

World Bank-financed Project

Hubei Safe, Sustainable and Smart Agriculture Project Resettlement Policy Framework

**Hubei Project Management Office (PMO)
October 2019**

Foreword

I. Purpose of preparing this RPF

1 The RPF is prepared in accordance with the applicable laws of the People's Republic of China and local regulations and a series of provisions in the Bank Operational Policy OP4.12 on Involuntary Resettlement for the purpose of “developing an action plan for resettlement and restoration for the people affected by the project, so that they benefit from the project, their living standard is improved or at least restored after the completion of the project”.

II. Definitions of terms

Displaced persons

2 Based on the criteria for eligibility for compensation, “Displaced Persons” may be classified in one of the following three groups:

- a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
- b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets-provided that such claims are recognized under the laws of the country or become recognized through a process identified in the RPF; and
- c) those who have no recognizable legal right or claim to the land they are occupying.

3 Persons covered under paragraphs 2(a) and (b) are provided compensation for the land they lose, and other assistance. Persons covered under paragraph 2(c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objective set out in this policy, if they occupy the project area prior to a cut-off date¹ established by the borrower and acceptable to the World Bank. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in paragraph 2(a), (b), or (c) are provided compensation for loss of assets other than land.

III. Compensation and resettlement measures

4 To address the following impacts of the involuntary taking of land: (i) displacement or loss of shelter; (ii) lost of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location, an RAP or a resettlement policy framework shall be prepared to cover the following:

(a) The Resettlement Action Plan or resettlement policy framework includes measures to ensure that the displaced persons are:

- informed about their options and rights pertaining to resettlement;
- consulted on, offered choices among, and provided with technically and economically

feasible resettlement alternatives; and

¹ Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the roject area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

➤ provided prompt and effective compensation at full replacement cost², for losses of assets attributable directly to the project.

(b) If the impacts include physical displacement, the RAP or resettlement policy framework includes measures to ensure that the displaced persons are:

➤ provided assistance (such as moving allowances) during displacement; and

➤ provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.

(c) Where necessary to achieve the objective of the policy, the Resettlement Action Plan or resettlement policy framework also includes measures to ensure that displaced persons are:

➤ 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;

➤ provided with development assistance in addition to compensation measures described in paragraph 4(a) (iii), such as land preparation, credit facilities, training, or job opportunities.

5 **Cut-off date:** means the date of publication of the announcement of LA and property demolition in this project. After this date, the displaced persons shall not build, rebuild or expand their properties; shall not change the uses of their properties and land; shall not lease their land, lease, sell or purchase their properties; and any person that moves in after this date shall not qualify as a displaced person.

Definitions of Other Relevant Terms

5 **Affected population:** Population affected by 1) the involuntary acquisition of land; or 2) the involuntary restriction on land use or access to statutory parks and reserves, thereby relocated, and losing residential land, assets, conditions for asset utilization, income sources or livelihoods

6 **Entitlement** means a series of measures offered to affected households to help them with income restoration and social development, including compensation, income restoration, transition subsidy, livelihood replacement, moving subsidy, etc., depending on their type of loss and degree of impact.

7 **Grievance redress mechanism** means a mechanism that handles and addresses grievances and appeals on relocation, economic and other project impacts on the affected population, with particular attention paid to impacts on vulnerable groups.

8 **Income restoration** means the rebuilding of income sources and livelihoods of affected households, including activities supporting their pre-project income / livelihoods. These are measures designed based on the socioeconomic survey and training need evaluation to meet the specific needs of the affected population.

9 **Effective consultation:** This process: 1) begins early at the preparation stage and is conducted continuously during the whole project cycle; 2) includes the timely and full disclosure of relevant

²"Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account.

information in a manner that can be understood and acquired conveniently by the affected population; 3) is conducted without intimidation and threat; 4) includes and responds women's voice, and meets vulnerable groups' needs; and 5) contains all views related to decision-making of the affected population and other stakeholders, such as project design, alleviation measures, sharing of development benefits and opportunities, and implementation issues.

- 10 **Vulnerable groups** mean individuals and groups affected specially or asymmetrically by the project due to their disadvantaged or vulnerable state, and usually include the poor, land-expropriated farmers, old people, women, children, minority residents and those without legal title to land.

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Abbreviations

AH	-	Affected Household
AP	-	Affected Person
ARAP	-	Abbreviated Resettlement Action Plan
HD	-	House Demolition
LA	-	Land Acquisition
LEF	-	Land-expropriated Farmer
M&E	-	Monitoring and Evaluation
OP	-	Operational Policy
PMO	-	Project Management Office
PRC	-	People's Republic of China
RAP	-	Resettlement Action Plan
RPF	-	Resettlement Policy Framework
SFC	-	Specialized Farmers' Cooperative
TORs	-	Terms of Reference

Units

Currency unit	=	Yuan (CNY)
1.00 yuan	=	\$0.15
1 hectare	=	15 mu

A Introduction

1. Hubei Province is located in the fertile Jiangnan Plain in the middle Yangtze River, and is one of the most important agricultural regions of China, dealing with rice, cotton, rape, tea, orange and vegetable cultivation, aquaculture and stockbreeding. According to the Outline of the Thirteenth Five-year Agricultural Development Plan of Hubei Province (HPG [2016] No.55), Hubei Province is to be built into a demonstration region of farm product quality and safety, a pioneering region of ecological and efficient agriculture, and a pilot region of “Internet+” modern agriculture and rural reform. This is largely consistent with the Bank’s project objectives, and fully aligned with the Rural Partnership Strategy (Report No.67566-CN) of the Bank for China (fiscal years 2013-2016), thereby giving rise to the Hubei Safe, Sustainable and Smart Agriculture Project (hereinafter, the “Project”).
2. The project development objective (PDO) is to promote safe, sustainable and smart production practices of the target farm producing areas and value chain in Hubei Province. The PDO indicators include: 1) Good Agricultural Practice (GAP) area increasing year by year from 50,000 mu in Year 1 to 210,000 mu in Year 5; 2) an agricultural greenhouse gas monitoring system established gradually, tested and put into operation in Year 5; and 3) quality and safety conformity rate of farm products rising gradually by 5 percentage points.
3. The Project consists of 3 components: 1) Agricultural Risk Assessment, Management and Communication, including risk assessment, management and communication, and digital technology; 2) demonstration and extension of safe, sustainable and smart agricultural practices; and 3) project and knowledge management: a) routine project management, progress management, and holding of kick-off, annual working, interim inspection and summary meetings, etc.; and b) M&E and knowledge management: project activity monitoring, performance monitoring, knowledge management (technical experience publicity and extension, information management, and information communication). Land acquisition and/or resettlement will only be needed to support Component 2 of the project. See **Appendix 1** for the RPF of the Project (with focus on Component 2).
4. According to the state and Bank requirements for project management, project leading groups and PMOs have been established at the provincial, municipal and district / county levels, and their staff includes financial, management and procurement professionals to ensure the successful implementation of the Project.
5. By the end of September 2019, the project design involved neither LA nor HD. For the SFCs involving in LA compensation in the past two years—Dafan Loquat SFC in Tongshan County, and Xingxiang Farm Product SFC and Yihong Early Tea SFC in Yiling District, the Hubei PMO has prepared a resettlement due diligence report. The Project involves voluntary land transfer among rural residents mainly. See **Appendix 4**.
6. Since the Project is still at the preparation and design stages, its scope and scale of construction may vary due to detailed design, optimization or adjustment, **the exact location of the planned activities is subjected to further changes during the construction period of the project. Furthermore**, additional LA and involuntary resettlement may occur during implementation stage when new activities are approved according to the framework approach, therefore this **resettlement policy framework has been prepared to guide impact assessment and preparation of resettlement action plans in the future.**

According to the existing feasibility study report and impact assessment, it is found that the project only involves land acquisition, and no house demolition is identified. The expected impacts of land acquisition based on project plans are as follows:

1) 195.03 mu (13 hectare) of land has been acquired for supporting 4 SFCs from 4 townships in 3 counties / districts, affecting 116 households with 470 persons.

2) 214 mu (14.2 hectare) of land is planned to be acquired for 3 SFCs from 5 townships in 3 counties / districts, affecting 176 households with 325 persons.

3) The other SFCs will mainly obtain land on the market through transparent processes. See SIA Appendix 5 “Identification of Resettlement Impacts”.

Table 1-1 Summary of resettlement impacts

County / county-level city / district	Township	SFC	Occupied land area (mu)	AHs	APs	Proposed document
LA compensation completed in the past two years						
Tongshan County	Dafan Town	Banqiao Loquat SFC	38	45	194	DDR
Yiling District	Xiaoxita Town	Xingxiang Farm Product SFC	40	31	136	DDR
	Taipingxi Town	Yihong Early Tea SFC	2.03	/	/	DDR
Gongan County	Shikou Town	Shenjindu Group Co., Ltd.	115	40	145	DDR (Planned SFCs)
Total			195.03	116	470	
LA planned						
Xian'an District	Shuangxiqiao Town	Green Cycle Eco-agriculture Co., Ltd.	25	25	76	RPF
Xiaonan District	(TBD)	Fuliangshan Agro-technology Co., Ltd.	28	20	59	RPF
Duodao District	Tuanchen、Macheng、Baimiao Town	Jingmen Minfeng Grease Co., Ltd.	161	131	190	RPF (Planned SFCs)
Total			214	176	325	

4) According to the existing feasibility study report and impact assessment findings, 46 SFCs may need land to accommodate project activities. It is a general guidance that impact from land acquisition and resettlement should be avoided. Alternative designs should be considered when there is land acquisition or resettlement. House demolition will be discouraged when selecting activities to be supported.

7. Based on paragraphs 6 and 7 above, the borrower has developed this resettlement policy framework (RPF), and related principles and policies in accordance with the Bank's policy on involuntary resettlement activities (OP4.12) to direct the Project's resettlement activities. See Table 1-1.

Table 1-1 Summary of the Project Area

Province	Prefecture level city	District / county / county level city	SFC	Township	Village
Hubei	Jingmen	Jingshan County	Yilong Rice Cultivation SFC	Economic Development Zone	Yihe, Jiangjiadayan
		Zhongxiang City	Changlong Cultivation SFC	Changshou Town	Huangpo
		Duodao District	Jingmen Minfeng Grease Co., Ltd.	Tuanlinpu Town	/
	Jingzhou	Honghu City	Chunlu Crop Cultivation SFC	Wulin Town	Wangjiazhou, Siwumen
		Gong'an County	Colorful Sunshine Land Joint-stock Cooperative	Zhangzhuangpu Town	Xingang, Xinrong
	Xiangyang	Nanzhang County	Xiangming Tealeaf SFC	Xiaoyan Town	Zhouwan
	Xianning	Xian'an District	Hubei Green Cycle Eco-agriculture Co., Ltd.	Shuangxiqiao Town	Jiushan

		Tongshan County	Dafan Loquat SFC	Dafan Town	Dakeng
		Tongcheng County	Tianjian Pig SFC	Sizhuang Xiang	Huajia
				Shadui Town	/
	Xiaogan	Xiaonan District	Fuliangshan Agro-technology Co., Ltd.	Xihe Town	Yunfeng
	Yichang	Yiling District	Xiaoxi Red Orange SFC	Longquan Town	Tumen, Shuifumiao
Bio-industry Park				/	
Yaqueling Town				Jinhe	
Taipingxi Town				Huangjiachong	

8. Survey methods and scope

The survey methods of this RPF are as follows:

- 1) Literature review: Documents, agreements and statistical reports on LA, HD and resettlement were referred to and verified.
- 2) FGD: 12 FGDs were held with the Hubei PMO, and the 11 district / county PMOs to learn project progress, resettlement and community participation.
- 3) Sampling survey: A sampling survey was conducted in the project districts / counties, with 400 respondents in total.

