Fujian Highway Project III – the World Bank Loaned
Fujian Rural Roads Reconstruction Project

Resettlement Policy Framework

Fujian Provincial Communications Department

December 2005
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1 Introduction

Fujian is situated on the southeast coast of China, facing Taiwan across the Straits, with an area of 121,400 square kilometers and a population of about 35 million. The administrative divisions of Fujian consist of 9 prefecture-level cities, 85 counties (county-level cities or districts), 1,025 townships (towns) and 15,123 administrative villages. Due to historical reasons and geographical limits, the construction of rural roads in Fujian has been comparatively slow for most of the rural roads are simply constructed mainly for the purpose of “connection”. The rural roads and those in mountainous areas in particular have the highlighted features in low technical grade, low harden rate of road surface and weak ability for disaster resistance. The imperfect traffic conditions have hampered the economic development in rural areas. Restricted by mountainous terrain and less developed traffic infrastructure, there is a substantial difference between coastal areas and inland areas in Fujian. With difficult traffic conditions, there are fewer opportunities in the less developed areas to develop their economy to a higher level, thus decreasing the opportunities to expand economic potentials and to gain access to social service. By the end of 2004, the total highway mileage of the province had amounted to 56,208 km, including 2,998 km of national highway, 5,707 km of provincial highway, 12,758 km of county highway, 28,756 km of township highway and 5,989 km of exclusive highway; including 1,043 km of expressway, 336 km of Class I highway, 6,150 km of Class II highway, 4,097 km of Class III highway, 32,968 km of Class IV highway and 11,614 km of highway below Class IV. The highways of Class IV and below Class IV had reached 80% of the total mileage. The pavement of the roads with transport service has not yet been hardened in 7,656 administrative villages among 57 townships (or towns), and there is no road connection or connection only by simply constructed road with width of roadbed of less than 4.5 meters in 2,100 administrative villages.

Fujian province has paid much attention to the rural roads construction lagging behind, holding that to speed up rural roads reconstruction is not only to meet the urgent demand for establishing perfect highway network but also to lay a foundation for solving the problem of agriculture, rural areas and peasants and quickening the construction of a well-off society in rural areas. According to Fujian Rural Roads Development Program, the launch of the “Project of Expanding Rural Roads Network to 5000-Km Each Year” in the later period of the “Tenth Five-Year Plan” and the reconstruction of rural roads network of about 35,000 km before 2010 are to connect about 7,500 administrative villages to any provincial or county arterial highways already paved to achieve the goal of building a hardened highway in every administrative village of the province.
To achieve the above goal, besides utilizing road tolls, user charges, other budgetary provisions (Central or local government appropriated funds), domestic bank loans and publicly issued bonds, Fujian intends to solicit a loan from the World Bank by means of “sector loan” to cover for a capital deficiency. For the rural roads project, as the roads are mostly scheduled for reconstruction, the road surface will be paved with concrete along most of the original roads, it is expected that the influence of land acquisition and house demolition is limited in this project. However, in response to possible issues arising from land acquisition and house demolition, it is necessary to work out an overall policy framework for guiding the planning and implementation of the required resettlement measures for land acquisition. The Overall Policy Framework for Resettlement in Fujian Highway Project III – the World Bank Loaned Rural Roads Reconstruction Project has been drafted up according to the national and Fujian local laws and regulations and in compliance with the principles of the World Bank’s OP/BP 4.12 on Involuntary Resettlement, the purpose of which is to appropriately relocate the project affected persons (PAPs) so as to make them benefit from the project and to improve or at least restore their standards of living to the pre-project level.

2 A Survey of the Project

According to the plan of the Central Government to promote the construction of rural highways, Fujian drafted up Fujian Rural Roads Development Program in 2002 and put forward a plan that rural highways in the province would cover a total mileage of 64,788 km by 2020, which included 13,279 km of county highway mileage and 51,509 km of township highway mileage. The objectives of upgrading the technical class of highway network in stages are: by the end of 2005 to strive to upgrade 40% of rural roads in the province to county highways above Class III (some may be achieved ahead of time in coastal areas), to upgrade 70% township roads to highways of above Class IV, to achieve the connection of highways above Class IV among all townships available for highway connection and to achieve the connection of roads among all administrative villages suitable for road connection for all the rural roads in the province to basically meet the requirement of the social and economic development in the rural areas; by 2010 to upgrade county highways to highways above Class III in the developed coastal areas such as Fuzhou, Xiamen, Quanzhou, Putian and Zhangzhou, etc., to upgrade 75% of county highways to highways above Class III in other areas and 90% of township highways to highways above Class IV in the province; by 2020 to upgrade all county highways to highways above Class III and all township highways to highways above Class IV in the province, so as to form a rural highway network with easy and quick access from all directions.

According to the above-mentioned Fujian Rural Roads Development Program,
Fujian has decided to carry out the “Project of Expanding Rural Roads Network to 5000-Km Each Year” in the later period of the “Tenth Five-Year Plan” and has hence created *Fujian Rural Roads Project Database* as a phased planning under a long-term framework of 2020. The project database is officially assigned and executed to have projects registered and authorized in the database. The projects listed in the database are regarded as being included in the plan; they are not necessarily submitted for approval and included in the annual plan. Once satisfying the requirements, they will soon be under construction. The establishment of the project database has formulated the direction and goal of rural highway development of the province, overcome the past limitations of management imposed by annual project plan, avoided randomness of project construction in various areas, reduced the intermediate links to project management and mobilized the initiatives of all areas to quicken the construction of rural roads in the province.

**Table 2-1: Figures in Fujian Rural Roads Project Database (1)**

<table>
<thead>
<tr>
<th>No.</th>
<th>Prefecture Level City</th>
<th>Number of Project</th>
<th>Number of County or City</th>
<th>Number of Township</th>
<th>Number of Administrative Village</th>
<th>Construction Scale (km)</th>
<th>Total Investment (RMB million)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fuzhou City</td>
<td>871</td>
<td>10</td>
<td>136</td>
<td>869</td>
<td>3,134.3</td>
<td>1,492.60</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Putian City</td>
<td>497</td>
<td>6</td>
<td>50</td>
<td>499</td>
<td>1,770.2</td>
<td>921.25</td>
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<tr>
<td>3</td>
<td>Quanzhou City</td>
<td>234</td>
<td>7</td>
<td>86</td>
<td>236</td>
<td>1,065.3</td>
<td>391.49</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Xiamen City</td>
<td>114</td>
<td>4</td>
<td>16</td>
<td>114</td>
<td>341.9</td>
<td>506.71</td>
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</tr>
<tr>
<td>5</td>
<td>Zhangzhou City</td>
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<td>11</td>
<td>113</td>
<td>1,129</td>
<td>3,548.1</td>
<td>2,159.20</td>
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<tr>
<td>6</td>
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<td>1,119</td>
<td>6,452.4</td>
<td>3,512.85</td>
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<tr>
<td>7</td>
<td>Sanming City</td>
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<td>147</td>
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<td>6,274.6</td>
<td>3,661.54</td>
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<tr>
<td>8</td>
<td>Nanping City</td>
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<td>125</td>
<td>1,052</td>
<td>5,746.0</td>
<td>2,486.72</td>
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<tr>
<td>9</td>
<td>Ningde City</td>
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<td>9</td>
<td>124</td>
<td>1,502</td>
<td>6,535.6</td>
<td>2,300.90</td>
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<tr>
<td>Total</td>
<td></td>
<td>7,479</td>
<td>76</td>
<td>932</td>
<td>7,656</td>
<td>34,868.4</td>
<td>17,433.25</td>
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**Table 2-2: Figures in Fujian Rural Roads Project Database (2)**

<table>
<thead>
<tr>
<th>No .</th>
<th>Description</th>
<th>Number and Proportion</th>
<th>Kilometers and Proportion</th>
<th>Remarks</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Kilometers</td>
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<tr>
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<td>Scale of Project Database</td>
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<td>34,868</td>
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<tr>
<td>1</td>
<td>Grouped By Scale of Project</td>
<td>7,479</td>
<td></td>
<td>34,868</td>
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</tbody>
</table>
### Instructions

As a basis of the authorized Fujian Highway Project III – the World Bank Loaned Rural Roads Reconstruction Project, *Fujian Rural Roads Project Database* is used for project management in accordance with the principle of “authorizing any project by database, conducting management by grades, having quality control, rendering an account upon construction and making quarterly withdrawals”. There are totally 7,479 construction projects in the database with a total mileage of 34,868.4 km and a total investment of around RMB 17.43 billion. Any rural roads project whose withdrawals are made from the World Bank shall come from the database. Fujian Provincial Communications Department (FPCD) submits to the World Bank and the related departments in China the next year’s total annual planned size and amount of investment, the total amount of withdrawals and the prescribed amount of funds in the second half of each year and regard them as a basis for the World Bank’s financial arrangement for the next year.

