The World Bank Loan Natural Heritage Protection and Development II Project

Resettlement Policy Framework for

Construction Project of Yangba Tea Culture Scenic Spot in Kang County

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CONTENTS

I. Project Overview .............................................................................................................. - 1 -

II. Objectives, Definitions and Main Principles of Resettlement ........................................... - 2 -

III. Resettlement Law and Policy Framework ...................................................................... - 5 -

IV. Preparation and Approval of the Resettlement Action Plan ........................................... - 21 -

V. General standards and resettlement rights of resettlement compensation ..... - 23 -

VI. Project Implementation Procedures ................................................................................ - 26 -

VII. Resettlement Budget and Arrangement ...................................................................... - 28 -

VIII. Public Consultation and Information Disclosure ......................................................... - 28 -

IX. Grievance Redress Procedures ...................................................................................... - 30 -

X. Monitoring and Evaluation Arrangement ...................................................................... - 32 -

XI Entitlement Matrix for the Affected .............................................................................. - 36 -
I. Project Overview

Due to the adjustment in the mid-term review of Gansu cultural heritage protection project II, a Kang County subproject is newly added, including the construction of a tea culture scenic spot in Kang County with total investment of RMB 75 million. The main construction and infrastructure construction of Kang County sub-project will be implemented in Taiping Village, Tianba Village and Shangba Village of Yangba Township by Kang County Culture, Sport, Broadcast and Television Bureau and Tourism Bureau. The project is to aimed to improve supporting infrastructure and facilities, increase the income of affected people and lift out of poverty through the tourism development, the cultural heritage protection, tourism economy and community poverty alleviation.

The expanded Kangxian County Tourism and Community Improvements Subproject will include tourism development through construction of a 1,200 m² tourist service center, a 1,200 m² village show platform, a 2 km timber walkway, a 2 km stone walkway, public space greening and ancillary works in Taiping Village, Yangba Town; upgrading of a 70 mu tea cultural experience garden, a 20 mu of vegetable farming and leisure experience area, renovating the existing giant salamander protection center to a 1,384 m² health management center, a 360 m² tea cultural heritage showroom, a 3 km timber walkway and 1 km stone walkway, a 2,000 m² tourist service station and ancillary works in new Tianba Village, Yangba Town; Construction of 1,200 m² tourist service center, three parking lots of 2,000 m², seven public toilets, 3,000 m water supply pipelines, 3,200 m storm drainage piping networks, a sewer collection and transport system, upgrading power supply facilities, and ancillary works. It will also finance a village tourism association and provide tourist service related to skill training to enable the community to be well integrated in local tourism development.

Almost all of the civil works construction of the newly added subproject -a tea culture scenic spot will be carried out on existing state-owned or public land. The land of 70 mu tea culture experience park is the collective land which was contracted out to 14 farm households with 56 persons. However, the land ownership of the contracted land belongs to the village collective, farmers only have use rights. The construction of the tea culture experience park will not change the ownership of the collective land. The project will help establish public facilities in the tea experience park, and later maintenance and operation of the park will be managed by the farmers according to a unified standard which will be determined through sound negotiation between farmers and the County PMO after the project.
is approved. However, some small scale of civil works may face change of locations during the project implementation. Land acquisition or resettlement cannot be ruled out at this stage. Based upon the old resettlement policy framework of the whole project, this policy framework is prepared for Kang County subproject. If there is any land acquisition and resettlement emerging in the project area, this framework will be used to guide for resettlement preparation and implementation.

In order to minimize the negative impacts of project civil works on the local social economy, the design unit and project owners takes the following measures:

In the project planning stage:
(1) The impact of project construction on the local social economy should be considered carefully when optimizing the project plan, and this could be taken as key indicator of optimization and comparison of project plan;
(2) Optimize the project design to reduce the scale of land acquisition and house demolition and minimize the negative impacts of the project on the local social economy and local affected people;
(3) Optimize the project design and reduce the requisition of cultivated land.

In the resettlement action plan and implementation stage:
when the land acquisition and house demolition are unavoidable, the following measures will be taken:
(1) Conduct social economic surveys and collect full data related to resettlement, make an in-depth analysis of the local social and economic status and future development, and formulate practical and feasible resettlement action plans based on local conditions to ensure that the project-affected personnel will not suffer losses due to project construction.
(2) Actively encourage community affected people to participate, listen to the opinions and feedback of the masses.
(3) Strengthen internal and external monitoring, establish efficient and smooth feedback mechanism and channels, and shorten the information processing cycle as much as possible to ensure that various problems that occur during the implementation of the project are resolved in a timely manner.

II. Objectives, Definitions and Main Principles of Resettlement

The borrower should take all necessary measures to mitigate the negative social impacts of the project. The provisions of the World Bank Policy OP4.12 on involuntary resettlement provides the guidance on the necessary policy objectives and principles that apply to the impacts associated with land acquisition and resettlement generated by the project.

Various reasonable measures should be taken to avoid or reduce all negative impacts of land acquisition associated with the resettlement. If land acquisition and corresponding impacts are inevitable, the purpose of the resettlement policy
framework is to enable all affected people (see below for definitions of displaced person) to obtain property and other compensations (see below for definition of replacement costs), and be provided with adequate opportunities to increase their incomes or be restore their living standard before the project implementation at least.

**Displaced persons** refer to the persons who are affected by above activities.

a) those whose living standards are adversely affected by the project;
b) those whose ownership, rights or interest of any house, land (including homesteads, farmland and pastures) or other movable or immovable property being temporary or permanent collection or occupation;
c) those his or her production capital is temporarily or permanently affected;
d) those his or her business operations, occupation, work or place of residence or habits are adversely affected; and included in the definition of “displaced people that all the people who need to move”.

The definition of **Replacement cost** is as follows: For land, it refers to the market value of land with equal production potential or use in the vicinity of the affected land before the project or before the resettlement, calculated by the higher value of the two, plus land acquisition fees and all registration and transfer taxes and fees for the affected land standards. For houses and other buildings, the cost of constructing a replacement structure that is similar or superior to the affected building, or repairing the materials required for the affected building, plus the cost, labor costs and contractor fees and registration transfer taxes of transportation required to transport the building materials to the construction site. In the process of determining the replacement cost, the depreciation of the property and the residual value of the material are not considered, and the value derived from the project is not deducted from the valuation of the affected property. If the national law fails to meet the compensation standard for the full replacement cost, the compensation will be supplemented by other measures to achieve the replacement cost standard. Such additional assistance is different from the resettlement measures specified under other funds in paragraph 6 of the World Bank’s operational policy OP4.12.

**Land acquisition** means that one person involuntarily loses ownership, the right of using land due to the implementation of the project. Land acquisition can lead to a range of related impacts, including the loss of houses or other fixed assets (walls, wells, graves or other buildings attached to the land or improved facilities).

**Resettlement** is the process of providing sufficient opportunities for affected people to restore productivity, income and living standards. Asset compensation is usually not enough to achieve full recovery.

**Cut-off date**: means the date of publication of the announcement of land acquisition and property demolition in this project. The cut-off date is determined in the resettlement plan, usually the same as the census date of the affected population or the date of announcement by the local demolition office. Those who
enter the project area after the deadline are not eligible for compensation or other assistance.

The World Bank’s involuntary resettlement policy OP4.12 sets the main guiding principles for resettlement planning and implementation. The principles related to this resettlement policy framework are as follows:

(1) In any case, design projects and resettlement plans should be considered from the perspective of improving the opportunities for resettlement development, and enable the displaced people to fully benefit from the development of project activities, services and the construction of related facilities.

(2) All displaced persons are entitled to compensation for lost property, or for compensation in the form of equivalent assistance; those who lack legal rights to the lost property are not excluded from the person receiving the compensation.

(3) The compensation rate in the resettlement plan is derived from the compensation of all the collective or individual who lost the property. It is never allowed to discount or reduce the compensation amount according to depreciation or other reasons.

(4) When the cultivated land is acquired, the land should be resettled through the shared land. If the income of the cultivated land is only a small part of displaced person's income, the displaced persons can take cash compensation or provide employment if they are willing.

(5) The house site that is replaced by land acquisition, or the commercial business premises or agricultural production site should be at least equivalent to the value of the lost site.