The survey scope of this RPF is as follows:

- 1) Land, including permanently and temporarily occupied land in the project area;
- 2) Houses and attachments, including rural residential houses and non-residential properties;
- 3) Entities and stores;
- 4) Affected population;
- 5) Scattered trees and tombs;
- 6) Infrastructure and special facilities;
- 7) Planned land to be occupied for special facilities

The competent authority for the Project is the Hubei PMO, and the implementing agencies are the affected SFCs or companies in the 11 districts / counties. During July-September 2019, the task force from Hohai University conducted a socioeconomic survey and a DMS in the project area (including Duodao District, Jingshan County and Zhongxiang City in Jingmen City, Honghu and Gong'an Counties in Jingzhou City, Nanzhang County in Xiangyang City, Xian'an District, Tongcheng County and Tongshan County in Xianning City, Xiaonan District in Xiaogan City, and Yiling District in Yichang City) based on the project proposal, covering population, LA and HD impacts, household conditions, expected resettlement modes, etc. During the survey, the task force also collected comments and conducted extensive consultation.

In addition, the task force conducted interviews with the agencies concerned, and held FGDs with township and village officials, and representatives of APs, in which 30% of participants were women, covering project impacts and suggestions, household income and expenditure, livelihoods, expected resettlement modes, income restoration measures, basic information of affected entities, etc.

B Objectives, Principles and Terms

9. This RPF is based on OP4.12 "Involuntary Resettlement" in the World Bank Operational Manual issued in December 2001, and the overall objectives are:
 - Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs;
 - 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 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.
10. This RPF defines the principles and objectives of resettlement, and appropriate guidelines, rights, and legal and institutional framework, compensation and restoration patterns, participation characteristics, and appeal procedure for resettlement, and is used to guide compensation, resettlement and restoration matters.
11. Each RAP should be based on identifiable basic information collected, and include the following aspects:
- Those whose farmland or rural houses together with housing sites is/are wholly or partly affected by the Project (permanently or temporarily);
 - Urban houses wholly or partly affected by the Project (permanently or temporarily);
 - Commercial facilities (enterprises and stores) wholly or partly affected by the Project (permanently or temporarily);
 - Young crops and ground attachments wholly or partly affected by the Project (permanently or temporarily).
12. The key principles and objectives of this RPF are as follows:
- Acquisition of land and other assets, and related resettlement should be minimized where possible;
 - As of the baseline survey date, all APs are entitled to restoration measures to help them improve or at least their living standard, ability to earn income and production level; the lack of legal title to asset losses does not impede their entitlement to resettlement measures;
 - The resettlement measures available include: (1) residential houses and other buildings are compensated for at replacement cost free from depreciation or recovery of residual value; (2) cash or other means of compensation, such as land replacement and endowment insurance; (3) equal replacement of housing and housing sites acceptable to APs; and (4) subsidies for relocation and living;
 - If APs can accept the replacement of housing, housing sites and farmland, replacements should be as close to their lost land as possible;
 - The transition period of resettlement should be minimized, and restoration measures should be made available to APs at the project site before the preset starting date;
 - The acquisition plan of land and other assets, and the restoration measures offered shall be negotiated with APs repeatedly to ensure minimum interference; APs will be empowered before the preset starting date;
 - The existing community service and resource levels should be maintained or improved;
 - Whenever and wherever necessary, financial and material resources for resettlement and restoration must be available; the budget in the RAP should include contingencies;
 - The institutional and organizational arrangements should ensure that assets and resettlement are designed, planned, consulted and implemented effectively and timely;
 - The implementation of the RAP shall be supervised, monitored and evaluated effectively and timely.

C RAP Preparation and Approval

13. When the Project is approved and commence implementation, if land acquisition or resettlement is unavoidable, the local governments and IAs will prepare RAPs according to the

applicable state laws and regulations, and the Bank's Policy on Involuntary Resettlement (OP4.12).

14. The preparation and implementation of the RAP (including the payment of all resettlement costs) will be the responsibility of the borrower. The Provincial Departments of Culture and Finance are fully responsible for the Project.
15. When the affected population of the Project exceeds 200, the provincial and local PMOs will prepare an RAP in coordination with the local governments, and submit it to the Bank; in addition, APs should be fully consulted so that they have a chance to participate in the design and implementation of the RAP.
16. On the basis of the Operational Policy on Involuntary Resettlement (OP4.12), the RAP will cover the following (if relevant), and anything unrelated to the Project should be specified in the RAP:
 - General description of the Project;
 - Identification of potential impacts of the Project;
 - Objectives (the main objectives of the resettlement program);
 - Socioeconomic studies: The findings of socioeconomic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people;
 - Legal framework: The findings of an analysis of the legal framework, covering the scope of the power of eminent domain and the nature of compensation associated with it, the applicable legal and administrative procedures, environmental laws and social welfare legislation, laws and regulations, and any legal steps necessary;
 - Institutional framework: covering the identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation; an assessment of their institutional capacity, and any steps that are proposed to enhance their institutional capacity;
 - Eligibility: Definition of APs and criteria for determining their eligibility for compensation and other resettlement assistance;
 - Valuation of and compensation for losses;
 - Resettlement measures: a description of the packages of compensation and other resettlement measures;
 - Resettlement site selection, preparation and rearrangement;
 - Offering of housing, infrastructure and social services;
 - Environmental protection and management;
 - Public participation and consultation, where the APs and the related communities must be included;
 - Integration with host populations: measures to mitigate the impact of resettlement on any host communities;
 - Grievance procedures: affordable and accessible procedures for third-party settlement of disputes arising from resettlement;
 - Organizational responsibilities;
 - Implementation schedule;
 - Costs and budget;
 - M&E.
17. The RAP should be completed before the starting date of resettlement, and submitted to the Bank for consideration. Only after the Bank has accepted the RAP can compensation,

resettlement and restoration activities begin. Such activities should be completed before the commencement of civil engineering.

18. When the affected population of a component does not exceed 200 and resettlement involved, the provincial PMO will prepare an abbreviated resettlement action plan (ARAP), and submit it to the Bank; in addition, APs should be fully consulted so that they have a chance to participate in the design and implementation of the RAP. On the basis of the Operational Policy on Involuntary Resettlement (OP4.12), the ARAP covers the following minimum elements:
 - a census survey of APs and valuation of assets;
 - description of compensation and other resettlement assistance to be provided;
 - consultations with displaced people about acceptable alternatives;
 - institutional responsibility for implementation and procedures for grievance redress;
 - arrangements for monitoring and implementation; and
 - a timetable and budget.
19. The ARAP should be completed before the starting date of resettlement, and submitted to the Bank for consideration. Only after the Bank has accepted the ARAP can compensation, resettlement and restoration activities begin. Such activities should be completed before the commencement of civil engineering.

D Institutional and Legal Framework

20. The Hubei PMO, local governments and local PMOs will be responsible for LA and resettlement coordination, RAP implementation, fund preparation and LAR progress reporting. The local PMOs will be responsible for RAP preparation and implementation, including detailed measurement survey, resettlement policy and compensation rate consulting, resettlement site construction, etc. Affected assets will be appraised by an appraisal agency selected by the APs. In addition, the district / county natural resources and planning bureaus, and HD management offices will be responsible for resettlement management and supervision.
21. The legal framework guiding the implementation of the RAP is based on the Bank's policy on involuntary resettlement (OP4.12), the applicable laws, regulations and ordinances of the state, and the project province and cities.
22. The PRC has developed a complete legal framework and policy system on LA, HD, resettlement and compensation, including the Land Administration Law of the PRC (amended on August 28, 2004). Within the state legal and policy framework, local governments have promulgated relevant local regulations and policies to manage and direct local LA, HD, resettlement and compensation work. The district / county governments have promulgated local regulations and policies in accordance with the applicable state laws and policies to manage and direct relevant local work.
23. The key laws, regulations and ordinances of the PRC used to prepare this RPF and ensure its legal validity include:
 - Land Administration Law of the PRC (amended on August 28, 2004)
 - Regulations on House Acquisition on State-owned Land and Compensation (Decree No.590 of the State Council) (January 21, 2011)
 - Notice of the Ministry of Land and Resources on Doing a Better Job in LA Management (MLR [2010] No.238, November 3, 2004)
 - Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Hubei Province (HPG [2014] No.12)
 - Compensation Multiples and Correction Factors for Land Acquisition, and Compensation

Rates for Young Crops of Hubei Province (HPLRD [2014] No.242)

- Program of the Hubei Provincial Government on Basic Endowment Insurance for Land-expropriated Farmers (HPG [2014] No.53)
- Rules for the Implementation of Compensation for Endowment Insurance for Land-expropriated Farmers of Hubei Province (HPLSSD [2015] No.2)
- Measures for House Acquisition on State-owned Land and Compensation of Hubei Province (Decree No.380 of the Hubei Provincial Government)
- Interim Measures for Compensation for Land Acquisition and House Demolition of Tongcheng County (TCG [2015] No.38)
- Interim Measures for Compensation for House Acquisition on Collective Land within the Urban Planning Area of Tongcheng County
- Rules on House Acquisition on State-owned Land and Compensation of Tongcheng County
- Interim Measures for Compensation for Land Acquisition and House Demolition of Tongcheng County
- Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3)

24. The purpose of preparing the RAP is to ensure that the APs have sufficient opportunities to replace their lost assets, and improve or at least restore their income level and living standard. To realize this purpose, all APs should be identified, and it should be ensured that all APs think the remedies defined in the RAP are rational. In consideration of the main types of impacts (e.g., LA, demolition of urban and rural residential houses, demolition of non-residential properties (enterprises, stores, etc.)), the following measures are usually taken:
25. APs losing farmland will be entitled to the following compensation and restoration measures:
- If the remaining collective farmland after LA or reserved land will be reallocated by the village committee among all members. In this case, if LA reminds houses or buildings unsafe or useless, such land should be fully acquired. All APs are eligible for land reallocation, and can benefit from the investment of collective land compensation.
 - Where land reallocation is impossible, land-expropriated farmers must be identified. They will be provided with jobs with a remuneration level at least equivalent to their lost income, or receive a resettlement subsidy at 4-6 times the average annual output value (AAOV) of the acquired land in the 3 years before LA. If the former living standard of the APs still cannot be fully restored like this, resettlement subsidy may be increased to 15 times the AAOV.
 - If land compensation fees and resettlement subsidy are still insufficient to restore the living standard of the APs, they will receive subsidies from fees on the use of state-owned land.
 - Land compensation fees and resettlement subsidy will be paid to the affected village committees, and used to: 1) increase cultivated area if land is available; 2) improve agriculture through irrigation, etc.; and 3) develop nonagricultural income. Like fixed assets, affected young crops, fruit and commercial forests will be compensated for at replacement cost.
 - The lost income, young crops and infrastructure, and land restoration costs of the persons affected by temporary land occupation will also be compensated for.
 - Eligible APs will be included in endowment insurance for LEFs or the social security system.
 - The APs will have priority in receiving job opportunities and skills training under the Project.