The implementation of Fujian Highway Project III – the World Bank Loaned Rural Roads Reconstruction Project will greatly optimize the traffic conditions of low class roads (mostly highways of Class III or Class IV) that link every administrative village to the provincial highway network. It will further improve the road network of the province and will be favorable to giving play to comprehensive transport efficiency of the road network for the less developed mountainous areas to have easier connection to the more developed areas of the province, and will be of great significance to the

<table>
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<tr>
<th>Class</th>
<th>Mileage</th>
<th>Project Number</th>
<th>Total Length</th>
<th>Total Investment</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>5 km</td>
<td>5,181</td>
<td>69.3</td>
<td>14,346</td>
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<tr>
<td>2</td>
<td>5-10 km</td>
<td>1,742</td>
<td>23.3</td>
<td>12,485</td>
</tr>
<tr>
<td>3</td>
<td>10-15 km</td>
<td>404</td>
<td>5.4</td>
<td>5,020</td>
</tr>
<tr>
<td>4</td>
<td>15 km</td>
<td>152</td>
<td>2.0</td>
<td>3,017</td>
</tr>
<tr>
<td>II</td>
<td>Grouped By Class of Construction</td>
<td>7,479</td>
<td>34,868</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Class IV</td>
<td>6,997</td>
<td>93.6</td>
<td>31,567</td>
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<tr>
<td>2</td>
<td>Class III</td>
<td>482</td>
<td>6.4</td>
<td>3,301</td>
</tr>
<tr>
<td>III</td>
<td>Grouped By Type of Construction</td>
<td>7,479</td>
<td>34,868</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Reconstruction</td>
<td>7,244</td>
<td>96.9</td>
<td>34,043</td>
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<tr>
<td>2</td>
<td>New Construction</td>
<td>235</td>
<td>3.1</td>
<td>825</td>
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</tbody>
</table>
promotion of the harmonious social and economic development in Fujian’s rural areas by improving rural production and livelihood especially in the poverty-stricken areas and expanding peasants’ access to economic opportunities and social service.

3 Legal Framework and Policies for Resettlement

3.1 Legal Framework

The overall policy framework for the Rural Roads Reconstruction Project -- Fujian Highway Project III loaned by the World Bank shall comply with the principles of the World Bank’s OP/BP 4.12 on Involuntary Resettlement, the laws and regulations of the PRC and the provisions of the Resettlement Action Plans (RAPs) for highway projects in China. The implementation of resettlement and relocation in the Rural Roads Reconstruction Project -- Fujian Highway Project III loaned by the World Bank shall be based upon such legal framework.

In China, the laws, regulations and policies relevant to land requisition, house demolition and resettlement of the displaced persons or PAPs are described in the following three levels:

(1) The fundamental policy framework established by the Central Government by promulgation of national laws, administrative regulations, ordinances and policies.
(2) The comprehensive or special regulations and/or rules for implementation published by the provincial-level governments for the implementation of national regulations.
(3) The regulations for specific projects published by governments of counties and prefecture-level cities.

The issues concerning land requisition, house demolition and resettlement of the PAPs should be appropriately settled in compliance with relevant national laws and regulations, provincial-level regulations as well as city- or county-level rules for implementation under the guidelines of the World Bank’s OP/BP 4.12 on Involuntary Resettlement.

3.2 Principal Guidelines of OP 4.12 on Involuntary Resettlement

The objectives of the World Bank’s resettlement policy are to ensure that displaced persons caused by any project should benefit from the project and they should be assisted in their efforts to improve or at least to restore their standards of living, income-earning capability and production levels, and special attention should be paid
to determining whether the above-mentioned complies with the objectives of resettlement policy.

3.2.1 Overall Objectives of Involuntary Resettlement Policy

The Overall Objectives of the World Bank’s Policy OP4.12 on Involuntary Resettlement and the Achievement of the Overall Objectives mainly include the following paragraphs:

Para. 2:
(a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
(b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
(c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Para. 6:
(c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are:
   (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;14 and
   (ii) provided with development assistance in addition to compensation measures described in paragraph 6 (a) (iii), such as land preparation, credit facilities, training, or job opportunities.

Para. 8:
To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.
3.2.2 Detailed Objectives of Involuntary Resettlement in Terms of Compensation for Losses and Resettlement Measures

Resettlement program (including compensation for losses or resettlement measures) is stated in OP 4.12 – Annex A as follows:

Para. 10: 
*Valuation of and compensation for losses.* The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.

Para. 11: 
*Resettlement measures.* A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy. In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

Para. 12: 
*Site selection, site preparation, and relocation.* Alternative relocation sites considered and explanation of those selected, covering:

(a) institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;

(b) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;

(c) procedures for physical relocation under the project, including timetables for site preparation and transfer; and

(d) legal arrangements for regularizing tenure and transferring titles to resettlers.

Para. 13: 
*Housing, infrastructure, and social services.* Plans to provide (or to finance resettlers’ provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.
3.3 National Laws and Regulations

The relevant national laws and regulations mainly include:

(1) Land Administration Law of the People’s Republic of China (Adopted at the 16th Meeting of the Standing Committee of the Sixth National People’s Congress on June 25, 1986, amended in pursuance of the “Decision on the Amendment of the Land Administration Law of the People’s Republic of China” made at the 5th Meeting of the Standing Committee of the Seventh National People’s Congress on December 29, 1988 and revised at the 4th Meeting of the Standing Committee of the Ninth National People’s Congress on August 29, 1998 and put into effect on January 1, 1999);


3.3.1 Related Provisions of the Land Administration Law of the People’s Republic of China (January 1, 1999)

Article 2
The state may, out of necessity of public interest, requisition land collectively owned in accordance with law.

The state practises the system of paid-for use for state-owned land in accordance with law. However, appropriation of state-owned land use right by the state within the scope prescribed by law is excluded.

Article 46
Where land is to be requisitioned by the State, the requisition shall, after approval is obtained through legal procedure, be announced by people’s governments at or above the county level, which shall help execute the requisition.

Units and individuals that own or have the right to the use of the land under requisition shall, within the time limit fixed in the announcement, register for compensation with the land administration department of the local people’s government by presenting their certificates of land ownership or land-use right.

Article 47
Land requisitioned shall be compensated for on the basis of its original purpose of use.
Compensation for requisitioned cultivated land shall include compensation for land, resettlement subsidies and attachments and young crops on the requisitioned land. Compensation for requisition of cultivated land shall be six to ten times the average annual output value of the requisitioned land for three years preceding such requisition.

Resettlement subsidies for requisition of cultivated land shall be calculated according to the agricultural population needing to be resettled. The agricultural population needing to be resettled shall be calculated by dividing the amount of requisitioned cultivated land by the average amount of the original cultivated land per person of the unit the land of which is requisitioned.

The highest resettlement subsidies to be divided among members of the agricultural population needing resettlement shall not exceed fifteen times its average annual output value for the three years preceding such requisition.

Standards of land compensation and resettlement subsidies for requisition of other types of land shall be prescribed by provinces, autonomous regions and municipalities directly under the Central Government with reference to the standards of compensation and resettlement subsidies for requisition of cultivated land.

Standards for compensation for attachments and young crops on the requisitioned land shall be prescribed by provinces, autonomous regions and municipalities directly under the Central Government.

For requisition of vegetable plots in city suburbs, the land users shall pay towards a development and construction fund for new vegetable plots in accordance with the relevant regulations of the State.

If land compensation and resettlement subsidies paid in accordance with the provisions of the second paragraph of this Article are still insufficient to help the peasants needing resettlement to maintain their original living standards, the resettlement subsidies may be increased upon approval by people’s governments of provinces, autonomous regions and municipalities directly under the Central Government. However, the total land compensation and resettlement subsidies shall not exceed 30 times the average annual output value of the requisitioned land for the three years preceding such requisition.

Article 48
Once a plan for compensation and resettlement subsidies for requisitioned land is decided on, the local people’s government concerned shall make it known to the general public and solicit comments and suggestions from the collective economic organizations, the land of which is requisitioned, and the peasants.

Article 49
The rural collective economic organization, the land of which is requisitioned, shall accept supervision by making known to its members the income and expenses of the compensation received for land requisition.

The compensation and other charges paid to the unit for its land requisitioned is forbidden to be embezzled or misappropriated.

Article 57
Where land owned by the State or by peasant collectives needs to be used temporarily for construction of projects or for geologic prospecting, the matter shall be subject to approval by the land administration departments of people's governments at or above the county level. However, if the land to be temporarily used is located in the area covered by urban planning, the matter shall be subject to agreement by the urban planning administration department concerned before it is submitted for approval. The land user shall, depending on who owns the land and who has the land-use right, enter into a contract for the temporary use of the land with the land administration department concerned, or the rural collective economic organization, or the villagers committee and pay compensation for it in accordance with the provisions of the contract.

The temporary land user shall use the land for purposes stipulated in the contract for temporary use of the land and may not build permanent structures on it.

Generally, the period for temporary use of land shall not exceed two years.

3.3.2 Key Points in the Circular of the Ministry of Land and Resources Concerning the Issuance of the Guiding Opinions on Improving the System of Compensation for Requisition of Land

(1) The Formulation of the Unified Standards of Annual Output Value. The departments of land and resources at the provincial level shall, in conjunction with other departments concerned, work out the unified minimum standards for annual output value, which shall be announced and executed after the examination and approval by the people’s governments at the provincial level.
Factors such as types and quality of arable land requisitioned, peasants’ input, prices of primary products and the categories of farmland shall be taken into account when deciding the value of average annual output.