(6) The resettlement transition period should be shortened as much as possible. Relevant property compensation should be paid before the villagers are affected, in order to build new houses, move or reset fixed assets, and implement some measures to mitigate the impact of relocation before the actual resettlement begins. Displaced persons who have not been replaced will be given a certain amount of transitional support until they receive replacement house.

(7) In the process of formulating a comprehensive resettlement plan, it should consult with the displaced persons and accept their requests and suggestions. The resettlement plan should be released to the displaced persons in a way that is easily understood by them.

(8) After the resettlement, the original community service level and available resources should be maintained improved.

(9) The borrower is responsible for providing all costs related to land acquisition and resettlement. Fully meet the financial and material needs during the resettlement and recovery process.
(10) The resettlement plan should include appropriate institutional arrangements to ensure timely and effective design, planning and implementation of resettlement and restoration measures.

(11) Properly arrange effective internal and external monitoring mechanisms to monitor the implementation of resettlement measures.

(12) Establish necessary resettlement appeal channels and provide resettlement with the contents of the grievance redress procedure.

III. Resettlement Law and Policy Framework

The basic purpose of the resettlement policy framework is to ensure that the resettlement plan and implementation are in line with World Bank operational policy OP4.12. At the same time, any land acquisition that may occur in the future implementation of the project will comply with a series of national laws and regulations, local regulations, etc. The specific policy framework is shown in Table 3-1.

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<thead>
<tr>
<th>Level</th>
<th>Policies</th>
<th>Effective Date</th>
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<tbody>
<tr>
<td>State</td>
<td>Land Administration Law of the People's Republic of China (adopted at the twelfth meeting of the Standing Committee of the 13th National People's Congress on August 26, 2019)</td>
<td>January 1, 2020</td>
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<tr>
<td></td>
<td>Law of the People's Republic of China on Rural Land Contracting (amended at the 7th meeting of the Standing Committee of the 13th National People's Congress)</td>
<td>December 29, 2018</td>
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<td></td>
<td>Regulations on House Acquisition and Compensation on State-owned Land (State Council Order No. 590)</td>
<td>January 21, 2011</td>
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<td>Measures for the Announcement of Land Acquisition (Order No. 10 of the Ministry of Land and Resources of the People's Republic of China)</td>
<td>January 1, 2002</td>
</tr>
<tr>
<td>Gansu Province</td>
<td>Notice of the General Office of the People's Government of Gansu Province on Printing and Distributing the Management</td>
<td>January 24, 2019</td>
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<tr>
<td>Level</td>
<td>Policies</td>
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<td>Measures for the Balance of Cultivated Land in Gansu Province (2019 No. 11)</td>
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<tr>
<td></td>
<td>Measures for the Implementation of Basic Endowment Insurance for Land-expropriated Farmers in Gansu Province ([2018] No. 180)</td>
<td>February 14, 2018</td>
</tr>
<tr>
<td></td>
<td>Business Process BP4.12 &quot;Involuntary resettlement&quot;, annex and its revised version</td>
<td>April 1, 2013</td>
</tr>
</tbody>
</table>

The above-mentioned laws, regulations and policy documents constitute the legal basis and policy framework basis for providing compensation and restoring production and living to those affected by land acquisition and resettlement. The following are key provisions of relevant legal and policy documents.

**3.1 World Bank Involuntary Resettlement Policy:**

(1) The framework of the resettlement plan or resettlement policy adopts corresponding measures to ensure that the affected people are informed of their choice and other rights on the resettlement issues;

(2) Affected people can understand technically and economically viable options, participate in consultations, and have the opportunity to choose;
(3) Affected people can obtain prompt and effective compensation at full replacement costs to offset direct property losses caused by the project;

(4) If the impact includes relocation, the corresponding measures should be taken by the resettlement plan to ensure that the affected people receive assistance during the relocation (such as relocation subsidies);

(5) Affected people can obtain a housing or homestead, or obtain an agricultural production site upon request. The production potential, location advantage and other comprehensive factors of agricultural production sites should be at least equivalent to the favourable conditions of the original site;

(6) In order to achieve the objectives of this policy, the resettlement plan should also take corresponding measures when necessary to ensure that the transition period should be reasonably estimated according to the time required to restore production, living and living standards after the resettlement, during which affected people can get assistance;

(7) In addition to obtaining effective compensation at replacement cost, development assistance such as land acquisition, credit, training or employment also can be obtained;

(8) Special attention should be paid to the needs of vulnerable groups of affected people, especially those below the poverty line, those without land, the elderly, women, children, ethnic minorities, or those may not be protected by national land compensation laws.

(9) For those who depend on the land for their livelihood, the priority should be given to the land-based resettlement strategy. These strategies include the placement of affected people on public land or private land acquired for resettlement. Whenever replacement land is provided, the production potential, location advantages and other comprehensive factors of the land provided to the affected people should at least be equal to the favourable conditions before the land acquisition. If affected people do not prioritize the access to land and if the land provided will adversely affect the sustainability of the park or protected area, or will not be able to obtain sufficient land at a reasonable price, non-land-based resettlement strategies based on employment or self-employment should be provided except for cash compensation of land and other property losses. If sufficient land is lacking, it should be explained and written in accordance with the requirements of the World Bank;

(10) Possible conditions for cash compensation for property losses are: (a) the people who depends on the land for a living, but the land requisitioned by the project is only a small part of the damaged property, and the remaining part can be maintained economically; (b) active land exists, housing and labor markets, and the use of such markets by immigrants, the supply of land and housing is sufficient; or (c) the people who did not depend the land and the cash
compensation is sufficient to compensate the lost land and other property at the full replacement cost of the local market Level.

(11) Provide timely and relevant information to affected people and their communities as well as the resettlement communities that accept them. Consult with them on resettlement programs, and provide them with opportunities to participate in planning, implementing and monitoring resettlement. Establish appropriate and convenient grievance mechanisms for these groups;

(12) Necessary infrastructure and public services in new resettlement sites or resettlement communities should be provided to improve, restore or maintain utilization procedures and service levels of the original facilities. Alternative or similar resources should be provided to compensate for community losses (such as fishing areas, pastoral areas, fuel or fodder) that are available for use;

(13) A community organization model that is compatible with the new environment should be established based on the choice of affected people. It is necessary to preserve the existing social and cultural systems of affected people and resettlement communities as much as possible, and respect the views of affected people on their willingness to move to existing communities and groups of people;

(14) The lack of the above measures will not protect the rights and interests of affected people.

3.2 Land Administration Law of the People’s Republic of China (amended and adopted at the Twelfth Meeting of the Standing Committee of the Thirteenth National People's Congress and will be brought into action in January 1, 2020):

The Law defines became effective on January 1, 2020, regulating all land acquisition and resettlement. Among many changes the vital one is to require that Application for approving any land and relocation can be submitted to relevant authority only after obtaining written agreements with the affected users/owners of land or assets to be acquired, which will seriously put in use and impact project implementation and preparation progress.

Article 11 in Those lands collectively owned by peasants but have been allocated to villagers with collective ownership shall be operated and managed by village collective economic organizations or villagers' committee and those have allocated to two or more peasants collective economic organizations of a village, shall be operated and managed jointly by the collective economic organizations of the village or villagers’ groups; and those have allocated to township (town) peasant collectives shall be operated and managed by the rural collective economic organizations of the township (town).

Article 46:
If the following land is acquired, it shall be approved by the State Council:
(1) Basic farmland;
(2) Any cultivated land beside the basic farmland and exceeds 35 hectares;
(3) Other land exceeds 70 hectares.

If the land other than the provisions of the preceding paragraph is acquired, it shall be approved by the people's government of the province, autonomous region or municipality directly under the Central Government and reported to the State Council for the record.

In the case of acquisition of agricultural land, the examination and approval of the conversion of agricultural land shall be handled first in accordance with the provisions of Article 44 of this Law. Among them, if the State Council approves the conversion of agricultural land, it will go through the formalities for land acquisition and approval, and will not go through the examination and approval of land acquisition separately; if the people's government of the province, autonomous region or municipality directly approves the conversion of agricultural land within the authority of land acquisition approval, it also handles the procedures for land acquisition approval. If the land acquisition approval is not handled separately and the approval authority for land acquisition is exceeded, the land acquisition approval shall be separately handled in accordance with the provisions of the first paragraph of this article of law.

**Article 47:**

If the state acquires land, it shall be announced and organized by the local people's government at or above the county level after approval according to legal procedures.

