

**World Bank-financed Liuzhou Environment Management
Project Phase II**

**Resettlement Action Plan
(Revised Version)**

National Research Center for Resettlement at Hohai University
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Abbreviations

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

Units

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

1. Overview of the Project

1.1 Purpose of the Project

Wastewater collection and treatment systems, and urban water supply and drainage works are important infrastructure that ensures sustainable economic and social development, protecting people's health, and improving the aquatic and investment investments. Only sound infrastructure can create a beautiful and harmonious investment environment, and promote investment. In the construction of urban wastewater systems, wastewater treatment facilities must be planned and constructed together with other municipal facilities.

Liuzhou City is an industrial center of Guangxi Zhuang Autonomous Region (GZAR). Since the beginning of reform and opening up, Liuzhou has made rapid progress in economic and urban development, and people's living standard has been improving, imposing increasingly high environmental requirements. In recent years, the state has strengthened environmental management and control over wastewater discharge. As early as February 2005, the Liuzhou Municipal Government proposed to implement the Green Water and Blue Sky Project for integrated water pollution control, environmental management, and the construction of wastewater collection and treatment facilities. This project has improved the ecological environment of the urban and surrounding areas, maintained the normal operation of basic urban functions, and promoted balanced economic, social and environmental development greatly. In order to further improve the urban ecological and investment environments, and people's quality of life, and maintain the achievements of the Green Water and Blue Sky Project, the construction of the Longquanshan WWTP (Phase 3) and Baisha WWTP (Phase 2) will be started.

1.2 Subprojects

In June 2014, Liuzhou Sewage Treatment Co., Ltd., the owner of the Liuzhou Environment Management Project Phase II (hereinafter, the "Project"), made interim adjustments to the Project based on project progress and fund utilization, in which the Longquanshan WWTP (Phase 3) and Baisha WWTP (Phase 2) were included as additional subprojects.

The Longquanshan WWTP (Phase 3) is located beside the Longquanshan WWTP at No.12, Jiutoushan Road, Yufeng District, Liuzhou City, involving the construction of a WWTP using an A/A/O secondary biological treatment process with the BNR function, with a design capacity of 100,000 m³/d, together with plant roads, water supply and drainage works, electricity works, streetlamps, landscaping and other supporting facilities.

The Baisha WWTP (Phase 2) is located beside the Baisha WWTP at No.126-1, Yuejin Road, Liuzhou City, involving the construction of a WWTP using an A/A/O secondary biological treatment process with the BNR function, with a design capacity of 80,000 m³/d, together with plant roads, water supply and drainage works, electricity works, streetlamps, landscaping and other supporting facilities.

1.3 Project Preparation and Resettlement Progress

At the end of 2013, the owner submitted the reports on the initiation of the Longquanshan WWTP (Phase 3) and Baisha WWTP (Phase 2), and related materials to the Liuzhou Municipal Development and Reform Commission.

On December 2, 2013, the Liuzhou Municipal Development and Reform Commission approved the above reports with Documents LMDRC Planning [2013] No.602 and No.603 (*Appendix 2*).

On January 20, 2014, the Liuzhou Municipal Land and Resources Bureau approved the land used for the construction of the Longquanshan WWTP (Phase 3) and Baisha WWTP (Phase 2) with Document LMLRBP [2014] No.14.

1.4 Measures to Reduce Resettlement

In order to reduce the Project's local economic and social impacts, the design agency and owner took the following measures at the planning and design stage:

1. At the planning stage, the Project's local economic and social impacts were taken into account as key factors for option optimization and comparison.
2. At the resettlement implementation stage, when LA or HD is inevitable, the collection of basic information will be strengthened, and a deep analysis of the local socioeconomic profile and future prospect in order to reduce the Project's local impacts. A feasible RAP will be developed based on local conditions to ensure that the affected persons (APs) will not suffer losses due to the Project. Public participation and supervision will be encouraged actively, and internal and external monitoring strengthened. An efficient, smooth feedback mechanism will be established to handle grievances and appeals timely. See Table 1-1.

Table 1-1 Comparison of Options and Resettlement Impacts

Subproject	Option 1		Option 2		Preferred option and impact mitigation	
	Design	Impact	Design	Impact	Preferred	Impact mitigation
Longquanshan WWTP (Phase 3)	Planned floor area 118.245 mu, construction of a WWTP using an A/A/O secondary biological treatment process with the BNR function, with a design capacity of 100,000 m ³ /d	Affecting 54 households with 265 persons	Planned floor area 82.45 mu, construction of a WWTP using an A/A/O secondary biological treatment process with the BNR function, with a design capacity of 100,000 m ³ /d	Affecting 34 households with 166 persons	Option 2	Avoiding the occupation of cultivated land, and the resettlement of 20 households with 99 persons
Baisha WWTP (Phase 2)	Planned floor area 71.94 mu, construction of a WWTP using an A/A/O secondary biological treatment process with the BNR function, with a design capacity of 80,000 m ³ /d	Affecting 16 households with 55 persons	Planned floor area 31.09 mu, construction of a WWTP using an A/A/O secondary biological treatment process with the BNR function, with a design capacity of 80,000 m ³ /d.	Affecting 7 households with 31 persons	Option 2	Avoiding the occupation of cultivated land, and the resettlement of 9 households with 24 persons

1.5 Identification of Related Projects

The Project has no related project.

2. Impacts of Projects

2.1 Project Impact Survey

As required by the World Bank and the Liuzhou PMO, the owner conducted a 100% DMS on permanently acquired land and affected ground attachments, and socioeconomic survey on the affected districts, towns and villages, and a 20% sampling survey of the AHs, in which women accounted for not less than 30% of the surveyed population, in conjunction with the LA and HD offices, land and resources bureaus, and the RAP preparation agency in June 2014. The APs were involved in these surveys. The survey team also listened to opinions of residents and private enterprises about LA, HD and resettlement, and conducted extensive consultation. See Table 0-1.

Table 0-1 Implementation of DMS and Sampling Survey

Project	Subproject	Period	Mode	Organized by	Information
The Project	Longquanshan WWTP (Phase 3)	2014.5-6	100% door-to-door general survey, DMS, socioeconomic survey of households (20% of APs)	PMO, owner, affected village committees, survey team	Covering 9 AHs, accounting for 21.9% of all AHs; interviewing heads of the district LA and HD offices, and heads of Baisha and Jila Villages
		2014.5-6			
	Baisha WWTP (Phase 2)	2014.5-6			
		2014.5-6			

2.2 Affected Area

The project area is wholly within Liuzhou City. From March to April 2014, the project area was identified preliminarily with the assistance of the Liuzhou PMO and other agencies concerned. The Project will affect 41 households with 197 persons in two villages, two townships, two districts in Liuzhou City directly. See

Table 0-2.

Table 0-2 Summary of the Project Area

Subproject	City	District	Township	Village	AHs	APs	Remarks	
The Project	Longquanshan WWTP (Phase 3)	Liuzhou	Yufeng	Yangjiaoshan Town	Jila	34	166	LA
	Baisha WWTP (Phase 2)	Liuzhou	Liubei	Liuchang Sub-district	Baisha	7	31	LA

2.3 Impacts of Projects

2.3.1 Permanent Acquisition of Collective Land

The Project consists of the Longquanshan WWTP (Phase 3) and Baisha WWTP (Phase 2). 88.03 mu of rural collective land will be acquired for the Project, affecting 41 households with 197 persons directly, as detailed below:

1. Longquanshan WWTP (Phase 3)

82.45 mu of collective land will be acquired for the Longquanshan WWTP (Phase 3), including 39.95 mu of cultivated land (dry), 31.87 mu of construction land and 10.63 mu of unused land, affecting 34 households with 166 persons.

2. Baisha WWTP (Phase 2)

25.45 mu of collective land in Baisha Village, Liuchang Sub-district, Liubei District will be acquired for this subproject, including 5.58 mu of cultivated land. This plot was formerly contracted to villagers as cultivated land, but the Baisha Village Committee built a car park on it because it was no longer cultivated but without changing land use. This plot includes 5.58 mu of collective land contracted to villagers, affecting 7 households with 31 persons, and 19.87 mu of collective construction land. See Table 2-3.

Table 0-3 Summary of Permanently Acquired Collective Land

2.3.2 Permanent Occupation of State-owned Land

Project	Subproject	District	Township	Village	LA area (mu)				Affected population	
					Cultivated land (dry)	Construction land	Unused land	Subtotal	AHs	APs
The Project	Longquanshan WWTP (Phase 3)	Yufeng	Yangjiaoshan Town	Jila	39.95	31.87	10.63	82.45	34	166
	Baisha WWTP (Phase 2)	Liubei	Liuchang Sub-district	Baisha	5.58	0	0	5.58	7	31
	Total				45.53	31.87	10.63	88.03	41	197

It is learned that the Baisha WWTP (Phase 2) will affect 5.64 mu of state-owned land, including 4.98 mu from Liuzhou Sewage Treatment Co., Ltd., and 0.67 mu from Liuzhou Wenxin Real Estate Development Co., Ltd. The Longquanshan WWTP (Phase 3) will not occupy state-owned land,

2.3.3 Temporary Land Occupation

The Project does not involve temporary land occupation.