26. Demolished houses and attachments will be compensated for as follows, and the following restoration measures will be taken:
- Supply of resettlement housing of equal value;
 - Compensation at full replacement cost;
 - Reconstruction or restoration of all affected facilities and services (e.g., roads, water and power supply, telephone, cable TV, schools);
 - The subsidy during the transition period should ensure that all assets are relocated or temporary housing is obtained.
27. APs losing operating income (or employment income) will be entitled to the following restoration measures:
- Mitigation measures for lost operating income mainly include: 1) offering a commercial site of similar size and customer volume; 2) granting cash compensation to the proprietor at full replacement cost; and 3) granting transitional compensation for all relocation expenses and lost sales revenue during the non-operating period.
 - Mitigation measures for lost employment income mainly include: 1) offering a job of the same pay; 2) granting cash compensation of at last 3 times the lost annual pay; and 3) granting a transition subsidy and offering reemployment training, or taking other necessary measures to help the AP get reemployed.

28. Main Differences between Bank Policy and PRC Laws

The Bank's involuntary resettlement policy is highly similar with the PRC LA and HD policies in the following aspects:

- 1) Resettlement impacts should be minimized during project planning and design;
- 2) The living standard of the affected population should be restored and improved as soon as possible;
- 3) The resettlement policies should be open and transparent;
- 4) Public participation and consultation should be stressed during resettlement;
- 5) The compensation rates should be fixed and implemented according to law.

However, there are still some differences, mainly including:

1) Compensation for land

Difference: Bank policies require that compensation should be sufficient to offset any income loss, and restore long-term income-generating potential. Chinese standards are based on AAOV.

Solution: An early-stage solution is to provide replacement land, which is hardly practical. Cash compensation is the preference of most people, though they cannot ensure the rational use of such compensation. Therefore, further technical support is needed to monitor the income of seriously affected households, especially those in vulnerable groups, and local governments should provide assistance to those in need.

2) Compensation and resettlement of vulnerable groups

Difference: Bank policies require that special compensation is granted to all vulnerable groups, especially seriously affected households faced with impoverishment. Chinese provisions do not require social analysis, and compensation is based only on the amount of loss.

Solution: Special funds are available to assist the vulnerable groups, who will be identified during the DMS. All measures have been specified in the RAP.

3) Consultation and disclosure

Difference: Bank policies require APs are fully informed and consulted as soon as possible. Chinese provisions have improved the transparency of disclosure and compensation. However, APs still play a weak role in project decision-making, and the disclosure period is usually too short.

Solution: Consultation has begun at the early stage (before and during the technical assistance). The Chuzhou PMO agrees to disclose the RAP to APs as required by the Bank.

4) Lack of legal title

Difference: Bank policies require all demolished houses, whether lawful or not, should be compensated for at the same rates. According to Chinese laws, people without local registered residence are entitled to the same compensation as local people. In addition, prevailing Chinese laws stipulate that no compensation should be provided for the acquisition of illegally owned land and houses.

Solution: For a Bank-financed project, all APs, whether lawful or not, whether having ownership or right of use, will be protected, and provided with compensation or assistance.

5) Resettlement monitoring, evaluation and reporting

Difference: The Bank requires that internal and external resettlement monitoring be conducted. However, there is no such requirement in Chinese laws, except for reservoir projects.

Solution: Internal and external resettlement monitoring systems have been established for all Bank-financed projects, and this has been included in the RAP. The requirements for internal and external monitoring reporting are specified in the RAP.

After communication and confirmation with PMO, the local PMOs agreed that the compensation for land acquisition and demolition involved in this project will be compensated and resettled in accordance with the requirements of the World Bank's "Involuntary Resettlement" (OP4.12) business manual.

Table 1-2 Comparative Analysis of PRC System and WB OP4.12 and Gap-filling Measures in the RPF

WB OP4.12	Legal Provisions and Local Practice; and Differences compared to WB OP4.12	Measures in the RPF
<p>Compensation for land resettlement: Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.</p> <p>Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.</p>	<p>Law requires that for collective land compensation, the provincial government needs to formulate and publish Uniform Annual Output Standards for Land Acquisition and the integrated land acquisition price.</p> <p>State Council [2004] number 28 states that (1) where the project concerned generates profits the people displaced can use the land as investment to have a right to share in those profits; (2) within a planned urban area, improvement of employment system and social security to safeguard AP's lives. (3) out of a planned urban area, land resettlement, employment resettlement, or displacement resettlement shall be implemented (4) carry out employment trainings.</p> <p>Ministry of Land and Resources [2004] 238 and relevant provincial policies require that (1) Agricultural production resettlement; (2) re-employment resettlement; (3) using the land as share of the project; and (4) provision of replacement land.</p> <p>Compensation rates for affected assets are administratively determined through application of prescribed valuation processes.</p>	<p>It is not practical to provide a method of land replacement. Cash compensation is the first choice for most people, although they cannot guarantee the proper use of these compensation. Therefore, the land compensation fee shall be paid to the villagers' group to pay the endowment insurance fee for the land expropriated farmers (land lost farmers), so as to ensure the long-term income of the affected population. At the same time, the local government will provide technical support to help the income recovery seriously affect families.</p>
<p>Resettlement compensation for vulnerable groups: Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.</p> <p>Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations.</p>	<p>As per legal provisions, poor and vulnerable groups are defined as those (i) who fall within the five-guarantee households; and (ii) eligible for the Minimum Living Guarantee System.</p> <p>The local village/community committee, civil affairs bureau, social security bureau and other agencies pay attention to the needs of the poor and vulnerable groups: a) Five-Guarantee program provide production and living assistance (e.g. food, clothing, fuel, education and burial expenses to targeted vulnerable people (the elderly, weak, widowed and disabled members who are unable to work and have no means of living, or whose households lack labor a rural production cooperative would); b) Those eligible for the Minimum Living Guarantee System are provided with living subsidy each month; c) Other assistance - urgent cash assistance if the HHs have serious illness in addition to the subsidy paid under rural cooperative medical care system; cash or in-kind assistance for the women headed HHs provided by the women's federation; priority given by the village committee to be included in the endowment insurance system for the farmers affected by LA.</p> <p>Regulations on the House Demolition and Compensation on State-owned Land (2011) states that : If the residential houses of any individuals are to be demolished and they meet the conditions for affordable housing, the concerned city and county people's governments shall give priority to providing affordable housing to such persons.</p>	<p>Special funding is provided to help vulnerable groups, who will be identified during the detailed survey. Various measures have been stipulated in the resettlement plan.</p>
<p>Consultation and publication: Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.</p> <p>Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project</p>	<p>At national level, Land Administration Law of the People's Republic of China, State Council's Decision on Deepening Reform and Managing Strictly Land (the State Council made [2004]28), Guidelines on Improving the System of Land Acquisition Compensation and Resettlement (the Ministry of Land and Resources made [2004] number 238), and Regulations on the Compensation of Houses on State-owned Land and Compensation (2011) have similar requirements on consultation and participation. In the province, relevant regulations and policies also require consultation, participation and information disclosure throughout the land acquisition and resettlement procedures.</p>	<p>Consultations have started early (before and during technical assistance). The project office of the World Bank of Hubei Province and all subprojects agree to release the resettlement to relevant affected personnel according to the requirements of the world bank.</p>

WB OP4.12	Legal Provisions and Local Practice; and Differences compared to WB OP4.12	Measures in the RPF
<p>appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.</p> <p>Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs.</p> <p>Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population.</p>	<p>Although there are consultation and participation activities conducted by local government, it is not part of the 1-book-4-plans (1B4P) and compensation and relocation plan (CARP) which are the two domestic resettlement planning documents. To improve the documentation, all activities need to be properly documented.</p> <p>As per law, a grievance redress mechanism is established at the local government where farmers can first raise their concerns with the village collective or bring their grievances through the legal system directly. However, it is not part of the 1B4P and CARP documents.</p> <p>In line with local government programs, the needs of vulnerable groups affected by any project can be identified and assessed based on the (i) Five-Guarantee Households and (ii) Minimum Living Guarantee System. In practice, local village committee, civil affairs bureau, social security bureau and other government agencies pay attention to the needs of the poor and vulnerable groups.</p>	
<p>Lack of legal rights: Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.</p>	<p>Based on the Regulations on the Demolition and Compensation of Houses on State-owned Land (2011), the illegal houses and temporary structures which were constructed after the approval period will not be compensated.</p> <p>As good practice, (for households who are not eligible for compensation for houses at replacement value) the history or reason why the structure has no certification/license and their socio-economic conditions and vulnerability will be assessed by the local government and concerned bureaus to determine the necessary assistance that can be provided to them to ensure that they will be able to restore or will not be worse-off.</p>	<p>For Bank financed projects, all legal and illegal affected persons, whether they have ownership or use right, will be protected. At the bank's request, the same level of compensation will be given. This project is not expected to encounter such problems.</p>
<p>Resettlement monitoring, evaluation and reporting: Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.</p>	<p>Except for large-scale water projects, there are no requirements to monitor and evaluate outcomes, including impacts on standards of living of displaced persons.</p> <p>Local government is responsible for supervising throughout the project implementation period, however, monitoring reports are not disclosed.</p> <p>Except for large-scale water sector projects, there are no specific requirements to prepare a resettlement plan which is similar to the RAP required by WB.</p> <p>For other projects, LRB prepares the "1-book and-4-plans", which include (i) Submission Instruction Book for Land Using of Construction Project; (ii) Plan of Transferring Farmland; (iii) Plan of Replacement of Cultivated Land; (iv) Land Acquisition Plan and (v) Plan of Provision of Land. 1-book-4 plan can be considered as a "resettlement planning document".</p>	<p>All Bank financed projects have established internal and external resettlement monitoring systems, which are written in the resettlement plan. Internal and external reporting requirements are specified in the resettlement plan.</p>

E Implementation Process

29. The RAP should include an implementation schedule for all activities to be conducted. If necessary, compensation payment, other entitlement restoration measures (in cash or in kind) and resettlement should at least be completed one month before LA. If full compensation is not paid or necessary assistance measures are not available before LA, a transition subsidy should be provided. According to the implementation schedule of the Project, the resettlement schedule of the Project will be linked up with the construction schedule; the main part of LA, HD and resettlement will begin in April 2020 and end in December 2024. The basic principles of scheduling are as follows:

- The LA, HD and resettlement work shall be completed at least one month before the commencement of construction so that the APs have sufficient time to prepare for production resettlement and income restoration.
- During resettlement, the APs should have opportunities to participate in the Project; the range of LA should be published, the Resettlement Information Booklet (RIB) issued, and public participation should be carried out before the commencement of construction.
- All kinds of compensation should be paid directly to the affected proprietors within 3 months from the date of approval of the RAP; no organization or individual should use property compensation fees on their behalf, and such compensation should not be discounted for any reason.
- The payment of compensation for land acquisition will be signed by both husband and wife in the land-expropriated household, and then the funds will be given to the household to ensure women's right to know and share.

