

**World Bank-financed Jiangbin East Road  
and Fanggui North Road Construction, and  
Sewer Line Project in Qujiang District**

**Resettlement Action Plan of the World  
Bank-financed Jiangbin East Road and  
Fanggui North Road Construction, and Sewer  
Line Project in Qujiang District, Quzhou City**

**August 2014**

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## ABBREVIATIONS

AAOV	-	Average Annual Output Value
AH	-	Affected Household
AP	-	Affected Person
DMS	-	Detailed Measurement Survey
HD	-	House Demolition
LA	-	Land Acquisition
LEF	-	Land-expropriated Farmer
M&E	-	Monitoring and Evaluation
PRC	-	People's Republic of China
RAP	-	Resettlement Action Plan
RIB	-	Resettlement Information Booklet

## Units

Currency unit	=	Yuan (CNY)
US\$1.00	=	RMB6.00
1 hectare	=	15 mu

# 1 Basic Information of the Project

## 1.1 Introduction

According to the guidelines of the Notice on Application for Projects Financed by the Balance of the World Bank Loan (ZPMO [2013] No.24), and based on the practical situation of environmental infrastructure construction in Qujiang District, an application for financing by the balance of the Bank loan has been filed for the Jiangbin East Road and Fanggui North Road Construction, and Sewer Line Project in Qujiang District, Quzhou City.

The Project is located north of central Qujiang District, north of Shenjia Development Zone, surrounded by the planned Quzhou Integrated Logistics Center, Zhejiang-Jiangxi Railway Quzhou Freight Yard, and Quzhou Port. In addition, a number of adjacent key projects have broken ground successively, such as the Zhejiang Xinnongdu Wholesale Market, Quzhou Grain Logistics Center, Quzhou International Logistics Center (dry port, public bonded warehouse), Logistics Zone of Donggang Industrial Park, Bulk Means of Production Storage and Distribution Center, and Logistics Business Service Zone. Xin'an Avenue in Qujiang New Town has extended eastward to the logistics park. The Project will help improve the urban road network, and lay a good foundation for future economic and social development. In addition, the storm water and wastewater network in the Project will solve the water use and drainage problem for about 2,000 urban residents, and provide a storm water and wastewater catchment area of about 0.6 km<sup>2</sup>, and a daily wastewater collection capacity of 600 tons.

The Project can make Qujiang District more attractive to domestic and foreign capital, sustain the district's rapid economic growth, improve the urban water environment, preserve the water quality of the Qiantang River, promote the district's construction and urbanization, and improve residents' health and living quality. Therefore, the Project is very necessary for Qujiang District.

The Project consists of the following:

### 1) Jiangbin East Road

- Jiangbin East Road is 1,489m long and 28m wide, being a secondary urban trunk road.

### 2) Fanggui North Road

- Fanggui North Road is 821m long and 30m wide, being a secondary urban trunk road.

The scope of construction includes the pavements, pipelines and related works of the above roads, which will be coordinated with the roads and pipelines completed on the west.

Table 1-1 Components

No.	Road	Starting/ending points		Width (m)	Length (m)	Area (m <sup>2</sup> )	Scope of construction								
		Starting point	Ending point				Water supply	Wastewater	Storm water	Power	Telecom	Marker lines	Traffic signals	Streetlamps	Gas
1	Jiangbin East Road	Bailing North Road	Xiangzhang Road	28	1,489	42,473	√	√	√	√	√	√	√	√	√
2	Fanggui North Road	Jiangbin Road	Dongji Avenue	30	821	23,586	√	√	√	√	√	√	√	√	√

## 1.2 Project Preparation and Progress

The proposal of the Project has been approved by the Qujiang District Development and Reform Bureau with Document QDRBA [2014] No.52. The feasibility study report, environmental impact assessment report, resettlement action plan (RAP) and environmental management plan of the Project are being prepared.

## 1.3 Identification of Related Projects

According to the Zoning Plan of the Urban Center of Qujiang District, and the Twelfth Five-year Development Plan of the New Urban Area of Qujiang District (2011-2015), the Project is an urban road construction project and has no related project.

## 1.4 Beneficiary and Affected Areas

### 1.4.1 Beneficiary area

The Project serves Qujiang District, Qujiang Development Zone, Logistics Park and the river isle in Quzhou City.

**Quzhou City** is located in western Zhejiang Province, bordered by Fujian, Jiangxi and Anhui Provinces, and Hangzhou, Jinhua and Lishui Cities in Zhejiang Province, within east longitude 118°01'-119°20' and north latitude 28°14'-29°30'. The city measures 127.5 km from east to west and 140.25 km from south to north, with a land area of 8,836.5 km<sup>2</sup>. In 2001, Quxian County was cancelled and Qujiang District set up. Today, the urban area of Quzhou City consists of Kecheng and Qujiang Districts, and its land area has risen to 2,357.4 km<sup>2</sup>.

**Qujiang District** is a newly developed urban district, and the east living and public activity center of Quzhou City, performing such functions as commercial services, entertainment and residence.

**Qujiang Development Zone** is a main industrial zone of Quzhou City, and is designed as a modern industrial zone with good landscaping, convenient traffic, sound infrastructure and a beautiful environment.

**Logistics Park** is a new development zone and integrated multifunctional park with the storage, transport, distribution, circulation and processing functions mainly, and has some specialized markets. It is a hub of material, commodity and information flows.

### 1.4.2 Affected area

99.09 mu of rural collective land in Fangyang, Nanshandi and Qiancheng Villages, Zhangtan Sub-district, Qujiang District will be acquired permanently for the Project, affecting 35 households with 150 persons; rural residential houses of 10,000 m<sup>2</sup> in Nanshandi Village will be demolished, affecting 20 households with 80 persons. See

Table 1-2.

Table 1-2 Summary of Resettlement Impacts

Type of impact		Fangyang	Nanshandi	Qiancheng	Subtotal
Acquired rural collective land (mu)	Total	12.74	11.793	74.557	99.09
	Where: farmland	12.74	3.5	74.557	90.797
Temporarily occupied land (mu)		0	0	0	0
Demolished rural residential houses (m <sup>2</sup> )			10,000	0	10,000
Directly affected population	Households affected by LA only	0	5	10	15
	Population affected by LA only	0	20	50	70
	Households affected by both LA and HD	0	0	0	0
	Population affected by both LA and HD	0	0	0	0
	Households affected by HD only	0	20	0	20
	Population affected by HD only	0	80	0	80
	Subtotal of households	0	25	10	35
Subtotal of population		0	100	50	150

The planned land area for the construction of the Project is 66,059 m<sup>2</sup> (equivalent to 99.09 mu). After project approval, the owner entrusted the land and resources department to acquire the land by allocation according to law.

## 1.5 Socioeconomic Profile of the Project Area

According to the 2013 Statistical Yearbook of Quzhou City, the socioeconomic profile of Qujiang District in 2012 is as follows:

Qujiang District governs two sub-districts, 10 towns, 9 Xiangs and 513 administrative villages, with a land area of 1,748.9 km<sup>2</sup>. At the end of 2012, the district had a population of 397,700, including a nonagricultural population of 36,200, an annual natural population growth rate of 4.27‰, and a population density of 229 persons/km<sup>2</sup>.

In 2012, the district's GDP was 11.20489 billion yuan, including 1.87206 billion yuan from primary industries, 5.38219 billion yuan from secondary industries and 3.95064 billion yuan from tertiary industries (ratio: 8.2:53.1:38.7). It can be seen that the district's economy relies mainly on secondary and tertiary industries, and its economic level is high in China. In 2012, the district's per capita GDP was 28,133 yuan, and fiscal revenue 273.45 million yuan.

## 1.6 Gross Investment and Funding Sources

The Project is an urban infrastructure construction project funded and constructed by the Qujiang District Government, and its construction funds are from domestic counterpart funds and the Bank loan. The estimated investment in the Project is 82.42 million yuan (including construction costs of 47.26 million yuan), including a Bank loan of USD4.52 million.

## 1.7 Measures to Reduce Construction Impacts

### 1.7.1 Planning and design stage

At the planning and design stage, the design agency and owner of the Project took the following effective measures to reduce the local socioeconomic impacts of the Project:



A) At the planning stage, the Project's local economic and social impacts were taken into account as key factors for option optimization and comparison.

B) Optimize the design to occupy wasteland and state-owned land as much as possible, and minimize the occupation of farmland.

#### 1.7.2 RAP preparation and implementation stage

At the RAP preparation and implementation stage, when LA or HD is unavoidable, the following measures will be taken to reduce the local impacts of the Project:

A) Strengthen the collection of basic information, make an in-depth analysis of the local present socioeconomic situation and future prospect, and develop a feasible RAP based on the local practical conditions to ensure that the APs will not suffer losses due to the Project.

B) Encourage public participation actively and accept public supervision.

C) Strengthen internal and external monitoring, establish an efficient and unobstructed feedback mechanism and channel, and shorten the information processing cycle to ensure that issues arising from project implementation are solved timely.

## 2 Impacts of the Project

In order to learn the Project's impacts, the PMO and NRCR conducted a DMS and a socioeconomic profile in the project area from late July to early August 2014, covering project impacts and suggestions, income and expenditure, expected resettlement modes, income restoration programs, etc. During the survey, extensive public consultation was also conducted.