(2) The Determination of the Unified Multiple of Annual Output Value. The unified multiple of the value of average annual output for calculating land compensation and resettlement subsidies shall comply with the principle of non-decrease of the standards of living of the peasants whose arable land has been requisitioned and shall be decided within the limits prescribed by laws and regulations; compensation for requisitioned land calculated with reference to the prescribed multiple of the value of average annual output shall increase the multiple upon approval of the people’s governments at the provincial level if it is unable to maintain the original living standards of the peasants whose land has been requisitioned and still insufficient to pay social security expenses for peasants who have lost land due to requisition; the total land compensation and resettlement subsidies shall be 30 times the value of the average annual output of arable land, or shall be subsidized by a proportion of proceeds from the sale of State-owned land use rights under the overall planning of a local people’s government if they are still insufficient to maintain the original living standards of the peasants whose land has been requisitioned. Compensation for arable land that is authorized to be requisitioned shall be implemented in compliance with the maximum compensation standards announced by the local people’s government.

(3) The Formulation of the Comprehensive Prices of Farmland in Resettlement Areas. In the areas where conditions permit, provincial-level departments of land and resources may make comprehensive land prices in counties (or cities) within provincial boundaries together with the administrative departments concerned, which shall go into effect upon approval and promulgation by the people’s governments at the provincial level and shall be applied to compensation for land requisitioned. In calculating the comprehensive prices of farmland, the categories and rates of arable land, its production value, location, per capita quantity as well as demand and supply or the local economic development levels and the minimum standards of living should be given full consideration.

(4) The Allocation of Compensation for Land. In accordance with the principle of distributing land compensation funds mainly among peasants whose land has been requisitioned, land compensation funds shall be appropriately allocated within rural collective economic organizations. The people’s governments at the provincial level shall guide detailed ways of allocation. In the areas where land is expropriated and rural collective economic organizations are dissolved, all compensation for land shall be applied for the restoration of agricultural production and livelihood of the peasants whose land has been requisitioned.
(5) **Relocation by Agricultural Production.** During requisitioning of peasants’ collective land beyond urban planning areas, first priority shall be given to providing peasants with necessary cultivated land for continuity of agricultural production by utilizing the rural collective land reserves, the contracted land returned voluntarily by the contracting rural households or the newly added arable land after land circulation and land consolidation.

(6) **Relocation by Reemployment.** Favorable conditions shall be created to provide free technical training and assign corresponding posts to peasants whose land has been requisitioned. Under equal conditions, the land users shall give priority to creating employment opportunities for peasants whose land has been requisitioned. During requisitioning of peasants’ collective land within urban planning areas, the peasants losing their arable land due to land acquisition shall be incorporated into urban employment system and a social security system shall also be established.

(7) **Relocation by Dividends.** Regarding land with long-term stable earnings to be used in any projects, under the premise of rural households’ willingness, the rural collective economic organizations, the land of which is requisitioned, shall regard land compensation as stocks or converge the land-use right of the land approved for construction purposes into stocks through consultation with the land users. The rural collective economic organizations and rural households shall receive dividends by means of preference stocks based on the contracted conditions.

(8) **Relocation by Emigrant Resettlement.** In the area where peasants losing land due to land acquisition are not provided with basic production and living conditions, the local government shall organize their resettlement into other areas on the basis of fully soliciting opinions from the rural collective economic organizations and rural households whose land has been requisitioned.

### 3.4 Laws and Regulations Promulgated by Fujian Provincial People’s Government

(1) *Procedures of Fujian Province on the Implementation of Land Administration Law of the People’s Republic of China* (Adopted at the 14th Secession of the Standing Committee of the Ninth Fujian Provincial People’s Congress on October 22, 1999 and effective as of January 1, 2001)

(2) *Circular of Fujian Provincial People’s Government on Strengthening the Administration of Compensation for Land Requisitioned and Protecting the Legitimate Rights and Interests of Peasants Whose Land Has Been Requisitioned* (Effective upon approval by Fujian People’s Government on January 14, 2004)
3.4.1 Related Provisions of the Procedures of Fujian Province on the Implementation of Land Administration Law of the People’s Republic of China

Article 25
For requisition of land, land users shall pay land compensation, resettlement subsidies and compensation for young crops and attachments on the requisitioned land.

Article 26
Land compensation shall be paid to the collective land management and administration units that exercise land-use right. But if the requisitioned land belongs to the land operated under a contract by peasants or the land allotted for personal needs and if collective land management and administration units fail to adjust other land of equal quantity and quality to peasants for their continuous operation under a contract, the peasants whose land has been requisitioned shall be paid no less than 70% of land compensation; where land compensation may be utilized by collective land management and administration units for promoting production or helping peasants make a living, it shall be used under the unified arrangement upon approval of the peasants whose land has been requisitioned. Where other land can be adjusted to peasants whose land has been requisitioned but of unequal quality and quantity, the allocation ratio for its compensation shall be determined through consultation between collective land management and administration units and peasants the land of which is requisitioned.

Land compensation obtained by collective land management and administration units in accordance with the provisions in the preceding paragraph shall be kept in a special account and shall be utilized for promoting production, arranging surplus labors and offering living allowance to the peasants whose land has been requisitioned.

Rules governing the use of land compensation shall be decided by a majority vote of members of the rural collective economic organization, the land of which is requisitioned. The income and expenses of the compensation received for land requisition shall be made known to it members at least on a semi-annual basis and shall be supervised by its members.

Land compensation is forbidden to be withheld, embezzled, misappropriated or unlawfully used by other means by any units and individuals.

Article 27
Land compensation shall be calculated and paid in accordance with the following standards:

(1) Compensation for requisition of cultivated land, which refers to paddy field, vegetable plot and fish pond, shall be eight to ten times the average annual output value of land of the same type for three years preceding such requisition; if it refers to other cultivated land, compensation shall be six to eight times the average annual output value of land of the same type for three years preceding such requisition;

(2) Compensation for requisition of orchards or other cash tree land shall be 60% to 70% of compensation for paddy field; compensation for the original cultivated land shall be the same as compensation for land of the same type;

(3) Compensation for non-cash tree land shall be 40% of compensation for paddy field;

(4) Compensation for water surfaces or tidal flats for aquaculture shall be 60% to 70% of compensation for paddy field;

(5) Compensation for saltpans shall be 50% of compensation for paddy field; and

(6) Compensation for other unutilized land shall be 15% of compensation for paddy field.

Article 28
Where the people needing resettlement are resettled by the collective economic organization, resettlement subsidies shall be paid to the collective land management and administration unit; where they are resettled by other units, resettlement subsidies shall be paid to the resettlement units; where they do not need unified resettlement, resettlement subsidies shall be paid to the relocated individuals or shall be used for their insurance expenses upon approval of the relocated people.

Article 29
Resettlement subsidies for requisition of cultivated land shall be calculated according to the agricultural population needing to be resettled. The agricultural population needing to be resettled shall be calculated by dividing the amount of requisitioned cultivated land by the average amount of the original cultivated land per person of the unit the land of which is requisitioned. The standard resettlement subsidies to be divided among members of the agricultural population needing resettlement shall be four to six times the average annual output value of the requisitioned cultivated land for three years preceding such requisition.

Resettlement subsidies for requisition of orchards or other cash tree land shall be three to five times the average annual output value of the requisitioned land for four years preceding such requisition; resettlement subsidies for requisition of saltpans and
water surfaces or tidal flats for aquaculture shall be two to four times the average annual output value of the requisitioned land for four years preceding such requisition.

Article 30
Resettlement subsidies for young crops and attachments on the requisitioned land shall be paid to the land contractors or the owners of above-ground buildings. Compensation for young crops or attachment on the requisitioned land shall be calculated and paid according the following standards:

(1) Compensation for crops shall be one times the previous three years’ average annual output value;

(2) New compensation for man-made aquatic breeding facilities shall be made according to their replacement prices and compensation for aquatic fries shall be 60% of cost of production;

(3) New compensation for houses and other buildings or structures shall be determined according to replacement prices. The detailed standards of compensation shall be prescribed by people’s governments at the city or county level and shall go into effect upon approval by the people’s governments at the next higher level.

Where attachments on the requisitioned land include fruit or bamboo forest, the felled fruit or bamboo trees after requisition of land shall belong to the original owners. Such compensation shall be calculated and paid according to the following standards:

(1) In compensation for commercial forest, young forest shall be two times the cost of afforestation, semi-matured forest shall be 40% to 60% of the volume and output value per mu of mature forest and mature forest shall be 30% of its volume and output value per mu;

(2) Compensation for bamboo forest shall be two times its output value;

(3) Compensation for fruit trees and other cash trees shall be two to seven times the average annual output value for four years preceding requisition of land. Whereas compensation for the fruits trees having not yielded fruit shall be two times the cost of production; compensation for those having yielded fruit shall be four to seven times their output value according to their growing periods and their prosperity or decline;

(4) Compensation for forest for special purpose or shelterbelts forest shall be four to seven times the compensation standard for commercial forest or forest of its kind;

(5) Compensation for fuel wood forest shall be 40% to 60% of the compensation standard for commercial forest or forest of its kind;
Compensation shall not be made for illegal structures and the crops rush-planted after requisition of land is announced.

