PINGTAN WIND POWER PROJECT

RESETTLEMENT ACTION PLAN

Preparatory Office of Fujian Wind Power Project

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Objectives of the RAP and the Definition of Resettlement Terminology.

This Resettlement Action Plan (RAP) is prepared according to the Laws and Regulations of PRC, and Fujian Province as well as the Guidelines of the World Bank (Operational Directive for Involuntary Resettlement OD 4.30). The purpose of this document is to set out an Action plan for the Resettlement and Rehabilitation of the Project Affected Persons (PAPs) to ensure that they will benefit from the project and their standards of living will improve or at least be restored after the project impact.

Acquisition of land and other assets for the project will adversely affect the livelihood of persons who live, work or earn their living on the land that will be acquired for the project. PAPs are defined as those persons whose income or livelihoods will be adversely affected by land acquisition for the project. PAPs include the following categories:

a) persons who have a title, right, interest, in structures (houses, enterprises, shelters, or public buildings), land (including residential, agricultural, and grazing land) or any other asset acquired or possessed, in full or in part, permanently or temporarily;

b) persons who use the structures, land or assets described above; or persons whose business, occupation, work, place of residence or habitat adversely affected; or

c) persons whose standard of living is adversely affected as a consequence of land acquisition.

A definition of PAPs is given below:

Definition of the PAPs: “Affected Persons” means persons who on account of the execution of the project had or would have their: a) standard of living adversely affected; or b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or c) business, occupation, work, place of residence or habitat adversely affected, and “affected Person” means individually all those who qualify as “Affected persons.”

PAPs may be individuals or legal persons such as a company, a public institution. Definition of PAPs is not limited to their legal registration or permission to live or conduct business in the affected location, or their title to property. Thus, it includes:

a) all those affected by the project regardless of their legal rights or absence thereof to the assets being taken; and

b) persons without residential permit to live in a certain area.

Therefore all such persons who are affected will need to be considered and recorded as
PAPs, regardless of their legal connection to assets land or location.

If there are more than one person, family or household using or holding a title to the same land or property that is acquired, they will be compensated and rehabilitated according to the loss they suffer, their rights, and the impact on their living standards. The definition of PAPs is linked directly to the adverse effect of the project, regardless of legal rights title or interest.

All PAPs are entitled to the improvement or at least restoration of their standards of living, and compensation for the material losses they suffer. Compensation for assets will cover replacement cost. No deductions or discounts will be applied to the compensation amount for depreciation or other reasons. All PAPs deriving an economic benefit from the affected land and property are entitled to receive rehabilitation benefits in addition to the compensation for their assets lost. Those PAPs without title, authorization or legal permission to reside, conduct business, cultivate land or construct structures are eligible for rehabilitation of their livelihoods and compensation for their assets on an equal footing with those with formal legal title, authorization or permissions to the assets.

The term RESETTLEMENT includes: a) the relocation of living quarters; b) finding acceptable new employment for those whose jobs are affected; c) restoration (or compensation) of affected productive resources such as land, workplaces, trees and infrastructure; d) restoration of other adverse effect on PAPs' living standards (quality of life) through land acquisition (such as the adverse effects of pollution); e) restoration of or compensation for affected private and public enterprises; and f) restoration of adversely affected on cultural or common property.

Rehabilitation means: the restoration of the PAPs' resource capacity to continue with productive activities or lifestyles at a level higher or at least equal to that before the project.

The objective of this RAP is to provide a plan for the resettlement and rehabilitation of the PAPs so that their losses will be compensated and their standards of living will be improved or at least restored to the pre-project levels. To achieve these objectives the plan provides for rehabilitation measures so that the income earning potential of individuals are restored to sustain their livelihoods. Affected productive resources of businesses (enterprises including shops) and public property. Infrastructure and cultural property will also be improved or at least restored to their pre-project levels.
1. General

1.1 Project Background

Since launching the reform and opening policy, the national economy of Fujian Province has kept raising. Along with speedy development of economy, the power demand is greatly increased. The max. load of Fujian Province was up from 2341MW in 1990 to 4400MW in 1996, with yearly increase of 11.1%; the power output was up from 13.69 billion kWh to 28.88 billion kWh, with yearly increase of 12.7%; the installed capacity was up from 3380MW to 7374MW. The contradiction of power supply and demand is still very serious due to the weak base of existing power facilities which can not meet the need of quick development of economy. The electric elastic coefficient is only 0.72. Therefore, it is necessary to build some new power sources to reduce the shortage of power supply.

The wind energy is a reproducible and clean power source. By the relative statistics, the theoretic storage capacity of wind power of Fujian Province is about 10000MW, which is distributed basically at shores projecting into the sea and islands. If the wind power is developed there the power shortage of provincial power grid will be relieved and the environmental pollution by the coal-fired power can be reduced, resulting in good benefit for both economy and environment.

Pingtan County is wholly in an island with rich wind recourses. Development of wind power will be good for local economy and reduce the pressure of power supply of provincial power grid. Since launching of reform and opening policy, the power load has been increased quickly in Pingtan county and Fuqing city - a famous hometown of overseas Chinese. Recently, the power demand of Pingtan is 50 million kWh with max. load 15MW; the power demand of Fuqing city is 760 million kWh with max. load 145MW. It is estimated that the power demand in 2000 for Pingtan county will be 90 million kWh with max. load 25MW; the power demand for Fuqing city will be 1500 million kWh with max. load 290MW. There is no large- and medium-scale power source there, where the power supply depends mainly on the provincial power system. Pingtan county is just located at the end of the power system, with power supply poor in quality and reliability. Nevertheless, Pingtan county has rich wind power resources. Provided that the wind farm is developed there, it will meet the power demand and ensure reliability of power supply for Pingtan county and, the surplus power can be sent to Fuqing city and the pressure of power supply from the provincial system will be reduced.
1.2 Project Description

1.2.1 Project Components

The Pingtan Wind Power Project is composed of the following three components:

A. Wind farm

B. 110kv transmission line

C. Extension of the existing Beicuo 110kV Substation

1.2.2 Description of Project Components

A. Wind farm

The permanent land acquisition for Pingtan Wind Power Project, with installed capacity of 20MW, will be 87mu in area. The wind farm consists of the followings:

(1) Wind power generator

32 wind power generators with 600kW for each are planned to be set. The base area of each unit is $10 \times 10m^2$, so 7mu including 3-metre-width patrol permanents around their foundations will be requisitioned for all units.

(2) Main transformer room

The in-door type, single-story transformer room will be adopted for main transformer in order to ensure the reliable operation of power distribution system and transformer and to avoid the heavy humidity, salty mist, wind and sands there. For arranging the cables in the shortest distance from each generator to transformer and reducing fees of land acquisition for pavement, one main transformer room will be located in center of each four units, and in order to prevent fire disaster that make losses of ruining the forest, drought-sized main transformer will be adopted. Therefore, there will be 8 main transformer rooms for all units, occupying $70m^2$ land for each room. As a whole, 0.8mu land will be needed for the main transformer rooms.

(3) Central control building and 10kV distribution apparatus building

The central control building consists of main building, 110kV distribution apparatus room and HV switching room. There are three floors for the main building, arranging the computer monition room and relay room (on the top
floor, cable semi-floor, night shift room, system carrier room, reference room, maintenance room, parts and components storehouse, meeting room, vertical shaft well station service room, office, kitchen, dining room, lounge, toilet etc., and arranging air-conditioners in the computer monition room. There are two floors for the 110kV distribution apparatus room, floor height 7m, and the HV switching room is single-story, net height 10m. The 10kV distribution apparatus building consists of condenser room, 10kV distribution apparatus room and maintenance and repair room. The central control building and 10kV distribution apparatus building will be locate in the centre of the wind farm, and requisition land of 48.2mu.

(4) Access road to wind power farm

1.8km long existing sand and gravel road will directly extend to the central control building, after it is rebuilt by the standard of the Grade-IV road, 6m wide, without new land acquisition.

(5) Access within wind power farm

During construction, the existing 8.2km long path in the woods farm will be rebuilt to 3-10m wide accesses for construction purposes. After completion of construction, these construction accesses will be rebuilt to be 3m wide paths with concrete pavement for the permanent use, so total of 31mu land will be requisitioned.

B. 110kv transmission line

Totally, 18km long single-circuit, overhead transmission line will erected passing over Luyang township, Zhonglou township, Lancheng township, Tancheng town and Beicuo town without new land acquisition.

C. Extension of Beicuo 110kV Substation

The extension work will be performed in the area of the existing Buicuo 110kV Substation without new land acquisition.

1.2.3 Project Progress

The project construction will be started in March of 2000 and completed in Sep. 2000, with the total construction period of 7 months.

1.3 Project Design And Review

The project was designed by Fujian Power Investigation and Design Institute. Recently, the technical and economical indexes of this project has been fully
analyzed by the designer and several farm sites were compared in the aspects of impact on local social and economic development, land acquisition, geological structures, wind resources, construction condition, transportation condition and maintenance condition of equipment after installation. Finally, Changjiangao site was recommended.

In Sep. 1998, according to work meeting about the World Bank's loan project convened by the State Power Corp and relative departments' suggestion, Fujian Wind Power Project Preparation Division properly readjust the scope of land acquisition of the project and inventory index affected by the project, also have revised this RAP report.

1.4 Mitigation Measures

A. Reduction of land acquisition

(1) Keep the project site away from the residential quarters.

(2) Keep the project site away from farmland and minimize the requisitioned land quantity.

B. Reduction of impact on local economy

When the project construction unavoidably results in land acquisition and land allocation, the following measures will be taken to reduce the impact on the existing production and living condition of the local people.

(1) Efforts will be made in data collection, analysis on the local existing social and economic condition and preparation of a feasible and practical resettlement action plan suitable for the local conditions, so as to minimize the project impact.

(2) Efforts will be made to establish internal monitoring and external independent monitoring system and effective opinion feedback channels, so as to ensure a timely treatment of the problems occurring in implementing the resettlement action plan.