2.3.4 Vulnerable Groups

For the purpose of the Project, vulnerable groups include disabled persons, five-guarantee households, women-headed households and minimum living security households. According to the survey, there is no vulnerable group in the affected population.

2.4.5 Ground Attachments

During the project impact survey, all affected trees, tombs and telegraph poles were counted without omission. See Table 0-4.

Table 0-4 Summary of Affected Young Crops and Ground Attachments

No.	Type	Unit	Qty.	Proprietor
1	Field guard rooms (simple structure)	m ²	300	Villagers
2	Telegraph poles	/	7	Collective
3	Scattered trees	/	75	Villagers

3. Socioeconomic Profile of the Project Area

3.1 Socioeconomic Profile of the Affected City and Districts

Liuzhou City: Liuzhou City is located in the central north of Guangxi Zhuang Autonomous Region, within north latitude 23°54'-26°03' and east longitude 108°32'-110°28'. It borders Longsheng, Yongfu and Lipu in Guilin City on the east, Huanjiang Maonan Autonomous County and Luocheng Gelao Autonomous County in Chihe City, and Yizhou City on the west, Jinxiu Yao Autonomous County, Xiangzhou County, Xingbin District and Xincheng County in Laibin City on the south, and Tongdao Dong Autonomous County in Hunan Province, and Liping and Congjiang Counties in Guizhou Province on the north and northwest respectively. Liuzhou is an important industrial city in western China, and the largest industrial base in Guangxi. The industrial sector of the city covers over 30 industries, and there are over 2,500 industrial enterprises, including 11 large enterprises and 4 China top 500 enterprises. A modern industrial system pillared by automobile, machinery and metallurgy, and including such traditional industries as pharmaceuticals, chemicals, papermaking, sugar refining, building materials and textile has been established, and there are a number of advantageous enterprises and famous-brand products with strong competitiveness and a high share on domestic and overseas markets.

According to preliminary statistics, Liuzhou City's GDP was 79.512 billion yuan in 2013, in which the added value of primary industries was 8.531 billion yuan, that of secondary industries 41.201 billion yuan and that of tertiary industries 26.272 billion yuan. Total investment in fixed assets was 43.35 billion yuan, in which investment in urban fixed assets was 39.625 billion yuan, ranking second in the autonomous region. Fiscal revenue was 14.316 billion yuan. In 2013, the average wages of workers in service of Liuzhou City was 25,708 yuan, per capita disposable income of urban residents 12,978 yuan, per capita consumer spending 9,861.85 yuan, and per capita net income of farmers 2,883.8 yuan. In 2013, Liuzhou's industrialization rate was 51.62% and urbanization rate 48.53%.

Liubei District: Liubei District is located in the north urban area and is the seat of the Liuzhou Municipal CPC Committee and Government, with a total area of 282 km² and a total population of 330,000. Liubei District governs 8 sub-districts and 4 towns: Jiefang, Yaru, Shengli, Que'ershan, Gangcheng, Jinxiu, Bailu and Liuchang Sub-districts, and Shibeiping, Shatang, Changtang and Luofu Towns.

Liubei District abounds with farming, forestry, livestock and fishery resources, and has huge development potential for urban agriculture, leisure and sightseeing agriculture, and farm and sideline products processing. In 2013, remarkable results were achieved in capital introduction in Liubei District, with 96 projects introduced, including 62 new projects and 34 continuing ones; total project investment attained 450 million yuan.

Yufeng District: Yufeng District is located in southeastern Liuzhou, bordered by Liubei District on the north, Liujiang County on the south, and Luzhai County on the east, with a land area of 122 km² and a resident population of 238,200 (in 2013). The district governs 8 sub-districts. In 2013, the district's regional GDP was 12.185 billion yuan, a year-on-year growth of 16.5%, including a gross industrial output value of 18.6 billion yuan, up 43.3%; social investment in fixed assets of 6.423 billion yuan, up 43.8%; fiscal revenue of 2.392 billion yuan, up 16.5%; urban residents' per capita income of 24,108 yuan, up 11.8%; and rural residents' per capita net income 11,898 yuan, up 18.5%.

In 2013, full endowment insurance coverage among urban and rural residents was realized in Yufeng District, and over 120,000 urban residents covered basic medical insurance.

3.2 Socioeconomic Profile of the Affected Villages

The Project affects two village (Baisha and Jila), which are governed by one sub-district (Liuchang Sub-district) and one town (Yangjiaoshan Town) respectively.

Baisha and Jila Villages are both located in the outskirts of Liuzhou City, where most cultivated land has been turned into land for tertiary industries. Land rental is the main income source of both villages.

Baisha Village runs a farm product market, with annual collective income of up to 120 million yuan and an annual net profit of 5.95 million yuan. In addition, the developed industrial enterprises

nearby (brickworks, furniture, machinery and rubber plants, etc.) provide excellent job opportunities to surplus rural labor, with a nonagricultural employment rate of over 85%.

Jila Village runs a farm product market and has its own industries, with annual collective income of up to 200 million yuan and an annual net profit of 12 million yuan. In addition, the developed industrial enterprises nearby (brickworks, furniture, machinery and rubber plants, etc.) provide excellent job opportunities to surplus rural labor, with a nonagricultural employment rate of over 90%. See Table 0-

Table 0-1 Key Economic Indicators of the Affected Villages

District	Township	Village	HHs	Population	Where: men	Labor force	Cultivated area	Per capita cultivated area (mu)	Annual per capita net income (yuan)
Liubei	Liuchang Sub-district	Baisha	409	1126	567	774	189	0.17	10100
Yufeng	Yangjiaoshan Town	Jila	314	726	356	435	1770	1.54	10000

3.3 Socioeconomic Profile of the AHs

In order to learn the basic information of the AHs, the survey team conducted a sampling survey on 9 AHs, accounting for 21.9% of all AHs. The 9 sample households have 43 persons in total, including 20 women, accounting for 46.5%, and 25 laborers, with an average population of 5 per household. The sample population is composed of Han and Zhuang people mainly, including 37 Han people, accounting for 86.05%, and 6 Zhuang people, accounting for 13.95%. Among the sample population aged 18 years or above, 10 have received primary school or below education, accounting for 23.26%; 33 have received junior high school education, accounting for 76.74%; and none has received senior high school or above education. The per capita net income of the samples is 10,100 yuan, all from collective profit distribution and employment (all being nonagricultural income). The sample households have an average cultivated area of 1.02 mu per household or 0.25 mu per capita. See

Table 0-

Table 0-2 Key Economic Indicators of the Sample Households

District	Gender	Ethnic group	Educational level	Per capita net income (yuan)	Per capita cultivated area (mu)	Average cultivated area per household (mu)
Liubei	Male: 23	Han: 37 Zhuang: 6	Primary school or below: 10	10100	0.25	1.02
			Junior high school: 33			
	Female: 20		Senior high school or above: 0			

4. Legal Framework and Policy Objectives

To drive the LA, HD and resettlement work of the Project, protect the lawful rights and interests of the APs and entities, and enable the successful implementation of the Project, the policies of the Project have been enacted in accordance with the applicable regulations of the PRC, GZAR and the Liuzhou Municipal Government on LA and HD, as well as the Bank's Operational Policy OP4.12 Involuntary Resettlement.

The resettlement work of the Project will be conducted in strict conformity with the policies in the RAP, and any change during implementation has to be approved by the Bank.