Where the local people's government at or above the county level intends to apply for land acquisition, it shall carry out the survey on the current situation of the proposed land acquisition and the social stability risk assessment. The scope of the expropriation, the status of the land, the purpose of the expropriation, the compensation standard, the resettlement method and the social security shall be announced within the scope of the township (town) and village and villagers' groups for at least 30 days, and be asked for the opinions of the rural collective economic organizations and their members, villagers' committees and other interested parties.

Most members of the rural collective economic organizations that have been requisitioned believe that the compensation and resettlement plan for land acquisition does not comply with the provisions of laws and regulations. The local people's governments at or above the county level shall organize hearings and revise the plan according to the provisions of laws and regulations and the circumstances of the hearings.
The owner or user of the land to be expropriated shall, handle the compensation registration with the proof of the property right within the time limit stipulated in the announcement. The local people's governments at or above the county level shall organize relevant departments to calculate and implement the relevant expenses, ensure that the full amount is in place, and sign the agreement with the owner and the right holder of the proposed land for compensation and resettlement; if it is really difficult to reach an agreement, it shall explain the actual situation when collecting land.

After the relevant preliminary work is completed, the local people's government at or above the county level may apply for land acquisition.

**Article 48:**

The land acquisition shall be given fair and reasonable compensation to ensure that the original living standards of the land-expropriated farmers are not reduced and the long-term livelihood is guaranteed.

Land acquisition shall pay land compensation fees, resettlement subsidies, compensation fees for rural villagers' houses, other ground attachments and young crops in full and on time, and arrange social security fees for land-expropriated farmers.

The land compensation fees and resettlement subsidies for the expropriation of agricultural land shall be determined by the provinces, autonomous regions and municipalities directly under the Central Government through the formulation and publication of the comprehensive land prices. The comprehensive land price for the development of the zone should take into account factors such as the original land use, land resource conditions, land output value, soil location, land supply and demand, population and economic and social development level, and be adjusted or re-announced at least every three years.

The compensation rates for land, ground attachments and young crops other than agricultural land shall be formulated by the province, autonomous region or municipality directly under the Central Government. For the rural villagers' houses, they should respect the wishes of the rural villagers in accordance with the principle of first compensation, relocation and living conditions, and re-arrange the construction of houses, provide resettlement houses or monetary compensation to provide fair and reasonable compensation. Compensation for relocation and temporary resettlement caused by expropriation shall be compensated to protect the rights of rural villagers and the legitimate housing property rights.

Local people's governments at or above the county level shall include the land-expropriated farmers in the corresponding social security system such as old-age care. The social security expenses of the land-expropriated farmers are
mainly used for subsidies for social insurance contributions such as pension insurance for eligible land-expropriated farmers. The methods for raising, managing and using the social security expenses of land-expropriated farmers shall be formulated by the provinces, autonomous regions and municipalities directly under the Central Government.

Article 49:
The rural collective economic organization that has been requisitioned shall announce the income and expenditure of the compensation fees for the acquired land to the members of the collective economic organization and accept supervision.

It is forbidden to embezzle or misappropriate the land acquisition compensation fees and other related expenses of the units to be requisitioned.

3.3 Notice of the Ministry of Land and Resources on Further Improving Land Acquisition Management (No.96 in 2010)

1. Comprehensive Compensation Mechanism and Standards of Land Acquisition; Rational Allocation of Compensation Fees of Land Acquisition
   (1) The full implementation shall be made to unify the standard of annual value of production of land acquisition and unify the land price of different districts. Formulating the unified standard of annual value of production of land acquisition and the comprehensive land price of the district is an important measure to improve the compensation mechanism for land acquisition and realize the same price in the same place. It is also an inevitable requirement for raising the compensation standard of land acquisition and safeguarding the rights and interests of farmers. All kinds of construction and collection of rural collective land must be strictly implemented. For the new construction projects, strict check of preliminary review of land shall be carried out to ensure that the project cost is included in budgetary estimate in full amount, the compensation cost shall be paid according to the standard of annual value of production of land acquisition and unify the land price of different district. If the construction land is located in the same annual value of production or the comprehensive price of land, the compensation level for land acquisition shall be basically consistent, so that the compensation for land acquisition is as same as the price of land.

   A dynamic adjustment mechanism for compensation standards of land acquisition shall be established in all cities. According to the level of economic development and the growth rate of local per capita income, the compensation rates for land acquisition will be adjusted every two or three years to gradually increase the compensation level for land acquisition. The provinces exceeded the prescribed years of land acquisition compensation standards shall be adjusted and revised as soon as possible. The provinces without timely adjustment will not pass the land use review.
According to the actual situation of the province (autonomous regions and municipalities), the provincial land and resources departments shall work with relevant departments to establish and perfect the relevant rules and regulations for the advanced deposit of compensation for land acquisition, and check the approval procedure of land acquisition.

(3) Compensation for land acquisition shall be reasonably allocated. After the implementation of unifying the standard of annual output value of land acquisition and the land price of different districts, the provincial land and resources departments shall, in conjunction with the relevant departments, formulate and improve the allocation method of compensation fees for land acquisition in accordance with the principle of land acquisition compensation fees mainly used for farmers involved in land acquisition, the provincial land and resources departments shall consider the implementation of land acquisition in recent years, take actions after being approved by the provincial government.

After the approval of the implementation of land acquisition, the municipal and land resources departments shall pay the compensation and resettlement fees in full and in time according to the fixed land acquisition compensation and resettlement plan; Compensation fees shall be paid to the farmers involved in land acquisition to prevent and timely correct the interception and misappropriation of resettlement and compensation fees.

2. Multiple Resettlement Approaches for Farmers Involved in Land Acquisition.

(1) Priority shall be given to agricultural resettlement. All localities should adopt a variety of effective land acquisition and resettlement methods in light of local conditions and local conditions. Land reclamation of some rural areas has been increased through land remediation, and some free disposed land of rural collective economic organizations has been reserved, for the above-mentioned area, agricultural resettlement should be the paramount consideration in the process of land acquisition, and newly cultivated land or free disposed land should be arranged for farmers involved in land acquisition. The cultivated land then can maintain basic production conditions and income of farmers.

(2) Land for resettlement shall be standardized. Land acquisition within the scope of urban construction land determined by the overall land use plan can be carried out in conjunction with local actual land use, but guidance and management shall be strengthened. Land for resettlement shall be arranged within the scope of urban construction land and be classified as state-owned; if land for resettlement involves the conversion of farmland, the land shall be included in the annual land-use plan to prevent the expansion of urban construction land due to resettlement; the development of land for resettlement shall conform to the urban construction plan and relevant requirements. In areas where resettlement is implemented, the local government shall formulate strict management measures to ensure that the
arrangements for resettlement are standardized in order, and the development and utilization are scientific and reasonable.

(3) Social security funds for farmers involved in land acquisition shall be implemented. Incorporating farmers involved in land acquisition into social security is an effective way to solve the long-term livelihood of them. Led by the local government, departments in the Ministry of Land and Resources at all levels shall cooperate with relevant departments to promote the construction of the social security system for farmers involved in land acquisition. At present, the key to solving the problem of social security for farmers involved in land acquisition lies in the implementation of social security funds. Based on the principle of “Landowner Undertakes the Due Obligations”, the local governments are encouraged to expand social security funds through land compensation and resettlement. In the review and approval of land usage right, all localities must strictly control the implementation of social security funds of farmers involved in land acquisition and effectively promote the implementation of social security funds for them.

In pilot areas where new rural social pension insurance for old age are implemented, it is necessary to make connections between the social security and the new rural insurance system for old age in the area of land acquisition. The farmers involved in land acquisition that is included in the new rural insurance shall have the right to enjoy social security. The social security of the farmers involved in land acquisition shall not be replaced by the new rural social pension insurance.

3. Compensation and Resettlement of Farmers Involved in Land Acquisition for the Housing Problem

(1) Concerted efforts shall be made in compensation and resettlement work for farmers of land acquisition. All localities shall attach great importance to the work of housing demolition in the process of land acquisition, and strengthen the management in accordance with the requirements of the "Emergency Notice". The compensation and resettlement work of farmer’s housing demolition not only involves land, plan, construction, census register, and civil administration but also contains social issues such as social security, environmental remediation and folk customs. Led by the local government, Ministry of Land and Resources at all levels shall pull together in the work of land acquisition, all sections should cooperate with relevant departments to establish coordination mechanisms and formulate measures. Resettlement should be carried out in accordance with relevant laws, regulations, and policies, perform relevant procedures, which also need to be carried out after land acquisition to avoid and correct illegal demolition.