The overall resettlement schedule of the Project has been drafted according to the progress of preparation and implementation of LA, HD and resettlement. The times listed in the table are subject to adjustment with actual progress. See Table 5-1.

Table 5-1 Resettlement Implementation Schedule

No.	Activity	Time	Progress
1	RP Preparation		
1.1	Establishing resettlement offices	Apr. 2020	Pending
1.2	Appointing the RAP preparation agency	Jun. 2020	Pending
1.3	Conducting the socioeconomic survey	Sep. 2020	Pending
1.4	Preparing the RAP	Dec. 2020	Pending
2	Information disclosure and public participation		
2.1	Consulting with agencies concerned and APs	Mar. – Apr. 2021	Pending
2.2	Disclosing the draft RAP and RIB to APs	Apr. 2021	Pending
2.3	Disclosing the revised RAP and RIB to APs if necessary	May 2021	Pending
2.4	Disclosing the RAP on the Bank's website	Jun. 2021	Pending
3	Approving the RAP	Sep. 2020	Pending
4	Construction land		
4.1	Land pre-examination	Mar. 2021	Pending
4.2	Land approval	Jun. 2021	Pending
5	Implementation stage		
5.1	Entering into resettlement agreements and paying compensation fees	Apr. 2021 – Aug. 2022	Pending
5.1	LA and HD	Apr. 2021 – Dec. 2022	Pending
5.2	Offering clear land	Dec. 2021	Pending
5.3	Income restoration measures	Dec. 2021 – Dec. 2024	Pending
5.4	Skills training	Dec. 2021 – Dec. 2024	Pending

6	M&E		
6.1	Baseline survey	Jun. 2021	Pending
6.2	Internal monitoring	Jun. 2021 – Dec. 2024	Pending
6.3	External M&E	Jun. 2021 – Dec. 2024	Pending

F Financial Arrangements

30. The local governments and PMOs will bear all costs related to LA and resettlement. Any RAP consistent with this RPF must include estimated costs and a budget. Whether identified as APs at the RAP preparation stage or not, and whether sufficient funds are available or not, all those adversely affected by LA and HD are entitled to compensation or any other appropriate relief measure. For the above reason, the budget in the RAP should include contingencies, which are usually 10% or more of the estimated resettlement budget in order to cover contingent resettlement costs.
31. The compensation rates specified in the RPF provide a basis for the calculation of compensation fees for resettlement, which should be fully paid to individuals or collectives losing land or other assets, and should not be deducted for any reason. The RAP should describe by what means compensation fees are paid by the component owners to the affected villages or villagers. A rationale is that the fund flow should be as direct as possible with minimum intermediate links.

Direct resettlement costs include LA compensation, HD compensation, ground attachment compensation, management costs, training costs, taxes, contingencies, etc. All costs incurred during LA and resettlement will be included in the general budget of the Project.

The Project's resettlement funds will be disbursed on the following principles: All costs related to LA will be included in the general budget of the Project; the local government is responsible for compensation. Disbursed by County/District PMO directly to the district / country finance departments through a special account according to the compensation rates, and then distributed to the affected villages / groups. LA and HD compensation will be paid before LA and HD. Before project construction or during project implementation, the investment plan will be implemented in stages in order not to affect the production and livelihoods of the AHs.

G Public Participation and Information Disclosure

32. Public participation is whole-process, especially in the detailed measurement survey, resettlement measure development and resettlement implementation.
33. The RPF has been prepared with full participation of affected persons. The framework has been disclosed locally in July and October 2019 in project counties. Public participation should be implemented ahead of project design, and must run through the whole process of RPF implementation and external M&E.
34. At the draft and final RPF preparation stages, the Hubei and district / county PMOs should also disclose the RPF to the APs (Resettlements not less than 10%, women not less than 30%, vulnerable groups) and the public at certain places and in certain languages. The draft RPF should be disclosed at least one month before Bank review, and the final RPF must be disclosed after the Bank approval.
- With the progress of project preparation and implementation, the local PMOs and township governments will conduct further public participation. See Tables 7-1 and 7-2.

Table 7-1 Public Participation Activities at the Preparation Stage

No.	Time	Activity	Participants	#	Organizer
1	Apr. 29-30, 2019	Beijing workshop led by Prof. Liu Xueming	Hubei PMO, FS agency, bank experts	13	Hubei PMO, Bank
2	May – Jun. 2019	Preliminary DMS	Hubei PMO, local natural resources and planning bureaus, house construction bureaus, township governments, village, group and AP reps.	14	Hubei PMO
3	May – Jun. 2019	FS fieldwork	Hubei PMO, local PMOs, FS agency, village, group and AP reps.	30	FS agency, Hubei PMO
4	Apr. – Aug. 2019	LA policies and compensation rates	Hubei PMO, local natural resources and planning bureaus, house construction bureaus, township governments, APs	25	Hubei PMO
5	May – Aug. 2019	HD policies and compensation rates	Hubei PMO, task force, local natural resources and planning bureaus, house construction bureaus, HD management offices, village and group officials, APs	30	Hubei PMO
6	Aug. 2019	Socioeconomic survey and DMS	Hubei PMO, task force, local natural resources and planning bureaus, house construction bureaus, labor and social security bureaus, agriculture bureaus, women’s federations, poverty alleviation offices, village and group officials, APs	30	Hubei PMO
7	Aug. 17-19, 2019	Wuhan workshop led by EIA and SA experts	Hubei PMO, bank experts, task force, EIA agency	11	Hubei PMO
8	Aug. 25 – Sep. 8, 2019	SA and EIA fieldwork	Hubei PMO, local PMOs, EIA agency, task force, village and group officials, APs	30	Hubei PMO
9	Dec. 2019	Disclosure of resettlement policies and compensation rates	Village and group officials, APs	/	Hubei PMO
10	Dec. 2019	Online disclosure of RAP	World Bank	/	Hubei PMO

Table 7-2 Public Participation Plan

Purpose	Mode	Time	Agencies	Participants	Topics
LA announcement	Village bulletin board, village meeting	Apr. 2020	Hubei PMO, district / county PMOs, natural resources and planning bureaus, house construction bureaus, township governments, village committees, design agency	All APs	Disclosure of LA area, compensation rates and resettlement modes, etc.
Announcement of compensation and resettlement options for LA	Village bulletin board, village meeting	Apr. 2020		All APs	Compensation fees and mode of payment
Verification of DMS results	Field survey	May 2020		All APs	1) Checking for omissions and finally confirming DMS results; 2) Detailed list of occupied land and losses of APs; 3) Preparing a basic compensation agreement
Determination of income restoration programs	Village meeting (many times)	Before implementation		All APs	Discussing the final income restoration program and the program for use of compensation fees
Training program	Village meeting	Mar. 2020 – Jun. 2021		All APs	Discussing training needs

Monitoring	Villager participation	Jun. 2011 – Dec. 2024	External M&E agency, township and village officials	All APs	1) Resettlement progress and impacts; 2) Payment of compensation; 3) Information disclosure; 4) Livelihood restoration
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35. During project implementation, and the preparation of the required RAP, social gender factors should be considered, and a certain proportion of participants should be women.
- Each village committee should have at least one female member, and women enjoy the same participation right as men at village meetings and congresses.
 - Women’s opinions should be considered during public opinion surveys related to LA and HD.
 - Women should enjoy the same sharing and distribution rights during future LA and HD compensation.
 - Jobs generated at the construction and operation stages should be first made available to women willing to get employed, and women should also be entitled to local employment training and job recommendation.
 - Not less than 50% of participation in project preparation activities should be women.
 - LA compensation should be paid subject to the signature of a couple, thereby protecting women’s information and sharing rights.
 - At the operation stage, each project agency should have at least one female member.
 - Project information should be disclosed at times and places, and in forms suited to women’s needs.
 - Publicity should be conducted in ways easily accepted by women.

H Grievance Redress Mechanism

36. Since the resettlement work is conducted with the participation of APs, no substantial dispute will arise. However, in order to ensure that APs have a channel to file an appeal on any issue concerning land acquisition and resettlement, the following grievance redress mechanism has been established:
- **Stage 1:** An AP may file an oral or written appeal with the village/community committee. In case of an oral appeal, the village/community committee shall keep a written record. Such appeal should be solved within two weeks. If the appeal involves any serious issue, it shall be reported to the township government or district / county PMO.
 - **Stage 2:** If the AP is dissatisfied with the disposition of Stage 1, he/she may file an appeal with the township government or district / county PMO within one month after receiving such disposition, which shall make a disposition within 3 weeks.
 - **Stage 3:** If the AP is dissatisfied with the disposition of Stage 2, he/she may file an appeal with the Hubei PMO within one month after receiving such disposition, which shall make a disposition within 4 weeks.
 - **Stage 4:** If the AP is still dissatisfied with the disposition of Stage 3, he/she may file a suit in a civil court.
37. Scope and modes of reply
- ✧ **Scope of reply**
 - 1) Brief description of grievance;
 - 2) Investigation results;
 - 3) Applicable state provisions, and the principles and rates specified in this RAP;

- 4) Disposition and basis
- 5) The complainant has the right to file an appeal to the resettlement authority of the next higher level or file a suit in a civil court at the expense of the owner.

✧ **Modes of reply**

- 1) For any individual grievance, the reply will be delivered directly to the grievant in writing.
- 2) For any common grievance, a village meeting will be held or a notice given to the village committee.

In whichever mode of reply, the reply materials must be sent to the grievant and submitted to the local and Hubei PMOs.

✧ **Recording and feedback of grievances and appeals**

During the implementation of the RAP, the resettlement agencies should register and manage appeal and handling information, and submit such information to the local PMOs, which will inspect the registration of appeal and handling information regularly.

In order to record grievances and appeals of the APs fully, a registration form has been prepared. See Table 8-1.

Table 8-1 Grievance Registration Form

Accepting agency:		Time:		Location:	
Appellant	Appeal	Expected solution	Proposed solution	Actual handling	
Appellant (signature)			Recorder (signature)		
Notes: 1. The recorder should record the appeal and request of the appellant factually. 2. The appeal process should not be interfered with or hindered whatsoever. 3. The proposed solution should be notified to the appellant within the specified time.					

The key points of this chapter will be disclosed to the APs before the beginning of resettlement implementation.