### 2.1 Acquisition of Rural Collective Land

The Project affects 3 villages—Fangyang, Nanshandi and Qiancheng Villages. The acquired land in Fangyang Village is small in size and is all land retained by the collective, affecting no one. The population affected by LA is in Nanshandi and Qiancheng Villages. The project area is located in the suburb, featuring high levels of economic and social development, developed secondary and tertiary industries, and a low proportion of agricultural income. Therefore, though the land acquired for the Project is farmland, there is little impact on the income of the AHs. See Figure 2-1.

Table 2-1 Summary of Permanently Acquired Collective Land

Affected village	Acquired collective land (mu)				Percent (%)	Affected	
	Subtotal	Farmland	Garden land	Other land		HHs	population
Fangyang	12.74	12.74	0	0	12.86%	0	0
Nanshandi	11.793	3.5	0	8.293	11.90%	25	100
Qiancheng	74.557	74.557	0	0	75.24%	10	50
Total	99.09	90.797	0	0	100.00%	35	150



Figure 2-1 Current Situation of Collective Land to be Acquired

### 2.2 Temporary Land Occupation

The Project does not involve temporary land occupation.

## 2.3 Demolition of Rural Residential Houses

20 houses with a total area of about 10,000 m<sup>2</sup> in Nanshandi Village will be demolished for the Project.

Table 2-2 Affected Residential Houses

Component	Sub-district	Village	Area (m <sup>2</sup> )	Structure	Affected	
					HHs	Population
Fanggui North Road	Zhangtan	Nanshandi	10000	Masonry concrete	20	80



Figure 2-2 Affected Residential Houses

## 2.4 Affected Population

In the Project, 150 persons are affected directly by the acquisition of rural collective land and the demolition of rural residential houses. See Table 2-3.

Table 2-3 Summary of the Affected Population

Item		Zhangtan Sub-district			Subtotal
		Fangyang	Nanshandi	Miujia	
Directly affected population	Households affected by LA only	0	5	10	15
	Population affected by LA only	0	20	50	70
	Households affected by both LA and HD	0	0	0	0
	Population affected by both LA and HD	0	0	0	0
	Households affected by HD only	0	20	0	20
	Population affected by HD only	0	80	0	80
	Subtotal of households	0	25	10	35
	Subtotal of population	0	100	50	150

## 2.5 Vulnerable Groups

The socioeconomic survey shows that the Project affects no vulnerable groups, such as ethnic

minorities, the poor and the disabled.

## 2.6 Affected Ground Attachments

Ground attachments affected by the Project are about 1,980 orange trees.

Table 2-4 Affected Ground Attachments

Type	Qty.
Scattered orange trees	1,980

### 3 Socioeconomic Survey Results

In July 2014, the survey team of Hohai University conducted a socioeconomic survey in the project area, and a sampling survey on 25 AHs (100% of all AHs) by means of questionnaire survey and interview.

#### 3.1 Affected Sub-district and Villages

The Project is located north of Dongji Avenue, south of the Qujiang River, east of Bailing North Road, and west of the Quzhou Grain Logistics Center, involving Fangyang, Nanshandi and Qiancheng Villages, Zhangtan Sub-district.

**Zhangtan Sub-district** is located in Dongcheng District, Quzhou City, and was merged from former Zhangtan Town and Xiazhang Xiang in 2006. It has a land area of 53.98 km<sup>2</sup> and a population of 42,851, and governs 25 villages and 3 communities. The sub-district is the seat of the Qujiang District Government, and the political, economic and cultural center of Qujiang District. It is run through by the Zhejiang-Jiangxi Railway, Hangzhou-Jinhua-Quzhou Expressway, National Highway 320, Qulong Highway, and the Qujiang River, boasting convenient land and water traffic. The sub-district has 94 enterprises and 4 agricultural bases. In 2007, its industrial output value was 460 million yuan and agricultural output value 59.16 million yuan.

**Fangyang Village** has 410 households with 1,376 persons, and 700 laborers, in which 500 work for local enterprises, accounting for 71% of labor force, and 200 deal with agricultural production, accounting for 29%. In 2013, the village's per capita income was 12,000 yuan. The characteristic industry is orange cultivation.

**Nanshandi Village** has 466 households with 1,376 persons, and 750 laborers, in which 40 work for local enterprises, accounting for 5.0% of labor force, 146 work outside, accounting for 18.2%, 210 deal with individual businesses, accounting for 26.1% of labor force, and 408 deal with agricultural production, accounting for 50.7%. In 2013, the village's per capita income was 13,500 yuan. The characteristic industry is orange cultivation.

**Qiancheng Village** has 600 households with 1,849 persons, and 1,000 laborers, in which 600 work for local enterprises, accounting for 60.0% of labor force, and 400 persons deal with agricultural production, accounting for 40.0%. In 2013, the village's per capita income was 12,500 yuan. The characteristic industry is orange cultivation. See Table 3-1.

Table 3-1 Socioeconomic Profile of the Affected Villages

Key indicator		Affected village		
		Fangyang	Nanshandi	Qiancheng
Population	Households	410	466	600
	Population	1,253	1,376	1,849
	Where:			
	Males	620	656	884
	Agricultural population	1,253	1,376	1,849
	Nonagricultural population	0	0	0
Labor force	Labor force	700	804	1,000
	Working for local enterprises	500	40	600

	Working outside	0	146	0
	Individual businesses	0	210	0
	Agricultural production	200	408	400
Land	Cultivated area (mu)	1,004	1,095	1,413
	Paddy rice output (kg/mu)	700	700	700
	Garden land	0	0	0
	Woodland	0	0	390
	Water surface	0	0	0
Net income	Per capita net income of farmers	12,000	13,500	12,500

## 3.2 Affected Rural Households

### 3.2.1 Age distribution

This survey covered 35 households with 150 persons, including 25 households with 100 persons in Nanshandi Village and 10 households with 50 persons in Qiancheng Village. All samples are of rural status in household registration, including 72 women, accounting for 47.7%, and 118 laborers, accounting for 78.1%.

#### Educational levels

Among the 35 sample households, there are 5 pre-school children, accounting for 3.31%; 3 illiterates, accounting for 1.99%; 37 persons having received primary school education, accounting for 24.50%; 68 persons having received junior high school education, accounting for 45.03%; 22 persons having received senior high school education, accounting for 15.23%; and 15 persons having received junior college or above education, accounting for 9.93%. See Figure 3-1.

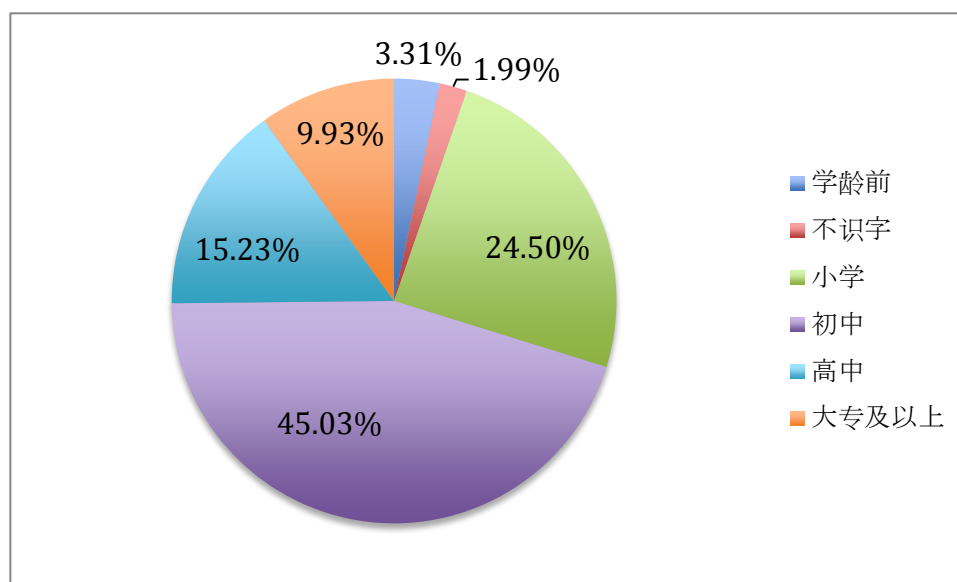


Figure 3-1 Educational Levels of the Sample Population

### 3.2.2 Productive resources

Among the 35 sample households, per capita cultivated area is 0.8 mu, and crops are orange and vegetables mainly.

### 3.2.3 Housing size

Among the 35 sample households, the 20 households affected by HD have a total housing size of 10,000 m<sup>2</sup> and an average housing size of 500m<sup>2</sup> per household. Most of their houses are in 4-storied masonry concrete structure.

### 3.2.4 Employment structure

Among the 150 samples, there are 117 laborers, in which 14 work for enterprises, accounting for 11.86%; 23 work outside, accounting for 19.49%; none deals with individual business; and 87 deal with agricultural production, accounting for 73.73%. See Figure 3-2.