4.1 Legal Framework

Table 0-1 Summary of Applicable Policies

Level	Policy	Effective date
State	Land Administration Law of the PRC	August 28, 2004
	Regulations on the Implementation of the Land Administration Law of the PRC (Decree No.256 of the State Council)	December 27, 1998
	Decision of the State Council on Deepening Reform and Exercising Strict Land Management (SC [2004] No.28)	October 21, 2004
	Interim Regulation of the PRC on Farmland Occupation Tax	January 1, 2008
	Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238)	November 3, 2004
	Circular of the State Council on Intensifying Land Control (SC [2006] No.31)	August 31, 2006
	Measures on Public Announcement of Land Acquisition	January 1, 2002
	Circular of the Ministry of Land and Resources on Carrying out Proper Compensation for Land Acquisition Practically	2004 MLR No.58
GZAR	Measures of Guangxi Zhuang Autonomous Region for the Implementation of the Land Administration Law of the PRC (Amended)	September 1, 2001
	Circular on Issuing the Measures of Guangxi Zhuang Autonomous Region for the Administration of the Collection of Farmland Reclamation Fees	GJFZ [2001] No.138
	Notice on Adjusting the Policy for Compensated Use Fees of New Land for Construction, etc.	CZ [2006] No.48
	Interim Regulations of Guangxi Zhuang Autonomous Region on the Collection of the Four Types of Compensation Fees for Woodland Acquisition and Occupation	July 31, 2002
	Measures of Guangxi Zhuang Autonomous Region for the Implementation of the Regulations on the Protection of Basic Farmland	July 31, 2002
	Notice of Guangxi Zhuang Autonomous Region on the Interim Measures for the Social Security of Land-expropriated Farmers	GZBF [2008] No.18
	Measures of Guangxi Zhuang Autonomous Region for the Implementation of the Interim Regulation of the PRC on Farmland Occupation Tax (Decree No.46 of the GZAR Government)	January 6, 2009
	Base rates of annual average output value for acquired land and compensation rates of demolition for the construction of major infrastructure projects of Guangxi Zhuang Autonomous Region	GDR Regulation [2009] No.52
Liuzhou City	Interim Measures of Liuzhou City for Compensation Rates for Land Occupation	LMG [2002] No.132
	Measures of Liuzhou City for the Administration of Urban House Demolition	LMG [2005] No.72
	Interim Measures of Liuzhou City for the Administration of Collective Land	LMG [2002] No.127
	Interim Measures of Liuzhou City for the Training, Employment and Social Security of Land-expropriated Farmers	LMG [2008] No.79
World Bank	Operational Policy OP4.12 Involuntary Resettlement and appendixes	January 1, 2002
	Bank Procedure BP4.12 Involuntary Resettlement and appendixes	January 1, 2002

4.2 Main Principles

According to the above policy framework, the purpose of the Project's resettlement policies is to minimize the negative impacts arising from LA and HD. The properties of those adversely

affectedⁱ will be compensated for at replacement costⁱⁱ, and they will be offered assistance so that they have adequate opportunities to restore or exceed the pre-displacement standard of living. The key principles are as follows:

- ◆ Measures shall be taken where possible to minimize the negative impacts on the APs;
- ◆ The compensation and resettlement programs can improve the standard of living of the APs or at least restore it to the pre-displacement level;
- ◆ The APs are consulted carefully so that they have opportunities to participate in planning and implementing resettlement programs;
- ◆ All affected properties will be compensated for at full replacement cost;
- ◆ Those with illegal buildings and expired temporary buildings will receive compensation or assistance;
- ◆ The principle of building before demolition will apply where possible. Before LA and HD, the APs will have received full compensation for their losses, which means acquisition of land and relevant properties will not be conducted until compensation has been paid, or a resettlement site and a moving subsidy have been offered;
- ◆ The borrower will raise compensation fees for resettlement, including resettlement contingencies;
- ◆ Qualification of APs: The deadline for qualification of APs is the date of publication of the bulletin of LA and relocation. After this date, the APs shall not build, rebuild or expand their houses; shall not change the uses of their houses and land; shall not lease their land, lease, sell or purchase their houses; and any person that moves in after this date shall not qualify as a AP.
- ◆ Compensation fees for a house shall be based on the appraised price of the house. If the appraised price is lower than the standard in the Resettlement Plan, the Resettlement Plan shall prevail.

4.3 Overview of Project Policies

4.3.1 Resettlement Policies for the Acquisition of Collective Land

The principles and rates of compensation for LA and resettlement, LA procedures and supervision mechanism of the Project are based mainly on the Land Administration Law of the PRC, the Decision of the State Council on Deepening Reform and Exercising Strict Land Management (SC [2004] No.28), Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238), Measures of Guangxi Zhuang Autonomous Region for the

ⁱ "Affected group" means a group that is subject to any of the types of impact. Specifically, it means a group: (1) whose standard of living is adversely affected; (2) whose adverse impact in housing, land (including housing site, farmland and grassland) or any other fixed or non-fixed asset is temporary land occupation or permanent land acquisition; (3) that has the right to use the adversely affected productive resources temporarily or permanently; or (4) whose business, occupation or working or living area is adversely affected; a AP means any person that is relocated.

ⁱⁱ "Replacement cost" is defined as follows: In terms of farmland, it means the market value of land of the same production potential or use near the affected land, including land restoration, registration fee and transaction tax. This cost is high in whichever form before construction or demolition. For urban land, it means the market value, registration fee and transaction tax of land of the same size and use before house demolition, while the public infrastructure and services of this area are equivalent to or better than those of surrounding areas. For a house or any other structure, it means the material costs of a structure of the same size and quality of the demolished structure, or the market costs of materials used for partial renovation of the demolished structure, as well as the cost for transporting construction materials to the site, the fee of signing the contract, service fee, registration fee and transaction tax. In the determination of demolition costs, asset depreciation, the value of articles surviving disasters and the appreciation available due to asset demolition are not taken into account. In some areas, legal demolition costs cannot really attain the compensation standard. Therefore, provided the national laws are complied with, the compensation has to be described additionally under extra measures so as to attain the corresponding standard. These additional measures shall be specified in the resettlement measures in Part 6 and other provisions of OP4.12.

Implementation of the Land Administration Law of the PRC (Amended), and Interim Measures of Liuzhou City for Compensation Rates for Land Occupation (LMG [2002] No.132).

Compensation fees for collective land acquisition include compensation fees for land, young crops and ground attachments, and resettlement subsidy.

The resettlement subsidy for LA is calculated based on the agricultural population to be resettled, which is equal to the amount of acquired farmland divided by the amount of farmland possessed by each member of the unit affected by LA before LA.

Compensation fees for young crops and ground attachments are based on actual losses.

No resettlement subsidy will be paid for acquisition of unused land and rural land for construction.

4.3.2 Compensation Rates for Demolished Non-residential Properties

Non-residential properties on collective land demolished for the Project will be compensated for in cash according to the rates specified in the Interim Measures of Liuzhou City for the Administration of Collective Land Acquisition, including housing compensation and relocation subsidy. See Table 4-2.

Table 0-2 Compensation Rates for Demolished Non-residential Properties

No.	Type	Unit price
1	Industrial buildings in masonry concrete structure	600 yuan/ m ²
2	Industrial buildings in masonry timber structure	500 yuan/m ²
3	Simple properties	100 yuan/m ²
4	Grounds	15 yuan/ m ²
5	Equipment relocation and compensation fees	As financially approved

4.3.3 Compensation and Restoration Policies for Temporary Land Occupation

Compensation fees for farmland occupied temporarily by the Project are the product of the average output value of the past 3 years of such land and the period of temporary occupation.

State-owned land occupied temporarily by the Project includes state-owned roads and watercourses occupied temporarily for pipeline construction. A method of integrated construction and restoration will be used in pipeline construction, where pipelines will be laid by pipe jacking if possible in densely populated and well-paved areas, for which no compensation will be paid.

4.3.4 Compensation and Restoration Policies for Ground Attachments

Special facilities affected by the Project will be restored as required to the original “function, size and standard”.

For all ground attachments affected by the Project, their proprietors will receive direct compensation at replacement cost.

4.3.5 Resettlement Policies for Vulnerable Groups

The affected vulnerable groups not only are entitled to the above compensation policies for land acquisition and house demolition, but also enjoy other preferential policies in employment, social security and other aspects offered by the PMO. These policies are intended to further protect the interests of the vulnerable groups.

5. Compensation Rates

The compensation rates for different types of impact of the Project have been fixed according to the above legal framework and based on the practical conditions of the affected city and districts.

5.1 Compensation Rates for Acquired Rural Collective Land

According to the Land Administration Law of the PRC, the Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition, the Measures of Guangxi Zhuang Autonomous Region for the Implementation of the Land Administration Law of the PRC (Amended), Base rates of annual average output value for acquired land and compensation rates of demolition for the construction of major infrastructure projects of Guangxi Zhuang Autonomous Region, Interim Measures of Liuzhou City for Compensation Rates for Land Occupation, and other applicable policies and regulations, land compensation fees include land and young crop compensation fees, and resettlement subsidy. See Table 5-1.