(2) Reasonable compensation and resettlement police shall be carried out for house demolition. The housing problem of farmers in the process of land acquisition shall be reasonably settled, and diversified the resettlement methods shall be adopted
according to local conditions to solve the problem of the displaced households. In the exurban zone and rural areas, the resettlement method is mainly adopted to relocate the house site. The compensation fees for demolition shall consider both the cost of demolished house and the cost of acquired homestead. House demolition fees are compensated according to the replacement cost of the building, while the land acquisition of acquired homestead is compensated according to the standard of local land acquisition.

In the area of urban-rural continuum and villages in the city, the construction of house in homestead will not be allowed in principle; farmers involved in land acquisition are mainly compensated by money or material object. The relocation farmers may purchase houses or live in resettlement houses provided by the government. The sum of demolition and government subsidies shall be enough for farmers to purchase houses with reasonable living standards.

Land acquisition and resettlement shall be orderly promoted with overall planning. In the area of urban-rural continuum and villages in the city, the local government shall predict the scale of demolition and resettlement of landless farmers in a period of time, make arrangements for demolition and resettlement in advance, and organize demolition work in an orderly manner. Based on the needs of urban development, the construction of resettlement houses must conform to the urban development plan to prevent “Repeated Demolition”. In the outskirts and rural areas of the city, resettlement shall be arranged within the scope of villages and towns’ construction land. Priority should be given into the idle land and homesteads. For villages that are included in the scope of demolition, resettlement shall be concentrated in the planned settlements. If conditions permit, the construction of new rural areas or central villages shall be in the plan to arrange the resettlement of the demolished farmers.

4. Land Acquisition Procedures For the Transparency of Land Acquisition

(1) Attention shall be paid into informing, confirming, and hearing the work of land acquisition before the approval. The land acquisition work is related to the immediate interests of farmers. The land acquisition must ensure that farmers have the right to know, participate, complain and supervise in the land acquisition process. Ministry of Land and Resources in municipal and territorial departments shall strictly follow the relevant regulations, carefully perform procedures before the approval of land acquisition, and fully consider the opinions of farmers. The notice of land acquisition shall be published in the village group and the farmer households. Along with the publicity of village affairs, the land acquisition plan shall be notified in many forms and in multiple ways, such as broadcasting, publicity in the village and other obvious positions. If the farmers involved in land acquisition have objections and apply for the hearing, the local land and resources departments shall promptly organize the hearing and take the advice of farmers. The reasonable demands put
forward by the masses must be properly resolved.

(2) The implementation procedures shall be simplified after the approval of the land acquisition. In order to shorten the implementation time after the approval of land acquisition, notification, confirmation and hearing procedures shall be made by the government before land acquisition. The compensation registration of land ownership, land type, area, ground attachments and crops shall be formulated by the government, after that, compensation plan of resettlement will be made by the government with approval of the land acquisition at the same time. If the masses raise objections again, the government shall conscientiously propagate the policies and persuade the masses. Compulsive land acquisition shall not be carried out without the support of the masses.

5. Fulfilment of Duties for Strengthening Land Acquisition Management
(1) The responsibility of the municipal and county governments shall be strengthened in the process of land acquisition. According to the law, the municipal and county governments are the main body of the implementation of land acquisition. They are responsible for compensation rates of land acquisition, compensation and resettlement of demolition, full and punctual compensation, arrangement of employment training for landless farmers, and incorporation of landless farmers into social security. Ministry of Land and Resources departments shall conscientiously perform their duties under the leadership of the government to ensure land acquisition work is carried out in a standardized and orderly manner.

(2) Feedback system after the approval of land acquisition shall be implemented. After the approval of the construction land (including the urban construction land approved by the State Council, after the approval of farmland transference and land acquisition plan of provincial government), departments of Ministry of Land and Resources in municipalities and counties shall report the schedule of land acquisition, including the scope and scale of land acquisition, the implementation of post-approval procedures for land acquisition, the compensation for land acquisition, the resettlement of farmers involved in land acquisition and the implementation of social security, the above mentioned factors will be sent to the provincial Ministry of Land and Resources and the Ministry of Land and Resources through the online submission system. Provincial Ministry of Land and Resources departments shall supervise and guide cities and counties to be serious in submitting reports, the departments shall check the information submitted, and promptly work out problems such as none, late and wrong submission. Departments in the Ministry of Land and Resources at all levels shall make full use of the submission, grasp and analyze the implementation of land acquisition approval in time. The departments shall also strengthen post-approval supervision, and ensure that land acquisition is implemented according to the approval requirements.
The new standard of land acquisition compensation consists of two parts: land compensation fees and resettlement subsidies, excluding compensation for crops and ground attachments. The standard of unified annual output value shall be applied to calculate the compensation of irrigated land, dry land and pastoral grassland in the calculative farmland area. The grassland in the non-pastoral farmland shall be compensated 0.4 times of the adjacent cultivated land standard, and the compensation fees of other farmland and construction land shall be paid according to the standard of adjacent cultivated land, and the unused land shall be compensated twice as much as the unified annual value of production of the adjacent cultivated land. The legal occupation of basic farmland shall be compensated 30 times of the unified annual value of production. The comprehensive land price of the district is applicable to calculate the collective land in the district. The compensation fees for occupying state-owned farmland and state-owned construction land (obtained by means of allocation) shall be implemented in accordance to the compensation.
standard of collective land acquisition in the region; the occupant of unused state-owned land shall not be compensated.

Table 3-2 Unified standard of the annual value of production of land acquisition in Gansu Province

<table>
<thead>
<tr>
<th>Administrative Region</th>
<th>Code</th>
<th>Regional Scope of Annual Value of Production</th>
<th>Land Types</th>
<th>Unified Annual Output Value (Yuan/Hectare)</th>
<th>Compensation Standard (Yuan/Hectare)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kang County, Longnan City</td>
<td>I</td>
<td>Chengguan Township (The word village is omitted below) (Zuitai, Sunjiayuan, Xieya, Zhaoba, Ganshiba, Sanguan, Fengjiaxia, Shijiaogou, Xiangziba, Zhengjiagou, Jiangjiawan, Yangheba)</td>
<td>Dry Land</td>
<td>22627</td>
<td>633563</td>
</tr>
</tbody>
</table>
3.5 Measures for the Implementation of Basic Endowment Insurance for Land-expropriated Farmers in Gansu Province ([2018] No. 18)

Article 2:
These Measures shall apply to land-expropriated farmers who are uniformly acquired by the government in the administrative area of the province (including grasslands, pastures, and the same below).

The resettlement of large and medium-sized water conservancy and hydropower projects shall be carried out in accordance with the relevant provisions of the Regulations on Land Acquisition Compensation and Resettlement for Large and Medium-sized Water Conservancy and Hydropower Project Construction (State Council Order No. 679).

Article 4:
The land-expropriated farmers shall be included in the current basic endowment insurance for urban enterprise employees or the basic endowment insurance system for urban and rural residents, and appropriate subsidies for subsidies will be given when participating in insurance. Before the implementation of these Measures, the land-expropriated farmers who have been subsidized by the government to be included in the basic endowment insurance for urban enterprise employees no longer enjoy the subsidy for participation insurance.

Article 5:
The people's governments of counties and cities shall include the subsidy funds for the land-expropriated farmers to participate in the basic endowment insurance to be included in the project budget, and shall be included in the cost of land acquisition, and shall be arranged in full and in full in the compensation for land acquisition.

Article 6:
The subsidized funds of the land-expropriated farmers participating in the basic endowment insurance shall be reserved according to the number of people involved, the number of land acquisition and the area of land acquisition, and the land acquisition subsidy funds shall be extracted several times.

The standard of subsidy for each land acquisition and insured payment is the annual average wage of the employees in the province in the previous year multiplied by the proportion of land acquired. The proportion of land requisitioned is the number of land acquisitions divided by the number of acres of existing contracted land.

Article 7:
The land-expropriated farmers whose land acquisition ratio is the same shall be the same when they choose to participate in the basic endowment insurance for urban enterprise employees or the basic endowment insurance system for urban and rural
residents.

