.29	82	2.27	194	1.62	293	1.84
5-6	11	1.77	68	1.91	187	1.36	266	1.52
7+	4	1.44	8	1.43	44	1.28	56	1.31
All	38	1.99	178	2.06	441	1.44	657	1.62
No land persons	5		62.5*		304		371.5	

Source: Field Survey, Hunan University, 2003.

3.4.3.3 Forest Land

66. Over 80% of surveyed households had forestland with an average size slightly over 10 mu. Originally, the forestland and barren mountain were allocated evenly to each farmer

household of a specific village aimed at improving the management of the forest and afforestation in the barren mountain. The forestland includes timber forest and bush land, which only provide farmer households with fuel wood for cooking and heating in winter by trimming the tree branches. However any tree-cutting must be approved by the forestry authorities, thus there is little cash income generation directly from this kind of forest. Instead, in the barren mountain area, farmers used the land for bamboo (particularly in Yangxiqiao Township of Taoyuan County), medicinal plants, and other income-generation crops in recent 2-3 years⁵. These activities have lead to a moderate increase of household incomes.

3.4.3.4 Water Resources

67. All villages in the project area have sufficient water resources for agriculture. However, in the mountainous areas, it is expensive to develop irrigation so much of the farmland thus is classified as dry land. Even for dry land, precipitation is normally adequate to support two crops (e.g. maize and rapeseed). However, paddy land is still considered to be the most valuable land even when there is a risk of flood damages.

3.4.4 Physical Resources (Table 7)

3.4.4.1 Housing and Fixtures

68. The majority of housing in the affected villages is of average quality with brick and wood walls, reflecting the traditional building styles. Infrastructure provision is however good: all houses have electricity and nearly 40% have tap water into the house or yard. About 37% households have home telephone and nearly one fifth have mobile phone. Over 80% have sunning grounds (often concrete) for drying crops.

3.4.4.2 Productive Assets

69. The ownership of productive assets is not significant within the affected villages except over three quarters of households have threshers. One in seven households have a tractor, pump and power engine (diesel or electric), one in six have a motorcycle. There is little evidence of capital equipment related to off-farm/ non-agricultural activities. This means there is a potential for these equipment after the road situation improved.

3.4.4.3 Household Durables

70. Ownership levels of selected household durables are good indicators of relative wealth. TV ownership is nearly 90% (many are connected to the cable network) –and almost 1/3rd have a VCD or similar video equipment. One in eight households have refrigerators. However, the air conditioner and computer have a very small proportion in the surveyed households (less than 1 percent).

⁵ These activities have been done in recently years benchmarked by the 'slope land (>25°) conversion to forest' policy in China, started after the 1998 flood. That policy aimed at both environment protection and farmers' production structure adjustment in order to achieve a sustainable development in the mountainous area.

Table 7 Physical Resources

Construction Material

Material	No.	%
Concrete/brick	89	14%
Brick/wood	273	42%
Wood + tile roof	295	45%
Other	-	-
All	657	100%

Water Supply

Pattern	No.	%
Pattern	255	39%
Well-yard	179	27%
Well-outside	125	19%
Other	98	15%
All	657	100%

Household Durables

Item	% households owning
Air conditioner	0.5%
Computer	0.6%
Home telephone	37%
Mobile phone	19%
Refrigerator	13%
TV (color or B&W)	89%
VCD, Etc.	29%
Bicycle	48%

Productive Assets

Item	% households owning
Tractor	2%
Thresher	76%
Power engine	15%
Harvester	2%
Pump	16%
Motorcycle	17%
Vehicle	4%

Source: Field Survey, Hunan University, 2003.

3.4.5 Financial Resources

3.4.5.1 Household Incomes

71. Table 8 presents the distribution of household incomes in the surveyed villages and households. The village distributions are based on average incomes and other indicators such as households experiencing food shortages, recipients of the 5-guarantee (wu-bao) program.

72. Income data provided by from the villages leaders indicates that around 47% of the households have annual net incomes above Y1,500 per capita and around 11% have annual net incomes of less than Y865 per capita.

Table 8 Distribution of Annual Net Income per Capita

County	Township	Village	>1500	1500-1000	1000-865	865-625	<625	Average (CNY/capita)
Dingcheng	Doumuhu	Maqiao	20%	30%	20%	10%	10%	2216
		Zhongyan	40%	20%	15%	10%	15%	2458
		Paomagang	25%	35%	30%	5%	5%	2974
	Dingjiagang	Yanggongcun	95%	30%	1%	1%	1%	1526
		Shanghu	70%	20%	10%	1%		1928
		Wuguan	10%	20%	30%	40%		1968
	Yaotianping	Xiyang	70%	20%	10%			2482
		Jingangling	8%	10%	30%	50%	2%	2353
Taoyuan	Zhangjiang	Haijiarong	80%	15%	5%			2089
		Luxi	50%	25%	15%	6%	4%	2337
	Taohuayuan	Chazhuang	34%	35%	20%	10%	1%	3839
		Liangyan	67%	30%	3%			3680
		Jingqiao	38%	38%	15%	6%	3%	2667
	Zhengjiayi	Yinshuchong	20%	50%	20%	5%	5%	2594
		Zhongjiayi	90%	5%	4%	1%		2394
		Wuli	65%	19%	12%	3%	1%	1754
	Siping	Jinling	81%	6%	3%	3%	7%	3435
		Yangjiacao	85%	4%	4%	4%	3%	2613
	Yangxiqiao	Huangnitian	38%	20%	20%	12%	10%	1977
		Yangqiao	78%	13%	6%	3%	1%	5651
	Cha'anpu	Changbanpu	58%	15%	15%	10%	2%	1456
		Yuyinshan	60%	30%	10%			1583
		Chenjiayi	20%	50%	10%	10%	10%	1394
		Gurongxi	20%	45%	20%	14%	1%	983
	Taipingpu	Taipingpu	66%	12%	10%	10%	2%	2041
		Hutang	70%	10%	8%	2%	10%	1384
Yuanling	Guanzhuang	Gongjiawan	10%	20%	60%	10%		1066
		Laojie	50%	20%	20%		10%	679
		Huangtupu	70%	20%	8%		2%	4350
		Sandushui	60%	30%			10%	1311
		Shahaiping	20%	30%	35%	14%	1%	798
		Taipingpu	10%	60%	20%	8%	2%	1189
	Lizhiqiao	Lizhixi	10%	72%	8%	5%	5%	1742
		Panxiangping	10%	30%	25%	25%	10%	966
		Maiaping	70%	11%	8%	10%	1%	2493
	Nanmupu	Qingfengshan	12%	25%	35%	20%	8%	957
	Madiyi	Baiwuping	60%	25%	10%	5%		1667
		Yanjia	10%	15%	40%	25%	10%	1538
		Mumaxi	15%	25%	25%	30%	5%	1069
	Zhangjiaping	Dongxi	34%	35%	20%	8%	3%	3642
	Zhengjiacun	Hejiacun	20%	32%	22%	15%	11%	1218
	Liangshuijing	Shazi'ao	18%	36%	20%	18%	8%	1216
		Wangjialing	60%	20%	10%	9%	1%	1120
		Yuncongdong	10%	30%	47%	10%	3%	864
		Liujiaba	40%	50%	10%			3341
		Songshanbian	40%	30%	19%	10%	1%	1157
		Oujiawan	10%	80%	5%	4%	1%	1079
	Kutengpu	Yanbanpu	13%	15%	52%	15%	5%	962
		Changchong'ao	10%	25%	35%	25%	5%	1171
	Maxipu	Qianqiutian	12%	60%	20%	5%	3%	912
		Yangxipu	30%	30%	30%	8%	2%	1350
		Zhuangtian	30%	50%	15%	4%	1%	1466
		Maxipu	5%	70%	15%	5%	5%	818
	Xiaoqiwan	Sanyangqiao	40%	50%	6%	3%	1%	2079
	Shuxikou	Qingmu	80%	10%	6%	3%	1%	1888
Village Survey Total			47%	27%	15%	7%	4%	1698
Household Survey Total			79%	12%	2%	3%	4%	3538⁶

⁶ The wide discrepancy of average income between the village survey and household survey is mainly caused by the overestimation of incomes from migrant worker and that the households surveyed are commonly located in the valley terrain

Source: Field Survey, Hunan University, 2003.

73. Income data obtained from the individual household surveys reveals a similar pattern with the majority of households having incomes over Y1,500. Overall however, the results are significantly higher than village average: nearly 80% have incomes over CNY1,500 and only 2% have incomes between CNY865 and CNY1,000, revealing a generally prosperous rural economy with relatively few poor households. Figure 2 represents the household income distribution. This data has been reviewed by local township and county officials and they agreed that the survey results have basically revealed the real situations of the households along the national road G319. However, the data was obtained based on the 'controlled' sample survey according to the Project Preliminary Design, which may slightly different from the approved Detailed Design. Therefore, it has been agreed by the project EA that another sample survey based on 10 percent of the exactly affected households will be conducted after the DMS as the baseline survey for project monitoring.

Figure 2 Income Distribution of Surveyed Households (CNY per capita)

Source: Drawn from household survey data. 2003.

3.4.5.2 Income Sources

74. Villages along the alignment derive their income from a wide variety of sources. The relative importance of these is shown in Table 9. The importance of migrant labor earnings is clear: it represents the most important income source in the great majority of villages, particularly in Yuanling and Taoyuan counties. The cash crops grown vary considerably

near National Highway G109 with better infrastructure of road access and market access, and resultant higher income. But the average income of village survey total is consistent with the data from the Statistic Authorities along the proposed alignment of expressway.

within the project area. The most common are fruit and vegetable production, particularly citrus, chestnut, pear, Chinese date and other fruit are grown. Other cash crops include ginger, bamboo/bamboo shoot and tea cropping. Grain (rice and corn) is of vital importance to the local economy, virtually every household cultivates it, but it is used mainly for domestic consumption (including animal feed) rather than as a cash crop in its own right.

Table 9 Relative Importance of Income Sources in Surveyed Villages

County	Township	Village	Grain	Cash crop	Animal husbandry	Migrant labor	Off-farm activities	Others
Dingcheng	Doumuhu	Maqiao	2		3	1*	4	
		Zhongyan	1	5	3	2	4	
		Paomagang	1	4	4	3	2	
	Dingjiagang	Yanggongcun	2	3	4	1	5	
		Shanghu	1	2	4	3	5	
		Wuguan	1	4	3	2	5	
	Yaotianping	Xiyang	1	4	3	2	5	
		Jingangling	1	4	3	2	5	
Taoyuan	Zhangjiang	Haijiarong	1	4	3	2	5	
		Luxi	1	4	3	2	5	
	Taohuayuan	Chazhuang	2	1	3	4	5	6
		Liangyan	1	3	4	2	5	
	Zhengjiayi	Jingqiao	1	2	4	3		
		Yinshuchong	2	3	4	1	5	
		Zhongjiayi	2	5	4	1	3	
	Siping	Wuli	1	4	2	3		
		Jinling	2	3	4	1	5	6
	Yangxiqiao	Yangjiaqiao	1	5	6	2	4	3
		Huangnitian	2	4	3	1	5	
	Cha'anpu	Yangqiao	3	4	5	2	1	
		Changbanpu	3	4	5	2	1	
		Yuyinshan	2	1	4	3		
		Chenjiayi	2	1	5	3	4	
	Taipingpu	Gurongxi	2	4	3	1	5	
		Taipingpu	3	2	4	1	2	
		Hutang	1	5	4	3	2	
Yuanling	Guanzhuang	Gongjiawan	1	3	4	2	5	
		Laojie	2	4	3	1	5	
		Huangtupu		4	5	2	1	
		Sandushui	3	2	6	5	4	1
		Shahaiping	2	3	4	1		
		Taipingpu	3	4	2	1	5	
	Lizhiqiao	Lizhixi	2	4	3	1	5	
		Panxiangping	2	3	4	1	5	
		Maliaping	4	3	5	1	2	
	Nanmupu	Qingfengshan	2	3	3	1		
	Madiyi	Baiwuping	2	4	3	1	5	
		Yanjia	2	3	4	1		
		Mumaxi	3		2	1	4	
	Zhangjiaping	Dongxi	2	3	4	1	5	
	Zhengjiacun	Hejiacun	1	4	3	2		
	Liangshuijing	Shazi'ao	2	3	4	1		
		Wangjialing	1	3	4	2	5	
		Yuncongdong	3	2	4	1	2	5
		Liujiaaba	5	6	4	2	3	1
		Songshanbian	3	2	4	5	1	
		Oujiawan	1	3	4	5	5	
	Kutengpu	Yanbanpu	1	4	3	2	4	
		Changchong'ao	1	4	3	2	5	
	Maxipu	Qianqiutian	4	2	3	1	5	
		Yangxipu	1	3	4	2	5	
		Zhuangtian	2	3	4	1	5	
	Xiaoqiwan	Maxipu	2	5	3	1	4	
		Sanyangqiao	4	2	3	2		

County	Township	Village	Grain	Cash crop	Animal husbandry	Migrant labor	Off-farm activities	Others
	Shuxikou	Qingmu	4	3	5	1	2	

Note: *1=ranked first, the highest rank. Source: Field Survey, Hunan University, 2003

75. Local off-farm income sources (e.g. local factories and business) are also frequently mentioned. Enterprises providing employment includes mines, township enterprises, ferrous alloy plants. Overall the economy of the affected villages is highly diversified as locally called “Highway Economy along G319” and prosperous.

76. Table 10 shows the different income sources in the surveyed households. The Table reinforces the variety of economic activity carried out along the proposed alignment. In the gross income of the sample households, non-agricultural income accounted for 46%, ranked the first; incomes from grain and cash crop production are 13.3% and 11.3% respectively. Among the non-agricultural income, 47% were attributed to migrant labor earnings. It even reached as high as 60% of the non-agricultural income in Yuanling County. The income of the sample households from grain production varied greatly, 26% in Dingcheng District, 13% in Taoyuan County and 14% in Yuanling County. If we look at the net income, the share from cultivated land would be even less. This has a significant implication for income rehabilitation of affected households, i.e., the income from both grain production and cash crops accounted for about one quarter of total household gross income; if the affected households lose 20% of their land, the impact on gross income loss would be only 5%.

Table 10 Income Sources and Per Capita Net Income of Surveyed Households

Income (gross) per household in 2002 (CNY)	Sample Average	%	Dingcheng	Taoyuan	Yuanling
Income from grain Production	2,503	13.3%	5,132	2,917	2,109
Income from cash crops	2,124	11.3%	1,924	2,695	1,911
Fruits	580	3.1%	672	765	497
Fowl and aquatic product	2,602	13.8%	1,876	3,152	2,443
Other farming products /sidelines agro-processing	2373	12.5%	2588	1392	2751
Off-farm activities	8,659	46.0%	7,373	12,246	7,321
Total	18,841	100%	19,565	23,167	17,032
Production costs	2672 ^{/1}	-	4528	4096	1952
Per capita net income (CNY/Person)	3,538	-	3364	4530	3195

^{/1} includes costs for chemical fertilizer CNY350, seeds CNY116, pesticide CNY145, tax and fees CNY432, and other costs for animal husbandry and non-farm activity costs.

Source: Household Survey, Hunan University. 2003.

3.4.5.3 Expenditure Patterns and Savings

77. Based on data of the expenditure of 657 households, each member in sample families spends an average of CNY2,593 in 2002. As is shown in Table 11, great discrepancies in expenditure per capita exist in different areas. The average expenditure in Taoyuan County is CNY3,180 per capita, being the highest while in Yuanling County is CNY2,350, namely CNY830 less than that in Taoyuan County.

78. The largest single item in the APs' average consumption pattern is for basic needs, e.g. food, clothing and housing, which represent around 51% of total consumption expenditure. This is a lower proportion than is often found in rural areas and may reflect the fact that AP households are predominantly well above poverty levels and can afford to develop higher proportions of their expenditure to other items, e.g. children's education (12%), the purchase of items which add comfort and convenience to home living – items such as colored TV, telephone/mobile phone, VCD players and even computer and air conditioner.

79. The per capita net income less the per capita expenditure (3,538-2,593=945) equals the per capita savings plus the value food self-consumed. However, these are average figures and the situation varies considerably from household to household.

Table 11 Per Capita Expenditure Distribution of Sampled Households

Living Expenditure	Dingcheng		Taoyuan		Yuanling		Total Sample h.h.	
	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita
Food	156370	920	804367	1074	1684095	808	2644832	881
Clothes	30450	179	107110	143	309120	148	446680	149
Housing	138050	812	460170	614	309145	148	907365	302
Education	77440	456	301600	403	578990	278	958030	319
Cultural/recreation	57102	336	257650	344	483695	232	798447	266
Traffic	7850	46	91460	122	197470	95	296780	99
Exp. For workers	n.a.	n.a.	120900	161	749380	360	870280	290
Others	30820	181	343328	458	663555	319	1037703	346
Total	507100	2983	231850	3108	4895127	2350	7784077	2593

3.4.6 Expressway Related Issues

3.4.6.1 Knowledge of the Proposed Expressway

80. By the time the socio-economic survey was undertaken, only a small proportion of households (11%) did not know of the proposed Chang-Ji Expressway. The information has been widely diffused in the related regions through meetings of the local officials at various levels, local newspapers and the TV stations, investigation of communications department, and field survey conducted by HPDI.

81. About 80% of the surveyed households recognized that the Changde-Jishou Expressway Project is necessary. Amongst the beneficiaries either in Changsha City or the project influence area, the Project traversed collectives together with individuals will generally benefit from the project at most. The construction of Chang-Ji highway will accelerate the flow of people, material and information as well as bring tremendous economic and social benefits. Of those surveyed, two-thirds thought that they would lose land or properties. Over half (52.6%) thought that the Project would affect their livelihood and production conditions, nearly 36% thought that the adverse impact on them will be minor, 3.6% thought they would be purely beneficiary.

3.4.6.2 Information and Resettlement/rehabilitation Needs

82. When households were asked that how well they know the policy on land acquisition and resettlement, nearly three quarters (74%) did not know, less than one-fifth (19%) knew a little, and only less than 7% answered they knew. Then households were asked what they would like to know before land expropriation and relocation. They were given nine options, and were asked to rank them according to their preferences. Similarly, the households were asked what would they want to get from the project in terms of resettlement. Table 12 provides the results in terms of all preferences mentioned.

Table 12 Information and Resettlement Needs

	County			Total	
	Dingcheng	Taoyuan	Yuanling	Hholds	%
A. Information Needs					
1. Compensation rates	34	160	395	589	92%
2. Timing of land acquisition	19	64	232	315	49%
3. Process of land acquisition	8	21	78	107	17%
4. Timing of compensation payment	30	119	194	343	54%
5. House relocation help	7	32	75	114	18%
6. Income restoration help	10	51	168	229	36%
7. Irrigation systems rehabilitation	8	16	37	61	10%
8. Temporary land occupation	4	4	44	52	8%
9. Other	0	5	2	7	1%
Total	36	172	433	641*	-
B. Resettlement/rehabilitation Needs					
i. Impartial and reasonable compensation	33	160	391	584	91%
ii. Get compensation before relocation	8	80	133	221	34%
iii. Get help in relocation	8	25	55	88	14%
iv. Get assistance in housing plot selection and resettlement	5	47	106	158	25%
v. Get help in business rehabilitation	3	14	50	67	10%
vi. Get a chance to work in the project	21	89	234	344	53%
vii. Micro-credit for business	12	19	71	102	16%
viii. Training for doing other work	7	11	49	67	10%
ix. Other	1	3	1	5	1%
Total	36	175	433	644**	-

*i.e. 16 households did not respond to this question.

** i.e. 13 households did not respond to this question.

83. By far the APs expressed the greatest need for information about compensation

rates, specifically those applicable to them: 92% of households mentioned this as the most important need and only 8% did not mention it at all. The only other items mentioned by more than 30% of the respondents as their most important requirement were information on the timing and assistance for income restoration. These items, along with the timing of compensation payments and the acquisition process were mentioned by 36-54% of all respondents. Assistance with house relocation and the rehabilitation of the irrigation systems were mentioned by 10-18% of respondents.

84. It is clear that APs' expect from the project and resettlement process, "impartial and reasonable compensation" (91%), and "a chance to work in the project" (53%). Others are shown in part B of Table 12.

85. Mention should also be made of the central primary school of Yangxiqiao Township. This school is not one of the five schools that are scheduled for demolition. However, because the site is very constrained by the proposed expressway and the national road G319, there is little potential for future development. The school authorities are anxious that appropriate steps are taken to inform them as to what will happen and where they can relocate. The township leaders has persuaded the HPDI to include the school as the relocation assets and documented in the building and houses demolition inventory, and Taoyuan County Government will send a formal document for HPCD's approval. Currently the HPCD has agreed that this school will then be included in this RP (see Chapter 6) and budget.

3.4.6.3 Attitudes towards the Expressway

86. The perception of surveyed households was that the expressway would bring advantages in terms of reducing travel time to Changsha and would make it much easier to sell their fruit and vegetable produce. The disadvantage of the expressway project and their concerns on land acquisition and relocation were also voiced. Table 13 tabulates the results given by respondents to the household surveys. Of those stating a disadvantage, around 63% were concerned about the decrease of income, 36% concerned about crop damage and 29% concern about the land loss in the affected villages. The remainder were concerned about the noise impact and safety issues (around 30%). However, nearly two-thirds of the respondents do not worry about land acquisition and house relocation.

87. Table 14 sets out the views of the village committees in the sampled villages on the positive and negative impacts of the expressway. While village leaders saw positive impacts as outweighing negative impacts, they were prepared openly to identify the negative impacts they foresaw.

Table 13 Perceived Disadvantages and Concerns of the Expressway

	Income decrease	Crop damage	Village land loss
a. Perceived disadvantage			
No. of household mentioned	417	239	191
% of total 657 households	63%*	36%	29%
b. Do you worry about land acquisition?	No	Not clear	Yes
No. of respondents	411	21	190
% of total 622 respondents**	66%	3%	31%
c. Are you willing to relocate if required?	No	Not clear	Yes
No. of respondents	76	35	207
% of total 318 respondents**	24%	11%	65%

* of those mentioning a disadvantage, multi-choices, thus it is not necessary to add to 100% of 657 households.

** only half of surveyed households responded, indicating some reluctance to voice disagreement. Consequently, stronger efforts will be made to ensure that resettlement well planned and implemented, at that APs are involved so their concerns are addressed and so they gain confidence that their livelihoods will not suffer.

Source: Household surveys, 2003.

Table 14 Anticipated Impacts of Expressway on Village—Village Survey

Advantage	Easy access	Easy goods transportation	Investment/employment opportunity increase	Production structure change/income increase	Others
Respondents	35	39	31	26	1
%* of 55 villages	64%	71%	56%	47%	2%

Disadvantage	Land loss	Infrastructure disruption	Difficulty of resettlement	Traffic safety concern	Other
Respondents	39	27	27	9	2
% of 55 villages	71%	49%	49%	16%	4%

* Multi-choices for each respondent, thus not necessary add to 100%. Source: Village Surveys. 2003.

3.4.6.4 AP's Preferences

88. Individual households were also asked about their preferences for ways of mitigating the effects of productive land and/or housing loss. Table 15 summarizes the responses of those households. In short, their responses were:

- 84% of sample households preferred that the land compensation fee be distributed directly to those households losing land that they are now farming under user rights contracts. This was preferred over general land redistribution among all members of the land owning group whereby the loss is equitably shared; 12% of respondent chose this option. Around 4% of respondents intended to have new land reclaimed.
- When asked whether APs would like land redistribution within villages after land acquisition, the preference of over half respondents agreed with this proposal, 23%

would not want land redistribution and the rest 26% thought either way is acceptable.

- On the other hand, if compensation were to be paid directly to those losing land or property, most of the respondents prefer to invest in children's education and housing condition improvement, and small businesses, e.g. retail trade, transportation and related technical training. A small proportion (7%) said that they would use the money to pay for miscellaneous items, e.g., living costs in the coastal area during the period before they find a new job or during technical training.
- Excluding those who would necessarily use at least part of the funds for building/rebuilding their houses following its demolition, the potential APs decided to select self-resettlement/employment for income restoration, sampled households had a strong preference on businesses. Nearly one fifth chose seeking new jobs working outside or local cities as migrant labor, if necessary after training.
- If their houses were demolished then over 90% of respondents would like to build a new house close to their existing home (that is "moving back for a certain distance") or within the same village. Only around 8% of respondents would like to move to a suitable site outside their village land.

89. Village leaders, during village survey, were asked about the redistribution of remaining land as the primary response by the land owning group to land acquisition for the expressway. Village leaders gave a mixed response, which varied between favoring land distribution and direct payment of the compensation fee to the APs who lose farming land. Compared with the farmers themselves, there tends to be a greater preference for land redistribution. This was reinforced in discussions with county officials. Further meetings were held in August 2003 to discuss these topics with village leaders from all affected villages; the results are reported in Annex 1. This is to ensure that local government officials and village leaders look at strengths and weakness, and past experience and then select strategies that build on opportunities and minimize risks (also see Chapter 8).

Table 15 Sampled AP Preferences for Mitigation Measures

Item	Dingcheng	Taoyuan	Yuanling	Total	%
AP preferred Strategy to Mitigate Loss of user Right					
a. Land compensation fee to be distributed direct to APs	31	164	358	553	84%
b. Land redistribution within Group	9	22	48	79	12%
c. New land reclamation	1	3	20	24	4%
AP Preference to Land redistribution within village after Land Acquisition					
a. Want land redistribution within village	18	72	234	324	51%
b. Don't want land redistribution within village	11	39	95	145	23%
c. Don't care	9	62	90	161	26%
Preferred Use of Compensation Paid Directly to APs*					
a. For children's education	16	68	229	313	51%
b. Improve housing conditions	13	88	212	313	51%
c. Establish small-scale businesses	12	39	161	212	34%
d. Deposit in a bank for old age security	14	25	87	126	20%
e. Pay for technical training for a new skill	1	13	135	149	24%
f. Miscellaneous items	-	22	21	43	7%
Preferred Self-resettlement/Income Restoration Options*					
a. Seeking new jobs as a migrant labor	5	33	56	94	19
b. Run a store or barbershop	1	4	40	45	9
c. Operate a restaurant/ guest house	1	7	44	52	10
d. Establish a small business	12	61	192	265	52
e. Learn hair-dressing/ cooking skills	1	5	53	59	12
f. Others	8	58	30	96	19
AP preferred Site for House Relocation					
a. Very close to old/existing house					62%
b. Within the same village					30%
c. Suitable site outside AP's village land					8%

* Since the topic is a multiple-choice question, it is not necessary that the percentage can be added up to 100%, but shows respondents' preference of total 657 households on the single sub-topic.

Source: Calculated based on Household Survey. 2003.