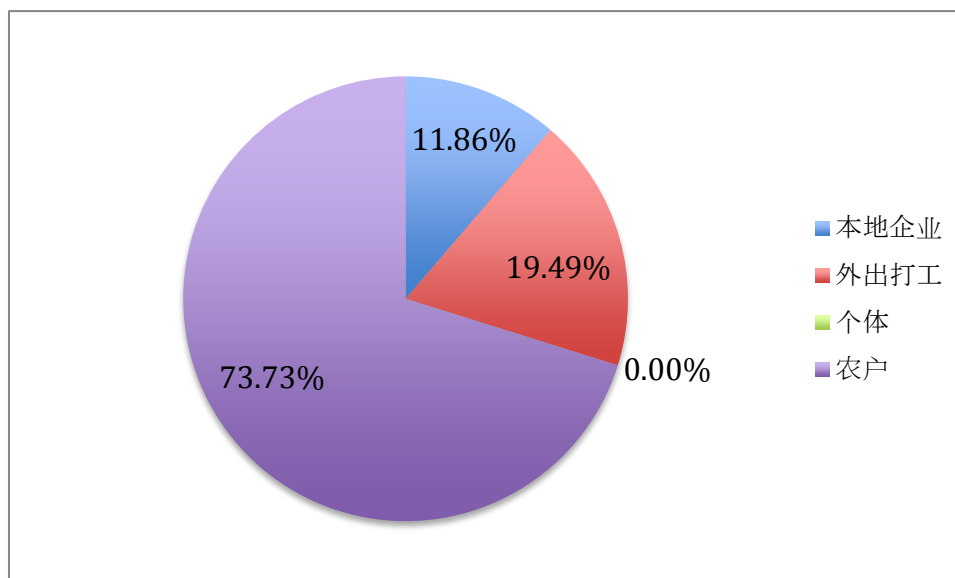


Figure 3-2 Employment Structure of the Sample Population

### 3.2.5 Annual household income and expenditure

The per capita annual gross income of the 35 sample households is 7,840.16 yuan, including wage income of 1,420.24 yuan, accounting for 18.11%; outside employment income of 4,225.30 yuan, accounting for 53.89%; individual business income 0; agricultural income of 2,147.07 yuan, accounting for 27.39%; and other income of 47.55 yuan, accounting for 0.61%.

The per capita annual gross expenditure of the 35 sample households is 6,335.29 yuan, including agricultural expenses of 500.66 yuan, accounting for 7.90%; nonagricultural expenses of 9.97 yuan, accounting for 0.16%; electricity expenses of 249.60 yuan, accounting for 3.94%; water expenses of 11.40 yuan, accounting for 0.18%; communication expenses of 274.30 yuan, accounting for 4.33%; educational expenses of 455.75 yuan, accounting for 7.19%; medical expenses of 181.72 yuan, accounting for 2.87%; non-staple food expenses of 3,151.77 yuan, accounting for 49.75%; household appliance and furniture expenses of 1,032.52 yuan, accounting for 16.30%; social insurance expenses of 125.70 yuan, accounting for 1.98%; entertaining expenses of 328.70 yuan, accounting for 5.19%; and other expenses of 13.19 yuan, accounting for 0.21%. See Error! Reference source not found. 2.

Table 3-2 Annual Income and Expenditure of the Sample Households

Item	Amount (yuan)	Per capita (yuan)	Percent
------	---------------	-------------------	---------

Annual household income	Wage income	214,456	1,420.24	18.11%
	Outside employment income	638,020	4,225.30	53.89%
	Individual business income	0	0.00	0.00%
	Agricultural income	324,208	2,147.07	27.39%
	Other income	7,180	47.55	0.61%
	Total	1,183,864	7,840.16	100.00%
Annual household expenditure	Agricultural expenses	75,600	500.66	7.90%
	Nonagricultural expenses	1,505	9.97	0.16%
	Electricity expenses	37,690	249.60	3.94%
	Water expenses	1,722	11.40	0.18%
	Communication expenses	41,419	274.30	4.33%
	Educational expenses	68,819	455.75	7.19%
	medical expenses	27,440	181.72	2.87%
	Non-staple food expenses	475,918	3,151.77	49.75%
	Household appliance and furniture expenses	155,911	1,032.52	16.30%
	Social insurance expenses	18,980	125.70	1.98%
	entertaining expenses	49,633	328.70	5.19%
	Other expenses	1,992	13.19	0.21%
	Total	956,629	6,335.29	100%

Item	Insured	Exclusion	Premium	Eligibility	Benefit	Fundraising
Basic living security for LEFs	In administrative villages within the urban planning area of Quzhou City, if planned land use in the past 3 years exceeds 80% of taxable area or 60% of actual area, LEFs having been converted into urban status and attained 16 years should be secured.	Having not attained 16 years upon LA, having covered basic endowment insurance for urban employees and receiving basic pension monthly Compensation is granted to other ineligible LEFs at a time.	Two classes of premium contribution: Class A: 33,000 yuan, Class B: 23,800 yuan	Males: attaining 60 years Females: attaining 55 years	Class A: 480 yuan per month, Class B: 349 yuan per month	30% from government subsidy, and not less than 30% from the collective and individual respectively

#### 4.3.2 Compensation and resettlement policy for the temporary occupation of collective land

Young crops or attachments on the temporarily occupied land will be compensated for at not more than 12,000 yuan/mu. The Project does not involve temporary land occupation.

#### 4.3.3 Compensation and resettlement policy for demolished rural residential houses

##### 1. Compensation and resettlement policies

The residential houses demolished for the Project will be subject to property swap or cash compensation as follows:

According to the Notice of the Quzhou Municipal Government on Issuing the Compensation and Resettlement Measures for the Acquisition of Houses on Collective Land in the Urban Area of Quzhou City (QMG [2014] No.42), there are 3 resettlement modes for the acquisition of lawful residential houses on collective land in Quzhou City, namely property swap, relocation and cash compensation, in which APs choosing property swap or cash compensation will no longer be entitled to house construction on rural housing land.

It is learned that due to the urban planning and limited land supply of Qujiang District, the mode of relocation with a low land utilization rate is infeasible. In the future, the resettlement mode for HD in Qujiang District will be property swap or cash compensation.



## **2. Subsidies**

1) Transition subsidy: If an AH finds transitional housing itself, a transition subsidy of 6 yuan/m<sup>2</sup> of lawful building area per month will be paid; if the monthly transition subsidy of an AH is less than 400 yuan, it will be made up to 400 yuan;

2) Moving subsidy: 2,000 yuan per household, paid at a time

### **4.3.5 Resettlement policy for vulnerable groups**

The Project does not affect any vulnerable group directly.

### **4.3.6 Compensation policy for affected ground attachments**

Affected ground attachments will be restored or relocated by proprietors after receiving compensation. Those included in the Project will be restored by the owner.

## 4 Compensation Rates

### 4.1 Acquisition of Rural Collective Land

According to the Land Administration Law of the PRC, Measures of Zhejiang Province for the Implementation of the Land Administration Law of the PRC, Notice of the Zhejiang Provincial Government on Adjusting and Improving Compensation and Resettlement Policies for Land Acquisition (ZPG [2014] No.19), and the Notice of the Quzhou Municipal Government on Adjusting and Improving Compensation and Resettlement Policies for Land Acquisition of the Urban Area of Quzhou City (QMG [2014] No.41), Fangyang, Nanshandi and Qiancheng Villages, Zhangtan Sub-district affected by the Project are Tier-3 areas. LA compensation rates have been fixed in consultation with the affected village committees, and based on the information provided by the Qujiang District Government and Zhangtan Sub-district Office. See Table 5-1.

Table 4-1 Compensation Rates for Permanent LA

Land type	Area level	Composite compensation rate (0,000 yuan/mu)
Farmland (garden land), aquaculture water surface, construction land	Tier-3	6.3

Location-based composite compensation rate includes land compensation, resettlement subsidy, and compensation for young crops and ground attachments (including trees and fruit)

### 4.2 Temporary Land Occupation

The Project does not involve temporary land occupation.

### 4.3 Rural Residential Houses

Residential houses on collective land will be compensated for at replacement cost. See Table 4-2.

Table 4-2 Compensation Rates for Demolished Rural Residential Houses

Item	Unit	Rate	Remarks
<b>House compensation</b>			
Masonry concrete structure	yuan/m <sup>2</sup>	1000	1. Excluding compensation for housing land; 2. If a house has an age of not more than 3 years, no depreciation will apply; if a house has an age of more than 3 years, it will depreciate by 1% per annum; depreciation rate will not exceed 30%; 3. Floors with a cornice height of 1-1.7m is compensated for 30% of the rate; floors with a cornice height of over 1.7m at 50% of the rate; open floors with a height of 1.5-2.2m at 50% of the rate; open floors with a height of over 2.2m and built without authorization still at 50% of the rate.
<b>Other compensation</b>			
Transition subsidy	yuan/m <sup>2</sup> per month	6	Made up to 400 yuan per month per household; Transition subsidy is calculated from the month of relocation to 4 months after resettlement; In case of property swap, resettlement should be completed within 24-36 months; if no resettlement housing is offered beyond this period, transition

Item	Unit	Rate	Remarks
			subsidy will be doubled from the ending month of this period; In case of cash compensation or relocation, transition subsidy is paid for 12 months.
Moving subsidy	yuan per time	2000	In case of property swap or relocation, moving subsidy should be paid when the AH moves from the demolished house to the transitional house, and paid again when it moves from the transitional house to the resettlement house; if the AH moves from the demolished house directly to the resettlement house and chooses cash compensation, moving subsidy should be paid at a time.