Article 31
Land compensation, resettlement subsidies, compensation for attachments and young crops on land for the following land requisitioned for construction projects shall comply with the provisions of the Procedures and shall be calculated and paid in accordance with the minimum standards for subsidies:
(1) land for national defense or military purposes;
(2) land for urban infrastructure projects or public welfare undertakings;
(3) land for major energy, communications, water conservancy and other infrastructure projects supported by the State; and
(4) land for permanent constructions for emergency rescue and disaster relief and other facilities.

Construction of underground air-raid shelters shall be exempted from land taxes and fees.

Article 32
If land compensation and resettlement subsidies paid in accordance with the Procedures are still insufficient to help the peasants needing resettlement to maintain their original living standards, the resettlement subsidies may be increased upon approval by the Provincial People's Government. However, the resettlement subsidies for requisitioned cultivated land per hectare shall not exceed 15 times the average annual output value of the requisitioned land for the three years preceding such requisition.

After the adjustment of the standards of land compensation and resettlement subsidies for requisition of cultivated land by the State Council, the Provincial People’s Government shall make necessary adjustment in light of the practical conditions of the Province.

Article 33
The average annual output value shall be calculated by multiplying the price set by State regulations by the average annual yield for three years preceding such requisition (fruit trees or cash trees for four years preceding such requisition). Where the price is not set by State regulations, the average annual output value shall be calculated according to the market price announced or approved by price administration departments at the city or county level.
The average annual yield as referred to in the preceding paragraph shall be subject to the previous three years’ average annual yield in a township (town) counted by statistical departments in the location where land is requisitioned.

Article 34
Compensation for use of land for agriculture, forestry, husbandry, fruit, tea or fishery or use of collective-owned land approved for construction of non-agricultural projects shall be paid in accordance with the standards and procedures of compensation for requisition of land.

3.4.2 Related Contents of the Circular of Fujian Provincial People’s Government on Strengthening the Administration of Compensation for Requisitioned Land and Protecting the Legitimate Rights and Interests of Peasants Whose Land Has Been Requisitioned

(1) Strictly Implementing the Legal Standards for Compensation for Land. During land acquisition in cities or counties, compensation funds calculated and paid shall not be lower than the legal compensation standards. Except for those projects in which compensation and resettlement subsidies may be calculated and paid in accordance with the legal minimum standards as provided for by Article 31 in the Procedures of Fujian Province on the Implementation of Land Administration Law of the People’s Republic of China, the payment standards for compensation for requisition of land in other projects, which refers to paddy field, vegetable plot or fish pond, shall not be lower than 8.5 times the previous three years’ average annual output value of the land of the same type; compensation for other cultivated land shall not be lower than 6.5 times the previous three years’ average annual output value of the land of the same type; for resettlement subsidies for requisition of cultivated land, the standards for each of the agricultural population needing resettlement shall not be lower than 4.5 times the previous three years’ average annual output value of the original cultivated land; resettlement subsidies for orchards or other cash tree land shall not be lower than 3.5 times the previous four years’ average annual output value of the land of the same type.

(2) Ensuring Availability of Land Compensation Funds. The governments at the city or county (district) level shall put land compensation funds in place. In order to ensure availability of compensation funds, before applying for requisition of land, the governments at the city or county level shall make land compensation funds available in advance by placing no less than 50% of land compensation funds on deposit in a designated account and shall write out a certificate of deposit when submitting formalities of approval for the conversion of use of land for agriculture.
and the requisition of land. Land compensation funds shall be paid in full to the rural collective economic organizations and peasants, the land of which is requisitioned, within three months from the date of approval of resettlement compensation programs. If adequate land compensation funds are not made available, the rural collective economic organizations and peasants, the land of which is requisitioned, shall have the right to refuse delivery of land.

(3) Reforming Payment Method for Land Compensation Funds. The land compensation funds that should be allocated to the peasants whose land is requisitioned shall be directly distributed among the peasants whose land is requisitioned by administration departments of land and resources at the city or county level according to muster rolls of peasants whose land is requisitioned and the allocation programs presented by the rural collective economic organizations. Compensation for young crops and attachments on requisitioned land shall be paid to the land contractors or the owners of above-ground buildings; where conditions do not permit adjustment of land of equal quantity and quality to peasants whose land has been requisitioned for their continuous operation under a contract, land compensation funds paid to the peasants whose land has been requisitioned shall not be lower than 70%. Resettlement subsidies shall be paid according to different resettlement approaches: where unified resettlement is undertaken, they shall be paid to the rural collective economic organizations or units in charge of resettlement; where unified resettlement is not needed, they shall be paid to the persons to be resettled. Land compensation funds for the units and peasants, the land of which is requisitioned, are forbidden to be withheld, embezzled, or divided privately by any units and individuals.

(4) Strengthening the Supervision and Administration of Land Compensation Funds. Land compensation funds lawfully obtained by the rural collective economic organizations, the percentage of which is retained by collective economic organizations, shall be earmarked for their specified purpose only and shall be used for providing insurance for peasants whose land is requisitioned, developing secondary and tertiary industries as well as constructing rural public facilities. They shall neither be distributed equally among households nor regarded as funds for clearing up debts of collective economic organizations. Regulations for the management of land compensation funds paid to a rural collective economic organization shall be decided by members of the collective economic organization. The income and expenses of compensation funds shall be made public at least on a semi-annual basis and shall be reported to the department of land and resources and supervision department at the city or county (district) level for the record.
For requisition of peasants’ contracted land, the administrative department of land and resources at the city or county level shall duly send a copy of approval document for land acquisition and a copy of the information concerning the place name of township, village group, name of household, surface area and location, the land of which is requisitioned, to the departments of agriculture and of finance of the same level respectively. The department of agriculture shall handle the cancellation of certificate of right to contract and operate rural land and go through the procedures for termination or alteration of contract for management of land while the department of finance shall duly go through the procedures for reduction of agricultural tax.

4 Compensation Standards & Procedures of Application for Land Acquisition

4.1 Standards for Land Compensation and Resettlement Subsidies

In accordance with the provisions, regulations and principles of the Land Administration Law of the People’s Republic of China, the Circular of the Ministry of Land and Resources Concerning the Issuance of the Guiding Opinions on Improving the System of Compensation for Requisition of Land, the World Bank’s OP 4.12 on Involuntary Resettlement together with the Procedures of Fujian Province on the Implementation of Land Administration Law of the People’s Republic of China and the Circular of Fujian Provincial People’s Government on Strengthening the Administration of Compensation for Requisitioned Land and Protecting the Legitimate Rights and Interests of Peasants Whose Land Has Been Requisitioned, the standards for land compensation and resettlement subsidies for Fujian Highway Project III - the World Bank Loaned Fujian Rural Roads Reconstruction Project are made as follows:

4.1.1 Standards for Land Compensation

(1) Compensation for requisition of cultivated land, which refers to paddy field, vegetable plot and fish pond, shall be eight to ten times the average annual output value of land of the same type for three years preceding such requisition; if it refers to other cultivated land, compensation shall be six to eight times the average annual output value of land of the same type for three years preceding such requisition;

(2) Compensation for requisition of orchards or other cash tree land shall be 60% to 70% of compensation for paddy field; compensation for the original cultivated land shall be the same as compensation for land of the same type;
(3) Compensation for non-cash tree land shall be 40% of compensation for paddy field;
(4) Compensation for water surfaces or tidal flats for aquaculture shall be 60% to 70% of compensation for paddy field;
(5) Compensation for saltpans shall be 50% of compensation for paddy field;
(6) Compensation for other unutilized land shall be 15% of compensation for paddy field.

4.1.2 Standards for Resettlement Subsidies

(1) Resettlement subsidies for requisition of cultivated land shall be four to six times the average annual output value of the requisitioned land for three years preceding such requisition;
(2) Resettlement subsidies for requisition of orchards and other cash tree land shall be three to five times the average annual output value of the requisitioned land for four years preceding such requisition;
(3) Resettlement subsidies for requisition of saltpans and water surfaces or tidal flats for aquaculture shall be two to four times the average annual output value of the requisitioned land for four years preceding such requisition.

4.1.3 Working Procedures of Application and Approval of Land Acquisition

(1) Working Procedures Before Application and Approval of Land for Project Construction
   A. Acknowledgement of Land Acquisition. Before application and approval of land acquisition by law, land management units and resettlement offices (ROs) at the township level shall inform rural collective economic organizations and rural households whose land is requisitioned, of the purpose, location, compensation standards and relocation ways of land to be requisitioned.
   B. Confirmation of Land Acquisition. Land management units and ROs at the township level shall make a survey on ownership, class, area, attachment ownership, type and number of land to be requisitioned. The survey results shall be jointly confirmed by rural collective economic organizations, rural households and owners of attachments, whose land is requisitioned.