**Article 8:**
Land-expropriated farmers who do not participate in basic endowment insurance do not enjoy subsidies for participating insurance contributions. The land-expropriated farmers who have enjoyed the basic endowment insurance benefits for urban and rural residents or the non-land acquisition reasons for participating in the endowment insurance for urban enterprise employees shall pay the subsidy funds at one time.

**Article 9:**
Personnel participating in the basic endowment insurance for employees of urban enterprises shall pay a premium of 20% of the contribution base of the flexible employment personnel. Each year, 12% of the pre-existing accounts for the indemnity of the land-expropriated farmers shall be allocated, and the individual shall pay 8%. After the payment of the subsidy fund is completed, the individual is responsible for paying the full fee. The personnel who transfer the pension insurance relationship across provinces will distribute the remaining insured payment subsidy funds to the person at one time; the personnel transferred from the endowment insurance relationship within the province will continue to be allocated by the social security agency according to the regulations.

**Article 10:**
The personnel who participate in the basic endowment insurance for urban and rural affected people shall be directly transferred to the personal account by the social security agency.

3.6 Gap analysis between Bank’s business policies and relevant Chinese domestic policies:

**(1) Objectives, Procedures and Scope of Use**
In general, the World Bank OP4.12 and China’s "Resettlement Regulations" and other related policies are consistent in terms of resettlement goals and basic procedures. They all emphasize avoiding involuntary resettlement, addressing the sustainable development, and enable the displaced persons to get better and proper resettlement and their livelihoods are improved or restored to the level prior to project. Both emphasize the importance of the results of resettlement planning, and put forward the requirements for the implementation of supervision and evaluation during the implementation phase of resettlement. However, in determining the scope of land acquisition and demolition, the WB emphasizes that in addition to the scope of the main project of the loan project, it should also include the scope of linked/associated facilities in land acquisition and demolition.
(2) Definition of the Affected Objects
Project objects in China are generally meant those objects which are legal. The World Bank requires that as long as the object is affected, it should be included in the project’s impact mitigation, and enjoy the same rights and interests as displaced persons or object regardless whether it is legally recognized.

(3) Resettlement Planning
For land-based resettlement methods, the WB’s policies are basically the same as domestic policies, but for land transfer, the World Bank requires the same production conditions as before the acquisition, and the domestic level is basically the same as that of the resettlement area; Land-based resettlement methods, the WB emphasizes resettlement planning and implementing measures following the results of resettlement monitoring and evaluation.

(4) Compensation Budget
Regarding the content of compensation fees, the Bank OP4.12 is generally consistent with the Chinese domestic policies, but the World Bank also stipulates that if domestic laws fail to meet the compensation level for full replacement costs, other necessary measures should be taken to reach the level of replacement cost in addition to the compensation provided by domestic laws.

(5) Public Participation and Monitoring & Evaluation
The World Bank and the China country system are basically in line with public participation, internal supervision and external monitoring.

(6) Concern for the Interests of Vulnerable Groups
The Bank OP4.12 clarifies that special attention should be paid to vulnerable groups of migrants, landless farmers, the elderly, women, children, ethnic minorities, etc., and domestic regulations provide assistance to households with difficulties in living or in poverty. The World Bank requires special development measures for ethnic minorities in project areas.

IV. Preparation and Approval of the Resettlement Action Plan
If there is a need for land acquisition and demolition during the implementation of the project, the borrower shall be responsible for preparing and implementing the resettlement action plan (including meeting all the funds related to resettlement). Many aspects of land acquisition and resettlement are implemented by the Kang County Natural Resources Bureau. The borrower will coordinate the project activities through the project management organization to ensure the development of an effective comprehensive resettlement plan and implementation. The resettlement action plan should be combined with regional construction, resource development, economic development and environmental protection to fully reflect the sustainability of the local economy and the development of affected peoples. Considering local natural and socio-economic conditions, formulate a practical and
comprehensive resettlement plan to effectively restore the production and living standards of displaced persons and maintain sustainable development capabilities.

Once it is determined that the land is inevitably acquired during project implementation, it is necessary to carry out involuntary resettlement and determine the criteria for the land to be acquired. At this time, a comprehensive resettlement plan should be formulated. The resettlement plan should reasonably estimate the transition period based on the time it may take to restore livelihoods and living standards, and ensure that displaced persons receive the help during this transition period. The borrower uses the census to identify and enumerate the people in the sub-project that need to be relocated, decide which personnel are eligible to receive help, and prevent the participation of non-qualified personnel; use socioeconomic surveys to determine the extent of negative impacts in the affected area and degree. The census must cover all directly affected populations, and socioeconomic surveys can be carried out with sample method. The census and socio-economic surveys need to be carried out separately or simultaneously depending on whether a complete resettlement action plan or a brief resettlement plan is prepared (see the World Bank's Business Policy 4.12, Annex A for a brief resettlement action plan). When the number of affected people exceeds 200, a complete resettlement plan must be formulated. If the impact on the entire affected people group is relatively light, or the number of people affected is less than 200, a brief resettlement plan can be formulated. If the affected person does not need to relocate and the loss of production materials is less than 10%, it is considered to be “less influential”.

If a comprehensive resettlement plan needs to be formulated, it needs to be in accordance with the policy principles, plans and implementation arrangements in this resettlement policy framework. The resettlement action plan should be based on accurate census and socio-economic survey results, and develop measures to mitigate the negative impacts of various types of displaced persons (e.g., property compensation, transitional assistance, economic recovery assistance). In order to ensure that the necessary resettlement measures will not be relocated or restricted the use of resources and assets before implementation, the implementation of resettlement activities needs to be linked to the implementation of the project investment. Due to various types of negative impacts, the resettlement plan should pay special attention to the following factors:

1. A description of the activities leading to the acquisition of the land;
2. The scope and extent of potential negative impacts;
3. Social and economic surveys and census baseline results;
4. Review of laws and regulations related to land acquisition and resettlement;
5. Specific property compensation rates for all categories affected (or alternatives);
6. Take any other necessary resettlement measures to provide displaced persons with opportunities to restore the economy incomes;
7. Compensation and other assistance eligibility criteria;
8. Reset arrangements, including transitional assistance measures when necessary;
(9) Select and prepare the place of resettlement if necessary;
(10) Restoring or resetting community infrastructure and services;
(11) Organizational arrangements for implementation;
(12) Negotiation and information disclosure;
(13) Resettlement implementation timetable;
(14) Cost and budget;
(15) Monitoring and evaluation;
(16) Grievance redress procedures;
(17) Summary of resettlement rights framework.

The resettlement action plan will be completed at least 6 months before the estimated start of the resettlement. Each resettlement plan will be submitted to the World Bank for consideration at least 3 months before the actual start of the operation. Compensation, resettlement and recovery actions can only begin once the World Bank accepts the resettlement action plan. Above actions should be completed before the commencement of the civil works contract.

If a brief resettlement action plan needs to be formulated, it should also be formulated in accordance with the policy principles, plans and implementation arrangements in the resettlement policy framework. At a minimum, include the following:

1. Resettlement census and assessment of affected property;
2. Description of the compensation and other resettlement assistance (measures) to be provided;
3. Qualified compensation standards;
4. Negotiation and information disclosure;
5. Organizational arrangements for implementation;
6. Timetable and budget;
7. Monitoring and evaluation;
8. Appeal handling procedures.

The brief resettlement action plan is completed at least 4 months before the estimated start of the resettlement. Each brief resettlement action plan is submitted to the World Bank for consideration at least 3 months before the actual start of action. Compensation, resettlement and rehabilitation activities can only begin once the World Bank accepts the resettlement plan. Above activities shall be completed before the commencement of the civil works contract.

V. General standards and resettlement rights of resettlement compensation

All affected displaced persons are eligible for compensation and/or other forms of assistance, and the specific details are related to the nature of their impact.

In general, those are eligible for compensation will include the following:
The land is permanently requisitioned for the project: this includes
A) villagers with formal land use rights in the affected villages, and
B) those who are not affected by the village but are renting the land.
Class A displaced persons are entitled to compensation for replacement costs. Class
B displaced persons are entitled to compensation for crop and building losses.

Loss of houses, other buildings and fixed assets, including trees and unharvested
plants: homeowners and other assets (whether or not they hold land use rights or
building permits before the deadline).

