Resettlement Policy Framework for the Jiangxi Wuxikou Integrated Flood Management Project

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A Overview of the Project

1. The Wuxikou Integrated Flood management Project in Jingdezhen, Jiangxi (hereinafter, the “Wuxikou Project”) is a key project of Jiangxi Province, designed for flood control, water supply and power generation. The dam site controls a watershed area of 2,915 km², and the reservoir has an annual average discharge of 88.7 m³/s. The upper site option is the recommended option, with a normal pool level of 56 m, a dead water level of 45 m and a regulated storage capacity of 133 million m³. The hydropower station has an installed capacity of 30 MW, an annual average power output of 8,127 × 10⁴ kWh and a warranted output of 2,282 kW. The dam site is located in Jiaotan Town, Fuliang County, Jingdezhen City, 41 km away from Jingdezhen City. An application for a World Bank loan will be field for the Wuxikou Project.

2. The Jingdezhen Urban Flood Control Project (hereinafter, the “JUFC Project”) is a yen loan project, and involves the construction of flood dikes against floods every 20 years. When combined operation of the Wuxikou Project and the JUFC Project is realized, the urban flood control standard of Jingdezhen City will be increased from every 20 years to every 50 years. According to the Bank’s policy requirements, the JUFC Project has been identified a related project of the Wuxikou Project.

3. The Project consists of nine dikes: 1) East City Dike (Nanhe Segment); 2) East City Dike (Central Ferry – Changjiang Bridge); 3) River West Dike (West Float Bridge – Changjiang Bridge); 4) East City Dike (Cidu Bridge – Central Ferry); 5) East City Dike (Changjiang Bridge – South River Mouth); 6) East City Dike (Guanyinge – Cidu Bridge); 7) East City Dike (Huangnitou – Hutian Bridge); 8) River West Dike (Magnetic Material Plant – Float Bridge); and 9) Sanhe Dike (Taojin Ridge – Sanlu Temple). The total length of the above dikes is 20.19 km. The boundary range of five dikes completed land acquisition and resettlement was within 60-64.45 m, the total floor area was 1041.77 mu, and the estimated gross investment was RMB169 million. See Appendix 1 for the components of the Project, and Appendix 2 for the schematic map of the Project.

4. By the end of February 2012, the resettlement work of the 5 dikes of East City Dike (Nanhe Segment), East City Dike (Central Ferry – Changjiang Bridge), River West Dike (West Float Bridge – Changjiang Bridge), East City Dike (Cidu Bridge – Central Ferry) and East City Dike (Changjiang Bridge – South River Mouth) had been completed, and the Jingdezhen PMO had conducted a due diligence investigation on these 5 dikes, prepared a due diligence reported and submitted it to the Bank for review.

5. The remaining 4 dikes, namely East City Dike (Guanyinge – Cidu Bridge), East City Dike (Huangnitou – Hutian Bridge), River West Dike (Magnetic Material Plant – Float Bridge) and Sanhe Dike (Taojin Ridge – Sanlu Temple), have a total length of 9.12 km. The detailed design for these 4 dikes has not begun and the construction period has not been determined.

6. The supporting transmission line project will be contrasted to transfer the electricity generated by Wuxikou Project. So far, the design for supporting transmission line project has not begun, and therefore the scope and scale have not been determined.

7. Given the situation mentioned as Para 5 & 6, the borrower has prepared this Resettlement Policy Framework (RPF), and corresponding principles and policies in accordance with the Bank’s policy on involuntary resettlement (OP4.12) to direct resettlement activities arising from the remaining 4 dikes and the supporting transmission line project.

B Objectives of Resettlement, Definitions and Key Principles

8. 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 meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
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.

9. 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.

10. 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).

11. The key principles and objectives of this RPF, which has been prepared based on the Bank’s policy on involuntary resettlement (OP4.12), are as follows:
   - Acquisition of land and other assets, and related resettlement should be minimized where possible;
   - As of the baseline survey date, all displaced persons 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 displaced persons; and (4) subsidies for relocation and living;
   - If displaced persons 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 displaced persons 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 displaced persons repeatedly to ensure minimum interference; displaced persons 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 Preparation and Approval of the RAP

12. The Jianxi Jindezhen Municipality Government and Implementing Agencies (IA) have committed to preparing RAPs in compliance with the relevant national laws/regulations and the Bank’s OP4.12, when the further components of the Dike System and the transmission line are approved and prepared.