3.4.7 Land Availability

90. Any land for land compensation strategy depends on the availability of more land for cultivation and the feasibility of redistributing the existing land amongst all members of the land-owning groups. Discussions and field observations clearly indicate that, in most cases, there is little available, cultivatable land that has not already been distributed to individual households. 17 villages surveyed had reserve land (1-250mu) total 1,334 mu. However, in many villages the per capita cultivated land area is higher than 1.5 mu, which leaves rooms for land redistribution. This also supported by the fact: of total 52 villages surveyed, 43 villages had land renting out, particularly those permanently migrant labors rent their land to their friends or relatives in order to avoid paying penalty of leaving their land barren. The land rental per year ranges from 0 to 100 Yuan/mu, which simply pays the agricultural tax; some owners even cover this cost and require no rental fee. As planning guidelines, it was decided that land distribution would be feasible only when (i) no more than 20% of cultivated land was redistributed within any single village or as agreed by villagers and (ii) the average land per

capita after redistribution should at least ensure their subsistence.

3.5 Vulnerable Groups

3.5.1 The Poor

3.5.1.1 Poverty in the Project Area

91. Yuanling County used to be a designated “national” poor county, but since 2001 it only has a provincial level poverty designation. However the segment of this county traversed by the expressway is the county’s most prosperous belt along G319 highway. Here the population is largely the mixture of Han, Miao and Tujia, and while the land is hilly, there is considerable, generally small-scale mining activity. These activities have both direct and accelerator beneficiary effects on this local area. The result is that per capita incomes in the alignment section of Yuanling County are considerably higher than in the rest of the county, particularly in the eastern part of the county town.

92. Dingcheng District has no poverty townships but Taoyuan County has a poverty township—Xi’an Township, however it will not be affected by land acquisition. For the detailed poverty analysis, refer to Supplementary Appendix B.

93. Table 16 summarizes selected socio-economic indicators by income group. While the analysis is restricted by the low sample of poor households, certain characteristics do emerge. Poor households are not significantly bigger than non-poor households, nor do they have significantly higher dependency ratios. On the other hand, poor households own less land, are more likely to be found in Yuanling County, and are less likely to derive income from off-farm activities although the poor households with non-land holders accounted for nearly 2/3, compared with the non-poor just over 1/3. None of the poor households is totally landless.

94. Of 715 villages that were identified as key poverty villages in the Project area, 411 or 57.5% are minority villages. Minority population makes up 69% of the total population of the key poverty village. According to Table 16, the total number of poor minority households is estimated at 7.6%. Income distribution of the households surveyed indicates that minority people have similar or higher incomes than the Han in the project area. The poor households had the following characteristics: the absolute number of Han households is a little larger than Miao. About 6.9% of the Han, and 9.8% of the Miao are classified as poor. No other ethnic households in the survey were identified as poor.

95. Around 1/3rd of the poor households fall into the category of “extremely poor”, meaning that they or key income-earning members of their household suffer from some permanent disability (be it physical, mental or social). Indeed, when asking officials what characterizes poor families, the response most often given is that they are ‘weak’ and cannot,

for whatever reason, provide the labor to effectively cultivate their land. The other reason given for poverty is the lack of technical know-how.

96. Extremely poor households are the responsibility of the township Office of Civil Affairs who ensures that they receive the '5 guarantees' of livelihood (*wubao*) – food, housing, clothing, heating and funeral expenses.

Table 16 Indicators of Poor Households in Yuanling County

Indicator	Unit	Household Category		
		Poor	Non-Poor	ALL
Income	Yuan/capita/year	Under CNY900	Over CNY900	
Sample	No.	50	607	657
Location	% in Yuanling	86%	65%	67%
Household size	No.	4.60	4.56	4.57
% households with non land holders	% with member not holding land	66%	34%	57%
Cultivated land	Mu per capita	1.49	1.69	1.62
Income source structure				
Income from grain	%	32.4%	14.4%	14.8%
Income from cash crops	%	22.5%	16.2%	16.3%
Income from livestock	%	19.5%	16.0%	16.1%
Income from off-farm activity	%	25.6%	53.4%	52.8%
Ethnic groups:	No. of household	50	607	657
Han	No. of household	26	350	376
Miao	No. of household	24	221	245
Tujia	No. of household	-	25	25
Hui	No. of household	-	10	10
Uygur	No. of household	-	1	1

Source: calculated based on Household Survey, 2003.

3.5.2 Minorities

97. The wider project area contains a high proportion of people belonging to ethnic minority groups, principally the Miao but also the Tujia, Hui and Uygur. These populations are concentrated in the remoter, hillier parts of the project area and particularly in Yuanling County, which is adjacent to Xiangxi Tujia and Miao Autonomous Prefecture. The overall incidence of minorities in the villages affected by the expressway is 38% and mostly concentrated in Yuanling and Dingcheng, compared with over 50% in the Yuanling County.

98. The social assessment of this project demonstrates a clear correlation between poverty and minority nationality in the wider project area. Along the alignment this pattern is not so recognizable. The absolute number of poor minority households interviewed was less than Han households, and some minority households involved inter-marriage with the Han. In recently times there has been a trickling back to their original cultural roots of some minority people to the Han settlements⁷. While remaining minorities in name, many of the

⁷ In 1970's during the planning economy times in China, a great number of Han people/ university graduates were

minority population in the G319 corridor are becoming increasingly assimilated with the Han culture. Although there are distinctive features in language, culture and customs, there is little difference in social and economical status between Han and minority people in the affected villages. There is no evidence of any discrimination against minorities in the direct project area on the basis of their cultural identity.

99. Table 17 presents the distribution in the surveyed 55 villages. The population of Hui nationality in Paomagang Village of Xujiqiao Township, Dingcheng District takes up 60% of the whole population with a number of 496 people. People in investigated villages of Taoyuan County are mainly Han people with a few minority people. There are many ethnic groups in the surveyed villages of Yuanling County, where people of the same ethnic group usually live in compact communities. Of the 30 investigated villages in Yuanling County, there are 16 villages where people of minority nationalities take up over 40% of the whole population. Four out of 16 villages Yangxipu, Yuncongdong, Liujiaba, Changchong'ao mainly comprise of Tujia nationality while the others are mainly made up of Miao nationality.

Table 17 Information of Villages with Minority Population

County	Township	Village	Total population	Minority nationalities	Minority %	Miao	Tujia	Other
Dingcheng	Xujiqiao	Paomagang	834	496	59%			Hui 496
Yuanling	Lizhixi	Lizhixi	888	888	100%	888		
Yuanling	Nanmupu	Qinfengshan	395	395	100%	395		
Yuanling	Maxipu	Maxipu	2030	2030	100%	2030		
Yuanling	Shuxihou	Qingmu	987	987	100%	987		
Yuanling	Madiyi	Baiwuping	1020	1000	98%	1000		
Yuanling	Xiaojiwan	Sanyanqiao	1601	1568	98%	1086		
Yuanling	Maxipu	Yanxipu	1200	1100	92%		1100	
Yuanling	Madiyi	Mumaxi	1992	1800	90%	1800		
Yuanling	Madiyi	Yanjia	1196	1000	84%	1000		
Yuanling	Lizhixi	Panjiaping	1100	880	80%	880		
Yuanling	Liangshuijin	Yuncongdong	1320	900	68%	200	700	
Yuanling	Liangshuijin	Liujiaba	1365	820	60%	260	560	
Yuanling	Liangshuijin	Wangjialin	1375	814	59%	764	50	
Yuanling	Liangshuijin	Hejia	747	410	55%	2	4	5
Yuanling	Kutengpu	ChangChong'ao	726	335	46%	35	300	Dong 3
Yuanling	Liangshuijin	Shazi'ao	1135	450	40%	350	100	

Source: Village Survey. 2003

100. In order to accelerate the social and economic development of minority nationality regions the central government has provided them with a series of favorable policies, which have been thoroughly carried out by the local governments. These policies and programs include: (i) finances from special minority development fund are given for projects (i.e., schools, roads, water supply, religious places) in minority areas; (ii) minority groups have special access to relief funds, loans, subsidies and tax relief, including a lower tax on grain, to assist in economic development; (iii) a rural minority couple is allowed to produce 3 children, while the Han are allowed only 1-2; and (iv) minority groups benefit from points score system, which places them in a higher rank than the main stream Han for university admissions. The

encouraged to support and were designated to work in the backward area; as a result many local ethnic groups were assimilated with the Han culture.

ethnic affairs bureau staffs in counties are responsible for the implementation of minority programs in relevant villages.

101. A separate Ethnic Minorities Development Plan (EMDP) has been prepared to ensure project benefits and proposed mitigation measures for ethnic minority communities within the PA. Adequate provisions to enhance the economic conditions of vulnerable groups, including ethnic minorities have been integrated in Project design. Current government policies and programs for minority nationalities further help to protect and enhance project benefits to ethnic minority groups. This resettlement plan will help ensure that vulnerable groups, including ethnic minorities adversely affected by resettlement will also benefit from the project. Provisions for special mitigation measures have been included in the resettlement plan. For ethnic minority households, provisions include (i) support by local government and village cadres when assistance is requested; (ii) priority for training, adult education, and construction employment opportunities; (iii) tax refund to the affected communities for land reclamation and loss of forestation for future land development.

3.6 Gender Aspects

102. PRC is ideologically committed to gender equality and women and men have enjoyed an equal status by law. Women play an active role in the economy within the project area as well as being responsible for many household tasks. For instance, female participation in agricultural activity is high in the project area. Females have also become migrant workers, and generally venture to distant provinces (e.g., Guangdong and Guangxi) in order to find suitable work.

103. In contrast, the situation for ethnic minorities seems to differ. The overall trend is for women to carry out an increasing proportion of all types farming activities together with childcare, elderly care, animal care and other household chores as more men are seeking migrant employment. The spatial pattern of women's education level, skills development, and employment as migrant workers is different to men (Table 18). Men, with a higher educational and vocational skills base, tend to find off-farming or non-farming work in the local area. Their proximity to the home village means that there is more frequent social contact with, and practical assistance given to, their village-based family.

Table 18 Education Level and Skill of Labor Force of Surveyed Minority Villages (%)

		Female		Male		Total of minority vills.	PRC
		Hunan	Minority vills.	Hunan	Minority vills.		
Education Level	Illiterate	7.9	12.9	5.1	6.8	9.9	7.4
	Primary School dropouts	7.8	10.7	6.8	9.6	43.1	31.1
	Primary School Graduates	28.2	32.8	28.0	33.2		
	Middle School Dropouts	9.1	8.5	10.2	9.7	35.4	49.3
	Middle School Graduates	34.2	25.8	35.1	26.9		
	High School	10.9	9.3	13.8	13.8	11.4	11.7

Specific Skills	Carpenters	--	0.3	--	7.6	3.9	--
	Plasterers	--	0	--	18.7	8.2	--
	Tailor	--	4.4	--	0.4	2.1	--
	Retailer	--	3.6	--	2.4	3.1	--
	Transportation	--	3.2	--	7.7	5.7	--

Source: Poverty and Social Assessment village and HHs Surveys, Hunan Statistical Yearbooks

104. Men are more dominant in household decision-making than women. However within the 10-km expressway corridor (i.e., the G319 corridor), men and women tend to be more equal in household decision-making. In the surveyed rural areas, divorce rate is low and family relationship is relatively stable. Information and experience are key factors for men and women in their ability to participate in household decision-making (e.g., level of contact with outsiders through the media and non-farm employment). Road development would help women get more information. Similarly, in the villages near main road and cities, women mainly do community management, as more men become migrant workers. The women who undertake this role said the biggest advantage to manage the community affairs is that they can access more information through the government system.

3.7 Implications of Socioeconomic Survey Findings to RP Strategy

105. The population who will be affected by loss of land and property from the construction of the Chang-Ji expressway are relatively prosperous due to a combination of cash cropping and off-farm activities. Around 60% of households have incomes above CNY2,300 (Hunan Provincial Average) per capita, significantly above their village average. Almost two thirds of households are engaged in off-farm activities. Nevertheless, the economy is still primarily rural—two thirds of households derive up to half their income from agriculture. Grain is the most important crop but it only makes a small contribution to cash incomes.

106. Traditionally, the importance of the rural economy means that most households losing a significant part of their land will lose a substantial portion of their income. In contrast, the resettlement social-economic study revealed that the land acquisition impact of the Project would not be serious since the income contribution from land cultivation only accounted for around 25% of household gross incomes. However, in order to ensure that AP's livelihoods and living standards will not decrease compared with "without project" status, adequate compensation and income restoration measures will thus be essential, and special focus will be required for vulnerable and low-income households. Households of minority groups that are poor will be considered vulnerable, and will be eligible for special benefits.

107. Local officials, especially at county level but also in the townships and villages are confident that an economic rehabilitation strategy consisting of land improvements and land redistribution among individual land-owning groups or even villages is both feasible and desirable using the agreed planning principles. This includes measures such as improving irrigation, reclaiming marginal land and planting economic trees on slope land, as well as

developing off-farm enterprises. Land reallocation within the entire village would also distribute the impact of the land losses and the financial compensation amongst its residents, while enabling the majority of affected households to continue in their traditional occupation, which, for many, has been highly remunerative in recent years. At present, the authorities do not consider that a policy of urban transfers will be necessary. As urban transfer does not promise job assignment or any advantage over the farmer residency, the survey indicated that the farmers are unwilling to transfer to urban registration.

108. Many respondents however stated a preference for a strategy based on full cash compensation giving them the freedom to spend the money as they wish; only one third preferred land redistribution. Many expressed a willingness to invest in new income generating activities on and off the farm activities, thereby continuing the efforts which have seen the rapid development of cash cropping and small-scale trade and transportation activities in recent years. In the future more opportunities are likely to become available as the Chang-Ji expressway gives an additional impetus to economic growth. In general, respondents placed greater emphasis on developing non-agricultural activities than officials.

109. Overall, it is apparent that compensation and income restoration options must be highly flexible, allowing for considerable variability from village to village: between land reallocation and cash payments on the one hand, and between community-based and individually organized income restoration activities on the other. The key is to ensure that, as provided in the legislation, the affected households and land-owning groups decide whether to redistribute land, how compensation payments should be distributed between the community and individuals and what income restoration measures are most appropriate to their particular circumstances. Given the fundamental importance of income restoration to any resettlement strategy, meetings with representatives from all affected villages were held as early as August 2002 (the FS commenced). Further meetings have been held during the past year and discussions have been intensified in preparation for project commencement. During the PPTA stage, 10 villages have submitted initial proposals for income restoration (see Chapter 6).

110. Fortunately the incidence of poverty is low amongst the affected households. The majority of poor households are either poor through indigence or lack of technical knowledge rather than poor productive conditions or infrastructure. Although there are many minority households along the proposed alignment, they are more integrated and better off than other minority groups in more remote, hilly areas. As a precaution, an EMDP has been prepared to help ensure that minority nationalities will not experience adverse affects in terms of their cultural identity. Nevertheless, ethnic minority groups will receive the same levels of compensation, and will be eligible for same income restoration strategy as other affected people. Some preferential assistance has been included in the resettlement to meet the additional needs of the more vulnerable and low-income families.

111. It will be important to inform women about compensation payments, training programs and other assistance being proposed under this plan. Access to information for women on land acquisition and resettlement, and subsequent rehabilitation provisions will

help minimize the adverse affects of resettlement, while enhancing project benefits for women. Compensation payment and access to rehabilitation activities will not discriminate against either sex. For instance, training programs will help to increase the skills capacity of women, and improve their access external income generating opportunities. Monitoring of resettlement activities (e.g., baseline surveys) should investigate the affects of resettlement on women and men individually. Data should be disaggregated by gender and ethnic groups whenever possible.

CHAPTER 4 LEGAL FRAMEWORK AND RESETTLEMENT POLICY

4.1 General

112. The legal framework and resettlement policies for the Chang-Ji expressway, which form the basis for this RP are based on two sets of sources: Chinese Laws /Regulations and local by-laws, and ADB policy requirements. The most relevant provisions of these are summarized in the following sections.

4.2 Legal Framework – Overview National/Local By-laws

113. In PRC, compensation for land and resettlement for project-affected people is governed by the 1999 Land Administration Law (LA Law), which stipulates the ownership and the land use rights, utilization and protection of land and the compensation costs, resettlement subsidies, and the proper measures of resettlement for those affected. According the LA Law (article 8), land in the urban districts are state-owned while land in rural and suburban areas (house plots, farm land, hills) shall be owned by collectives of the peasantry. The collective and its members (by two-thirds majority) can re-distribute or re-allocate land (article 14) or make adjustments to arable or reclaimed land (article 31). The LA Law further stipulates (article 47) that in case land acquisition shall take place, compensation shall be made in accordance with the original usage of the acquired land, which shall include land compensation fee, resettlement subsidies and compensation fee for the attachments on the land and standing crops.

114. The compensation fee for the acquired cultivated land will be multiple times (based on local standards as per the law) of the average annual output value (AAOV) of the land in the previous 3 years before land acquisition. Similarly, the compensation fee for resettlement for each of the agricultural population will be multiple of the AAOV of the land in the previous three years. The provinces or municipalities directly under the central authority determine the standards of compensation for the attachments on the land and standing crops. Articles 48 and 49 require consultation and disclosure of compensation rates and the flow of funds to the land-owning collectives. All compensation monies are typically paid to the land owning unit/collective.

115. Specific implementation guidelines define eligibility, cut-off date, timing and procedure of information dissemination, resettlement action plan and monitoring. The following laws and regulations will be utilized for this project:

Implementation Regulations for Land Administration Law of the People's Republic of China, effective January 1999.

Measures of Information Publicizing for Land Acquisition, No. 10 Order, Ministry of Land and Resources, effective on January 1, 2002.

Implementation Measures for the Land Administration Law of PRC in Hunan Province, effective as of March 31, 2000).

Management Measures on Temporary Land Occupation, No. 140 Order, Human People's Government, effective 2001.

Forestry Law.

4.2.1 Gap between PRC and ADB policy

The outstanding Gap between PRC and ADB policy is that cash compensation is provided to collectives for community-wide mitigation measures with limited or no follow-up of individual rehabilitation measures. ADB policy requires that people displaced should be compensated and assisted, so that their economic and social lives would be generally as favorable in the absence of the project. Particular attention should be paid to households headed by women and other vulnerable groups, and appropriate assistance provided to help them improve their status.

4.3 Project Resettlement Policy

4.3.1 General Objectives and Principles

116. Policies regarding compensation and resettlement for the APs in the project are based on a combination of the PRC laws and regulations and ADB's policy and requirements. The primary objective of the RP is to restore the income and living standards of the APs in post-resettlement period as quickly as possible and with as little disruption possible in their own economic and social environment. The RP has been prepared and will be implemented to meet this objective. Particular attention has been paid to needs of the poorest, ethnic minorities and vulnerable groups to be resettled. Further, the need for involuntary resettlement has already been reduced through re-routing and refinement of the alignments by CECC.

117. The resettlement principles adopted in the project reflect the legal and policy requirements of PRC and ADB. The principles are summarized in Table 19. The adopted principles with regard to compensation, resettlement and income restoration are flexible enough, allowing for considerable variability from village to village (e.g., between land redistribution and cash payments on the one hand, and community-based and individually organized income restoration options on the other). The key is to ensure that all APs receive adequate compensation and assistance to restore their incomes, living conditions and general livelihood in post-resettlement period.

Table 19 Resettlement Principles – Summary

	Principles
1	That compensation and entitlements provided to APs are adequate to at least maintain their “without project” standard of living, with prospect of improvement.
2	All APs, titled or non-titled, are taken into account for compensation and resettlement assistance.
3	Land redistribution will ensure per capita minimum holding in post-resettlement period to maintain livelihood standards.
4	Where land acquisition per capita is not sufficient to maintain livelihood, compensation in cash or kind for replacement land for other income-generating activities will be provided for.
5	All APs will be adequately informed on eligibility, compensation rates and standards, livelihood and income restoration plans, project timing, and will be involved in RP implementation.
6	No land acquisition will take place prior to satisfactory compensation resettlement of APs.
7	The EA and independent/third party will monitor compensation and resettlement operations.
8	Vulnerable groups should receive special assistance or treatment to ensure they are better off.
9	Resettlement affected people should have opportunities to benefit from the project.
10	Resettlement plan should be combined with the overall county or township planning.

4.3.2 Land Redistribution

118. The households losing their farmlands will be given “land-for-land” through redistribution of land generally available within the farmers’ groups. If such redistribution fails to provide the households enough area of cultivated land, the redistribution of the land within villages and even townships shall be conducted. Cash compensation will be paid to those who chose so in lieu and/or lack of replacement land for redistribution.

4.3.3 Compensation Eligibility and Cut-off Date

119. All APs and organizations (whether public or private) losing land, buildings/houses, crops or sources of income will be compensated or rehabilitated according to the types and amount of their losses (permanent and temporary) as long as they are included in the final detailed measurement survey (DMS), conducted by HPDI and Chang-Ji Expressway Company, or are identified as affected by temporary impacts during construction.

120. The local governments issued an order in August, 2002 that there should be no new construction along the proposed expressway when HPDI surveyed based on the feasibility study. The alignment was staked in October 2003, which is the cut-off date for compensation eligibility. APs who cultivate land, construct buildings or settle in project affected areas after the cut-off date will not be eligible for compensation or subsidies. Compensation will also not be paid for any structures erected, or crops and trees planted purely for the purposes of

gaining additional compensation, but those due to variation of design will be compensated as specified in the RP.

4.3.4 Compensation Standards

121. The following paragraphs describe the compensation standards to be adopted for this RP. Detailed compensation rates are presented in Chapter 5, which also contains the budget estimate.

4.3.4.1 Compensation for Loss of Cultivated Land

122. Land compensation fee: permanent cultivated land loss will be compensated in cash to the affected villages at a rate equivalent to **8 times** of average annual output value (AAOV) of previous three years. Individuals, groups or entities with user rights on the affected plots will be compensated in terms of “land for land” mechanisms through redistribution of land within the village territory or other comparable compensation in lieu of land.

123. Resettlement subsidy: these will be paid to the individuals, groups or entities with user rights on the basis of **4 times** the AAOV calculated as above.

124. Cultivated land reclamation fee: Permanent cultivated land loss will be subject to a reclamation fee agreed with Land and Resources Department of Hunan Province, CNY13,756 per mu, average of 20 times AAOV of all kinds of cultivated land.

125. Temporary cultivated land losses will be directly compensated in cash to the APs equivalent to **one time the AAOV per mu** for each year that the land is not available for cultivation. The AP will lose net income from the land during the period of temporary occupation, but the AP will receive compensation based on gross output value, so there is no loss of income. If there are standing crops, this entitlement will also be added. The entity requiring temporary land use will restore the land to its original condition after use, or make comparable payment to the AP. According to regulations, temporary use should not exceed two years and wasteland should be utilized wherever possible.

4.3.4.2 Forestry Land

126. Permanent forestry land losses will be compensated in cash (see Table 22 for detailed compensation rate) to the owners for state-owned forest, and to owners/contractors of collective forest. In addition, the forest restoration fee will be paid to the affected Forestry Bureaus based on the area taken (for easy operation, this Project will pay CNY50,000/km lump-sum). The Forestry Bureaus will be responsible for reforestation of a similar amount of forestland.

4.3.4.3 Residential Land, Houses/buildings and Fixtures

127. Residential land, houses/buildings and fixtures losses will be directly and fully compensated at replacement cost free of demolition expenses and salvaged materials. Compensation for residential land will be paid to the affected village who will then, in consultation with the village committee and the APs, make available replacement plots within the community at no cost to the affected household. If this is not feasible, the township government will assume the responsibility. Houses, other buildings and attachments and related fixtures will be compensated in cash at replacement cost with monies paid directly to the APs. The compensation is based on construction costs of new houses, including labor and decoration costs. Land transfer fees and related costs, if not waived, will be compensated by the project owner.

128. Affected families who currently have a rental accommodation contract will be guaranteed a similar rental contract, if requested by the affected families. The new rent contract will have the same terms as the rent before. They will receive two months notice to vacate.

4.3.4.4 Crops Losses

129. All APs, including tenants and APs without land use rights contracts, will directly receive full compensation in cash for their crop losses at **1 times** the AAOV. For standing crops, the affected farmer will be paid the market value of the mature crop. Based on the request of local officials and village leaders, where possible the land acquisition should be undertaken during the wintertime when there are no standing crops in field. In such cases, there would not be any cost for young crop compensation.

4.3.4.5 Resettlement Allowances for Homeowners

130. In addition to the compensation for houses and land, relocation allowances will be paid. These relocation allowances cover resettlement/ relocation costs, including unexpected losses or expenses related to house demolition and new house construction (relocation transition allowance), and the cost of moving all household items and any salvageable materials to the new house, or from the rented house to new house (moving allowance). These allowances will be payable as a comprehensive allowance to AP households. In most cases, affected people will construct their own houses and will live with relatives during transition; however, if accommodation is not available free of cost, allowance shall be paid to cover the cost of rent. A lump sum amount will be provided based on the cost of 4 months rental.

4.3.4.6 Compensation for Loss of Business/Employment

131. In the proposed expressway alignment, the Zhengjiayi Forestry Farm is the only enterprise affected by the Project. The farm employees 12 workers, and will be affected by the loss of 98 of 970 mu of forestland and one forestry observation shelter, which. The

forestry observation shelter is a house that was built for workers for rest while planting trees or observation in non-planting season.

132. Transition Allowance: The transition allowance for a commercial business moving from its old buildings to new ones will be calculated on the basis of total post-tax profit during the six months prior to relocation as declared by the business to the tax-collection agencies. The transitional allowance for employees' loss of income will be equal to the total sum of earnings (including basic salaries and national subsidies) of all registered employees (including those retired) for 6 months prior to relocation. This allowance will be paid on a monthly basis for 6 months from the date of removal from the original premises.

133. Moving Allowance: The allowance for transport and re-installation of the equipment of enterprises will be determined based on the regulations stipulated by the State and the Province in calculating such transport and installation costs. An allowance equal to the actual expenditure on renting storage space will be paid for temporary storage (if any) of equipment and materials.

4.3.4.7 Relocation of Public Buildings

134. All the public buildings affected will be replaced or paid in cash directly to its owners. Schools will be re-constructed before the old one is demolished. If the public buildings are to be expanded, the project will match the local funding (up to 100% of the compensation value).

4.3.4.8 Training Programs

135. Livelihood Training Programs will be available to APs from local government. A training plan will be developed by local governments no later than the end of 2004. Allowances will be payable to those attending to cover the cost of transportation, food and lodging necessary to reach and stay for 2 weeks in the county or township center where training course are to be run will be paid for the APs. Some funds will also be made available to arrange special training in the project area. CECC will submit a copy of the training(s) to ADB and report on the progress of training. Approximately 8,000 persons will be eligible for training and an estimated budget of Y1.6 million, calculated at 2 persons per household at Y200 per person (see para 160 for details).

4.3.4.9 Vulnerable Households

136. Special attention will be paid to the vulnerable groups, defined as those already experiencing hardship (e.g. through sickness, lack of labor, aged, female headed households, etc) or those whose loss of land/ property could lead to such hardship and risk of impoverishment. As previously indicated, a correlation exists between poverty and minority nationality in the wider project area but along the alignment this pattern is not so recognizable (see para 100). For this reason support will be given to poverty households, including those minority households that are poor. In order to ensure that resettlement is no more difficult or

inconvenient for these vulnerable groups as it is for the rest of the AP community, an assistance group in each community consisting of township and village leaders has been designated for the vulnerable groups in order to air their needs and provide assistance in time. A separate fund of 5 million Yuan will be established within the resettlement budget. Ethnic minority households would also be eligible for assistance from this separate fund.

