

**CHONGQING NEW URBANIZATION PILOT &  
DEMONSTRATION PROJECT**

**NAN'AN URBAN REGENERATION SUBPROJECT**

**Resettlement Policy Framework  
(Revised)**

Chongqing World Bank Project Management Office

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## ABBREVIATIONS

AH	-	Affected Household
AP	-	Affected Person
DMS	-	Detailed Measurement Survey
HD	-	House Demolition
JDG	-	Jiulongpo District Government
IA	-	Implementing Agency
LA	-	Land Acquisition
M&E	-	Monitoring and Evaluation
MLS	-	Minimum Living Security
PMO	-	Project Management Office
PRC	-	People's Republic of China
RAP	-	Resettlement Action Plan
RIB	-	Resettlement Information Booklet
RPF	-	Resettlement Policy Framework

## A. Project Introduction

As the largest developing country in the world, China's urbanization has achieved remarkable achievements. From 1978 to 2016, the urbanization rate increased from 17.9 percent to 57.35 percent, and the urban infrastructure and the public service level have been significantly improved. As one of the four municipalities directly under the central government in China, the urbanization rate in Chongqing has increased most in recent years, with the urbanization rate reaching 62.6% in 2016. However, compared with the other three municipalities, Chongqing's urbanization rate and urbanization quality are still in the lower level. Chongqing still needs to improve the urbanization development, and to carry out sustainable development idea in the process.

In Nan'an District, the urbanization rate has reached 94.97 percent at the end of 2016, and the average GDP per capita in the southern region is increasing from 2000 to 2015. In 2015, the GDP per capita was ranked 4th in the nine districts of Chongqing main central area, and in 2016 ranked the sixth. Nan'an District governs 8 sub-districts and 7 towns. The subproject area is about 60 km<sup>2</sup>, with a population of about 506,000.

However, with the increase of construction land, the degree of land development and utilization is relatively saturated. Some traffic arteries and traffic nodes have large flow, affecting the capacity of traffic. Public space has limited and inadequate infrastructure. The old communities' appeal to the population is declining, and the heat island effect is growing.

With the rapid development of Chongqing's economy, the Nan'an district urgently needs to carry out urban renewal, so as to obtain strong urban vitality. Chongqing Urban Renewal Special Planning (2016-2030) explicitly includes Nanping Street and Huayuanlu Street as streets to be renewed, and Longmenhao, Nanping town and Nanshan areas as to be renewed, to improve the quality of people's living environment through the improvement of public service facilities, transportation, space environment, old buildings and so on. Nan'an District Comprehensive Transportation Plan (2015-2030) clearly aims to develop a mode of transportation dominated by public transport and pedestrian traffic.

The government of Nan'an District applied for the World Bank loan to carry out the urban renewal, which aims to realize the renewal of the old community and enhance the vitality of the public space; improve the chronic system and the transportation connections; improve the infrastructure and environmental hygiene; strengthen the response to climate change and relieve urban heat island effect; and enhance community management and maintenance capabilities.

The Sub-project consists of 4 components: Old Community Renewal, Public Space Renewal, Slow Traffic System, and Urban Planning and Management Research, and Capacity Building. The gross investment in the Subproject is 1.92246 billion yuan, including a Bank loan of 438.2837 million yuan.

- ✓ Old Community Renewal: including public space improvement, street facility reconstruction and addition (benches, stairways, functional artworks, etc.), improvement of water supply and sewer lines, etc.;
- ✓ Public Space Renewal: including the improvement of 3 green spaces, such as resting facility addition, pavement improvement, vegetation and green space quality improvement, etc.;
- ✓ Slow Traffic System: including slow footpaths, mountain footpaths, supporting roads, etc. See Table 1 for details:

**Table 1 Scope of the Sub-project**

No.	Component	Description
1	Old Community Renewal	Upgrading of public facilities, street facilities, and water supply and drainage pipelines for 268 residential buildings in 10 communities in 3 sub-districts
2	Public Space Renewal	Infrastructure upgrading of 3 parks;

		Infrastructure upgrading squares as Nanping Public Square and Huigonglu; Square Utilization of open space under Dafosi Bridge
3	Slow Traffic System Building	Improvement of 29 slow traffic footpaths; Facility improvement of 16 mountain climbing footpaths; 3 new supporting roads
4	Urban Planning and Management Research, and Capacity Building	Conducting district-level urban renewal planning and research, preparing relevant district plans, developing a Slow Traffic System app, project management, etc.

Of all the 4 components, there are 3 roads have land acquisition and house demolition and the relevant RAP and due diligence report have been prepared.

- 1 Of the 3 roads of Nan'an sub-project: Huigui Road, Longhuang Road and Tushan Branch Road. All the three roads were designed to build in accordance with the urban renewal and development, no matter financing with World Bank or domestic fund; therefore, work like preliminary assessment or resettlement of the roads were started even earlier than World Bank involvement. For instance, the Hugui Road and another part of Longhuang Road broadening where LA and HD were approved in September 2016 and March 2016 respectively. As of the date of the report, the main phases of the resettlement implementation, such as public consultation, publicity of compensation policy, asset appraisal and its publicity, contracts signing and notice on the payment had almost finished, and it was already in the final stages of the resettlement (74 percent of the compensation has already paid). According to the requirements of the Bank's safeguard policy and China's relevant laws and regulations, resettlement to be implemented of Tushan Branch Road and the broadening part of Longhuan Road is described in the Resettlement Action Plan, whilst the relevant safeguard issues for the resettlement implemented in recent three years at the Hugui Road and part of the Longhuang Road Broadening is described in this Due Diligence Report . See Table 1-1 for criteria of reports to deliver.

Table A Criteria of Reports

Road component	Resettlement Stage	Resettlement Project Approval	Resettlement Policy and Standard Approval and Disclosure	Implementation Commencement	Report
<b>Longhuang Road</b>	Resettlement implemented in other project	Mar-16	July-August 2016	Aug-16	DDR
	Resettlement to be implemented	RAP Preparation			RAP
<b>Tushan Branch Road</b>	Resettlement to be implemented	RAP Preparation			RAP
<b>Huguilu</b>	Resettlement implemented	Sep-16	Jun-17	Jun-17	DDR

During the project preparation stage, the project IA and the design institute have conducted the detailed survey on the affected residents/villagers and their communities. They have collected the opinions of local people on the sub-projects through public consultation. Measures were to be taken to minimize the impacts on the people. During the project implementation and the monitoring stage, the project IA will keep local people informed of the project and establish the good appeal mechanism to ensure that all the relevant appeals and complaints from local people could be handled appropriately and timely.

During the preparation stage, the temporary impacts of the sub-projects on residents cannot be determined. Furthermore, the Project components will be likely to be adjusted or changed involving land acquisition or/and

house demolition during the project implementation. Due to these above reasons, a resettlement plan or an abbreviated plan for some project components cannot be prepared by project appraisal during this project preparation stage. Therefore, in case any of these components cover unexpected land acquisition and house demolition, this RPF is prepared as a fundamental guideline, which must be followed to prepare the relevant document.

## B. Principles and Objectives

This RPF is based on OP4.12 “Involuntary Resettlement” in the World Bank Operational Manual issued in December 2001, and the overall objectives are:

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

This RPF defines the principles and objectives of resettlement, and appropriate guidelines, rights, and legal and institutional framework, compensation and restoration patterns, participation characteristics, and appeal procedure for resettlement, and is used to guide compensation, resettlement and restoration matters.

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

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

Each RAP should be based on identifiable basic information collected, and include the following impacts:

- Those whose farmland or rural houses together with housing sites is/are wholly or partly affected by the Project (permanently or temporarily);
- Urban houses wholly or partly affected by the Project (permanently or temporarily);
- Commercial facilities (enterprises and stores) wholly or partly affected by the Project (permanently or temporarily);
- Young crops and ground attachments wholly or partly affected by the Project (permanently or temporarily).

The cut-off date is the notice release date of project land acquisition and demolition. After this date, the APs shall not build, expand and rebuild houses; shall not change the uses of the housing and land; shall not perform lease, rental and sale of land and housing. Any buildings or planting and persons moving into the project area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.

The key principles and objectives of this RPF are as follows:

- Acquisition of land and other assets, and related resettlement should be minimized where possible;
- As of the baseline survey date, all APs are entitled to restoration measures to help them improve or

at least their living standard, ability to earn income and production level; the lack of legal title to asset losses does not impede their entitlement to resettlement measures;

- The resettlement measures available include: (1) residential houses and other buildings are compensated for at replacement cost free from depreciation or recovery of residual value; (2) cash or other means of compensation, such as land replacement and endowment insurance; (3) equal replacement of housing and housing sites acceptable to APs; and (4) subsidies for relocation and living;
- If APs can accept the replacement of housing, housing sites and farmland, replacements should be as close to their lost land as possible;
- The transition period of resettlement should be minimized, and restoration measures should be made available to APs at the project site before the preset starting date;
- The acquisition plan of land and other assets, and the restoration measures offered shall be negotiated with APs repeatedly to ensure minimum interference; APs will be empowered before the preset starting date;
- The existing community service and resource levels should be maintained or improved;
- Whenever and wherever necessary, financial and material resources for resettlement and restoration must be available; the budget in the RAP should include contingencies;
- The institutional and organizational arrangements should ensure that assets and resettlement are designed, planned, consulted and implemented effectively and timely;
- The implementation of the RAP shall be supervised, monitored and evaluated effectively and timely.

The key principles of this RPF are as follows:

- Avoiding or minimizing LA, especially the occupation of high-grade farmland;
- Avoiding the demolition of residential houses;
- Using unused land where possible; and
- Avoiding or minimizing the occupation of environmentally sensitive areas.