13. The preparation and implementation of the RAP (including the payment of all resettlement costs) will be
the responsibility of the borrower. The Jingdezhen River Dike Administration Office is responsible for the implementation of the remaining dikes, and Jiangxi Jingdezhen Wuxikou Hydro-junction Development Company, Ltd, is responsible for the supporting transmission line project.

14. When the affected population of the project exceeds 200, the Jingdezhen PMO will prepare an RAP and submit it to the Bank with the assistance of the Jingdezhen River Dike Administration Office and Jiangxi Jingdezhen Wuxikou Hydro-junction Development Company. Ltd; in addition, displaced persons should be fully consulted so that they have a chance to participate in the design and implementation of the RAP.

15. 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 DPs 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 that will assist each category of eligible DPs to achieve the objectives of the policy;
- Selection, preparation and rearrangement of the resettlement site;
- Supply 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;
- Monitoring and evaluation.

16. The RAP should be completed no later than 6 months before the starting date of resettlement, and submitted to the Bank for consideration at least 3 months before that. 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.

17. When the affected population of the project does not exceed 200, the Jingdezhen PMO will prepare an
abbreviated resettlement action plan (ARAP) and submit it to the Bank with the assistance of the Jingdezhen River Dike Administration Office and Jiangxi Jindezheng Wuxikou Hydro-junction Development Company, Ltd; in addition, displaced persons should be fully consulted so that they have a chance to participate in the design and implementation of the RAP.

18. The Abbreviated RAP covers the following minimum elements:
   - a census survey of DPs 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 no later than 4 months before the starting date of resettlement, and submitted to the Bank for consideration at least 3 months before that. 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 Arrangement and Legal Framework

20. The Jianxi Jindezheng Municipality Government and PMO are responsibility for overall land acquisition and resettlement coordination and carrying out activities of planning, implementing, fund raising and LAR progress reporting, etc. The Jingdezhen River Dike Administration Office and Jiangxi Jingdezhen Wuxikou Hydro-junction Development Company, Ltd, are responsible for implementation of preparation and implementation of RP, including resettlement impacts survey, resettlement policy and compensation rate consultation and relocation site construction etc. And a Real Estate Appraisal Co., Ltd will be selected by APs and conducted the affected property appraisal. In addition, Land Resources Bureaus and House Demolition and Resettlement Management Office of Jindezheng Municipality will be responsible for managing and supervising the resettlement activities.

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, Jiangxi Province, Jingdezhen City, and the relevant districts and counties.

22. The PRC has developed a complete legal framework and policy system on land acquisition, house demolition, resettlement and compensation, including the Land Administration Law of the PRC (amended on August 28, 2004), and the Regulation on the Expropriation of Buildings on State-owned Land and Compensation (Decree No.590 of the State Council) (January 21, 2011). Within the state legal and policy framework, local governments have promulgated relevant local regulations and policies to manage and direct local land acquisition, house demolition, resettlement and compensation work. The Jiangxi Provincial Government has promulgated local regulations and policies in accordance with the applicable state laws and policies to manage and direct relevant local work, and the Jingdezhen Municipal Government also complies with the applicable provisions of the provincial government.

23. The key laws, regulations and ordinances of the PRC used to prepare this RPF and ensure its legal validity are as follows:
   - Regulation on the Expropriation of Buildings on State-owned Land and Compensation (Decree No.590 of the State Council) (January 21, 2011)
   - Notice on Releasing the New Provincial Uniform Annual Average Output Value Rates and Location-based Integrated Land Prices for Land Acquisition (JPG [2010] No.126)
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 impact (e.g., land acquisition and occupation, demolition of residential houses (including rural and urban), and non-residential houses (including enterprises and commercial stores)), the following measures are usually taken:

25. APs losing farmland will be entitled to the following compensation and restoration measures:

- Direct APs will receive land compensation fees and resettlement subsidies in full;
- Direct APs will receive young crop compensation fees in full.

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. Displaced persons losing business income (or employment income) will be entitled to the following restoration measures:

- Main mitigation measures for anyone losing business income include: (1) offering an optional commercial site with the same size and similar customer sources; (2) granting cash compensation to the owner of the commercial property at the full replacement cost of such property and all facilities thereof; (3) offering transitional compensation for all expenses and lost sales income related arising from relocation for the non-operating period.
- Main mitigation measures for anyone losing employment income include: (1) offering an optional job opportunity with the same pay; (2) offering cash compensation at least equivalent to wage losses for three years; and (3) offering a transition subsidy for reemployment training and resettlement, or taking any other necessary measure to help him/her find a new job.