4.3.5 Flow of Funds and Compensation Options

137. The basic principle is that compensation funds are disbursed to organizations and individuals who will take responsibility for the reinstatement of the facilities and or the restoration of their incomes. In accordance with the compensation policies and rates given above, HPEC will sign compensation agreements with the local Land Acquisition Bureaus/ Resettlement Offices, supporting units, enterprises and public infrastructure agencies detailing the compensation payments to be made. Payment of funds will be made in accordance with: (i) these agreements and (ii) the time schedule specified in these agreements.

138. Agencies responsible for reinstating public utilities will receive the compensation directly as will households, businesses and public organizations losing property. Compensation for crops is payable to the farmer and forest bureau for designated forestland. All transitional and moving allowances and compensation for temporary land loss will be directly paid to those affected. Land reclamation fees for cultivated land are payable to the government agency responsible for land development.

139. Land compensation fees and resettlement subsidies for cultivated land are initially paid to the village collective/land owning groups. The legislation provides substantial flexibility in the ways that the land-owning groups can use the compensation monies. Essentially, they can either use the compensation to generate additional economic activity (agricultural or non-agricultural) in the village, improve public facilities or infrastructure, institute training courses, or transfer payments directly to those affected. The legislation defines the village meeting as the organization responsible for making these decisions, based on two-thirds support. The decisions are then subject to approval of the township authorities.

140. Disbursement of Land Compensation Fees: where land redistribution occurs, these fees will be used by the land-owning group/ village committee for the purpose of developing productive capacity and rehabilitating the economic level of affected persons, *including those host farmers losing land as a result of the reallocation procedure*. Where there is no land redistribution or collective investment, the land compensation fee is paid to the farmers losing land to the project.

141. Disbursement of Resettlement Subsidies: these are paid to the agency that is responsible for resettling the affected agricultural population, almost always the Village Committees and land-owning groups. The onus is then on these organizations to provide

appropriate income restoration measures for the AP households. If no such measures are provided, or the AP household prefers to look after themselves, the resettlement subsidy will be paid directly to that household, and there will be no requirement for an income restoration strategy as such. However, individual households should be able to demonstrate that they have a plan and the means to utilize the subsidy for income restoration. Such APs will be included in the sample of households to evaluate resettlement success.

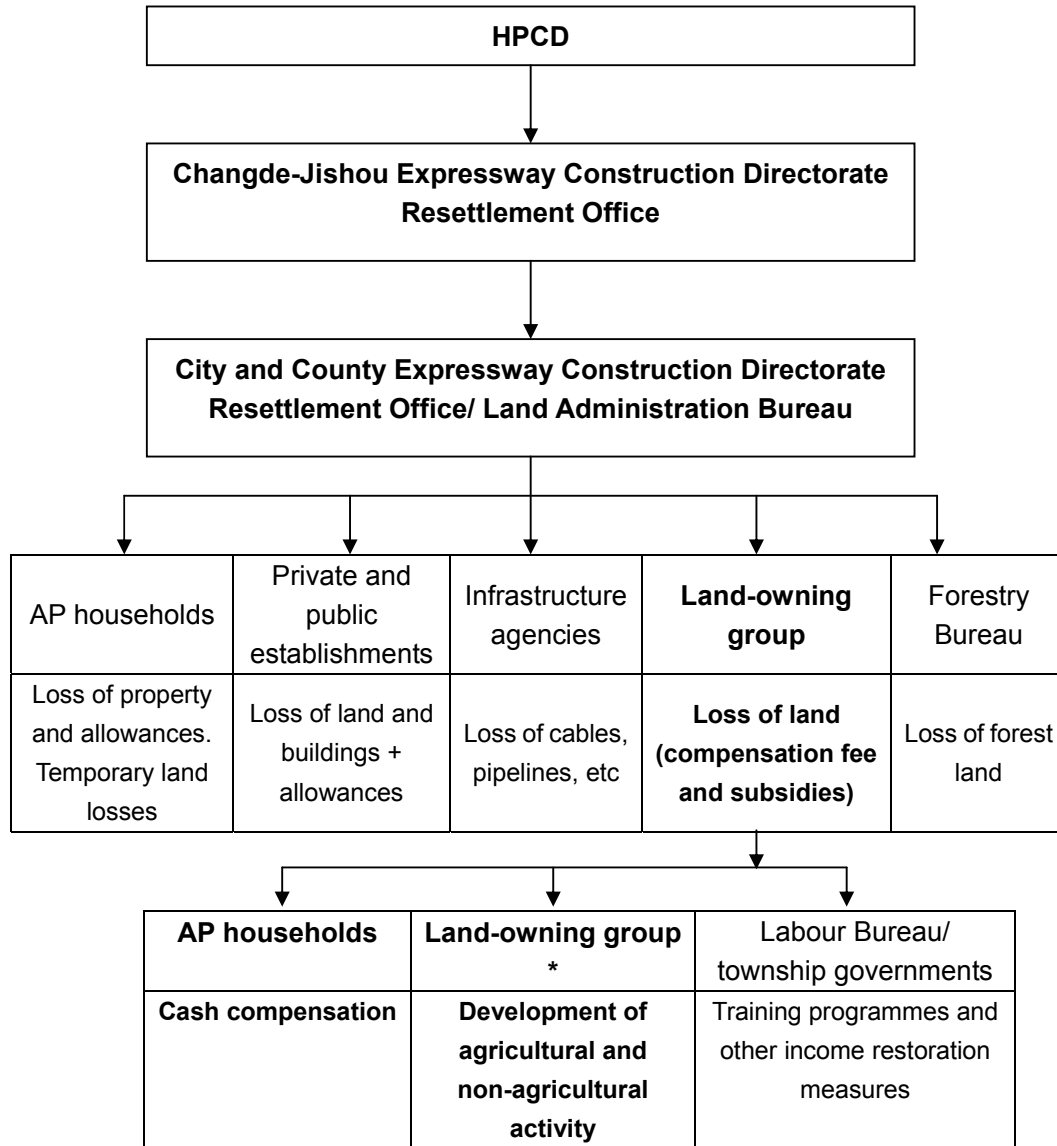
142. The RP reinforces this approach by re-affirming the right of land-owning groups to determine how they use the compensation funds that will be at their disposal. In particular, properly constituted village meetings will be held in all affected villages to decide on the following matters:

- 10. - whether land reallocation should be undertaken and the extent of this re-allocation,
 - 11. - the proportion of compensation which should be payable directly to the APs,
 - 12. - the uses to which compensation funds retained by the land-owning group will be put, and
 - 13. - whether and where replacement sites are provided for displaced households and establishments.
- 14.

143. The requirement for the approval of such schemes by the township and county governments, as well as the proposed external and internal monitoring, will ensure that decisions taken by each village are: transparent, acceptable to the majority of the population, and target those households losing land and/or property, whether directly or through land redistribution. Implications and risks on vulnerable groups must also be identified and resolved.

144. Figure 3 provides a simplified description of the overall process.

Figure 3 Flow of Funds for Compensation



4.3.6 The Entitlement Matrix

145. The entitlement matrix for this project is set out in Table 20. The matrix covers eligibility and compensation for *all* kinds of losses (e.g., land, housing, businesses, other income sources, temporary loss of income, displacement, and moving cost). It provides a summary of the measures, provisions and standards described in the earlier part of this section.

4.3.7 Utilization of Land Reclamation Fee

143. The provincial and county level Land and Resources Bureaus will receive funds for reclamation of the cultivated land lost to the expressway. The affected counties/districts will prepare plans for land reclamation and request approval for use of these funds in poverty villages. Since the land reclamation fee was established to balance the loss of cultivated land, if there are land resources available for reclamation in the Project affected villages, priority should be given to these villages for arranging land reclamation program using the reclamation fee, particularly in the poverty villages along the expressway alignment. The reclaimed new land should be contracted to APs without any surcharge. The operation should be coordinated and supervised by the Project Leading Group.

Table 20 Entitlement Matrix of Compensation and Resettlement Policy

Type of loss	Application	Entitled person/ group	No. of entitled persons /groups	Compensation policy	Compensation Entitlement	Implementation issues
Permanent loss of cultivated land	Cultivated land located in the right-of-way of expressway and inter-connector roads.	a) Land-owning groups b) Farmers who use the land	a) 465 land owning groups in 93 villages b) Households who lose land	Land compensation and resettlement subsidies respectively*; Replacement land and/or cash payments and/or income restoration measures sufficient to ensure maintenance of existing economic and social conditions Priority should be given to the villages with land loss if land reclamation program is feasible	Full compensation for 375 land-owning groups and land loss households, the share between land owning group and households will be determined by villagers' meeting. APs are able to contract reclaimed land if it is available.	Village meetings to be responsible for deciding on the allocation of funds, the redistribution of land and investment in income generating activities such as improved cultivation techniques/ irrigation/ small business development/ training. Higher level authorities to approve and monitor village level proposals and, if required to facilitate training programs
Temporary loss of cultivated land	Land adjacent to ROW for construction purposes	Farmers who use the land	(to be identified during construction)	Cash compensation based on AAOV for each year land is not available + reinstatement to pre-construction condition	Who lose crops will receive full compensation according to compensation standard.	Village Committee/farm owners must be notified in advance and paid accordingly
Forest land	Forest land within ROW	Local forest bureau / Forestry Farm	(To be identified,)	Cash compensation to Forest bureau according to standards and regulation of Hunan provincial laws		To be taken care by the forest bureau
Loss of residential land/ property	Residential land located in or affected by ROW	Owner of the building or houses	1,414 households	Cash compensation for land if AP requires new plot Cash compensation at replacement rates for all buildings Transition and moving allowances, transportation/shifting cost	Pay compensation for owner of the house/building 1,414 households	Sub-villages and APs to decide on location of new residential plots.
Non-cultivated land loss	Non-cultivated land within ROW	Land-owning groups	465	Cash compensation.	375 villagers' groups	The rate must be negotiated with the land owners/groups.
Loss of non-residential establishments (e.g., common property units etc.)	Establishments sited in or affected by ROW	a) Legal owner of the establishment b) Employees/teachers c) Students	5 schools	Cash compensation for land or replacement site provided Cash compensation for buildings Transitional allowances for lost income; Moving allowance for transport of building materials to new families who are relocated (not payable in cash). Construction of common property units by local government in consultation with beneficiary groups	Full compensation based on compensation standards social units	Assistance in finding new site if relocation of establishment is unavoidable. New schools must be ready prior to relocation.
Business/ salary losses		10 affected workers	A garden house in Zhengjiayi Forestry farm	Business/salary losses will be compensated through specific allowances to be paid on a monthly basis for up to 6 months after relocation. The business losses allowance will be based on the total post-tax profit during the six months prior to relocation as declared in the tax receipts.	Zhengjiayi Forestry Farm will receive the compensation	
Crops losses / Trees		Affected people	All owners who loss trees	Crops losses will be compensated at a rate equal to the market value of the harvested crops Trees will be compensated based on project standards	Full payment direct pay to the tree owners	

* Cultivated land reclamation fee is also payable but this does not affect APs. Source: derived from preceding text.

CHAPTER 5 COMPENSATION COST ESTIMATES AND BUDGET

5.1 General

146. The compensation rates presented in this section have been derived from an extensive series of discussions between HPCD, HPEC, HPDI and local officials at prefecture, county and township levels as well as local farmers. The rates for permanent land are based on AAOV and are shown for various land use types. Farmers are familiar with the AAOV of land, and can thereby judge whether the replacement value is adequate. AAOV are based on socioeconomic investigations and household surveys. Compensation rates also take account of both national and provincial regulations concerning compensation, and rates established for other projects. They are therefore considered to be final. Any changes will be documented and reported to ADB.

147. The costs for the land acquisition and resettlement include the following categories:

- 15. 1) Compensation for land acquisition including crops and trees;
- 16. 2) Compensation for building/houses and structures;
- 17. 3) Costs for the rehabilitation of infrastructure affected;
- 18. 4) Other costs related.

5.2 Compensation Rates and Cost for Land Acquisition

5.2.1 Compensation for Cultivated Land

148. Compensation for cultivated land consists of the following components:

- 19. - Land compensation fee;
- 20. - Resettlement subsidies for requisitioned cultivated land;
- 21. - Standing crop compensation;
- 22. - Reclamation costs for cultivated land occupation.
- 23.

149. In all cases, the Average Annual Output Value (AAOV), averaged over the previous three years, is fundamental to the calculation of compensation. AAOVs for different types of land (irrigated, non-irrigated/ dry and vegetable land in defined production bases) have been finalized following discussions with local officials in the affected counties and a comprehensive series of meetings with farmers and leaders in the affected villages (see List of participants in Annex 3).

150. Compensation is then calculated by applying the following multipliers, in accordance with the Hunan Province Regulations on the application of the China Land Law:

- 24. Land compensation fee: 8 times the AAOV
- 25. Resettlement subsidy: 4 times AAOV
- 26. Standing (young) crop compensation: 1 times output value if young crops damaged
- 27.

151. Total compensation payable to the affected land-owning groups or individuals is equivalent to 13 times the AAOV.

152. The land reclamation fees payable to the State and local government are calculated as lump-sum CNY13,756 per mu both for paddy land and dry land.

28. 153. The cultivated land occupation tax payable to local government is set as CNY0.6 per square meter for both irrigated and non-irrigated land, i.e., CNY400.2 per mu.

29.

154. Table 21 presents the calculation of compensation rates for cultivated land in each county, which will be payable to affected land-holding groups [please check these rates with the ones in the budget table – Table 23].

Table 21 Compensation Rate for Permanent Cultivated Land Acquisition

Land Types	District (County)	AAOV (Yuan) *	Multipliers x AAOV		Total (Yuan/mu)
			Land compensation	Resettlement subsidy	
Irrigated	Dingcheng	870	8	4	10440
	Taoyuan	780	8	4	9360
	Yuanling	730	8	4	8760
Dry	All	500	8	4	6,000

* Derived from social economic survey data and consultation with local officials and farmers.

5.2.2 Compensation for Other Land Types

155. The overall compensation rates (including land compensation and resettlement subsidies) for other types of land are:

- economic forest/orchard: Y10,000 per mu
- timber forest: Y4350 per mu
- water ponds: Y8700 per mu
- housing plots: Y5220 per mu
- barren: Y870 per mu.

30.

156. The compensation for trees will be based on the size of tree. The mature timber tree will be compensated based on the cutting and moving cost as these trees can be sold in the market, and the immature tree will be determined based on the age and actual size of the tree. For the fruit trees, compensation will usually be paid on the transplanted cost, if possible; for those that cannot be transplanted (i.e., if the tree is mature and going to be damaged) compensation will be made on the cost of planting of young fruit trees. The number of trees will be included in the final RP with the results of the DMS, and the standards used in other projects will be followed. Compensation for trees will be payable according to the following

schedule based on the average unit prices (see rate table in Annex 4).

31.

5.2.3 Compensation for Temporary Loss of Land

157. These are calculated at 1 times AAOV for each year of impact. Since there is abundant barren land to be used temporary, the budget assumes a fixed rate of 870 Yuan per mu per year. Assuming a two-year occupation period (ROW will be used), the total cost per mu of land is CNY1740.

5.3 Compensation for Houses and Structures

158. Following discussions with local officials in the two prefectures affected by the expressway, compensation for affected houses and buildings, owned by enterprises or individuals, will be paid at replacement rates as given in Table 22, with a comparison of replacement values in the project affected district/counties obtained during the household survey and from local statistics. No deduction in compensation will be made for depreciation or the cost of salvaged materials.

Table 22 Compensation Rates for Houses and Buildings

Unit: Yuan/m²

Structure	Brick & Concrete	Brick & wood (tile)	Clay & Wood (tile)	Wood + tile roof	Simple Houses
Rate	280	220	180	160	90
Comparison with replacement values obtained during field surveys					
Dingcheng	233	162	n.a.	n.a.	60
Taoyuan	220	156	105	n.a.	55
Yuanling	206	145	90	n.a.	50

Note: Based on the field survey data, on average, the proposed compensation standards at least include Y50 for decoration besides the replacement value.

159. Compensation rates for attachments are shown in the overall cost estimate presented in Table 23.

160. Compensation and rehabilitation costs for primary schools have been estimated on a case-by-case basis in discussion with the owners. These are shown in Chapter 6 and the cost was listed in category 5 (infrastructure) of Table 23.

161. Compensation rates for infrastructure networks were obtained from related governmental sectors that will be responsible for the reinstatement of these infrastructure networks to be affected. These are shown in the cost estimate (Table 23). Costs associated

with the rehabilitation of irrigation networks (CNY10.14 million) and local access roads (CNY16.82 million) will be implemented as part of the main civil engineering contracts.

5.4 Other Compensation Rates and RP Cost Items

5.4.1 Transition and Moving Allowances

162. All APs affected by house/apartment will receive the following allowances (the temporary housing will be based on the AP's needs):

(i) Transport expenses	200 Yuan/hh.
(ii) Work losses	200 Yuan/hh.
(iii) Transfer cost	100 Yuan/hh.
(iv) Medical expenses	200 Yuan/hh.
<u>(v) Temporary housing (if required)</u>	<u>300 Yuan/hh.</u>
TOTAL per household	1,000 Yuan

5.4.2 Training Programs

163. The cost for training programs has been established on the basis that two persons (one male and one female) from all households affected by land loss, whether directly or indirectly through land redistribution will receive a training course costing Y200 per head. Around 2000 households will lose land directly; assuming that land redistribution affects the same number again, around 4,000 households (8,000 people) will qualify for training courses. The total cost is therefore Y1.6 million. The yearly training plan will be reported to the Bank at the beginning of the year in the progress report.

5.4.3 Support for Vulnerable Households

164. Additional support will be provided to poverty households, especially minority nationality households. A budget of CNY 8.2 million has been estimated for this support.

5.4.4 External Monitoring and Evaluation

165. External monitoring cost is calculated based on the following:

- baseline survey (300 households): 2 professional staff for a period of 1 month at CNY600 per day and 10 interviewers for 2 weeks each at CNY200 per day. This gives a cost of CNY73,500; add transport, data entry and reporting Y26,500; total CNY100,000
- annual post resettlement evaluation surveys: same as baseline survey costs but for

2 years giving a cost of CNY200,000

- semi-annual monitoring surveys (PRA only): 1 professional staff at Y600 per day for 1 month and 5 interviewers for 2 weeks each at Y250 per day plus reporting and expenses which produces an annual cost of Y50,000. For 2 years, the cost would be Y200,000
- contingency of 20%, Y100,000, in case one additional follow-up survey is required.

166. The total cost for external monitoring and evaluation is therefore Y600,000.

5.4.5 Other Items

167. Administrative Cost: Local government organizations responsible for implementation of resettlement and rehabilitation will be paid administrative expenses at the rate of 3 per cent of the total amount of compensation payable in their jurisdictions.

168. Contingencies: these have been included to provide for any local changes in design or alignment and for any unforeseen circumstance during RP implementation. Since resettlement will be implemented within the first two years and expected inflation rates are low, and the budget is made based on the Detailed Design impact data which has a high reliability, HPCD has made a budgetary provision of 10% of resettlement cost, which will suffice to cover both physical and price contingencies. If high price inflation or unforeseen circumstance occurs and the budget of 10% contingency cannot cover the cost, CECC will make application to MOC for budget adjustment.

5.5 Total Cost Estimate

169. Table 23 presents a detailed breakdown of the total cost of resettlement related activities including compensation categories, quantities, unit rates and overall cost.

170. The total cost of land acquisition and resettlement is estimated to be around CNY434.5 million at current prices. Nearly 60% of this cost relates to compensation for the acquisition of land, including crops and trees. Nearly 16% relates to the costs for acquiring property, other structures and transition/ moving allowances for those affected. The cost for rehabilitation of irrigation networks and local access roads accounts for 6% of the total, which will be included in the civil works contracts. A provision of CNY8.2 million (1.2%) is made available to support the vulnerable groups.

171. During the implementation of the RP, the Project Management Office (PMO) will include the annual requirement of funds in the annual investment plan of the Project. HPEC is responsible for provision of adequate funds to carry out the implementation of the RP in a timely fashion. Cost over-runs for resettlement, if any, will be borne by HPEC. The General Manager of HPEC is authorized to grant any non-budgeted expenditure with regard to the implementation of land acquisition and resettlement related activities.

Table 23 Resettlement Plan Budget

Note: Rates for permanent land loss have been combined, as the total will be paid to the village collective based on regulations.

CHAPTER 6 RELOCATION AND RECONSTRUCTION PLANS

6.1 Resettlement Needs

172. The resettlement needs for the entire project can be characterized as follows: (i) loss of a large number of individually owned houses in the affected villages; and (ii) loss of non-private enterprise building and schools. Among the three district/counties, Yuanling will experience the most serious impacts concentrated around 13 villages, particularly where the existing G319 highway will be re-routed, but elsewhere impacts are scattered along the expressway alignment.

6.2 Strategy for Resettlement Management

173. Three strategies will be undertaken for resettlement management in the project.
- First, for villages with small or limited number of households (< 20 households), the new housing sites will be selected in the same village/sub-village to minimize disruption. This will help maintain the existing social network and re-establish incomes within a short time.
 - Second, in case of moderate impact (21-50 households) requiring house relocation but lack adequate land for their livelihood, a site suitable for house building will be selected with the consideration of both farming and opportunities for small business.
 - Third, villages with severe impact (>50 households) – for example, cluster impacts around the area where the National road G319 needs rerouting, the villages like Ma'anpu and Qingfengshan; the relocation strategy will be integrated with "Township Overall Planning" for comprehensive income restoration program.

6.3 Relocation and Resettlement of Private Households

174. Around 1,414 households living in their own premises are expected to require relocation as a result of the project. These households are located in 79 villages along the 173km of the expressway alignment and 12 km inter-connector roads. Investigations undertaken during RP preparation revealed that over 90% of these households wish to be relocated in close proximity to their existing property or other place suitable in the same village. These two factors mean that there is no requirement to develop relocation sites in host communities. Furthermore, evidence from other projects reveals that new houses are almost always built to a standard, which is superior to the current residence.

175. In many cases, it is anticipated that many households will be able, and will prefer, to reconstruct their houses near their current plot⁸ thereby precluding the needs for new sites. In these cases, households will receive cash compensation for both the land they lose and

⁸ Normally the Village Committee, particularly in northern China, will decide the land for housing plots. However, in southern China, farmer households are scattered with their land around their houses, thus farmers usually have the mandate to decide where to build their houses with an approval procedure by the township Land and Resources Bureau.

the replacement cost of the buildings and structures.

176. Where relocation sites are required, the following procedure will be adopted. (1) In the early stages of the resettlement process, the HPEC, working with local leaders and officials, will identify possible relocation sites. Where possible, these sites should be within the land owned by the affected land-owning group (sub-village). Where this is not feasible, sites will be found within the village as a whole. (2) Discussions with affected households will be held to identify their relocation preferences. (3) New sites will be allocated to affected households with maximum effort given to ensuring that individual preferences are satisfied. (4) APs will have preference to locate near market areas in the same village/town.

32.

177. In cases, where relocation sites are provided by the village authorities, these authorities will receive the compensation fee for the land with householders receiving compensation for the house and buildings lost. Additionally, these households will receive the moving allowances stated in the preceding section.

178. Compensation to affected householders will be paid following signature of individual compensation contracts in order that the construction of new houses can be well planned prior to the clearance of the RoW.

179. The HPEC will provide the overall supervision for these tasks but the direct responsibility for ensuring the timely availability of suitable relocation sites and the allocation of these to affected householders will lie with village and land-owning group officials. Householders will be responsible for the construction of their new houses.

180. Village and township (as well as sub-district of Yuanling County) authorities will provide special assistance to vulnerable households in the reconstruction of their houses by visiting those APs regularly and voice their needs in time. Then relevant measures based on AP's needs should be adopted by CECC and local government agencies in time to support the vulnerable households.

6.4 Relocation and Resettlement for Non-residential Building

181. The overall policy is that the amount of compensation and the timing of its disbursement should be adequate to enable the relocation and reconstruction of all non-residential establishments to take place prior to their demolition for the clearance of the RoW. This is particularly important where schools are affected. Proposals for 5 schools and one tree nursery have been formulated following discussions between HPCD and the owners or responsible agencies. These proposals are summarized in Table 24.

182. The following should be noted: five schools are all well informed that they need re-construction, and the new sites have been selected. The tree nursery affected in Zhengjiayi Forestry Farm is relatively small and the new site has been easily selected.

183. The total compensation (CNY2.3 million) for relocating and reconstructing these establishments is included in the overall resettlement budget (Chapter 5). In all cases, compensation will be payable to the owner/ operator of the establishment.

33.

Table 24 Reconstruction Proposals – Establishments

Establishment/Location	Basic information	Proposal	Replacement Plan	Estimated Costs (CNY)
Jinqiao Primary School, Taohuayuan Township, Taoyuan County	Total land area: 7mu, Class room: 886.5 m ² , No. of student: 80 (five grades including kindergarten No. of teachers: 5	Reconstruction on new site	34. New site: move back toward in the west of the expressway. 35. Total area 7 mu, four grades (including a pre-school class)	36. Land leveling, power and water, satellite TV facilities: 14,000 37. Land acquisition cost 42,000 38. School re-construction and decoration: 200,000 39. Total: CNY <u>256,000</u>
The Central Primary School of Yangxiqiao Township, Taoyuan County	Total land area: 11.2 mu, Floor space: 3031.7 m ² , No. of students: 720 (12 classes); No. of teachers: 33	Reconstruction on new site (by township)	40. New site: move toward the west about 300 meters, at the north side of G319. Total area 24 mu. 41. Total floor space 4198 m ²	42. Land has been selected by township govt. and through land exchange (without additional cost for 11.2mu). 43. Land acquisition for additional land 12.8mu: 50,000 44. Reconstruction cost: 697,000 45. Total: CNY <u>747,000</u>
Hungnitian Village Primary School, Yangxiqiao Township, Taoyuan County	Total land area: 1000 m ² ; Floor space: 142.7m ²	Reconstruction on new site	46. New site: move toward the south about 200 meters. 47. Total area 1000 m ² 48. Total floor space 150 m ²	49. Land leveling, power and water, 5,000. 50. Land acquisition cost 10,000. 51. Re-construction 35,000 52. Total CNY <u>50,000</u>
A garden house of Zhengjiayi Township Forestry Farm, Yuanling County	House floor area: 80m ² ; Number of worker: 10	Reconstruction	53. New site is 1000 m far from the highway	55. Compensation for housing plot: 2000;

			G319 in the north 54. Same size as original	56. Re-construction: 24,000 57. Total: CNY <u>26,000</u>
The Central Primary School of Nanmupu Township, Yuanling County	Total land area: 12,000m ² ; Floor space: 4,781 m ² No. of students: 585 (13 classes); No. of teachers: 40	Reconstruction on a new site	58. New site: move to north side of the national highway G319; 59. Total land area 12,000 m ² , seven grades (13 classes including a pre-school class).	60. Land leveling, power and water, satellite TV facilities: 20,000 61. Land acquisition cost 80,000; 62. Re-construction and decoration: <u>1,061,000</u>
Qingfengshan Village Primary School, Nanmupu Township, Yuanling County	Total land area: 5mu, Floor space: 477 m ² No. of students: 30 (3 classes) No. of teachers: 2	Reconstruction on new site	63. New site: move to south side of the expressway G319. 64. Total land area 5 mu, four grades (including a pre-school class)	65. Land leveling, power and water, satellite TV facilities: 8,000. 66. Land acquisition cost: 20,000. 67. School re-construction and decoration: 133,560. 68. Total CNY_ <u>161,560</u>
TOTAL				69. Total cost = CNY 2,301,560

70.