(3) The construction design will be optimized and the construction period well arranged, trying to avoid construction activity in strong wind seasons and harvest season to reduce impact on local production.

(4) During project construction, privilege will be given to use local construction materials, the local transportation and laborers provided that the technical requirement is met, so as to benefit the affected people from the project.
2. Social and Economic Conditions of Affected Areas

Pingtan Wind Power Project will occupy 87mu land, which is the state-owned land with shelter forest of Fujian Province and Pingtan county.

In order to analyze the impact of the project and prepare a practicable resettlement action plan, Fujian Wind Power Project Preparation Division organized the relative departments in May 1998, under the technical guidance of the East China Investigation and Design Institute, to make a complete social baseline survey for Fujian Province, Pingtan county and the state-owned protection woods of Pingtan county. (See Attachment I: Social And Economic Survey Results For Project Affected Area)

Fujian Province is located on the east coast area, neighboring Zhejiang, Jiangxi, Guangdong and Taiwan provinces. The economy of Fujian Province is well developed. The territory of the whole province is 121400km$^2$, the total population by the end of 1995 was 31.643 million (including 25.7425 million agricultural population, accounting for 81.3%), the population growth rate 0.093%, the population density 260.67 person/km$^2$ and house living area 12.31m$^2$ per capita; the gross national production (GNP) was 219.127 billion RMBY (in 1995 price, same as below), the gross domestic production value was 216.052 billion RMBY of which 47.942 billion RMBY for the primary industry accounting for 22%, 91.056 billion RMBY for the secondary industry accounting for 42% and 77.054 billion RMBY for the tertiary industry accounting for 36%; the total industry and agriculture output value was 364.685 billion RMBY, of which 288.147 billion RMBY for the industry accounting for 79%, and 76.538 billion RMBY for the agriculture accounting for 21%. The GNP per capita was 6965 RMBY and the total value for industry and agriculture production per capita was 11593 RMBY. The total cultivated land by the end of 1995 was 1204000 ha., with grain output of 9199300 tons, 291kg per person. The cultivated land holding per capita was 0.57mu and that per agricultural person was 0.7 mu; the forest area was 6970700 ha. with forest coverage of 57.3% and woods storage capacity of 394 million m$^3$; the average income of urban resident was 4236RMBY and 2049 RMBY for farmers.

Pingtan county is located at the middle coast area of Fujian Province, opposite side of Haitan strait. It is so called as “wind county” with rich wind power resources. The territory of the county is 307.9 km$^2$, of which 304.84km$^2$ is the land area distributed with hills, terraces and plains, with 408.73km long coast line. The total population by the end of 1996 was 371326 (including 338026 agricultural persons, accounting for 91.03%), of which 155526 were rural labors. The population density was 1198 person/km$^2$ and the population growth rate 2.822%. The total cultivated land by the end of 1996 was 103275mu (2067mu for paddy field and 101208mu for dry field), with grain output of 30567 tons,
85kg per person. The cultivated land holding per agricultural person was 0.31mu; the forest area was 145600 mu, with forest coverage of 35.17% and woods planted area of 3150mu (3080mu for protection woods).

In 1996, the gross national production (GNP) of Pingtan county was 205622 RMBY (by the 1996 price, same as below), increased by 31.1% (compared with 1995, same as below); the gross domestic production value 1.82622 billion RMBY, increased by 29.7%, of which 995.97 million RMBY for the primary industry accounting for 54.5% and increased by 22.1%, 246.57 million RMBY for the secondary industry accounting for 13.5% and increased by 66.3%, and 583.68 million RMBY for the tertiary industry accounting for 32% and increased by 81.4%; the GNP per capita was 5725 RMBY. The total industry and agriculture production value was 2108 million RMBY, of which 1661.91 million RMBY for the agriculture, accounting for 78.8%, and 446.09 million RMBY for the industry, accounting for 21.2%. The average industry and agricultural output per capita was 5726 RMBY, agricultural output per capita 4548 RMBY and industry output per capita 1177 RMBY. The average net income of agricultural household was 2385 RMBY and average net income of farmer was 1215.6 RMBY.

The Pingtan State-owned Shelter Forest Farm, under jurisdiction of Fuzhou Forest Bureau, cover 37 administrative villages of Tancheng town, Lancheng township, Liushui town, Zhonglou township, Pingyuan township and Yaoqian town. It links with Longlitoupu beach at the east, Gaoxia, Shangban and Pingyuan township at the west, Jiangyu beach of Zhuyu port at the south, and Lubei-changjiang beach at the north. 3 of 5 wind mouths of Pingtan county are located in the farm (Changjiang'ao, Yanxia, Longwangtou). The total land area of the farm is 19937 mu, of which 17871mu is for woodland (15986 mu for land planted with trees accounting for 89.4%, 299mu for land without trees accounting for 1.7% and 1586mu for others accounting for 8.9%). The shelter forest area of the farm is 15531mu accounting for 97.2% of existing woodland area, 15mu for economic woods accounting for 1% of existing woodland area, and 300mu for special woods accounting for 1.8% of existing woodland area. The total survival tree storage of the farm is 26661m$^3$. In 1997, the farm had 92 staff (18 cadres, 61 permanent staff, 8 contracted workers and 5 collective workers). The fund source of the farm in 1997 was mainly from the government allocation, being 159000 RMBY. The income from main business was 53720 RMBY, from real estate 1069767 RMBY, from operating restaurant 225650 RMBY, and the net profit was 268440.21 RMBY, which resulted in debt operation. In order to get the best concerted economic, biologic and social benefits, the farm will make great efforts to develop the tertiary industry based on the local condition and forest resources to increase the economic income.
3. **Project Impact**

3.1 **Determination of Project Impact Scope**

**A. Permanent land occupation**

The scope of land acquisition for Pingtan Wind Power Farm will be determined by the following principles:

1. The scope of land acquisition for transformer room is just inside the fence.

2. The scope of land acquisition for generator unit and pavement is just for its base area.

3. The scope of land acquisition for central control building and step-up station is just 4m outside the wall.

**B. Temporary land use for construction**

The temporary land area for construction will be determined according to the features of construction equipment and different construction method.

3.2 **Project Impact Survey**

Fujian Wind Power Project Preparation Division organized the construction unit and designer in May 1998 to make a complete social baseline survey within the land acquisition scope and inventory to be affected by Pingtan (Changjiang'ao) Wind Power Farm. The designer marked initially the layout on 1:10000 topographic map first and then made field survey with assistance of relative departments of people's governments above-county level (including the county). Based on the survey results, comments of relative departments of concerned people's governments, technical and economic conditions, the geographic location of project was selected. According to the project and construction features of structures, the scope for land acquisition was determined. And, the inventory indexes were determined during field survey by the designer with 1:10000 topographic map under the assistance of relative departments of the concerned people's governments.

3.3 **Inventory Index Affected By Project**

By the general project layout and field survey, there will be no house relocation and resettlement within the project area. All the land affected is of state-owned shelter forest land, which will be allocated for the project by the government. As a whole, 187mu land will be requisitioned, 87mu for permanent use and 100mu for temporary use.
(1) Permanent land acquisition

The permanent land acquisition is for permanent structures and road. The permanent land acquisition is only 9mu. See Table 3.1 for inventory survey indexes.

### Inventory Survey Indexes For Permanent Land Acquisition

<table>
<thead>
<tr>
<th>Description</th>
<th>Shelter forest of Pingtan county</th>
<th>State-owned shelter forest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind power generator</td>
<td>1.3</td>
<td>5.7</td>
<td>7.0</td>
</tr>
<tr>
<td>Transformer room</td>
<td>0.1</td>
<td>0.7</td>
<td>0.8</td>
</tr>
<tr>
<td>Access within the farm</td>
<td>7.0</td>
<td>24.0</td>
<td>31.0</td>
</tr>
<tr>
<td>Central control building and 10kV distribution apparatus building</td>
<td></td>
<td>48.2</td>
<td>48.2</td>
</tr>
<tr>
<td>Total</td>
<td>8.4</td>
<td>78.6</td>
<td>87.0</td>
</tr>
</tbody>
</table>

(2) Temporary land requisition

The temporary land acquisition is to borrow land during construction period. By the designer’s previous construction experience and the project features, 100mu is required (16mu from the shelter forest of Pingtan County, 84mu from state-owned shelter forest of Fujian Province). This kind of land is only for construction purpose. After construction, it will be returned timely to the original owner for re-cultivation. The cost for re-cultivation will be listed in the resettlement cost estimation.
4. LEGAL FRAME

4.1 Policy Basis

The main laws and policies applicable for the land acquisition and resettlement of the project are as followings.

- Land Administration Law of the People’s Republic of China (which was approved in the Sixteenth Meeting of the Standing Committee of the Sixth National People’s Congress in June, 1986 and revised in the Fifth Meeting of the Standing Committee of the Seventh National People’s Congress in Dec., 1988)

- Implementation Regulations of Fujian Province to Land Administration Law (which was approved in the Twenty-third Seminar of Standing Committee of the Sixth Provincial People’s Congress on Feb. 19, 1987)

- Implementation Regulations of Fujian Province to Forest Law (which was approved in the Twenty-sixth Seminar of Standing Committee of the Seventh Provincial People’s Congress on Feb. 28, 1992)

- Regulations for Shelter Forest along Coast Area of Fujian Province (which was approved in the Nineteenth Seminar of Standing Committee of the Eighth Provincial People’s Congress on Sep. 29, 1995)

- Operational Directives OD.4.30, “Involuntary Resettlement” - World Bank

4.2 Rules of Laws

4.2.1 Main relative specifications of “Land Administration Law of the People’s Republic of China” are cited as the followings:

Section II  Land Ownership and Usage Rights

Article 6: The urban land belongs to the whole people, namely the state. Except those belonging to the state regulated by the law, the rural land and suburbs land are in possession of the collective ownership. The housing plot, and private plots and hills belong to the collective ownership.