✧ **Contact information for grievance redress**

The resettlement agencies will assign dedicated staff members to collect and accept grievances and appeals from the APs. See Table 8-2.

Table 8-2 Contact Information for Grievance Redress

Agency	Contact	Address	Tel
Hubei PMO	Section Chief Zhou	No.519 Wuluo Road, Wuchang District, Wuhan	02787667690
Honghu City Agriculture Bureau	Director-general Li	No.56 Aiguo Road	13872255699
Jingshan City Agriculture Bureau	Director-general Gao	No.199 Jingyuan Avenue	13971843356
Xiaonan District Agriculture Bureau	Director-general Deng	No.11 Changzheng Road 2	18771691280
Tongcheng County Agriculture Bureau	Director-general Wu	No.150 Xuhong Bridge, Junshui Town	15607244085
Zhongxiang City Agriculture Bureau	Director-general Wei	No.90 Mochou Avenue	13597957389
Duodao District Agriculture Bureau	Director-general Wang	No.7 Xiangshan Avenue	17307242439
Tongshan County Agriculture Bureau	Director-general Chen	No.267 Jiugong Avenue	13797792992
Nanzhang County Agriculture Bureau	Director-general Geng	No.19 Miaopu Road, Chenguan Town	18008674336
Yiling District Agriculture Bureau	Director-general Liu	Junction of Yixing Alley 5 and Yixing Avenue	13487294034
Gong'an County Agriculture Bureau	Director-general Tang	No.17 Zhi'an Road, Douhudi Town	17762861718
Xian'an District Agriculture Bureau	Director-general Tang	No.23 Jingui Road	13807248205

I M&E

38. The Hubei PMO will supervise and monitor RAP implementation, and results will be included in

quarterly reports for reporting to the Bank.

39. Internal monitoring and supervision:

- Checking all baseline resettlement information, appraisal of lost assets, compensation provisions, and the implementation of resettlement and restoration measures according to this RPF;
- Checking if the RAP is implemented as planned;
- Checking if funds under the RAP are disbursed timely and fully, and used in a manner consistent with the RAP;
- Recording all complaints and solutions to ensure that they are handled timely.

40. External monitoring: External M&E will be conducted by an independent agency appointed by the Hubei PMO through public bidding over all resettlement activities of the Project semiannually until project completion. Such independent agency may be an academic institution, NGO or consulting firm, but it should have qualified and experienced staff, and its TORs should be accepted by the Bank.

41. Corresponding to internal supervision and monitoring, the external M&E agency will conduct a sampling survey on 5-20% of the AHs after 6 months of RAP implementation for the purpose of:

- Evaluating if the participation and compensation procedures, and restoration measures are implemented, and consistent with this RPF and the RAP;
- Evaluating if the objective of “improving or at least restoring livelihoods and standards of living” is realized;
- Collecting qualitative social and economic indicators;
- Giving suggestions on the improvement of the RAP implementation procedure to realize the principles and objectives of this RPF.

Appendix 1: Scope of Component 2 of the Project

No.	Prefecture level city	District / county / county level city	Industry	Remarks
1	Jingzhou	Honghu City	Rice	Including rice-fish farming
		Gong'an County	Rice	
2	Jingmen	Duodao District	Fruits / vegetables (rape)	
		Jingshan City	Rice	Including rice-fish farming
		Zhongxiang City	Rice	Including integrated biomass utilization
3	Xiaogan	Xiaonan District	Tealeaf	Including tealeaf test center
4	Xianning	Xian'an District	Stockbreeding	Circular agriculture
		Tongcheng County	Stockbreeding	Pig breeding and integrated waste utilization
		Tongshan County	Fruits / vegetables (loquat)	
5	Xiangyang	Nanzhang County	Tealeaf	
6	Yichang	Yiling District	Fruits / vegetables (orange)	

Appendix 3: Legal Framework for RAP Implementation

Table 1 Laws and Policies on LA

Level	Location	Document	Effective date
State	/	Land Administration Law of the PRC	2004-8-28
		Regulations on the Implementation of the Land Administration Law of the PRC (Decree No.256 of the State Council)	1998-12-27
		Real Right Law of the PRC	2007-10-1
		Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28)	2004-10-21
		Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2010] No.238)	2004-11-3
		Notice of the State Council on Intensifying Land Control (SC [2006] No.31)	2006-8-31
		Notice of the General Office of the State Council on Forwarding the Guidelines of the Ministry of Labor and Social Security on Doing a Good Job in the Employment Training and Social Security of Land-expropriated Farmers (SCO [2006] No.29)	2006-4-10
		Measures on Public Announcement of Land Acquisition (Decree No.10 of the Ministry of Land and Resources)	2002-1-1
		Notice of the Ministry of Land and Resources on Doing a Better Job in LA Management	2010-6-26
Province	Hubei	Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Hubei Province (HPG [2014] No.12)	2014-4-1
		Compensation Multiples and Correction Factors for Land Acquisition, and Compensation Rates for Young Crops of Hubei Province (HPLRD [2014] No.242)	2014-3-17
		Interim Administrative Measures for the Transfer of the Right to Use Collective Construction Land of Hubei Province (Decree No.294 of the Hubei Provincial Government)	2006-11-9
		Guidelines of the Hubei Provincial Government on Basic Endowment Insurance for Land-expropriated Farmers (HPG [2014] No.53)	2014-11-27
		Measures of Hubei Province for Basic Endowment Insurance for Land-expropriated Farmers (HPLSSD [2015] No.40)	2015-9-16
		Rules for the Implementation of Compensation for Endowment Insurance for Land-expropriated Farmers of Hubei Province (HPLSSD [2015] No.2)	2015-2-26
		Notice of the General Office of the Hubei Provincial Government on Managing the Transfer of the Right to Contract and Manage Rural Land (HPGO [2007] No.8)	2007-2-5
		Regulations on the Operation of the Trading Market of Rural Land Management Rights (Interim) (NJF [2016] No.9)	2016-6-29
		Opinions on Regulating the Transfer of Rural Land Management Rights and Developing Agricultural Operations Moderately (HPGO [2015] No.25)	2015-8-25
Notice of the Hubei Provincial Agriculture Department on Issuing the Regulations on the Transfer of Rural Land Management Rights (Interim)	2019-4-12		
District / county	Yiling District	Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3)	2018-2-10
	Tongcheng County	Interim Measures for Compensation for Land Acquisition and House Demolition of Tongcheng County (TCG [2015] No.38)	2017-1-1
		Interim Measures for Compensation for Land Acquisition and House Demolition of Tongcheng County (TCG [2015] No.38)	2017-1-1

Table 2 Laws and Policies on HD

Level	Location	Document	Effective date
State	/	Regulations on House Acquisition on State-owned Land and Compensation (Decree No.590 of the State Council)	2011-1-21
		Measures for the Appraisal of Acquired Houses on State-owned Land (JF [2011] No.77)	2011-6-3
Province	Hubei	Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Hubei Province (HPG [2014] No.12)	2014-4-1
		Compensation Multiples and Correction Factors for Land Acquisition, and Compensation Rates for Young Crops of Hubei Province (HPLRD [2014] No.242)	2014-3-17
		Measures for House Acquisition on State-owned Land and Compensation of Hubei Province (Decree No.380 of the Hubei Provincial Government)	2015-7-6
Prefecture -level city	Jingmen	Rules on House Acquisition on State-owned Land and Compensation of Jingmen City (JMG [2016] No.29)	2016-9-8
	Jingzhou	Rules on House Acquisition on State-owned Land and Compensation in the Urban Area of Jingmen City (JMG [2015] No.10)	2015-11-13
District / county	Tongcheng County	Interim Measures for Compensation for House Acquisition on Collective Land within the Urban Planning Area of Tongcheng County (TCG [2018] No.1)	2018-8-28
		Rules on House Acquisition on State-owned Land and Compensation of Tongcheng County (TCGO [2015] No.61)	2018-8-28
	Nanzhang County	Resettlement Program for Land Acquisition and House Demolition in the Urban Planning Area of Chengguan Town (Interim)	2017-6-13
	Yiling District	Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3)	2018-2-10

Appendix 4: Resettlement Impact Screening Form

See Appendix 5 of the Social Assessment Report for further details.

Prefecture level city	District / county / county level city	SFC	Township	Village	Resettlement impacts	Transferred land area	Transfer mode	DDR or RPF
Jingzhou	Honghu City	Chunlu Crop Cultivation SFC	Wulin Town	Wangjiazhou, Siwumen	The land used is state-owned land (industrial land) of the industrial park, acquired in 2015. The land title certificate was obtained in 2018. There is no outstanding issue. Land transfer agreements were signed with farmers during 2015-2017, and the sum has been fully paid.	Transfer of 97,500 mu of land	Admission with land, with a land transfer price of 500 yuan/mu and a transfer period of at least 5 years; profit distribution by shares	RPF
	Gong'an County	Colorful Sunshine Land Joint-stock Cooperative	Zhangzhua ngpu Town	Xingang, Xinrong	The land used is collective construction land (agricultural facility land) acquired in 2018. A land transfer agreement was signed at the end of 2017, and the sum has been fully paid.	Transfer of over 10,200 mu of land	Admission with land, with a land transfer price 0.8 yuan/m ² per annum; profit distribution by shares	RPF
Xiang ng	Xian'an District	Hubei Green Cycle	Shuangxiqi ao Town	Jiushan	30 mu of agricultural facility land is used for expansion, in which 11 mu has been	Transfer of over 220 mu of land	Rental: 300 yuan/mu per annum for the first 5 years, increased by 10% per	RPF / RAP

		Eco-agriculture Co., Ltd.			acquired, and 19 mu is to be acquired.		annum from Year 6	
	Tongshan County	Dafan Loquat SFC	Dafan Town	Dakeng	38 mu of collective land was acquired, and an agreement signed in 2018. A land certificate has been obtained. The compensation is 1.4 million yuan.	Over 6,000 mu of land to be transferred, 370 mu transferred to date	Rental: 120 yuan/mu per annum for the first 5 years, increased by 20% per annum from Year 6	DDR
	Tongcheng County	Tianjian Pig SFC	Sizhuang Xiang Shadui Town	Huajia	The land transfer agreement for the two breeding bases was signed in 2016.	15.4 mu	Profit distribution at 1,000 yuan per share	RPF
Yichang	Yiling District	Xiaoxi Red Orange SFC	Longquan Town	Tumen, Shuifumiao	53 mu of land needed for the orange market and the distribution center was acquired in 2015. There is no outstanding issue. The land certificate for farmland was obtained in 2012. Land transfer agreements have been signed, involving 20,000 mu of land and 2,000 households in total.	1,000 mu	Land transfer price: 1,200-1,500 yuan/mu per annum	RPF
			Bio-industry Park					
			Yaqueling Town	Jinhe				
			Taipingxi Town	Huangjiachong				
Jingmen	Duodao District	Jingmen Minfeng Grease Co., Ltd.	Tuanlin Town		Land certificates were obtained for the 3 plots in 2008, 2010 and 2013, with no outstanding issue. A transfer agreement was signed for 5,000 mu of land in 2018.	5,000 mu, 7,000-8,000 persons	Rental: Seasonal transfer, 200-300 yuan/mu per annum	RPF
	Jingshan City	Yilong Rice Cultivation SFC	/	/	The land for the reconstruction of a 2,160 m ² single-storied warehouse was acquired in 2018, but LA and HD compensation has not been completed yet.	5,430 mu transferred, and 6,677 mu contracted	Rental: 790 yuan/mu per annum for 5,430 mu, 700 yuan/mu per annum for 6,677 mu	M&E
	Zhongxian g City	Changlong Cultivation SFC	Changshou Town	Huangpo	14,500 mu of land has been transferred in total, including 500 mu in 2016 and 14,000 mu in 2018.	14,500 mu of land transferred, covering 399 persons in 6 villages	Profit distribution: by shares Rental: 800 yuan/mu for 500 mu and 600 yuan/mu for 14,000 mu per annum, paid annually for 10 years	RPF
Xiangyang	Nanzhang County	Xiangming Tealeaf SFC	Xiaoyan Town	Zhouwan	The land certificate was obtained in 2012, and 1,000 mu of land has been transferred, involving no compensation.	Over 1,000 mu transferred, involving over 40 persons in one village	Profit distribution: Members offer land and are hired by the SFC. The net income of each plot is the gross selling price of tealeaf minus the cost.	RPF