184. Moving and transition allowances will also be payable on behalf of residents of these establishments. This compensation will be payable to the owner who will be responsible for its distribution to affected persons. Costs associated with these allowances have been estimated along with all other such payments and are included as a separate item in the budget.

71.

185. The construction of new facilities, especially for the schools, will result in an improvement in conditions relative to the current situation. No disruption to businesses is likely.

6.5 Reconstruction of Physical Infrastructure

186. Wells, power and communication lines affected by the project will be re-constructed prior to the demolition of the existing facilities in order to ensure continuous service.

187. In total, the reinstatement of around 113 km (single line length) of high voltage and 94 km of low voltage power lines will be required along with 105 km of telephone and fiber optic cables and 391 wells. More details, including compensation rates, are provided in Chapter 5, which gives the overall RP cost estimate.

188. Responsibilities for re-constructing the power and telecommunications lines and cables will lie with the respective agencies while villages will receive the compensation for wells and be responsible for their re-establishment.

6.6 Reinstatement of Irrigation Systems and Roads

189. The reinstatement of irrigation systems will be part of the main civil engineering contracts and the associated costs have been incorporated into the overall schedules for sub-grade, bridges and culverts. These costs include both the permanent changes to the irrigation systems and temporary engineering works relating to works away from the expressway alignment. A similar approach is used to ensure that local access roads and paths are maintained throughout the construction period. In consequence, no costs related to irrigation system rehabilitation are included in the RP budget.

190. Based on the detained design, the rerouting of the irrigation system is 13.109 km in length; total recovery cost will be CNY10.13 million. Similarly, the total length of roads/local paths to be rerouted is 20.752 km; total recovery cost will be CNY16.82 million. The fund, to be financed by HPEC, is considered adequate for the infrastructure rehabilitation.

CHAPTER 7 INCOME RESTORATION PLANS

7.1 Context

191. The overall objective of income restoration is to ensure that all APs losing their means of livelihood (in this case their land) to the project are able to at least maintain their pre-project levels of income and living standards.

192. The construction of the Chang-Ji Expressway (Changde-Shuxikou section) will result in around 6,629 people losing total of their cultivated land, and hence part of their income. The results of the socio-economic survey indicate that, over 60% of households derive some of their income from off-farm activities, and the income share from cropping only accounted for around 25% of their gross incomes. The loss of land will thus not seriously affect the livelihood of most APs.

193. The compensation rates agreed for this project provide that the compensation payable direct to the land-owning groups will be equivalent to 12 times the AAOV (averaged over the last 3 years). In monetary terms, payments will be around Y10440 and Y6,000 per mu of irrigated and non-irrigated land respectively. Compensation for standing crops and trees equivalent to their market value will be payable directly to the affected farmers in case the young crops are damaged.

194. Current laws and regulations provide a substantial amount of flexibility as to how land-owning groups use this money, with the condition that, directly or indirectly, it benefits the affected farmers. Subject to ratification by the township governments, properly constituted meetings of the members or representatives of the affected groups can either decide to re-allocate land amongst their members to enable land-losing households to provide a replacement land to APs and use the compensation for the good of the community, or can decide to pay the money directly to the APs or do a combination of both of these.

7.2 Formulation of Income Restoration Strategy

195. Any income restoration strategy should respect, as far as possible, the preferences of APs as to how this should be achieved. Formulation of an income restoration strategy is also dependent on the way the compensation monies are divided between the community and the individuals. In this context, the results of the socio-economic survey (including both individual households and village leaders) revealed preferences for both land redistribution and direct cash compensation - individuals tended to prefer the latter while officials and leaders tended to prefer the former.

196. In order to provide a more robust basis for the formulation of an income restoration strategy, a series of 3 meetings was held with representatives from the affected villages at township offices during August 2003. These meetings were attended by representatives of the HPEC, the PPTA consultants, and local officials (including the deputy Governors at counties

and district). In total, over 160 village leaders from 95 villages attended the meetings. The attendance of county and township officials ensured that they understood the purpose of these meetings and would be supportive of the eventual outcomes.

197. The primary topics discussed were each village's attitudes towards land redistribution and the split of compensation between the community and the affected farmers. The summarized results are presented in Table 25.

Table 25 Preferred Income Restoration Strategy

Preferred Strategy	Land Redistribution	No. of Villages	Percentage
All compensation to the village	YES	5	6%
Land compensation fee (LC) to village; Resettlement subsidy (RS) to APs	YES	28	35%
As above but part of LC to APs as well as RS	YES	33	41%
LC and RS to APs	NO	15	18%
Transfer from rural to non-rural status	NO	0	0%
TOTAL	-	81	100%

* The LC comprises 60% of the compensation payable and the RS 40%. The choices from Dingcheng District were selected by township leaders based on Changde-Zhangjiajie Expressway which is under construction.

198. The principal findings are: over 80% of villages would prefer to redistribute land to enable all APs to continue farming; around 94 % of villages wish to see at least the resettlement subsidy paid directly to the APs; there was little support for either transfer to urban status or all compensation being used by the village.

72.

199. Based on the above findings, the income restoration strategy will be flexible, democratically based, and self-administered in accordance with the decisions of individual villages. The preferences arising from the meetings already held will be ratified or amended by properly constituted meetings in the affected villages. The income restoration strategy will result in the great majority of APs continuing in agriculture, even though they may lose some or all of their current land. The strategy will have the following main elements:

- land redistribution (implemented with assistance from local LABs)
- investment of compensation by the community, primarily for the benefit of all those involved in the land redistribution
- investment of subsidy by individual APs
- training
- employment on project-related activities.

73.

200. Specific proposals are presented in Section 7.3.

7.3 Income Restoration: Use of Compensation Funds

7.3.1 Community Based Income Restoration Measures

201. Irrespective of land redistribution, agricultural production in the affected groups will decrease in the short-term. Compensation funds accruing to the villages will therefore be based primarily around improving agricultural productivity and, in particular, on the following:

- the improvement of irrigation facilities and their extension to currently non-irrigated areas
- the creation of new cultivable land, either through terracing or reclamation along the existing suitable area
- the development of orchards and other cash crops
- improving animal husbandry
- the development of agro-processing.

202. Villages may also decide to allocate some of the funds to social and physical infrastructure projects such as improved schools, access roads or water supply networks. Detailed proposals will be developed by each village/ land-holding group following the detailed compensation decision and prior to the disbursement of the compensation.

7.3.2 Use of Compensation Fund By Individuals

203. The payment of a substantial portion of compensation funds to individuals will place a considerable responsibility for income restoration on APs themselves. The cash crops and service sectors in the project area have expanded rapidly in recent years due largely to the initiatives of private individuals and there is every likelihood that funds will be invested in productive activities.

204. Individuals questioned during the socio-economic survey showed a marked preference for investing in off-farm activities (see Table 15), e.g. small businesses, skilled migrant labor (include technical training). However the PPTA consultation also revealed that for those who are 40 years and above, they would expand agricultural, livestock production and aquaculture, e.g. by introducing young animals or “cage fish raising” as well as improving the irrigation to their fields based on the fund available from their resettlement subsidies and in most cases, part of the land acquisition compensation. Additionally, some households are likely to use funds to provide their offspring with a better education indicating a more far-sighted view of the future wellbeing of their household.

7.4 Training Programs

205. Notwithstanding the fact that affected communities and APs will be primarily responsible for income restoration, an extensive series of training programs will be implemented. These programs, for which a separate budget item has been allocated, will be available to two members of all affected households and will include some or all of the following

subjects:

- 74. Animal husbandry/Fish raising
- 75. Economic crop planting
- 76. Training program to women on sewing and knitting skills
- 77. Skills on motorcycle, vehicle, tractor and farm machinery repair
- 78. Repair and maintenance of electrical goods/computer typing
- 79. Product marketing
- 80. Small business registration and operation.

206. Courses will be offered both on site and at the training centers in County, sub-district and township centers to both men and women. Payments will be made directly disbursed to the training institution, e.g. the agricultural extension department and the women's federation. Allowances will be paid for trainees attending courses away from their own villages. Half of the trainees will be women.

7.5 Employment in the Project Activities

207. The construction of the Chang-Ji expressway will create temporary construction jobs. Farmers welcome the construction-related job opportunities as providing an additional source of cash income that will assist them in restoring their livelihood.

208. Based on discussions with HPEC, under same technical requirements, priority will be given to the APs when recruiting Project personnel and construction workers. HPEC and contractors will liaise with local leaders to facilitate this process. Priority will be given to APs losing all or a large proportion of their land. Training will be provided to unskilled workers by contractors and for longer-term positions by HPEC.

7.6 Gender Issues

209. PRC is ideologically committed to gender equality and women and men have enjoyed an equal status by law. Women play a very active role in the economy of the project area as well as being responsible for many household tasks. The overall trend is for women to carry out an increasing proportion of all types farming activities together with childcare, elderly care, animal care and other household chores as more and more men are seeking migrant employments. Women will be eligible, on an equal basis, for access to information, compensation payments, training programs and other assistance being proposed. Training programs will help to increase the skills capacity of women, and improve their access external income generating opportunities.

7.7 Vulnerable Households

210. The vulnerable households include two main categories: low income households prior to the construction of the expressway (5%) and those households losing a large proportion of their land but without the labor resources or technical expertise necessary to

re-establish themselves (1-3%). Support for vulnerable households includes additional financial assistance and other support, which will be provided to households with the greatest needs, with special consideration for poor minority households.

211. Members of vulnerable households will also benefit from the proposed training programs and, if able-bodied, will be given priority in gaining expressway-related employment.

212. In addition, certain vulnerable groups (e.g. orphans, widows, the disabled and the mentally ill) may be resettled by Bureau of Civil Affairs with *Wu bao hu* status. The LAB or the HPEC will pay the total land compensation fee and resettlement subsidies to the Bureau of Civil Affairs, who will then be responsible for these persons.

CHAPTER 8 INCOME RESTORATION PLANS FOR SELECTED VILLAGES

8.1 Introduction

213. In order to meet the RP objective to ensure that the unavoidably affected APs will at least recover their livelihood and economic situation compared with the “without” project status, based on the Detailed Design data provided by HPDI in August, 2003, a detailed impact assessment has been conducted. A total of 10 seriously affected villages by land loss were identified. An economic rehabilitation plan for each of those villages has been prepared with the efforts of relevant stakeholders.

214. It needs to mention that the plans presented here are preliminary because the planning is still ongoing. However it should strengthen the understanding to the project on the one hand, and facilitate the “stakeholder-oriented” RP planning on the other.

8.2 Economic Rehabilitation Plans for Seriously Affected Villages

215. Based on the impact assessment, 10 seriously affected villages by land acquisition and relocation (see Annex 1) have been identified for the development of economic rehabilitation plans.

216. During the village rehabilitation planning, consultants and IA staff have briefed the village leaders, and a SWOT analysis approach was used. Subsequently, the participants use a “stock-taking” method to count the resources in their own villages. The next step is to outline the strength, weakness, opportunity and threat. Based on this analysis, strategies and possible measures have been identified for their economic rehabilitation. This planning process really reflects the way for the affected villagers to formulate their own village rehabilitation plan. Village representatives very much appreciated this approach of mobilizing their own efforts to do their own planning based on the policy framework, over which participants have a strong feeling of the ownership for the village plans.

217. The planning is still undergoing with wide scope discussion among villagers. EA and local government will facilitate villagers to refine and finalize their plans up to DMS survey result and marking of ROW. Currently the economic rehabilitation plans for the 10 most affected villages by land acquisition and relocation are basically strategies and summarized as follows.

1. Meixiqiao Village

218. BASIC SITUATION□ Belonging to Zhangjiang Township, Meixiqiao Village has 417 households and 1,507 persons in 16 villagers’ groups, of which, total agricultural population is 1,373 persons. The total cultivated land area in this village is 696 mu, of which paddy land is

600 mu and dry land 96 mu. This village will be affected by the Taoyuan inter-connector road of the Project, with total cultivated land required 115 mu –113mu paddy land and 2 mu forest land, accounted for 16.5% of total cultivated land in this village. The per capita cultivated land is 0.46mu in this village and will be 0.387 mu after land acquisition. The population in this village is all Han people, and there are only 5 poverty households.

219. REHABILITATION PLAN: There are three measures for the village economic rehabilitation:

- 1) Conduct land redistribution within village in order to secure the basic livelihood of affected people;
- 2) Readjust production structure and guide labour transfer from cropping to animal husbandry, businesses, transportation services and migrant labour in local cities or coastal areas.
- 3) Take the advantages of both the easy access near the Taoyuan interchange and the new area development of the county town, to invite businesses/enterprises and thus to increase employment.

2. Yangxiqiao Village

220. BASIC SITUATION: Belonging to Yangxiqiao Township, Yangxiqiao village has 364 households and 1,125 persons in 15 villagers' groups, with total land area 1,345 mu, of which, paddy land area 1,345 mu and dry land 420 mu. The Project will affect 155 mu paddy land (11.5%) and 167 mu forest land in this village. There are 28 households will be relocated with total floor space 10,554 m². After land acquisition, there are two villagers' groups—Wulong and Dujiu, probably need to be merged into other groups. There are no minority people, but there are 15 poverty households in this village.

221. REHABILITATION PLAN: Due to this village has two groups will be merged into other groups, the Yangxiqiao Township has planned a rehabilitation plan with village leaders as follows:

- 1) Food security can be solved partly by the “slope land conversion to forest” advocated by state policy, but the key measure is to redistribute land within the village and merge the seriously affected villagers' groups into other groups;
- 2) Income rehabilitation can be achieved by directing farmers to conduct bamboo product processing based on the local bamboo resources rather than purely sell the raw materials—bamboo.
- 3) Further development of animal husbandry.
- 4) Small businesses operation based on the advantage of marketplace location in this village (township center)

3. Majiaping Village

222. BASIC SITUATION□ Belonging to Lizhixi Township, Majiaping Village has 162 households and 664 persons in total 6 villagers' groups, with total cultivated land 890 mu. The Project will affect 5 villagers' groups and require 13% cultivated land in this village and around 12.3% households need relocation. Around 84% of total village population are minority (Miao) and there are 20 poverty households.

223. REHABILITATION PLAN: Majiaping Village is located in the central part of Lizhixi Township and is the township centre. In recently years, the economy development of this village has been at the leading position in this township. The construction of Chang-Ji expressway has brought very important development opportunity for this village; in order to seize the opportunity for development, the village has made an economic development plan.

- 1) Develop tertiary industry along with the "small-town development". Since this village is the economic and cultural centre and also adjacent to the Guangzhuang market place. Thus the small-town development based on the migrant area will be speeded up towards and gradually be inter-connected with Guangzhuang market place by constructing residential buildings. It is planned to construct 20 apartment buildings within three years. With the development of tourism industry, the village will foster the development of catering, recreation services simultaneously aiming at that 20% of the village population will engage in tertiary industry in three years.
- 2) Agricultural/ animal husbandry development. (i) Based on the mountainous resources, to develop miniature garden 100 mu in 2005. Total 15 farmer households will participate in this activity with total input CNY 500,000 and it is expected that the total output value will reach CNY 4 million. (ii) Cultivation of wild vegetables. Relying on the rich wild vegetable resources and the convenient transportation along G319, to establish a 100-mu wild vegetable production base for domestic production of wild vegetables such as bitter plant (*kucai*), brake tender leaves (fern, *juecai*), wild celery (*yeqincai*), garland chrysanthemum (*tonghao*). The area will be 40 mu in 2004 and will be 100 mu by 2005 with the total expected output value CNY3 million.
- 3) Conduct cattle raising. Plant 50 mu pasturage in 2004 and then raise 100 cattle in two years with a total expected output value CNY500,000.

4. Baiwuping Village

224. BASIC SITUATION□ Belonging to Madiyi Township, Guangzhung Sub-district of Yuanling County, Baiwuping Village is located in the western part of Madiyi Township, and the national highway G319 traverses the village through the middle. The location is high compared with other villages and thus the climate feature is hot in the summer and cold in the winter. This village has 268 households and 983 persons in 11 villagers' groups. There are paddy land 720 mu, dry land 200 mu, orchard 200 mu. The project will require paddy land 212 mu (including

service area land acquisition), accounted for 30%, scattered in seven villagers' groups. There are 98% Miao people, and 80 poverty households in this village.

225. REHABILITATION PLAN: The main measure for the village economic rehabilitation is planned to establish several village enterprises based on the natural resource endowment, e.g., lime factory, gravel quarry, tea farm, by which the labor who lost land will be employed and their livelihood can be secured. This village will require special attention and will be monitored closely due to number of poor households and since new enterprises can be difficult to establish.

5. Hejiacun Village

226. BASIC SITUATION□ Belonging to Zhengjiacun Township, Hejiacun Village has 220 households and 730 persons in 8 villagers' groups. The Project will affect 3 villagers' groups, in which there are total 92 households. The land acquisition will be 81 mu paddy land, 9 mu dry land and 174 mu forestland. The cultivated land loss will account for 11.5 percent, and total relocation households will account for 13.6 percent due to the expressway construction. There are 92 minority people (mainly Miao, and several Tujia), and 18 poverty households in this village.

227. REHABILITATION PLAN: Based on the real situation of this village—the three affected groups have poor transportation conditions, the Zhengjiacun Township has helped the village to formulated a village economic rehabilitation plan, which includes:

- 1) Construct village roads toward affected villagers' groups in order to facilitate the production and livelihood of affected people. The roads will be constructed according to grade IV roads, including about 5 km section of Zaoziya—Xiaojie Group—Yaojia Group; about 3 km section of Zaoziya—Douziping Group—Guangxi Group; and the section from Zaoziya—Wulingshan Group to the village road of Dongxi Village in Zhangjiaping Township.
- 2) Conduct copper mineral development. Based on the information disclosed by related experts, there are rich of copper minerals in Guangxi and Wangjia groups. The village planned to establish a joint-stock enterprise for copper mineral development in order to benefit for the rural economic development.
- 3) Reinforce the Hongzishan Reservoir. After reinforcement of the reservoir, the water conserved can be used for expanding irrigation area about 70 mu in Douziping, Guanxi and Wangjia groups.
- 4) Reinforce the management of 100 mu orchard. This village has invested CNY 400,000 and established a fruit production base with total area 100 mu, and currently the trees have grown fruits. However, due to lack of liquid fund for cultivation and management, the fruit yield is low. Through investment of CNY30,000-40,000 for effective cultivation management, the fruit production base can absorb 10-20 APs of the expressway project.

- 5) Establish a high standard gravel quarry and three earth borrow pits in Douziping Group.

6. Wangjialing Village

228. BASIC SITUATION□ Belonging to Liangshuijing Township, Wangjialing is a relative poor village with total 351 households and 1,375 persons in total 12 villagers' groups; the total paddy land area is 1,014 mu and dry land 700mu. Farming is for self-subsistence and cash income comes from migrant labors earnings. The Project will affect 143 mu paddy land (14%), 31 mu dry land (4%) and 64 mu forest land in this village. There are 24 households will be relocated with total floor space 6557 m². There are 59% minority people (50 persons are Tujia, others are Miao), and 20 poverty households in this village.

229. REHABILITATION PLAN: There are three measures for the village economic development:

- 1) Develop new land. This village has a large amount of barren mountain and barren land area. After discussion by the village Party Committee and Villagers' Committee, it is determined that the certain amount of barren land/hill area will be sold to the Project for earth works, thereby effort can be easily made for new land reclamation, at least several hundred mu of cultivated land can be created for long-term development.
- 2) Improve irrigation system using part of the land compensation fund and other fund sources. An irrigation system total 4,000 meters will be constructed for terrace land irrigation. This scheme can provide both irrigation and drinking water for 12 villagers' groups.
- 3) Borrowing the opportunity of the Project to build a bridge over "Lanxi River", which is 70 meters in length, 2.5 meters in width and 5 meters in height, prepared for agricultural trucks. If this bridge can be constructed, the transportation "bottleneck" can be removed and then later production re-structuring in this village will be succeeded in greenhouse vegetable production and village enterprise operation. Accordingly it will facilitate the farmers' poverty alleviation process.

7. Changchong'ao Village

230. BASIC SITUATION□ Belonging to Kutengpu Township, Changchong'ao Village has 176 households and 745 persons in 7 villagers' groups, with total paddy land area 692 mu. The Project will require cultivated land 76 mu (around 10%) scattered in 5 villagers' groups. There are 74% minorities (mainly Tujia, the others are Miao 35 persons, Dong 3 persons), and 10 poverty households.

231. REHABILITATION PLAN: in order to ensure the start of civil works in time while ensure the AP's livelihood and income increase, based on the real situation of this village, the

village committee has conducted village development planning and reviewed by the Kutengpu Township Government. The main focuses are:

- 1) Conduct vegetable production. This village used to be a vegetable production base of supplying vegetables for No. 52 factory thus people in this village have experiences on vegetable cultivation. On the other hand, the village is only 10 km far from the county town; it is convenient to supply vegetables for the county town market. Therefore, to conduct vegetable production by increasing production inputs and improving production conditions is most pragmatic and feasible.
- 2) Conduct seedling tree cultivation. The village has planned to develop 50 mu seedling nursery focusing on the market demand of both expressway greening and city greening.
- 3) There is a mountain cave in this village excavated in 1970's, with a floor space more than 1000 square meters. The village has planned to use this cave as a cool storage for fruit preservation. There is a large amount of fruit produces in Yuanling County; part of the fruits can be preserved in this cave and be sold in the next year with a higher market margin. Meanwhile, the cave can be used as a resort for tourism purpose.

8. Sanyanqiao Village

232. BASIC SITUATION□ Belonging to Xiaoqiwan Township, Sanyanqiao Village has 387 households and 1587 persons in total 12 villagers' groups, with total cultivated land 2,558 mu. The Project will affect 5 villagers' groups and require 13% cultivated land in this village and around 3.6% households need relocation. The population are totally Miao and there are 18 poverty households in this village.

233. REHABILITATION PLAN: Based on the field survey, part of the villagers will lose cultivated land. In order to ensure that the economic situation will not be affected significantly after the Project land acquisition, the village economic rehabilitation plan has been made by Xiaoqiwan Town Government, as follows:

- 1) Township and village will formulate a working group to conduct field study frequently and help APs to find a proper way for economic development;
- 2) The construction pass from Sanyanqiao Village to the expressway will remain after the completion of Project in order to build a high standard village road.
- 3) The pass from Group No.2 to the boarding area of Shuxikou Township will be occupied by the expressway; a new track for tractors with a width of 1.8-2m shall be constructed by the Project in order to provide easy access for local people.
- 4) Conduct profitable agricultural/aquaculture production using the remaining land, e.g., fish raising, ginger planting, citrus and vegetable production.

- 5) Taking the advantage of Small-Town Development in Xiaoqiwan Town to encourage farmers to buy land for building houses in the development zone of Xiaoqiwan Town.
- 6) Considering the advantage that the Chenxi Interchange is also located in Sanyanqiao Village, a reasonable planning will be conducted to give the priority for APs to establish business and service industry.

9. Dalixi Village

234. BASIC SITUATION: Belonging to Shuxikou Township, Dalixi village is an affected village by Wuqiangxi Water Power Project, having some villagers immigrated into other townships. There are 146 households and 620 persons in total 5 villagers' groups, 279 mu of paddy land area and 15mu of dry farmland. Farming is for self-subsistence and cash income comes from migrant labor earnings. The Project will affect 49mu paddy land (18%), 18mu dry farmland (12%) and 50 mu forest land in this village. There are 29 households will be relocated with total floor space 5703 m². Total population are minority (Miao), and there are 20 poverty households in this village.

235. REHABILITATION PLAN: There are two measures for the village's economic development:

- 1) Aquatic production. This village has rich resources for aquatic production. There is a water area of 350 mu that can be used for fishery in the water reservoir of Wuqiangxi. After consulting with a fishery expert, it is estimated that about CNY 500,000 investment will be needed for 150 net-boxes raising fish in the water area, which can produce 70 tons of fish two years. The village committee will use part of the land compensation to develop the aquatic production, which can bring annual income of CNY 400,000 two or three years later.
- 2) Some farmers will be take advantage of the favorable conditions of surface transportation. These farmers will use part of the land compensation and resettlement fees to participate in transportation industry through buying a small truck/tricycle/tractor.

10. Lutou'ao Village

236. BASIC SITUATION□ Belonging to Shuxikou Township, Lutou'ao village is located on the side of Yuanjianag River. There are 170 households and 751 persons in total 5 villagers' groups, 610 mu of paddy land area and 360mu of dry farmland. Farming is for self-subsistence and cash income comes from migrant labor earnings. The Project will affect 80mu paddy land (13%), 41mu dry farmland (11%) and 75 mu forest land in this village. There are 11 households to be relocated with total floor space 1965 m². Around 93% population are Miao, and there are 15 poverty households.

237. REHABILITATION PLAN: There are two measures for the village's economic development:

- 1) Aquatic production. This village is on the side of Yuanjiang River, has rich resources for aquatic production. There is an water area of 350mu possibly being used for fishery in the water reservoir of Wuqiangxi. Consulted with fishery expert, about CNY 500,000 investment will be needed for 150 net-boxes raising fish in the water area, which can produce 70 tons of fish two years. The village committee will use part of the land compensation to develop the aquatic production, which can bring annual income of CNY 400,000 two or three years later.
- 2) Some farmers will take advantage of the favorable conditions of surface transportation. These farmers will use the land compensation and resettlement to participate in transportation industry.

CHAPTER 9 STAKEHOLDER PARTICIPATION AND CONSULTATION

9.1 The Consultation During Project Preparation

9.1.1 Public Consultation

238. The public consultation process for the Project began in 2001 with a series of surveys by HPCD. These included the first transect survey by the Design Team and an initial socio-economic survey. The transect survey served principally to alert villages along the proposed alignment (and possible alternatives) that the Chang-Ji expressway was being planned. This survey also served to make the design team aware of local conditions and of farmers' concerns including the need to adequate crossing points and the importance attached to ensuring that irrigation systems were maintained. The majority of the affected population were become aware of the project at this time.

239. The socio-economic survey revealed a high degree of support for the scheme although this was based on a large sample of farmers. Major concerns raised by the villagers relate to (i) fair compensation; (ii) adequate land allocation, and (iii) assistance for livelihoods. Public consultation was also a major focus of the PPTA feasibility study, undertaken during August 19-25, 2003. Six major consultation meetings (three at the district/county and two at the township level) were held in the project area. Among others, local officials/APs attended the meetings from district/county and township governments (including the Land and Resources Bureau), and the PPTA consultants. A summary of the key consultations/meetings and issues discussed is contained in Table 26.