(2) Working Procedures of Application and Approval of Construction Land
Since rural roads projects mainly belong to reconstruction ones, land acquisition can hardly occur. If requisition of land is required, it shall be done according to the following procedures:
   A. The ROs at the township level shall draw up a program of land acquisition
and a program of compensation for requisitioned land according to the requirements of *Circular Concerning the Issuance of the Trial Implementation of Format of Administrative Archives for Examination and Approval of Construction Land* (No. 41, issued by Ministry of Land and Resources in 1999) and *Circular Concerning the Issuance of the Implementation of Reference Format of Administrative Archives after Approval of Land Acquisition* (No. 35, issued by Ministry of Land and Resources in 1999), and shall submit both to the ROs at the county (city or district) level for approval to ensure the legitimate rights and interests of rural collective economic organizations and rural households, whose land is requisitioned.

B. The ROs at the township level shall apply for a permit for use of construction land to the administration departments of land and resources at the county (city or district) level. Where the application is within the limit of examination and approval power of the people’s governments at the county level, it shall be approved by the administration departments of land and resources at the county (city or district) level; where it is beyond the limit of examination and approval power of the people’s governments at the county level, it shall be reported level-by-level to the administration departments of land and resources of prefecture-level cities and Fujian Provincial Department of Land and Resources for approval.

C. The ROs at the township level may carry out relocation and resettlement work after obtaining land use permit.

(3) Working Procedures of Application and Approval of Resettlement Land

A. As stipulated in Article 4 of *Procedures of Fujian Province on the Administration of Land for Construction of Villagers’ Housing in Rural Areas*, a unified planning shall be encouraged for concentrated resettlement in the areas where rural households need housing construction due to demolition and relocation for the State and the collective’s construction purpose. The ROs at the township level shall apply for the use of concentrated resettlement land to relevant sectors at the county (city or district) level for approval according to practical needs of land and standards of land for housing construction.

B. For those rural households who can not afford or do not wish to attend concentrated resettlement, The ROs at the township level shall help them present such an application to the local collective villages and submit it to relevant sectors at the county (city or district) level for approval after examination and verification by the township governments
4.2 Standards for Compensation for Houses and Attachments

4.2.1 Standards for Compensation for Houses

According to the laws, regulations and policies of PRC and the related principles of the World Bank, standards for compensation for houses for Fujian Highway Project III - the World Bank Loaned Fujian Rural Roads Reconstruction Project shall be determined according to replacement cost. In the course of house reconstruction, the project owner shall pay all expenses in land leveling, electric connection, water connection and road connection, etc.

4.2.2 Standards for Compensation for Young Crops and Other Attachments

(1) Compensation for crops shall be one times the previous three years’ average annual output value, and compensation for seedlings shall be 60% of cost of production;

(2) In compensation for commercial forest, young forest shall be two times the cost of afforestation, semi-matured forest shall be 40% to 60% of the volume and output value per mu of mature forest and mature forest shall be 30% of its volume and output value per mu;

(3) Compensation for bamboo forest shall be two times its output value;

(4) Compensation for fruit trees and other cash trees shall be two to seven times the average annual output value for four years preceding requisition of land. Whereas compensation for the fruits trees having not yielded fruit shall be two times the cost of production; compensation for those having yielded fruit shall be four to seven times their output value according to their growing periods and their prosperity or decline;

(5) Compensation for forest for special purpose or shelterbelts forest shall be four to seven times the compensation standard for commercial forest or forest of its kind;

(6) Compensation for fuel wood forest shall be 40% to 60% of the compensation standard for commercial forest or forest of its kind;

(7) Compensation shall not be made for the crops rush-planted after requisition of land is announced;

(8) Compensation for other attachments, such as pigsty, well, enclosure wall or tomb, shall be made respectively according to replacement price;

(9) Compensation for the affected public facilities, such as electric wire, broadcast line, communication line, transformer, underground cable, irrigation canal and village road, shall be made according to replacement price.
4.3 Other Costs

Other costs consist of administration charges and charges for monitoring of resettlement. The administration charges shall come from 3% of total resettlement expenses and charges for monitoring of resettlement shall come from 2% of total resettlement expenses.

The above-mentioned various detailed standards for compensation and resettlement subsidies shall be worked out by the people’s governments in the cities (counties or districts) which are involved in the project and shall be effective upon approval by the people’s governments at the next higher level.

5 Resettlement and Rehabilitation

5.1 House Demolition and Reconstruction

5.1.1 Demolition and Reconstruction of Private Houses

(1) Compensation Principle
A. Compensation for house demolition shall be made at replacement cost with any deduction, taxation and depreciation. Compensation shall be directly paid to the displaced persons (or households), any intermediary agency shall not hold back or spend on behalf of the displaced persons (or households) the compensation funds.
B. If building materials of the demolished houses belong to the displaced persons (or households), they shall use these materials for new house construction. The value of these materials shall not be deducted from compensation for house demolition paid to the displaced persons (or households).
C. Payment of compensation for house demolition shall be made to the displaced persons (or households) prior to commencement of new house construction. If payment of compensation for house demolition is made in installments, each sum of such compensation shall be paid in full prior to commencement of new house construction.

(2) Time Schedule
A. The displaced persons (or households) shall be given at least one month to choose the location of house reconstruction and the time of preparatory work and three months to be the period of reconstruction.
B. The measures of both scattered resettlement and concentrated resettlement in the township planned new residential quarters may be adopted at the time of site selection for house reconstruction. Sufficient time shall be provided for the coordination between displaced persons (or households) and township
governments or villagers’ committees and the wishes of the displaced persons (or households) shall be fully taken into consideration. The resettlement site shall be considered to be in the original village or in the location convenient for supply of water and electricity and easy for traffic and production. For concentrated resettlement in the township planned new residential quarters, only after approval by the county or township resettlement offices (TROs) or governmental sectors and consultation with the displaced persons (or households) to their satisfaction can the detailed compensation and resettlement plan be implemented.

C. The time and conditions for house demolition and reconstruction shall be arranged after discussion and consultation with the displaced persons (or households). The displaced persons (or households) shall be given in principle at least three months to build new houses and one month to dismantle or remove old houses.

D. The period of house reconstruction shall be prolonged to some extent after consultation of township governments or villagers’ committees with the displaced persons (or units) to meet the practical needs of the displaced persons (or units).

(3) Public Consultation
The township governments or villagers’ committees shall fully consult with the displaced persons (or households) to reach a consensus before determining the locations and ways of house demolition and reconstruction and the distribution of compensation funds. The whole process should represent the spirit of broad public consultation, which is required as follows:

A. The displaced persons (or households) or their representatives shall be fully consulted during the demolition, compensation and relocation.

B. The consultation meeting shall be held in the villagers’ committees, which shall invite the displaced persons (or households) or their representatives to participate and present their views and also make evaluations of the proposed compensation and rehabilitation plans.

C. The information relevant to demolition and relocation procedures shall be duly publicized a week before the beginning of the consultation meeting so as to safeguard the right to know for the displaced persons (or households).

D. The consultation meeting shall interpret the related resettlement policy the information for the displaced persons (or households) or their representatives and solicit their opinions.

E. The displaced persons (or households) shall be clearly told that their participation will have direct influence on the course of their compensation and rehabilitation.

(4) Conditions and Services Provided
A. Under the circumstances of the same compensation funds for demolition, the ROs of the project shall prepare transition housing or rent houses nearby for the house-dismantled households, or pay rent allowances for transition housing to the house-dismantled households who rent houses by themselves.

B. The house-dismantled households shall not be forced to relocate before transition housing is offered and before construction of new houses is completed.

C. The procedures of land for house reconstruction and house building for the house-dismantled households shall be handled by the TROs and various taxes relating to land and construction shall be exempted or paid by the project owner.

D. The compensation funds for supply of water, electricity and road and leveled ground (colloquially called “three supplies and one leveling”) in relocation sites shall be directly allocated to villagers’ committees or individuals who take charge on their own.

E. Regarding the displaced persons (or households), such as the aged, the infirm, the sick, the disabled and female single parent families, the ROs at various levels should take strong measures to render them more care and assistance so as to ensure their normal production and livelihood. The township governments and villagers’ committees shall mobilize labors to help these vulnerable groups during housing demolition and reconstruction and make them move into their new houses pleasantly and smoothly.

5.1.2 Public Housing Demolition and Reconstruction

The principles for demolition and reconstruction of public housing:

A. Compensation shall be calculated according to replacement cost and shall be paid in one lump sum directly to the units concerned.

B. The units to be demolished shall be engaged in demolition and reconstruction on their own or reconstruction prior to demolition. The old building materials of the demolished public housing shall belong to the affected units, of which the value shall not be deducted from relocation compensation paid to the affected units.

C. Compensation for losses due to close-down shall be paid by the project owner after the agreement is reached after consultations between ROs at the county, township and villagers’ committee levels and the demolition subjects.

D. Such compensation shall be paid by the project owner through consultation with the affected units and under the circumstances that the affected units are satisfied.

E. The affected units can either select locations for housing reconstruction or build houses in other areas.

F. Based on broad consultations with the affected units, the ROs should provide the demolition subjects enough time for reconstruction and relocation. Demolition prior to reconstruction is not allowed in principle.
5.1.3 Demolition and Compensation for Illegal Buildings

Illegal buildings shall be appropriately compensated according to replacement price of such sort. The illegal buildings built after determination of land for the project shall not be compensated. They shall be removed within the fixed time after being compensated.