Article 8: The collective-owned land, according to the laws, are in possession of the collective of villagers, and run and managed by the agricultural collective economical organizations, such as cooperatives of villages, or by Village Committees.

Article 9: The collective-owned land shall registered by the county level Government, then the certificate issued and the land proprietary rights approved.
Article 10: When the land ownership and usage rights are changed according to the laws, the changing registration for the land ownership must be carried out and the certificate shall be changed.

Article 12: The collective-owned lands and the state lands which are used by the national and collective units, can be contracted by individuals or collectives to carry out the production of farming, forestry, animal husbandry and fishery. The contractors of the collectives or individuals have the rights to protect and properly use the land according to the contract terms. The contracting and managing rights are protected by the laws.

Section IV Land for State Construction

Article 23: When the land is requisitioned by the state construction, the construction unit must have the Design Task Paper or other documents approved by the State Authority and the local Government above the county level according to the infrastructure construction process of state, and then to apply to the Land Management Authority of the People's Government above the county level. After approved by the People's Government above the county level, the Land Management Authority will allot the land. When the land is requisitioned by the state construction, the land owned units shall be object to the requirement of the state without rejection.

Article 24: Ownership of the collective-owned land, which is requisitioned for state construction, belongs to the state and the land acquiring units only have the right to use it.

Article 25: When the land within provinces and autonomous regions is requisitioned, it shall be approved by the Peoples’ Government of provinces and autonomous regions. When the cultivated land acquisition is less than 3 mu and other type of land less than 10 mu, it shall be approved by County Level People’s Government. The approval right scope of the people’s governments of cities and autonomous regions is decided by the Standing Committee of the Provincial and Autonomous Region People’ Congress.

Article 27: The land used for the state construction, land compensation fee shall be paid by the land acquiring units. The compensation for cultivated lands shall be 3 to 6 times as much as average annual output value for previous 3 years before the land acquisition. The compensation standard for other kinds of land to be requisitioned shall be drawn up by each province, autonomous region, and municipality referring the compensation standard for cultivated land acquisition. The compensation standard for attachments and young crops on the requisitioned land shall be specified by every province, autonomous region, and municipality. When the vegetable land in suburbs is requisitioned, the required units shall pay
the development fund for new vegetable field according to the relative regulations of the state.

Article 28: The land used for the state construction, the land acquiring units shall pay not only compensation fee but also resettlement subsidies. Resettlement subsidies of requisitioned cultivated land shall be calculated according to the agricultural population to be resettled. The agricultural population to be resettled will be calculated in accordance with the average cultivated land for each person before land acquisition, dividing the quantity of the land to be requisitioned. The resettlement subsidy standard for each farmer will be 2 to 3 times of the annual output value per mu for three years before land acquisition. The Max. resettlement subsidy for the cultivated land acquisition per mu shall not exceed 10 times of the average output value per mu for 3 years before the land acquisition. The resettlement subsidy standard for the other type of land acquisition shall be specified by each province, autonomous region, and municipality referring the subsidies standard for the cultivated land acquisition.

Article 29: Land compensation and resettlement subsidies will be paid on the base of Art. 27 and 28 in the Land Law. With the approval of the peoples’ governments of provinces, autonomous region, and municipality, the resettlement subsidies can be increased in case that the living standard of the resettler can not keep the original level. But total amount of the land compensation and resettlement subsidies shall not exceed 20 times of the average output value per mu for 3 years before the land acquisition.

Article 30: Various compensations and the resettlement subsidies due to the land acquisition for the state construction, and the subsidies for the developing production by the land requisitioned units and arranging surplus labors and the living subsidy for unemployees caused by land acquisition shall not be used for other purpose nor owned by any units and individuals, except that paid for compensation for individual attachment and young crops.

Article 31: The surplus labors caused by the land acquisition for the state construction shall be arranged through the way of developing farming and sideline production and setting up the village and town enterprises by the Land Management Authority of Local People’s Government above the county level with the land requisitioned units, the land using units and relative units. The rest who meet the requirements of the land using units shall be assigned to the land using units, or other collective ownership units and state ownership units, and then the corresponding subsidies will be allotted to those units.

If the whole land is requisitioned, the original agricultural residents registration can be changed into non-agricultural residents registration by the approval of the
People's Governments of province, autonomous region and municipality. The original collective-owned property, compensation and resettlement subsidies will be treated through the People's Government above county level consulting with the relative townships and villages, which is used only for organizing production and for unemployees living subsidy, and shall not be carved up.

Article 34: Any state-owned uncultivated land required by state construction and state-owned land used by other organization shall be allocated according to procedure for land acquisition for state construction and by approving right. Free allocation will be made to use of state-owned uncultivated land. For the use of state-owned land belonging to other units, any resulting lose shall be compensated by the project organization for the original units. The project organization shall also be responsible for relocation of original units.

Section V Land Acquisition for Township(Town) and Village Construction

Article 38: The new houses for agricultural residents shall be built on the existing housing plot and the spare area in villages. If the cultivated land is used for housing, it shall be examined and verified by Township People’s Government and then approved by the County People’s Government. The land of new houses for the agricultural residents shall be not over the standards specified by the provinces, autonomous region, and municipality.

4.2.2 Specifications of Implementation Method of Forest Law of Fujian Province

Section III Land for State Construction

Article 15: The land use unit for state construction shall pay compensation fee according to the following standards:

I. Land compensation fee:

(1) The compensation for cultivated land shall be 5 times of the average output value for three years before land acquisition, and 6 times for land in the municipal and country level planning area.

(2) The compensation for land wasted below two years shall be 2 times of the average output value of same type of land for three years before land acquisition, and 50% for land wasted above two years.

(5) The compensation for wood land shall be 20-30% of cultivated land standard.
II. Woods compensation fee:

(1) The compensation for young forest shall be 1-2 times of the construction cost confirmed by the local forest department.

(2) The compensation for mid growth woods shall be 20-40% of value of mature forest.

(3) The compensation for mature forest shall be 80% of value of cutting and shipment cost.(to the road and river nearby)

(4) The compensation for bamboo forest shall be 2 times of value of bamboo.

(5) The compensation for commercial woods shall be 3-7 times of the average output value for four years before land acquisition.

(6) All trees and bamboo cut on the land shall be owned by the original owner. Additional payment shall be converted if the land use unit wishes to keep it on.

III. Compensation for young crops and attachments

The compensation for young crops and attachments shall be paid according to the actual losses. No compensation will be paid if young crops and attachments are rashly planted and build after land acquisition negotiation.

Article 16: The land requisitioned unit for state construction shall pay resettlement subsidies.

I. The standard of resettlement subsidy per agricultural person:

For cultivated land: 2 times of the average output value per mu for three years before land acquisition; For cultivated land in the municipal and county level planned area: 3 times of the average output value per mu for 3 years before the land acquisition; For non-cultivated land or land wasted above two years: no subsidies

II. The subsidy for orchard and economic wood land: 1-4 times of the average output value for four years before land acquisition

Article 17: When the compensation and resettlement subsidies are paid with this regulation, and in case that the living standard of the resettler can not keep the original level, the resettlement subsidies can be increased by the approval of the provincial people's government. But total amount of the land compensation and resettlement subsidies shall not exceed 20 times of the average output value for 3 years before the land acquisition.
Article 19: The people’s government above county level shall organize the land requisitioned units and land owner unit to properly arrange the worker’s production and living if the land is acquired from state-owned agricultural, forest, orchard and tea farms.

The relative rules for land acquisition shall be followed if the collective land is acquired from state-owned agricultural, forest, orchard and tea farms.

Article 21: The arrangement of surplus labors and the people’s living caused by land acquisition for the state construction:

(1) The surplus labors shall be arranged through the way of developing farming and side-line production and setting up the village and town enterprises by the Land Management Authority of local people’s government above the county level with the land requisitioned units, the land using units and relative units.

(4) If the whole land is requisitioned, the original agricultural residents registration can be changed into non-agricultural residents registration by the approval of the Provincial People’s Governments. And, if the land is not fully requisitioned, which is of provincial key project with big amount of land acquisition and difficult to arrange production and living, residents registration of can be partially changed into non-agricultural residents registration by the approval of the Provincial People’s Governments.

The land acquisition area and number of persons shall be computed on the statistics of local agricultural economic department.

Article 24: The temporary land use for construction shall be arranged in the scope of land acquisition. For temporary land use for construction of middle and large project, the construction unit shall present the general layout and duration requirement prepared by the design department and ask for application to the municipal and county people’s government. After approval, the land use unit shall sign the agreement for temporary land use with the land supplied unit. The unit price for compensation for temporary land use shall be paid year by year and calculated with the price issued by the local price department or market price agreed.

It is not allowed to build permanent structures on temporary land area. After completion of the project, the construction unit shall recover the original land function and return it to the land supplied unit. If it is hard to recover its function, the construction unit shall go through the formalities for land acquisition and transfer the land to local city, county people’s government for management. If the damages are caused outside the area for land acquisition during construction, the construction unit shall timely confirm and pay according to the actual losses.
4.2.3 Main Rules of "Implementation Method of Forest Law of Fujian Province"

Section II: Operation and Management of Forest

Article 11: The Project Design Assignment or the Documents approved by the relative departments shall be presented for occupying the state-owned woodland and requisition the collective woodland for the construction of state, township(town), and also the following rules shall be obeyed:

(2) If tree cutting is needed by the land use unit, the “Tree Cutting Application”, “Cutting Area Survey and Design” and “Compensation Agreement For Woodland And Woods” shall be submitted to the forest authority for approval.

(3) The compensation standard for occupying or requisition of woodland shall follow Article 15 of “Implementation Method of Forest Law of Fujian Province”.

(4) If the land use unit dismount the marks and facilities for forest production, it shall be paid according to the actual losses.