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

9.1.2 Public Participation and Consultation Plan

241. Notwithstanding the amount of public consultation already carried out, the HPEC fully accepts that additional consultative meetings will be required after PPTA mission and during the implementation of the resettlement and land acquisition process. If necessary, consultation meetings should be disaggregated by gender and ethnic group. The principal activities to be undertaken are:

- Publication and dissemination of a Resettlement booklet, in standard Chinese, summarizing the policies, entitlements, compensation standards and rates, grievance procedures and resettlement/ land acquisition program.
- Formal village meetings to ratify, with or without amendment, the options relating to land re-distribution and compensation disbursement.
- Detailed Measurement Survey in the field to measure and agree the final requirements for land, property and other acquisition, from each affected household/enterprise.

Table 26 Stakeholder Participation and Consultation Record

Agency	Date	Participants	No. of People	Purpose	Responses/Main issues discussed/concerns
HPCD, HPDI, prefecture and county officials	January 2000 ~ April, 2001	Farmers, local government/factories representatives	80+	Project Engineering Feasibility Study (FS)	<ul style="list-style-type: none"> • Requests for socio-economic information • Arrangement for field visit for initial socio-economic survey. • Survey inputs for Engineering Feasibility Study • Avoid villages/buildings if possible and use the existing roads, whenever possible, to minimize farmland occupation in alignment selection • Estimation of project impact • Awareness of the proposed project • Consultation with local government and enterprises on the future development plans and how the expressway will facilitate their development effectively.
HPDI, No. 2 Highway Design institute, (Wuhan) Local govt., Village Committee	November 2001 ~ November 2002	Farmers, local government/factories representatives	150+	Project Preliminary Design	<ul style="list-style-type: none"> • Survey inputs for project preliminary design studies • Identification and quantification of impacts - categories of land, structures, infrastructure, trees. • Discussion of design issues • Surveys involved engineers staying in the affected villages thereby raising local awareness of proposed expressway and its likely impacts • Discussions on the frequency and suitability of underpasses and overpasses with local government and farmers from affected villages
PPTA consultants Hunan University	May ~ July 2003	Farmers, village heads, Local Officials	1120.	Socio-economic survey for preparation of RP	<ul style="list-style-type: none"> • Discussion of local attitudes to project • Completion of multiple-choice questionnaires on local perceptions and concerns regarding proposed expressway • Group interviews at 55 villages along the alignment • Household interviews at 72 locations along the alignment • Findings indicated overwhelming support for project • Consultations with APs on water/soil conservation issues,

Agency	Date	Participants	No. of People	Purpose	Responses/Main issues discussed/concerns
					need to address compensation and relocation issues
Beijing Highway Research Institute, PPTA consultants Local EPSs HPDI	September, 2002 ~August, 2003	Farmers, potential APs	175	Test Initial perception of project EIA preparation	<ul style="list-style-type: none"> • Most respondents favor the project as defined • Favor the preferred alignment; acknowledged the poor existing traffic conditions • Perceived that traffic noise and vehicular emissions would be potentially significant environmental problems • Favored resettlement actions, if terms were agreeable, clearly defined, and administered on an equitable/fair basis • Indicated that they had no problems regarding the land uses of the project or proposed future land uses of areas surrounding the project
PPTA consultant, HPCD, local government	August 2003	Village leader, villagers', school heads.	160	Rehabilitation / relocation plans for seriously affected villages	<ul style="list-style-type: none"> • Village development strategy • Impacts caused due to the project and feasible rehabilitation measures • Employment situation and measures to ensure temporary workers/ migrants' employment • Village individual household development/training • Village based economic development plans • Restoration of affected enterprise, businesses, schools, gas stations, marketplace.
TOTAL number of people consulted*			1685	-	-

*NB. In addition to the above, numerous meetings were held (during March--August 2003) between HPCD, HPDI, HECC, the PPTA consultants, and local officials to discuss details of the RP including ADB policy and requirements, information needs, relocation and income restoration policies and the implementation programme.

242. Table 27 contains a schedule and activity of the consultation plan.

Table 27 Public Consultation Plan

Purpose of Event	Task	Timing	Implementing Agencies	Participants	Remarks
1. Publicizing of RP and program	Resettlement Booklet	Nov. 15-30, 2003	CECC, District/County and Township Resettlement Agencies	All APs	To be distributed to all APs
2. Disclosure of final RP	Distribution of Chinese version of RP	December 2003	CECC, District/County and Township Government	All APs	Distribution of final RP to all affected villages
3. Conduct Detailed Measurement Survey (DMS)	Face to face meetings with APs	October 2003	HPEC, CECC, Resettlement Offices at district/county and Townships levels and township officials	All APs	(i) inventory of all assets and land holdings; (ii) Creation of definitive list of APs; (iii) Prepare basis for household compensation contracts.
4. Village level economic rehabilitation plan finalization and implementation	Village meetings	Sep. to Dec. 2003 for planning and implementation thereafter (involving several meetings to deal with all RP issues)	District/County and Township level Resettlement Offices and village leaders	All APs	(i) Identification and allocation of new housing sites; (ii) Finalization of land redistribution and compensation disbursement options in each village; and (iii) Discussion of and decisions on how to invest/use compensation funds not distributed to individual APs
5. Establishment of mechanisms for addressing grievances and information publicizing	Posters and leaflets	December 2003	CECC, District/County and Township Resettlement Offices, local officials	All APs	(i) Provide procedure for APs to air their grievances; (ii) Provide system for grievance resolution; and (iii) Publicize in affected villages.

9.2 Disclosure of the RP

243. Resettlement is a critical social activity. The information dissemination work will be performed well in advance to assure that all people concerned understand the purpose of the project and the policies and procedures regarding land acquisition, resettlement, compensation, payment, and provision of grievance redress and appeal procedures. The EA will distribute a RP Information Booklet by 30 November 2003 (see Table 28). The RP will be disclosed to all affected villages in December.

9.3 Steps to Ensure Participation

244. The effectiveness of the project is directly related to the degree of continuing involvement of those affected by the project. During the preparation stage, consultations

were held at local and district level as documented above. Several additional rounds of consultations with APs have been planned through local associations (e.g. Animal Husbandry Association, the All China Women's Federation, and Minority Affairs Office) involvement during RP implementation. Consultations during RP implementation will involve agreements on compensation and assistance options and entitlement package. The other round of consultation will occur when compensation and assistance are provided and actual resettlement begins. APs will be involved in formal meetings to ratify (with or without amendment) the proposal for village land redistribution, DMS, economic rehabilitation plans, compensation disbursement, and resettlement management.

9.4 RP Information Booklet

245. To inform the APs and villagers' groups, the EA/IA will publish an RP Information Booklet covering the following aspects: (i) description of the project; (ii) project influence/Impact area; (iii) compensation rates and policies; (iv) entitlement matrix; (v) institutional/implementation arrangements; and (vi) grievance procedures. The booklet will be distributed in the project area and would be available at LA&R Offices in each District/County and Village Committee (see Annex 4).

CHAPTER 10 IMPLEMENTATION FRAMEWORK

10.1 Resettlement Organization

10.1.1 Executing Agency

246. The HPCD will be responsible on behalf of the Hunan Provincial Government for the general administration of the project implementation. The Foreign Capital Promotion Project Office (FCPO) under the HPCD will be responsible for coordination with the related agencies including communication with the ADB; and HPEC for the project implementation.

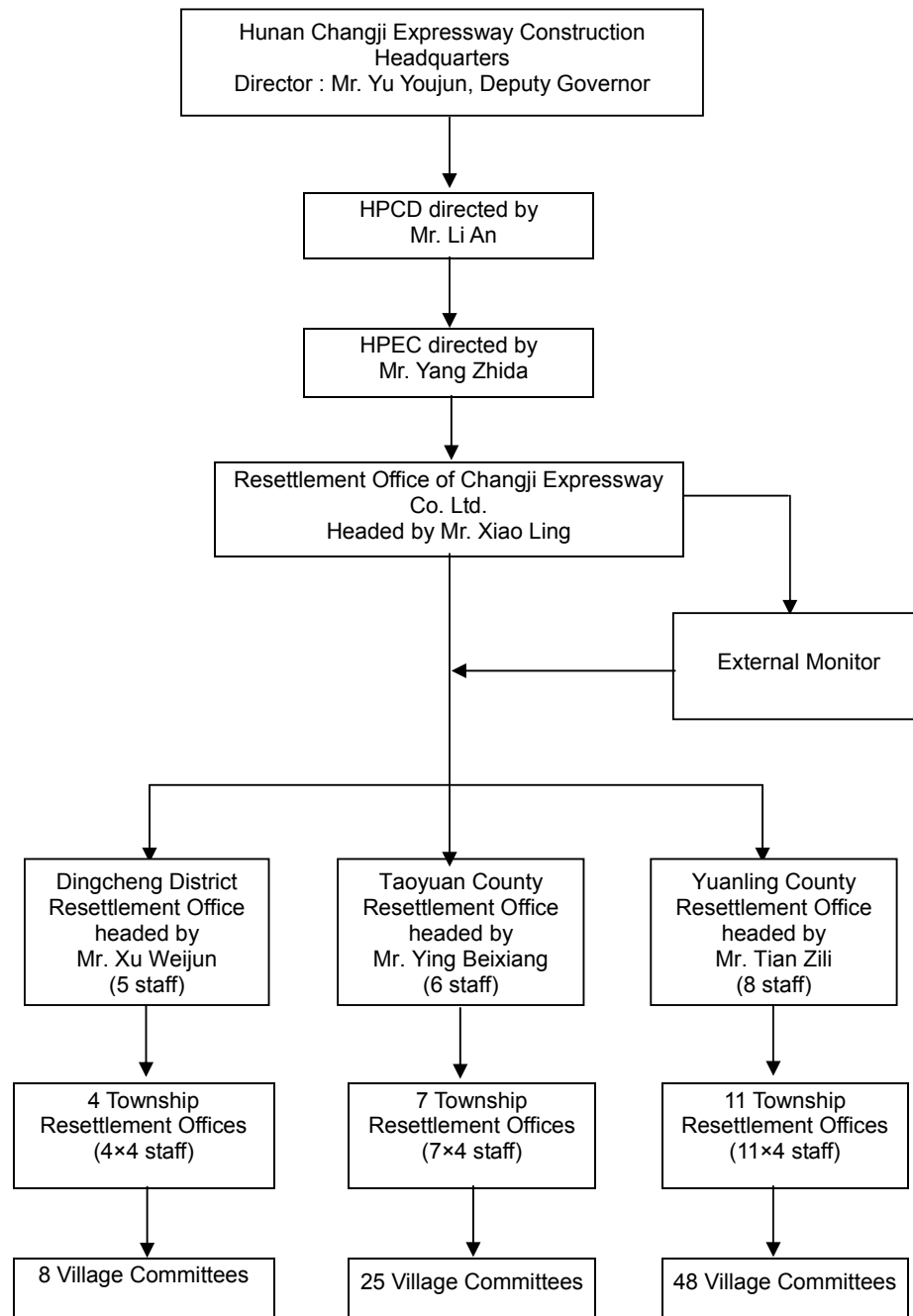
10.1.2 Implementation Agency

247. The implementing agency for the project is the Hunan Provincial Expressway Construction and Development Co. Ltd (HPEC). HPEC shall be in charge of the implementation of the project and the execution and coordination of land acquisition and resettlement. A LAR Division shall be set up within the HPEC with 4 to 6 staff. Further, LAR Coordination Division will be established in each affected district/county. The Division will be headed by 1 district/county leader and shall consist of 5-8 members from different government departments like the communications bureau, land administration, environment protection and forestry bureau, usually one from each department. Each affected township shall nominate four persons and each village committee shall nominate at least one person to LAR Coordination Division. The person so nominated will be responsible for all resettlement-related work and carry out economic rehabilitation plan together with the township government and villager committee.

248. The project has already established a Leading Group for Project Implementation and a Working Office under the Leading Group. The agencies mainly include Provincial Government sectors such as Development and Planning Commission, Financial Bureau, Communications Department, Land Administration Bureau, and Environmental Protection Bureau. Similarly the LAR Leading organization at each affected district has also been established. Currently the Working Office is conducting the preparation and coordination tasks for the Project. To date, various meetings focusing on different aspects of the Project have been held to facilitate the project progress.

249. Under the guidance of the Leading Group and the affiliated Working Office, the following organizational set up has been formulated with detailed LAR tasks (Figure 4).

Figure 4 Project Land Acquisitions and Resettlement Organization



10.2 Accountability

10.2.1 Role of LAR Division

250. The LAR division within the HPEC will take the following responsibilities:

- 1) To organize and coordinate, following the decision made by the Hunan Provincial Government, the land acquisition and resettlement work and compensation payment, and sign resettlement agreements with LAR Coordination Offices of the district/counties.
- 2) To investigate and study the resettlements assignment, and consult the comments from affect agencies and individuals, deal with various grievance and appeal, and make a quick responses.
- 3) To supervise and inspect the payments and utilization of resettlement fund.
- 4) To provide guidance to the districts/counties, townships and villages on the preparation of rehabilitation plan.

10.2.2 Responsibility of County Level LAR Office

251. The District/County level LAR Office (CRO) is primarily responsible for RP implementation and supervision. Principal tasks of the LAR Office include:

- 1) Checking, based on the assignment and requirement set by the HPEC, the volume and number of affected land, houses, infrastructure and special purpose facilities, etc.
- 2) Appraising the value of the land and houses to be acquired and demolished and making compensation rates.
- 3) Signing land acquisition and resettlement agreements with affected enterprises and individuals.
- 4) Payment of compensation to affected families/units.
- 5) Carrying out the specific implementation of land acquisition and resettlement and ensuring timely construction of new houses and timely resettlement progress.
- 6) Supervision and inspection of the payment and utilization of resettlement fund.
- 7) Monitoring execution of RP in township and villages.
- 8) Reporting to the LAR Division of the HPEC on resettlement situation periodically, and submit statistics/data as required.

10.2.3 Responsibility of Township Resettlement Office

252. Township Resettlement Offices (TROs) have the following responsibilities:

- Survey, monitor and record all resettlement activity within its jurisdiction;
- Supervise acquisition of land, houses, other buildings and structures, public utility infrastructure and enterprises as well as the relocation and reconstruction of houses and non-residential buildings;
- Supervise the employment and training of the APs in township enterprises.

10.2.4 Responsibility of Village Committee

253. Village Administration Committee and Villagers' Groups have the following responsibilities:

- To report on:
 - Quantity of land acquired;
 - Ownership and use rights of land and property;
 - the Land-Labor ratio.
- Participate in surveys;
- Hold properly constituted meetings to decide on land redistribution and the allocation of compensation between the community and individual APs and how to use compensation not handed directly to APs;
- Select resettlement sites and undertake land redistribution;
- Address grievance issues;
- Monitor and report on the progress of resettlement.

10.3 Grievances and Redress

254. To ensure that the APs have avenues for redressing grievances related to any aspect of land acquisition and resettlement, detailed procedures for the redress of grievances have been established for the project. The objective is to respond to the complaints of the APs speedily and in a transparent manner. The mechanism is designed to be easy, accessible, transparent and fair. As far as possible, the objective will be to avoid the need to resort to complicated formal channels to redress grievances. It is considered that by resolving grievances within the project's administrative structures, not only will the process be more effective and efficient, but progress of the project is less likely to be affected.

255. In order to ensure that the interests and assets of the affected enterprises and individuals are not invaded or damaged, grievances and appeals should be reported according to the following procedures:

256. **Stage 1:** If any person is aggrieved by any aspect of the resettlement and rehabilitation program, he / she can lodge an oral or written grievance with the Village Administration Committee or the local TRO. In case an oral complaint is made, it should be

written on paper by the village unit and processed. The Village Committee or the TRO must resolve the issue within two weeks.

257. **Stage 2:** If the aggrieved person is not satisfied with the decision taken in Stage 1, he/she can bring the complaint to the attention of the CRO within one month from the date of the receipt of the Stage 1 decision. CRO will reach a decision on the complaint within two weeks.

258. **Stage 3:** If the aggrieved person is not satisfied with the decision of the CRO, he / she can bring the complaint to the attention of the HPECED within one month from the date of the receipt of the Stage 2 decision. The HPECED will reach a decision on the complaint within three weeks.

259. **Stage 4:** If the AP is still dissatisfied by the decision, he/she can appeal to the Peoples Court, at the appropriate level, in accordance with the “Civil Procedures Act”, within 15 days of receiving the decision of the HPECED.

260. APs can make and appeal on any aspect of the resettlement and rehabilitation program, including compensation rates offered. Detailed procedures for redress of grievances and the appeal process will be publicized among the APs in the Resettlement Handbook and in the consultation and publicity steps outlined in Chapter 9. This information is also to be distributed to the APs through public meetings prior to the implementation of land acquisition.

261. The grievance procedures will be operative throughout the entire construction period so that they can be used by villagers to deal with problems relating to infrastructure rehabilitation, such as the reconstruction of irrigation networks, the positioning and design of drainage culverts and pedestrian underpasses, local road access, the use of temporary land, etc. In this way villagers will have an effective procedure to bring these matters to the attention of HPEC and the contractors, as well as a forum, for their timely resolution. As an additional measure, village leaders will be provided with a name and contact point (e.g. telephone number), to whom they can raise matters relating to the expressway's construction as and when they arise.

10.4 Staff Training and Capacity Building

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

- 1) Vertical linking agencies will set up reporting system, to report once a month.
- 2) Horizontal linking agencies will hold coordinating meetings quarterly to enhance information exchange.
- 3) Issues put forward by the APs will be reported and disseminated through the resettlement offices at each level.
- 4) Issues which occur during construction will be reported by the resident engineer, first to

- his/her organizational level and then, if necessary, upwards through each of the hierarchical levels;
- 5) Issues of the APs and contractors will be forwarded to the Village Committee, local construction coordination groups at sub-district/township and District levels, and, if serious, also to HPCD and to the Project Leading Group.

CHAPTER 11 NEXT TASKS AND IMPLEMENTATION SCHEDULE

11.1 Next Planning Tasks

263. Although the RP is completed, detailed implementation plans for certain villages and other planning is still required to before resettlement and rehabilitation can commence. The proposed resettlement supervision milestones of resettlement planning activities is shown in Table 28. The schedule will be updated as necessary and included in progress reporting.

11.2 Schedule for Land Acquisition and RP Implementation

264. Figure 5 shows the preliminary schedule for land acquisition and RP implementation. Although land acquisition and resettlement will be synchronized with the project construction cycle, LAR activities can proceed once the project preliminary design has been approved.

Project Resettlement Plan Implementation Schedule

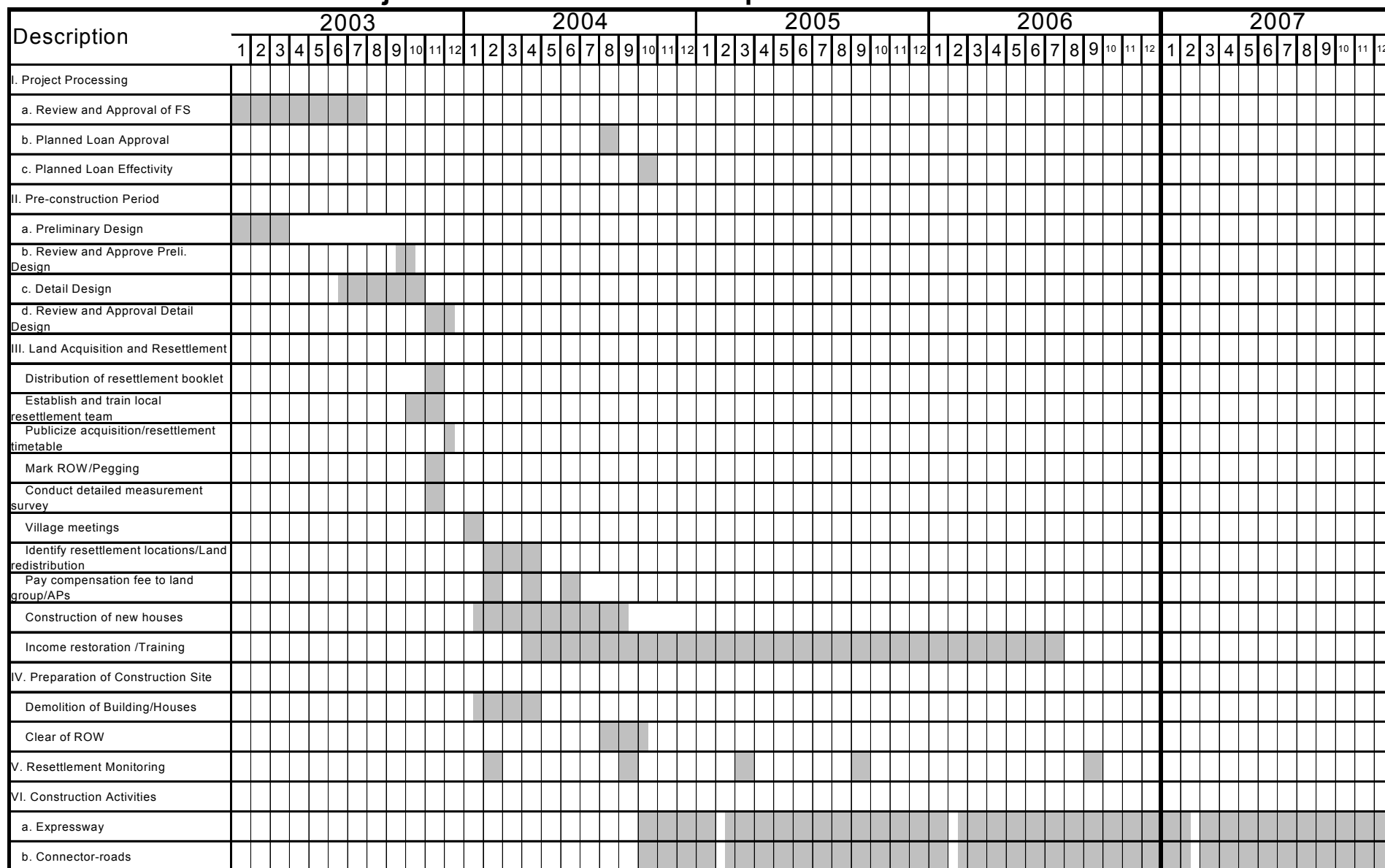


Table 28 Resettlement Supervision Milestones

No.	Resettlement Tasks	Target	Agency	Deadline	Status
1.	Disclosure				
1.1	- Information booklet	81 villages, 375 groups, 1275 AF	CECC	2003.11.30	Completed
1.2	- Resettlement Plan circulation (draft)	3 Counties/District	CECC	2003.11.30	Completed
	- Resettlement Plan circulation (final)	3 Counties/District, 22 townships	CECC	2004.07.15	
1.3	- RP placed on ADB website	English & Chinese	CECC & ADB	2004.07.15	
2.	Resettlement Plan & Budget				
2.1	- Approval of RP & budget (including compensation rates)	173 km + 12km connector road \$51.6 million	HCD	2003.11.30	Completed
2.2	- Submit Final RP to ADB based on DMS		CECC	2004.06.15	Completed
2.3	- Detailed Budget by county/district	3 Counties/District	CECC	2003.11.30	Completed
	- Detailed Budget by county/district based on DMS	3 Counties/District	CECC	2004.06.15	completed
2.4	- Resettlement impacts and budget for local roads component (included in RP)	517 km	HCD	2004.05.10	Completed
3.	Compensation Agreements				
3.1	- Village agreements	108 villages	3 CROs	2003.12.31	Completed
3.2	- Household agreements	1411 AF	TROs	2004.1.31	Completed
4.	Detailed Measurement Survey (DMS)		CROs, TROs	2003.11.31	Completed
5.	Detailed Resettlement Plans			2004.1.15	
5.1	- Village rehabilitation plans (initial)	10 villages	3 CROs	2003.12.31	Completed
5.2	- Land replacement plans	3 counties	County Governments	2004.08.30	Submitted to City level
5.3	- Plan for Supporting Vulnerable Groups	CNY8.2 million__	CECC	2004.07.30	
5.4	- Technical training plan for AF	2000 AF	CECC	2004.12.31	
6.	Implementation Capacity				
6.1	- 3 CROs and CECC	20 staff	CECC	2003.11.30	20 mobilized
6.2	- Staff 22 township/ward offices	92 staff	CROs	2003.11.30	92 mobilized
6.3	- Designate village representatives	108 staff	TROs	2003.11.30	Completed
6.4	- Training of staff	200 staff	CECC/CROs	2003.11.30	completed
7.	Monitoring & Evaluation				
7.1	- Baseline survey (480 surveys)	As per RP	Monitor	2004.3.31	Completed
7.2	- Set-up internal supervision	As per RP	CECC/CROs	2003.12.30	Completed
7.3	- Contract external monitor	As per RP	CECC	2003.12.30	Completed
7.4	- Internal monitoring reports	Quarterly	CECC	2004.06.30	1 st Report due
7.5	- External monitoring reports	Semi-annual	Monitor	2004.07.20	1 st Report due
7.6	- Evaluation/completion reports	Annual	Monitor	2005.3.31	1 st Report due
7.7	- Resettlement Completion Report		CECC	2007.3.31	
8.	Documentation of Consultation	As per RP	CECC/CROs		To be recorded
9.	Documentation of Grievances	As required	CECC/TROs		To be recorded

AF = affected families, CRO = County (District) resettlement office, HPDI = Hunan Provincial Communications Survey and Design Institute, RIB = resettlement information booklet, RP = resettlement plan, CECC = Chang-Ji Expressway Construction and Development Company, TRO = Township Resettlement Office, HPCD = Hunan Provincial Communications Department.

CHAPTER 12 MONITORING, EVALUATION AND REPORTING

265. According to requirements stipulated in the “Regulations on Construction Supervision” promulgated by the Ministry of Construction of PRC 1995, a construction project shall be properly supervised. It is also a requirement of the ADB that loan projects that cause significant resettlement be properly monitored and evaluated. In order to ensure that the implementation of the land acquisition and resettlement plan in accordance with the requirements, monitoring of implementation, both “internal” and “external”, will be carried out during the implementation of the Project. In addition to semi-annual external monitoring of the project implementation, ADB will conduct a comprehensive Mid-Term Review and a Project Completion Review of the resettlement implementation.

12.1 Internal Monitoring and Supervision by the HPEC

266. The HPEC will take an overall responsibility for the project monitoring and supervision during the project implementation phase. The main content to be monitored are: (i) compensation payments; (ii) house demolition/rebuilding and relocation of APs; (iii) land redistribution and subsidies; (iv) grievance redress; (v) income restitution/ training programs; and (vi) assistance to vulnerable groups.

267. The overall objective of internal monitoring is to ensure that resettlement implementation is carried out in accordance with the approved RP. Specific objectives are to: (i) check the achievement of milestones in the acquisition and resettlement process, including preparatory phases, against the planned time schedule and budget; (ii) ensure that the channels of communication and consultation between the administrators and affected persons have been established and operationalized; (iii) ensure that compensation payments due to affected persons are paid in full and in a timely manner; (iv) verify that the processing of grievances has taken place within the set time limits; and (v) closely watch the adherence to lawful, approved allocation of acquisition and resettlement money so as to ensure the absence of corruption, and (vi) follow-up problems and mitigation measures.