5.2 Compensation for Ground-Attached Objects and Restoration of Public Facilities

5.2.1 Compensation for Ground-Attached Objects

For appendages to the requisitioned land, the losses shall be compensated for based on their practical value according to replacement cost. The owners (or units) of ground-attached objects shall be engaged in relocation and restoration and the project owner shall pay the compensation funds in one lump sum to the owner (or units) of ground-attached objects.

5.2.2 Restoration of the Affected Public Facilities

The affected infrastructure mainly includes public facilities such as electric wire, broadcast wire, communications line, transformer, underground cable, irrigation canal and village road. In the process of design, investigation and implementation of the project, the project owner shall solicit opinions of both the displaced persons and the local cadres. During implementation of the project, the contractors shall restore the damaged public facilities before adverse effects occur. The units in charge of reconstruction of public facilities can either be the project contractors or the affected units that may begin reconstruction by themselves after obtaining compensation funds.

5.3 Relocation of Vulnerable Groups and Minority Nationalities

5.3.1 Relocation of Vulnerable Groups

Regarding the displaced persons (or households), such as the aged, the infirm, the sick, the disabled and female single parent families, the governments and ROs at various levels should adopt the following measures to render them care and assistance and help them solve the existing practical difficulties so as to make a success of resettlement work.

(1) The vulnerable groups shall be given priority to selection of land and resettlement
sites for more convenience in their livelihood and production.

(2) During relocation and reconstruction, the TROs and villagers’ committees shall help vulnerable groups undertake relocation and reconstruction work.

(3) The TROs and villagers’ committees shall render proper subsidy and assistance to vulnerable groups by providing appropriate allowance in cash or in kind to ensure a reliable source of their basic livelihood.

(4) The TROs and villagers’ committees shall consider offering more preferential treatment to vulnerable groups in tax reduction or exemption, children’s education and special subsidization from civil administration organs.

5.3.2 Relocation of Minority Nationalities

The construction of the project may involve villages of the minority nationalities. To ensure that there shall be no adverse impact on the minority nationalities, the project resettlement offices (PROs) should draw up a necessary resettlement and development plan to let the affected minority nationalities always enjoy the social and economic benefits that accord with their cultural characteristics. The project should comply with all local laws and regulations regarding ethnic minority nationalities and the World Bank Policy 4.10 on Indigenous People.

The PROs will take the following measures for special relocation of the minority nationalities.

(1) The affected minority nationalities shall be fully consulted and participate in the project impact assessment and development of necessary mitigation measures. Their opinions and views should be fully integrated into the project design and mitigation plans.

(2) For the land-affected minority nationalities, the PROs shall give them priority to land readjustment in nearby areas to maintain their original customs of life and production and their sense of final cultural settling place.

(3) For the house-affected minority nationalities, the PROs shall give them freedom of selection of resettlement sites and architectural types and styles during reconstruction so that they can keep on enjoying their social and economic life that accords with their cultural characteristics.
(4) When public buildings of the minority nationalities may possibly be affected, the PROs shall decide whether to revise the construction scheme by soliciting opinions of the representatives of minority nationalities. Only when they agree to remove or reconstruct their public buildings can the construction scheme be further implemented, otherwise the elements of the scheme should be properly adjusted.

(5) During relocation and reconstruction of houses and public buildings, the PRO shall also offer them special financial assistance according to the practical difficulties and requirements of the minority nationalities so as to help them smoothly finish their relocation and reconstruction work.

(6) The PRO shall coordinate with other governmental sectors, such as local departments of civil affairs and departments of water resources to give priority arrangement to government assistance and development programs for the affected minority nationalities.

(7) As for those families with special difficulties, the PRO shall coordinate with the related departments to provide them assistance in cash or in kind to ensure a reliable source of their basic livelihood.

(8) Other special care and assistance shall also be included.

**5.4 Employment Relocation**

Land acquisition for construction of the project may cause idleness of labor, thus employment relocation will be needed. In various areas in Fujian, resettlement measures for labor employment will rely mainly on relocation in the agricultural sector while taking relocation by self-employment as a subsidiary way.

**5.4.1 Relocation by Agricultural Employment**

As peasants whose land is requisitioned have been engaged in agricultural production for a long period of time, considering their work habits and personal skills, the ROs in various areas are suggested to regard relocation in the agricultural sector as a key measure. There are two ways of relocation in the agricultural sector: one is to readjust and allocate some of the land in reserve to the peasants who have their land requisitioned and make up for the number of land requisitioned so as to maintain their agricultural production levels; the other is to readjust and reallocate land in a village or villagers’ team unit. As for the affected households who have regained contractual management right, the village committees shall be in charge of handling procedures for readjusted land contracting to ensure the legitimacy of contractual management.
For land readjustment in a village or a villagers’ team, compensation for land shall be allotted to the village collective, which will be classified by the village or villagers’ team into two parts for the following purposes: one part is directly paid to the villagers; the other part is collectively arranged by the village or villagers’ team, which is used for constructing agricultural infrastructure or opening up waste hilly land, reclaiming land from the shallow sea and tidal-flat areas, maintaining and improving agricultural production conditions to ensure that the standards of living of the affected peasants shall improve year by year on the basis of their original levels.

5.4.2 Relocation by Self-Employment

Regarding local peasants who run enterprises and do business with high initiative and strong sense of occupation in the non-agriculture sector, the ROs shall respect their desires and adopt the measure of relocation by self-employment for these affected households. For those affected households who seek self-employment of their own accord, the TROs may submit their applications to the county resettlement offices (CROs) and allocate compensation for land and resettlement subsidies to the land-affected households. They start self-employment after obtaining compensation funds. Within three years the ROs will conduct necessary monitoring of their livelihood in order to ensure that their standards of living shall improve year by year other than decrease.

6 Organization

6.1 Organization Structuring

To strengthen the coordinated management of Fujian Highway Project III – the World Bank Loaned Rural Roads Reconstruction Project, the office for World Bank projects of FPCD takes charge of the overall guidance of resettlement work for the project. The offices for World Bank projects have also been established in the communications bureaus (or committees) of all prefecture-level cities to be in charge of coordination and management of resettlement work in their administered areas. The detailed resettlement work for land acquisition and house demolition for rural road reconstruction projects shall be conducted by the rural road construction directorate offices and communications bureaus at the county (city or district) level and by the CROs or TROs.

6.2 PRO Organization Chart

![PRO Organization Chart](image-url)
6.3 Duties & Responsibilities of ROs at Various Levels

6.3.1 The FPCD Office for World Bank Projects

(1) to take charge of overall coordination and management of resettlement work for the project;
(2) to undertake internal monitoring and management of performance of its subordinate ROs.

6.3.2 The Offices for World Bank Projects of Communications Bureaus (or Committees) and the Rural Road Construction Directorate Offices in Prefecture-Level Cities

(1) to take charge of coordination and management of resettlement work in their administered areas;
(2) to undertake internal monitoring, evaluation and management of performance of their subordinate ROs;
(3) to entrust the IMO to conduct independent monitoring of resettlement work within their administrative areas.
(4) to report to higher authorities.

6.3.3 The Rural Road Construction Directorate Offices, Communications Bureaus and ROs at the County (City or District) Level

(1) to monitor, coordinate and implement various resettlement policies;
(2) to take charge of and monitor resettlement work of TROs and to train resettlement staff of TROs and VROs;
(3) to coordinate with the IMO for external monitoring;
(4) to report to higher authorities.

6.3.4 The Township (Town) Resettlement Offices (TROs)

(1) to entrust survey design organizations with the monitoring of range of resettlement impacts, conducting of social surveys and resettlement quantitative surveys as well as recording of data;
(2) to take charge of organization and implementation of resettlement work;
(3) to coordinate with the IMO for external monitoring;
(4) to take charge of handling land use procedures;
(5) to inspect, monitor and record resettlement activities in the affected villages;
(6) to monitor land acquisition, demolition and reconstruction as well as restoration of the affected public facilities;
(7) to coordinate to ensure the compensation funds in place;
(8) to report to higher authorities and authorize a person to take charge of placing resettlement data on file and to turn them over to the communications bureaus at the county (city or district) level for filing after acceptance appraisal work.

6.3.5 Village Resettlement Offices (VROs)

(1) to report data of land requisitioned, ownership right and right of use of land and property as well as ratio of land to labor to higher authorities;
(2) to participate in surveys on affected status;
(3) to select resettlement sites for requisitioned land and affected houses;
(4) to explain grievance issues of the displaced persons to higher authorities;
(5) to report progress of resettlement work to higher authorities.

6.4 RO Staffing and Training

6.4.1 RO Staffing

The staff member of ROs shall be skillful and experienced in resettlement work or relevant work.

6.4.2 RO Training

The personnel of the FPCD Office for World Bank Projects shall grasp resettlement policies and basic knowledge of supervision and evaluation and shall be familiar with application of the World Bank’s O.P. 4.12 on Involuntary Resettlement. The Offices for World Bank Projects of Communications Bureaus (or Committees) in Prefecture-Level Cities and the Communications Bureaus at the County (City or District) Level
shall set up “Resettlement Training Courses” to train staff members of the ROs at various levels so as to further improve their skills in resettlement.