Article 12: If the high voltage transmission line, telecommunication line is set in the forest, the design work shall be done first, and then the forest department above county level shall sign its comment and submit it to the people’s government of same level for approval. The rules of Article 11 shall be followed in case of tree cutting.

4.2.4 Main Rules of "Regulations for Shelter Forest along Coast Area of Fujian Province"

Section III: Protection and Management

Article 17: The protection forest shall be not allowed to occupy or requisition without permission. The “Woodland Use Permission” shall be issued by the forest authority above county level in the case of occupying for construction based on the following rules, and also the land use formalities shall be went through the land management department.

(1) to occupy or requisition 10mu and below: agreed by county forest management department; to occupy or requisition 300mu and below: agreed by city(prefecture) forest management department; to occupy or requisition 2000mu and below: agreed by provincial forest management department;

(2) If the trunk shelter belt, the protection forest for state-owned shelter forest, state-owned forest farm and nursery are occupied or requisitioned, it shall be agreed by the provincial forest management department.
(3) If protection forest is occupied or requisitioned for land development and island development, it shall be agreed by the provincial forest management department.

The county forest department shall not issue the tree cutting permission without “Woodland Use Permission”.

Article 18: The compensation shall be made if the occupation or requisition of woodland is approved.

(1) The relative rules shall be followed for woodland compensation, trees compensation and resettlement subsidies.

(2) The woodland vegetation recovery fee shall be calculated with the cost for construction and management.

Article 22: The following rules shall be obeyed for cutting of sand-break woods:

(1) If 3 same wide cutting zones are divided from the inside to outside along the coast, the max. width of each cutting zone shall be not over 50m and the tree cutting shall be done in separate cutting zone.

(2) If the cutting zones are divided with vertical direction of main wind, the max. width of each cutting zone shall be not over 50m and the tree cutting shall be done in separate cutting zone and not more than 15 mu.
5. Plan for Production Restoration

5.1 Project Influences

The site selected for Pingtan Wind farm is located at Changjiang’ao, in the northwest of Pingtan County. The existing shelter-forest at the Changjiang’ao wind mouth is about 6680 mu (among which the shelter-forest owned by Fujian Province is 4680 mu and the remaining 2000 mu shelter-forest belongs to Pingtan County). The project land requisition will mainly affect the shelter-forests of Pingtan County and the shelter-forests owned by Fujian Province. Within the scope of the wind farm site, there will be no resettlers, livestocks, houses or other facilities needed to remove, only few woodland owned by the state will be transferred. The specific analyses on impact on living conditions and local production as well as the economic income of the local people by the project occupation are as follows.

(1) In Fujian Pingtan State Shelter-forest Farm, the area of woodland per capita is 194.25 mu. Since project only occupies 78.6 mu woodland, the population affected will be only 0.4 mu/person (78.6 mu / 194.25 person). Thus, there basically has no surplus labor force created by the project occupation.

(2) For Fujian Pingtan State Shelter-forest Farm, the economic incomes mainly are coming from the financial allocation by the higher authorities, which occupies 10.5% of the total; 70.9% of the farm’s income is the profits earned from the tertiary industries; and the rest about 15% is administrative revenues collected from the restaurant contractors. The income from the forestry is not a major source which occupies 3.6% only in all income. The main functions for the shelter-forest are windproof and sand-fixation. With the function to protect the farmlands effectively so the shelter-forests have both the ecological and social benefits. Therefore, the project occupation will not directly decrease the economic income of the Fujian Pingtan State Shelter-forest Farm.

(3) Total woodland for permanent project occupation is 87 mu only, which occupies 0.56% in the total area of 15531 mu shelter-forest, or 1.3% in the total 6680 mu shelter-forest in Changjiangao wind mouth area. Moreover, the project structures are separately arranged along the shelter-forest belt. Based on the relative technical estimation, there will not form the new wind mouth. Therefore, no adverse influences will be caused for windproof and sand-fixation.

(4) About 200 mu of the shelter-forest will be cut down for construction of the project. The felling will be carried out in belt vertical to the wind direction, usually, the belt is 3m to 25 m wide which is less than the permissible width (≤50m) issued by the afforestation department. The temporary land occupation for construction will be approved by the afforestation department in steps. In order to ensure no new wind mouth to be brought about, the trees will be separately felled at a certain intervals. By such measures, the influence on local environment and local daily life is very small.
and all adverse factors will be minimized or eliminated by the rehabilitation measures.

5.2 Shelter-forest Restoration Plan

A. Shelter-forest Restoration Plan for the woodland permanently occupied

The abstract from the development plan in period of 1997 to 2000 prepared by the Fujian Pingtan State-owned Shelter-forest Farm is briefly described as below.

(1) Having attacked by typhoons, plant diseases and pests, the shelter-forest (Casuarina equisetifolia wood) planted in the early years has a gradually degraded protecting functions now. Therefore, efforts will be paid to prevent and control the plant diseases and eliminate the pests. Within the planned operation period, effort to prevent and control Cossoidea diseases will be made for 8000 mu woodland every year.

(2) The felling method will be upgraded, so as to adjust the tree species and tree-age structure. Growing young trees will be enhanced within the period, 8 mu sapling will be planted every year.

(3) By the plan, within the planned operation period, an area of 293 mu forest land will be created, in which about 120 mu forest will be planted at the wind mouth.

The project will occupy 87mu land, in which 78.6mu belongs to Fujian Pingtan State Shelter-forest Farm. Based on the development plan in period of 1997 to 2000 prepared by the Fujian Pingtan State Shelter-forest Farm and combining concept of this resettlement action plan, the 78.6mu shelter-forest will be re-planted by the Shelter-forest Farm themselves, using the land compensation at the Changjiang’ao area.

Besides, about 8.4mu shelter-forest land occupied by the project is located in the county-owned wood farm. 8.4mu new shelter-forest land will be created by local county-owed wood farm at other place in Changjiang’ao area, using the land compensation fees.

B. Shelter-forest Restoration Plan for the woodland temporarily occupied

The project will temporarily occupy 100mu shelter-forest land, of which 84mu from Fujian Pingtan State-owned Shelter-forest Farm and 16mu from Pingtan County-owned Wood Farm. For restoration of the shelter-forest by the temporary project land occupation, young Casuarina equisetifolia trees will be planted by the original operation units for restoration of the forest in accordance with construction features and the wood farms' development plans. The trees will be planted separately at a certain intervals. Besides, great attention will be paid to prevention
and control of the plant diseases and elimination of pests, to rehabilitate and enhance the shelter-forest functions for windproof and sand-fixation.

5.3 Main Technical Measures for Shelter-forest Restoration

(1) Sapling selection

The restoration of forests in the woodland occupied by the project is mainly by selecting other places in the Changjiang'ao area. Sapling species selected is composed of the hybrid species wood and P. Elliottii Engelm, mainly being Casuarina equisetifolia woods. The P. Elliottii Engelm are vesseled saplings and the Casuarina equisetifolia wood have both vesseled saplings and naked root saplings. The woodland will be planted 450 to 500 trees per mu, half of which are vesseled saplings, open holes will be dug for applying the base manure (or compound fertilizer 0.1 to 0.15 kg/hole). The interval between trees will be controlled flexibly.

(2) Tending for young growth

Based on the actual conditions, the tending for young growth will be by applying manure and digging ditch for drainage. In first year after planting, earthing up, fostering and examining will be enhanced after the wind calamity so as to ensure saplings survival. In the second and third year, manure will be applied once a year after plant. Ditches round a tree will be 20 cm depth for applying fertilizer of calcium superphosphate and carbamide, 0.1 to 0.15 kg for each tree. At present, some area of the standing forest is in seriously accumulated water, it will seriously impact the normal growth and development of the trees. Thus, the ditches will be dug for discharging the accumulated water. The digging method, size and direction of the ditch will be determined according to the actual conditions.

5.4 Investment for Shelter-forest Restoration

According to the main technical measures for shelter-forest restoration, the total estimating investment is 280,500 Yuan (1,500Yuan/mu × 187mu) for the restoration of shelter-forest by the permanent and temporary land occupation. The details of the investment standard for restoration of the shelter-forest refer to Table 5-1.

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Investment</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Procurement fees for saplings</td>
<td>450</td>
<td>450 tree/mu × 1 * /tree</td>
</tr>
<tr>
<td>2.</td>
<td>Tending cost for young growth</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Man-hour charges</td>
<td>600</td>
<td>24 working day × 25 Y/day</td>
</tr>
<tr>
<td>4.</td>
<td>Administrative expenses</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1500</td>
<td></td>
</tr>
</tbody>
</table>

*Unit: Yuan/mu
5.5 Plan of Implementation

5.5.1 Implementation Procedures

A. Land transferring and its Compensation

Land transferring and its compensation will be completed under the coordination of relative organizations, the typical procedures refer to as followings.

(1) The Fujian Provincial Electric Power Design Institute is in charges of preparation of drawings for permission of the woodland transferring. The relative staff from the County Forestry Bureau and Fujian Pingtan State Shelter-forest Farm will be at the site to define the scales and quantities of the transferred land.

(2) Fujian Provincial Pingtan Changjiang’ao Windfarm Development Co. Ltd. will apply for planning license and red-line map to the planning department, then entrust County Forestry Bureau to apply for woodland license, and apply for woodland transferring approval to land administration department;

(3) Application approved;

(4) All matters concerned about wood felling, forest compensation, signing the compensation agreement will be in the charge of Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. after consultation with the County Forestry Bureau and Fujian Pingtan State Shelter-forest Farm;

(5) The matters concerned about woodland transferring and signing the compensation agreement for woodland utilization will be charged by Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. after consultation with the Fujian Pingtan State Shelter-forest Farm;

(6) The matters concerned about land transfer, registering the land ownership and signing the land transfer agreement will be charged by Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. after consultation with the County Land Administrative Bureau;

(7) Allocation of the compensation fees and the land transferring charges;

(8) Legal formalities;

(9) Project land transferred.