Losses related to temporary impacts: This includes temporary losses of land,
transitional costs associated with resettlement, or disruptions to operations during
the construction.

(1) Affected People Lost the Land
a) The priority mechanism of compensating for the loss of agricultural land is to
provide replacement land with equal production capacity of the affected population.
If it is not possible to determine a replacement land satisfied by the farmer, a
replacement cost compensation can be provided. If the lost land farmers do not
prioritize access to land, or the land provided will adversely affect the sustainability
of the park or protected area, or will not be able to obtain sufficient land at a
reasonable price, excepting for land and other property losses. Besides of cash
compensation, a resettlement program based on employment or self-employment
opportunities should be provided separately. If the land is not enough, it should be
explained and documented in accordance with the requirements of the World Bank.
The land acquisition standard of this project is implemented in accordance with the
Notice of the Gansu Provincial People's Government on Printing and Distributing the
Comprehensive Land Price of the Land Acquisition Compensation Area of Gansu
Province and the Unified Annual Output Value Standard of Land Acquisition
Compensation in Gansu Province ([2017] No. 17) and the local standards of Kang
County. If the project causes land acquisition, the compensation standard will not be
lower than the proposed land acquisition compensation standard for this project.
The compensation rates for land acquisition in the sub-region are shown in Table
5-1.

<table>
<thead>
<tr>
<th>County</th>
<th>Township</th>
<th>Village</th>
<th>Type of Land</th>
<th>Unified annual output value (yuan/ha)</th>
<th>Compensation standard (yuan/ha)</th>
<th>Project compensation fee (yuan / mu)</th>
<th>Young crop fee (yuan/mu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kang</td>
<td>Yangba</td>
<td>Shangba</td>
<td>Dryland</td>
<td>18156</td>
<td>472065</td>
<td>31471</td>
<td>1500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Taiping</td>
<td>Dryland</td>
<td>15283</td>
<td>305663</td>
<td>32000</td>
<td>1500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tianba</td>
<td>Dryland</td>
<td>15283</td>
<td>305663</td>
<td>32000</td>
<td>1500</td>
</tr>
</tbody>
</table>
b) The affected population will receive compensation for unharvested crops at market price. For economic forests, they will be compensated by net present value. For other fixed assets (auxiliary buildings, wells, fences, irrigation renovation facilities), they will be compensated by replacement cost.

c) Compensation will be paid for temporary land use, the compensation rate will be related to the period of use, and the land or other assets will be restored to the pre-use condition, and the owner or user will not be responsible for the recovery costs.

(2) House Demolition of Affected People
a) The affected people whose house is demolished shall be compensated either in kind (by replacing the same size of construction land and houses) or cash at replacement cost. At the same time they will be provided the relocation assistance. For house demolition on rural collective land, the homestead with the same conditions in the adjacent area will be used for housing reconstruction, and cash compensation will be made according to the full replacement price standard; or the resettlement house will be directly provided for the demolished person to choose and settle the house price difference. For the house acquisition on state-owned land, the displaced persons will negotiate and select a qualified real estate appraisal company to evaluate the market value of the real estate. On this basis, the compensation amount and resettlement method will be negotiated. The displaced persons will be provided with resettlement houses and be paid the price difference gap.

b) If the remaining residential land is not sufficient to rebuild or restore other structures of the same size or value after the land has been partially expropriated, the entire construction land and buildings will be acquired at the replacement cost as required by the demolished population.

c) For fixed assets, the compensation will be paid at the replacement cost price.

d) The tenant living in the leased house will negotiate with the owner of the house to resolve the loss compensation for the release and will be able to obtain assistance from the borrower to find help and relocation expenses for other residences.

(3) Livelihoods Restoration for Affected People
Compensation for loss of business includes: (a) providing alternative land parcels of the same size and customer accessibility to the satisfaction of the displaced operator; (b) cash compensation for loss of operating buildings; (c) during the transition period, will be provided transitional support for lost income (including employee wages); and (d) cost of relocation. (e) skill training and reemployment assistance shall be provided to help restore affected people’s livelihoods.

(4) Vulnerable Groups
Vulnerable groups involved in the project, including the elderly, the disabled, and left-behind women, should be identified and confirmed in the census.

The compensation and resettlement provisions of all affected people apply to such people. In addition, vulnerable groups will also receive additional assistance to ensure that their income and life are restored or improved.

(5) Ethnic Minorities
The issue of resettlement of ethnic minorities is particularly complex, and the resettlement activities may have a serious impact on their identity and cultural continuity. Therefore, the borrower should explore all feasible project design options to avoid the actual relocation of these groups. If the relocation cannot be avoided, a strategy of land resettlement should be developed for minorities. This strategy should be formulated on the basis of consultation and in line with the cultural characteristics of the affected ethnic minorities.

(6) Community Infrastructure and Services
For the affected communities, it will restore or replace infrastructure (e.g., water, roads, sewage systems or electricity) and community services (e.g., schools, clinics or community centers) for free. If a new resettlement location is identified, the displaced and resettled personnel will be provided with free infrastructure and community services consistent with local standards. Establish a community organization model that is commensurate with the new environment based on the choices of displaced people. It is important to preserve the existing social and cultural systems of displaced people and resettlement communities, and to respect the opinions of displaced people about their willingness to move to existing communities.

VI. Project Implementation Procedures
The resettlement plan should include all detailed activity implementation schedules. The necessary resettlement activities such as compensation payments and other restoration measures (in cash or other means) should be completed at least one month before the land is collected. If the full compensation cannot be paid before the land acquisition, or if the necessary assistance measures cannot be provided, a transitional subsidy should be provided. At the same time, in the process of land acquisition, house demolition and resettlement implementation, the following basic legal procedures should also be followed.

6.1 General procedures for land acquisition and house demolition on collective land
Article 20 of the "Regulations on the Implementation of the Land Administration Law of the People's Republic of China" stipulates that the provisions shall be applied in order to implement land occupation for urban planning within the scope of urban construction land determined by the overall land use planning.
1. The municipal and county people's governments shall formulate plans for the conversion of agricultural land in accordance with the annual plan for land use, supplement the plan for cultivated land, and plan for land acquisition, and report the people's government with the approval authority in batches.

2. The land administrative department of the people's government with the approval authority shall review the agricultural land conversion plan, the supplementary cultivated land plan, and the land acquisition plan, and submit the review opinions and report to the people's government with the approval authority; among them, the supplementary cultivated land plan shall be simultaneously approved by the people's government when approving the agricultural land conversion program.

3. After the agricultural land conversion plan, the supplementary cultivated land plan, and the land acquisition plan are approved, the municipal and county people's governments shall organize the implementation and supply the land according to the specific construction projects.

Article 25 stipulates that after the land acquisition plan is approved according to law, it shall be organized and implemented by the municipal or county people's government where the land is acquired, and the land acquisition authority, approval number, land use, scope, area and compensation standard for land acquisition will be approved. The resettlement methods for agricultural personnel and the time limit for handling land acquisition compensation shall be announced in the township (town) and village where the land is acquired.

The owner and user of the requisitioned land shall hold the land ownership certificate to the land administrative department of the people's government designated by the announcement to handle the land acquisition compensation registration within the time limit stipulated.

The land administrative department of the municipal or county people's government shall work with the relevant departments to formulate compensation and resettlement plans for land acquisition, announce the township (town) and village where the land is acquired, and listen to the opinions of rural collective economy and farmers in accordance with the approved land acquisition plan. After the land acquisition compensation and resettlement plan is reported to the municipal and county people's governments for approval, it shall be organized and implemented by the land administrative department of the municipal or county people's government. If there is any dispute over the compensation standard, it shall be coordinated by the local people's government at or above the county level; if the coordination fails, the people's government that has approved the land acquisition shall make a ruling.

The expenses for the acquisition of land shall be paid in full within 3 months from the date of approval of the land acquisition compensation and resettlement plan.