This compensation rate is determined pursuant to the Notice of the Quzhou Municipal Government on Issuing the Compensation and Resettlement Measures for the Acquisition of Houses on Collective Land in the Urban Area of Quzhou City (QMG [2014] No.42). In order to verify if this rate can truly cover losses, the survey team of Hohai University conducted a detailed analysis of the replacement costs of local single-storied masonry concrete, masonry timber and earth timber houses. It can be seen from the resettlement work of the ongoing urban village reconstruction project of Qujiang District (273 out of the 293 households affected by HD entered into agreements within 40 days from the beginning of LA, no complaint has occurred, and the APs are highly satisfied) that this compensation rate is satisfactory to the APs.

#### 4.4 Other Ground Attachments

Table 4-3 Compensation Rates for Other Ground Attachments in the Urban Area of Quzhou City

Item	Compensation rate (yuan)
Scattered orange trees	100

#### 4.5 Rates of Other Costs

Table 4-4 Rates of Other Costs

Item	Rate
Survey and design costs	4% of basic resettlement costs
External M&E costs	2% of basic resettlement costs
Internal M&E costs	0.5% of basic resettlement costs
Implementation management costs	2% of basic resettlement costs
Training costs	1% of basic resettlement costs
Contingencies	10% of basic resettlement costs
LA management costs	4% of LA costs
Farmland occupation tax	30,015 yuan/mu
Land development costs	18,676 yuan/mu
Fees for compensated use of additional construction land	10,672 yuan/mu
Land reclamation costs	2,000 yuan/mu

## 5 Production and Livelihood Restoration Programs

### 5.1 Objective of Resettlement

The objective of resettlement of the Project is to ensure that the APs receive full compensation for their losses, reasonable resettlement and good rehabilitation, so that they can share the benefits of the Project, and also to provide subsidies for their temporary difficulties, so that their income level and living standard are improved or at least restored to pre-project levels in real terms.

### 5.2 Compensation and Resettlement for Permanent LA

#### 1. LA impacts

99.09 mu of land in Fangyang, Nanshandi and Qiancheng Villages, Zhangtan Sub-district, Qujiang District will be acquired permanently for the Project, affecting 35 households with 150 persons. Although the acquired land is farmland, it is scattered and small in size, so the impact on each AH is minor. In addition, 20 houses in Nanshandi Village will be demolished for Fanggui North Road.

Currently, large-scale urban village reconstruction is underway in Qujiang District, and Nanshandi Village is a resettlement site, so local residents are highly aware of and highly recognize the LA resettlement policy of Qujiang District, and think that it is effective.

#### 2. Resettlement program

The Qujiang District Government and Zhangtan Sub-district Office would offer training on pastries, bench working, electrical engineering, sewing, etc., and employment information and job opportunities to local residents every year, promoting the employment of the affected laborers effectively.

In addition, with the consent of over 2/3 of villagers, the affected village collectives will withhold 1,000 yuan/mu from LA compensation, and distribute the balance to the AHs. The affected laborers may continue to do their current jobs or develop individual businesses after receiving compensation.

#### 3. Security measures

Eligible LEFs may be included basic living security (subsidy) for LEFs.

##### A. Policy basis

Social Security Law of the PRC, Measures for Land Acquisition Compensation and Basic Living Security for Land-expropriated Farmers of Zhejiang Province (Decree No.264 of the Zhejiang Provincial Government), Notice of the Quzhou Municipal Government on Issuing the Measures for Basic Living Security for Land-expropriated Farmers of Quzhou City (QMG [2014] No.32), Notice of the Quzhou Municipal Labor and Social Security Bureau, and Quzhou Municipal Bureau on Further Improving the Basic Living Security System for Land-expropriated Farmers of Quzhou City (QMLSSB [2013] No.136)

##### B. Insured

Registered rural residents within the urban area of Quzhou City having attained 16 years upon unified acquisition of rural collective land with the approval of the provincial or above government

The following persons are excluded from basic living security for LEFs:

- 1) Those having not attained 16 years upon LA;
- 2) Those having been subject to employment resettlement or employed by public institutions;

and

- 3) Those having retired from public institutions and receiving basic endowment benefits monthly.

For those having not attained 16 years, land compensation and resettlement subsidy will be paid at a time, and they will not be included in basic living security.

**C. Premium** (based on Document QMG [2010] No.32)

Premium	33,000 yuan	Government subsidy	10,000	Monthly benefit	480 yuan	Equivalent period	8 years and 9 months
		Individual contribution	23,000				
	23,800 yuan	Government subsidy	10,000		349 yuan		6 years and 4 months
		Individual contribution	13,800				

LA compensation under the Project will fully make up the lost land income during the contracting period and be enough for LEFs to pay endowment insurance premiums. The farmland acquired for the Project is irrigated land mainly, with an annual output value of 1,100 yuan/mu.

- 1) The annual net income of irrigated land is 1,100 yuan/mu. The average future opportunity cost of land is calculated using the NPV method based on the benchmark deposit rate of 4.75% of the People's Bank of China (for 5 years or more) as follows:

$$NPV=A \frac{(1+i)^n - 1}{i(1+i)^n}$$

(Where: NPV is net present value, A is annual net output value, and I is discount rate)

It can be seen that the net land income for different contracting periods is as follows:

Remaining contracting period	Net land income	(yuan)
n=30	NPV=	14,055
n=20	NPV=	10,998
n=10	NPV=	6,531

- 2) The land acquired for the Project will be compensated for at the location-based composite compensation rate of 63,000 yuan/mu, in which the village collective withholds about 1,000 yuan, and the balance of 62,000 yuan/mu will be paid to the AHs.

- 3) Based on remaining contracting period, the amount of premium to be paid per mu of land is as follows:

Remaining contracting period	Amount of premium to be paid per mu of land (yuan)
n=30	26,495
n=20	30,002
n=10	34,469

It can be seen that LA compensation is still sufficient to pay premiums after making up the lost net land income.

In addition, at the construction stage, the resettlement agencies will take some supporting measures, including:

- a) Making jobs first available to affected laborers to generate cash income;
- b) Making labor output opportunities first available to affected laborers; and
- c) Offering skills training at least once to each AH, such as commercial crop cultivation and stockbreeding, in order to increase crop quality and output, increase income, and restore livelihoods

Although the Project has not been implemented and LA has not begun, local residents are highly willing to cover social security.

### 5.3 Restoration of Temporarily Occupied Land

The Project does not involve temporary land occupation.

### 5.4 Resettlement for HD

The resettlement policy for the 20 households affected by HD for the Project is based on the Notice of the Quzhou Municipal Government on Issuing the Interim Measures for the Overall Relocation and Reconstruction of Urban Villages (QMG [2013] No.42).

According to the policy, the resettlement housing for all households affected by HD will be planned in a unified manner. In addition to house compensation, each AH will also receive a moving subsidy, a transition subsidy, a reward, etc. Relocated facilities, such as telephones and TV cables, will be compensated for based on actual losses.

According to Document QMG [2013] No.42, resettlement housing will be constructed in a market-based manner for rolling and balanced development.

There are 3 resettlement sites for the Project, all located in Qujiang Development Zone along the railway – the Nanshandi resettlement site, Miujia Village and Longtan Jiayuan Garden.

Resettlement housing size is calculated at 1:1.5 for Floor 1, 1:1.2 for Floor 2, and 1:1 for Floor 3 or above. Any house with a per capita size of less than 50 m<sup>2</sup> may be exchanged for resettlement housing at 50 m<sup>2</sup>. Any excess resettlement housing size will be paid for at the market price upon HD. Any deficient size will be settled at replacement cost, and by reference to floor and location.

In case of cash compensation, house compensation is based on 3 times the price of the demolished house upon HD, subject to the submission of a lawful certificate.

### 6.6 Resettlement Training and Project Employment

In order that the APs restore their income sustainably, the Qujiang PMO, and labor and social security bureau will offer free vocational skills training regularly. See

Table 5-1.

Table 5-1 Training Program for the APs

No.	Time	Venue	Mode	Trainees	Duration (day)	Scope
1	May 2015	Zhangtan Sub-district Office	Expert lecture	APs	3	Welding, PC, etc.
2	Dec. 2015	Labor and social security bureau	School training	APs	2	Welding, PC, etc.
3	Jun.	Zhangtan	Expert	APs	3	Welding, PC, etc.

	2016	Sub-district Office	lecture			
4		Other irregular technical guidance		APs		To be determined

Since the project area is located in the suburb of Qujiang District and close to Qujiang Development Zone where there are many enterprises, the district government should strengthen coordination with enterprises so that they employ APs where possible, thereby promoting their income restoration.

## 6.7 Protection of Rights and Interests of Vulnerable Groups and Women

The directly affected population of the Project does not include vulnerable groups.