### C. RAP Preparation and Approval Procedures

The borrower is responsible for preparing and implementing the RAP, including paying all the relevant resettlement costs. Once the land acquisition and house demolition are identified and the project impact is scoped, the RAP preparation should be started. The borrower will conduct the socio-economic survey to determine the potential project impacts and identify the possible numbers of the affected persons. This survey will determine whether a complete RAP or an abbreviated RAP is required (refer to relevant part in Annex A of OP 4.12). When impacts on the entire displaced population are over 200 people, a complete RAP is required; when impacts on the entire affected people are minor, or fewer than 200, an abbreviated RAP is required. When the affected persons are not relocated to other places and their lost productive material is less than 10% of the total, the impacts are regarded as “comparatively minor”.

If the RAP is required, it must be prepared according to the principles and objectives in this RPF. The main contents of the complete and the abbreviated RAP are shown in Table 3.

**Table 3 The Main Contents of Complete and Abbreviated RAP**

Types of RAP	Complete RAP	Abbreviated RAP
RAP Main Contents	<ul style="list-style-type: none"> <li>● Description of the Project;</li> <li>● Potential Impacts;</li> <li>● Socio-economic Survey and Baseline Survey;</li> </ul>	<ul style="list-style-type: none"> <li>● Project Impacts;</li> <li>● The Survey on the Affected Population;</li> </ul>

Types of RAP	Complete RAP	Abbreviated RAP
	<ul style="list-style-type: none"> <li>● Legal and Policy Framework;</li> <li>● Compensation Policy and Standards;</li> <li>● The Resettlement Measures and Income Rehabilitation Plan;</li> <li>● Resettlement Site Selection, Preparation and Relocation;</li> <li>● Rebuilding and Rehabilitation of the Houses, Infrastructure and Community Service of the Resettlement Site;</li> <li>● Urban Housing Appraisal Procedure;</li> <li>● Housing Resources Provided by the Project IA for Housing Exchange.</li> <li>● Institutional Arrangement and the Implementation Schedule;</li> <li>● Resettlement Costs and Budget;</li> <li>● Public Participation and Information Disclosure;</li> <li>● Grievance Channel;</li> </ul>	<ul style="list-style-type: none"> <li>● The Resettlement Compensation;</li> <li>● The Feedback from the Affected Persons;</li> <li>● The Responsibilities of the Implementation Agencies;</li> <li>● The Grievance Procedures;</li> <li>● The Rehabilitation Scheme Implementation;</li> <li>● Timetable and Budget;</li> <li>● Monitoring and Evaluation.</li> </ul>

The complete or abbreviated RAP should be completed no later than 4 months before the starting date of resettlement, and submitted to the Bank for approval at least 3 months before that. Only after the Bank has approved the RAP could compensation, resettlement and restoration activities begin. Such activities should be completed before the commencement of civil engineering.

## D. Legal Framework

The principal objective of this RPF is to ensure the resettlement planning and its implementation meets the WB OP 4.12 requirement. In addition, the RAP design has to conform to all the relevant laws and regulations in China, Chongqing Municipality and all the concerned districts and counties. The major legal framework is shown as Table 3.

**Table 3 The Project Related Legal Framework**

Level	Policy document	Effective date
State	Land Administration Law of the PRC	August 28, 2004
	Notice on Issuing the Guidelines on Improving Compensation and Resettlement Systems for Land Acquisition (MLR [2004] No.238)	November 3, 2004
	Regulations of the Ministry of Land and Resources on Public Hearing on Land and Resources	May 1, 2004
	Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28)	October 21, 2004
	Notice of the State Council on Issues Concerning the Strengthening of Land Control and Adjustment (SC [2006] No.31)	August 31, 2006
	Notice of the General Office of the State Council on Forwarding the Guidelines of the Ministry of Labor and Social Security on Doing a Good Job in the Employment Training and Social Security of Land-expropriated Farmers (SC [2006] No.29)	April 10, 2006



Level	Policy document	Effective date
	Notice on Adjusting Fees for Using Additional Construction Land (CZ [2006] No.48)	November 7, 2006
	Real Right Law of the PRC	March 16, 2007
	Notice of the Ministry of Labor and Social Security, and Ministry of Land and Resources on Doing a Good Job in Social Security for Land-expropriated Farmers Practically (MLSS [2007] No.14)	April 28, 2007
	Notice of the Ministry of Land and Resources on Doing a Better Job in LA Management (MLR [2010] No.238)	June 26, 2010
	Opinion on Building Clean Party and Corruption Fighting (Ministry of Public Security Party [2011] No. 590)	January 1, 2011
Chongqing Municipality	Land Administration Regulations of Chongqing Municipality (Decree No.53 of the Chongqing Municipal Government)	March 22, 1999
	Land Acquisition Compensation and Resettlement Measures of Chongqing Municipality (Decree No.55 of the Chongqing Municipal Government)	January 1, 1999
	Interim Measures of Chongqing Municipality for Basic Endowment Insurance for Farmers Converted into Urban States in Land Acquisition after January 1, 2008	January 1, 2008
	Notice of the Chongqing Municipal Government on Adjusting Land Acquisition Compensation and Resettlement Policies (CMG [2008] No.45)	January 1, 2008
	Notice of the Chongqing Municipal Government on Strengthening Land Acquisition and House Demolition Management Practically (CMGO [2013] No.27)	January 31, 2013
	Notice of the Chongqing Municipal Government on Further Adjusting Land Acquisition Compensation Rates (CMG [2013] No.58)	January 1, 2013
	Notice of the Chongqing Municipality on the Measures of Collection and Compensation of Houses on State-owned Land (Provisional) (CMG [2011] No.123)	May 5, 2011
	Compensation of Chongqing Municipality for the Shutdown Loss of the Houses on the State-owned Land (Provisional)	May 5, 2011
	Measures of Chongqing Municipality for the Determination of Housing Price Assessment in the State-owned Land (Provisional)	May 5, 2011
Nan'an District	Notice of the Nan'an District Government of the Implementation of the Adjustment of Land Compensation and Resettlement Standards (NAG [2013] No.68)	January 1, 2013
	Notice of the General Office of the Nan'an District Government on Regulating Cash compensation and Rewards (Subsidies) for LA and HD (NDGO [2013] No.120)	January 1, 2013
World Bank	Operational Policy OP4.12 on Involuntary Resettlement, and Bank Procedure BP4.12 on Involuntary Resettlement and appendixes	January 1, 2002

In order to achieve the above objectives, this resettlement policy framework has quoted the principles summarized in OP/BP4.12 of the World Bank, specified as follows:

(a) The resettlement work will be implemented based on the socioeconomic survey and affected quantity statistics, and in accordance with national and local resettlement policies and regulations, as well as the Involuntary Resettlement Business Policy OP/BP4.12 of the World Bank.

(b) The project design will be optimized to minimize the resettlement work. The populous area will be excluded as much as possible, so as to minimize the involuntary resettlement. The construction scheme will be optimized to reduce disturbance to the public.

(c) All compensations for involuntary resettlement will be regarded as a part of this project. Sufficient fund will be provided to the relocated people, so as to ensure they can benefit from this project.

(d) It will be guaranteed that all the affected people can receive all the compensations for the resettlement loss before the implementation of the project. Their daily life will be properly arranged, and their production will be effectively restored. Subsidies and assistance will also be given to solve their temporary difficulties.

(e) It will be guaranteed that the living standard, production capacity and income level of all the affected people can recover to their original level or even increase to some extent.

(f) The compensation for the demolished structures, specialized facilities and land attachments will be calculated according to the replacement price. The residual value of demolished materials cannot be deducted, nor can the depreciation of original property.

(g) Both physical resettlement and monetary resettlement will be offered to the affected people for them to choose freely.

(h) The relocated people will receive compensation during the transition period and relocation process.

(i) The relocated non-residential units will receive relocation subsidy and compensation for production and business suspension.

(j) Special attention will be given to the vulnerable group, helping them select the resettlement houses and move into the new houses.

(k) Compensation will be given to the owners of the infrastructure for the relocation and restoration of infrastructure affected by the project.

(l) Reasonable compensation will be given to the to-be-acquired land and related losses.

(m) The compensation for the to-be-acquired land will be paid within three months starting from the date when the resettlement plan is approved, no later than the date when the land is used for construction purpose.

(n) During the preparation and implementation stage of resettlement work, the relocated people will be encouraged to participate in the process, so as to solicit their suggestions for the resettlement work and publicize the resettlement policy in time.

(o) Great attention will be given to the complaints of affected people. Timely assistance will be given to them to solve the difficulties and inconvenience during the resettlement process. The disputes on the compensation rate will be solved through consultations as far as possible. If consultation fails, it can be submitted for arbitration.

(p) Units involved in the resettlement work will enhance cooperation and coordination among each other. Resettlement organizations at all levels will be established, and all the employees will be well trained.

(q) During the implementation process of the resettlement work, any major changes, including the alteration of compensation rate, alteration of relocated position and scale, adding new items, etc., will be reported to the World Bank in advance.

Considering that there are some gaps between the domestic resettlement policy and the Bank's OP4.12, during the resettlement implementation stage of projects covered by this RPF, PMO will adopt good practices and policy from the Bank on the basis of domestic laws. Below is a description of policy gaps between PRC and the World Bank, and guidance on which policies to be implemented.