Table 0-1 Compensation Rates for Acquired Rural Collective Land

Project	Subproject	District	Township	Village	Uniform AAOV (yuan/mu)	Compensation multiple	LA compensation rate (yuan/mu)
The Project	Longquanshan WWTP (Phase 3)	Yufeng	Yangjiaoshan Town	Jila	7163	23	175099
	Baisha WWTP (Phase 2)	Liubei	Liuchang Sub-district	Baisha	7163	23	175099

5.2 Compensation Rates for Temporarily Occupied Collective Land

According to the Base rates of annual average output value for acquired land and compensation rates of demolition for the construction of major infrastructure projects of Guangxi Zhuang Autonomous Region and other pertinent provisions, the compensation for farmland temporarily occupied by the Project will be the product of the average output value of the past 3 years of such land and the period of temporary occupation, and a certain amount of young crop compensation will be paid in consultation with farmers as the case may be; after expiry of the occupation period, the land will be restored by the construction agency. For the convenience of calculation, an occupation period of more than 3 months but less than 6 months will be calculated as 6 months, and that of more than 6 months but less than one year as one year. See Table 0-2.

Table 0-2 Compensation Rates for Temporarily Occupied Collective Land

Project	Subproject	Period of occupation	Compensation rate (yuan/mu)
The Project	Longquanshan WWTP (Phase 3)	Half a year	1530
	Baisha WWTP (Phase 2)	Half a year	5674.5

5.3 Compensation Rates for Ground Attachments

All ground attachments affected by the Project are simple facilities, such as attendance rooms, which will be compensated for at replacement cost. The compensation rates are based on the Interim Measures of Liuzhou City for the Administration of Collective Land Acquisition. See Table 0-3.

Table 0-3 Compensation Rates for Affected Ground Attachments

No.	Type	Unit	Compensation rate (yuan/unit)
1	Field guard rooms (simple structure)	m ²	370
2	Telegraph poles	/	70
3	Scattered trees	/	100

6. Production and Livelihood Restoration Programs

The resettlement objective of the Project is to ensure that the APs can receive full compensation for their losses, reasonable resettlement and satisfactory restoration, enable them to share the benefits of the Project and assist them in temporary difficulties, so that their income level and standard of living, and the affected enterprises' production capacity and profitability are improved or at least restored, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. According to the applicable policies and the consultation with the APs, the Liuzhou PMO has developed compensation and resettlement programs for the APs.

6.1 Compensation and Resettlement for Permanent Acquisition of Collective Land

1. Impact analysis

The Project consists of the Longquanshan WWTP (Phase 3) and Baisha WWTP (Phase 2). 88.03 mu of rural collective land will be acquired for the Project, affecting 41 households with 197 persons directly, as detailed below:

1) Longquanshan WWTP (Phase 3)

82.45 mu of collective land will be acquired for the Longquanshan WWTP (Phase 3), including 39.95 mu of cultivated land (dry), 31.87 mu of construction land and 10.63 mu of unused land, affecting 34 households with 166 persons.

Jila Village has 1,770 mu of cultivated land before LA, in which 39.95 mu will be acquired, with a land loss rate of 2.26%; 34 households will be affected, accounting for 10.83% of all households.

2) Baisha WWTP (Phase 2)

25.45 mu of collective land in Baisha Village, Liuchang Sub-district, Liubei District will be acquired for this subproject, including 5.58 mu of cultivated land. This plot was formerly contracted to villagers as cultivated land, but the Baisha Village Committee built a car park on it because it was no longer cultivated but without changing land use. This plot includes 5.58 mu of collective land contracted to villagers, affecting 7 households with 31 persons, and 19.87 mu of collective construction land. See Table 2-3.

Baisha Village has 229 mu of cultivated land before LA, in which 25.45 mu will be acquired, with a land loss rate of 11.11%; 7 households will be affected, accounting for 5.67% of all households.

The cultivated land acquired for the Project is somewhat special. The 7 AHs no longer farm on this plot, which is now used as a public car park with an annual rental of 60,000 yuan, equivalent to 2,357.56 yuan/mu. This plot includes 5.58 mu of cultivated land, affecting 7 households with 31 persons, who receive 1,879.31 yuan per annum per household from land lease, accounting for 1.88% of average annual household income. In addition, since Baisha Village is within the range of urban village reconstruction of Liuzhou City, the AHs will be entitled to subsidization and resettlement under reconstruction. Moreover, Liubei District boasts a developed economy, and many nearby plants and schools, providing diverse job opportunities and income sources. Therefore, their household income will be affected slightly by LA. See Table 6-1.

Table 6-1 LA Impact Analysis

Subproject	District	Township	Village	Before LA			After LA			LA impact		
				HHs	Population	Cultivated area (mu)	AHs	APs	Cultivated area (mu)	Percent of HHs (%)	Percent of population (%)	Land loss rate (%)
Longquanshan WWTP (Phase 3)	Yufeng	Yangjiaoshan Town	Jila	314	726	1770	34	166	39.95	10.83%	22.87%	2.26%
Baisha WWTP (Phase 2)	Liubei	Liuchang Sub-district	Baisha	409	1126	229	7	31	5.58	1.71%	2.75%	11.11%
Total				723	1852	1999	41	197	45.53	5.67%	10.64%	2.23%

2. Resettlement and restoration measures

During the impact survey and resettlement planning, the survey team consulted with the APs and the agencies concerned extensively, and discussed resettlement programs by holding FGDs at the affected villages.

In the field survey, most of the affected households accept the Project, as they think that the Project will change their living environment and agricultural production conditions. Most of the APs require cash compensation for LA, because this mode is easy to operate and they can use compensation fees for production and livelihood restoration freely. In addition, for villager teams affected seriously by LA, APs will be offered employment training and job opportunities. The APs may also join the social security system for LEFs on a voluntary basis.

Through adequate consultation with the affected village committees and APs during the socioeconomic survey, different income restoration programs have been developed. The main income restoration measures for land contracted by rural households include:

Cash compensation:

Cash compensation will be calculated according to the compensation rates and the amount of farmland lost, and paid directly to the APs. Compensation fees received by the affected households can be used to conduct other agricultural or nonagricultural income generating activities, such as cash crop cultivation, sideline operations and small commodity selling, etc.; the village committees will determine how land compensation fees and resettlement subsidies will be allocated in consultation with the affected households. See Table 0-1.

In Baisha and Jila Villages affected by the Project, compensation will be paid at the location-based land price of 175,099 yuan/mu. Village congresses will be held in both villages in July-August 2014 to discuss how to distribute compensation fees. Based on past practices, it is expected that 90,000 yuan/mu will be paid directly to the APs, and 85,099 yuan retained by the collective for secondary and tertiary industry development, where villagers will share income thereon.

Table 0-1 Allocation of Land Compensation Fees and Resettlement Subsidies

Subproject	District	Township	Village	Compensation rate (yuan/mu)	Distribution (yuan/mu)	
					Collective	Individual
Longquanshan WWTP (Phase 3)	Yufeng	Yangjiaoshan Town	Jila	175099	90000	85099
Baisha WWTP (Phase 2)	Liubei	Liuchang Sub-district	Baisha	175099	90000	85099

Social security:

The Interim Measures of Liuzhou City for the Training, Employment and Social Security of Land-expropriated Farmers (LMG [2008] No.79) stipulate that LEFs with a per capita arable area of less than 0.3 mu (broadened to 0.5 mu in Guantang) may apply for the security for LEFs to provide for endowment, medical treatment and MLS. According to a preliminary survey, 13 APs out of 3 households are eligible for social security for LEFs, accounting for 1.74% of the affected population. These eligible people may join the social security system for LEFs voluntarily.

The specific policies on the social security system for LEFs are as follows:

- ◆ Scope of security: endowment insurance, medical insurance and MLS for LEFs
- ◆ Eligibility: land-expropriated registered agricultural population aged above 16 years and enjoying the right to contract rural collective land according to law, and contractors whose land is acquired completely according to law or whose remaining per capita arable area is less than 0.3 mu
- ◆ Fund raising method: LEFs after January 1, 2008 shall pay 20% of a base amount equivalent to 60% of the average wages of urban workers in service of the whole region in the year prior to the reference date of land acquisition for a period of 15 years.

- ◆ Allocation of funds: The accumulation fund of the basic endowment insurance of LEFs is raised by the individual, the village collective and the finance together, in which the individual and the village collective share 70%, and the finance shares 30%. The proportions shared of the individual and the village collective may be negotiated as the case may be.
- ◆ Sources of funds: There are 3 sources of funds for LEFs to pay basic endowment insurance premiums and the endowment insurance accumulation fund: land compensation fees, resettlement subsidy and some expenses disbursed by the government from land transfer fees and other proceeds on compensated use of land.
- ◆ Mode of payment: LEFs who pay the basic endowment insurance accumulation fund may receive basic endowment insurance benefits monthly after attaining the age of 60 full years with the approval of the municipal labor and social security insurance management office. The basic endowment insurance benefits consists of a basic pension and a personal accumulation account pension, of which the personal accumulation account pension is equal to the amount of deposit in the personal accumulation account multiplied by the payment coefficient of 0.57, and then divided by the number of months of payment corresponding to the age of the farmer.