6.2 General procedure for house acquisition on state-owned land
According to the Regulations on the Acquisition and Compensation of Houses on State-owned Land, the project will follow the following basic procedures when acquiring houses on state-owned land:

1. Make a house acquisition decision with reference to statutory conditions and procedures
2. Announcement on the issuance of house acquisition and the resumption of state-owned land use rights
3. Select a qualified evaluation agency to conduct a house value assessment and publicize the assessment results.
4. Sign a house acquisition compensation agreement
5. Disclose the compensation package and process
6. Demolish houses and transfer of land acquired

VII. Resettlement Budget and Arrangement
The borrower undertakes actions to meet all responsibilities related to land acquisition and resettlement. Any resettlement plan developed in accordance with this resettlement policy framework needs to include costs and budget. All people who have been adversely affected by the occupation of land are entitled to compensation and appropriate resettlement measures, whether or not these people are identified during the resettlement plan phase; and whether adequate mitigation funds are in place. Therefore, the resettlement plan should set up contingency budget for unforeseen expenses, which generally account for more than 10% of the total resettlement costs, and are used to pay unforeseen resettlement costs.

The compensation rate in the resettlement plan provides the basis for calculating the resettlement compensation fee. In accordance with the full replacement price, all the collective or individual who lost the property will be given full compensation, and the compensation discount for any reason will never be allowed. The resettlement plan should describe the procedures for compensation from the borrower to the affected person. As a matter of principle, the circulation of funds should be paid directly to the affected population as much as possible. In the process, intermediate procedures and links such as coordination and arbitration should be minimized.

VIII. Public Consultation and Information Disclosure
In the stage of resettlement policy formulation, planning and implementation, it must attach great importance to public participation and consultation, and use social and economic surveys, social impact assessment surveys and other opportunities to widely publicize and introduce the resettlement policies of the project through various means. Considerations should be also given to regulations and policies about prevention and control of COVID-19 in project areas, project contractors and subcontractors in project the consultation and supervision. This include the World
Bank ESF/Safeguards Interim Note: COVID-19 Considerations in Construction/Civil Works Projects. The affected persons are required for comments and suggestions on project design and implementation. Through extensive public participation, coordination and communication, the local government, affected village collectives and affected persons have fully understood the project's potential impact, resettlement policies and income recovery plans.

The participation of the affected people or consultation with the affected people are the starting point of the resettlement activities. The negotiation can help the project to be implemented smoothly, which is the basic means to achieve the purpose of resettlement and restoration. The resettlement action plan must describe the measures taken by the project to negotiate on the resettlement plan, provide timely and relevant information to the affected people and their communities or the resettlement communities that accept them, and encourage the affected people and affected people of the resettlement areas to participate in the formulation of the plan. The project provides more opportunities to participate for the affected people in the planning, implementation and monitoring of resettlement. And it also provide necessary infrastructure and public services in new resettlement sites or resettlement communities to improve, restore or maintain the original facility utilization and service levels of the resettlement and resettlement communities. Improve their incomes by establishing appropriate and convenient grievance mechanisms for these groups. In order to ensure that the opinions and choices of the affected people are fully considered, consultation should be conducted before the project design and mitigation measures are determined. Public participation (see below) enables public participation throughout the implementation of the resettlement plan.

(1) Resettlement Information Disclosure
In order to ensure that the affected people and local communities in the affected areas fully understand the details of the resettlement plan and the compensation and resettlement plan of each sub-project, the resettlement office of the project and local government should also summarize and file the resettlement information. The project information shall be disclosed to affected people via radio, television or online media, or in information booklet. The main contents of the resettlement information should include: all inventory of land to be acquired; all houses or ground attachments to be demolished; compensation standard; compensation amount and resettlement policy resettlement rights; feedback and complaint channels, grievance redress mechanisms.

(2) Holding the Public Consultation Meeting
According to the actual situation of land acquisition and house demolition, the project resettlement office will organize the affected population to hold consultation meetings from time to time, and the number of participants should not be lower than 30% of the total affected population. At each meeting,
representatives of vulnerable groups, especially women and ethnic minorities, should be invited to participate in. The number of vulnerable groups, such as women, should not be less than 30% of the total number of participants. The meetings are monitored by an external independent monitoring agency.

(3) **Holding the Hearing Meeting**
Chinese legislation does not specify the scope of the hearing. The National Legislative People's Congress issued the "Legislative Hearing Rules (Draft)" is taken into account with the current situation of the hearing activities to stipulate the scope of the hearing. The scope of the hearing, the model draft distinguishes between two situations: the hearing should be held under the situation of hot contents generally concerning about the society (e.g. interest tax, the amendment of marriage law).

(4) **Convening Villagers' Assembly and Disclose Project Information**
The project office shall work together with local township government to organize villagers’ assembly in affected communities and also disclose the draft and final versions of the resettlement plan and project information to the displaced people and the public, and distribute it in a place where the displaced people are easily accessible. The general location of the resettlement plan can be found in the public library, the villager activity room/village information bulletin board of the affected village committee, and the government public information website. The language should be easy for local people to understand.

**IX. Grievance Redress Procedures**
The main purpose of resettlement work is to ensure restoration or improvement of the affected people's production and life as part of the project. Therefore, the resettlement work is carried out through consultation with the affected people. During implementation of the project, there may be various issues and complaints emerging. In order to address grievance and complaint in a timely and effective manner to ensure smooth implementation of the project resettlement, the project applies the following grievance redress procedures:

**Stage 1:** If the displaced persons are dissatisfied with the resettlement results, they can submit an oral or written appeal to the village committee or the project resettlement implementing agency; if it is a verbal appeal, it must be handled by the village committee or the project resettlement implementing agency and recorded in writing. The village committee or the project resettlement implementing agency shall response within 2 weeks;

**Stage 2:** If the affected people is still dissatisfied with the result of Stage 1, he/she may appeal to the Township Resettlement Office/Project Management Office after receiving the decisive result; the Town Resettlement Office/Project Management Office shall make response(s) within 2 weeks;
Stage 3: If the displaced person is still dissatisfied with the result of Stage 2, he can appeal to the provincial project office after receiving the result; the provincial project management office should make response(s) within 2-4 weeks.

Stage 4: If the displaced person is still dissatisfied with the results of the provincial project office, they can file a lawsuit in a civil court in accordance with the Civil Procedure Law.

The above-mentioned appeal methods should be published in a way that the displaced people can understand their right to appeal. Relevant units should conduct on-the-spot investigation and research on complaints, fully solicit the opinions from affected people, and submit opinions in an objective and fair manner in accordance with the principles and standards stipulated by national laws and regulations and resettlement plans.

The relevant departments should follow the following principles in the process of grievance redress:

(1) There are special personnel in the relevant agencies to take care of the complaints, and have a staff to organize and record the oral comments, and require that each level of complaints must be promptly given an effective response within two weeks;

(2) All the project-related agencies responsible for resettlement will accept grievance redress from the affected people for free in charge.

(3) These grievance redress procedures have been in effect throughout the construction of the project to ensure that affected people can use them to deal with the issues. At the same time, the grievance redress process will be published in the affected people through multi-media.

(4) During the implementation of resettlement action plan, the land acquisition and resettlement department shall do a good job in registering and managing the complaints, and report to the project office once a month in written form. The PMO will conduct regular inspections of complaints and registrations. In order to fully record the complaints of the affected population and the handling of related issues, the project office will formulate a registration form for the complaints and grievances of the affected population. A sample of the registration form for complaints and grievances is shown in Table 9-1.

<table>
<thead>
<tr>
<th>Name</th>
<th>Time:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiving Unit:</td>
<td>Place:</td>
</tr>
</tbody>
</table>
X. Monitoring and Evaluation Arrangement

The basis for resettlement monitoring and evaluation includes:
(1) Relevant national laws and administrative regulations on resettlement;
(2) Relevant involuntary resettlement policy requirements of the World Bank;
(3) Legal documents directly related to the project, such as the resettlement plan recognized by World Bank and project owners, etc.,

The principles of resettlement monitoring and evaluation include:
(1) Periodically investigating, understanding and evaluating the implementation of the resettlement action plan;
(2) Accurately conducting data collection and data analysis to ensure the accuracy of monitoring and evaluation results;
(3) Impartially evaluating the implementation of the resettlement action plan;
(4) Timely reporting to the project owner and the World Bank task team so that they can keep abreast of the progress of the project and make proper decisions.