#### **Table 5 Gaps between China and the World Bank's policy and Measures in This Project**

	<b>Policy of China</b>	<b>Policy of the World Bank</b>	<b>Policy to be followed</b>
Goal	Guarantee the construction project can be finished in time and effectively, ensure social stability and harmony.	Avoid or minimize involuntary resettlement as far as possible; ensure living standard of project affected persons is not lower than before.	Carry out the Bank's policy
Compensation approach	<p>Land acquisition is generally compensated by currency, supplemented by employment assistance and social security.</p> <p>The following resettlement approaches are available to the households affected by the demolition of rural residential houses:</p> <ol style="list-style-type: none"> <li>1. Cash compensation;</li> <li>2. Housing land + self-built houses. The project IA will offer housing land for relocation and conduct land leveling and constructing infrastructure for AHs.</li> <li>3. Resettlement housing. When resettlement house is chosen as compensation mode, the location and type of resettlement house have been determined.</li> </ol> <p>The following resettlement modes are available to households affected by the demolition of rural residential houses:</p> <ol style="list-style-type: none"> <li>1. Cash compensation: based on market appraisal;</li> <li>2. Property swap: Resettlement housing is offered by the owner.</li> </ol>	<p>Replacement land shall be provided for population depending on land as main source of income in the case of land acquisition.</p> <p>Affected people have their own right to choose mode of compensation, including cash compensation, replacement housing, or land + self-built houses.</p> <p>The project should provide land leveling and basic infrastructure for AHs.</p> <p>Location of the resettlement house should be chosen freely by the relocated persons.</p>	Carry out the Bank's policy
Calculation method of compensation fees	Take the market price of house that of the same type and purpose at the same district as the compensated price.	The price shall be calculated based on estimated replacement cost, without considering depreciation.	Replacement housing should be used if chosen by APs. Full market price for new houses should be used if cash compensation is selected by APs. Total compensation will include market price plus all transaction cost to match replacement cost.
compensation for illegal building	No compensation shall be provided for illegal buildings.	Compensation is provided for illegal buildings.	Those occupied affected houses before cut-off date are entitled to full compensation.
Public participation	Public participation system is not sound enough, public can only	A complete and sound public participation process should be followed, during the full process of impact assessment and	Wide public consultation should be ensured for APs to participate in impact assessment, alternatives

	Policy of China	Policy of the World Bank	Policy to be followed
	participate in some phases of the project implementation.	determination of compensation mode, and implementation of LA and resettlement.	identification, and implementation of resettlement work.
Monitoring arrangement	Internal management mechanism of project IA and resettlement implementation agency conducts the monitoring process.	Including internal monitoring from the internal management mechanism of project IA and resettlement implementation agency and external monitoring from the external independent monitoring unit.	Set up external and internal monitoring systems as required by the Bank.
Grievance mechanism	Set up specialized agency to accept public grievance.	Public can appeal through multiple channels and ways, including community, sub-district, project IA, external monitoring agency, etc.	Set up grievance mechanism as required by the Bank.

The purpose of preparing the RAP is to ensure that the APs have sufficient opportunities to replace their lost assets, and improve or at least restore their income level and living standard. To realize this purpose, all APs should be identified, and it should be ensured that all APs accept that remedies defined in the RAP is rational.

## E. Reasonable Compensation rates and Rehabilitation Measures

The compensation rates<sup>1</sup> will be made on the basis on the above-mentioned legal framework and in combination of the local actual conditions. The criteria for determining eligible affected persons are the cut-off date when the notice for land acquisition and house demolition is issued. After this date, the affected persons are not allowed to build new houses, extend or rebuild the existing ones or change the purpose of houses and land use; they are also not allowed to rent their lands or buy/sell houses. Any affected persons after this date are not eligible for the compensation.

The objective of the RAP is to ensure that the affected persons could be compensated at replacement value for their lost properties and improved or at least restore their income levels and standards of living. To achieve this end, all the affected persons should be identified and the planned rehabilitation schemes and measures are best suitable for them. Based on the main types of the project impacts (for example, rural land, houses and incomes etc), the following measures in Table 4 should be taken:

### 1) Permanent Acquisition of Rural Collective Land

Land compensation: includes the compensation for land acquisition, the compensation for young crops and the resettlement subsidy. The compensation for lost land and the resettlement subsidy are calculated separately. The land is compensated based on the areas of land acquired but regardless of the types of land, which is 18,000yuan per mu. The resettlement subsidy is calculated based on the numbers of people who change from rural residents to urban residents, which is 38,000 per person. The land compensation is the compensation for the affected village collectives. 80% of the land acquisition compensation is firstly allocated to the basic pension for the urban enterprise employees for those affected people by land acquisition, who will change from rural residents to urban residents. This amount of money is allocated from land resource departments to labor and social security departments; the remaining 20% is then allocated to affected villagers. The delivery patterns of the resettlement subsidy are determined by different ages of affected persons who transfer from agricultural to non-agricultural status. For those under 16 years old, the resettlement subsidy will be paid to the individuals at full amount;

<sup>1</sup> Housing will be compensated based on the appraisal value. However, in case the appraised price of houses is lower than that in the RAP, the RAP standards are followed.

The arrangement of the basic pension: for those over 16 years old, the individuals have to pay the 50% of the basic pension for urban enterprise employees. The amount required will be allocated directly by land resources department to social security departments from part of resettlement subsidy. The remaining part is used by the individuals for their daily lives. In case the sum of 80% of the compensation for the lost land plus the part that the individual pays for their basic pension is still not enough for the required amount of the basic pension system, the project IA has to bridge this gap.

When the acquired farmland area is not eligible for the criteria of changing the rural residents to urban residents for an affected person, the consultation will be made among the affected village, village groups and the affected households to determine the persons who will change from rural residents to urban residents. The households who change from rural residents to urban residents will allocate their relevant part of land or resettlement subsidy to the households who don't change from rural residents to urban residents.

The land compensation is 18,000yuan/mu(even through only 20% will be paid to the APs, but the 80% paid to social insurance bureau is for the pension of the APs) and the resettlement subsidy for each AP is 38,000yuan, which is equal to 76,000yuan/mu if the per capita land is 0.5mu(generally, the per capital land is limited in the city center). Thus the consolidated compensation is 114,000yuan.

According to the consultation to land acquisition office, the gross annual production value of each mu of land is no more than 2000yuan/mu, and there are still ten years for this round of land lease period, therefore, the lease value will be 20000yuan/mu for each individual household. Apparently, the compensation to be implemented by the project will be much higher than the actual land production value, even without considering the income of social endowment insurance.

On the other hand, according to the Land Management Law, the compensation for land acquisition should be 16 times to 30 times of annual land value, and should not exceed 30 times in principle, which equals to 32000-60000yuan/mu. Obviously, the compensation of the project will be higher than the requirements of national law.

In case the APs entered the basic social endowment insurance, each person would be able to attain 500-750yuan per month (6,000-9,000yuan per year) of pension payment when they reach the retired age, which is higher than the agricultural income.

This is a policy implemented in Chongqing from the year of 2008. The reason to implement was considering the long-term livelihood of the affected people. In the past, the cash compensation was fully provided to the affected people, but a period later, some people used out the money and came back to the government for support. The key problem was lack of long-term planning for livelihood after land acquisition. Therefore, with experience of learning, the government used part of the compensation of the people and help them buy endowment insurance. So, when the affected people came to retire age, they could get stable income as monthly salary. For young people, whose ages were younger than retired (women 55, men 60), they could go working for job salary which the government would support them as the RAP indicated.

During household survey, the affected people were eager to join the pension scheme, especially for people whose age close or elder than retired ones.

And thus, the LA compensation go be implemented by the project will be not only fully compliance with the national law , but also considered the long-term livelihood restoration. It is consistent with the OP4.12 policy of World Bank.

As mentioned above, the lost young crops will be compensated at replacement value, which will be paid with the land attachment at 22,000 yuan per mu. Woodland will be compensated for separately at a fixed overall rate of 22,000 yuan/mu.

When the houses or buildings become unsafe or lose their functions due to partially land acquisition, the whole area of the relevant land should be acquired.

## 2) Temporary land occupation

The lost incomes, young crops, the costs for land resumption and the affected infrastructure will be compensated due to temporary land occupation.

The compensation for the rural collective-owned land will be made based on the purpose of land and the actual costs. It will include the compensation for young crops and the costs for land resumption. The compensation for the lost young crop is based on the crops in one-season.

There will be no compensation for the occupied state-owned land. However, the affected attachments have to be compensated at the replacement value or be restored by the project IA based on their original design and scale.

### 3) Rural residential houses

House compensation: For demolished houses with a certificate of title and a certificate of the right to use collective land at the time of issue of the LA announcement, the compensation rates are set out in Table 6. Compensation will be paid by the IA to proprietors directly.

Table 6 Compensation rates for rural residential houses

Structure	Description	Compensation rate
Reinforced concrete	Frame (shear wall) cast-in-situ roof	660
Masonry concrete	Brick wall (ashlar) prefabricated roof	600
Masonry timber	Brick wall (board) tenon through tile roof	480
	Brick wall (cleft stone) tile roof	420
	Brick wall, asbestos tile roof (including felt, fiberglass tile)	390
Earth wall	Earth wall, tile roof	360
	Asbestos tile, fiberglass tile roof	330
Simple	Brick column (stone column, wood column) asbestos tile roof (felt, fiberglass tile)	120
	Simple shed	100

### 4) Housing resettlement

Before the issue date of the LA approval, subjects of housing resettlement are rural residents to be converted into urban status holding a certificate of title and a certificate of the right to use collective land, and will be subject to cash compensation or preferential purchase under property swap, to be chosen voluntarily. Housing will be granted at 30 m<sup>2</sup> of building area per capita.