It is learned through interview that the local APs are satisfied with the social security policies, and most of them are willing to join the social security system for LEFs, especially farmers aged above 50 years. It is thought that the social security system for LEFs has freed them from future worries.

In addition, eligible LEFs may also join the new rural cooperative medical security and rural MLS systems. LEFs who are urban residents in identity and eligible for the MLS for urban residents will be included in the MLS for urban residents; those who are rural residents in identity and eligible for the MLS for destitute rural residents will be included in the MLS for destitute rural residents. LEFs included in the MLS for urban and rural residents will be under the jurisdiction of the competent urban district.

It can be found that the compensation rates for acquisition of rural collective land fixed by the affected districts and counties are higher than the personal payment rates for LEFs to cover endowment insurance, so LEFs may use land compensation fees to cover the local endowment insurance voluntarily to obtain basic living security after land expropriation, and may also use the remaining sum for other income generating activities.

Employment training:

The affected population will be offered agro-technical training on culture techniques, housekeeping, business administration and property management, etc. in accordance with the applicable policies of Liuzhou City. The urban labor and social security authorities will offer free vocational training, employment policy consulting, employment information, vocational guidance and referral services to help the APs get employed in nonagricultural sectors. According to the Interim Measures of Liuzhou City for the Training, Employment and Social Security of LEFs, funds for training LEFs will be disbursed from the special funds for the training and employment of LEFs in the municipal finance.

It has been determined by reference to the Interim Measures of Liuzhou City for the Training, Employment and Social Security of LEFs that the employment training for workers affected by land occupation will be included in the overall plan for employment and reemployment of the local governments. From 2009 to 2012, the labor and social security authorities would organize employment training for the affected workers once or twice a year to help them master one or two vocational skills so that they can be employed soon.

In addition, the owner and the implementing agencies will also provide assistance and support to the APs by other means. During the construction period, the APs will have priority in providing labor service for the Project. The construction of the Project will generate some temporary job opportunities for the APs as a short-term source of income, which will help to improve their standard of living and restore their livelihoods. The Employer may ask the construction agency to hire APs to do some temporary jobs. It is learned that in nearby infrastructure construction projects, the

construction agencies mostly hire nearby farmers to do unskilled jobs, such as civil works and ditch excavation, and pay them 60-110 yuan a day. The Project can provide temporarily job in civil works, handling, landscaping and ditch excavation to the APs. Since most of the young adults of the affected rural households are working outside, while those staying at home are mostly women, the construction agency may provide such jobs as landscaping and ditch excavation that are suitable for women, and give priority to women in employment. About 30% of the job opportunities generated by the Project are suitable for women.

6.2 Restoration Program for Temporarily Occupied Land

The Project does not involve temporary land occupation.

7. Organizational Structure

7.1 Agencies

In order to ensure the successful implementation of resettlement as expected, an organizational structure must be established at the implementation stage to plan, coordinate and monitor resettlement activities. The agencies responsible for the LA, HD and resettlement work of the Project include:

- ◆ Liuzhou PMO
- ◆ Liuzhou Sewage Treatment Co., Ltd.
- ◆ Liuzhou Municipal Land and Resources Bureau
- ◆ Liubei District LA and HD Office
- ◆ Yufeng District LA and HD Office
- ◆ Baisha Village Committee
- ◆ Jila Village Committee
- ◆ Central and Southern China Municipal Engineering Design and Research Institute
- ◆ External M&E agency

Liuzhou PMO: leading LA and resettlement activities of the Project, developing policies, and reviewing the RAP

Liuzhou Sewage Treatment Co., Ltd.: preparing the RAP, conducting LA and fund management, coordinating and conducting internal supervision and inspection, and preparing internal monitoring reports for submission to the Bank

Land and resources bureau: handling, reviewing and approving LA formalities, and conducting coordination, management, supervision and arbitration

LA and HD offices: handling, reviewing and coordinating LA formalities, and conducting appeal handling and arbitration during LA and HD

Village committees: conducting the DMS, implementing LA and HD, and assisting in handling issues arising from LA and HD

Central and Southern China Municipal Engineering Design and Research Institute: conducting project design, and identifying the range of HD

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

See Figure 7-.

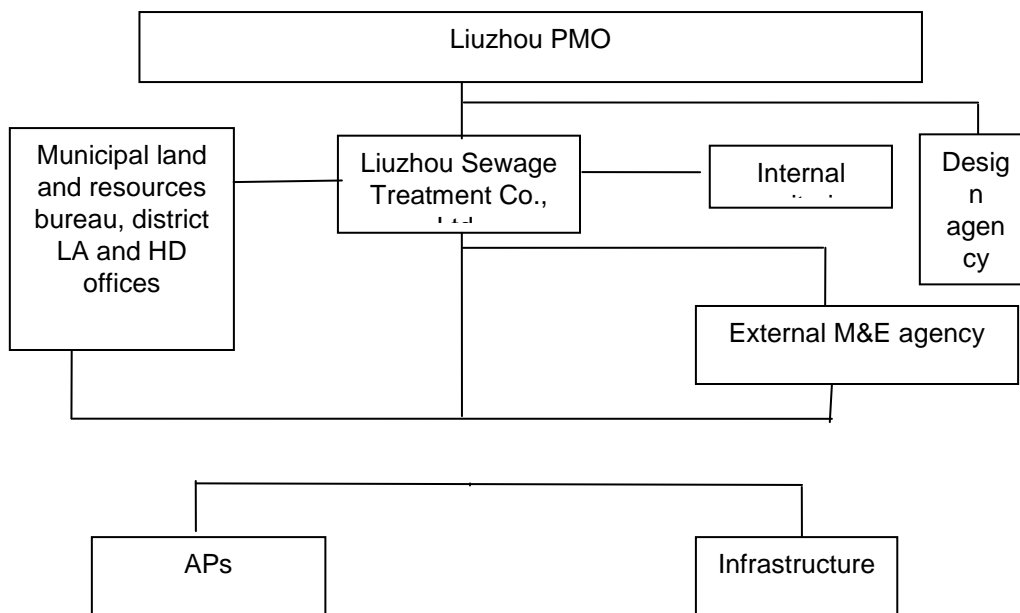


Figure 7-1 Organizational Chart

7.2 Responsibilities

✧ Liuzhou PMO

- ✓ Responsible for project leadership, organizing, coordination and policy-making, examining the RAP, implementing internal supervision and inspection, and making decisions on major issues arising from resettlement
- ✓ Organizing and coordinating the preparation of the RAP;
- ✓ Implementing the policies in the RAP;
- ✓ Coordinating the implementation of the RAP according to the project construction schedule;
- ✓ Examining monitoring reports;
- ✓ Coordinating and handling conflicts and issues arising from its work

✧ Liuzhou Sewage Treatment Co., Ltd.

- ✓ Appointing a design agency to identify the project area
- ✓ Organizing the socioeconomic survey
- ✓ Conducting the DMS
- ✓ Organizing public participation activities
- ✓ Carrying through the state policies and regulations on construction land management
- ✓ Developing LA resettlement programs and compensation rates, and submitting to the competent authorities for approval
- ✓ Going through the land use approval formalities
- ✓ Applying for the land use and construction permits
- ✓ Conducting consultation on resettlement programs and participating in the preparation of the RAP
- ✓ Directing, coordinating, and supervising resettlement activities and progress
- ✓ Conducting internal monitoring, appointing an external M&E agency, and coordinating external M&E activities

- ✓ Checking monitoring reports
- ✓ Coordinating and handling conflicts and issues arising from its work
- ✓ Reporting LA and HD progress, fund use and implementation quality to the Bank regularly
- ✧ **Municipal land and resources bureau**
 - ✓ Carrying through the state policies and regulations on construction land management
 - ✓ Participating in the review of compensation rates for land and attachments
 - ✓ Going through the LA approval formalities
 - ✓ Participating in the socioeconomic survey
 - ✓ Participating in the preparation and review of the RAP
 - ✓ Issuing the construction land examination report
 - ✓ Issuing the LA announcement
 - ✓ Directing, coordinating, supervising LA and resettlement activities
 - ✓ Coordinating and handling conflicts and issues arising from LA and fund disbursement
 - ✓ Imposing administrative punishments on violations in HD
- ✧ **District LA and HD offices**
 - ✓ Entering into LA and HD compensation agreements with APs
 - ✓ Conducting the DMS
 - ✓ Implementing LA and HD
 - ✓ Coordinating and handling conflicts and issues arising from LA and HD
- ✧ **Design agency**
 - ✓ Minimizing project impacts through design optimization
 - ✓ Identifying the range of LA and HD
- ✧ **External M&E agency**

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

 - ✓ Conducting the socioeconomic survey
 - ✓ Estimating detailed impacts, and evaluating the production and livelihood restoration of the APs
 - ✓ Analyzing data
 - ✓ Monitoring the whole process of implementation of the RAP, and submitting M&E reports to the Liuzhou PMO and Bank

7.3 Qualifications and Staffing

The project leading group is composed of leaders and officials of different administrative agencies. Its members have rich experience in LA, HD and resettlement, and have participated in the resettlement work of the Liuzhou Environment Management Project Phase I.