28. The RAP prepared should include an entitlement matrix for the APs. The related compensation policies and resettlement policies are presented in Appendix 3.

E Implementation Process

29. In accordance with the institutional arrangement of resettlement as described in Paragraph 21. 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 land acquisition. If full compensation is not paid or necessary assistance measures are not available before land acquisition, a transition subsidy should be provided.

F Financial Arrangements

30. The Jingdezhen River Dike Administration Office and Jiangxi Jingdezhen Wuxikou Hydro-junction Development Company, Ltd will bear all costs related to land acquisition and resettlement. Any RAP consistent with this RPF must include estimated costs and a budget. Whether identified as DPs at the RAP preparation stage or not, and whether sufficient funds are available or not, all those adversely affected by land acquisition and house demolition 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 RAP 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 Jingdezhen River Dike Administration Office to the affected communities/villages or residents/villagers, entities and relevant right holders. A rationale is that the fund flow should be as direct as possible with minimum intermediate links.

G Public Participation and Information Disclosure

32. The public participation and consultation will be conducted during the overall resettlement process, especially during resettlement impacts surveys, establishment of resettlement policies and measure, and resettlement implementation etc.

33. The RAP must describe all measures taken or to be taken, involve the APs in the proposed resettlement arrangements, and foster the sense of participation in livelihood and living standard improvement or restoration activities. To ensure that the APs’ opinions and suggestions are fully considered, public participation should be prior to project design and the implementation of resettlement relief measures. Public participation must run through the whole RAP planning, implementation and external monitoring process.

34. At the RAP drafting and finalization stages, the Jingdezhen PMO and project owners should also disclose the RAP to the APs and the public at certain places of the project site and in certain languages. The first draft of the RAP should be disclosed at least one month prior to Bank evaluation. The final RAP must be disclosed again after acceptance by the Bank.

H Grievance Redress Procedure

35. Since the resettlement work is conducted with the participation of the 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, a grievance redress procedure must be established.

- **Stage 1**: If any AP is dissatisfied with the RAP, he/she can file an oral or written appeal with the village committee or township/sub-district government or resettlement office orally or in writing. In case of an oral appeal, the village committee or township/sub-district government or resettlement office shall keep written records of such appeal, and give a clear reply within two weeks. If any serious issue is involved, such issue shall be reported to the project owner or district/county office for complaint letters and visits.

- **Stage 2**: If the AP is dissatisfied with the reply of Stage 1, he/she may file an appeal with the project owner or district/county office for complaint letters and visits after receiving the reply of Stage 1, which shall make a disposition within 3 weeks.

- **Stage 3**: If the AP is dissatisfied with the reply of Stage 2, he/she may file an appeal with the municipal office for complaint letters and visits after receiving the reply of Stage 2, which shall make a disposition within 4 weeks.

- **Stage 4**: If the appeal is still not solved in Stage 3, the he/she may file a suit in the county court in accordance with the Civil Procedure Law of the PRC.

I Monitoring and Evaluation

36. With the assistance of the Jingdezhen River Dike Administration Office and Jiangxi Jindezhen Wuxikou Hydro-junction Development Company. Ltd, the Jingdezhen PMO will supervise and monitor the implementation of the RAP. Supervision and monitoring results will be recorded in quarterly reports for submission to the Bank.

37. Internal monitoring and supervision:

- Check implementation, including checking the baseline information, valuation of asset losses, and the implementation of compensation, resettlement and restoration rights according to the RPF and the RAP.

- Monitor if the RAP is implemented as designed and approved.

- Check if the funds for RAP implementation are appropriated timely and fully, and if such funds are
used in a manner consistent with the RAP.

- Record all appeals and their solutions, and ensure that appeals are handled timely.

38. Independent external monitoring: With the assistance of the Jingdezhen River Dike Administration Office and Jiangxi Jingdezhen Wuxikou Hydro-junction Development Company, Ltd, the Jingdezhen PMO will appoint independent agencies through public bidding to perform period external M&E on the implementation of the RAP. Such agencies may be academic or institutional organizations, NGOs or independent consulting firms, but must have qualified and experienced staff, and their terms of reference must be accepted by the Bank.