Xiaogan	Xiaonan District	Fuliangshan Agro-technology Co., Ltd.	Xihe Town	Yunfeng	Reconstructed on the former site, specific location unclear	1,200 mu of land transferred	Rental: 300-500 yuan/mu for ordinary land, 50 yuan/mu for hilly land and 200 yuan/mu for slope land per annum	RPF
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Appendix 5: Sample Entitlement Matrix

Type	APs	Measure	Entitlement
LA	Village collectives	1) Collective land	Compensation will be fully paid to the village collective, and used through discussion at a village meeting.
		2) Attachments	
	Rural residents	1) Land compensation and resettlement subsidy	Households not subject to land reallocation will receive 80% of land compensation. For households subject to land reallocation, land compensation and resettlement subsidy will be disbursed to each affected group for even distribution.
		2) Temporary land use	Full compensation for temporary land use will be paid based on the period of use, and the used land will be fully restored after use.
		3) Young crops	The direct APs will receive full young crop compensation.
		4) Social insurance	Eligible farmers may cover social insurance.
5) Production and livelihood measures	Free training and job referral will be offered to LEFs.		
HD	Rural residents	Compensation and resettlement	1) The AHs may choose cash compensation or property swap; 2) In case of property swap, the displacer will offer resettlement housing and supporting facilities; 3) In case of cash compensation, compensation will be paid at replacement cost, and free housing land will be provided by the local government for house reconstruction.
		Moving and transition subsidies, and reward	The AHs are entitled to moving and transition subsidies, reward, and smooth transition.
		Trees and attachments	Affected trees and attachments will be compensated for at the specified rates.
Entities	Proprietors	Compensation and resettlement	1) The affected entities may choose cash compensation or relocation; 2) In case of relocation, the displacer will assist in finding land and grant compensation at replacement cost; 3) In case of cash compensation, the affected entities will receive compensation at replacement cost; 4) The affected entities will receive compensation for production suspension or losses.
		Workers	The affected workers will receive compensation for lost income; the workers of any entity not to be relocated will receive training and job referral.
Vulnerable groups	All affected vulnerable groups	1) They will receive compensation for LA and HD equally; 2) During detailed planning, they will be further identified, and those losing contracted land will be entitled to the reallocation of resources equally; 3) They will receive assistance in production and livelihood development; 4) Poor households affected by HD will receive support from local governments during house reconstruction; 5) Local civil affairs bureaus have included five-guarantee households, the disabled, the poor and women-headed households in the local MLS system; 6) They will enjoy priority in local characteristic industry development and cooperative operation; 7) Vulnerable households short of labor will have priority in land reallocation to ensure income.	
Women	All affected women	1) All village committees should have female members, and women will enjoy the same rights as men at village meetings and congresses; 2) Women's opinions are learned and considered in public opinion surveys; 3) Women enjoy equal rights in future compensation for LA and HD; 4) Jobs generated by the Project will be first made available to women, and women will also receive training and job referral.	
Ethnic minorities	All minority APs	1) They will have priority in employment and skills training; 2) They will have priority in receiving employment information; 3) They can express their opinions and needs at consultation meetings; 4) Relevant policies should be translated into minority languages for easier acceptance and understanding, and explained in detail; 5) Special attention will be paid to vulnerable groups in minority areas during resettlement.	
Infra-structure	Proprietors	Restored by the owner or compensated for at replacement cost	1) Some affected infrastructure will be demolished and restored by the construction agency, such as rural roads and agricultural canals. 2) Proprietors of some infrastructure may reconstruct infrastructure using compensation, such as communication and power facilities.

Appendix 6: Brief Description of Applicable Resettlement and Compensation Policies

1. Resettlement and compensation policies for permanently acquired collective land

The resettlement principles, compensation rates, procedure and supervision mechanism for LA are based mainly on the Land Administration Law of the PRC, Regulations on the Implementation of the Land Administration Law of the PRC, Real Right Law of the PRC, Regulations on House Acquisition on State-owned Land and Compensation, Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28), Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Hubei Province (HPG [2014] No.12), Compensation Multiples and Correction Factors for Land Acquisition, and Compensation Rates for Young Crops of Hubei Province (HPLRD [2014] No.242), Interim Administrative Measures for the Transfer of the Right to Use Collective Construction Land of Hubei Province (Decree No.294 of the Hubei Provincial Government), Guidelines of the Hubei Provincial Government on Basic Endowment Insurance for Land-expropriated Farmers (HPG [2014] No.53), Measures of Hubei Province for Basic Endowment Insurance for Land-expropriated Farmers (HPLSSD [2015] No.40), Rules for the Implementation of Compensation for Endowment Insurance for Land-expropriated Farmers of Hubei Province (HPLSSD [2015] No.2), and district / county policies.

In the 11 project districts / counties (Duodao District, Jingshan County and Zhongxiang City in Jingmen City, Honghu and Gong'an Counties in Jingzhou City, Nanzhang County in Xiangyang City, Xian'an District, Tongcheng County and Tongshan County in Xianning City, Xiaonan District in Xiaogan City, and Yiling District in Yichang City), the LA compensation rates are based on the Uniform AAOV Rates and Location-based Composite Land Prices for Land Acquisition of Hubei Province (HPG [2014] No.12), and the compensation rates for ground attachments based on the Compensation Multiples and Correction Factors for Land Acquisition, and Compensation Rates for Young Crops of Hubei Province (HPLRD [2014] No.242). See Table 1-3.

Table 1 LA Compensation Rates of the Project

Prefecture level city	District / county / county level city	Township	Uniform AAOV (yuan/mu)	Compensation multiple	LA compensation rate (yuan/mu)	Land compensation multiple	Resettlement subsidy multiple	Correction factor of LA compensation rate					
								Garden land	Orchard	Tea garden	Intensive fishpond	Woodland	Unused land
Jingmen	Jingshan County	Qianchang Town, Economic Development Zone	1560	20	31200	9	11	1.1	1.1	1.1	1.1	0.8	0.5
	Zhongxiang City	Huji Town	1555	21	32655	10	11	1.1	1.1	1.1	1.1	0.8	0.5
		Changshou, Wenji, Zhangji, Changtan and Lefeng Towns	1538	21	32298	10	11	1.1	1.1	1.1	1.1	0.8	0.5
	Duodao District	Tuanlinpu Town (Xinglong Village)	1540	23	35420	10	13	1.1	1.1	1.1	1.2	0.8	0.5
		Tuanlinpu Town (other villages)	1510	21	31710	10	11	1.1	1.1	1.1	1.2	0.8	0.5
Jingzhou	Honghu City	Wanquan Town, Fengkou Town, Xiaogang	1490	20	29800	8	12	1.1	1.1	1.1	1.1	0.8	0.6

		Administrative Area											
	Gong'an County	Mengjiayi, Shikou and Zhangzhuangpu Towns	1570	20	31400	8	12	1.1	1.1	1.1	1.1	1	0.8
Xiangyang	Nanzhang County	Donggong and Xiaoyan Towns	1400	22	30800	10	12	1.1	1.1	1.1	1.1	0.7	0.5
		Limiao Town	1200	22	26400	10	12	1.1	1.1	1.1	1.1	0.7	0.5
Xianning	Xian'an District	Tingsiqiao and Shuangxiqiao Towns	1557	22	34254	10	12	1.2	1.1	1.1	1.1	0.7	0.3
	Tongshan County	Dafan Town	1290	22	28380	10	12	1.1	1.05	1.05	1.1	0.8	0.5
		Jiugongshan Town	1370	22	30140	10	12	1.1	1.05	1.05	1.1	0.8	0.5
Xiaogan	Xiaonan District	Xihe and Dougang Towns	1450	22	31900	10	12	1.2	1.2	1.2	1.2	0.7	0.5

Table 2 LA Compensation Rates in Tongcheng County

Township	Cultivated land			Woodland	Wasteland	Garden land
	Compensation rate (yuan/mu)	Land compensation	Resettlement subsidy	Compensation rate (yuan/mu)	Compensation rate (yuan/mu)	Compensation rate (yuan/mu)
Junshui Town	32120	14600	17520	22484	9636	33726
Daping Xiang Shinan Town Guandao Town Shadui Town	30250	13750	16500	21175	9075	317625
Sizhuang Xiang Tanghu Town	27500	12500	15000	19250	8250	28875

The LA compensation rates in Yiling District are based on the Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3). See Table 3.

Table 3 LA Compensation Rates Yiling District

Township	Vegetable land, garden land and intensive fishpond (correction factor 1.1)							Irrigated and non-irrigated land (correction factor 1.0)						Woodland (correction factor 0.8)						Unused land (correction factor 0.5)												
	AAOV	Multiple	LA compensation rate (yuan/mu)	Land compensation		Resettlement subsidy		AAOV	Multiple	LA compensation rate (yuan/mu)	Land compensation		Resettlement subsidy		AAOV	Multiple	LA compensation rate (yuan/mu)	Land compensation		Resettlement subsidy		AAOV	Multiple	LA compensation rate (yuan/mu)	Land compensation		Resettlement subsidy					
				Multiple	Rate	Multiple	Rate				Multiple	Rate	Multiple	Rate				Multiple	Rate	Multiple	Rate				Multiple	Rate	Multiple	Rate	Multiple	Rate	Multiple	Rate
Yaqueling Town	24	18	43560	9	21780	9	21780	2200	18	39600	9	19800	9	19800	1760	18	31680	9	15840	9	15840	1100	18	19800	9	9900	9	9900				
Longquan Town																																
Taipingxi Town																																
Xiaoxita Town	26	20	53900	9	24255	11	29645	2450	20	49000	9	22050	11	26950	1960	20	39200	9	17640	11	21560	1225	20	24500	9	11025	11	13475				
Taipingxi Town (Huangjiachong Village)	22	17	38896	8	18304	9	20592	2080	17	35360	8	16640	9	18720	1664	17	28288	8	13312	9	14972	1040	17	17680	8	8320	9	9360				
Bio-industry Park																																

The compensation rates for ground attachments and young crops in the 11 project districts / counties are based on the Compensation Multiples and Correction Factors for Land Acquisition, and Compensation Rates for Young Crops of Hubei Province (HPLRD [2014] No.242). See Table 4-6.