#### a. Cash compensation

The compensation rates for housing resettlement are 5,700 yuan/m<sup>2</sup> in Nanping, Tushan and Jiguanshi Towns, 5,000 yuan/m<sup>2</sup> in Nanshan Sub-district, and 4,000 yuan/m<sup>2</sup> in Changshengqiao, Xiakou, Yinglong and Guangyang Towns.

#### b. Preferential purchase under property swap

Resettlement housing will be provided by the acquirer, and resettlement conducted in accordance with the Land Acquisition Compensation and Resettlement Measures of Chongqing Municipality (Decree No.55 of the Chongqing Municipal Government), the Notice of the Chongqing Municipal Government on Adjusting Land Acquisition Compensation and Resettlement Policies (CMG [2008] No.45), and the Notice of the Chongqing Municipal Government on Further Adjusting Land Acquisition Compensation Rates (CMG [2013] No.58).

The final rates applied in practice will be based on the compensation and resettlement program approved by the district government.

#### Subsidies

Transition subsidy: In case of cash compensation, a transition subsidy of 1,000 yuan per capita will be paid at a time; in case of preferential purchase under property swap, a transition subsidy of 400 yuan per capita per month will be paid from the beginning month of transition to the month following the resettlement notice.

Moving subsidy: paid twice if an AH is relocated by the specified time, being 700 yuan per household per time for each household with 3 or less members, or 1,000 yuan per household per time for each household with 4 or more members

HD subsidy: 60 yuan/m<sup>2</sup> of licensed building area if an AH is relocated by the specified time

Facility compensation: 2,000 yuan per household, covering water and power supply, cable TV, etc.

Residual value compensation: If an AH is relocated by the specified time, and willing to waive the residual value of the demolished house, the acquirer will compensate for the residual value as follows: reinforced concrete structure: 30 yuan/m<sup>2</sup>; masonry concrete structure: 20 yuan/m<sup>2</sup>; other structures: 10 yuan/m<sup>2</sup>.

Reward: If an AH chooses cash compensation, and hands over or demolishes the house by the specified time, a reward of 1,500 yuan/m<sup>2</sup> will be paid.

#### 5) Rural non-residential properties

For any enterprise property with a certificate of title and a certificate of the right, compensation will be based on structure, age, etc. at the rates specified in Table 6. For an enterprise with a business license and a tax registration certificate, the compensation for relocation losses will be based on the Land Acquisition Compensation and Resettlement Measures of Chongqing Municipality (Decree No.55 of the Chongqing Municipal Government); if the net value of any production facility or equipment cannot be calculated, it will be appraised, and compensated for based on the Land Acquisition Compensation and Resettlement Measures of Chongqing Municipality (Decree No.55 of the Chongqing Municipal Government). If an enterprise property is converted from a rural residential house, it will be compensated for at the rate for such residential house.

If an enterprise is relocated and hands over its property by the specified time, a moving subsidy and residual value compensation will be paid.

Table 7 Compensation rates for rural non-residential properties

Structure	Description	Benchmark rate (yuan/m <sup>2</sup> )
Reinforced concrete	Frame, shear wall	990
Masonry concrete	Brick wall (ashlar, cleft stone) prefabricated roof	900
Masonry timber	Brick wall (ashlar, cleft stone, board) tenon through tile roof	720
	Brick wall (cleft stone) tile roof	630
	Brick wall (ashlar, cleft stone) asbestos tile roof (including felt, fiberglass tile roof)	580
Simple	Brick column (stone column, wood column, steel pipe) color steel tile roof	250
	Brick column (stone column, wood column) asbestos tile roof	180
	Brick column (stone column, wood column) fiberglass tile roof (including felt)	150

#### 6) Residential houses on state-owned land

The resettlement modes for residential houses include property swap and cash compensation, to be chosen by each AH voluntarily.

Cash compensation: House compensation is based on the appraised price for the building area of the acquired house.

Property swap: The size of the resettlement house is equal to that of the acquired house in principle, and the price difference will be settled.

If the sharing rate of building area of the acquired house is less than or equal to 15%, the area to be compensated for will be calculated at 15%; if it is over 15%, house compensation will be based on the actual building area.

In case of property swap, if the sharing rate of the resettlement house is over 15%, the purchase price for the shared area corresponding to the excess will be borne by the acquirer.

APs will enjoy the same treatment in employment, training, medical care, social security and other benefits as original in host communities.

See Table 8 for relevant rates.

Agreement-signing reward: If an AH enters into a compensation agreement within the period specified in the acquisition announcement, a one-time reward will be granted at 1,500 yuan/m<sup>2</sup> of building area in case of cash compensation or 1,000 yuan/m<sup>2</sup> of building area in case of property swap.

Subsidy for illegal buildings: compensated for at not more than 40% of the rate for the same structure for integrated residential houses; for houses of other uses and structures, not more than 1,800 yuan/m<sup>2</sup> for masonry concrete structure, 1,200 yuan/m<sup>2</sup> for masonry timber structure and 800 yuan/m<sup>2</sup> for simple structure

**Table 8 Other Compensation and Subsidy Rates for Residential Houses and Non-residential Properties on State-owned Land**

No	Item	Rate	
1	Moving subsidy	Residential houses	1,000 yuan per household per time
		Non-residential properties	30 yuan/m <sup>2</sup> per time for commercial, office and business properties, and 40 yuan/m <sup>2</sup> per time for production properties
2	Agreement-signing reward	40 yuan per household per day for residential houses, non-residential properties 20 yuan/m <sup>2</sup> per day	
3	Cash compensation	Residential houses	30,000 yuan per household
		Non-residential properties	5% of the value of the acquired house, not less than 20,000 yuan
		If a property is both residential and non-residential, compensation will be paid at a time at the higher rate.	
4	Compensation for facilities	1) The water and power meters installed separately by the AH will be dismantled by itself, and compensated for in full at the prevailing rate at a time. 2) In case of property swap, the existing gas pipeline, cable TV, etc. will be restored by the acquirer without compensation; 3) In case of cash compensation, the existing gas pipeline, cable TV, etc. will be compensated for at the prevailing rates.	
5	Transition subsidy	For the resettlement mode of property swap only, rate to be fixed by the district government	

7) Non-residential properties on state-owned land

House compensation: The compensation for the value of an acquired house will not be less than the market



price of similar houses on the date of the acquisition announcement. The value of the acquired house will be appraised by a qualified real estate appraisal agency.

For illegal buildings built before the project cut-off date, the compensation will be on the basis of the market price of building materials; For illegal buildings built after the project cut-off date, the compensation will be negotiated.

If a residential house is converted into a business property or other non-residential property without approval by the planning or land and resources authority, it will be appraised when the house were converted into business. If it was converted after cut-off date, it will be compensated for as a residential house; if it was converted before cut-off date but without lawful license, the proprietor can ask for compensation in accordance with one of the three forms there: 1. the tax payment; 2. independent appraisal; and 3. Bilateral negotiation.

Compensation for losses from production or business suspension: The acquirer will compensate for losses from production or business suspension arising from the acquisition of houses on state-owned land. Such compensation will be 6% of the appraised value of the house in case of cash compensation, or 5% of the appraised value of the house per month in case of property swap; the suspension period will be the actual transition period, and if the suspension period is extended, such compensation will be increased by 5% of the appraised value of the house per month from the overdue month. Before the range of acquisition is published by the acquirer, the compensation rate for organizations or individuals using the acquired house for production purposes may be increased appropriately, but not more than 50%.

As indicated, the appraiser will evaluate the properties based on the actual realities and the market price independently and then, get the compensation amount for production or business suspension. In case unacceptable for the property owners, he/she is able to ask for re-calculating the compensation for business loss in accordance with one of the other three forms: 1. the tax payment; 2. independent evaluation; and 3. Bilateral negotiation.

See Table 8 for relevant rates of other subsidies.

Agreement-signing reward: If an AH enters into a compensation agreement within the period specified in the acquisition announcement, a one-time reward will be granted at 1,500 yuan/m<sup>2</sup> of building area in case of cash compensation or 1,000 yuan/m<sup>2</sup> of building area in case of property swap.

According to the resettlement IA, the rates of limited rights houses or illegal houses would consider the overall situations, such as the replacement cost of the structure, the year age of the houses and the living conditions etc. Since the land would be acquired and compensated separately, compensation for land would not be reflected in the price of the house, and thus, the prices between houses with fully legal license and limited rights would look different. Therefore, the compensation for illegal buildings: not more than 2,900 yuan/m<sup>2</sup> depending on the cost of structure in different locations.

#### 8) Appraisal on Housing and Asset on State-owned Land

Registration of real estate appraisal agency: After the range of acquisition is determined, the acquirer will disclose the project name, range, number of households, building area, contact information, etc. on the public information website of the municipal land and resources bureau, and qualified local real estate appraisal agencies will be registered with the acquirer within 3 working days after disclosure.

Disclosure and selection of real estate appraisal agency: The acquirer will disclose the list of registered real estate appraisal agencies, their basic information, and deadline for selection (through consultation). The AHs will select a real estate appraisal agency by the deadline, and notify it to the acquirer in writing for disclosure.

Selection of real estate appraisal agency by voting: If no real estate appraisal agency is selected through consultation, one will be selected by voting. Not less than 50% of all AHs should be involved in voting. The appraisal agency selected by over 50% of the voting AHs will be selected as the appraisal agency for the Project. The acquirer will notify the AHs of voting 3 days in advance. If no appraisal agency is selected by voting, one will be selected by lot drawing, etc. Voting will be conducted in the presence of a notary, and each AH will have one vote.