6.4.3 RO Outfitting

The ROs at various levels shall be equipped with vehicles and necessary office fittings, such as computers, cameras as well as office accommodations to meet the needs of office operation.

7 Public Participation & Consultation

7.1 Public Participation

7.1.1 Publicity

In order to provide a smooth way to proceed to resettlement work, the ROs at various levels shall seek the best approach to public participation of the PAPs and adopt proactive measures according to the practical conditions in rural areas to accord wide publicity to the alignment and location of the project, resettlement laws and regulations, compensation standards, channels for complaint, relocation schemes as well as the principles of the World Bank’s Operational Policies O.P. 4.12 on Involuntary Resettlement by means of radio broadcast or bulletin board. The purpose of the above-mentioned publicity work is to encourage the PAPs (or the affected units) to present their views and proposals during the planning and implementation of the project.

7.1.2 On-Site Interviews with PAPs

After broad publicity by media, based on the gathered opinions and suggestions of the PAPs, the PROs together with the related departments shall make on-site inspections according to the itemized opinions and suggestions, pay visits to the affected households individually and communicate with them about resettlement issues. By holding consultation meetings of various types, the PROs shall make analytical researches and draw a final conclusion of the resettlement scheme to make the PAPs benefit from the project so that the PAPs and the general public are encouraged to take an active part in local resettlement activities.

7.1.3 Public Consultation Meetings

For the encouragement of PAPs to participate in resettlement work, public consultation meetings shall be required. The ROs at various levels shall frequently invite typical representatives, such as PAPs, representatives from village and
township enterprises, women, teachers of primary and secondary schools, members of local People’s Political Consultative Conference, to participate in public consultation, and shall widely seek views on every link in resettlement work and deliver them in time the information concerned to make them fully understand and grasp policies, laws and regulations of resettlement and various kinds of compensation standards. The opinions and suggestions of the PAPs and general public shall finally be embodied in the process of implementation of resettlement.

7.2 Ways of Participation of PAPs

The PAPs actually participated in some before the implementation of resettlement work; they will continue to participate during the whole process of resettlement. The content of their participation shall mainly include:

1. selecting their reconstruction locations;
2. constructing houses on their own;
3. making clear whether the compensation they obtained is calculated at replacement cost and filing complaints with higher authority;
4. discussing with IMO on resettlement work during surveys; and
5. supporting TRO’s resettlement work.

7.3 Scheduling of Public Consultation and Participation

During implementation of relocation and resettlement, public participation proceeds in different stages, the ways of which mainly include: i) making investigations on the affected land, houses and property; ii) holding open-ended meetings to discuss compensation standards; iii) selecting one house reconstruction site for one household; and iv) holding consultation meetings in village or villagers’ team to consult the opinions of a wide cross-section. The TROs and villagers’ committees shall make house-to-house enquiries of such vulnerable groups as the aged, the infirm, the sick or the disabled about their views and opinions and shall seek solutions to the existing problems. For more details, see Table 7-1.

<table>
<thead>
<tr>
<th>No.</th>
<th>Content of Public Participation and Consultation</th>
<th>Participators</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobilization Meetings on Resettlement Survey (Villagers’ Teams)</td>
<td>Villager Representatives</td>
</tr>
<tr>
<td>2</td>
<td>Social Surveys before Resettlement (Villagers’ Teams)</td>
<td>Villager Representatives</td>
</tr>
<tr>
<td>3</td>
<td>Resettlement Surveys</td>
<td>PAPs</td>
</tr>
<tr>
<td>4</td>
<td>Consultations on Compensation Standards</td>
<td>PAPs and Land Administration Departments</td>
</tr>
<tr>
<td></td>
<td>Consultations on Compensation for Removal Public Facilities</td>
<td>Ownership Units</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>6</td>
<td>Selection of Reconstruction Sites for Demolished Houses</td>
<td>PAPs</td>
</tr>
<tr>
<td>7</td>
<td>Selection of Reconstruction Sites for Public Building</td>
<td>PAPs</td>
</tr>
<tr>
<td>8</td>
<td>Mobilization Meetings on House Reconstruction (Villagers’ Teams)</td>
<td>Villager Representatives</td>
</tr>
<tr>
<td>9</td>
<td>Public Opinion Surveys on Resettlement (Villagers’ Teams)</td>
<td>PAPs and Representatives of All Circles</td>
</tr>
<tr>
<td>10</td>
<td>House-to-House Enquiries about Resettlement</td>
<td>Vulnerable Groups</td>
</tr>
<tr>
<td>11</td>
<td>Land Adjustment (Villagers’ Teams)</td>
<td>Villager Representatives</td>
</tr>
<tr>
<td>12</td>
<td>Mass Meetings after Resettlement</td>
<td>Villager Representatives</td>
</tr>
<tr>
<td>13</td>
<td>Follow-up Surveys</td>
<td>Representatives of PAPs</td>
</tr>
</tbody>
</table>

### 7.4 Roles of IMO in Public Participation and Consultation

The IMO always plays a monitoring role in the whole resettlement course. By conducting independent monitoring and actively taking part in activities at different stages, the IMO will keep the whole resettlement work under effective supervision from beginning to end.

### 7.5 Complaints & Appeals

Land acquisition and house demolition may possibly affect, to a different extent, the masses and units involved in the project and especially have a greater impact on the owners of house and land within the scope of land for construction project. To minimize these adverse effects, a maximum decrease in the amount of land acquisition and house demolition should be taken into consideration in the course of project design so as to make the PAPs benefit from construction of this project. To ensure that the PAPs have the opportunities to make complaints and appeals when they nurse a grievance, channels for complaints and appeals should be set up for the resettlement work so that the opinions and requests of the PAPs will be quickly and transparently reflected and duly responded to and solved. The responding organization to be established shall be simple, transparent and even-handed, the purpose of which is to avoid the delay in effective solution to the problems for their complexity.

#### 7.5.1 Complaints

(1) The PAP, who is dissatisfied with the resettlement and rehabilitation program, may present an oral or written submission to the villagers’ committee or the TRO, which shall make a reply or find a solution within two weeks.
(2) The PAP, who is still not satisfied with the reply or decision made by the villagers’ committee or the TRO, may lodge a complaint within one month to the RO of the communications bureau at the county (city or district) level, which shall respond to such a complaint within two weeks.

(3) The PAP, who is still not satisfied with the reply from the RO of the communications bureau at the county (city or district) level, may report and complain within one month after receiving the reply to the office for World Bank projects of the communications bureau at the prefecture-level city level, which shall respond to such a complaint within three weeks.

(4) The PAP, who is still not satisfied with the response from the office for World Bank projects of the communications bureau at the prefecture-level city level, may lodge a complaint within one month after receiving the response to the FPCD Office for World Bank Projects, which shall make a reply within four weeks.

7.5.2 Appeals

The PAP, who is not satisfied with written reply made by the FPCD Office for World Bank Projects, may appeal to the local people’s court according to Civil Procedure Law and Administrative Procedure Law within 15 days after receiving the response. The PAP may make an appeal regarding any aspects of the resettlement and rehabilitation program, including compensation standards.

The detailed procedures for appeals and complaints shall be made known to the broad masses of people during public consultation.

8 Technical Training for Villagers

Fujian is a province that is densely populated but short of cultivated land. In some villages where a large amount of land has been requisitioned, readjustment of land is unable to fully meet the demands on agricultural production, so land acquisition has exerted a great impact on the peasants who are engaged in agricultural production. The local governments should make efforts to effectively promote the stable restoration of the standards of living of the affected villagers by offering them technical training to broaden their options for employment. Specifically speaking, the rural road construction directorate offices, communications bureaus and ROs at the county (city or district) level should coordinate with local departments of labor and social security, finance, education, science and technology as well as agriculture to take charge of technical training for the affected villagers in the administrative areas.
Technical training for villagers shall be undertaken according to the structural adjustment of local rural economy, the changes in labor market and the requirements of the units using work force and in accordance with the principle of practicalness and effectiveness. The main content includes:

(1) **Rural Practical Skills Training.** It refers to practical skills training in science and technology of agro-pastoral production. Plantation training provides new strains that are able to maintain production capacity of cereals and oils and improve production, quality and market competitiveness of farm produce and also provides knowledge of new technology of modern agriculture, pollution-free production and standardized production; livestock breeding training mainly provides knowledge of prevention and cure of epidemic diseases of poultry and domestic animals, management of livestock farming as well as feed processing technology.

(2) **Pre-employment Training.** It covers protection of fundamental rights and interests, legal knowledge, general knowledge of urban daily life as well as job seeking technique. The purpose of such training is to increase their awareness of the necessity to abide by the law and lawful protection of their own rights and interest, improve their ability to prevent and deal with accidental contingencies, develop their new conception of employment, make them well understand employment channels as well as enhance their employment capability.

(3) **Occupational Skills Training.** The purpose is to improve vocational ability of the affected villagers for non-agricultural employment. Training courses are arranged according to the national classification standard for occupation and the norm in vocational training together with the demands of different occupations, types of work and posts on their basic technique and technical operation. Featuring local rural economic structure, the employment competencies curriculum consists of architectural engineering, housekeeping service, catering service, housing management, nursing and healthcare, public security and cleaning services as well as auto repairing service.