Table 4 Compensation Rates for Young Crops in 9 Districts / Counties

Prefecture level city	District / county / county level city	Township	Ordinary farmland (yuan/mu)	Garden land (yuan/mu)
Jingmen	Jingshan County	Qianchang Town, Economic Development Zone	1560	1560
	Zhongxiang City	Huji Town	1555	1538
		Changshou, Wenji, Zhangji, Changtan and Lefeng Towns	1555	1538
	Duodao District	Tuanlinpu Town (Xinglong Village)	1540	1540
		Tuanlinpu Town (other villages)	1510	1510
Jingzhou	Honghu City	Wanquan Town, Fengkou Town, Xiaogang Administrative Area	1490	1788
	Gong'an County	Mengjiaxi, Shikou and Zhangzhuangpu Towns	1570	1884
Xiangyang	Nanzhang County	Donggong and Xiaoyan Towns	1400	1540
		Limiao Town	1200	1320
Xianning	Xian'an District	Tingsiqiao and Shuangxiqiao Towns	1557	1868
	Tongshan County	Dafan Town	1290	1548
		Jiugongshan Town	1370	1644
Xiaogan	Xiaonan District	Xihe and Dougang Towns	1450	1450

The compensation rates for ground attachments and young crops in Tongcheng County are based on the Interim Measures for Compensation for Land Acquisition and House Demolition of Tongcheng County (TCG [2015] No.38). See Table 5.

Table 5 Compensation Rates for Young Crops in Tongcheng County

Item		Compensation rate	Remarks
Woodland		2000	Medicinal materials and rare trees to be compensated for
Cultivated land		Junshui Town: 1460 Shinan, Guandao and Shadui Towns, and Daping Xiang: 1375 Sizhuang Xiang and Tanghu Town: 1250	Ground attachments to be compensated for
Fishpond	Young crop compensation	1640	Intensive fishponds treated as special cases
	In cash	5000	
	In kind	Budget based on restored area	
Green manure		800	

The compensation rates for ground attachments and young crops in Yiling District are based on Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3). See Table 6.

Table 6 Compensation Rates for Young Crops in Yiling District

Item	Grade	Compensation rate
Irrigated and non-irrigated land, vegetable land, aquaculture water surface	I	2450 yuan/mu
	II	2200 yuan/mu
	III	2080 yuan/mu

Greenhouse, intensive fishpond	I	3680 yuan/mu
	II	3312 yuan/mu
	III	3128 yuan/mu

2. Resettlement and compensation policies for permanently occupied state-owned land

The compensation rates for permanently occupied state-owned land in Xianning City are based on the List of Benchmark Land Prices in the Urban Area of Xianning City. See Table 7.

Table 7 Benchmark Land Prices in the Urban Area of Xianning City (yuan/m²)

Land type	Land grade				
	I	II	III	IV	V
Commercial land	1106	792	545	343	224
Residential land	614	465	348	258	196
Industrial land	402	288	207	164	/

The compensation rates for permanently occupied state-owned land in Gong'an County are based on the List of Benchmark Land Prices in the Urban Area of Gong'an County and the List of Benchmark Land Prices in the Townships of Gong'an County. See Tables 8 and 9.

Table 8 Benchmark Land Prices in the Urban Area of Gong'an County (yuan/m²)

Land use	Land grade				
	I	II	III	IV	V
Commercial land	1558	1098	716	498	363
Residential land	996	724	476	316	220
Industrial land	422	321	218	146	118

Table 9 Benchmark Land Prices in the Townships of Gong'an County (yuan/m²)

Use	Land grade	Commercial land			Residential land			Industrial land		
		I	II	III	I	II	III	I	II	III
Town	Zhangzhuangpu	452	336	236	281	216	171	172	126	98
	Shizikou	243	189	151	206	158	120	138	108	98
	Mengjiaxi	213	166	128	178	131	111	128	105	98

The compensation rates for permanently occupied state-owned land in Honghu City are based on the List of Benchmark Land Prices in the Townships of Honghu City (HMG [2010] No.14). See Table 10.

Table 10 List of Benchmark Land Prices in the Townships of (yuan/m²)

Grade	Township	Use Grade	Commercial land			Residential land			Industrial land		
			I	II	III	I	II	III	I	II	III
I	Fengkou		675	320	280	348	271	212	191	169	148
II	Xiaogang		302	256	215	292	226	175	178	158	145
III	Wanquan		265	196	174	243	185	162	177	158	145

The compensation rates for permanently occupied state-owned land in Jingshan County are based on the List of Benchmark Land Prices in the Urban Area and Townships of Jingshan County (HCGO [2014] No.32). See Tables 11 and 12.

Table 11 Benchmark Land Prices in the Urban Area of Jingshan County (yuan/m²)

Grade	Use	Commercial land	Residential land	Industrial land
I		1750	985	330
II		1210	705	255
III		837	493	180
IV		570	334	108

Table 12 Benchmark Land Prices in the Townships of Jingshan County (yuan/m²)

No.	Township	Commercial land			Residential land			Industrial land		
		I	II	III	I	II	III	I	II	III
1	Qianchang Town	495	382	321	368	284	239	229	177	100
2	Economic Development Zone	473	351	307	352	272	228	219	169	98

The compensation rates for permanently occupied state-owned land in Jingmen City are based on the List of Benchmark Land Prices in the Urban Area of Jingmen City. See Table 13.

Table 13 Benchmark Land Prices in the Urban Area of Jingmen City (yuan/m²)

Grade	Price	I	II	III	IV	V
Commercial land	Use	4076	3034	1952	1231	926
Residential land		2136	1548	1074	872	598
Industrial land		633	462	344	207	178

The compensation rates for permanently occupied state-owned land in Xiaogan City are based on the List of Benchmark Land Prices in the Urban Area of Xiaogan City. See Table 14.

Table 14 Benchmark Land Prices in the Urban Area of Xiaogan City

Use	Benchmark price	Level	I	II	III	IV	V
Commercial land	yuan/m ²		4725	3675	2790	1980	1380
	0,000 yuan/mu		315.0	245.0	186.0	132.0	92.0
Residential land	yuan/m ²		3384	2625	1950	1365	975
	0,000 yuan/mu		225.6	175.0	130.0	91.0	65.0
Industrial land	yuan/m ²		675	500	340	210	/
	0,000 yuan/mu		45.0	33.3	22.7	14.0	/
Public administration and service land (Type 1)	yuan/m ²		1772	1444	1073	751	536
	0,000 yuan/mu		118.1	96.3	71.5	50.1	35.7
Public administration and service land (Type 2)	yuan/m ²		882	654	480	415	300
	0,000 yuan/mu		58.8	43.6	32.0	27.7	20.0

The compensation rates for permanently occupied state-owned land in Zhongxiang City are based on the List of Benchmark Prices of Farmland and Collective Construction Land in Zhongxiang City. See Tables 15 and 16.

Table 15 Benchmark Prices of Farmland in Zhongxiang City in Zhongxiang City in 2018 (0,000 yuan/mu)

Type	I	II	III	IV	V
Cultivated land	33.47(2.23)	24.84(1.66)	18.31(1.22)	15.39(1.03)	13.31(0.89)
Woodland	11.06(0.74)	9.04(0.6)	7.03(0.47)	5.46(0.36)	4.24(0.28)

Table 16 Benchmark Prices of Collective Construction Land in Zhongxiang City in Zhongxiang City in 2018 (0,000 yuan/mu)

Type	I	II	III	IV	V
Commercial land	235.47(15.70)	187.53(12.50)	152.96(10.20)	127.72(8.51)	105.05(7.00)
Residential land	186.27(12.42)	151.89(10.13)	124.76(8.32)	101.03(6.74)	89.78(5.99)
Industrial land	146.76(9.78)	120.18(8.01)	98.05(6.54)	84.18(5.61)	75.69(5.05)

3. Restoration and compensation policies for temporary land occupation

- For temporary land occupation arising from the Project, the land user should enter into a temporary land use contract with the rural collective economic organization, and use compensation according to the contract. Compensation for temporary land occupation includes compensation for ground attachments and young crops, and land reclamation fees. The compensation for ground attachments and young crops during occupation and land restoration will be paid to proprietors; land reclamation fees will be used for land reclamation and field facility construction, as detailed below:
 - ◆ The temporarily occupied land should be compensated for the actual period of occupation at AAOV in principle, where non-cultivated land or woodland should be compensated for as cultivated land.
 - ◆ The user of the temporarily occupied land should use the land for the purpose specified in the contract, and should not construct any permanent building thereon;
 - ◆ In order to minimize LA impacts on cultivation income, construction should be conducted after harvest or before sowing, and the AHs notified in advance; and
 - ◆ Upon expiry of the occupation period, the land user should return the land and restore it to the original condition.

4. Resettlement and compensation policies for demolished residential houses

The Project does not involve HD. If it involves HD, the compensation rates will be based on the Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3). See Table 17.