Determination of real estate appraisal agency and contract signing: After the real estate appraisal agency is determined, the acquirer will notify it in writing, and enter into a written contract with it. The appraisal agency should not transfer the appraisal task.

After the acquisition announcement is issued, the acquirer will disclose the appraisal results to the AHs for 7 days. After disclosure and correction, the real estate appraisal agency will submit an appraisal report for each AH, which will be sent to each AH timely. If an AH has an objection to the appraised value of its acquired house, it may apply for review.

#### 9) Supporting measures for vulnerable groups

a) Priority in employment: Vulnerable population able and willing to work will have priority in receiving jobs under the Project or public welfare jobs offered by the county government.

b) Skills training: Vulnerable population able and willing to work will receive skills training on house-keeping, computer, animal husbandry, etc. in order to become employed.

c) Social security: Eligible vulnerable residents (e.g., the disabled and low income residents) affected by the Project will be included in the local Minimum Living Standards(MLS) system and receive an MLS benefit monthly.

d) Assistance in relocation: Vulnerable population with almost no ability to work will be provided assistance in relocation by agencies concerned and village collectives, including furniture relocation, new house cleaning, etc.

#### e) Special urban groups affected by HD

1) Any AP or a family member living together with the AP will be subsidized as follows:

- Subsidy for serious diseases: 30,000 yuan per household, paid at a time, for hypertension, cardiac diseases, cerebrovascular diseases, liver cirrhosis, tuberculosis, cancer, diabetes, mental diseases, Alzheimer's disease, Parkinson's disease, AIDS or other serious diseases
- Subsidy for disability: not more than 30,000 yuan per household, paid at a time
- Combatants, households of revolutionary martyrs and servicemen, etc.: by reference to the subsidy rates for serious diseases or disability
- For an AH that has more than one of the above situations: not more than 30,000 yuan

2) If an AH has two or less members, and its house's building area is less than 35 m2, cash compensation or property swap for 35 m2 will be granted; if an AH has three or more members, and its house's building area is less than 45 m2, cash compensation or property swap for 45 m2 will be granted.

3) If an AH with difficulty eligible for urban MLS is relocated, it may apply for an MLS benefit from the local civil affairs authority within one year after compensation.

#### 10) Supporting measures for women

All women affected should have the same participation rights as men in the project. Women's opinions will be collected and considered in surveys on LA and HD; women will enjoy the same rights in future LA and HD compensation. The jobs generated at the construction and operation stages will be first made available to women willing to take these jobs. Women will also be entitled to local employment training and recommendation.

The RAP should include an entitlement matrix for the APs, as shown in Table 10.

<b>Table 10 Entitlement Matrix of impact</b>	<b>Degree of impact</b>	<b>Affected population</b>	<b>Resettlement mode</b>	<b>Compensation rates</b>
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Permanent LA	**mu	** households with ** persons in ** villages, ** towns	1)Livelihood Restoration Measures to take; 2)Cash compensation; 3) Endowment insurance; 4) Employment; 5) Skills training	According to the Rules for the Implementation of LA Compensation and Resettlement of Jiulongpo District, land compensation is 18,000 yuan/mu and resettlement subsidy 38,000 yuan per capita;  According to the municipal policy, LEFs may apply for basic endowment insurance for LEFs.
Temporary land occupation	**mu	** households with ** persons in ** villages, ** towns	Cash compensation	Demolished ground attachments will be compensated for at replacement cost, or restored to the original standard and size by the construction agency under the construction budget.
Demolition of rural residential houses	**m <sup>2</sup>	** households with ** persons in ** villages, ** towns	1)Principle of Replacement Cost 2)Cash compensation; 3) Self-construction; 4) Property swap	As per the Rules for the Implementation of LA Compensation and Resettlement of Jiulongpo District  Show available sources or reference of existing houses in the district to convince it is adequate to replace with the compensation.
Demolition of rural non-residential properties	**m <sup>2</sup>	** enterprises, ** stores and ** individual businesses with ** persons in ** villages, ** towns	1)Principle of Replacement Cost 2)Cash compensation	The same as above
Residential houses on state-owned land	**m <sup>2</sup>	** households with ** persons in ** communities, ** sub-districts	1)Principle of Replacement Cost 2) Cash compensation 3) Property swap	As per the Notice of the Chongqing Municipality on the Measures of Collection and Compensation of Houses on State-owned Land (Provisional) (CMG [2011] No.123), Measures of Chongqing Municipality for the Determination of Housing Price Assessment in the State-owned Land (Provisional), and Compensation of Chongqing Municipality for the Shutdown Loss of the Houses on the State-owned Land (Provisional), and Rules for the Implementation of House Acquisition and Compensation on State-owned Land of Jiulongpo District (JDG [2016] No.33)  In case of Cash compensation, market price evaluation by independent third party should

				be implemented. And, show available sources or reference of existing houses in the district to convince it is adequate to replace with the compensation.
Non-residential properties on state-owned land	**m <sup>2</sup>	** enterprises and ** stores with ** persons in ** communities, ** sub-districts	1) Principle of Replacement Cost 2) Cash compensation	The same as above

## F. Organization

The district land acquisition bureau is responsible for the land acquisition and house demolition on the rural collective land, while the district house management bureau is responsible for the house demolition on the urban land.

The Project IA and the local government of Nan'an District take charge of preparing the RPF and the RAP mainly, and will be responsible for internal monitoring on the project resettlement implementation. The Chongqing PMO will supervise the project implementation and an independent M&E agency will be assigned to conduct external M&E, according to the requirement of the World Bank to assure the RPF could be successfully met.

The resettlement-implementing agency shall apply for and get the property ownership certificate for those households choosing property swap.

## G. Implementation Procedure

The detail arrangement of the resettlement activities will be included into the RAP.

After the approval of the project and the determination of the project scope of, the district house management bureau shall conduct detailed measurement survey about house ownership, location, purpose, building area, and so on and so forth. The results of the survey should be published.

The district house management bureau shall formulate a plan for the compensation and resettlement, which shall be reviewed and approved by the people's government of the district. The district house management bureau shall be responsible for the funds and property swap houses. The collection of funds shall be fully in place 7 days prior to the date of collection.

After the people's government of the district makes a decision on the land acquisition and house demolition, it shall make an announcement for five working days.

The relevant government departments shall, in accordance with the local laws and regulations, help the AHs to deal with Hukou change, mail and telephone transfer, water and power cut, and school transfer.

The project civil work should not start until the contracts with APs are signed and compensations are paid.

## H. Grievance Mechanism

The project grievance procedures will be set up in the RPF to fairly deal with the complaints of the affected persons about land acquisition, compensation and rehabilitation and to avoid the complaints from the affected persons due to the too complicate procedures.

During LA, HD and resettlement, the following measures shall be taken to reduce grievances and appeals: 1) The implementing agencies and the local governments will give extensive publicity to the LA, HD and resettlement policies in such forms as meeting, discussion and door-to-door survey so that the APs can understand the LA, HD and resettlement policies and principles, and compensation rates; 2) Disclose information on LA and HD losses, resettlement agreements, compensation fee disbursement, the construction

progress of resettlement housing, and the resettlement agencies through mass media and bulletin boards to accept public supervision; 3) Strengthen communication and consultation with the APs. The implementing agencies and the local governments will listen to the APs' comments and requirements carefully, conduct honest communication and consultation with them, help them solve difficulties and problems encountered during resettlement, and meet their reasonable requirements where possible.

During preparation and implementation of the RAP, consistent attention will be paid to the participation of the APs and the affected entities, and an appeal mechanism established. If any AP is dissatisfied with any compensation arrangement or thinks that he/she is treated unfairly or unreasonably during resettlement, he/she may seek a solution through the appropriate procedure, or do not necessarily follow the procedure and directly seek a solution through any stage.

The procedure shows as follows:

Stage 1: If any AP is dissatisfied with the RAP, he/she can file an oral or written appeal to the community committee or village, which shall make a disposition within two weeks.

Stage 2: If the AP is dissatisfied with the disposition of Stage 1, he/she may file an appeal to the township government or sub-district office orally or in writing. In case of an oral appeal, the township government or sub-district office shall handle such appeal and keep written records. Such appeal should be solved within two weeks.

Stage 3: If the AP is still dissatisfied with the disposition of Stage 2, he/she may file an appeal to the county land and resources bureau or HD management office after receiving such disposition for arbitration, which shall make an arbitration award within four weeks.

Stage 4: If the AP is still dissatisfied with the arbitration award, he/she may file a suit in a civil court in accordance with the Administrative Procedure Law of the PRC after receiving such judgment.

In addition, if an AH or the acquirer has an objection to the appraisal result, it may apply for review with the appraisal agency within 10 days of receipt of the appraisal result; if it has an objection the review result, it may apply for verification with the appraisal expert committee within 10 days of receipt of the review result. If the AH is dissatisfied with the verification result, it may apply for administrative reconsideration or bring a suit according to law.

Except for the ways of grievance appealing described above in resettlement of both rural and urban area, the APs can also be able to submit grievances to the local authorities (township government/sub-district government or higher level) and PMO during construction. The local authorities and PMO will develop a system for documenting and tracking complaints raised by the APs of the project. All grievance will be reviewed by the resettlement monitoring agency during the project monitoring period.

## **I. Fund Arrangement**

The local county and district government should bear all costs related to LA and resettlement. Any RAP consistent with this RPF must include estimated costs and a budget. Whether identified as APs at the RAP preparation stage or not, and whether sufficient funds are available or not, all those adversely affected by land acquisition and house demolition are entitled to compensation or any other appropriate relief measure. For the above reason, the budget in the RAP should include contingencies, which are usually 10% or more of the estimated resettlement budget in order to cover contingent resettlement costs.