268. Internal monitoring will be the overall responsibility of the LAR Division within the implementing agency – HPEC. A LAR Monitoring Office consisting of 3 persons will be set up under the LAR Division to carry out internal monitoring of land acquisition and resettlement, so as to guarantee timely implementation of land acquisition and resettlement works and protect the interest of the affected people.

12.2 External Monitoring

269. The objectives of the external monitoring and evaluation are to: (i) establish whether, after the land acquisition and resettlement activity is completed, the welfare levels of those affected were restored and sustained; if not, identify both policy and implementation constraints; and (ii) assess the overall efficiency, effectiveness, impact (including behavioral responses) and sustainability of land acquisition and resettlement. If problems are identified,

causes should be analyzed and possible solutions should be recommended to HPEC.

270. An institute or organization independent of the HPCD, and independent of the local governments along the alignment, will be contracted by HPEC to carry out the external monitoring and evaluation work under this RP. A local university/institute would be an ideal candidate for this task. A draft Terms of Reference (TOR) for the external monitoring is in Annex 5. The external monitor will be appointed with ADB concurrence.

12.3 Methodology and Approach

271. The general approach to be used is to monitor activities and evaluate impacts ensuring participation of all stakeholders especially women, ethnic minorities, the poor and other vulnerable groups. Monitoring tools would include both quantitative and qualitative methods:

- 1) Baseline household survey of a representative sample, disaggregated by gender, income and ethnicity to obtain information on the key indicators of entitlement delivery, efficiency, effectiveness, impact and sustainability. Ten percent sample of APs will be covered, and some vulnerable groups targeted.
- 2) Focused Group Discussions (FGD) that would allow the monitors to consult with a range of stakeholders (local government, resettlement field staff, NGOs, community leaders and APs).
- 3) Key informant interviews: select local leaders, village workers or persons with special knowledge or experience about resettlement activities and implementation.
- 4) Community public meetings: open public meetings at resettlement sites to elicit information about performance of various resettlement activities.
- 5) Structured direct observations: field observations on status of resettlement implementation, plus individual or group interviews for cross checking purposes.
- 6) Informal surveys/interviews: informal surveys of APs, host village, workers, resettlement staff, and implementing agency personnel using non-sampled methods.
- 7) Investigation whether the skills available within the local resettlement offices are adequate to implement the plan. If not, adjustment of staffing or training should be recommended.

12.4 Reporting Requirements

272. The results of internal monitoring shall be reported to the HPCD, the districts, sub-district/townships on a quarterly basis. Summary reports in English should be sent to the ADB on a quarterly basis.

273. The report on the baseline survey conducted by the external monitor should be

provided to HPEC with electronic database and English copy of the report provided to ADB. Subsequent reports should provide summaries of principal findings, tabulations of key indicators, qualitative and quantitative descriptions of main changes in socio-economic changes of APs and affected villages and conclusions and implications, if any, for additional action/ assistance.

274. HPEC will prepare a Resettlement Completion Report and submit to ADB which provides the resettlement process, physical achievements, financial details, measures taken to restore economic living conditions and "lessons learned" from the RP implementation for future policy and implementation practices.

275. The external monitor would prepare and submit monitoring reports semi-annually to ADB during the period of resettlement implementation. Thereafter, annual socioeconomic investigations and evaluation reports will be prepared until the affected people's livelihoods have been adequately restored.

ANNEX 1 Basic Information of Project Affected Villages/Townships

District/ County	Township	Village		No. of Villagers Group	No. of Affected Group	No. of Total Village Households	Total Village Population (person)	Ethnic Group		Poverty Household (h.h.)	Agricultural Population (person)	No. of Labor (person)	Total arable land (mu)	Arable land loss in villages	% of arable land loss in villages	Total H.H affected	Total Affected People	Hhold relocation in village	Impact Assessment							
		Code	Name					Household	Population										Area of house loss in village	% of Relocation Hhold at village level	% of Affected People	No. of Village with land loss ≥20%	No. of Village with relocation h.h. ≥20%	No. of Village with APs ≥20%	No. of Village with non- relocation	
Dingcher	Doumuhu	1	Maqiao	22	6	358	1157	28	40	13	1157	593	1630	79.095	0.04852	104	366	15	2334	4.2%	31.6%	0	0	1	0	
	Xujiaqiao	2	Zhongyan	13	9	304	1009	201	690	17	1009	535	1791	165.435	0.09237	176	611	13	2813	4.3%	60.6%	0	0	1	0	
		3	Paomagang	9	4	230	847	103	380	12	847	420	707	24.525	0.03469	113	398	1	234	0.4%	47.0%	0	0	1	0	
		4	Yongsishan	11	3	312	984	180	485	13	984	465	1569	82.53	0.0526	94	329	1	32.4	0.3%	33.4%	0	0	1	0	
		5	Majiaxiang	10	1	385	1323	116	398	18	1323	715	282.7	22.35	0.07906	66	234	0	0	0.0%	17.7%	0	0	0	1	
	Dingjiagang	6	Yanggong'an	18	7	515	1625	0	0	18	1595	910	1839	25.6485	0.01395	40	125	2	341	0.4%	7.7%	0	0	0	0	
		7	Shanhu	15	9	354	1295	1	7	31	1275	985	2095	67.9215	0.03242	205	720	8	1696	2.3%	55.6%	0	0	1	0	
		8	Wuquan	19	8	409	1278	--	--	45	1248	648	2222	152.709	0.06873	119	415	12	2752	2.9%	32.5%	0	0	1	0	
		9	Kiwoli	15	4	406	1259	0	0	0	1259	632	1913	14.35	0.0075	63	271	0	0	0.0%	21.5%	0	0	1	1	
		10	Shuangchong	14	5	310	1059	8	31	16	1032	612	1588	87.12	0.05486	143	503	11	2387.65	3.5%	47.5%	0	0	1	0	
		11	Pailou	16	6	405	1502	--	--	47	1481	796	2100	111.45	0.05307	200	702	21	3266.3	5.2%	46.7%	0	0	1	0	
		12	Xiyang	11	4	301	994	--	--	2	994	650	1690	74.775	0.04425	123	437	3	697	1.0%	44.0%	0	0	1	0	
	Yaotianping	13	Jingwoli	6	1	165	579	0	0	3	0	0	1688	10.14	0.00601	28	91	0	0	0.0%	15.7%	0	0	0	1	
14		Meixiqiao	16	7	385	1377	--	--	5	650	380	1106.7	112.05	0.10125	142	562	8	1084	2.1%	40.8%	0	0	1	0		
Taoyuan	Zhangjiang	15	Haijiarong	13	5	328	1056	--	--	6	408	219	2048.7	103.35	0.05045	105	285	4	681	1.2%	27.0%	0	0	1	0	
		16	Luxi	3	3	278	1061	--	--	8	279	163	2211.9	51.45	0.02326	59	186	6	1295	2.2%	17.5%	0	0	0	0	
	Taohuayuan	17	Huilong	9	7	201	827	--	--	10	669	404	1689.8	110.949	0.06566	215	697	15	2534	7.5%	84.3%	0	0	1	0	
		18	Yaojiachong	5	5	323	1110	--	--	11	428	243	1756	69.7095	0.0397	51	192	5	529	1.5%	17.3%	0	0	0	0	
		19	Chazhuang	6	5	165	662	--	--	11	659	398	906	81.1395	0.08956	123	401	47	4962	28.5%	60.6%	0	1	1	0	
		20	Sanhe	7	1	154	665	--	--	12	638	402	971	28.029	0.02887	32	130	3	399	1.9%	19.5%	0	0	0	0	
		21	Lianyan	8	4	178	698	--	--	13	696	411	1172	31.6395	0.027	116	462	6	1020	3.4%	66.2%	0	0	1	0	
		22	Sanzhuang	5	3	176	504	0	0	0	504	283	804	19.7205	0.02453	98	256	4	420	2.3%	50.8%	0	0	1	0	
		23	Jinqiao	8	4	253	932	--	--	15	992	624	1847	176.871	0.09576	149	586	13	1920	5.1%	62.9%	0	0	1	0	
	Zhengjiayi	24	Yinshuchong	6	6	170	958	--	--	30	514	239	1704	144.921	0.08505	120	423	20	2990	11.8%	44.2%	0	0	1	0	
		25	Banshi	3	3	201	833	--	--	18	298	164	1683	84.135	0.04999	80	182	6	827	3.0%	21.8%	0	0	1	0	
		26	Zhengyi	3	3	358	1293	--	--	10	472	237	2239	66.642	0.02976	45	154	5	471	1.4%	11.9%	0	0	0	0	
	Siping	27	Wuli	6	3	379	1751	--	--	68	556	166	3636	112.691	0.03099	19	81	19	2334	5.0%	4.6%	0	0	0	0	
		28	Yangjiqiao	4	2	260	998	--	--	5	803	40	1515	84.795	0.05597	238	691	22	2472	8.5%	69.2%	0	0	1	0	
	Yangxiqiao	29	Jinling	9	9	332	995	--	--	6	102	453	1424	70.719	0.04966	38	112	4	437	1.2%	11.3%	0	0	0	0	
		30	Jiayangpu	9	6	182	567	--	--	23	567	294	1826	50.9295	0.02789	95	419	7	1048	3.8%	73.9%	0	0	1	0	
		31	Huanguan	12	7	250	770	--	--	12	770	394	1798	66.2595	0.03685	61	233	17	3296	6.8%	30.3%	0	0	1	0	
	Cha'anpu	32	Yangxiqiao	15	6	364	1126	--	--	15	1120	737	1878	135.32	0.07206	231	671	29	3896	8.0%	59.6%	0	0	1	0	
		33	Changbanpu	13	4	253	804	--	--	11	766	490	1337	53.409	0.03995	31	124	9	1288	3.6%	15.4%	0	0	0	0	
		34	Yuyinshan	8	7	186	556	--	--	6	551	346	1202	109.391	0.09101	113	297	25	3144	13.4%	53.4%	0	0	1	0	
		35	Chengjiayi	13	4	336	931	--	--	50	931	520	1949	64.839	0.03327	33	90	9	1025	2.7%	9.7%	0	0	0	0	
		36	Gurongxi	18	10	435	1300	--	--	1297	1300	710	2206	199.151	0.09028	114	522	34	4412	7.8%	40.2%	0	0	1	0	
		37	Shanggaoping	13	5	265	670	--	--	50	669	350	1361	52.6605	0.03869	51	145	14	1373	5.3%	21.6%	0	0	1	0	
		Taipingpu	38	Hutang	14	9	344	1200	--	--	9	1194	610	2128	178.619	0.08394	4	19	39	4500	11.3%	1.6%	0	0	0	0
	39		Taipingpu	13	8	350	1230	--	--	23	1150	620	1606	69.2205	0.0431	176	554	12	1810	3.4%	45.0%	0	0	1	0	
Yuanling	Guangzhuang	40	Taipingpu	14	6	277	1073	102	408	20	1073	550	912	85.8285	0.09411	61	292	23	5225.12	8.3%	27.2%	0	0	1	0	
		41	Haishaping	17	8	408	1594	132	520	70	1584	950	1150	53.709	0.0467	100	250	36	6228.4	8.8%	15.7%	0	0	0	0	
		42	Sandushui	10	4	207	812	34	136	15	804	600	480	52.2795	0.10892	76	283	0	0	0.0%	34.9%	0	0	1	1	
		43	Huangtupu	9	4	331	1305	122	488	25	1290	852	985	71.16	0.07224	181	604	19	3041.1	5.7%	46.3%	0	0	1	0	
		44	Ningxiangpu	12	6	317	1204	102	411	37	1150	650	1002	85.9695	0.0858	110	430	33	6015.07	10.4%	35.7%	0	0	1	0	
		45	Guanzhuang	10	2	218	816	108	472	34	801	380	400	8.85	0.02213	45	178	0	0	0.0%	21.8%	0	0	1	1	
		46	Gongjiawan	13	7	101	342	101	445	30	341	172	763.5	150.03	0.1965	123	321	31	5644.87	30.7%	93.9%	0	1	1	0	
		47	Muzhupu	17	10	324	1233	102	504	32	1233	699	936.3	63.5805	0.06791	158	421	20	3700.96	6.2%	34.1%	0	0	1	0	
	Lizhixi	48	Laojiecu	14	9	220	832	45	208	40	795	380	550.5	90.8205	0.16498	195	604	53	7535.35	24.1%	72.6%	0	1	1	0	
		49	Majiaping	6	6	181	860	72	310	20	660	315	314	120.86	0.3849	117	446	25	4298.6	13.8%	51.9%	1	0	1	0	
		50	Panxiangping	14	4	281	1043	216	812	26	1041	650	624	93.7905	0.15031	166	711	28	4582.7	10.0%	68.2%	0	0	1	0	
		51	Lizhixi	8	8	217	842	142	653	10	842	410	560.7	159.12	0.28379	193	723	40	5987.31	18.4%	85.9%	1	0	1	0	
		52	Ma'anpu	11	5	206	826	37	158	16	815	450	732	89.2995	0.12199	113	305	51	6539.41	24.8%	36.9%	0	1	1	0	
	Nanmupu	53	Nexichong	7	1	129	480	56	170	30	475	282	385	0.24	0.00062	1	5	0	0	0.0%	1.0%	0	0	0	1	
		54	Xinwochang	12	2	349	1284	212	966	28	1280	680	903	0.1095	0.00012	10	67	0	0	0.0%	5.2%	0	0	0	1	
		55	Qingfengshan	4	4	96	407	95	403	20	396	190	345	113.82	0.3299											

Madiyi	58	Laixiqiao	8	8	178	701	171	650	25	688	354	570	74.617	0.13091	74	305	14	2790.55	7.9%	43.5%	0	0	1	0	
	59	Gaoping	4	1	260	960	15	51	6	950	432	825	1.9005	0.0023	9	30	1	45.6	0.4%	3.1%	0	0	0	0	
	60	Baiwuping	11	9	278	952	230	1020	80	949	483	727.5	241.65	0.33216	210	726	38	8145.38	13.7%	76.3%	1	0	1	0	
	61	Wenchangping	6	4	174	691	180	668	60	687	434	690	62.259	0.09023	53	188	6	648.99	3.4%	27.2%	0	0	1	0	
	62	Madiyi	10	5	551	1982	293	1278	23	1476	605	990	61.59	0.06221	94	363	0	0	0.0%	18.3%	0	0	0	1	
	63	Yanjiacun	7	7	254	1138	218	932	20	1124	564	718.5	69.2205	0.09634	90	347	12	1801.42	4.7%	30.5%	0	0	1	0	
	64	Mumaxi	15	9	460	1885	430	1682	9	1867	1300	1432.5	199.881	0.13953	228	785	32	7843.55	7.0%	41.6%	0	0	1	0	
	65	Tongtou	4	2	230	993	204	867	4	993	560	1050	17.949	0.01709	14	55	0	0	0.0%	5.5%	0	0	0	1	
	Zhangjiaping	66	Songxiqiao	12	6	388	1062	53	180	21	1062	605	1302.8	83.7255	0.06427	96	520	7	1301.49	1.8%	49.0%	0	0	1	0
		67	Xiaojiachong	5	1	165	633	98	285	3	633	360	876.3	8.67	0.00989	3	17	0	0	0.0%	2.7%	0	0	0	1
		68	Dongxicun	5	4	122	449	30	84	8	449	252	530.6	32.904	0.06201	53	250	2	26.86	1.6%	55.7%	0	0	1	0
	Zhengjiacun	69	Hejiacun	8	3	187	749	20	92	18	744	429	952.5	113.679	0.11935	195	345	44	4933.48	23.5%	46.1%	0	1	1	0
	Liangshuijing	70	Beihe	4	1	275	1112	260	980	22	1112	720	897	0	0	1	110	0	0	0.0%	9.9%	0	0	0	1
		71	Liangshuijing	4	1	330	1299	308	1084	25	1299	750	1030.5	0	0	1	100	0	0	0.0%	7.7%	0	0	0	1
		72	Yuncongdong	8	4	306	1305	267	900	18	1278	750	781.5	40.1265	0.05135	46	240	13	2151.24	4.2%	18.4%	0	0	0	0
		73	Wangjialing	12	10	359	1344	210	814	20	1340	755	918	167.484	0.18244	280	810	29	4515.11	8.1%	60.3%	0	0	1	0
		74	Ou'jiawan	11	5	282	1203	168	720	12	1203	700	1158	75.66	0.06534	102	420	48	6727.86	17.0%	34.9%	0	0	1	0
		75	Shazi'ao	10	2	272	1150	115	605	10	1150	800	1425	87.171	0.06117	81	340	12	1773.56	4.4%	29.6%	0	0	1	0
		76	Songshanbian	16	9	377	1693	250	120	50	1677	987	1702.5	229.88	0.13502	198	720	1	33.8	0.3%	42.5%	0	0	1	0
		77	Liujiaba	10	2	305	1216	45	284	9	1105	850	1084.5	24.0105	0.02214	40	270	0	0	0.0%	22.2%	0	0	1	1
		78	Woxicun	11	4	300	1113	80	300	15	1113	670	993	32.1645	0.03239	41	285	0	0	0.0%	25.6%	0	0	1	1
		Kutengpu	79	Wuliting	14	5	428	1556	158	527	30	1551	720	969	93.5	0.09649	140	401	1	119.38	0.2%	25.8%	0	0	1
	80		Yanbanpu	5	2	206	813	32	150	7	813	405	1056.8	23.6685	0.0224	52	153	26	3347.08	12.6%	18.8%	0	0	0	0
	81		Changchong'ao	7	5	172	718	120	550	10	681	365	769.5	114.086	0.14826	121	308	1	71.68	0.6%	42.9%	0	0	1	0
82	Laoyaxi		8	1	337	1188	60	240	30	864	622	440.1	29.871	0.06787	35	141	7	549.45	2.1%	11.9%	0	0	0	0	
Maxipu	83	Majiacun	15	1	263	1160	224	915	23	1160	605	1477	17.5395	0.01188	22	49	10	1097.66	3.8%	4.2%	0	0	0	0	
	84	Yangliucun	2	4	63	287	47	230	5	287	200	243	21.4605	0.08831	7	31	0	0	0.0%	10.8%	0	0	0	1	
	85	Qianqiutian	13	4	380	1618	380	1600	32	1618	985	1560	105.62	0.0677	89	276	20	2952.26	5.3%	17.1%	0	0	0	0	
	86	Zhuangtian	6	6	256	960	43	160	19	960	465	1064	167.481	0.15741	185	672	17	2223.32	6.6%	70.0%	0	0	1	0	
	87	Yangxipu	9	5	281	1189	280	1170	23	1189	570	1480	122.54	0.0828	128	453	17	2258.58	6.0%	38.1%	0	0	1	0	
	88	Maxipu	12	10	630	2743	585	2700	16	1937	1178	1466	168.83	0.11516	205	725	28	4406.89	4.4%	26.4%	0	0	1	0	
	89	Daping	5	1	203	805	198	796	16	805	405	733	0	0	31	127	0	0	0.0%	15.8%	0	0	0	1	
Xiaoqiwan	90	Sanyanqiao	12	5	398	1615	387	1587	18	1615	983	2558	247.961	0.09694	124	480	14	1818.25	3.5%	29.7%	0	0	1	0	
	Shuxikou	91	Qingmu	6	4	231	895	231	895	18	895	494	641.4	83.6505	0.13042	91	310	16	2026.66	6.9%	34.6%	0	0	1	0
		92	Lutou'ao	5	2	174	757	174	757	15	757	503	699.2	74.1795	0.10609	60	170	18	2550.76	10.3%	22.5%	0	0	1	0
		93	Shuxikou	5	3	219	891	219	891	17	891	589	598	36.879	0.06167	36	150	0	0	0.0%	16.8%	0	0	0	1
		94	Yetoucun	8	1	352	1355	352	1355	27	1355	900	1042.7	0	0	18	75	0	0	0.0%	5.5%	0	0	0	1
		95	Dalixi	5	4	146	564	146	564	11	564	385	679.4	72.0195	0.106	146	320	46	7751.48	31.5%	56.7%	0	1	1	0
		96	An'longtou	5	3	200	810	200	810	16	810	532	731.4	36.1515	0.04943	46	188	1	226.93	0.5%	23.2%	0	0	1	0
		97	Doutanping	6	2	278	1118	278	1118	22	1118	876	714	35.6505	0.04993	54	165	14	2965.9	5.0%	14.8%	0	0	0	0
		Total	22	97	937	465	27153	101128	10525	41365	3280	90949	52050	116686	7699.25	0.06598	9314	32915	1414	225139.3	5.2%	32.5%	4	7	66

Annex 2 Social Assessment of Ethnic Minorities Affected Resettlement

A. Introduction

1. This Annex presents the social assessment of ethnic minorities affected by resettlement in the project area. A separate Ethnic Minority Development Plan (EMDP) is not required since the potential negative side effects tend to relate to the poor in general, or to the affected persons. The Project has included adequate provisions to enhance the economic conditions of vulnerable groups, including ethnic minorities. Special mitigation measures will be provided to ensure that vulnerable groups adversely affected by resettlement will also benefit from the project. These, in addition to the policies and programs developed by the local governments for minority groups, does not warrant an EMDP.

B. Background

2. Hunan is located in the middle reaches of Yangtze River and borders Jiangxi to the east, Chongqing and Guizhou to the west, Guangdong and Guangxi to the south and southwest, and Hubei (meaning the north of the Dongting Lake) to the north. Geographically, Hunan can be divided into 2 broad blocks: the western mountainous area (western Hunan) and the eastern hilly and plain area (eastern Hunan). With a land area of 211,829 km² and a population of 66 millions by 2001, it is one of the most populated provinces in PRC. About 78% and 22% are rural and urban respectively. It has a high population density of 311 persons per kilometer that is 234% of the national average.

3. Hunan is an important minority province in eastern and central PRC. There are as many as 55 ethnic minority groups in Hunan making up a population of 7.3 million or 11% of Hunan's total population (Table 1). There are 8 minorities that has a population over 10,000, they are Tujia, Miao, Dong, Yao, Bai, Hui (Muslims), Zhuang and Mongolia. These eight groups make up over 99.4% of the total minority population of Hunan.

Table 1: Minority Peoples in Hunan Province (2000)

	Ethnic group	Population	% of minority groups	% of total population
Main group	Han	58,637,106		89
Minority groups	Tujia	2,639,534	41.2	
	Miao	1,921,495	30.0	
	Dong	842,123	13.1	
	Yao	704,564	11.0	
	Bai	125,597	2.0	

	Hui	973,68	1.5	
	Zhuang	23,559	0.4	
	Mongolian	15,869	0.2	
	Others	40,585	0.6	
	Sub-total	6,410,694	100	11
Total		65,958,500		

Source: Fifth Consensus data, Hunan Statistical Year Book 2002.

4. The minority groups are mainly distributed in the western Hunan (i.e., the Xiangxi Prefecture, Huaihua and Zhangjiajie municipalities), and the minorities in the western Hunan account for 75% of Hunan's total minority population. Minority populations account for 75%, 39% and 8% in the three project prefectures of Xiangxi, Huanghua and Changde respectively.

5. Over the last two decades, Hunan has experienced rapid economic growth. The annual GDP growth rate has reached 10.11% during the period of 1990-2000, which is more or less identical to the national average of 10.34%. However, the relatively higher growth rate had masked the unbalanced development situations among the various areas within Hunan. Table 2 makes a comparison between the two broad blocks of Hunan. It is very obvious that the development gaps between the two blocks are quite big. The rural per capita income of the western mountain area, for instance, is just 70% of the eastern area. Similarly, the per capita GDP from the western area is only 50% of the eastern area.

Table 2: Socioeconomic Characteristics of Hunan (data of 2000)

Indicators	Western Hunan	Eastern Hunan	Hunan
Land area (square km)	52649	159151	211800
<i>Land area (% of Hunan)</i>	<i>25</i>	<i>75</i>	<i>100</i>
Population ('000)	9,053	56,905	65,959
<i>Population (% of Hunan)</i>	<i>14</i>	<i>86</i>	<i>100</i>
Population density (person/sq. km)	172	358	311
Minority population ('000)	4,926	2,395	7,321
<i>Minority population (% of the area)</i>	<i>54.4</i>	<i>4.2</i>	<i>11.1</i>
<i>Minority population (% of Hunan)</i>	<i>67.3</i>	<i>32.7</i>	<i>100</i>
Rural population ('000)	7,462	43,629	51,091
<i>Rural population (% to the area)</i>	<i>82.4</i>	<i>76.7</i>	<i>77.5</i>
Rural income (Yuan/capita/yr.)	1688	2,398	2300
<i>Rural income (% of Hunan)</i>	<i>73</i>	<i>104</i>	<i>100</i>
Arable land (ha)	602,340	3,310,210	3,912,550
<i>Arable land (% of Hunan)</i>	<i>15</i>	<i>85</i>	<i>100</i>

Indicators	Western Hunan	Eastern Hunan	Hunan
Paddy land (ha)	443,340	2,516,560	2,959,900
<i>Paddy land (% of arable land)</i>	<i>73.6</i>	<i>76.0</i>	<i>75.7</i>
<i>Paddy land (% of Hunan)</i>	<i>15</i>	<i>85</i>	<i>100</i>
Per capita arable land (mu)	1.21	1.14	1.15
<i>% of Hunan</i>	<i>105</i>	<i>99</i>	<i>100</i>
Per capita GDP (Yuan/yr)	3905	7,835	6054
<i>Per capita GDP (% of Hunan)</i>	<i>65</i>	<i>129</i>	<i>100</i>
Number of counties	24	98	122
<i>Counties (% of Hunan)</i>	<i>20</i>	<i>80</i>	<i>100</i>
Number of national level poor counties	10	10	20
<i>National poor (% Hunan)</i>	<i>50</i>	<i>50</i>	<i>100</i>
No. of provincial level poor counties	8	10	18
<i>Provincial poor (% of Hunan)</i>	<i>44</i>	<i>56</i>	<i>100</i>
Poverty population('000)	2,600	1,700	4,300
Poverty incidence %	29%	3%	6.5%

Source: Calculations based on Hunan and local Statistical Yearbooks (2002)

C. Ethnic Minorities in PA

1. Population and Location

1. This section basically presents the minorities and Han within the western section since 99% of PA's minority population is within this section. This section is of mountainous terrain. Total minority population in PA amounts to 1,299,912 which is equivalent to 41% of the total population (much higher than the provincial proportion of 11%). As indicated in Table 3, the minorities are mostly concentrated in the western section of PA, and 99% of PA's minority population is within the western section. In the western section itself, minorities account for 51% of the section's total population. The minority populations reached 80% in Guzhang, 73% in Jishou, 71% in Fenghuang, 56% in Yuanling and 55% in Luxi respectively. The minority population in the eastern section is only 2.2%.