In the Project, women will fully participate in resettlement through information disclosure and collective meeting, and enjoy the same rights as men in compensation, employment and training. In addition, the following measures will be taken to promote the income restoration of the affected women:

- 1) At the construction stage, a certain proportion of unskilled jobs (at least 10%) should be first made available to women, and women should receive equal pay for equal work.
- 2) Women will have priority in receiving free skills training.
- 3) At the operation stage, such jobs as cleaning and landscaping should be first made available to women to promote their income restoration.
- 4) The affected women have equal opportunities to receive resettlement information, and participate in public consultation and resettlement. The compensation agreement must be signed by the couple.

## 6.8 Affected Infrastructure and Ground Attachments

Affected special facilities and ground attachments will be restored by proprietors after receiving compensation from the owner. Restoration measures for demolished facilities must be planned in advance, and suited to local conditions so as to be safe, efficient, timely and accurate, with minimum adverse impact on nearby residents. Affected public facilities will be demolished according to the construction drawings without affecting project construction and with minimum amount of relocation. Affected pipelines will be rebuilt before demolition (or relocated) without affecting regular lives of residents along such pipelines (including those not to be relocated).

## 6 Public Participation

### 6.1 Public Participation Strategy

According to the policies and regulations of the state, Zhejiang Province and Quzhou City on resettlement, it is very necessary to conduct public participation at the preparation and implementation stages in order to protect the lawful rights and interests of the APs, reduce grievances and disputes, and realize the resettlement objectives properly by developing sound policies and implementation rules on displacement and resettlement, preparing an effective RAP, and organizing implementation properly.

Currently, the Project is at the preparation stage, and the feasibility study report has been just completed, pending approval by the development and reform bureau. At this stage, the Qujiang District Housing and Urban-Rural Development Bureau, and the owner Qujiang District Urban-Rural Development Co., Ltd. conducted extensive consultation on resettlement with the sub-district office, village committees and APs.

### 6.2 Public Opinion Survey

During the socioeconomic survey in July 2014, the Leading Group of the World Bank-financed Zhejiang Qiantang River Basin Small Town Environment Project (Zhejiang Project Leading Group for short), and Quzhou Project Leading Group also conducted a public opinion survey together with NRCR, covering 25 households. The survey results are summarized in Table 7-1.

Table 6-1 Results of Public Opinion Survey

No.	Question	Options	Results				
			(1)	(2)	(3)	(4)	(5)
1	Are you aware of the Project?	1) Yes; 2) No; 3) Unclear		90%	10%		
2	Do you support the Project?	1) Yes; 2) No	94%	6%			
3	Which potential positive impacts does the Project have (multiple choices allowed)?	1) Improving the living environment; 2) Improving the business environment; 3) Solving drinking problem; 4) Increasing job opportunities and income; 5) Other	85%	13%		2%	
4	Which potential negative impacts does the Project have (multiple choices allowed)?	1) Affecting livelihoods; 2) Affecting work or production; 3) Reducing land resources; 4) Reducing income; 5) Other	39%	8%		31%	22%
5	Are you aware of the local resettlement policies?	1) Yes; 2) A little; 3) No	45%	32%	23%		
6	What's your suggestion for the Project?	1) Minimizing HD; 2) Minimizing LA; 3) Hiring local labor where possible; 4) Using local raw materials where possible; 5) Other	40%	27%	33%		
7	What's your expectation for the distribution of land compensation fees and resettlement subsidies? (For households affected by LA)	1) Fully paid to AHs without land reallocation; 2) Land compensation retained by the collective, resettlement subsidy paid to AHs, and covering social insurance for LEFs; 3) Fully paid to the collective with land reallocation; 4) Using land compensation to run collective enterprises	9%	31%	38%	22%	



No.	Question	Options	Results				
			(1)	(2)	(3)	(4)	(5)
		without land reallocation; 5) Other					
8	After you willing to cover social insurance for LEFs after LA?	1) Yes; 2) No;	47%	53%			
9	If yes, how much are you willing to pay for insurance?	1) 5,000 yuan or less; 2) 5,001-10,000 yuan; 3) 10,001-20,000 yuan; 4) 20,001 yuan or more	73%	27%			
10	If no, the main reason is:	1) Self-paid amount too high; 2) Benefit too low; 3) Long waiting time; 4) Other (specify)	36%	36%	27%		
11	If your house is to be demolished, what's your expected resettlement mode? (For households affected by HD)	1) House construction on housing sites allocated in a unified manner; 2) Receiving cash compensation to buy commercial housing; 3) Property swap; 4) Other	63%	17%	20%		

### 6.3 Public Participation Process and Policy Disclosure Plan

Further public consultation should be conducted with the APs to ensure proper resettlement and solve all problems before RAP implementation. The resettlement agencies will arrange public participation meetings rationally so that every AH has an opportunity to consult on compensation before entering into compensation agreements. The LA and HD work of the Project is planned to be completed in August 2015, so the following preliminary public participation plan has been developed.

Table 6-2 Public Participation Plan for the APs

Time	Venue	Participants	Scope	Remarks
Dec. 2014	Fangyang, Nanshandi and Qiancheng Villages, Zhangtan Sub-district	Staff, APs	Socioeconomic survey, DMS survey	Project impacts in the socioeconomic survey
Jan. 2015		Owner, Zhangtan Sub-district LA and HD Management Office, APs	Compensation and resettlement policies and preliminary programs	Preliminary consultation during RAP preparation
Dec. 2015		Owner, Zhangtan Sub-district LA and HD Management Office, APs	Compensation and resettlement policies and programs	Further consultation during RAP revision
Mar. 2015		Owner, Zhangtan Sub-district LA and HD Management Office, APs	Specific issues in resettlement policies and programs	Additional consultation during RAP finalization

Table 6-3 Policy Disclosure Process

Document	Language/mode of disclosure	Time	Location
Project introduction	Chinese, municipal government website	Dec. 2014	Municipal government website
Introduction to LA and HD impacts		Apr. 2015	
Introduction to LA and HD policies		May 2015	
Notice on RAP disclosure	Chinese	After Bank review	Zhangtan Sub-district and affected villages
RIB	Chinese, distributed to the APs	After Bank review	Zhangtan Sub-district and affected villages
RAP	Chinese, English	After Bank review	Quzhou Project Leading Group, Zhangtan Sub-district Office

## 7 Appeal Procedure

During preparation and implementation of the RAP, consistent attention will be paid to the participation of the APs and an appeal mechanism will be established. The appeal procedure is as follows:

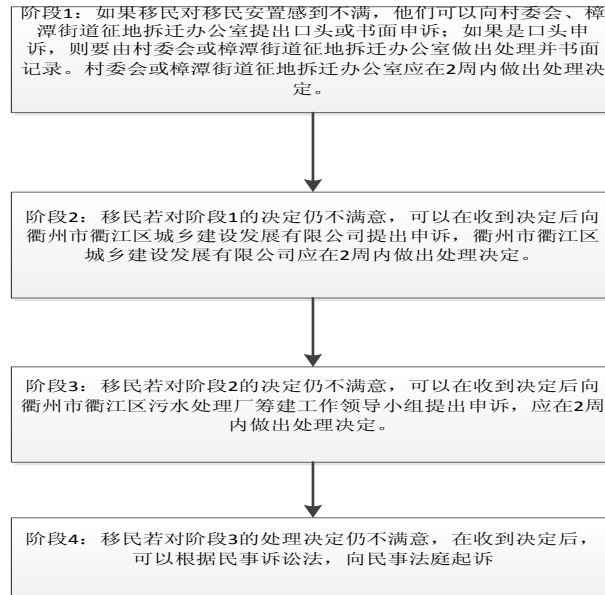


Figure 7-1 Appeal Procedure

All agencies will accept grievances and appeals from the APs for free, and costs so reasonably incurred will be disbursed from the contingencies. See Figure 8-2.

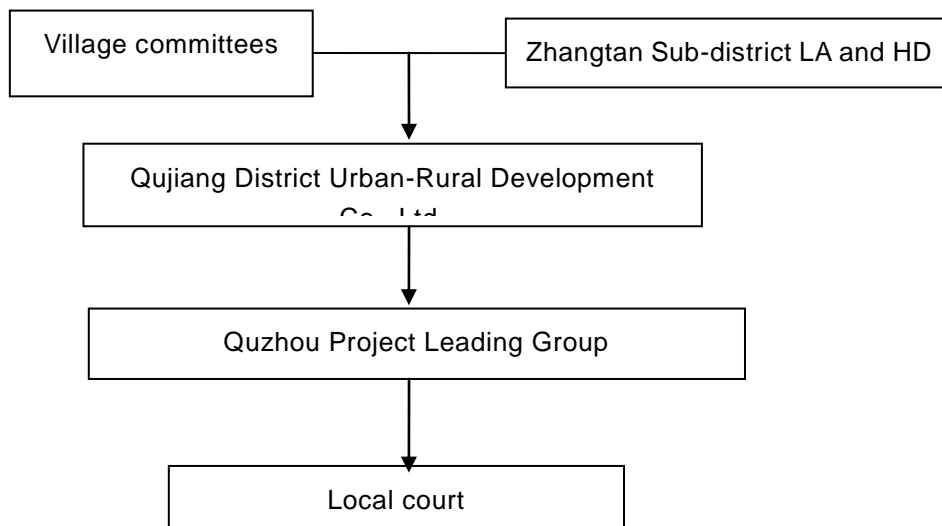


Figure 7-2 Appeal Channel

At the whole construction stage, the above procedure will remain effective so that the APs can use it to solve relevant issues. The above appeal channel will be disclosed to the APs via the RIB and mass media.