Table 17 House Replacement Costs of Yiling District

Structural grade		Replacement cost	House type	Main structure	Floor	Roof	Inner and outer walls	Doors and windows	facilities
Reinforced concrete (frame) structure	1	1004	Multi-storied house / small complex	Reinforced concrete foundation, reinforced concrete bearing frame, cast-in-place floor slabs, beams, columns and stairs, cast-in-place or precast reinforced concrete roof or steel roof truss, solid walls, 6 or less floors	Cement ground and floor	Reinforced concrete flat roof	Outer wall dry hanging, aluminum composite panel or stone paint, inner walls plastered with mixed mortar	Electric roller shutter, aluminum alloy or plastic steel windows, wood doors	Water, power, sanitary and fire facilities
Mixed (masonry concrete) structure	1	984	Ordinary main house	Standard brick wall masonry or partial reinforced concrete beams, bearing and structural columns, grouted rubble foundation, cast-in-place floor slabs, stairs and roof, 5 or less floors	Local floor tiles, cement ground and floor	Cast-in-place flat roof or cast-in-place inclined roof with flat tiles	Outer wall dry hanging, aluminum composite panel or stone paint, inner walls plastered with mixed mortar	Aluminum alloy or plastic steel windows, wood doors	Water, power, sanitary and fire facilities
	2	808	Ordinary main house	Solid wall bearing system, brick wall masonry or partial reinforced concrete beams and columns, reinforced concrete partly cast-in-place floor slabs and partly precast hollow floor slabs, grouted rubble foundation, 4 or less floors	Local floor tiles, cement ground and floor	Rigid or perforated plate + flat tile roof	Outer walls tiled or painted, inner walls plastered with mixed mortar	Aluminum alloy windows, wood doors	Water, power, bathroom
	3	677	Ordinary main house	Solid wall bearing system, brick wall masonry, partial reinforced concrete beams, precast floor slabs or few cast-in-place floor slabs, grouted rubble foundation	Cement ground and floor	Rigid or tile roof	Outer and inner walls ordinarily plastered	Wood doors and windows	Water, power, bathroom
	4	480	Ordinary auxiliary house	24 bearing brick or cavity walls	Cement ground	Rigid or tile roof	Outer walls plastered or non-plastered, inner walls painted in white	Doors and windows	Water, power
Masonry timber structure	1	699	Ordinary main house	24 or 24 bearing brick walls, excellent regular wood roof truss, excellent regular wood beams and columns	Cement or floor tile ground	Blue or flat tile roof, slab ceiling		Wood doors and windows	Water, power, bathroom
	2	554	Ordinary main house	24 bearing brick or cavity walls, regular wood roof truss	Cement ground	Blue or flat tile roof		Wood doors and windows	Water, power, bathroom
	3	400	Ordinary main house	12 or 24 bearing cavity walls, wood roof truss	Cement or concrete ground	Blue or flat tile roof	Ordinarily plastered or non-plastered walls	Doors and windows	Water, power
	4	280	Ordinary auxiliary house	12 or 24 bearing cavity walls, wood roof truss	Cement or concrete ground	Blue or flat tile roof	Ordinarily plastered or non-plastered walls	Doors and windows	Water, power
Earth timber structure	1	322	Ordinary main house	Simple wood frame, adobe or mixed brick walls, or below masonry timber grade 3	Cement or concrete ground	Blue or flat tile roof	---	Doors and windows	---
	2	240	Ordinary auxiliary house	Simple wood frame, adobe or mixed brick walls, or below masonry timber grade 3	Cement or concrete ground	Blue or flat tile roof	---	Doors and windows	---

5. Resettlement and compensation policies for demolished non-residential properties

The compensation rates for non-residential properties in Yiling District are based on the Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3): 1) Operating compensation for individual businesses: For an individual business, each registered lawful place of business (with a property registration certificate, land use certificate or title certificate) will be compensated for only once. Compensation for losses from production or business suspension will be paid at 15% of the monthly average taxable turnover in the past two years (made up to 30,000 yuan if necessary) for six months; 2) Relocation compensation for enterprises on collective land: For an enterprise operating lawfully and normally on collective land, the relocation compensation (subject to the provision of the business license, tax registration certificate, and tax vouchers for the past 12 months) will be appraised by an agency appointed by both parties according to the Measures for House Acquisition on State-owned Land and Compensation of Hubei Province, etc.

6. Compensation policies for ground attachments and infrastructure

The compensation rates for ground attachments and infrastructure in Yiling District are based on the Measures for Compensation for Land Acquisition and House Demolition of Yiling District (YDG [2018] No.3). See Table 18.

Table 18 Compensation Rates for Ground Attachments in Yiling District

1) Citrus commercial trees

Item	Spec. (m)	Compensation rate (yuan/mu)				Standard planting density
		Large	Medium	Small	Young	
Oranges	Tree height	≥2	≥1.5-<2	≥1.0-<1.5	<1.0	≥60 individuals /mu
	Crown diameter	≥2	≥1.5-<2	≥1.0-<1.5	<1.0	
	Rate	16000	12530	6700	4200	

Note: Citrus fruits include mandarin orange, tangerine, navel orange, grapefruit, etc.

2) Other commercial trees

Item	Type	Compensation rate (yuan/mu)				Standard planting density	
		Large	Medium	Small	Young		
Tea	Spec.	≥7 years	≥5-<7 years	≥3-<5 years	<3 years	Crown density: large ≥80%, medium ≥60%-<80%, small ≥30%-<60%, young <30% individuals/mu	
	Rate	10200	8400	6300	5500		
Fruits	Peach, plum, pear, date, cherry, loquat, apricot, etc.	Spec.	Φ≥10cm	Φ≥5-<10cm	Φ≥3-<5cm	Φ<3cm	≥60 individuals/mu
		Rate	16000	12530	6700	4200	
	Grape, fig, etc.	Spec.	≥20 fruit branches	≥10-<20 fruit branches	≥5-<10 fruit branches	<5 fruit branches	≥120 individuals/mu
		Rate	8200	6400	4300	3500	
	Kiwifruit	Spec.	≥20 fruit branches	≥10-<20 fruit branches	≥5-<10 fruit branches	<5 fruit branches	≥45 individuals/mu
		Rate	8200	6400	4300	3500	
Strawberry	Rate	Mother plant 10,000/mu, ordinary 6,000/mu					
Dried fruits: chestnut, prickly ash, walnut, etc.	Spec.	Φ≥15cm	Φ≥10-<15cm	Φ≥5-<10cm	Φ<5cm	≥60 individuals/mu	
	Rate	14150	11100	5900	3500		
Eucommia	Spec.	Φ≥10cm	Φ≥5-<10cm	Φ≥3-<5cm	Φ<3cm	≥60 individuals/mu	
	Rate	14150	11100	5900	3500		
Oil	Camellia oleifera	Spec.	Crown	Crown dia.	Crown dia.	Crown dia.	≥60 individuals/mu

plants			dia. ≥2m	≥1.5-<2m	≥0.6-<1.5m	<0.6m	
		Rate	14150	11100	5900	3500	
	Tung tree, Chinese sapium, etc.	Spec.	Φ≥10cm	Φ≥5-<10cm	Φ≥3-<5cm	Φ<3cm	≥40 individuals/mu
		Rate	11000	8400	5500	3500	
	Cypress, cedar	Spec.	Φ≥15cm	Φ≥9-<15cm	Φ≥3-<9cm	Φ<3cm	≥100 individuals/mu
		Rate	8200	6400	4300	3500	
	Timber trees	Spec.	Φ≥15cm	Φ≥9-<15cm	Φ≥3-<9cm	Φ<3cm	≥100 individuals/mu
		Rate	7750	5900	3800	3000	
	Cluster bamboos	Spec.	≥20 pieces / cluster	≥10-<20 pieces / cluster	≥5-<10 pieces / cluster	<5 pieces / cluster	≥60 clusters/mu
		Rate	3000	2600	2200	2000	
	Scattered bamboos	Spec.	Φ≥12cm	Φ≥8-<12cm	Φ≥4-<8cm	Φ<4cm	≥200 pieces/mu
		Rate	3000	2600	2200	2000	
Medical materials	Herbal	Spec.	Full blossom		Non-full		≥15,000 individuals/mu
		Rate	5000		3000		
	Fungal	Rate	30 yuan/m ²				

7. Land transfer policy

According to Article 13 of the Regulations on the Operation of the Trading Market of Rural Land Management Rights (Interim) (NJF [2016] No.9), the boundary, position, area, quality level, starting and ending dates, use, price and payment mode of the transferred land will be agreed on between both parties.

See Table 19 for the land transfer modes and prices of the 11 SFCs involved in the Project. Subsequent transfer prices should not be lower than the current prices. See Appendix 5 of the Social Assessment Report for further details.

Table 19 Compensation Rates for Land Transfer

District / county / county level city	SFC	Transferred land area	Transfer mode and price	
			Rental	Profit distribution
Jingshan County	Yilong Rice Cultivation SFC	5,430 mu transferred, and 6,677 mu contracted	700-790 yuan/mu per annum /	
Zhongxiang City	Changlong Cultivation SFC	14,500 mu (500 mu in 2016 and 14,000 mu in 2018)	600-800 yuan/mu per annum	By shares
Duodao District	Jingmen Minfeng Grease Co., Ltd.	5000 mu	200-300 yuan/mu per annum (seasonal transfer)	/
Honghu City	Chunlu Crop Cultivation SFC	97,500 mu	500 yuan/mu per annum	By shares
Gong'an County	Colorful Sunshine Land Joint-stock Cooperative	Over 10,200 mu	/	0.8 yuan/m ² per annum plus profits
Nanzhang County	Xiangming Tealeaf SFC	Over 1,000 mu	/	Members offer land and are hired by the SFC. The net income of each plot is the gross selling price of tealeaf minus the cost.
Xian'an District	Hubei Green Cycle Eco-agriculture Co., Ltd.	220 mu	300 yuan/mu per annum for the first 5 years, increased by 10% per annum from Year 6	/
Tongshan County	Dafan Loquat SFC	370 mu	120 yuan/mu per annum for the first 5 years, increased by 20% per annum from Year 6	/
Tongcheng County	Tianjian Pig SFC	15.4 mu	Irrigated land: 200 yuan per 10 liters; non-irrigated land: 100 yuan	Profit distribution at 1,000 yuan per share

			per 10 liters	
Xiaonan District	Fuliangshan Agro-technology Co., Ltd.	1,200 mu	300-500 yuan/mu for ordinary land, 50 yuan/mu for hilly land and 200 yuan/mu for slope land per annum	/
Yiling District	Xiaoxi Red Orange SFC	1,000 mu	1,200-1,500 yuan/mu per annum	/

8. Policy for vulnerable groups

In addition to the above resettlement policies, vulnerable groups will also be entitled to some preferential policies:

- 1) Vocational training, and employment information and guidance will be granted to laborers in vulnerable households to increase their job opportunities.
- 2) Unskilled jobs generated at the construction and operation stages of the Project will be first made available to laborers in vulnerable households.
- 3) A special supporting fund will be established at 1% of resettlement costs together with the municipal labor and social security bureau to offer assistance.

9. Supporting measures for women

In addition to the above resettlement policies, women will also be entitled to some special supporting measures:

- 1) Women will have priority in employment, where not less than 30% of unskilled jobs will be first made available to women.
- 2) Women will receive agricultural and nonagricultural skills training, where not less than 50% of the trainees should be women (182 men-times).
- 3) Women will receive relevant information during resettlement and may participate in public consultation.
- 4) A special FGD with women will be held to introduce resettlement policies and improve women's awareness.
- 5) Compensation agreements must be signed by couples.

Appendix 7 Consultation Minutes

Consultation Minutes1

Date	July 20, 2019
Venue	Xingxiang agricultural products professional cooperative
Organizer	Agriculture Bureau of Yiling District
Participants	Xingxiang, Yiling PMO, SI team
Topics	LA impact, HD impact, development measures
Key points and results	<p>1) Xingxiang agricultural products professional cooperative obtained the land certificate in May 2019.</p> <p>2) Last year, the land acquisition was completed, with a total area of 40 mu, of which 30 mu was submitted for approval.</p>
	

Consultation Minutes2

Date	October 11, 2019
Venue	Fuliang mountain agricultural products professional cooperative
Organizer	Agriculture Bureau of Xiaonan District
Participants	Fuliang mountain, Xiaonan PMO, SI team
Topics	LA impact, HD impact, development measures
Key points and results	<p>1) The company obtained the land before 2017, but did not apply for the land certificate.</p> <p>2) The new factory building industrial park covers an area of about 30 mu and requires new land acquisition. The specific location is unknown.</p>
	