Internal monitoring should generally cover the following:
(1) Organization: resettlement implementation, related labor division and functional department setting, the staffing of resettlement agencies and capacity building for the staff;
(2) Resettlement policies and compensation standards: the formulation and implementation of resettlement policies and the actual implementation of various compensation standard. It is necessary to specify whether it is implemented according to the standards in the resettlement plan. If there is any change, it is required to explain the reasons;
(3) Progress of land acquisition, house demolition and resettlement activities;
(4) Resettlement budget and its performance;
(5) Livelihood and employment resettlement: the main resettlement methods (land resettlement, new land development, resettlement of enterprises and institutions, self-employment resettlement, endowment insurance resettlement, etc.), number of resettlement people, shops and enterprises resettlement, the resettlement vulnerable groups (ethnic minorities, women, elderly, disabled persons, etc.) and land reclamation for temporary land occupation,
effects of resettlement;

(6) Housing reconstruction and livelihood resettlement: rural resettlement methods and resettlement directions, homestead arrangement and distribution, housing reconstruction form, homestead “three links and one leveling” work, compensation fund payment, public facilities (water, electricity, Roads, commercial outlets, etc., relocation, urban resettlement methods, resettlement sites, resettlement housing construction, resettlement housing selection and distribution, public facilities supporting construction, relocation, commercial store housing reconstruction and distribution, enterprise housing reconstruction and distribution;

(7) Restoration and reconstruction of industrial and mining enterprises, shops, cities (sets) and various special facilities (water conservancy, electric power, post and telecommunications, telecommunications, transportation, pipelines, etc.);

(8) Complaints, grievances, public participation, consultation, information disclosure and external monitoring;

(9) Dealing with relevant issues raised in the mission aide memoir of the World Bank implementing supervision team;

(10) Problems emerged and their solutions.

The external monitoring assessment will be undertaken by an organization or agency with independent resettlement monitoring and evaluation capabilities that is independent of the project owner and the resettlement implementing agency. External monitoring and evaluation should generally cover the following:

(1) **Resettlement agencies:** Through surveys and interviews, the monitoring will look into the establishment, division of labor and staffing for resettlement of the project owner and resettlement implementing agencies. It will also conduct capacity building and training activities of resettlement agencies; comparing with the requirements set in the resettlement action plan;

(2) **Resettlement policy and compensation standards:** investigate and understand the main policies of resettlement implementation, and compare with the resettlement action plan to analyze the changes and evaluate the implementation; actual application of compensation standards for various types of resettlement losses (especially permanent land acquisition, house demolition and other losses), and compare with the resettlement action plan, analyze its changes, and assess its suitability;

(3) **Progress of resettlement implementation;**

(4) **Resettlement compensation funds and budget use;**

(5) **Production and employment resettlement:** Through the typical sample survey and tracking the monitoring of typical affected people, the implementation of production and employment resettlement and income recovery will be monitored and evaluated;
(6) **Resettlement housing reconstruction and living resettlement**: through sample survey, analysis and evaluation;

(7) **Restoration and reconstruction of industrial and commercial enterprises and institutions**: through literature reading, typical sample survey and follow-up monitoring, to understand the demolition and reconstruction of enterprises and institutions; compare with resettlement actions to assess their suitability;

(8) **Recovery and reconstruction of special public infrastructure/facilities**: through review and field investigation, monitoring the status of resettlement and restoration of the public facilities/infrastructure in project areas, and compare with the resettlement plan to assess its recovery;

(9) **Production and livelihoods restoration**: Through the base investigation before the land acquisition and demolition, and sampling monitoring surveys, to understand the income sources, quantity, structure, stability and expenditure structure and quantity of typical affected people and households, and carry out comparative analysis of the economic income and expenditure levels before and after resettlement, and assess the extent to which resettlement goals such as income recovery are achieved. Compare the typical sample households, residence (houses, etc.), transportation, public facilities, community environment, culture and entertainment, economic activities, etc., and analyze and assess the extent to which the income and living standards of the resettlement are restored.

(10) **Complaints handling**: Monitor the channels, procedures, main complaints and handling of resettlement complaints and appeals by consulting documents and on-site typical household surveys;

(11) **Public participation, consultation and information disclosure**: monitor the public participation, consultation activities and their effects in the process of resettlement implementation by consulting documents and on-site investigations; pay attention to the resettlement information disclosure activities through the preparation, printing and feedback of the resettlement information booklet. And its effects;

(12) **Implementing the issues raised in the aide memoire** of the World Bank supervision mission and the previous resettlement monitoring and evaluation report;

(13) **Provide advice and suggestions**: When there is an issue during implementation of resettlement the monitoring consultants will provide advice and suggestions for the project owner and relevant stakeholders to help with solutions. Resettlement issues and problems are recorded and tracked until they are properly handled.

During the relocation of affected people, external monitoring and evaluation agencies generally conduct at least two on-site investigations and monitoring
assessments every half a year. After the resettlement activities are completed, an on-site investigation and final monitoring assessment shall be conducted in half a year till the final monitoring and evaluation at the project completion. The number of investigations and monitoring assessments may be appropriately increased or decreased according to the needs of the resettlement work, but it needs to be consulted and agreed with the World Bank. External monitoring and evaluation work generally needs to be extended to the realization of resettlement objectives. Through the external monitoring and evaluation, it puts forward assessment opinions and suggestions on the whole process of resettlement and the restoration of production and living standards of affected peoples. The external monitoring report must be submitted to both the PMO and the World Bank.
## XI Entitlement Matrix of Compensation and Resettlement for All Types of Affected People

<table>
<thead>
<tr>
<th>Impact Type</th>
<th>Affected Groups</th>
<th>Compensation</th>
<th>Resettlement Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of collective land</td>
<td>Villagers or villager’s collective economic organization</td>
<td>Compensation for land use rights of the land user.</td>
<td>Apply Article 11 of the new Chinese land law effective as of 1 Jan. 2020. The lands collectively owned by farmers, of those have been allocated to villagers for collective ownership according shall be operated and managed by village collective economic organizations or villagers' committee; and those have allocated to two or more farmers collective economic organizations of a village, shall be operated and managed jointly by the collective economic organizations of the village or villagers' groups; and meet the Bank requirements for full replacement cost.</td>
</tr>
<tr>
<td>Permanent Land Acquisition</td>
<td>Villagers with formal land use rights in affected villages</td>
<td>Land compensation, resettlement subsidy, and young crop compensation for cultivated crops</td>
<td>Cash compensation, skills training, employment promotion and support, and social security measures for land lost farmers</td>
</tr>
<tr>
<td></td>
<td>Individuals who temporarily rent land for farming</td>
<td>Compensation for young crops cultivated</td>
<td>Assist in finding other farmland rentals</td>
</tr>
<tr>
<td>House Demolition and Reconstruction</td>
<td>Owner of affected buildings on rural collective land</td>
<td>Cash compensation for new residential land, the complete replacement price of the affected building, relocation subsidy, temporary transitional resettlement fee</td>
<td>New residential land plots acceptable in terms of size and accessibility</td>
</tr>
<tr>
<td>Impact Type</td>
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<td>Resettlement Policy</td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>Owner of affected buildings on state-owned land</td>
<td>Based on the market evaluation price, the house will be compensated for cash; at the same time, the resettlement house will be provided for the selection; the relocation subsidy and the transitional resettlement fee will be provided.</td>
<td>Scale, location and quality are equivalent, and the resettlement houses accepted by the displaced person or the sufficient compensation funds will be enough to purchase such houses</td>
</tr>
<tr>
<td></td>
<td>House tenant</td>
<td>Negotiate with the owner of the house to solve the problem of compensation for loss caused by the dissolution of the lease.</td>
<td>Assist in finding other rentals</td>
</tr>
<tr>
<td>Loss of Non-residential</td>
<td>Business operators and their employees who were forced to move</td>
<td>1) New operating land or cash compensation based on replacement cost; 2) Cash compensation for loss of operating buildings; 3) Transitional support for lost income (including employee wages); 4) Relocation cost subsidy</td>
<td>New business parcels acceptable in terms of size, location and operating conditions</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss of Attachments and</td>
<td>Owner of appendages and other assets</td>
<td>Cash compensation based on replacement cost</td>
<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure Loss</td>
<td>Owner or responsible agency of the affected facility</td>
<td>Restore affected facilities to their original state and function or provide funds for recovery to relevant departments.</td>
<td>Infrastructure and services should be restored in a timely manner to have no impact on local communities.</td>
</tr>
<tr>
<td>Vulnerable people</td>
<td>Vulnerable groups, e.g. the poor, the elderly, the disabled, women-led households</td>
<td>Give extra support to ensure that their income levels and living standards are restored or improved.</td>
<td></td>
</tr>
</tbody>
</table>