## 8 Organizational Structure

### 8.1 Organizational Structure for Resettlement

In order to ensure successful project implementation, a sound organizational structure must be established to plan, coordinate and monitor resettlement. The agencies responsible for resettlement planning, management, implementation and monitoring of the project include:

- Office of the Zhejiang Project Leading Group (Zhejiang PMO)
- Quzhou Project Leading Group
- Zhangtan Sub-district LA and HD Management Office
- Qujiang District Land and Resources Bureau
- Qujiang District Labor and Social Security Bureau
- LA and HD Task Force of Qujiang District Urban-Rural Development Co., Ltd.
- Affected village committees
- Design institute
- External M&E agency

**Zhejiang PMO:** leading LA and resettlement activities of the Project, developing policies, reviewing the RAP, and preparing internal monitoring reports for submission to the Bank

**Quzhou Project Leading Group:** preparing the RAP, conducting LA and fund management, coordinating and conducting internal supervision and inspection

**(Note: The road and sewer works in the Project are a component of the Qujiang District WWTP Project, so the organizational structure of the leading group of the Qujiang District WWTP Project established earlier is still followed in the Project.)**

**Zhangtan Sub-district LA and HD Management Office:** conducting the DMS, implementing LA and HD, and assisting in handling issues arising from LA and HD; handling, reviewing and coordinating LA formalities, and conducting appeal handling and arbitration during LA and HD

**Qujiang District Land and Resources Bureau:** handling, reviewing and approving LA formalities, and conducting coordination, management, supervision and arbitration

**Qujiang District Labor and Social Security Bureau:** developing the endowment insurance policy for LEFs, managing the endowment insurance of the households affected by LA, participating in social assistance and development support for low-income AHs, and participating in the employment guidance of the APs

**LA and HD Task Force of Qujiang District Urban-Rural Development Co., Ltd.:** RAP implementing LA, HD and resettlement according to the RAP approved by the Bank, and reporting resettlement progress to the Quzhou Project Leading Group regularly

**Affected village committees (Nanshandi and Miujia Villages):** entering into HD compensation agreements with the AHs, conducting the DMS, implementing LA and HD, and assisting in handling issues arising from LA and HD

**Design institute:** conducting project design, and identifying the range of HD

**External M&E agency:** conducting external M&E on LA, HD and resettlement

## 8.2 Organizational Chart

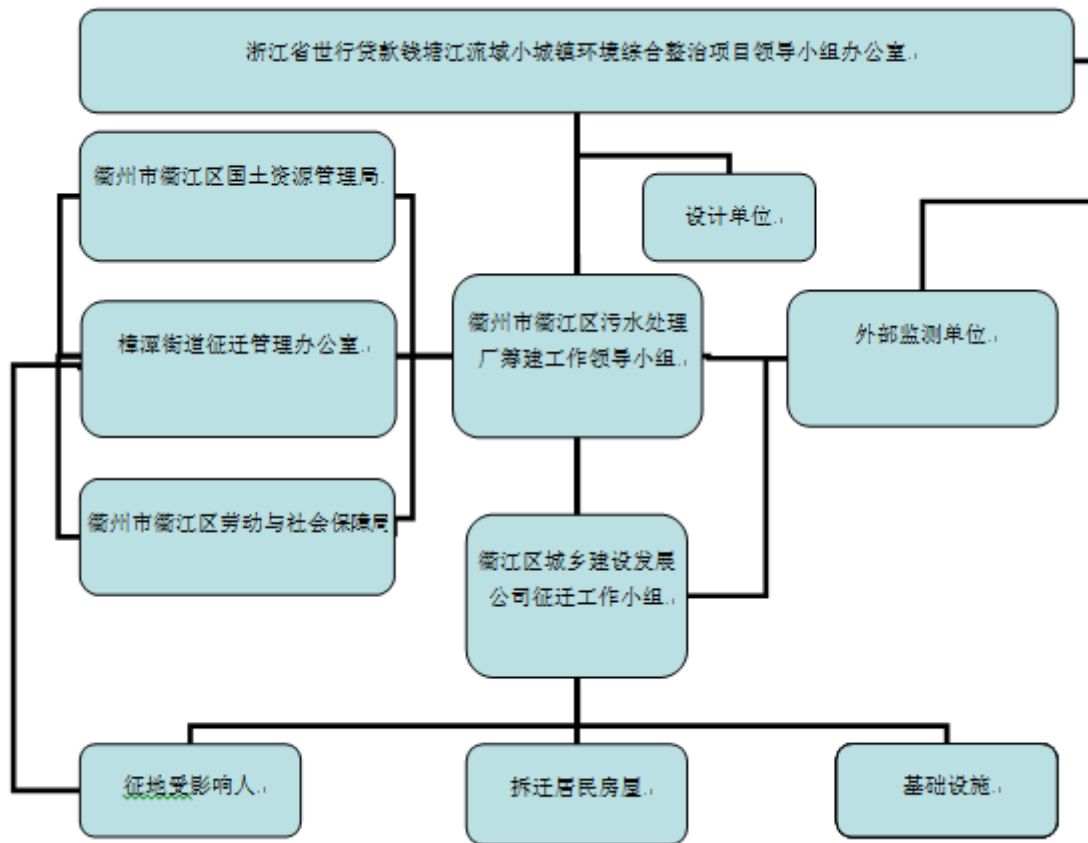


Figure 8-1 Organizational Chart

## 8.3 Organizational Responsibilities

### 8.3.1 Zhejiang PMO

- Responsible for project leadership, organizing, coordination and policy-making, examining the RAP, implementing internal supervision and inspection, and making decisions on major issues arising from resettlement
- Organizing and coordinating the preparation of the RAP;
- Implementing the policies in the RAP;
- Coordinating the implementation of the RAP according to the project construction schedule;
- Examining monitoring reports;
- Coordinating and handling conflicts and issues arising from its work
- Conducting internal monitoring, appointing an external M&E agency, and coordinating external M&E activities
- Reporting LA and HD progress, fund use and implementation quality to the Bank regularly

### 8.3.2 Quzhou Project Leading Group

- Appointing a design agency to identify the project area

- Organizing the socioeconomic survey
- Conducting the DMS
- Organizing public participation activities
- Carrying through the state policies and regulations on construction land management
- Developing LA resettlement programs, and participating in the preparation of the RAP
- Directing, coordinating, and supervising resettlement activities and progress
- Checking monitoring reports
- Coordinating and handling conflicts and issues arising from its work

#### 8.3.3 Zhangtan Sub-district LA and HD Management Office

- Participating in the socioeconomic survey
- Developing LA resettlement programs, and participating in the preparation of the RAP
- Approving HD formalities
- Managing LA, HD and resettlement information
- Directing, coordinating, and supervising resettlement activities and progress
- Coordinating and handling conflicts and issues arising from its work

#### 8.3.4 Qujiang District Land and Resources Bureau

- Carrying through the state policies and regulations on construction land management
- Participating in the review of compensation rates for land and attachments
- Going through the LA approval formalities
- Participating in the socioeconomic survey
- Participating in the preparation and review of the RAP
- Issuing the construction land examination report
- Issuing the LA announcement
- Directing, coordinating, supervising LA and resettlement activities
- Coordinating and handling conflicts and issues arising from LA and fund disbursement

#### 8.3.5 Qujiang District Labor and Social Security Bureau

- Developing the endowment insurance policy for LEFs
- Managing the endowment insurance of the households affected by LA
- Participating in social assistance and development support for low-income AHs
- Participating in the employment guidance of the APs

#### 8.3.6 LA and HD Task Force of Qujiang District Urban-Rural Development Co., Ltd.

- Organizing the socioeconomic survey
- Conducting the DMS
- Organizing public participation activities
- Developing resettlement programs, and participating in the preparation of the RAP
- Carrying through the state policies and regulations on construction land management
- Developing LA resettlement programs and compensation rates, and submitting to the competent authorities for approval
- Going through the land use approval formalities
- Applying for the land use and construction permits

- Participating in the preparation of the RAP
- Implementing the RAP
- Entering into LA and HD compensation and resettlement agreements with the affected villages
- Managing LA, HD and resettlement information
- Training the staff
- Coordinating and handling conflicts and issues arising from LA and fund disbursement
- Handling HD disputes and appeals
- Imposing administrative punishments on violations in HD
- Reporting LA, HD and resettlement information to the Quzhou Project Leading Group

#### 8.3.7 Nanshandi and Miujia Village Committees

- Entering into LA and HD compensation agreements with APs
- Conducting the DMS
- Implementing LA and HD
- Coordinating and handling conflicts and issues arising from LA and HD

#### 8.3.8 Design institute

- Minimizing project impacts through design optimization
- Identifying the range of LA and HD

#### 8.3.9 External M&E agency

Observing all aspects of resettlement planning and implementation as an independent M&E agency, and submitting external resettlement M&E reports to the project leading group, Liuzhou PMO and Bank, including:

- 1) Conducting the socioeconomic survey
- 2) Estimating detailed impacts, and evaluating the production and livelihood restoration of the APs;
- 3) Analyzing data;
- 4) Monitoring the whole process of implementation of the RAP, and submitting M&E reports to the Zhejiang PMO and Bank

### 8.4 Qualifications and Staffing

The Quzhou Project Leading Group is composed of leaders and officials of different administrative agencies. Its members have rich experience in LA, HD and resettlement, have participated in the resettlement work of a number of municipal construction projects in Quzhou City, and can play an excellent coordinating role in LA, HD and resettlement. The Quzhou PMO thereunder is responsible for handling day-to-day affairs.