The compensation rates specified in the RAP provide a basis for the calculation of compensation fees for resettlement, which should be fully paid to individuals or collectives losing land or other assets, and should not be deducted for any reason. The RAP should describe by what means compensation fees are paid by the project to the affected villages or villagers. A rationale is that the fund flow should be as direct as possible with minimum intermediate links.

## **J. Public Consultation and Information Disclosure**

The sub-project IA must establish the consultation mechanism participated by the public in the project area.

The RAP must introduce the measure adopted or to be adopted to the affected persons, so that the affected persons could take part in proposed resettlement activities to improve their participation consciousness in improving or recovering income level. In order to assure that the opinions and suggestions of the affected persons could be considered fully, the public participation activity should be implemented prior to the project design and mitigating measure implementation. The public participation activity must run through whole implementation process of the RAP and the external monitoring.

In the stage of RAP draft and final RAP, the PMO should release the RAP to the affected persons and the public in special spot. The RAP draft must be released in a month before evaluated by the World Bank, and the final RAP must be released after approved by the World Bank.

The project IA will implement the public engagement and consultation procedure in the project area. The specific measures proposed by the resettlement plan, including resettlement area, compensation policy, compensation standard, measures for restoring production and living standard, etc., will be widely recognized by the affected population before it is approved and implemented. The RAP will describe all measures taken or to be taken, involve the APs in the proposed resettlement arrangements, and foster the sense of participation in livelihood and living standard improvement or restoration activities. To ensure that the APs' opinions and suggestions are fully considered, public participation should be prior to project design and the implementation of resettlement relief measures. Public participation must run through the whole RAP planning, implementation and external monitoring process.

The affected population will participate in the whole process from the preparation to implementation of the resettlement plan. During the preparation of the RAP, the APs' expectations must be fully respected, and their needs and suggestions should be reflected to the design agency timely; the socioeconomic profile of the project area should be learned; the APs should be consulted on LA and HD compensation rates and resettlement policies; issues arising from resettlement should be solved in consultation with the APs. To achieve this purpose, a public meeting will be held before preparing the resettlement plan to inform the general public of this resettlement policy framework. The local government will help the affected households or non-residential units understand the compensation standards and their options specified in the resettlement plan.

At the RAP drafting and finalization stages, the PMO and owner should also disclose the RAP to the APs and the public at certain places of the project site and in certain languages. The final RAP must be disclosed again after acceptance by the Bank. According to the Nan'an PIU, the RAP and SIA were reported on a local website on 9<sup>th</sup> May 2018, and the RPF was disclosed on the website on 11<sup>th</sup> May 2018.

During project preparation, this RPF was disclosed on \*\*\*\*\* in the project area to collect comments from the APs.

## **K. Monitoring & Evaluation**

Chongqing PMO and the sub-project IA will supervise and monitor the implementation of the resettlement to be implemented as planned in RAP as well as resettlement already completed covered by Due Diligence Report. Supervision and monitoring results will be recorded in 6-monthly reports for submission to the Bank.

Internal monitoring and supervision:

- Check implementation, including checking the baseline information, valuation of asset losses, and the implementation of compensation, resettlement and restoration rights according to the RPF, DDR and the RAP.
- Monitor if the RAP is implemented as designed and approved.
- Monitor if there are any grievances or complaints regarding the completed resettlement as reviewed in DDR. And ensure those grievances and complaints are managed in line with the policy of OP4.12.
- Check if the funds for RAP implementation are appropriated timely and fully, and if such funds are used in a manner consistent with the RAP.
- Record all appeals and their solutions, and ensure that appeals are handled timely.

Independent external monitoring: Chongqing PMO will appoint an independent agency through public bidding to perform period external M&E on the implementation of the RAP. Such agency may be an academic or independent consulting firm, but must have qualified and experienced staff, and their terms of reference must be accepted by the Bank.

In adaptation to the internal supervision information and monitoring reports checked, the external M&E agency will perform a sampling survey (sampling rate: over 20%) after 6 months of implementation of the RAP. The main objectives are:

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

## L. Annex: Summary of Nan'an DDR

### 1. Project Background

#### 1.1. The Nan'an Sub-project

The government of Nan'an district applied for the World Bank loan to carry out the urban renewal, which aims to realize the renewal of the old community and enhance the vitality of the public space; improve the chronic system and the transportation connections; improve the infrastructure and environmental hygiene; strengthen the response to climate change and relieve urban heat island effect; and enhance community management and maintenance capabilities.

Table 1-1 Components of Nan'an Subproject

Component	Description	
Old Community Renewal	Upgrading of public facilities, street facilities, and water supply and drainage pipelines for 268 residential buildings in 10 communities in 3 sub-districts	
Public Space Renewal	Infrastructure upgrading of 3 parks or squares with a total area of 7.92ha	
	Infrastructure upgrading squares as Nanping Public Square and Huigonglu Square with a total area of 4.25ha	
	Utilization of open space with a total area of 20ha, including the area under Dafosi Bridge	
Urban Slow Traffic System Renewal	Improvement of 29 slow traffic footpaths	
	Facility improvement of 16 mountain climbing footpaths	
	Supporting Roads	Hugui Road
		Tushan Branch Road
Longhuang Road		
Urban Planning and Management Research, and Capacity Building		

#### 1.2. Resettlement

For the component of traffic system renewal, 3 roads were proposed to include: Hugui Road, Longhuang Road and Tushan Branch Road. All the three roads were designed to build in accordance with the urban renewal and development, no matter financing with World Bank or domestic fund; therefore, work like preliminary assessment or resettlement of the roads were started even earlier than World Bank involvement. For instance, the Hugui Road and another part of Longhuang Road broadening where LA and HD were approved in September 2016 and March 2016 respectively. As of the date of the report, the main phases of the resettlement implementation, such as public consultation, publicity of compensation policy, asset appraisal



and its publicity, contracts signing and notice on the payment had almost finished, and it was already in the final stages of the resettlement (74 percent of the compensation has already paid). And thus, resettlement to be implemented of Tushan Branch Road and the broadening part of Longhuang Road is described in the Resettlement Action Plan, whilst for the resettlement implemented in recent three years at the Hugui Road and part of the Longhuang Road Broadening, a Due Diligence Report was prepared and is herein presented .See Table 1-1 for criteria of reports to deliver.

Table 1-1 Criteria of Reports

Road component	Resettlement Stage	Resettlement Project Approval	Resettlement Policy and Standard Approval and Disclosure	Implementation Commencement	Report
<b>Longhuang Road</b>	Resettlement implemented in other project	Mar-16	July-August 2016	Aug-16	DDR
	Resettlement to be implemented	RAP Preparation			RAP
<b>Tushan Branch Road</b>	Resettlement to be implemented	RAP Preparation			RAP
<b>Huguilu</b>	Resettlement implemented	Sep-16	Jun-17	Jun-17	DDR

The completed LA and HD process of Hugui Road and part of Longhuang Road Broadening that this Due Diligence Report is going to review were separately conducted under 2 plots, namely, the “Chongqing Medical Technical School Plot Slum Reconstruction HD Task” (hereinafter, “CMTS HD Task”), and part of “Longdongtian Area Reconstruction HD Task” (hereinafter, “Longdongtian HD Task”). See Table 1-2. The project areas of the three WB roads are part of the relative “Task”. Since it was difficult to get the exact data of WB project part, the DDR included the description of all the impacts and resettlement.

Table 1-2 HD Progress of the Components

Subcomponent	Task	HD implementation
Hugui Road Construction	CMTS HD Task	This task began in June 2017. The acquisition of residential houses has been largely completed, but that of non-residential properties is underw, including one households, 1 school, and 16 stores.
Longhuang Road Broadening	Longdongtian HD Task	This task began in July 2016, and has been largely completed except 5 households, all of which are outside the planned red line of the Longhuang Road Broadening.

### 1.3. Scope of Work for the Due Diligence Review

- Approval process of the Subproject
- HD policies, rates and implementation
- House appraisal process
- Affected residential houses, agreements, fund disbursement, etc.
- Basic information on resettlement houses
- Affected entities and stores, compensation and restoration
- Affected infrastructure, compensation and restoration
- Affected vulnerable groups and preferential policies
- Operating efficiency of the organizational structure
- Public participation and consultation
- Grievance redress mechanism

## 2. **Organizational Structure**

During HD and resettlement: 1) The Danzishi and Haitangxi Housing Administration Offices had fixed offices, and a specialized and experienced workforce; their staff was proficient in HD work and regulations, and was able to implement relevant policies properly; 2) The members of the IAs and owners were from government agencies concerned, and could play a good coordinating role in HD and resettlement.

## 3. **Legal Framework for Resettlement Implementation**

The law and policies applied in the resettlement were listed as Table 3-1.