B. Shelter-forest Restoration Plan

(1) Submit the initial plan for shelter-forest restoration;

(2) Appraised by the specialists
(3) Plan implementation

5.5.2 Schedule

Prior to the project construction, the land transferring will be completed; and after completion of the project, the restoration of the shelter-forest will be immediately carried out. The project schedule is shown in Table 5-2.

Table 5.2

<table>
<thead>
<tr>
<th>Project Items</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define the scales and quantities of the land transferring</td>
<td>May 1998 to August 1998</td>
</tr>
<tr>
<td>Conducted relative formalities for land utilization</td>
<td>July 1999 to Nov. 1999</td>
</tr>
<tr>
<td>Construction of the main project structures</td>
<td>March 2000 to Sep. 2000</td>
</tr>
<tr>
<td>Restoration for 9 mu permanent project-used woodland</td>
<td>March 2000</td>
</tr>
<tr>
<td>Restoration for 200 mu temporary project-used woodland</td>
<td>May 2001</td>
</tr>
</tbody>
</table>
6. **Resettlement Budget**

6.1 **Principles**

The basic principles for resettlement budget are as followings.

(1) Woods compensation and the necessary resettlement subsidies will be defined according to the stipulations respectively in “Land Administration Law of the People’s Republic of China”, “Implementation Provisions for Land Administration in Fujian Province” and “Implementation Provisions for Four Types of Compensation Fees for Woodland Occupation issued by State Council”.

(2) Restoration cost for forest vegetation will be compensated based on the expenses for tending of the shelter-forest.

6.2 **Compensation Standards**

During preparation of the RAP, Preparatory Office of Fujian Windfarm Project and the relative design institute carried out a series of surveys and researches on the compensation policies and standards of the land transferring in Pingtan County, also extensive consultations with the relative departments and local governments were carried out to define the final compensation standards. As no structure and associated infrastructure need removal, there will be no population migration. The land transferring only involves the right of land utilization. All land transferred is woodland of the shelter-forest.

(1) Land compensation fees

-- **Permanent Project Land Requisition**

The compensation standards for state-owned shelter-forest woodland is determined to be 20000 RMBY/mu after consultation between Fujian Pingtan State Shelter-forest Farm, County Forestry Bureau and Pingtan County. The details are shown in Table 6-1.

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Compensation Fees</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Compensation fees for forest</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Resettlement subsidies</td>
<td>15500</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Cost for restoration vegetation</td>
<td>2000</td>
<td>based on 3 Yuan/m²</td>
</tr>
<tr>
<td>4</td>
<td>Land Administrative Charges</td>
<td>1000</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>20000</strong></td>
<td></td>
</tr>
</tbody>
</table>

-- **Project temporarily occupancy**

The standard for woodland temporary rent for the Project is 3000 Yuan/mu (including 1500 Yuan/mu for forest compensation and 1500 Yuan/mu for restoration.)
(2) Other costs
   a. Costs for resettlement monitoring and evaluation
      The costs for this item will be 1% of the total compensation fees.
   
   b. Technical training expenses
      The technical training expenses will be 0.5% of the total sum, which is used for the professional training for resettlement cadres at different levels.
   
   c. Administrative expenses
      Administrative expenses will be 5% of the total cost above mentioned which will be used by the resettlement office in office facilities, communication, conference, telecommunication, business trip and office charge, etc. which are relative with land transferring and the resettlement activities for the project.

(3) Contingency
   6% of the basic cost and the other costs will be listed into the budget as the basic reserved funds, which will be listed into the budget as various contingency in the resettlement period.

6.3 Total Estimation for Compensation Fees
By the estimation, the total resettlement compensation is estimated to be 2,304,577.8 RMBY for the Pingtan Windfarm Project. The compensation breakdowns are shown in Table 6.2.

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Compensation Fees</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Compensation for requisitioned Woodland</td>
<td>2040000</td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Permanent land requisition for the Project</td>
<td>1740000</td>
<td>20000Y/mu×87mu=1740000Y</td>
</tr>
<tr>
<td>1.2</td>
<td>Temporary land requisition for the Project</td>
<td>300000</td>
<td>3000Y/mu×100mu=300000Y</td>
</tr>
<tr>
<td>2</td>
<td>Other Costs</td>
<td>134130</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Monitoring &amp; evaluation</td>
<td>20400</td>
<td>1% of Item 1</td>
</tr>
<tr>
<td>2.2</td>
<td>Technical training</td>
<td>10200</td>
<td>0.5% of Item 1</td>
</tr>
<tr>
<td>2.3</td>
<td>Administrative expenses</td>
<td>103530</td>
<td>5% of Items 1 through 2.2</td>
</tr>
<tr>
<td>3</td>
<td>Contingency</td>
<td>130447.8</td>
<td>1% in Items 1 to 2</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2304577.8</td>
<td></td>
</tr>
</tbody>
</table>

6.4 Fund Balance
The permanent and temporary shelter-forest land requisition by the project is 187 mu in total. The restoration cost will be 280,500 RMBY (1500 Yuan/μ×187 mu); and the budgeted land compensation is 2,304,577.8 RMBY, which can ensure the restoration for 187μu shelter-forest land.
6.5 Fund Allocation Plan

A. Funds allocation principle

(1) The compensation for woodland transferring, forest subsidies and vegetation restoration will be paid three months before the woodland transferring;

(2) In order to guarantee smooth implementation of the resettlement, the financial supervision department will be established by the Fujian Pingtan Changjiangao Windfarm Development Co. Ltd., thus making sure all funds be timely allocated.

B. Fund flowing procedures

According to relative policies and standards stipulated in resettlement plan, Fujian Pingtan Changjiangao Windfarm Development Co. Ltd. will conduct the relative formalities about land registration with the County Land Administrative Bureau, signing a “Woods Felling Compensation Agreement” with the County Forestry Bureau and Fujian Pingtan State Shelter-forest Farm, and signing a compensation agreement for land transferring with the Fujian Pingtan State Shelter-forest Farm. In accordance with the contents, quantities and time stipulated in the land compensation agreement, the land compensation will be separately paid through the bank to County Land Administrative Bureau, County Forestry Bureau and Fujian Pingtan State Shelter-forest Farm. Based on the relative policies, the relative compensation will be in turn handed over to the higher authorities by the County Land Administrative Bureau, County Forestry Bureau. The funds flowing procedures are as follows.

```
                  | Tree compensation  | Windfarm Co. | state-owned forest farm |
                  | Resettlement subsidy | Windfarm Co. | state-owned forest farm |
                  | Forest restoration   | Windfarm Co. | County forest Bureau |
                  | Land admin. fee      | Windfarm Co. | County land bureau |
                  | Restoration cost     | Windfarm Co. | state-owned forest farm |

Provincial forest bureau (30%)
City forest bureau (10%)
County forest bureau (60%)
County government
```
7. ORGANIZATION AND INSTITUTION

7.1 Establishing of Organization

In order to prepare the project plan and ensure to implement smoothly, it is necessary to establish the resettlement organizations from higher level to lower level, so as to manage the plan, coordination and monitoring of the resettlement. The owner’s responsibility system will be adopted for Pingtan Windfarm Project. The followings are the main institutions established for the project:

- Preparatory Office of Windfarm Project of Fujian Province
- Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd.
- County Forestry Bureau
- County Land Administrative Bureau
- Resettlement Office of Fujian Pingtan State Shelter-forest Farm
- External Independent Monitoring and Evaluation Organization (ECIDI)

7.2 Organization Composition and Responsibilities

A. Preparatory Office of Windfarm Project of Fujian Province

The Preparatory Office is organized by the Electric Power Industry Bureau of Fujian Province, its main responsibility is to enhance the project leadership, to ensure the project to go smoothly and to be in the charge of preparation of the entire project policies. Moreover, the office will also shoulder the tasks for coordinating the relationship between different organizations concerned, entrusting design institute to make survey of affected area, assisting to prepare “Resettlement Action Plan” and being responsible for the implementation, publicity of the resettlement policies, management of resettlement funds and supervision of funds allocation and usage, supervising the implementation and progress of resettlement; holding the internal supervision, compiling the internal monitoring report and assisting the external monitoring activities, etc..

B. Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd.

An executive organization for resettlement, it will mainly be responsible for preparation and implementation of the resettlement policies, assisting preparation of the “Resettlement Action Plan”, carrying out the internal monitor and assisting in the external monitor and evaluation, etc..

C. County Forestry Bureau

The Forestry Bureau is charged of application for woodland license, and the permission for wood felling, it is also responsible for management of the forest vegetation restoration and assisting in implementing the resettlement action plan, etc.
D. County Land Administrative Bureau

The Land Administrative Bureau mainly is charged of the registration for woodland transferring, and assisting the smooth implementation of the resettlement action plan.

E. Resettlement Office of the Fujian Pingtan State Shelter-forest Farm

The resettlement office will participate in the project investigations for inventory survey, preparation of the resettlement action plan and the typical restoration plan for shelter-forest, etc. The office also has the responsibility for management and utilization of the compensation fees.

F. External Independent Monitoring and Evaluation Organization

The External Independent Monitoring and Evaluation Institution for this project is East China Investigation and Design Institute, and the main responsibility is:

a. As External Independent Monitoring and Evaluation Institution, it will observe every aspect of resettlement activities, and furnish the resettlement monitoring and evaluation report to the Project Owner and the World Bank;

b. Assist the Project Owner to prepare the Resettlement Action Plan;

c. Provide the technical consultation to Project Owner about data investigation and processing.

7.3 Organization Sketch

Preparatory Office of Windfarm Project of Fujian Province

Fujian Pingtan Changjiangao Windfarm Development Co. Ltd.

External Independent Monitoring and Evaluation Organization (ECIDI)

County forest bureau

County land bureau

Pingtan State-owned forest Farm

7.4 Linking of Organizations

During the project resettlement, the resettlement organizations will sign contract to determine their work content and responsibilities at different levels, as follows.