As a resettlement management and coordination agency, the Liuzhou PMO is composed of staff members having participated in the resettlement work of the Liuzhou Environment Management Project Phase I. The resettlement agencies are well staffed, with a full-time workforce of 27. See Table 0-1.

Table 0-1 Staffing of Resettlement Agencies

Resettlement agency	Full-time	Staff members
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	workforce	
Liuzhou PMO	2	Civil servants, leaders of Liuzhou Sewage Treatment Co., Ltd.
Liuzhou Sewage Treatment Co., Ltd.	3	Technicians
Liuzhou Municipal Land and Resources Bureau	4	Civil servants, technicians
Liubei District LA and HD Office	5	Civil servants
Yufeng District LA and HD Office	5	Civil servants
Design institute	3	Senior engineers, engineers
External M&E agency	5	Resettlement and social experts
Total	27	

7.4 Measures to Strengthen Institutional Capacity

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

See Table 0-2.

Table 0-2 Overall Training Program

No.	Item	Trainees	Time	Venue	Estimated budget (0,000 yuan)
1	Learning tour of domestic Bank-financed projects	Backbone resettlement staff	One session	China	5
2	Domestic resettlement operational training	Backbone resettlement staff	One session per annum	China	4
3	Domestic resettlement operational training	Resettlement staff	One session per annum	China	4
4	Skills training for APs	APs	Irregular	Liuzhou	7

8. Implementation Progress

8.1 Linkage between Resettlement Implementation Schedule and Construction Plan

The Project will be constructed from the January to December 2015 in stages, and the main part of resettlement will be conducted from September to December 2014. The resettlement implementation schedule will be coordinated with the construction schedule. The principles for scheduling are as follows:

- ◆ Land acquisition, house demolition and resettlement shall at least be completed one month before commencement of construction so that the APs have enough time to prepare for production resettlement and income restoration programs.
- ◆ Before commencement of construction, sufficient time must be allowed for land acquisition, house demolition and resettlement.

8.2 Principles for Scheduling

The principles for scheduling are as follows:

- 1) The range of LA and HD will be finally determined based on the design drawings of the unit works before the DMS.
- 2) The DMS results will be confirmed by the Liuzhou PMO, Liuzhou Sewage Treatment Co., Ltd., agencies concerned and proprietors based on the boundary maps before the signature of compensation and resettlement agreements.
- 3) The Liuzhou PMO, and district LA and HD offices will enter into compensation and resettlement agreements with the AHs after the confirmation of the DMS results, and the release of the LA and HD announcements.
- 4) Infrastructure will be reconstructed before demolition.
- 5) Compensation fees should be settled after contract signing and before land use.
- 6) Resettlement should be supervised to the satisfaction of the AHs.

8.3 Master Resettlement Schedule

The master resettlement schedule has been drafted based on the progress of construction, LA and HD, and resettlement preparation and implementation. The exact implementation schedule may be adjusted due to deviations in overall project progress. See **Error! Reference source not found.**

Table 8-1 Master Resettlement Schedule

Stage	Task	Baisha	Longquanshan
Preparation	Determination of range of LA and HD	2014.2	2014.2
	DMS	2014.4	2014.4
	Preliminary socioeconomic survey	2014.5	2014.5
	Negotiation of resettlement programs	2014.6	2014.6
	Preparation of the RAP	2014.7	2014.7
	Disclosure of the RAP	2014.8	2014.8
	Approval of the RAP	2014.8	2014.8
Implementation	Approval formalities for acquisition of rural collective land	2014.9	2014.9
	Mobilization for LA and HD, and disclosure of policies	2014.9	2014.9
	Announcement of LA and HD	2014.10	2014.10
	Negotiation and signing of compensation and resettlement agreements	2014.10	2014.10
	Handover of construction land	2014.12	2014.12
M&E	M&E		

9. Budget and Funding Sources

9.1 Budget

The general resettlement budget of the Project includes compensation fees for permanent and temporary land occupation, and demolition of ground attachments, and relevant taxes.

The general resettlement budget of the Project is 20.93 million yuan, including compensation fees for permanent acquisition of collective land of 15.41 million yuan or 73.63% of total costs, compensation fees for ground attachments of 122,200 yuan or 0.58% of total costs, taxes of 1.46 million yuan or 6.96% of total costs, and contingencies of 2.38 million yuan or 11.37% of total costs. The total costs of resettlement will be included in the total costs of the Project. See Table 9-1.

9.2 Annual Investment Plan

The fund use plan by year has been prepared according to the progress of LA and HD of the Project, as shown in Table 9-1.

Table 9-1 Annual Investment Plan

Year	2014	2015	Total
Amount (0,000 yuan)	1883	1905	2093
Percent	90%	10%	100%

9.3 Funding Sources

All resettlement costs of the Project will be from the Liuzhou Municipal Government.

Table 9-2 Resettlement Budget

No.	Item	Unit	Baisha WWTP (Phase 2)			Longquanshan WWTP (Phase 3)			Total (yuan)	Percent
			Qty.	Unit price	Amount	Qty.	Unit price	Amount		
1	Acquisition of collective land	Mu	5.58	175099	977052.42	82.45	175099	14436912.55	15413964.97	73.63%
2	Ground attachments	/							/	/
	Field guard rooms (simple structure)	M ²	310	370	114700				114700	0.55%
	Telegraph poles	/	3	70	210	4	70	280	490	0.00%
	Scattered trees	/	30	100	3000	35	100	3500	7000	0.03%
	Subtotal of 1-2				1094962.42			14440692.55	15536154.97	74.21%
3	Planning and design costs (2%)				126579.2702			288738.25	415317.52	1.98%
4	Implementation management costs (3%)				189868.9053			433107.38	622976.28	2.97%
5	M&E costs (2%)				126579.2702			288738.25	415317.52	1.98%
6	Training costs (0.5%)				31644.81755			72184.56	103829.38	0.49%
7	LA taxes				440100			1022400	1462500	6.99%
	Subtotal of 3-7				914772.2633			2105168.44	3019940.7	14.43%
	Subtotal of 1-7				2009734.683			16545860.99	18556095.67	88.64%
8	Contingencies (10%)				724373.5773			1654208.1	2378581.68	11.36%
	Total				2734108.261			18200069.09	20934677.35	100%

9.4 Fund Management and Disbursement

9.4.1 Fund Flow

In order that compensation fees under the Project are paid timely and fully to the APs according to the compensation policies and rates specified in the RAP, the following flowchart has been developed.

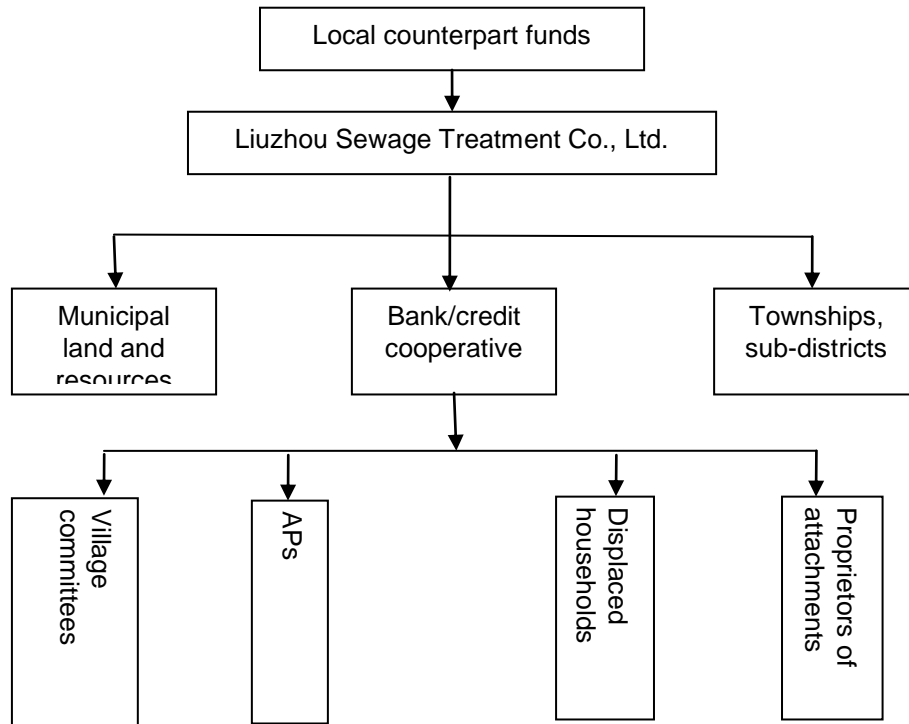


Figure 9-1 Fund Disbursement Flowchart

9.4.2 Management and Disbursement

In order that resettlement funds are paid timely and fully to be used for the production and livelihood restoration of the AHs, the PMO will take the following measures:

- All costs related to resettlement will be included in the general budget of the Project;
- Land compensation fees and resettlement subsidies will be fully paid before LA.
- Financial and supervision agencies will be established at different levels to ensure that all funds are disbursed on schedule.
- The budget is an estimate of resettlement costs, which may increase due to any practical change, adjustment of compensation rates, inflation, etc. Therefore, the budget should include contingencies, and be adjusted as necessary.