Table 3: Minority Population of the PA (2001)

	County	Total popu.	Minority popu.	Minority (% to total popu.)
Eastern Section	Dingcheng	76,900	6,000	8
	Taoyuan	496,079	6,628	1
	Sub-total	572,979	12,628	2.2
	% of the project area	21	1	
Western Section	Yuanling	640,400	360,545	56
	Luxi	279,942	155,334	55
	Jishou	278,542	203,550	73
	Chengxi	512,000	48,640	10
	Feng-huang	369,166	263,213	71
	Guzhang	136,935	109,052	80
	Sub-total	2,216,985	1,140,334	51
	% of the project area	79	99	
Project Area		2,789,964	1,152,962	41
Hunan		65,958,500	7,321,394	11

Source: Hunan and county statistics (2002)

Table 4: Main Ethnic Minorities in the Western Section of PA

County	Total		Miao		Tujia		Yao		Bai	
	Popu.	% of total minorities	Popu.	%	Popu.	%	Popu.	%	Popu.	%
Total	1,092,805	95.8	686,338	60.2	356,557	31.3	33,831	2.9	17,079	1.5
Yuanling	155,091	93.3	217,613	60.4	102,636	28.5	52	0.0	16,107	4.5
Luxi	336,408	99.8	106,157	68.3	48,839	31.4	35	0.0	60	0.0
Jishou	201,727	99.1	109,185	53.6	91,407	44.9	314	0.2	821	0.4
Chenxi	39,438	81.1	5,824	12	1,144	2.4	32,405	66.6	65	0.1
Fenghuang	251,107	95.4	186,882	71	64,184	24.4	15	0.0	26	0.0
Guzhang	109,034	100	60,677	55.6	48,347	44.3	10	0.0	0	0

Source: Hunan and county statistics (2002)

3. Table 4 presents details of the main minority groups' distribution within the project counties. There are 7 main ethnic minority groups in the PA, including Tujia, Miao, Yao, Bai, Dong, Hui and Uygur. The dominant minority groups in the PA are Miao, Tujia, Yao and Bai. These four groups make up 95.8% of the total minority populations in the western section. Miao and Tujia are widely distributed in Yuanling, Luxi, Jishou, Fenghuang and Guzhang;

Yao is mainly distributed in Chengxi; while the Bai is mainly concentrated in a number of communities of Yuanling County.

2. Main Ethnic Groups

a) Miao

4. It is the largest minority group and it makes up 60.2% of the total minority population of the PA. Miao people are widely distributed in the western section of PA and some of them are mixed with the Tujia. Miao people have their own oral language, but most of them, especially those who live in the valley/hilly locations and those who are mixed with Tujia people, speak fluent Mandarin. The old people in the remote mountain villages can only speak Miao while the young generation can speak both Mandarin and Miao language. Most local people who can speak Mandarin do so with strong dialects. It is not easy for more cosmopolitan city dwellers to understand them. Sometimes they have to repeat themselves and use body language in order to be understood.

5. Miao is very good in dancing and singing, their finery are very unique with a lot of silver decorations. Their unique life style attracts more and more attention of outsiders. Based on the natural scenic resource and cultural resource, three of the surveyed Miao villages had developed own and peculiar tourism programs. Tourists are welcome to join their evening dancing and singing parties. Miao people are very good at embroidery. Almost every woman can do it in the sole Miao villages. Some women started to make profit from producing and selling embroidery.

b) Tujia

6. Tujia is the second largest minority group in the project area, making up 31.3% of the total minority population of the PA. This group is also widely located in the western section of PA. This group was highly assimilated to Han (Hanized) in many aspects except that this group has a few specific traditions.

c) Yao

7. This group lives mainly in the Luozi Mountain of Chengxi County, around 70km from the county center and 80km from the proposed expressway. Local legend says that Luozi Mountain was the cradle Yao People. The Yao does not have own written language. Most people speak Mandarin in their daily life, but they do use own language when singing and doing specific ceremonies. The proposed expressway has no direct affection on this group.

d) Hui and Uygur

8. These two groups are very small and are not within the western section, but they are presented here because expressway will traverse a few of their communities. Both groups are of Muslim belief. They are mainly in the Xujiqiao Hi and Uygur Autonomous Township of Dingcheng District in the far east of the project. It is said the Uygur came from Xinjiang some 500 years ago, and most of them would not speak Uygur language anymore.

9. Both groups are good at (small) business and in well-off conditions. Because the Xujiqiao Township is very close to urban Changde, road, irrigation, clinic and other physical and social infrastructures are quite good. Villagers are satisfactory with their current well-off life.

3. Ethnic Minorities Affected by Resettlement

10. The proposed expressway goes through three counties/district of Dicheng District and Taoyuan Conuty in Changde City, and Yuanling County in Huaihua City. The majority of APs in Changde city is of Han people, with one village, Paomagan village consisting of 60% ethnic minorities of Hui and Uygur group, located in Xujiqiao Minority Autonomous Township, Dingcheng District. Most of the minority groups affected is mainly distributed in Yuanling County consisting of Miao and Yujia groups. And in Taoyuan County, there are a few minorities scattered.

11. Of the 29 villages surveyed in Yuanling County, 16 villages have more than 40% of minorities. Four of the minority village are mainly made up of Miao groups, and other 12 village of Tujai group. The distribution of sampled APs is shown in Table 5. Of 657 HHs surveyed, 276 HHs are ethnic minorities with 4 HHs in Dingcheng, 7 HHs in Taoyuan, and 265 HHs in Yuanling.

Table 5 The Distribution of Sampled APs

Nationality	Dingcheng		Taoyuan		Yuanling	
	HH	APs	HH	APs	HH	APs
Han	29	126	178	747	216	719
Hui	8	34				
Miao			1	2	200	1156
Tujia					24	105
Uygur	1	5				
Total	38	165	179	749	440	1980

Source: Resettlement Survey, Hunan University, 2003.

12. To improve the minority's social and economic status, a series of policies especially benefiting the minority people in has been carried out in Hunan Province. Though the ethnic minority in the project area is characterized by the language, culture, custom, religion, etc, the social economic status has no significant difference from the Han people. The income distribution in Table 6 indicates that the minority people have no difference from or even higher than the Han people in the project area.

Table 6 The Income Distribution of Sampled APs

Nationality	Dingcheng		Taoyuan		Yuanling	
	APs	Net income per capita	APs	Net income per capita	APs	Net income per capita
Han	126	2911	728	4535	719	2795
Hui	34	3776				
Miao			2	2045	1156	3518
Tujia					105	2779
Uygur	5	3762				

Source: Resettlement Survey, Hunan University, 2003.

4. Socio-Economic Characteristics of Minority Communities

a) General

13. The PPTA field survey had covered different minority groups¹. Totally 38 minority villages were surveyed in the western section and basic social and economic data of these minority villages is shown in Table 7 and Table 8.

¹ Data for individual minority groups within the PA are not available.

Table 7: Basic Information of Surveyed Minority Villages

		NO. of surveyed villages	No. of poor villages*	Per capita arable land (Mu)	Characteristics of the surveyed Village
Minority villages	Western Section	38	23	1.06	<ul style="list-style-type: none"> • Out of the 38 minority villages survey in western section, 15 are Tujia, 12 are Miao, 8 are Mix-Miao and Tujia-8, 3 are Yao • All located to Mountain area
	5km corridors of the E-Way	23	16	1.18	<ul style="list-style-type: none"> • Convenient access to the main road or the main cities or towns • Plain/valley areas • Better access to market place • Grow more fruit trees

*Net annual income less than 900 Yuan

Source: field survey.

Table 8: Income and GDP of Surveyed Villages in the Western Section (2002)

Type of villages	Locations	Per capita net income □Yuan/year□	Per capita GDP (Yuan/year)
Minority Villages	Whole western section	1048	1537
	Expressway corridor	1056	1769
Han villages	Western Section	735*	1677
Rural Hunan*		2363	6565

*: Low due to sampling reasons (mostly resettled households)

Source: field survey.

14. Although the disparities between the different locations are not so obvious, it is still believed that the overall situations in the expressway corridor are better because it is of valley terrain with relatively better infrastructures, and these were proven by field observations and group interviews.

b) Road Access and Other Infrastructures

15. All villages in the PA have electricity connection, clinic service and certain kind of road access². However, these are not the case for natural villages or sub-villages. As presented in Table 9, road access among the surveyed minority villages is as low as 57%, compared to the Han communities. Similarly, clinic services are only available for 60% of the minority villages in the western section. Women are especially concerned about the quality of the clinic and the school, and indicated that the quality of the facilities will

² 95% of villages have telephone access.

improve with the proposed road. In the case of health clinics, improved access does not necessarily translate to increased utilization rates.

Table 9: Road Access, Electricity Supply and Clinics of Natural Villages

	Overall	Minorities in the western section	Han communities in the western section
% of natural villages with road access	70	57	65
% of natural villages with electricity connection	100	100	100
% of natural villages with clinics	70	60	80

Source: Field survey

16. The average distances of the surveyed communities to primary school, middle school and nearest market are 0.8km, 3.1km and 5.1km, respectively). Good rainfall and forestry cover enables all communities to get their water supply within 0.25km. Unfortunately, road conditions are poor, sections of paved roads are below 30% in general and some 40% of the road sections are often under bad conditions (Table 10).

Table 10: Distance to Important Locations and Road Conditions

To	Average distance (km)	Proportion of Different Road Surfaces (%)			Proportion of Road Condition (%)		
		Earth	Sand and Stone	Paved	Good	Average	Poor
Main road	7.68	15.4	56.4	23.1	10.2	46.2	43.6
Nearest Market	5.08	25.6	46.2	28.2	17.9	41.1	41.0
Township center	2.27	28.2	43.6	28.2	17.9	48.7	33.3
County Center	28.9	7.7	48.7	43.6	23.1	43.6	33.3

Source: Field survey

c) Education and Labor Skills

17. Data on education and artisan skills of the minorities are in Table 11 and Table 12. It is obvious that there exist significant differences between the minorities and rural Hunan as a whole. Within the PA, due to various efforts in promoting education, as well as overall social economic growth, school enrollment is at a high level, and there is little difference between boys and girls. However, as in the case of adults, there are significant differences

between women and men (Table 11). Hardly any women have artisan skills that are important for generating incomes.

Table 11: Education Situation of the Surveyed Minority Villages (%)

	Rural Hunan	Minority Villages.	
		M	F
Enrollment Rate at Primary School	97.9	96.5	96.5
Enrollment Rate at Junior Middle School	94.8	90	90.5
Enrollment Rate at High School	51.5	35	34.8
Enrollment Rate at College and Vocational School	10.3	2.5	3
Dropout Rate at Primary School	0.54	1.5	1.5
Dropout Rate at Junior Middle School	10.1	18.5	17.5

Source: Village and HHs Surveys, Hunan Statistical Yearbooks

Table 12: Education Level and Skill of Labor Force of Surveyed Minority Villages (%)

		F		M		Total of minority vills.	PRC
		Hunan	Minority vills.	Hunan	Minority vills.		
Education Level	Illiterate	7.9	12.9	5.1	6.8	9.9	7.4
	Primary School dropouts	7.8	10.7	6.8	9.6	43.1	31.1
	Primary School Graduates	28.2	32.8	28.0	33.2		
	Middle School Dropouts	9.1	8.5	10.2	9.7	35.4	49.3
	Middle School Graduates	34.2	25.8	35.1	26.9		
	High School	10.9	9.3	13.8	13.8	11.4	11.7
Specific Skills	Carpenters	□	0.3	□	7.6	3.9	□
	Plasterers	□	0	□	18.7	8.2	□
	Tailor	□	4.4	□	0.4	2.1	□
	Retailer	□	3.6	□	2.4	3.1	□
	Transportation	□	3.2	□	7.7	5.7	□

Source: Village and HHs Surveys, Hunan Statistical Yearbooks

d) Vehicular Ownership

18. In terms of vehicular and other transport means ownership, there are significant differences between the minority people and the PA as whole (Table 13). In terms of motorcycles owned per 1000 people, for instance, the figure for minorities is only 4.7, while it is 12.1 for the PA as a whole. This leaves a big room for minority people, as well as

for all population of the whole PA, to increase their vehicular ownership so as to better use local roads.

Table 13: Vehicle Ownership (Number Owned per 1000 Persons)

	Surveyed Minority Villages.	All Surveyed Villages
Trucks	0.6	0.7
Tractors	2.9	3.6
Tricycles*	0.3	1.1
Motor cycles	4.7	12.1
Bicycle	22.0	79.0

Source: Village and HHs Surveys.

*Tricycles often require licensing and are not allowed into the township centers.

D. Poverty, Needs and Perceptions

1. Poverty

19. 715 villages were identified as key poverty villages in the PA, of which 411 or 57.5% are minority villages. Minority population makes up 69% of the total population of the key poverty village. Poverty in the project area has already been discussed in the main text of the resettlement plan (section 3.5.1.1.). According to Table 16 in the RP, the total number of poor minority households is estimated at 7.6%. About 6.9% of the Han, and 9.8% of the Miao are classified as poor. No other ethnic households in the survey were identified as poor.

20. Minority populations share similar characteristics with those from the rural population groups (Table 14). Income distribution of the households surveyed indicates that minority people have similar or higher incomes than the Han in the project area (Table 14). The poor households had the following characteristics: the absolute number of Han households is a little larger than Miao.

Table 14: Characteristics of Rural Population Groups

Features	Absolute Poor (<625 Yuan)	Poor (626-900 Y)	Non-poor (>900Y)
% of rural population for the project as a whole	19	37	44

Features	Absolute Poor (<625 Yuan)	Poor (626-900 Y)	Non-poor (>900Y)
<i>% of rural population for the western section</i>	24	46	30
Location	Remote Mountains with poor access	Mountains with low access	Irrigated valleys, plain
Guaranteed irrigation (% of arable land)	50-70	60-80	>80
Ethnicity	Miao, Tujia, Yao and Han	Tujia, Miao, Yao and Han	Hui, Han and Uygur
Animals	Pigs	Pigs, some goats	Pigs, goats, cattle and fish
Cash income sources	Animals, migration, Fruits	Migrations, animals, Fruits	Fruits and cash crops, migration, animals, small-scale businesses
Non-agricultural activity	Negligible	Little	Some
Transport mode	Bike, on foot	Bikes, tractors	Motor cycles, agricultural vehicles
Education	Primary; high drop-out rate in secondary school	Primary; some drop-outs in secondary school	High attendance at both primary and secondary schools
Adult illiteracy	Low, significant among some minority women	Low	Very low
Housing	Poor	Poor	Good
Heath	Many health problems	High incidence	Fair health

Source: field survey and observations.

2. Needs

22. To change the impoverished and underdeveloped situation, many kinds of factors currently restricting the minority villages' development must be solved. Those factors include both infrastructures and conceptions, such as traffic establishments, education facilities and concepts, technical services, input supply, market establishment. The development priorities, obtained from the surveyed 39 minority villages and 257 households, are presented in Table 15. It is obvious that the improvement of road access to outside world is their top priority.

4 Development Planning of autonomous counties are pro-minority and pro-poor.

Table 15: Major Development Priorities (ranking)

	Villagers	
	F	M
Improving Education	5	2
Improving Irrigation Facilities	3	
Improving the Road Access to Township Center	4	5
Improving the Road Access from G319 to Township Center	1	1
Better Health Care		
More Technical Advices on Farming		4
More Opportunities for Non-agricultural Employment Locally	2	3

Source: Village and HHs Surveys.

3. Perceptions of the Project

23. Table 16 presents the perceptions of minority people on the expressway construction and on local road improvement. Participatory consultations, discussions and interviews were held with the minority population in the project area. Consultations also included Ethnic Minority Affairs staff, individual villagers, poor households, entrepreneurs, traders and sellers at provincial, municipality, county, township and village levels. Not surprisingly, they have strong expectations from the project and they believe that the project could bring them with un-replaceable benefits.

Table 16: Perceptions on the Effects of Expressway and Local Roads

	Expressway	Local Roads
Positive Effect	<ul style="list-style-type: none"> ● Speeding up the mobility of People, Materials and Vehicles. Broadening the Market of Farming Products. ● Promoting the Exchange of Cultures, Changing People's Old Notions ● Promoting the Development of Tourism ● Speeding up the Dissemination of Information, Attracting Merchants and Capital ● Improving Health Care Services 	<ul style="list-style-type: none"> ● Solving the Problem of Poor Access, Higher Farm-gate Prices of Fruits ● Enhancing the Relationship with Nearby Areas ● Speeding up the Mobility of People, Materials and Vehicles ● Making Convenience in Doing Business and Setting up Factories and Enterprises ● Promoting Local Development

	Expressway	Local Roads
Negative Effect	<ul style="list-style-type: none"> ● Occupying Farmland and Orchards ● Destroying Vegetations ● Causing Inconvenience to Local People and Animals Who Used to Cross the Expressway Alignment ● Less Roadside Business due to Less Vehicles Passing through G319. 	<ul style="list-style-type: none"> ● Destroying Vegetation ● Ethical Language may be Lost as the Communication with Other Peoples being Intensified (put Forward by one Villager of Miao)

Source: group interviews.

25. During the field assessments, a number of participatory assessment sessions, consultations, discussions and interviews were held with the minority population in the PA. These included staff of the Ethnic Minority Affairs, individual villagers, poorest of the poor, entrepreneurs, traders and sellers at provincial, municipality, county, township and village levels. These assessments, surveys and discussions provided much of the quantitative and qualitative materials that were used to prepare this and other sections of the report. It has also been used as the basis for identifying the potential project impacts and assessing their significance.

C. Government Responses and Project Impacts

1. Government Policies, Plans, and Programs

27. After 1949 the PRC Government adopted a policy of ethnic equality, in which all groups are legally and constitutionally equal. This policy was a type of positive discrimination in favor of the minority nationalities (*minzu*), to help them "catch up" with the mainstream population. To implement this policy, the Government first clarified, enumerated and mapped the identity of ethnic groups. PRC post-1949 policy defines nationalities (*minzu*) in very precise terms, based on, *inter alia*, shared language, territory, economic base, and traditions/culture. Under this definition, the Han constitute the dominant nationality in the PRC. Some minority nationalities (e.g. Hui and Man) have become assimilated into the Han language and cultural traditions, but are still recognized as minority nationalities. Since 1949 there has been a tendency for smaller ethnic groups to fuse and merge in the definition of officially recognized minority nationalities.

28. The 1954 Constitution specified mechanisms for exercising autonomy in minority areas, but the 1974 Constitution reduced the financial autonomy, and other powers, of these areas. Some of these powers were restored in the 1978 Constitution and further extended by the State Council (1980) and the National Law of 1984. Since the early 1980s

governments of autonomous areas have been able to decide on economic policy, including what to produce, some latitude in allocating government subsidies, and within set guidelines, education and budgeting. In 1982 the formulation of the one child per family directive by the State Council advocated more flexible approaches to planned parenthood amongst the minority nationalities.

29. Most of the minority villages are identified as key working villages under the national and provincial 2001-2010 poverty reduction program. These villages had developed own development plans in a participatory manner by 2002. Policy priority is to be given to these minority villages for immediate implementation. Under this program, each village will have access to a fund amounts to RMB 0.6-1.0 million Yuan in 3 to 5 years, of which 60% will be credit.

30. For the 8 provinces where minorities are concentrated (Guizhou, Yunnan and Qinghai provinces and the five minority autonomous regions of Inner Mongolia, Xinjiang, Guangxi, Ningxia and Tibet) government subsidies in the past have been substantial. Minority areas have special access to relief funds, loans, subsidies and tax relief, including a lower tax on grain, to assist in economic development.

31. Listed below are policies that especially benefit minority people in Hunan province. The programs are applicable to all project area villages where minorities are present. The Ethnic Minority staffs in counties are responsible for the implementation of minority programs in relevant villages:

- Minorities are given a standardized additional score in the university entry examination which place them on a higher position even if the final score was low;
- A rural minority couple is allowed to produce 3 children, while the Han are allowed only 1-2;
- Finances from special minority development fund are given for projects (i.e. schools, roads, water supply, religious places) exclusively for minority groups and villages;
- The minority capacity building programs which are already in place in the five autonomous minority counties of Yuanling, Jishou, Chenxi, Fenghuang and Guzhang⁴.

32. There are a number of existing donor-funded programs already developed for implementation in the project area:

- Japan Bank for International Cooperation (JBIC): Wuling Mountain Area⁵ Poverty Reduction Project⁶ (\$63 million) is currently under implementation in the project's minority counties of Guzhang, Jishou, Fenghuang and Chenxi from the Xiangxi Prefecture. Stated in 2003, this project focuses purely on social infrastructures including education, market and water supply for minority communities and households. Four counties, the Luxi, Guzhang, Fenghuang and Jishou, from the Xiangxi Prefecture under the ADB Hunan road development project are included in this JBIC poverty reduction project.
- World Food Programme-International Fund for Agricultural Development (WFP-IFAD): Wuling Mountains Minorities Integrated Agricultural and Social Development Project was implemented in the western section of PA from 1999 to 2002 (\$14.2 million). This project targets almost exclusively minority communities and households. The project had a microcredit component, and project objectives included: achieve long-term food security, increase the income of rural poor families, increase families' capacity to cope with adverse conditions, and improve the living conditions of families in a sustainable way through integrated agricultural and social development. The project covered the project's minority counties in Xiangxi Prefecture, and part of Zhangjiajie Municipality. The four counties of the ADB Hunan road development project are also included in this WFP-IFAD project.

2. Project Benefits

33. The Asian Development Bank (ADB) policy on indigenous peoples (1999) aims to protect ethnic minorities from the adverse impacts of development, and to ensure that ethnic minorities benefit from development projects and programs. The Project will create favorable conditions for improved access to roads and transport services. This will enable ethnic minority families to share in the benefits of economic development.

34. The Project has included adequate provisions to enhance the economic conditions of the ethnic minorities. Surveys revealed that they strongly support road construction since they view this as one key measure to improve economic opportunities. It is estimated that ethnic minority groups will benefit equitably from the Project, since they are widely dispersed throughout the project area. For the expressway, 38% of the beneficiaries will be ethnic minorities; for the local roads, 54% will be ethnic minorities. The project has strong positive impacts on a large number of minority people through local road improvement and its resultant tourism development, increase of farm-gate prices of

⁵ Wuling Mountain Area refers to Western Hunan and Eastern Guizhou.

⁶ Details are given in the Supplementary Appendix XX, Social and Poverty Assessment Report.

agricultural goods, increased access to markets and employment information, increased migration and improvement of social services.

35. The local road component of this project is a perfect response to minority people's development needs. It is believed that the local roads, after improvement, will greatly enhance local communities capacities in many aspects provided there are complementary measures from various other sectors. Five out of the nine local roads under this project are awarded in the fifth minority county where there is neither JBIC nor WFP-IFAD project—the Yuanling from the Huaihua Municipality.

36. Apart from land acquisition, the two components of the project have no adverse impacts on minorities as a separate group. Rather, potential negative side effects tend to relate to the poor in general. Despite the distinctive features in language, culture and customs, there is little difference in social and economical status between Hans and minority people in the affected villages. There is no evidence of any discrimination against minorities in the direct project area on the basis of their cultural identity. The RP contains special mitigation measures for vulnerable groups, including ethnic minorities, to ensure that the affected people also benefit from the project.

37. A social action plan for the Project contains complementary measures that will further enhance the positive impacts of the project on the minority population. Minority groups will equally benefit from the support that is given to local communities for construction camps, protection of communities from construction disturbances, and social safety measures (e.g., traffic and roadside safety). However, the following actions will have a particular impact on the minority population:

- **Poverty reduction interventions.** Actions to enhance poverty reduction interventions for minority households will be taken. Actions will specifically focus on increasing agricultural production surplus through improved access to existing credit institutions, production means, technical training, and information on markets and migration.
- **Employment and skills development.** Priority will be given to minority households in construction-related employment, and skills development training for those adversely affected by resettlement. They will also be given priority for afforestation tasks, of which 50% are targeted at women.
- **Local roads and development.** Through continued stakeholder meetings, local townships and governments will work on integrating local roads with local development. For instance, micro-connector roads for future market development could be identified through a continued participatory process. Minority groups will be encouraged to attend and partake in consultation

meetings in identifying the connector roads that would particularly benefit them and the minority community.

- **Cultural relics.** Generating awareness amongst construction workers, local residents, and potential tourist on the protection of cultural relics is important. Inputs and suggestions by minority groups will enhance protection efforts such as posters.
- **Tourism development.** The opening of local roads will enhance the tourism potential within the project area. Minority groups in particular will benefit from the increased tourism through the sale of their locally produced items, and opportunities for establishing small businesses.
- **HIV/AIDS and STIs.** Amongst the very poor (mainly minorities), awareness and prevention programs will aim to educate and protect minority populations from the spread of HIV/AIDS and STIs. About 80% of the very poor in the western section of the project area have no knowledge of HIV/AIDS protect and do not want to learn about it.