(1) Fujian Pingtan Changjiang'ao Windfarm Development Co. Ltd will trust County Forestry Bureau to conduct the relative matters about the "License for Shelter-forest Utilization";
(2) Fujian Preparation Division of Windfarm Project will sign the "Contract of Independent Monitoring Evaluation for Pingtan Windfarm Project" with the East China Investigation and Design Institute;

(3) Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. will sign the "Agreement for Compensation of the Wood Fell and Resettlement" with the County Forestry Bureau, Fujian Pingtan State Shelter-forest Farm.

(4) Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. will sign a "An Agreement of the Woodland Transferring" with the Fujian Pingtan State Shelter-forest Farm;

(5) Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. Will conduct the relative formalities about "Land Transfer and Register" with the County Land Administrative Bureau.

7.5 Measures for Enhancing Capacity of Organization

(1) Enhancing Staff Allocation

The staff in the units will be reasonably composed of two parts the administrative and profession personnel, and all the staff will be qualified for high profession skill and quality.

(2) Training enhancement: To train the staff of the resettlement officers and to enhance their profession skills.

(3) Guarantee fully on funds and facilities.

(4) Establish the database and strengthen the information feedback.

(5) Strengthen regulations of reporting, internal monitoring, and resolve issues timely.

(6) Establish mechanism of external monitoring and evaluation, and set up predicting alarm system.
8. PUBLIC PARTICIPATION AND APPEAL

In the stage of formulating resettlement policy, drawing up plan and implementing of the project, the relevant authorities will pay attention to the public participation, and solicit opinions widely from the community, local government and resettlers. In order to respect the affected persons' rights and ensure them to get benefit from the project, an information feedback and the appeal system will be established.

8.1 Public Participation in Preparatory Stage

(1) Early in the feasibility study stage, the project office actively encouraged the public participation in the work. The office had extensively collected comments and opinions from the local People's Government, People's Congress, People's Political Consultative Conference, department of afforestation and mass representatives about the site selection and red-map determination as well as the requirement of the woods felling. Their comments will be adopted in the final scheme.

(2) In order to strengthen the publicity of the project and resettlement compensation, and collect comments from cadres and the publics on the project construction, the project resettlement office held meetings participated by the staff representatives and cadres from the forest farm, afforestation department and Local Government of Pingtan County as well as the local people.

(3) Under the coordination and support of the local governments, continuous efforts will be made in the resettlement implementation to collect the comments and opinions on production and living conditions of the local people.

8.2 Public participation in preparing Resettlement Action Plan

During preparation of the Resettlement Action Plan, the emphasis will be placed on public participation and collecting comments and opinions.

(1) In investigation into the project affected, inventory survey, Fujian Pingtan Changjiang'ao Windfarm Development Co. Ltd. organized the relative design institute and Fujian Pingtan State .Shelter-forest Farm to make site survey and verification.

(2) Fujian Pingtan Changjiang'ao Windfarm Development Co. Ltd. and the local government organized the County Forestry Bureau, County Land Administrative Bureau etc. to hold meetings participated by the cadres and the affected persons in Fujian Pingtan State Shelter-forest Farm, to make extensive explanation on the relative compensation policies issued by the State, province and city and the World Bank requirements on resettlement, solicited the opinions on how to reduce the project impact and compensation standards through extensive consultation.

(3) Before preparation of the resettlement action plan (May 1998), with the support of the State-owned Forest Farm, the Preparation Division of Windfarm Project of Fujian Province, Fujian Pingtan Changjiang'ao Windfarm Development Co. Ltd. and the
investigation and design institute conducted a large-scale social economic survey to solicit the opinions, the typical survey format is shown in the Table 8-1.

Sheet of Public Opinions Survey

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Sex</th>
<th>Education</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Unit and Address:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I. Multiple choice (fill the square blank with the sign (√))

1. In your opinion, the major problem which impact the local economic development is
   - ☐ power supply
   - ☐ traffic conditions
   - ☐ natural resources
   - ☐ others
   - ☐ No idea

2. Do you know that a windfarm will be constructed here?
   - ☐ Yes
   - ☐ No

3. Do you think the windfarm will gear up the local economy after its completion?
   - ☐ Yes
   - ☐ No
   - ☐ No idea

4. Do you think that the windfarm construction is necessary?
   - ☐ Yes
   - ☐ No
   - ☐ No idea

5. Do you think that the influence on local society and residents caused by land requisition and resettlement for the project is favorable or unfavorable?
   - ☐ Favorable
   - ☐ Unfavorable
   - ☐ Both
   - ☐ No idea

6. Do you think you will support the state construction?
   - ☐ Yes
   - ☐ No.
   - ☐ No idea

II. Questions and Answers: (with simple answers only)

1. What influences caused by the project construction will be brought about on your family and local society?

2. How do you support the project construction?

3. Please write down your comments and opinions about the project land requisition and house removal.

In the investigation, 35 questionnaire sheets were sent out and received (among which 23 sheets were received from the State wood farm). The survey basically covered the whole affected area. Analysis on the survey results shows that: (1) the main problem affecting the local economic development is power supply (74.3%), traffic conditions (31.5%), natural resources (23%) and the others (17.2%). (2) About 91.5% households investigated know that a windfarm will be constructed in the area; (3) 100% households investigated consider that construction of the windfarm is favorable for promoting the local economic development; (4) all of them consider that it is necessary to construct the windfarm project; (5) the question about advantages and disadvantages: 68.6% of the people in survey think it is favorable for local benefits, nobody holds the opposite opinion and 28.6% of them think that it may have both the advantages and disadvantages factors; (6) all the people in survey think that they will support the State constructions. Besides, in the column of the
"Question and Answers", 23 sheets made detail answers (by the workers of the State Wood Farm), among which 95.7% think that the construction will bring the positive influence on the local society and family income. It will improve the infrastructures construction in Pingtan County. All people think that they will actively support the State constructions. Though there is no inhabitants resettlement required in the project, 47.8% people in survey still think that the laid-off workers need to be arranged with job in the windfarm.

8.3 Public Participation in Implementation Of RAP

During implementation of RAP, the resettlers will be encouraged to actively participate in:

(1) Management and supervision of the use of compensation

The compensation belongs to the collectives and should not be carved up or used for other purpose. After compensation paid to Fujian Pingtan State Shelter-forest Farm, it will be used in a planned way as a fund for special purpose. Use of the fund will be approved by the Staff Representative Conference and under their supervision.

(2) Participation in Project Construction

The project construction will cause certain impact on the local area. In order to ensure the affected persons to get benefit from the project construction, it is to encourage public participation and give convenience to the supplying construction material and labor employment.

8.4 Appeal Mechanism and its Channel

During implementing and compiling the Resettlement Action Plan, it is always to encourage the public participation, but there still will be some problems occurred. In order to solve problems effectively and ensure the project construction and land acquisition to be carried out successfully, except the existing appeal ways set in the local government at all levels, an unobstructed and effective appeal way will be established. The special procedures are as follows.

Stage 1:

In the implementing process, if Fujian Pingtan State Shelter-forest Farm is not satisfied in their environment of both daily life and production, they will appeal to the County Land Administrative Bureau. The County Land Administrative Bureau will make the decision within two weeks.

Stage 2:

If the Wood Farm is still not satisfied for the decision of the Stage 1, they will appeal to the Fujian Pingtan Changjiangao Windfarm Development Co. Ltd., the latter will make the decision within two weeks after receiving the appeal.
Stage 3:

If the Wood Farm is still not satisfied for the decision of the Stage 2, they will appeal to the civil division of the People’s Court according to the relative Civil Procedural Law.

The Fujian Pingtan State Shelter-forest Farm can appeal any affected respects of the daily life and production during implementing the resettlement work. No charges will be made for appeal by the hearing department, and expenses for appeal process will be paid by the Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd. under the contingency fee.

The cadres and workers in the Woods Farm will know their rights of appeal by means of meeting and other ways. At the same time, the relative authorities will sort their opinions and proposals, which will be timely dealt with by the Fujian Pingtan Changjiang’ao Windfarm Development Co. Ltd.
9. Monitoring and Reporting

In order to guarantee that the resettlement plan be smoothly performed and the benefits of the affected persons be well treated, the implementation of the resettlement plan will be under monitoring throughout the whole processes. The tracing monitoring will be divided into two parts, i.e. an internal monitoring and external monitoring.

9.1 Internal Monitoring and Reporting

9.1.1 Target and Tasks

The internal monitoring will be presided by the Fujian Wind Power Project Preparation Division and performed by the Changjiang'ao Wind Power Development Company of Fujian Province. The target of internal monitoring is to keep the good responsibilities of the resettlement organizations, and ensure that the project can be constructed smoothly, resettlers' legal right will be guaranteed, and RAP principles and schedule can be observed by the relative resettlement organizations; thus it requires that the monitoring for the resettlement implementation will be carried out throughout the whole processes.

9.1.2 Monitoring Contents

The main monitoring contents are as follows:

(1) Compensation allocation schedule, and payment and use of the compensation fee.

(2) Implementation of the policies and regulations specified in the resettlement action plan.

(3) Public participation and consultation during the implementation period.

(4) Staffing, training, and working schedule.

9.1.3 Implementation Procedure

(1) In implementation of the internal monitoring, Changjiang'ao Wind Power Company will establish the database for the land allocation and resettlement, and monitor the whole course of implementation.

(2) The resettlement offices will record the progress of land allocation and resettlement following the specified forms, also they will timely transfer the site records so as to ensure a continuous monitoring, and report to the project owner the implementation progress.
9.1.4 Reporting

A. Periodicity

Since the project construction period is short, only 7 months, and there is no relocation of inhabitants, houses and other facilities within the scope of the windfarm, thus the resettlement office will make a summary report once a month from the beginning of land requisition. Special events will be reported on a continuous base without any delay.