10. Public Participation and Consultation, and Grievance Redress

10.1 Public Participation

According to the policies and regulations of the state, GZAR, Liuzhou City and the affected districts and counties on land acquisition, house demolition and resettlement, the participation of and consultation with the APs will be attached great importance to at the resettlement policy-making, planning and implementation stages in order to maintain the lawful rights and interests of the APs and affected entities, reduce grievances and disputes, and realize the resettlement objectives properly by developing sound policies and implementation rules on relocation and resettlement, preparing an effective Resettlement Plan, and organizing implementation properly. See Table 0-1.

During the preparation of the RAP, the land acquisition and house demolition authorities, implementing agencies and design agencies of the subprojects have disclosed relevant information and resettlement policies of the Project to the APs in different ways, as shown in

Table 0-2. At the same time, these agencies have given extensive audience to opinions of the affected entities and households, and conducted extensive consultation and communication.

During the feasibility study at the preparation stage, suggestions and comments on the resettlement work of the Project have been solicited from the government agencies concerned, NGOs, and APs many times.

Table 0-1 Public Participation Process

District / county	Participants	Mode	Activity and time frame				Main conclusions
			DMS	Socioeconomic and willingness of resettlement survey	Compensation and resettlement policies	Consultation of resettlement programs	
Liubei	Liuzhou Sewage Treatment Co., Ltd., APs, county governments, county LA and HD offices, survey team, design agency	Interview, FGD and sampling questionnaire survey	2014.6	2014.6	2014.6-8	2014.9-10	①DMS: accepted by both sides, authentic and accurate data; ②Compensation and resettlement policies: as per state and local policies; ③Resettlement programs: detailed and feasible, satisfactory to the APs; ④The Project is supported generally.

Table 0-2 Policy Disclosure Process

Document	Mode of disclosure and language used	Time	Location
Project introduction	Municipal radio station	2014.1	
Disclosure and introduction of information on LA and HD	Radio station, website	2014.3	
RAP	Chinese, library, newspaper	After Bank review	Townships and village committees
RIB	Chinese, handed out to APs	After Bank review	Village committees, AHS

10.2 Public Opinion Survey

In June 2014, the survey team conducted a public opinion survey on the socioeconomic survey and resettlement programs. 14 households were surveyed, accounting for 34.1% of all AHs. See Table 0-3.

Table 0-3 Satisfaction Survey Form

No.	Question	Options	Results				
			(1)	(2)	(3)	(4)	(5)
1	Are you aware of the Project?	(1) Yes; (2) No; (3) Not clear	91.2%	8.8%			

No.	Question	Options	Results				
			(1)	(2)	(3)	(4)	(5)
2	Do you support the Project?	(1) Yes; (2) No; (3) Don't care	98.3%	1.5%	0.2%		
3	To whom the Project is beneficial? (Multiple choices allowed)	a) State: (1) Yes; (2) No	93.5%				
		b) Collective: (1) Yes; (2) No	86.2%				
		c) Individual: (1) Yes; (2) No	87.8%				
4	Potential hazards of environmental pollution	(1) Economic loss (2) Impact on quality of life (3) Impact on investment environment (4) Impact on city image	51.2%		49.8%		
5	To what extent environmental pollution has affected your life and work?	(1) None (2) Slight (3) Severe	65.5%	33.1%	1.4%		
6	What positive impacts will the Project have on you?	(1) Improving living environment (2) Improving working environment (3) Generating job opportunities (4) Promoting physical and mental health	75%	13%	12%		
7	What negative impacts will the Project have on you?	(1) None (2) Impact on traffic (3) Potential income loss from HD (4) Potential income loss from LA (5) Other	65.2%	32.8%		1.8%	0.2%
8	Are you aware of the compensation and resettlement policies for LA and HD?	(1) Yes (2) Somewhat (3) No	97.5%	2.5%			

10.3 Grievance Redress

Since the resettlement work is conducted with the participation of the APs, no substantial dispute will arise. However, to ensure that the APs have a channel to file an appeal on any issue concerning land acquisition and resettlement, a 4-stage appeal mechanism has been established in the RAP:

- ◆ Stage 1: If any AP is dissatisfied with the RAP, he/she can report this to the village committee or relocation office orally or in writing. In case of an oral appeal, the village committee or relocation office shall handle such appeal and keep written records. Such appeal should be solved within 2 weeks;
- ◆ Stage 2: If the AP is dissatisfied with the disposition of Stage 1, he/she may file an appeal to the district or county project management agency after receiving such disposition, which shall make a disposition within 2 weeks;
- ◆ Stage 3: If the AP is dissatisfied with the disposition of Stage 2, he/she may escalate the appeal to the administrative organ with jurisdiction in accordance with the Administrative Procedure Law of the PRC after receiving such disposition for arbitration.
- ◆ Stage 4: If the AP is still dissatisfied with the arbitration award, he/she may file a suit in a civil court in accordance with the Civil Procedure Law of the PRC after receiving the arbitration award.

APs may file an appeal on any aspect of resettlement, including compensation rates, etc. The above appeal channel will be communicated to APs at a meeting or by other means, so that APs know their right of appeal. Mass media will be used to strengthen publicity and reportage, and comments and suggestions on resettlement from all parties concerned will be compiled into messages for disposition by the resettlement organization at all levels. All agencies will accept grievances and appeals from the APs for free, and costs so reasonably incurred will be disbursed from the contingency costs.

Table 10-4 Contact Information for Grievance Redress

Agency	Name	Address	Tel
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PMO	Tan Jianyun	No.2, Yuejin Road, Liuzhou	0772-2827625
Liubei District LA and HD Office	Director Wang	No.100, Yuejin Road, Liuzhou	0772-2521191
Yufeng District LA and HD Office	Director Tan	No.10, Xueyuan Road, Liuzhou	0772-3162104

11. M&E Arrangements

To ensure the successful implementation of the Resettlement Plan and resettle the APs properly, periodic monitoring and evaluation of land acquisition, house demolition and resettlement activities will be conducted in accordance with the Bank Operational Policy OP4.12 Involuntary Resettlement and the Operational Guide to the Monitoring and Evaluation of Resettlement of World Bank Financed Projects in China. Monitoring is divided into internal monitoring of resettlement agencies and external independent monitoring. Monitoring and evaluation will begin in June 2010 and end in December 2011. According to the construction and resettlement progress of the subprojects, a progress report will be submitted to the World Bank semiannually and an external monitoring report submitted annually.

11.1 Internal Monitoring

The Liuzhou PMO implements an internal monitoring mechanism to check resettlement activities, and has established a basic resettlement database, and used it to prepare the RAP, monitor all AHs and affected entities, and conduct internal supervision and inspection on the whole process of resettlement preparation and implementation.

11.1.1 Procedure

During resettlement, the Liuzhou PMO will sample and record resettlement information based on the monitoring samples to maintain continuous monitoring on implementation.

The project leading group, municipal land and resources bureau, and district LA and HD offices will conduct regular inspection and verification as an integral part of the internal monitoring system.

11.1.2 Scope

- ◆ Rural resettlement
- ◆ Compensation fees and disbursement
- ◆ Labor resettlement
- ◆ Restoration of special facilities
- ◆ Staffing, training, working schedule and efficiency of the resettlement agencies
- ◆ Registration and handling of grievances and appeals of APs

11.1.3 Reporting

The owner will prepare a report on the progress of LA, HD and resettlement of the Project every 6 months, and submit it to the Liuzhou PMO, which will in turn submit it to the World Bank.

11.2 External Monitoring

11.2.1 External M&E Agency

Liuzhou Sewage Treatment Co., Ltd. will appoint an independent agency to conduct external resettlement M&E on resettlement progress, quality and funding, and the APs' production level and living standard, and submit M&E reports to the Liuzhou PMO and Bank regularly.