(4) **Enterprising Training.** Aiming at promoting the enterprising spirit and drafting up business plans for the affected villagers who desire to start undertakings, it encourages and guides them to start undertakings on their own, assists them to decide development projects and set up small enterprises as well as trains those who take a leading role in their local pioneering work.
9 Monitoring & Reporting

During the whole process of relocation and resettlement, monitoring of land acquisition, resettlement and rehabilitation activities shall be conducted on a regular basis. Monitoring work consists of internal monitoring and external monitoring.

9.1 Internal Monitoring

Internal monitoring of ROs is conducted by the FPCD, the purpose of which is to maintain the good functioning of ROs by supervision and management of resettlement activities in an all-round way.

9.1.1 Monitoring Methods & Contents

Internal monitoring is conducted by using sampling methods, holding open-ended meetings or making on-the-spot interviews with the PAPs and soliciting their opinions. The main contents of internal monitoring include:

1. progress of resettlement work;
2. allotment and selection of land for house reconstruction;
3. reconstruction of private houses;
4. readjustment of land for the PAPs who have lost land;
5. rehabilitation of the vulnerable groups and the minority nationalities in their standards of living;
6. restoration of basic facilities and public structures;
7. restoration of the affected enterprises and relocation of employees;
8. possible compensation to the PAPs and the affected units.

9.1.2 Implementation Procedures

In the process of implementation, the communications bureaus (or committees) and the ROs at the county (city or district) level shall gather together the information concerning resettlement figures of individual, household and unit provided by the TROs and deliver the latest information to the Offices for World Bank Projects of Communications Bureaus (or Committees) in the prefecture-level cities. The Communications Bureaus (or Committees) in the prefecture-level cities and communications bureaus at the county (city or district) level shall keep continuous monitoring. The FPCD Office for World Bank Projects will carry out random spot checks on resettlement work at the township and village levels to verify the progress of work as reported. For detailed work at different stages, see Table 9-1.

<table>
<thead>
<tr>
<th>No.</th>
<th>Stage</th>
<th>Contents of Monitoring &amp; Checks</th>
</tr>
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</table>

Table 9-1: Work Plan for Internal Monitoring & Checks
### Preparatory Stage of Resettlement Work

1. Whether the PAPs and other persons know and understand the compensation standards, resettlement measures, policies or laws and regulations stated in the resettlement plans worked out as required by the World Bank?
2. Whether the PAPs agree to their resettlement?
3. Whether reconstruction sites for house-dismantled households have all been selected?

### Implementation Stage of Resettlement Work

1. Whether compensation funds are available?
2. Relocation of the PAPs.
3. Care arrangements made for the vulnerable groups and minority nationalities.
4. Relocation of basic facilities.

### Implementation Stage of Resettlement Work

1. Reconstruction and relocation of the houses of the house-dismantled households.
2. Demolition and reconstruction of public buildings.
3. Resettlement of basic facilities.
4. How to carry out land readjustment?
5. Whether the PAPs make complaints and appeals and what replies and results they get?

### Acceptance Stage of Resettlement Work

1. The whole resettlement work completed.
2. Availability of compensation funds.
3. What other opinions the PAPs have?
4. Summarization of experiences and suggestions for improvement.

### Construction Stage of the Project

What other issues remain or new issues emerge after construction begins?

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#### 9.1.3 Internal Monitoring Report

The ROs at various levels shall be in charge of internal monitoring reporting. The ROs at the next lower level shall submit a progress report to the ROs at the next higher level on a quarterly basis. Each office for World Bank projects of the communications bureaus (or committees) at the prefecture-level city level shall submit an internal monitoring report (see Table 9-2) in table form during provincial level spot-checking. Based on spot-checking on a quarterly basis, the FPCD Office for World Bank Projects will make a check on application for the projects listed in World Bank loans in different areas. According to the practical needs, the FPCD Office for World Bank Projects will finally submit to the World Bank the above-mentioned internal monitoring reports in table form.

#### Table 9-2: Internal Monitoring Report for Relocation and Resettlement

<table>
<thead>
<tr>
<th>Reporting Unit:</th>
<th>Reporting Date:</th>
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<tbody>
<tr>
<td>Location of Project</td>
<td>Name of Project</td>
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</table>

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9.2 Independent Monitoring

External monitoring of resettlement work for Fujian Highway Project III – the World Bank Loaned Rural Roads Reconstruction Project is conducted by Fujian Academy of Social Sciences (FASS), an independent research institution of social sciences, which shall carry out checks on the implementation of resettlement work from the independent, long-term and objective perspectives and make judgments on social and economic influence during the implementation of resettlement work and conduct evaluations of the standards of living of the PAPs.

9.2.1 Basis for Independent Monitoring

The IMO shall undertake the independent monitoring activities on the basis of the resettlement data provided by the ROs at various levels to evaluate whether the goals of resettlement are achieved through the following aspects:

(1) application of the laws and regulations of PRC pertaining to resettlement;
(2) compliance with the principles of the World Bank’s OP/BP 4.12 on Involuntary Resettlement; and
(3) restoration of the standards of living of the PAPs at least to levels prevailing prior to the beginning of project implementation.

9.2.2 Responsibilities of IMO

The responsibilities of the IMO are to guide and supervise the implementation of resettlement work according to the objective laws of social and economic development and in accordance with the related laws and regulations of PRC and the detailed requirements of the World Bank. The scope of work of the IMO includes monitoring of the functioning of the resettlement network and the adjustment of the PAPs to their new lifestyles.

(1) Standards of Living Surveys
Before the implementation of resettlement work, the IMO will conduct a random sample of resettlement and select a control group for the standards of living survey in a prefecture-level city to establish its baseline standards of living prior to
resettlement. After the completion of resettlement work, the IMO will make a conclusive report to measure the changes in the standards of living of the PAPs in this prefecture-level city. Open-ended interviews with the PAPs and observational methods will also be utilized to supplement and guide the structured interview format.

— Formulating Sheets for the Standards of Living Surveys. The economic status and cultural factors in different rural areas will be taken into full consideration during the formulation so that the data obtained from the surveys can be in conformity with the local actual situation, and the effectiveness has to be verified during the implementation of surveys, on the basis of which the said sheets can be modified from time to time to make themselves more practical.

— Training Interviewers. The skills possessed by the interviewers in the investigations and utilization of the questionnaires are of vital importance to successful surveys. The IMO will make arrangements of training courses for the interviewers before the commencement of surveys and ensure that the interviewers can use the questionnaires correctly to minimize any possible errors.

— External Coordination. During the standards of living surveys, the FPCD Office for World Bank Projects and the ROs at various levels shall provide assistance to the IMO, and the local ROs shall facilitate the monitoring activities of the IMO.

(2) Public Consultation
The IMO will dispatch its staff members to attend public consultation meetings held at the village and township levels. Through attending these meetings the IMO will understand the PAPs’ general opinions about the implementation of resettlement programs and know the desires, feelings and wishes of the PAPs in restoring their livelihood. At the same time, the IMO will report its findings to the FPCD Office for World Bank Projects to promote the implementation of resettlement programs and improve the effectiveness of public consultation. Whenever the IMO think that the publicity and effectiveness of public consultation are insufficient, it will put forward proposals to improve the framework and procedures for public consultation.

(3) Solution to Grievance Issues
The IMO will inquire about the grievance issues from the PAPs and monitor the working procedures for grievance resolution so as to increase the effectiveness of resolution methods. The IMO will understand the grievance issues and the related resolutions by the local ROs by regularly visiting the affected sites, directly interviewing the PAPs with different views and directly holding meetings with the local ROs receiving the grievances. The IMO shall duly feed back to the local ROs the complaint information and urge them to make a timely solution. At the same time,
the effectiveness of the grievance resolution framework will be constantly monitored, and if necessary, suggestions shall be made for possible changes in the procedures to make the process more effective.

(4) **Other Responsibilities**

The IMO shall make recommendations or suggestions to the FPCD Office for World Bank Projects during the implementation of resettlement work and shall monitor the following activities by observing and interviewing the PAPs.

A. Land readjustment;
B. Preparation of adequacy of resettlement sites;
C. House reconstruction;
D. Rehabilitation of the vulnerable groups;
E. Relocation of basic facilities;
F. Payment of compensation and its level;
G. Enterprise relocation, compensation and its adequacy;
H. Compensation for lost assets;
I. Transition allowances.

**9.2.3 Independent Monitoring Report**

As an independent monitoring organization of the project, the FASS shall make an independent monitoring report on Fujian Highway Project III - the World Bank Loaned Fujian Rural Roads Reconstruction Project, which shall be regarded as a part of engineering report to be submitted to the World Bank through the FPCD Office for World Bank Projects.

The report outline shall cover:

(1) Survey of the project;
(2) RO structuring and staffing;
(3) Housing compensation and relocation;
(4) Compensation for land and attachments on land;
(5) Compensation and restoration of basic facilities;
(6) Relocation of vulnerable groups and minority nationalities;
(7) Employment relocation;
(8) Public participation and consultation; and
(9) Conclusions.