B Formats and contents

The formats of the report will be prepared in terms of the requirements of the World Bank, and distributed to executing institutions by the Owner, and then filled and reported by them. Formats of the report usually comprises of two parts. The first will be the context with detail descriptions of resettlement progress and compensation payment, the problems and difficulties met in the implementation process, and the corresponding resolution method and measures. The second part will be forms listing mainly various data collected, which reflect the comparison with the actual and planned data of land allocation, compensation payment and resettlement. The formats refer to the Attached Table 1, and Table 2.

Attached Table 1:

<table>
<thead>
<tr>
<th>Items</th>
<th>Unit</th>
<th>Planned Number</th>
<th>Month</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund allocation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land allocation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest redeveloped</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reporter:  Filling Date:  Chief's Signature:  Seal:
9.2 External Monitoring and Evaluation, and Reporting

9.2.1 Target and Tasks

The work of external monitoring and evaluation is to monitor and evaluate the resettlement. Through the work, the evaluation opinions and proposals on the project impact scope and actual conditions will be provided, the predicting alarm system is established for project administrative departments, and a n information feedback channel is set up for the PAPs. The institution for external monitoring and evaluation will be the consultant of the project resettlement offices, which will conduct tracing monitoring and evaluation for the resettlement active plan and submit consulting opinions for decision making.

9.2.2 Institutions and Staffing

The project owner will invite East China Investigation and Design Institute to undertake the resettlement external monitoring and evaluation for the project. The East China Investigation and Design Institute will perform all basic supervision through supplying technical assistance to the Fujian Wind Power Project Preparation Division, and conducting the specified project impact survey. At the same time, East China Investigation and Design Institute will assist the Fujian Wind Power Project Preparation Division to prepare annual report and semi-annual report.

East China Investigation & Design Institute (ECIDI) is a subordinate directly under the former Ministry of Electric Power of PRC. In 1993, ECIDI was appraised as one of the hundred top institutes in terms of comprehensive strength through the national comparison. In Dec. 1996, ECIDI also obtained the certificate of the GB/T19000 quality system of the International Organization for Standardization (ISO). Due to its abundant experiences in respect of the land acquisition and resettlement for large- and medium-size of hydropower projects accumulated from design of more than
twenty (20) hydropower projects all over China. From 1990, ECIDI began to undertook resettlement monitoring and evaluation work for the projects using the loan from the World Bank, ECIDI is also the first institute to conduct resettlement monitoring and evaluation work based on the Operational Directives OD4.30 of the World Bank. ECIDI has carried out the resettlement monitoring and evaluation works respectively for Shuikou Hydroelectric Power Project (with loan from the WB) in Fujian Province, Electric Power Development Project in Zhejiang Province and preparation of RAP of East China/Jiangsu 500kV Transmission Project in the past eight (8) years, among which the former resettlement monitoring and evaluation works has been lasted for five (5) years, which is the largest hydropower station in East China, and had been given the high praise by the World Bank.

ECIDI has quite a few experts and technical personnel who have participated in the resettlement monitoring and evaluation work for the projects loaned by the World Bank, among whom four people have participated in the seminar held by the World Bank and got the certificates after completing the whole courses. Two of them were invited to join in the World Bank mission for inspection and evaluation work of domestic highway projects, and they lectured on the seminar held by the World Bank on the resettlement monitoring and evaluation work. In ECIDI, now a special work group has been established and involved in the land acquisition monitoring and evaluation work for the Pingtan Wind Power Project. The details of the standing members concerned in this project are shown in Table 9.2. The number of group members will be increased in the work peak duration according to the project progress.
Main Members of Monitoring and Evaluation Working Group

<table>
<thead>
<tr>
<th>Name</th>
<th>Titles</th>
<th>Experience</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mo Guohan</td>
<td>Professorial</td>
<td>Reservoir resettlement expert, Vice Chairman of National Reservoir Economic Committee, he held the independent resettlement monitoring and evaluation work for Shuikou Hydropower Project, was invited for the inspection &amp; evaluation works for domestic communication projects, and participated in the high level seminar and corresponding activities jointly held by the World Bank and Chinese Center Government.</td>
<td>Consultant</td>
</tr>
<tr>
<td>Gong Heping</td>
<td>Senior Engineer</td>
<td>Reservoir resettlement expert, Manager of reservoir division, he held the independent resettlement monitoring &amp; evaluation works of the Electric Power Development Project in Zhejiang Province and was a main participant for the independent resettlement monitoring &amp; evaluation works of Shuikou Hydropower Project in Fujian Province. He participated the high seminar held by the World Bank and got the certificates after completing whole courses of the resettlement monitoring and evaluation works. He lectured the courses on the seminar held by the World Bank.</td>
<td>Group leader</td>
</tr>
<tr>
<td>Bian Bingqian</td>
<td>Engineer</td>
<td>Vice manager of reservoir div.; he held or took part in the many resettlement design works for large and medium size hydropower projects, as well as the resettlement monitoring and evaluation works of East China/Jiangsu 500kV Transmission &amp; Distribution Project. He also participated the seminar held by the World Bank and got the certificate.</td>
<td>Member</td>
</tr>
<tr>
<td>Zhou Jianxin</td>
<td>Engineer</td>
<td>He took part in the resettlement monitoring and evaluation works of the East China/Jiangsu 500kV Transmission &amp; Distribution Project, and Transmission Line Project by Using Zhejiang Power Development Project Cost Saving. He participated the seminar held by the World Bank and has some experiences on resettlement monitoring and evaluation works held by the World Bank.</td>
<td>Member</td>
</tr>
<tr>
<td>Li Chaoyun</td>
<td>Engineer</td>
<td>He held or took part in the resettlement monitoring and evaluation works of Transmission Line Project by Using Zhejiang Power Development Project Cost Saving and Shuikou Hydropower Project. He participated the seminar held by the World Bank and has some experiences on resettlement monitoring and evaluation works held by the World Bank.</td>
<td>Member</td>
</tr>
</tbody>
</table>
9.2.3 Main Contents for External Monitoring and Evaluation

A. Main Contents for External Monitoring

a. Progress: Including preparation of land transferring, implementation of land allocation and restoration of protection forests.

b. Quality: Including forest restoration quality and satisfaction degree of resettlers during the resettlement implementation.

c. Cost: Including payment and use of compensation.

B. Main Content for Evaluation

a. Environment conditions: Change induced by trees cutting in soil and water conservation and wind-blown sand at the farm perimeters.

b. Community development: Production and living conditions in the forest farm, and economic development in community.

9.2.4 Monitoring and Evaluation Measures

The monitoring and evaluation activities will be carried out based on the investigation data provided by the survey institution and resettlement implementation institution. Based on the complete investigation, the evaluation work will be carried in the way of combining complete site survey with quick evaluation. The evaluation index system will be established corresponding to the production and living conditions in the perimeters of the forest farm. The weight factors of evaluation indexes for different objects will be determined by the qualified resettlement experts with "back to back" method. Referring to the latest research output on living environmental quality at home and abroad, all survey results will be analyzed and compared after the non-dimensional treatment.

ECIDI will carry out the following activities:

A. Public Consultation

ECIDI will participate in the public consultation conferences held by the Pingtan State Owned Forest Farm of Fujian Province. By this method, ECIDI will evaluate the effect of the resettlers’ cooperation and participation in resettlement. These activities will be kept on during and after the resettlement implementation period.

B. Public Opinions

ECIDI will often interview the cadres in the forest farm to collect opinions of production and living conditions of the affected persons in the perimeters of the forest farm, and meet the PAPs who have complaints. ECIDI will timely transfer the
opinions and requests from the PAPs, and submit suggestions for improvement, so that the resettlement can be implemented even smoothly and effectively.

C. Other Responsibilities

During preparation of the resettlement action plan, ECIDI will submit the suggestions to Fujian Wind Power Preparation Division, and monitor the following activities in the implementation procedures:

a. Forest restoration.

b. Payment of resettlement subsidy and the amount.

c. Changes in production and living conditions of PAPs.

d. Use of compensation for collective land and situation of income.

9.2.5 Procedures

a. Compiling the monitoring and evaluation programs;

b. Base-line survey;

c. Establishing the monitoring and evaluation information system;

d. Investigation for monitoring:
   --Community social-economic survey
   --Monitoring the executing institutions for production restoration

e. Sorting the monitoring information and establishing database;

f. Comparison analysis;

g. Compiling monitoring and evaluation report once a year.

9.2.6 External Independent Monitoring and Evaluation Report

ECIDI will submit its work report one month after formal start of the work. The Fujian Wind Power Preparation Division will report the resettlement progress to the WB once a year, attached with the ECIDI's report.

A. Periodicity

In accordance with the World Bank requirements, from the commencement of the resettlement implementation to 2-3 years after resettlement, the monitoring and evaluation survey will be carried out in Sept. every year. Prior to Dec. 31, the resettlement monitoring and evaluation report will be submitted.
B. Contents

a. Base-line survey;
b. Land allocation schedule;
c. Forest restoration conditions;
d. Payment and use of subsidy;
e. Production and living conditions of PAPs;
f. Problems and proposals.
10. Entitlement of Resettlers

Due to the land transfer for the projection construction, the resettler (the Pingtan State Owned Forest Farm of Fujian Province) will have the following rights and duties:

A. Since the state owned land is used for project construction, no land compensation will be paid by the land acquiring units, but the registration fee.

B. For land used for the project construction, the land acquiring units will pay compensation fee to the units whose land is acquired.

C. The land acquiring units will not only pay resettlement subsidies but also the compensation for forest and vegetation restoration.

D. Three months prior to land acquisition, the various types of land compensation will be paid to the unit whose land was acquired.