11.2.2 Procedure and Scope

- (1) Preparing the terms of reference of M&E;
- (2) Developing software for the resettlement M&E information system;
- (3) Preparing a survey outline, survey form and record card of affected residents and typical affected entities;
- (4) Design of sampling survey plan and sample size: 10% of households affected by LA

(5)Baseline survey: A baseline survey required for the independent M&E of the households affected by land acquisition will be conducted to acquire baseline data on the standard of living (livelihood, production and income levels) of the monitored AHs.

(6)Establishing an M&E information system

(7)M&E survey

- Capacity evaluation of resettlement implementing agencies: to survey the working capacity and efficiency of the resettlement implementing agencies
- Resettlement progress, compensation rates and payment
- Follow-up survey of income level of AHs (sampling rate: 10%)
- Monitoring of typical displaced households: payment of compensation fees, availability of resettlement housing, relocation, income restoration, resettlement quality, housing construction progress, etc.
- Monitoring of typical affected entities: payment of compensation fees, LA for new sites, housing construction, relocation, production and workers' income restoration, resettlement quality
- Restoration measures for vulnerable groups
- Infrastructure: payment of compensation fees, functional restoration, reconstruction progress
- Public participation and consultation: to monitor public participation activities during the preparation and implementation of the RAP, and the effectiveness of participation
- Appeals: to monitor the registration and disposition of appeals of APs

(8)Compiling monitoring information and establishing a database

(9)Comparative analysis

(10)Preparing M&E reports according to the monitoring plan

11.2.3 Monitoring Indicators

Socioeconomic indicators: per capita income, GDP and employment rate;

Institutional indicators: staffing, staff competencies, rules and regulations, equipment, completion rate of transactions;

APs: availability of compensation fees, modes of production resettlement, variation of income, employment rate, satisfaction with resettlement

Infrastructure: availability of compensation fees and functional recovery ratio

11.3 Post-evaluation

After project implementation, the resettlement activities will be subject to post-evaluation using the theory and methodology for post-evaluation on the basis of M&E. Successful experience and lessons of land-expropriated farmers will be evaluated to provide experience that can be drawn on for future resettlement. Post-evaluation will be conducted by an external independent M&E agency appointed by the Liuzhou PMO. The post-evaluation agency will prepare terms of reference for post-evaluation to establish a system of evaluation indicators, conduct socioeconomic analysis and survey, and prepare the Resettlement Post-evaluation Reports of the Baisha WWTP (Phase 2) and Longquanshan WWTP (Phase 3) for submission to the Liuzhou PMO and Bank. See Table 0-1.

Table 0-1 M&E Schedule

Subproject	District	Internal supervision		External M&E		
		Time	Report	Time	M&E report	Post-evaluation report
Baisha WWTP (Phase 2)	Liubei	2015.6-2016.6	Semiannual	2015.6-2016.6	Semiannual	1

Subproject	District	Internal supervision		External M&E		
		Time	Report	Time	M&E report	Post-evaluation report
Longquanshan WWTP (Phase 3)	Yufeng	2015.6-2016.6	Semiannual	2015.6-2016.6	Semiannual	1

12. Entitlement Matrix

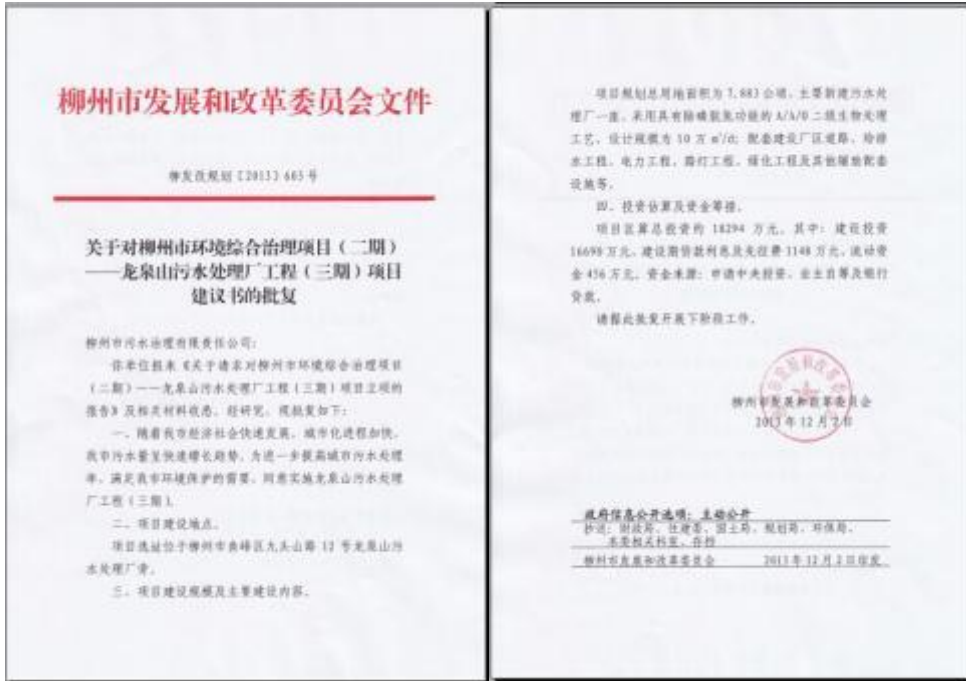
The entitlement matrix for the affected population or entities according to the RAP of the Project is as shown in Table 0-1.

Table 0-1 Entitlement Matrix

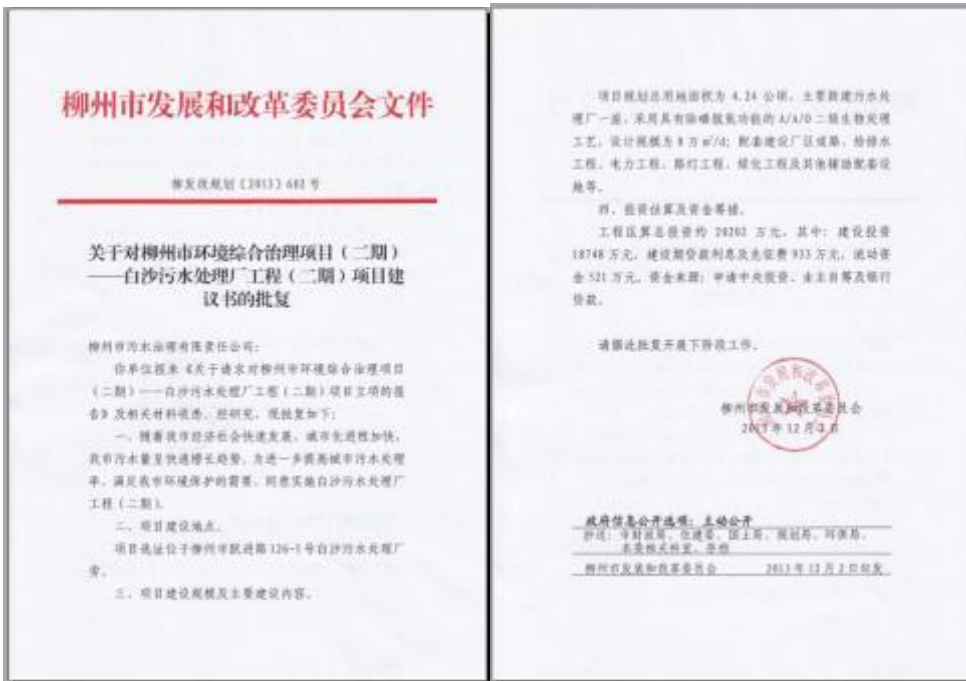
Type of impact	Subproject	Degree of impact	APs	Compensation and resettlement policy	Compensation rate
Collective land acquisition	Longquanshan WWTP (Phase 3)	82.45 mu of collective land in Jila Village, Yangjiaoshan Town, including 39.95 mu of cultivated land (dry)	34 households with 166 persons	90,000 yuan/mu is paid directly to the APs, and 85,099 yuan retained by the collective for secondary and tertiary industry development, where villagers will share income thereon. The APs will receive skills training and employment services, and may cover endowment insurance for LEFs voluntarily.	location-based composite land price: 175,099 yuan/mu
	Baisha WWTP (Phase 2)	5.58 mu of collective land	7 households with 31 persons		location-based composite land price: 175,099 yuan/mu
Ground attachments	/	Field guard rooms (simple structure), telegraph poles, scattered trees	Proprietors	The owner will provide compensation fees to the proprietors.	See Table 5-3.
Grievance redress	/	/	APs dissatisfied with LA, HD or resettlement and filing an appeal	Compensation rate, payment of compensation fees, and relocation and resettlement measures	All costs and management fees involved in such appeal should be exempted.

Appendixes

Appendix 1 Approval of the Longquanshan WWTP (Phase 3)



Appendix 2 Approval of the Baisha WWTP (Phase 2)



Appendix 3 Fieldwork Photos



Organizational Interview



Organizational Interview



Field Investigation



Field Investigation