39. In adaptation to the internal supervision information and monitoring reports checked, the external M&E agency will perform a sampling survey after 6 months of implementation of the RAP. The main objectives are:

- To evaluate if the participation and compensation payment procedures, and restoration rights are implemented practically, and consistent with the RPF and the RAP;
- To evaluate if the RPF objective of improving or at least maintaining the living standard and income level of the DPs has been realized;
- To gather qualitative socioeconomic impact indicators of project implementation; and
- To propose suggestions for improving the implementation procedure of the RAP in order to realize the principles and objectives of this RPF.
## Appendix 1: Components of the Project

<table>
<thead>
<tr>
<th>No.</th>
<th>Dike</th>
<th>Contractor</th>
<th>Supervising agency</th>
<th>Dike length (km)</th>
<th>Boundary range</th>
<th>Floor area (mu)</th>
<th>Resettlement commencement time</th>
<th>Investment (0,000 yuan)</th>
<th>Land acquisition &amp; house demolition</th>
<th>Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>East City Dike (Nanhe Segment)</td>
<td>Sinohydro Bureau 5</td>
<td>Shangrao Water Resources Supervision Co.</td>
<td>5.1</td>
<td>64.45</td>
<td>493</td>
<td>2000</td>
<td>6700</td>
<td>Completed</td>
<td>Completed</td>
</tr>
<tr>
<td>2</td>
<td>East City Dike (Central Ferry – Changjiang Bridge)</td>
<td>Gezhouba Group</td>
<td>Jiangxi Jianhong Supervision Co.</td>
<td>2.3</td>
<td>60</td>
<td>207</td>
<td>2005</td>
<td>2250</td>
<td>Completed</td>
<td>Completed</td>
</tr>
<tr>
<td>3</td>
<td>River West Dike (West Float Bridge – Changjiang Bridge)</td>
<td>China Railway 16th Bureau</td>
<td>Supervision Co. of the Jiangxi Water Resources &amp; Hydropower Research Institute</td>
<td>1.14</td>
<td>60</td>
<td>102.6</td>
<td>2007</td>
<td>2755</td>
<td>Completed</td>
<td>Completed</td>
</tr>
<tr>
<td>4</td>
<td>East City Dike (Cidu Bridge – Central Ferry)</td>
<td>Gezhouba Group</td>
<td>Jiangxi Jianhong Supervision Co.</td>
<td>1</td>
<td>60</td>
<td>90</td>
<td>August 2011</td>
<td>2550</td>
<td>Completed</td>
<td>Under construction</td>
</tr>
<tr>
<td>5</td>
<td>East City Dike (Changjiang Bridge – South River Mouth)</td>
<td>Gezhouba Group</td>
<td>Jiangxi Jianhong Supervision Co.</td>
<td>1.53</td>
<td>65</td>
<td>149.17</td>
<td>August 2010</td>
<td>2601</td>
<td>Completed</td>
<td>Under construction</td>
</tr>
<tr>
<td>6</td>
<td>East City Dike (Guanyinge – Cidu Bridge)</td>
<td>/</td>
<td>/</td>
<td>1.37</td>
<td>/</td>
<td>/</td>
<td>TBD</td>
<td>/</td>
<td>Not started</td>
<td>Not started</td>
</tr>
<tr>
<td>7</td>
<td>East City Dike (Huangnitou – Hutian Bridge)</td>
<td>/</td>
<td>/</td>
<td>4.13</td>
<td>/</td>
<td>/</td>
<td>TBD</td>
<td>/</td>
<td>Not started</td>
<td>Not started</td>
</tr>
<tr>
<td>8</td>
<td>River West Dike (Magnetic Material Plant – Float Bridge)</td>
<td>/</td>
<td>/</td>
<td>1.73</td>
<td>/</td>
<td>/</td>
<td>TBD</td>
<td>/</td>
<td>Not started</td>
<td>Not started</td>
</tr>
<tr>
<td>9</td>
<td>Sanhe Dike (Taojin Ridge – Sanlu Temple)</td>
<td>/</td>
<td>/</td>
<td>1.89</td>
<td>/</td>
<td>/</td>
<td>TBD</td>
<td>/</td>
<td>Not started</td>
<td>Not started</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>20.19</strong></td>
<td></td>
<td><strong>1041.77</strong></td>
<td></td>
<td><strong>16856</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix 2 Schematic map of the Project
Appendix 3 Related resettlement compensation and resettlement policies

1) Resettlement compensation and resettlement policies for collective land acquisition


(1) Compensation for collective land acquisition

Compensation for land acquisition includes land compensation fees and resettlement subsidies. Land compensation fees shall be allocated by the rural collective economic organization, and used for land reallocation, production improvement and other aspects of production resettlement; compensation fees for ground attachments and young crops will be owned by their proprietors; resettlement subsidies must be used specially for labor resettlement.

The ground attachments and young crops will be compensated as per the real situations.