Table 3-1 Applicable Laws and Policies

Level	Policy	Effective date
State	Land Administration Law of the PRC	2004-8-28
	Regulations on Public Hearing on Land and Resources (Ministry of Land and Resources)	2004-5-1
	Real Right Law of the PRC	2007-3-16
	Law on Urban Real Estate Administration of the PRC (Decree No.72 of the President of the PRC)	2007-8-30
	Regulations on the Acquisition of Houses on State-owned Land and Compensation (SC [2011] No.590)	2011-1-21

Chongqing Municipality	Measures of Chongqing Municipality for the Transfer of the Right to Use State-owned Construction Land (CMG [2008] No.119)	2008-11-19
	Regulations of Chongqing Municipality on Land and House Ownership Registration (Decree [2012] No.15 of the Standing Committee of the Municipal People's Congress)	2012-10-1
	Measures of Chongqing Municipality for the Acquisition of Houses on State-owned Land and Compensation (Interim) (CMGO [2011] No.123)	2011-5-5
	Measures of Chongqing Municipality for the Determination of Appraisal Agencies for Acquired Houses on State-owned Land (Interim) (CMGO [2011] No.123)	2011-5-5
	Measures of Chongqing Municipality for Compensation for Losses from Production or Business Suspension in the Acquisition of Houses on State-owned Land (Interim) (CMGO [2011] No.123)	2011-5-5
World Bank	Bank policy OP4.12 Involuntary Resettlement and Appendix A	2002-1-1

The HD and resettlement was based on the national and Chongqing Municipality for the Acquisition of Houses on State-owned Land and Compensation (Interim), Compensation Program for CMTS Plot Slum Reconstruction, Detailed Subsidization Rules for CMTS Plot Slum Reconstruction, Compensation Program for Houses on State-owned Land Acquired for Longdongtian Area Reconstruction, Compensation Program for Directly Managed Public Houses on State-owned Land Acquired for Longdongtian Area Reconstruction, and Detailed Subsidization Rules for Acquired Houses on State-owned Land. These policies have been developed by the Chongqing Municipal Government and NDG in accordance with Land Administration Law of the PRC, the Administrative Regulations of the PRC on Urban House Demolition, etc., and based on the practical situation of Chongqing Municipality and Nan' an District.

The same preferential policy for special groups applies to the 2 subcomponents:

- 1) Any AP or a family member living together with the AP will be subsidized as follows:
  - Subsidy for serious diseases: 30,000 yuan per household, paid at a time, for hypertension, cardiac diseases, cerebrovascular diseases, liver cirrhosis, tuberculosis, cancer, diabetes, mental diseases, Alzheimer's disease, Parkinson's disease, AIDS or other serious diseases
  - Subsidy for disability: not more than 30,000 yuan per household, paid at a time
  - Combatants, households of revolutionary martyrs and servicemen, etc.: by reference to the subsidy rates for serious diseases or disability
  - For an AH that has more than one of the above situations: not more than 30,000 yuan
- 2) If an AH has two or less members, and its house's building area is less than 35 m<sup>2</sup>, cash

compensation or property swap for 35 m<sup>2</sup> will be granted; if an AH has three or more members, and its house's building area is less than 45 m<sup>2</sup>, cash compensation or property swap for 45 m<sup>2</sup> will be granted.

Based on the national and Chongqing local policies and regulation, a comparison has been undertaken between the national/local and World Bank OP4.12. As result, it indicates that the key items stipulated in OP4.12 were basically applied in the resettlement experienced of the proposed World Bank project. See for detail application assessment.

Table 3-2 Gap Analysis between National/Local Policies and OP4.12/WB

Key Items	Chinese Policies and Practices	OP4.12/WB	Gap Analysis
Objectives	Ensure the land acquisition and house demolition would not affect the project schedule and the implementation would not trigger big social conflicts.	Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.	<p><b>Compliant</b></p> <p><i>1. Resettlement in urban areas was normally complicated and expensive, therefore, the PIU had made tremendous efforts to avoid resettlement, which was consistent with the OP4.12 in avoiding or minimizing the resettlement. For example, the PIU had adjusted its design at the conjunction point of Hugui road and Nanbin road to avoid affecting the power control room which is controlling the all lighting work of Nanbing road.</i></p> <p><i>2. The affected people were entitled to enjoy cash compensation based on market price appraisal or property swapping with equal house size.</i></p> <p><i>3. Since no land to allocate in urban area, affected people were all enjoying the policies of social endowment insurance and employment supporting measures after land acquisition, which ensured the livelihood would not be</i></p>

			<p><i>decreased, which was consistent with the OP4.12.</i></p> <p><i>4. It was considered that adequate measures were made to ensure PAPs' living standards would be not decreased, or even better, which was consistent with the OP4.12 in safeguard policy of livelihood restoration.</i></p>
Compensation Measures and Practices	<p>For Land Acquisition (LA), cash compensation was the popular measure to take in resettlement. Meanwhile, social insurance and employment supporting policies were deployed in parallel. Land adjustment and agricultural development measures after LA were also popular measures in areas where land resources were rich, but in urban areas, it was not implemented broadly.</p> <p>For House Demolition (HD), cash compensation, self-construction with provided house plots and property swapping in provided replacement apartments were the key measures. However, in urban area, self-construction with provided house plots was not recommended due to city development planning. Price for cash compensation was normally following the result of market evaluation with independent agency, hence, the compensation would be adequate for affected household to restore. Or, if people were not satisfied with the price, they could take the option for swapping with same house area to the centralized apartments where normally were</p>	<p>Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. .</p> <p>If land is not the preferred option of the displaced persons, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost.</p> <p>Payment of cash compensation for lost assets may be appropriate where ... (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing ... Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.</p>	<p><b>Compliant.</b></p> <p><i>There was no LA issue since all land were state-owned from long time ago.</i></p> <p><i>For HD, market evaluation with independent third parties were conducted. According to the Evaluation Measures for House Acquisition on State-owned Land (Decree 77 (2011) of Jianfang), the time for the appraisers to evaluate the house asset should be the date of disclosure of House Acquisition Approval (Article 10). The appraisers should evaluate the market price of the acquiring houses (Article 2). The appraiser should consider the elements of house location, usages, structures, ages of year, size of both house and land and land rights during the</i></p>

	located in places with better infrastructure and public service.		<i>operation of evaluation (Article 14). Therefore, the compensation would be the reflection of replacement cost at the time of displacement. Otherwise, if people were not satisfied with the price, they could go for the option of property swapping with a replacement house. And thus, the OP4.12 has been applied, since the two options were fully free to choose for the AHs.</i>
Information Disclosure and Public Participation	<p>Policies required to respect public options during the resettlement. For example, the project should disclose the permitting documents in public. The approved compensation and resettlement plan should be also disclosed in public. Public hearings should be carried out before resettlement was physically launched.</p> <p>The compensation statement should be publicly disclosed so that affected people could verify their land or assets that acquired by the project.</p>	<p>The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are:</p> <ul style="list-style-type: none"> <li>• informed about their options and rights pertaining to resettlement;</li> <li>• consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives</li> </ul>	<p><b>Compliant</b></p> <p><i>Information disclosure and consultation procedures were implemented. As regulatory requirements, key project documents, such as the project approval documents, the compensation and resettlement policy for the project were disclosed publicly.</i></p> <p><i>During implementation, the selection of house price appraisers was also conducted under the way of public consultation.</i></p> <p><i>For example, (1) in Hugui Road, the selection of house appraiser involved 101 out of 175 AHs, a appraiser obtained 83 votes was</i></p>

			<p><i>selected. (2) also in Hugui road, the AHs participated into the process of house price appraisal. The appraised price was adjusted after got more than 88 AHs of complaints. (3) In Longhuang road, a small part of AHs also participated in the price appraisal process by raising written grievance. Due to just small part, not reached 50% of the AHs which was the regulated standard to feedback to the public for their grievance, no written feedback was provided; however, the Haitangxi housing management bureau and the appraiser had formal explain to the public and get the appraised price re-disclosed.</i></p> <p><i>RAP and RPF were disclosed on public website on 9<sup>th</sup> May 2018.</i></p> <p><i>A summary of this DDR will be also disclosed as part of the final revision of the RAP on World Bank website.</i></p>
Policy for Women and Vulnerable Group	<p>The policies required the resettlement should be implemented in transparent and justified way.</p> <p>No specific measure was set out for the implementation agency as mandatory requirements in Women and vulnerable group part.</p>	<p>To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other</p>	<p><b>Compliant</b></p> <p><i>If an AH has two or less members, and its house ' s building area is less than 35 m<sup>2</sup>, cash compensation or property swap for 35 m<sup>2</sup> will be</i></p>



		displaced persons who may not be protected through national land compensation legislation.	<p><i>granted; if an AH has three or more members, and its house's building area is less than 45 m<sup>2</sup>, cash compensation or property swap for 45 m<sup>2</sup> will be granted.</i></p> <p><i>Some other preferential policies were also implemented, for example, supporting vulnerable people to relocate; if families whose per capita income was lower than 500yuan/month, they would be covered by the policy of lowest livelihood insurance. Provided subsidy for AP with serious diseases and disabilities.</i></p>
Monitoring	Resettlement would be managed by the Land Resources Bureau (LRB) and House Management Bureau (HMB), and be monitored by the PIU internally.	The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy.	<p><b>Compliant</b></p> <p><i>According to the national police, the resettlement was managed by the Bureaus and monitored by the PIU internally at that time, and it would be covered by external monitoring under OP4.12 in the next.</i></p>
Grievance Redressing	The Bureaus would establish dedicated offices on the resettlement sites to manage the grievances. After resettlement, complainants, if any, still could raise grievances through township government/sub-district government.	<p>The project should establish appropriate and accessible grievance mechanisms for PAPs.</p> <p>The grievances could be collected through the existing official channel, but also could be collected through other diversity ways, for example, the PIU, construction contractors, the</p>	<p><b>Compliant</b></p> <p><i>The grievances were managed through the local normal management way which was implemented in other projects, which were said working effectively in local and without any</i></p>

	Complainants were also entitled to raise grievances through the national legislation appealing process in any time.	resettlement monitoring agency or World Bank.  The grievance redressing process should be documented properly.	<i>resettlement legacy issue remaining to date. The grievances will also be monitored during the external monitoring under OP4.12 in the next.</i>
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The objective of the resettlement policies of the Subproject was to minimize HD impacts and resettle the APs properly. For affected assets, NDG and competent authorities developed preferential policies, giving full consideration to special cases, and paying particular attention to the seriously ill land the disabled. For AHs without a sufficient housing size, minimum guarantee sizes were established, and necessary assistance offered.