The resettlement agencies are well staffed, with a full-time workforce of 26 and a peak workforce of 42. See Table 9-1.

Table 8-1 Staffing of Resettlement Agencies

Resettlement agency	Full-time workforce	Peak workforce	Composition
Zhejiang PMO	2	3	Civil servants
Quzhou Project Leading Group	6	10	Technicians
LA and HD Task Force of Qujiang District Urban-Rural Development Co., Ltd.	9	12	Civil servants, technicians
Zhangtan Sub-district LA and HD Management Office	2	3	Civil servants, technicians
Qujiang District Land and Resources Bureau	1	2	Civil servants
Qujiang District Labor and Social Security Bureau	1	2	Civil servants
Design institute	2	6	Senior engineers, engineers
External M&E agency	3	4	Resettlement and social experts
Total	26	42	

## 8.5 Measures to Strengthen Institutional Capacity

- In August 2009, the Quzhou Project Leading Group trained the LA, HD and resettlement staff of the Project on the Bank's operational policy (OP4.12), LA and HD regulations, theory and methods of socioeconomic survey, etc. The staff of the former Bank-financed project is employed for the Project, and has sufficient knowledge of the Bank policy and resettlement practices.
- Before the implementation of the RAP, the LA, HD and resettlement staff of the Project will be trained on the Bank's operational policy, LA and HD regulations, resettlement implementation management, etc. in order to improve their professional proficiency.
- At the resettlement implementation stage, backbone resettlement staff members will be organized to visit other domestic Bank-financed projects, attend training on resettlement and other aspects, etc. In addition, skills training will be available to the APs irregularly based on project progress in order to increase their employment rate (see
- Table 8-2 ).
- Provide financial and equipment support to improve working efficiency.
- Establish a rational division of labor, and develop sound reward and punishment measures for the resettlement staff to motivate them.
- Establish a resettlement management information system for computerized data management. Strengthen information feedback, create a smooth information channel, and leave major issues to the project leading group.
- Strengthen the reporting system and internal monitoring, and solve issues timely.
- Strengthen independent M&E. The external M&E agency should point out existing issues to competent authorities timely, and propose solutions accordingly.

Table 8-2 Resettlement Training Program

No.	Item	Trainees	Time	Venue	Estimated budget (0,000 yuan)
1	Domestic resettlement operational training	Backbone resettlement staff	One session per annum	China	10
2	Domestic resettlement operational training	Resettlement staff	One session per annum	China	10
3	Skills training for APs	APs	Irregular	Quzhou City	10
4	Subtotal				45





## 9 Implementation Schedule

### 9.1 Linkage between Resettlement Implementation Schedule and Construction Plan

The resettlement implementation schedule will be coordinated with the construction schedule, and implementation is scheduled to be completed by August 2015. The principles for scheduling are as follows:

- LA and HD should be completed at least one month before land use, and the starting time will be determined based on the need for LA, HD and resettlement.
- Before commencement of construction, sufficient time must be allowed for LA, HD and resettlement.

### 9.2 Master Resettlement Schedule

#### 9.2.1 Principles for scheduling:

- The range of LA and HD will be finally determined based on the design drawings of the unit works before the DMS.
- The DMS results will be confirmed by the Quzhou Project Leading Group, LA and HD Task Force of Qujiang District Urban-Rural Development Co., Ltd., agencies concerned and proprietors based on the boundary maps before the signature of compensation and resettlement agreements.
- The LA and HD Task Force of Qujiang District Urban-Rural Development Co., Ltd. will hold a mobilization meeting to disclose compensation and resettlement policies and measures for LA and HD before signing compensation and resettlement agreements, and then release the LA and HD announcements formally.
- Compensation and resettlement agreements will be entered into with the AHs after the confirmation of the DMS results, and the release of the LA and HD announcements.
- Infrastructure will be reconstructed before demolition.
- Compensation fees should be settled after contract signing and before land use.
- Resettlement should be supervised to the satisfaction of the AHs.

#### 9.2.2 Master resettlement schedule

The master resettlement schedule has been drafted based on the progress of construction, LA and HD, and resettlement preparation and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See

Table 9-1 .

Table 9-1 LA and HD Schedule

No.	Task	Period	Starting date	Ending date
1	<b>Preparation</b>	92d	2014-6-1	2014-9-1
2	Establishing the leading group to gather staff	9d	2014-9-1	2014-9-9

3	Determination of range of LA and HD	20d	2014-9-9	2014-9-28
4	Preliminary socioeconomic survey	31d	2014-11-29	2014-12-27
5	Preparation of the RAP framework	14d	2014-12-28	2015-1-10
6	Preparation for DMS and training	25d	2015-1-11	2015-2-4
7	DMS	15d	2015-2-5	2015-2-19
8	Negotiation of resettlement policies and programs	10d	2015-2-20	2015-3-1
9	Preparation of the RAP	32d	2015-3-2	2015-4-1
10	<b>Implementation</b>	72d	2015-4-10	
11	Mobilization for LA and HD	18d	2015-4-10	2015-4-27
12	Announcement of LA and HD	15d	2015-4-28	2015-5-12
13	Negotiation and signing of compensation and resettlement agreements	39d	2015-5-13	2015-6-20
14	Commencement of construction	0d	2015-6-21	2015-6-21
15	<b>Infrastructure reconstruction</b>	500d	2015-6-31	
16	<b>M&amp;E</b>	700d	2015-8-31	

## 10 Funds and Budget

### 10.1 Funds

All costs incurred during LA and resettlement will be included in the general budget of the Project. Based on prices in 2009, the total resettlement costs of the Project are 6.6477 million yuan.

Table 10-1 Resettlement Budget

No.	Item	Unit	Rate (yuan)	WWTP and sewer network		Percent
				Qty.	Amount (0,000 yuan)	
1	Compensation fees for permanent LA	mu	63,000	99.09	624.267	21.74%
2	Compensation fees for temporary land occupation	mu	1,200	0	0	0.00%
3	Compensation fees for rural residential houses	m <sup>2</sup>	/	/	1242	43.26%
3.1	House compensation					
	Masonry concrete structure (Grade 2)	m <sup>2</sup>	1,000	10,000	1000	34.83%
3.2	Other compensation					
	Moving subsidy	Household	2,000	20	4	
	Transition subsidy	Month *m <sup>2</sup>	6	10,000×36	216	
4	Ground attachments	/	/		22	
	Orange trees	/	100	2,200	22	
	<b>Subtotal (Items 1~4)</b>	/	/		<b>1888.267</b>	<b>65.77%</b>
5	Survey and design costs	0,000 yuan	4%		75.53068	2.90%
6	External M&E costs	0,000 yuan	2%		37.76534	1.45%
7	Internal M&E costs	0,000 yuan	0.50%		9.441335	0.36%
8	Implementation management costs	0,000 yuan	2%		37.76534	1.45%
9	Training costs	0,000 yuan	1%		18.88267	<b>0.72%</b>
10	Contingencies	0,000 yuan	10%		188.8267	7.25%
11	Taxes	/	/		614.5289111	23.59%
	LA management costs	0,000 yuan	4%		75.53068	2.90%
	Farmland occupation tax	mu	30,015	90.797	272.5271955	10.46%
	Land development costs	mu	18,676	90.797	169.5724772	
	Land reclamation costs	mu	2,000	0	0	
	Fees for compensated use of additional construction land	mu	10,672	90.797	96.8985584	
	<b>Subtotal (Items 5~11)</b>	/	/	/	<b>982.7409761</b>	<b>34.23%</b>
	<b>Total</b>	/	/	/	<b>2871.007976</b>	

### 10.2 Annual Investment Plan

An annual investment plan has been prepared based on the project implementation schedule. See Table 11-2.