(2) Resettlement policies and measures

The resettlement policies and measures will be made rationally based on the nature resources, socioeconomics and locations in the project area.

According to the current practice of Jingdezhen City, the available resettlement measures are: a) land adjustment, b) cash compensation, c) endowment insurance for farmers losing land, and d) other measures such as training.

Compensation rates for collective land acquisition are detailed in Table 1.

Table 1 Compensation rates for collective land acquisition

<table>
<thead>
<tr>
<th>area</th>
<th>Unified annual output value(Yuan)</th>
<th>times</th>
<th>Compensation rate (Yuan/mu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changjiang district</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban area</td>
<td>1379</td>
<td>35.1</td>
<td>48419</td>
</tr>
<tr>
<td>City planning area</td>
<td>1368</td>
<td>31.2</td>
<td>42679</td>
</tr>
</tbody>
</table>

2) Compensation and resettlement policies for rural residential house demolition

(1) Compensation and resettlement policies

The rural residential house will be compensated at replacement cost, and house site will be allocated free to DPs to rebuild house.

The relocation sites will be selected in consultation with DPs and in accordance with the principles for site selection. The per capita land area for new resettlement sites will be 80 ㎡. The relocation sites will be provided with water, electricity, roads and land leveling (three supplies and one leveling) at the expense of the project owner. Compensation fees for houses and attachments will be paid to DPs, who will receive house sites for free and build new houses themselves.

(2) Other subsidies

DPs also can receive the following subsidies: a) movement subsidy, b) transition fee, and c) compensation for facilities (such as movement of telephone and cable TV.)

Table 2 replacement cost for rural house

<table>
<thead>
<tr>
<th>Structures</th>
<th>Compensation rate (Yuan/㎡)</th>
<th>remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storied buildings</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>Concrete and brick</td>
<td>460</td>
<td>Excluding house site compensation</td>
</tr>
<tr>
<td>Brick and timber</td>
<td>350</td>
<td></td>
</tr>
<tr>
<td>simple</td>
<td>370</td>
<td></td>
</tr>
</tbody>
</table>

During the resettlement implementation stage, the rates will not be lower than those in table 2.
3) Compensation and resettlement policies for urban residential house demolition

(1) Compensation Policies

The compensation and resettlement for urban residential house will be carried out in accordance with the Regulation on the Expropriation of Buildings on State-owned Land and Compensation (Decree No.590 of the State Council, 2011).

The house to be demolished will be compensated at market appraisal price by qualified real estate company, which will be selected by DPs.

(2) Resettlement policies

Cash compensation and property exchange will be applied. DP can choose resettlement options per their wills.

In case of property exchange, “equal-size replacement” will be applied to the building area of the demolished house.

DPS also can receive the following subsidies: a) movement subsidy, b) transition fee, and c) compensation for facilities (such as movement of telephone and cable TV.)

According to the different location, the compensation rates are various. The compensation rates for urban residential house are show in Table 3.

Table 3 Compensation rates for urban residential house

<table>
<thead>
<tr>
<th>structure</th>
<th>Compensation rates (Yuan/m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storied buildings</td>
<td>1800~2200</td>
</tr>
<tr>
<td>Concrete and brick</td>
<td>760~1240</td>
</tr>
<tr>
<td>Brick and timber</td>
<td>700~1140</td>
</tr>
<tr>
<td>simple</td>
<td>660~1026</td>
</tr>
</tbody>
</table>

During the resettlement phase, the rates will be market appraisal price, but not lower than those in Table 3.

4) Compensation and resettlement policies for non-residential house

(1) compensation and resettlement policies

The non-residential house includes enterprises, institutions and business shops.

Cash compensation and land property exchange will be adopted per the wills of the owners of non-residential house. The non-residential house will be compensated at market appraisal price by qualified real estate company, which will be selected by the owners. The details are as follows:

(2) compensation rates

The compensation rates for non-residential house are as follows:

- The location-based compensation rate for non-residential demolition is 1900 yuan/m². During resettlement implementation phase, it will be compensated at market appraisal price, but not lower than 1900 yuan/m².

- For individual businesses or entity suspended from production or business due to house demolition, compensation for 6 months based on the workforce specified in the business license or the payroll of the previous month, and the MLS standard of Jingdezhen City;

- If equipment, products and raw materials are to be relocated for the demolition of non-residential houses, the demolisher shall calculate and pay movement subsidies at 4 yuan/m2 for the area of production and business premises specified in the business license, and

- The other facilities including the movement of telephone and cable TV will be compensated at replacement price.