In sum, the resettlement policies of the Subproject comply not only with the applicable PRC laws, regulations and policies, but also with the Bank’s policy on involuntary resettlement.

#### 4. Review of HD and Resettlement

From November to December 2017, the DDR survey team held many FGDs on HD and resettlement, and referred to relevant literature.

##### 4.1. HD Impact

##### 4.1.1. CMTS HD Task

Residential houses of 7,390.54 m<sup>2</sup> were demolished for the CMTS HD Task, affecting 175 households with 464 persons, in which 174 households with 462 persons were resettled. The total HD area of the AHs that resettled was 7,346.71 m<sup>2</sup>, involving 174 households with 462 persons, in which 103 households choose cash compensation and 71 choose property swap, with a total resettlement housing size of 6,333.6 m<sup>2</sup>, and a house price difference of 3.592 million yuan.

Table 4-1 Schedule of CMTS Plot Slum Reconstruction

	Total	Completed	Progress	Ongoing
HD area (m <sup>2</sup> )	7390.54	7,346.71	99.4%	43.83
AHs	175	174	-	1
APs	464	462	-	2

The CMTS HD Task affected 6 entities with a total HD area of 11,649.58 m<sup>2</sup>, in which agreement was reached with 5 of them and one was under negotiation. And 20 stores with a total HD area of 2,333.83 m<sup>2</sup>, in which agreement was reached with 4 of them and the rest 16 are under negotiation. As of April 2018, there were one school and 16 stores under negotiation without entering into an agreement.

##### 4.1.2. Longdongtian HD Task

Part of the range of the Longdongtian HD Task belonged to Longhuang Road Broadening. Since the HD range of Longhuang Road Broadening could not be defined clearly, it was described as a whole in this section.

Residential houses of 13,160.49 m<sup>2</sup> was demolished for the Longdongtian HD Task, affecting 333 households with 818 persons, in which 328 households with 799 persons was resettled. See Table 4-11.

Table 4-2 Progress of the Longdongtian HD Task

	Total	Completed	Progress	Ongoing
HD area (m <sup>2</sup> )	13,160.49	12,810.21	97.34%	350.28
AHs	333	328	-	5
APs	816	799	-	19

The total HD area of the AHs resettled was 12,810.21 m<sup>2</sup>, involving 328 households with 799 persons, in which 279 households chose cash compensation and 49 chose property swap, with a total resettlement housing size of 3,933.17 m<sup>2</sup>, a total amount of compensation of 144 million yuan.

The Longdongtian HD Task involved the demolition of a non-residential property, namely former Chongqing No.2 Construction Machinery Factory (now owned by Nan'an District Land Reservation Center). HD and resettlement were completed, with an HD area of 2208.00 m<sup>2</sup>.

Some directly managed public houses of 5,851.00 m<sup>2</sup> were also demolished in the Longdongtian area, affecting 166 tenant households with 381 persons, all of the affected households and persons were resettled in which 137 households choose cash compensation and 29 choose property swap with 66.1612 million yuan paid in compensation.

#### 4.2. Compensation and Resettlement

Cash compensation and property swap were applied for the impact of HD on state-owned land.

##### 4.2.1. Cash Compensation

The cash compensation rates were determined through market appraisal by independent third parties in line with the Evaluation Measures for House Acquisition on State-owned Land (Decree 77 (2011)).

In addition, AHs with special housing difficulties were subject to the minimum guarantee size policy, where if an AH had two or less members, and its house's building area was less than 35 m<sup>2</sup>, cash compensation or property swap for 35 m<sup>2</sup> would be granted; if an AH had three or more members, and its house's building area was less than 45 m<sup>2</sup>, cash compensation or property swap for 45 m<sup>2</sup> would be granted. The policy ensured that AHs subject to cash compensation would obtain houses large enough for resettlement.

At CMTS HD Task, a residential house that was converted into a commercial property would

be compensated for as follows: House compensation: If a residential house was converted into an operating or other non-residential property without approval by the planning, or land and resources authority, it would be compensated for through appraisal.

Compensation for losses from production or business suspension: If the affected entity or store was in operation lawfully before the release of the acquisition announcement, and could provide relevant tax payment records, it would receive compensation for losses from production or business suspension in full according to the policy; if it was unable to provide relevant records but was actually in operation, one-time compensation for losses from production or business suspension were granted at 80%. Besides, moving subsidy at a rate of 30yuan/m<sup>2</sup> each time were provided to business and office houses, and 40 yuan/m<sup>2</sup> each time for production houses. If relocated in the required date, additional 20 yuan/m<sup>2</sup> per day were provided.

#### 4.2.2. Property Swap

In case of property swap mode, the project owner offered several resettlement communities for AHs to select. All resettlement communities had a better living environment, better supporting facilities and more convenient traffic, and living costs remained almost unchanged.

#### 4.3. Assessment

The HD compensation and resettlement policies and procedures of the Subproject comply with the applicable laws and policies of the state and Chongqing Municipality, and the compensation rates are sufficient for replacement, and thus, also consistent with the Bank's policy on involuntary resettlement.

Compensation for affected residential houses and non-residential properties had been paid timely and fully, and the disbursement procedure was transparent and effective.

A preferential policy had been developed for vulnerable groups to ensure that their housing conditions were not affected adversely by the Subproject.

### **5. Public Participation and Grievance Redress**

The Tasks were conducted with the legal requirement way. For example, the project went through the permitting process as legal required, disclosed the related documents and also conducted public participation as regulation policy. The major grievances that the PAPs complained the appraised compensation rate was inadequate was fed back by the PIUs of the both components, especially in CMTS HD Task, the price was re-assessed and adjusted in the end.

During resettlement, no lawsuit arising from resettlement occurred. The DDR survey team

considered that the public participation and grievance redress mechanisms of the Subproject played a good role.

## 6. Resettlement Satisfaction Survey

During November 2017 to January 2018, the DDR survey team held FGDs and conducted in-depth interviews with main stakeholders, including local officials, staff members, APs, etc. 22 Affected persons were interviewed.

Table 6-1 Result of Satisfaction Survey

Co.	Location	Interview (HHs)	Compensated timely and fully? (Y/N)		Any Unsolved Issues (Y/N)		Feeling		
			Y	N	N	Y	Quite Better	Better	Bad
1	Yiyun Meishe	3	3	0	3	0	3	0	0
2	Yangguan Xinyue	4	4	0	4	0	4	0	0
3	Jiangnan Xiangjun Community	6	6	0	6	0	5	1	0
4	Panlong Garden (Phase 2)	5	5	0	5	0	3	2	0
5	Jiangnan Lijing Garden	5	5	0	5	0	3	2	0
Total		23	23	0	23	0	18	5	0

All affected people survey received payment timely and fully. For those who chose to resettle in replacement sites, they moved into the replacement sites after December 2015 to May 2017. There were no legacy issues unsolved. All people expressed their living condition was better than before, of which 18 felt quite better. The AHs were satisfied with the DMS and resettlement policy, and think that HD and resettlement would improve their living facilities. In addition, they think that their lawful rights and interests were not infringed; the APs HD experienced good housing restoration.

## 7. Findings and Suggestions

### 7.1. Key Findings

1) Resettlement progress was smooth, and compensation was paid fully.

The Subproject involves house acquisition on state-owned land only. Except few outstanding issues, resettlement progress was smooth in general, and compensation was paid timely and fully.

2) The organizational structure for resettlement was sound, and the staff was experienced.

The organizational structure for resettlement was sound, and the staff was experienced in HD and resettlement through past projects. The resettlement agencies had a regular workforce of 125, fixed offices and office equipment. The staff was proficient in the applicable laws and policies, and could carry through such policies properly. The resettlement agencies conducted file management properly and transparently.

- 3) The resettlement policies were compliance with the applicable state and local laws and policies, and the Bank's policy on involuntary resettlement.

The basic objective of the resettlement policies of the Subproject was to protect the interests of the APs. Some preferential policies were developed for vulnerable groups. Such policies were complied strictly with during implementation.

- 4) Attention was paid to public participation, and the grievance redress mechanism was sound.

During implementation, the IAs attached great importance to public participation and consultation, and disclosed relevant information by various means. The grievance redress mechanism was transparent and effective, and grievances were handled timely and properly.

- 5) Satisfaction with resettlement was high.

Most of the APs affected by HD were resettled properly, and their satisfaction with resettlement was high. The resettlement communities were satisfactory in terms of infrastructure, environment, traffic, social network, etc.

- 6) Remaining issues

The house demolition and resettlement of CMTS HD Task( plot of Hugui Road) was in progress, and one households, 1 entities (CMTS), 16 stores had not been resettled to the end of April 2018.

The proposed WB subproject components in the other two Tasks(plot of Connection Road under Chaotianmen Bridge and plot of Longhuan Road) already finished the resettlement.

## 7.2. Remedial actions during Implementation

The IAs of CMTS HD Task( plot of Hugui Road) should accelerate consultation with the above-mentioned APs, and complete their compensation and resettlement as soon as possible.

Resettlement implemented after May 1, 2017 will be subject to and covered by the external monitoring and evaluation to be implemented as part of the WB project arrangements, based on the OP4.12 objectives and principles focused mainly on four key issues related to compensation, livelihood restoration (LR), public consultation and GRM. To undertake such external monitoring and evaluation additional data collection to complete the initial Due

Diligence will be undertaken during implementation as needed.