Table 10-2 Annual Investment Plan

Year	2014	2015	2016	Subtotal
Investment (0,000 yuan)	520.9073881	1823.175858	260.4536941	2604.536941
Percent (%)	20	70	10	100

### 10.3 Funding Sources

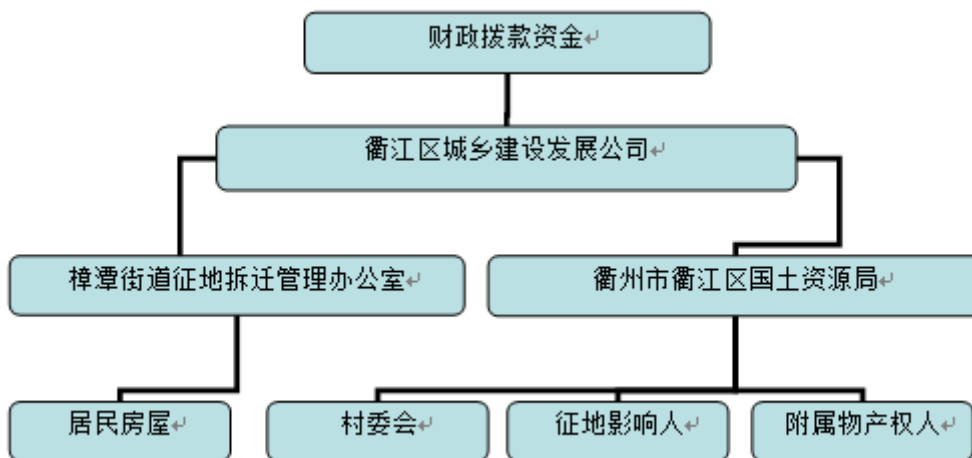
The funding sources for the construction of the Project include domestic and overseas bank loans, and fiscal appropriations. Resettlement funds are from fiscal appropriations mainly. LA costs of the Project are 300,000 yuan/mu.

### 10.4 Fund Management and Disbursement

#### 10.4.1 Fund flow

In order that compensation fees under the Project are paid timely and fully to the APs according to the compensation policies and rates specified in the RAP, the owner should enter into LA and HD compensation agreements with the AHs, specifying amounts of compensation, term of payment, liabilities for breach, etc. See Figure 11-1.

Figure 10-1 Fund Flowchart



#### 10.4.2 Disbursement and management

- 1) All costs related to resettlement will be included in the general budget of the Project.
- 2) Land compensation fees and resettlement subsidies will be paid up before LA so that all APs can be resettled properly.
- 3) In order to ensure the successful implementation of LA and resettlement, financial and supervisory agencies will be established at all levels.

## 11 M&E

To ensure the successful implementation of the RAP and resettle the APs properly, periodic M&E on resettlement activities will be conducted in accordance with the Bank's policy on involuntary resettlement (OP4.12), and the Operational Guide to the Monitoring and Evaluation of Resettlement of World Bank Financed Projects in China. Monitoring is divided into internal monitoring of resettlement agencies and independent external monitoring.

Internal monitoring will be implemented by the Zhejiang and Quzhou PMOs to ensure that resettlement activities are conducted pursuant to the principles and schedule of the RAP. The purpose of internal monitoring is to keep the resettlement agencies functioning properly during implementation.

Independent M&E means the regular M&E of resettlement activities by an independent M&E agency. The independent monitoring of the Project will be conducted by an independent agency with relevant experience, covering:

- Functions of the resettlement network;
- Implementation progress of LA, HD and resettlement, and compensation;
- Resettlement and restoration of residents and entities;
- Investigation and analysis of the production level and living standard of the APs

Independent monitoring is conducted on all resettlement activities by an agency independent of resettlement implementation with a comprehensive, long-term point of view. The external M&E agency will follow up the resettlement activities to see if the state laws on resettlement, and the Bank's operational policy on involuntary resettlement (OP4.12) are complied with, and if the production level and living standard of the APs are improved or at least restored to pre-project levels. The external M&E agency will give suggestions to the implementing agencies based on issues found during monitoring so that such issues can be solved timely.

### 11.1 Internal Monitoring

The Zhejiang and Quzhou PMOs run an internal monitoring mechanism to inspect resettlement activities, establish a basic resettlement database, and use it to prepare the RAP, monitor all AHs, and conduct internal supervision and inspection of the whole process of resettlement preparation and implementation.

#### 11.1.1 Implementation procedure

During implementation, the Quzhou Project Leading Group will collect and record resettlement information from the monitoring samples, and report real-time activity records to the provincial PMO timely to maintain continuous monitoring. The provincial PMO will inspect implementation regularly.

Information forms of specified formats will be prepared in the above monitoring mechanism to realize a continuous mechanism from the Quzhou PMO to the Zhejiang Project Leading Group. As an integral part of the internal monitoring system, the Qujiang District Land and Resources Bureau, and Zhangtan Sub-district LA and HD Management Office will conduct inspection and verification regularly.

### 11.1.2 Scope

- Rural resettlement
- Payment of compensation fees
- Labor resettlement
- Compensation and resettlement for HD
- Infrastructure reconstruction
- Staffing, training, working schedule and efficiency of the resettlement agencies
- Registration and handling of grievances and appeals of APs

### 11.1.3 Reporting

The Zhejiang PMO will submit an internal monitoring report to the Bank semiannually.

## 11.2 External Monitoring

### 11.2.1 External M&E agency

The Zhejiang PMO will appoint a qualified, independent agency as the external M&E agency.

The external M&E agency will conduct follow-up M&E on resettlement activities regularly, monitor the progress, quality and funding of resettlement, and give opinions. It will also conduct follow-up monitoring on the production level and living standard of the APs, and submit M&E reports to the Zhejiang PMO and the Bank.

### 11.2.2 Monitoring procedure and scope

- (1) Preparing the Terms of Reference of M&E
- (2) Developing software for the resettlement M&E information system
- (3) Preparing a survey outline, a questionnaire and a record card
- (4) Design of the sampling survey plan (10% of households affected by LA and HD)
- (5) Baseline survey

A baseline survey required for the independent M&E of the AHs will be conducted to acquire baseline data on the living standard (livelihood, production and income levels) of the monitored AHs.

- (6) Establishing an M&E information system

An M&E information system will be established, where a database will be established for different types of M&E data, in order to provide computer aid for analysis and follow-up monitoring.

- (7) M&E survey
  - Capacity evaluation of resettlement agencies: to investigate the working capacity and efficiency of the resettlement agencies
  - Monitoring of resettlement progress, compensation rates and payment
  - Impact analysis of the project
  - Follow-up survey and evaluation of the income level of the AHs (sampling rate 10%)
  - Monitoring of typical households affected by HD: payment of compensation fees, availability of resettlement housing, relocation progress, income restoration, resettlement quality, housing quality
  - Monitoring of typical affected entities: payment of compensation fees, LA for new site, property construction, relocation progress, production restoration, employee income restoration, resettlement quality

- Restoration measures for vulnerable groups
- Public facilities: payment of compensation fees, functional restoration, reconstruction progress
- Public participation and consultation: to monitor public participation activities during the preparation and implementation of the RAP, and the effectiveness of participation
- Appeals: to monitor the registration and disposition of appeals of the APs
- (8) Compiling monitoring data, and establishing a database
- (9) Comparative analysis
- (10) Preparing M&E reports according to the monitoring plan
  - August 2015: appointing the external M&E agency and preparing the terms of references
  - August 2015: preparing for external M&E
  - September 2015: submitting the M&E Report No.1 (baseline report)
  - March 2016: submitting the M&E Report No.2
  - September 2016: submitting the M&E Report No.3
  - November 2016: submitting the post-evaluation report

### 11.3 Monitoring Indicators

- Socioeconomic indicators: per capita income, GDP, employment rate
- Institutional indicators: staffing, staff competencies, rules and regulations, equipment, affairs handling rate
- APs affected by LA or occupation: availability of compensation fees, production resettlement mode, income variation, employment rate, satisfaction with resettlement
- Residents affected by rural HD: availability of compensation fees, resettlement sites, house construction, satisfaction with resettlement
- Infrastructure: availability of compensation fees, function restoration
- Public participation: frequency and scope of participation, and impacts on project implementation

### 11.4 Post-evaluation

After project implementation, the resettlement activities will be subject to post-evaluation using the theory and methodology for post-evaluation on the basis of M&E. Successful experience and lessons of land acquisition and resettlement will be evaluated to provide experience that can be drawn on for future resettlement. The post-evaluation will be conducted by an independent external M&E agency appointed by the Zhejiang PMO. The post-evaluation agency will prepare terms of reference for post-evaluation, establish a system of evaluation indicators, conduct socioeconomic analysis and survey, and prepare the Resettlement Post-evaluation Report for submission to the Zhejiang PMO and the Bank.

## 12 Entitlement Matrix

Table 12-1 Entitlement Matrix

Type of impact	APs	Compensation and resettlement policies	rates
Acquisition of rural collective land (99.09 mu)	Fangyang, Nanshandi and Qiancheng Villages	Composite compensation is paid to the affected rural collective economic organization and rural residents to be resettled for production development and livelihood restoration.	Composite compensation rate for farmland: 63,000 yuan/mu
	35 households with 150 persons	Receiving compensation for ground attachments Receiving training and job opportunities, and being entitled to measures that at least maintain their operating income Having priority in being employed	Young crop compensation is included in composite compensation.
	Departments concerned	Taxes	Land development costs: 18,676 yuan/mu Fees for compensated use of additional construction land: 10,672 yuan/mu Farmland occupation tax: 30,015 yuan/mu LA management costs: 4% of LA costs
Demolition of rural residential houses (total area: 10,000 m <sup>2</sup> )	20 households with 80 persons in Nanshandi Village	Receiving house compensation at replacement cost	Masonry concrete structure: 1,000 yuan/m <sup>2</sup>
Ground attachments	Proprietors	Receiving compensation from the owner	