E. The land transfer will be completed before the project construction. The land restoration will be done as soon as after the project completed.
## Attachment 1  Survey Lists of Social Economy in Project Affected Areas

### Survey Output of Social Economy

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Fujian Province (1995)</th>
<th>Pingtan County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Total households in township &amp; village</td>
<td>$10^3$ household</td>
<td>4190.6</td>
<td>85.43</td>
</tr>
<tr>
<td>2. Total population</td>
<td>$10^3$ person</td>
<td>31646.3</td>
<td>362.268</td>
</tr>
<tr>
<td>In which: Agricultural</td>
<td>$10^3$ person</td>
<td>25742.5</td>
<td>331.03</td>
</tr>
<tr>
<td>Non-agricultural</td>
<td>$10^3$ person</td>
<td>5903.8</td>
<td>32.165</td>
</tr>
<tr>
<td>3. Natural increasing rate of population</td>
<td>%</td>
<td>0.093</td>
<td>3.164</td>
</tr>
<tr>
<td>4. Cultivated land area</td>
<td>$10^3$ ha.</td>
<td>1204.00</td>
<td>6.898</td>
</tr>
<tr>
<td>Cultivated land area/ per capital</td>
<td>mu/person</td>
<td>0.57</td>
<td>0.29</td>
</tr>
<tr>
<td>Cultivated land area/ per farmer</td>
<td>mu/person</td>
<td>0.70</td>
<td>0.31</td>
</tr>
<tr>
<td>5. Forest area</td>
<td>$10^3$ ha.</td>
<td>6970.7</td>
<td>9.64</td>
</tr>
<tr>
<td>Forest area in the very year</td>
<td>$10^3$ ha.</td>
<td>41.74</td>
<td></td>
</tr>
<tr>
<td>In which: Protection forest</td>
<td>$10^3$ ha.</td>
<td>6.83</td>
<td></td>
</tr>
<tr>
<td>Forest coverage rate</td>
<td>%</td>
<td>57.3</td>
<td>35.17</td>
</tr>
<tr>
<td>6. Gain yield</td>
<td>$10^3$ T</td>
<td>9199.3</td>
<td>21.56</td>
</tr>
<tr>
<td>Grain per farmer</td>
<td>kg</td>
<td>357</td>
<td>65</td>
</tr>
<tr>
<td>Sewing area for gain crops</td>
<td>$10^3$ ha.</td>
<td>2017.35</td>
<td></td>
</tr>
<tr>
<td>Gain yield per mu</td>
<td>kg</td>
<td>304</td>
<td></td>
</tr>
<tr>
<td>7. Gross national product</td>
<td>$10^9$ Yuan</td>
<td>219.127</td>
<td>1.48609</td>
</tr>
<tr>
<td>Gross national product per capita</td>
<td>Yuan</td>
<td>6965</td>
<td>4125</td>
</tr>
<tr>
<td>8. Gross domestic product</td>
<td>$10^9$ Yuan</td>
<td>216.052</td>
<td>1.28553</td>
</tr>
<tr>
<td>In which: First industry</td>
<td>$10^9$ Yuan</td>
<td>47.942</td>
<td>0.8155</td>
</tr>
<tr>
<td>Secondary industry</td>
<td>$10^9$ Yuan</td>
<td>91.056</td>
<td>0.14828</td>
</tr>
<tr>
<td>Tertiary industry</td>
<td>$10^9$ Yuan</td>
<td>77.054</td>
<td>0.3217</td>
</tr>
<tr>
<td>Percentage of first industry</td>
<td>%</td>
<td>22</td>
<td>63</td>
</tr>
<tr>
<td>Percentage of secondary industry</td>
<td>%</td>
<td>42</td>
<td>12</td>
</tr>
<tr>
<td>Percentage of tertiary industry</td>
<td>%</td>
<td>36</td>
<td>25</td>
</tr>
<tr>
<td>9. Gross product of industry and agriculture</td>
<td>$10^9$ Yuan</td>
<td>364.685</td>
<td>1.66521</td>
</tr>
<tr>
<td>In which: Gross product of agriculture</td>
<td>$10^9$ Yuan</td>
<td>76.538</td>
<td>1.33551</td>
</tr>
<tr>
<td>% of the above in gross product of industry and agriculture</td>
<td>%</td>
<td>21</td>
<td>80</td>
</tr>
<tr>
<td>Gross product of industry</td>
<td>$10^9$ Yuan</td>
<td>288.147</td>
<td>0.3297</td>
</tr>
<tr>
<td>% of the above in gross product of industry and agriculture</td>
<td>%</td>
<td>79</td>
<td>20</td>
</tr>
<tr>
<td>Gross product of industry and agriculture per capita</td>
<td>Yuan</td>
<td>11593</td>
<td>4662</td>
</tr>
<tr>
<td>10. Net income per farmer</td>
<td>Yuan</td>
<td>2049</td>
<td>1714</td>
</tr>
</tbody>
</table>
### Basic Conditions of Pingtan State Owned Shelter Forest Farm in Fujian Province (in 1997)

<table>
<thead>
<tr>
<th>Total number of staff (Person)</th>
<th>Land occupied by forest (mu)</th>
<th>Total quantity of standing forest (m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>Land area with forest (89.4%)</td>
<td>Land area without forest (1.7%)</td>
</tr>
<tr>
<td>Sub-total</td>
<td>Commercial forests</td>
<td>Protection forests</td>
</tr>
<tr>
<td>92</td>
<td>17871</td>
<td>15986</td>
</tr>
</tbody>
</table>

Notes: The forest farm has the land of 19937 mu, in which 89.6% is for the forest land. Among the forest land, the protection forests is 97.2%, commercial forests being 1% and special forests being 1.8%.

### Main Income of Pingtan State Owned Shelter Forest Farm in Fujian Province (in 1997)

<table>
<thead>
<tr>
<th>Item</th>
<th>Income (Yuan)</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation fund from higher authority</td>
<td>159000</td>
<td>10.5%</td>
</tr>
<tr>
<td>Main income (from selling fire-wood)</td>
<td>53720</td>
<td>3.6%</td>
</tr>
<tr>
<td>Development of real estate (from selling land)</td>
<td>1069767</td>
<td>70.9%</td>
</tr>
<tr>
<td>Revenue from contracted restaurants</td>
<td>225650</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>1508137</td>
<td>100%</td>
</tr>
</tbody>
</table>
Addendum to Fujian Resettlement Action Plan

Mr. Scott Piscitello

I am sorry for not having answered your e-mail dated October 2nd. Let me respond which follows:

1. Analysis on Impact on Income

The data provided by Fujian Pingtan Shelter-forest Farm shows that 53,872 yuan of the income is sourced from forestry in 1997, only accounting for 3.6% in all income of the farm. There are 15,986 mu forest land in the farm. Therefore, annual income of the average forest land per mu is 336 yuan. A total of 187 mu forest land requisitioned by the project includes 87 mu for permanent occupation and 100 mu for temporary occupation. Calculated by the above mentioned, the forest farm will lose 628.32 yuan/mu income per year due to land requisition.
Section 5.2. Shelter-forest Restoration Plan of the RAP indicates that the 87mu permanently occupied shelter-forest land will be replanted by the farm management, using the land compensation at the Changjiang'ao area, according to the 1997-2000 development plan prepared by the State Shelter-forest Farm and in consideration of the concept of the RAP. For restoration of the 100mu Shelter-forest land to be temporarily occupied by the project construction, young Asuarina equisetifolia trees will be planted by the original operation units at the same places following the construction progress and the development plan, using the land compensation. Besides, great attention will be paid to prevention and control of the plant diseases and elimination of pests, and to rehabilitate and enhance the shelter-forest functions for windproof and sand-fixation. According to the main technical measures for the shelter-forest restoration (see Section 5.3 of the RAP), it will take 1500 yuan to restore one mu (1mu) shelter-forest land (see Table 1). Computing on 187mu of the forest land occupied by the project, the total of the estimated investment for completely restoring the shelter-forest will be 280,500 yuan.

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Investment</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Procurement of saplings</td>
<td>450</td>
<td>450 tree/mu; ¥/day</td>
</tr>
<tr>
<td>2</td>
<td>Tending cost for young trees</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Man-hour charges</td>
<td>600</td>
<td>24 working day; ¥/day</td>
</tr>
<tr>
<td>4</td>
<td>Administrative expenses</td>
<td>200</td>
<td></td>
</tr>
</tbody>
</table>
3. Compensation Available to the Forest Farm

In accordance with the current State Law and Fujian Provincial regulations, the forest farm can directly get compensation fees for forest and resettlement subsidy after its state-owned forestry land is permanently requisitioned, but for its forestry land to be temporarily occupied, the farm can get compensation fees for forest land and cost for restoration. Thus, after its forestry land is occupied by the project, the forest farm can get compensation totaling 1,779,000 yuan, which have been listed in the resettlement cost estimation, and the compensation will directly be paid to the farm by the project owner.

Table 2

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Standard (yuan/mu)</th>
<th>(mu)</th>
<th>Fees (yuan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Compensation for forest</td>
<td>1500</td>
<td>187</td>
<td>280,50</td>
</tr>
<tr>
<td>2</td>
<td>Resettlement subsidy</td>
<td>15,500</td>
<td>87</td>
<td>1,348,50</td>
</tr>
<tr>
<td>3</td>
<td>Costs for the restoration</td>
<td>1500</td>
<td>100</td>
<td>150,00</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>1,779,00</td>
</tr>
</tbody>
</table>
4. Use of Compensation Fees

Referring to the above, the forest farm will get 1,799,000 yuan of compensation, among which 280,500 yuan will be used for the shelter-forest restoration, the remaining 1,498,500 yuan will be given to the forest farm as the farm's income by the project owner through the bank upon implementation of the project. It can be seen that the annual interest of the 1,498,500 yuan compensation fee will be at least 70,429.5 yuan by calculating on the current interest rate of the bank deposit, which is more than the income loss of 628,32 yuan caused by the project land acquisition. So, the income loss caused by the project land acquisition can be completely restored, and can improve staffs' living level as well.

Thank you very much for your help and I must apologize for my delay in answering again.

yours truly:
Li youjin