Annex 3 Namelist of Participants attended the PPTA Consultation Meetings

Location□Dingcheng District Government Office			Date□2003.8.25	
	Name	Institution	Title	Telephone
1	Tan Yansheng	Dingcheng District Govt.	Deputy Governor	13807428553
2	Shao Liqun	Communications Bureau, Dingcheng District	Director	13087360198
3	Zhu Liping	Communications Bureau, Dingcheng District	Deputy Director	13908428808
4	Xiong Defu	Forestry Bureau, Dingcheng Dist.	Deputy Director	13077250710
5	Qian Xianfu	Migration Bureau, Dingcheng Dist.	Deputy Director	13054025591
6	Zhang Shengbao	Dingjiagang Township Govt.		13875125285
7	Yang Guihua	Yaotianping Township Govt.		13508462085
8	Huang Guoquan	Xujiaqiao Township Govt.		13875064053
9	Xiong Fei	Agricultural Bureau, Dingcheng Dist.		7200540
10	Huang Dihua	Labor and Social Security Bureau		13508467003
11	Zhang Chengming	Land and Resources Bureau		13907360180
12	Xu Weijun	General Office of Dingcheng Dist.		13875169688
13	Lin Chucheng	Doumuhu Township Govt.	Party Secretary	13307369698
14	Yin Meifang	Statistic Bureau, Dingcheng	Deputy Director	7383278
15	Dailin	TV station of Dingcheng District	Reporter	

Location□Taoyuan Communications Bureau			Date□2003.8.20	
	Name	Institution	Title	Telephone
1	Hu Wenbo	Taoyuan County Government	Deputy Governor	6622639,13807366788
2	Wang Jing	General Office of Taoyuan County Govt.	Deputy Director	6622639,13607362299
3	Liu Jiaguo	County Forestry Bureau	Deputy Director	6622386,13975689662
4	Zhou Huiming	County Statistic Bureau	Deputy Director	6623690,13975662237
5	Pan Aiguo	County Migration Bureau	Staff	6631198,13907423850
6	Wang Hongyuan	County Agricultural Bureau	Deputy Director	6631886,13907363573
7	Jin Hong'an	County office for Rural Affairs	Deputy Director	6622536,13907423799
8	Hu Jianhua	County Land Bureau	Deputy Director	6622289,13875103147
9	Luo Shiping	County Communications Bureau	Director	6623237,13907363033
10	Yin Baixiang	County Communications Bureau	Deputy Director	6628376,13975634544

Location: Ningyuan Hotel, Yuanling County			Date□2003.8.21	
	Name	Institution	Title	Telephone
1	Luo Jianzhang	Party Committee of Yuanling County	Deputy Secretary	13907453632
2	Qin Gongyou	Yuanling County Government	Deputy Governor	13973073468
3	Li Ling	County Forestry Bureau	Deputy Director	13907453468
4	Su Yunjun	County Expressway Coordination Command	Director	13607413365
5	Zhang Guangling	County Migration Bureau	Deputy Director	13607453624
6	Tian Bicheng	County Agricultural Bureau	Director	13607454403
7	Zhao Yongbin	County Statistic Bureau	Director	13507453689
8	Dong Decheng	County Land Bureau	Director	13973073002
9	Huang Helong	County Tourism Bureau	Official	13874418159
10	Zhang Shenghong	County Communications Bureau	Director	13807453672
11	Quan Xinlin	Land and Resources Bureau	Director	13707458829
12	Xiang Yanli	County Poverty Alleviation Office		0745-4266547
13	Zhou Yueming	General Office of Yuanling County Govt.		13874427715

Location: Maxipu Township Govt, Yuanling			Date□2003.8.22	
	Name	Institution	Title	Telephone
1	Liu Shengqi	Zhuangtian Village, Maxipu Township	Party Secretary	4551502
2	Zhang Xian'an	Yangxipu Village, Maxipu Township	Party Secretary	4551838
3	Qu Yingshuang	Yangliuping Village, Maxipu Township	Party Secretary	
4	Li Fenglin	Gaohongxi Village, Maxipu Township	Party Secretary	
5	Yao Zufu	Oujiawan Village, Maxipu Township	Party Secretary	4323031
6	Jiao Liuju	Dalixi Village, Shuxikou Township	Party Secretary	4466170
7	Gong Jiazuo	Qingmu Village, Shuxikou Township	Party Secretary	4466179
8	Zhang Zemin	Lutou'ao Village, Shuxikou Township	Party Secretary	4466180
9	Tian Daorui	Shuxikou Village, Shuxikou Township	Party Secretary	4466455
10	Shi Rulian	Doutanping Village, Shuxikou Township		4552312
11	Song Zuli	An'longtou Village, ShuXikou Township	Party Secretary	4466106
12	Song Xingli	Shuxikou Township Govt.	Director	4466102
13	Li Guanghe	Majiacun Village, Maxipu Township	Party Secretary	4551761
14	Li Huaxin	Liangshuijing Township Govt.	Chairperson	4518206
15	Zhang Jun	Maxipu Sub-district Govt.	Party Secretary	4551320,13707459002
16	Xiao Dianzhi	Maxipu Sub-district Govt.	Governor	4551320,13974562153
17	Yao Changqing	Hejiacun Village, Zhengjiacun Township	Party Secretary	4910234
18	Zhang Jiahua	Zhengjiacun Township Govt.	Deputy Party Secretary	13874490407
19	Zhang Yuanxiang	Changchong'ao Village, Kutengpu Township	Party Secretary	4551824
20	Wang Banggui	Laoyaxi Township, Kutengpu Township	Party Secretary	4322230
21	Chen Lingyun	Kutengpu Township Govt.	Assistant Governor	13874459893
22	Tang Deyuan	Yanbanpu Village, Kutengpu Township	Party Secretary	4910203
23	Jin Jiafu	Wuliting Village, Kutengpu Township	Party Secretary	4323336,13974572374
24	Xiang Yuanfu	Sanyanqiao Village, Maxipu Township	Party Secretary	4552214
25	Liu Yunfu	Qianqiutian Village, Maxipu Township	Party Secretary	4551858
26	Zhou Wangliang	Maxipu Township Govt.	Deputy Party Secretary	13034877927
27	Zhang Xianping	Xiaoqiwan Town Govt.	Deputy Director	13874538971
28	Yuan Zhongxing	Maxipu Village, Maxipu Township	Party Secretary	4551478
29	Peng Qinghua	Liujiaba Village, Liangshuijing Town	Party Secretary	13087204746
30	Li Jiping	Songshanbian Village, Liangshuijing Town	Party Secretary	4518062
31	Zhang Yunsheng	Woxi Village, Liangshuijing Town	Party Secretary	4518555
32	Shi Hanqin	Wangjialing Village, Liangshuijing Town	Director	13087205838
33	Li Yunkui	Shazi'ao Village, Liangshuijing Town	Party Secretary	4910407
34	Lu Zhilang	Baihe Village, Liangshuijing Town	Party Secretary	
35	Ma Jianqin	Maxipu Township Govt.	Chairperson	4228436
Location: Nanmupu Township Government, Yuanling County				
			Date□2003.8.23	
	Name	Institution	Title	Telephone
1	Quan Jiaocai	Zhangjiaping Township Govt.	Deputy Party Secretary	4520019
2	Ye Mingliang	Songxiqiao Village, Zhangjiaping Township	Party Secretary	4519198
3	Liu Yunfan	Dongxi Village, Zhangjiaping Township	Party Secretary	
4	Zhang Guizhen	Xiaojiachong Village, Zhangjiaping Townsh	Party Secretary	
5	Deng Yizhuang	Nanmupu Township Govt.	Party Secretary	

6	Jiang Saiming	Nanmupu Township Govt.	Head	
7	Luo Wanshun	Nanmupu Township Govt.	Deputy Party Secretary	
8	Zhang Limin	Nanmupu Township Govt.	Secretary	4652197
9	Zheng Qiyue	Qingfengshan Village, Nanmupu Township	Director	
10	Xiang Mingdao	Duishang Village, Nanmupu Township	Party Secretary	4652832
11	Xiang Jinping	Duishang Village, Nanmupu Township	Director	4652354
12	Xiang Mingqing	Nanmupu Village, Nanmupu Township	Party Secretary	4652129
13	Yang Xianmei	Nanmupu Village, Nanmupu Township	Director	
14	Xiang Shixiong	Laixiqiao Village, Nanmupu Township	Party Secretary	4652020
15	Liu Xuhua	Laixiqiao Village, Nanmupu Township	Director	4652031
16	Xiang Benli	Gaoping Village, Nanmupu Township	Party Secretary	4652284
17	Zhang Zhenfen	Qingfengshan Village, Nanmupu Township	Party Secretary	13874538797
18	Huang Jian	Guangzhuang Sub-district Govt.	Party Secretary	4633311
19	Fu Hejin	Guangzhuang Sub-district Govt.	Governor	
20	Jiang Jinhua	Guangzhuang Sub-district Govt.	Deputy Party Secretary	
21	Gong Gaoquan	Guangzhuang Sub-district Govt.	Deputy Governor	
22	Zhang Zhongyong	Yuangling County Govt.	Deputy County Governor	13907453470
23	Luo Jianzhang	Yuangling County Govt.	Deputy Party Secretary	
24	Qing Gongyou	Yuangling County Govt.	Deputy County Governor	13973073468
25	Su Yunjun	County Expressway Coordination Directorate	Director	13607413365
26	Zhou Yueming	General Office of Yuanling County Govt.		13874427715
27	Zhang Jian	Madiyi Township Govt.	Deputy Party Secretary	13874401368
28	Xiang Kaiyuan	Mumaxi Village, Madiyi Township	Party Secretary	13874552692
29	Xie Fanglin	Madiyi Village, Madiyi Township	Party Secretary	4651095
30	Shao Keliang	Yanjia Village, Madiyi Township	Party Secretary	13874447907
31	Zhang Yuanlian	Wenchangping Village, Madiyi Township	Party Secretary	4651728
32	Zhang Ganguo	Manmupu Township Govt.	Party Secretary	4651118
33	Hu Fulin	Baiwuping Village, Madiyi Township	Director	4651130
34	Zhang Sheng	Lizhixi Township Govt.	Deputy Party Secretary	13034852103
35	Zhang Qun	Majiaping Village, Lizhixi Township	Party Secretary	4635105
36	Huang Haijun	Panxiangping Village, Lizhixi Township	Party Secretary	4635063
37	Yao Benpei	Lizhixi Village, Lizhixi Township	Party Secretary	4635197
38	Zhang Yong	Ma'anpu Village, Lizhixi Township	Party Secretary	4635279
39	Wang Ping	Guangzhuang Town Govt.	Deputy Head	13034890857
40	Zheng Qiuxian	Taipingpu Village, Guangzhuang Town	Party Secretary	
41	Guang Lili	Ningxiangpu Village, Guangzhuang Town	Director	4636087
42	Li Jianjun	Shahaiping Village, Guangzhuang Town	Party Secretary	4636197, 13135254258
43	Zhou Guangyuan	Sandushui Village, Guangzhuang Town	Party Secretary	4633122, 13187149158
44	Wang Shuanglong	Huantupu Village, Guangzhuang Town.	Party Secretary	4633067, 13034583123
45	Wang Aiping	Muzhupu Village, Guangzhuang Town	Party Secretary	13187142895
46	Bai Yilong	Gongjiawan Village, Guangzhuang Town	Party Secretary	
47	Zhang Datang	Laojie Village, Guangzhuang Town	Party Secretary	4633614, 13974571840
48	Xu Yongjiu	Guangzhuang Village, Guangzhuang Town	Party Secretary	4633819

Location: Taohuayuan Township Govt., Taoyuan County

Date: 2003.8.24

	Name	Institution	Title	Telephone
1	Wang Jing	The General Office of Taohuayuan County	Deputy Director	13607362299
2	Yin Baixiang	Communications Bureau	Deputy Director	13975634544

3	Wang Lihua	Zhangjiang Town Govt.	Deputy Head	13786663688
4	He Xingming	Meixiqiao Village, Zhangjiang Town	Party Secretary	13707423694
5	Guo Weimin	Luxi Village, Zhangjiang Town	Village Accountant	13875187406
6	Huang Xiansheng	Haijiarong Village, Zhangjiang Town	Village Accountant	13975689817
7	Song Wenxiang	Huilong Village, Zhangjiang Town	Village Accountant	6662199
8	Xiong Zhongwen	Yaojiachong Village, Zhangjiang Town	Village Accountant	6663281
9	Long Shikun	Taohuayuan Town Govt.	Director	13907423813
10	Qin Yongguang	Chazhuang Village, Taohuayuan Town	Village Head	6810182
11	Wu Tianbing	Sanhe Village, Taohuayuan Town	Village Head	13974287801
12	Yin Lijun	Sanhe Village, Taohuayuan Town	Party Secretary	13875085359
13	Wen Xingfu	Lianyan Village, Taohuayuan Town	Party Secretary	13875158829
14	Yan Hongzhou	Jinqiao Village, Taohuayuan Town	Village Head	6820098
15	Ye Youquan	Zhengjiayi Township Govt.	Deputy Director	13975636334
16	Ye Pingquan	Zhengjiayi Village, Zhengjiayi Township	Party Secretary	6860422
17	Wu Zhiying	Yinshuchong Village, Zhengjiayi Township	Party Secretary	6820568
18	Li Xinmin	Banshi Village, Zhengjiayi Township	Party Secretary	6860188
19	Wan Xinhui	Wuli Village, Zhengjiayi Township	Party Secretary	6860565
20	Luo Guoyan	Siping Township Govt.	Deputy Chairperson	13974202298
21	Zhang Songqing	Siping Township Govt.		
22	Liu Jianbo	Yangjiaqiao Village, Siping Township	Village Head	6850318
23	Liu Jiuju	Jingling Village, Siping Township	Village Head	6850239
24	Lu Fuchu	Yangxiqiao Township Govt.	Deputy Party Secretary	13875090594
25	Xiong Qichang	Yangxiqiao Village, Yangxiqiao Township	Party Secretary	13875090484
26	Zhang Aiguo	Huangnitian Village, Yangxiqiao Township	Village Head	6010173
27	Liu Lizhi	Jiyangpu Village, Yangxiqiao Township	Village Head	6010162
28	Huang Xinshan	Cha'anpu Town Govt.	Deputy Head	6022123
29	Guo Zaiming	Changbanpu Village, Cha'anpu Town	Party Secretary	6010163/13875187374
30	Guo Jinwei	Yuyinshang Village, Cha'anpu Town	Party Secretary	6010598
31	Liu Chunzao	Gurongxi Village, Cha'anpu Town	Party Secretary	6022729
32	Liu Chunfan	Chenjiayi Village, Cha'anpu Town	Party Secretary	6023407
33	Kong Qunyan	Shanggaoping Village, Cha'anpu Town	Village Accountant	6022652
34	Xu Chunchu	Taipingpu Township Govt.	Deputy Chairperson	13873665673
35	Hu Zhongwei	Taipingpu Village, Taipingpu Township	Party Secretary	6040063/13508415000
36	Zhong Zhixiong	Hutang Village, Taipingpu Township	Party Secretary	6040338
37	Fu Zhengguo	Yangxiqiao Township Govt.	Party Secretary	13307425618
38	Cheng Zhongchun	Yangxiqiao Township Govt.	Head	13973666339

Note: Party Secretary, here the party means China Communist Party.

Chairperson means a chairperson of local people's congress/assembly

ANNEX 4

Resettlement Information Booklet (draft)

I. Objectives of RP Booklet

1. The primary objective of the RP Booklet is provide a brief about the project, particularly the compensation principles and resettlement benefits, and how and when the compensation and other payments will be paid to the project-affected persons/collectives. This is part of the information dissemination work aimed at disclosure of the project policies and procedures regarding land acquisition, resettlement, compensation, payment, and provision of grievance redress and appeal procedures. The EA will distribute the Information Booklet to the APs prior to the commencement of resettlement. Copies of the Booklet would be available at LAR Offices in each District/County, Township and Village Committees.

II. Project Description and Impacts

2. The Project will involve the construction of a dual 2-lane expressway with hard shoulders from Doumuhu in Changde City to Shuxikou in Huaihua City. The total length of the expressway will be around 173 km. The Project will also involve the construction of three inter-connector roads of Class II standard with a length of 12 km. The total estimated budget for the project investment is CNY6.86 billion.

3. The Project area of influence covers three district/counties: Dingcheng, Taoyuan and Yuanling. The project will pass through 81 villages and 22 townships. The project impact data show that 1,122 ha (16,836 mu) land and 351,288 m² building/houses would be dismantled. In all, 13,200 persons would be affected by the project construction.

III. Compensation Policy and Rates

4. Policies regarding compensation and resettlement for the APs in the project are based on a combination of the PRC laws and regulations and ADB's policy on involuntary resettlement. The primary objective of the RP is to restore the income and living standards of the APs in post-resettlement period and with as little disruption as possible in their own economic and social environment. Particular attention has been paid to needs of the poorest and vulnerable groups to be resettled. The RP has been prepared with this as the guiding principles. The principles are summarized in Table 1.

Table 1 Resettlement Principles

	Principles
1	That compensation and entitlements provided to APs are adequate to at least maintain their “without project” standard of living, with prospect of improvement.
2	All APs, titled or non-titled, are taken into account for compensation and resettlement assistance.
3	Land redistribution will ensure per capita minimum holding in post-resettlement period to maintain livelihood standards.
4	Where land acquisition per capita is not sufficient to maintain livelihood, compensation in cash or kind for replacement land for other income-generating activities will be provided for.
5	All APs will be adequately informed on eligibility, compensation rates and standards, livelihood and income restoration plans, project timing, and will be involved in RP implementation.
6	No land acquisition will take place prior to satisfactory compensation resettlement of APs.
7	The EA and independent/third party will monitor compensation and resettlement operations.
8	Vulnerable groups should receive special assistance or treatment to ensure they are better off.
9	Resettlement affected people should have opportunities to benefit from the project.
10	Resettlement plan should be combined with the overall county or township planning.

5. In this project, compensation rates have been fixed higher than any recent projects due to the critical importance of the project to the growth and development of the western part of Hunan province as well as the implementation of China’s Western Development Strategy in Hunan Province. The rates for various types of losses are listed in Table 2.

Table 2 Table Compensation Rates by Types**1. Compensation Rates for House/Building**Unit: Y/m²

House Type	Brick & Concrete	Brick & wood	Wood + roof tile	Simple
Compensation rates	280	220	160	90

2. Compensation Rates for Land (Y/Mu)

Irrigated land(Dingcheng)	10440
Irrigated land(Taoyuan)	9360
Irrigated land(Yuanling)	8760
Dry farmland	6000
Water pond	8700
Timbre forest	4350
Economic forest/orchard	5220
Housing plot	5220
Other	870

3. Other Categories

Item	Unit	Rate
Water well	unit	300
Enclosure	M	20
Brick kiln	Unit	400
Sunning plot	M ²	10
Tomb	Unit	400

Temporary land use (2 years)	1740
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* the rate for trees are average prices

4. Fruit tree and other trees

(1) fruit tree

Category Rate Description	Citrus	Pear, persimmon, chestnut,	Peach, plum	Grape and others
Young tree	5	5	5	5
Initial fruit-bearing(1-3years bearing)	20-50	20-40	10-35	10-25
Productive tree(more than 3 years bearing)	80	80	60	30
Aged tree	30	30	20	20
(2) bamboo			(4) Timbre tree (in height)	
Perimeter□< 16cm□	6		<0.5	2
Perimeter□> 16cm□	8		0.5-1.0	4
(3) oil tree			1.0-1.5	6
Young tree	3		1.5-2.0	8
Class I tree	20		2.0-2.5	10
Class II tree	15		2.5-3.0	12
Class III tree	10		>3.0	15

IV. Payments of Compensation

6. Compensation for affected land and public infrastructure belongs to farming collectives and will therefore be paid directly to the Villager Committees for the utilization of developing the production, rehabilitating the economic level for affected persons. Where adequate land is not available, cash compensation will be paid to individuals/families affected by loss of cultivable land.

7. Compensation subsidy will be paid to the agency that is responsible for resettling the agriculture population while resettlement subsidy will normally be paid to the Villager Committees/Groups that are affected or redistributed. If they do not receive redistributed land and want to resettle by themselves, it will be paid to affected individuals.

8. The compensation for houses, special purpose facilities, auxiliary facilities and crops not matured will be directly paid to the owners. Compensation for affected enterprises will be paid directly to the respective enterprises. The entitlement matrix in Table 3 contains detail description of the policy and implementation issues.

V. Transition Allowances

9. In addition to the compensation for houses and land, the affected persons will also receive allowances for relocation and resettlement. All APs affected by house/apartment/shop will receive the following allowances (the temporary housing will be based on the AP's needs): (i) transport expenses, CNY200 per household; (ii) work losses (*Wu Gong Fei*) CNY 200 per household; (iii) transfer cost/loss CNY100 per household; and (iv) medical expenses due to household demolition, CNY200 per households. There will be no allowance for any households provided with temporary housing by the project LAR agency, or for the households whose existing homes shall not be demolished until after completion of construction of their new houses. Proper allowances will be paid for loss of production or business resulting from the demolition of the houses used for businesses.

VI. Implementation Organizations

10. The HPCD will be responsible on behalf of the Hunan Provincial Government for the general administration of the project implementation and the monitoring of the work done by project implementation agency (IA) – Hunan Changde-Jishou Expressway Construction and Development Co. Ltd. (CECC). CECC will be responsible for the execution and coordination of land acquisition and resettlement (LAR) and resolve problems vital for the implementation of LAR. A LAR Division shall be set up within the CECC with following responsibilities:

- (i) Following the decision by the Hunan Provincial Government, organize and coordinate land acquisition and resettlement work and compensation payment, and sign resettlement agreements with LAR Coordination offices of the district/counties.
- (ii) Conduct supervision of the implementation work, including payment and utilization for funds.
- (iii) Provide guidance to the district/counties, townships and villages on the preparation of rehabilitation plan.

11. LAR Office will be established at each of affected district/county with following responsibilities. The County level Resettlement Office (CRO) will be primarily responsible for RP implementation and supervision. Principal tasks of the CRO include:

- (i) Checking, based on the assignment and requirement set by the HPCD, the volume and number of affected land, houses, infrastructure and special purpose facilities, etc.
- (ii) Appraising the value of the land and houses to be acquired and demolished and making compensation rates.
- (iii) Signing land acquisition and resettlement agreements with affected enterprises and individuals.
- (iv) Payment of compensation to affected families/units.
- (v) Carrying out the specific implementation of land acquisition and resettlement and ensuring timely construction of new houses and timely resettlement progress.

- (vi) Supervision and inspection of the payment and utilization of resettlement fund.
- (vii) Monitoring execution of RP in street/township and villages.
- (viii) Reporting to the LAR Division of the HPCD on resettlement situation periodically, and submit statistics/data as required.

12. Township Resettlement Offices (TROs) have the following responsibilities:

- (i) Survey, monitor and record all resettlement activity within its jurisdiction;
- (ii) Supervise acquisition of land, houses, other buildings and structures, public utility infrastructure and enterprises as well as the relocation and reconstruction of houses and non-residential buildings;
- (iii) Supervise the employment and training of the APs in township enterprises.

13. Village Administration Committee and Villagers' Groups have the following responsibilities:

- (i) To report on:
 - Quantity of land acquired;
 - Ownership and use rights of land and property;
 - the Land-Labor ratio.
- (ii) Participate in surveys;
- (iii) Hold properly constituted meetings to decide on land redistribution and the allocation of compensation between the community and individual APs and how to use compensation not handed directly to APs;
- (iv) Select resettlement sites and undertake land redistribution;
- (v) Address grievance issues;
- (vi) Report on the progress of resettlement.

VII. Participation IN RP Planning & Implementation

14. The EA already consulted with affected local government at various levels and the representatives of affected persons and enterprises through meeting at the design stage and initial preparation stages. During the survey and design stage, AP will be involved in the following activities: (i) alternative alignment to further minimize impact; (ii) classification and measurement of affected land, houses, enterprises; (iii) survey and inspection of trees, water wells, walled enclosures, graves etc; and (v) survey and reconfirmation of hydrology, electrical supply, communication and other infrastructures.

15. At the implementation stage, APs will be involved in carrying out the following tasks: (i) determine the scope of compensation and compensation rates; (ii) agreements on compensation; (iii) selection of new resettlement areas; (iv) redistribution of land; (v) utilization of compensation funds at village level; (vi) decision of grievance appeals; and (vii) RP monitoring and investigation.

VIII. Grievance Procedures

16. Members of the resettlement offices at the village, township, and district/county would readily answer any inquiry regarding RP implementation. The name of head, office address and telephone numbers would be available at every level at the start of the project.

17. The grievance procedures will be handled at three levels. These are:

- **Stage 1:** If any person is aggrieved by any aspect of the resettlement and rehabilitation program, he / she can lodge an oral or written grievance with the Village Administration Committee or the local TRO. In case an oral complaint is made, it should be written on paper by the village unit and processed. The Village Committee or the TRO must resolve the issue within two weeks.
- **Stage 2:** If the aggrieved person is not satisfied with the decision taken in Stage 1, he/she can bring the complaint to the attention of the CRO within one month from the date of the receipt of the Stage 1 decision. CRO will reach a decision on the complaint within two weeks.
- **Stage 3:** If the aggrieved person is not satisfied with the decision of the CRO, he / she can bring the complaint to the attention of the HPCD within one month from the date of the receipt of the Stage 2 decision. The HPCD will reach a decision on the complaint within three weeks.
- **Stage 4:** If the AP is still dissatisfied by the decision, he/she can appeal to the Peoples Court, at the appropriate level, in accordance with the "Civil Procedures Act", within 15 days of receiving the decision of the HPCD.

18. APs can make and appeal on any aspect of the resettlement and rehabilitation program, including compensation rates offered. Detailed procedures for redress of grievances and the appeal process will be publicized among the APs in the Resettlement Booklet. The grievance procedures will also be explained to the APs through public meetings to be conducted by the IA/District/County LAR Offices prior to land acquisition and resettlement.

19. The grievance procedures will be operative throughout the entire construction period so that they can be used by villagers to deal with problems relating to infrastructure rehabilitation, such as the reconstruction of irrigation networks, the positioning and design of drainage culverts and pedestrian underpasses, local road access, the use of temporary land, etc. In this way villagers will have an effective procedure to bring these matters to the attention of IA and the contractors, as well as a forum, for their timely resolution.

Table 3 Entitlement Matrix of Compensation and Resettlement Policy

Type of loss	Application	Entitled person/ group	No. of entitled persons /groups	Compensation policy	Compensation Entitlement	Implementation issues
Permanent loss of cultivated land	Cultivated land located in the right-of-way of expressway and inter-connector roads. Land adjacent to ROW for construction purposes	a) Land-owning groups b) Farmers who use the land	a) 375 land owning groups in 81 villages b) Households who lose land	Land compensation and resettlement subsidies respectively*; Replacement land and/or cash payments and/or income restoration measures sufficient to ensure maintenance of existing economic and social conditions Priority should be given to the villages with land loss if land reclamation program is feasible	Full compensation for 375 land-owning groups and land loss households, the share between land owning group and households will be determined by villagers' meeting. APs are able to contract reclaimed land if it is available.	Village meetings to be responsible for deciding on the allocation of funds, the redistribution of land and investment in income generating activities such as improved cultivation techniques/ irrigation/ small business development/ training. Higher level authorities to approve and monitor village level proposals and, if required to facilitate training programs
Temporary loss of cultivated land		Farmers who use the land	(to be identified during construction)	Cash compensation based on AAOV for each year land is not available + reinstatement to pre-construction condition	Who lose crops will receive full compensation according to compensation standard.	Village Committee/farm owners must be notified in advance and paid accordingly
Forest land	Forest land within ROW	Local forest bureau / Forestry Farm	(To be identified,)	Cash compensation to Forest bureau according to standards and regulation of Hunan provincial laws		To be taken care by the forest bureau
Loss of residential land/ property	Residential land located in or affected by ROW	Owner of the building or houses	1275 households	Cash compensation for land if AP requires new plot Cash compensation at replacement rates for all buildings Transition and moving allowances, transportation/shifting cost	Pay compensation for owner of the house/building 1275 households	Sub-villages and APs to decide on location of new residential plots.
Non-cultivated land loss	Non-cultivated land within ROW	Land-owning groups	375	Cash compensation.	375 villagers' groups	The rate must be negotiated with the land owners/groups.
Loss of non-residential establishments (e.g., common property units etc.)	Establishments sited in or affected by ROW	a) Legal owner of the establishment b) Employees/teachers c)Students	5 schools	Cash compensation for land or replacement site provided Cash compensation for buildings Transitional allowances for lost income; Moving allowance for transport of building materials to new families who are relocated (not payable in cash). Construction of common property units by local government in consultation with beneficiary groups	Full compensation based on compensation standards social units	Assistance in finding new site if relocation of establishment is unavoidable. New schools must be ready prior to relocation.
Business/ salary losses		10 affected workers	An observatory station in Zhengjiayi Forestry farm	Business/salary losses will be compensated through specific allowances to be paid on a monthly basis for up to 6 months after relocation. The business losses allowance will be based on the total post-tax profit during the six months prior to relocation as declared in the tax receipts.	Zhengjiayi Forestry Farm will receive the compensation	
Crops losses / Trees		Affected people	All owners who loss trees	Crops losses will be compensated at a rate equal to the market value of the harvested crops Trees will be compensated based on project standards	Full payment direct pay to the tree owners	

* Cultivated land reclamation fee is also payable but this does not affect APs. Source: derived from preceding text.