Resettlement Policy Framework

People's Republic of China:
Guangxi Rural Poverty Alleviation Pilot Project

Guangxi Foreign Capital Poverty Reduction
Project Management Center
October 2016
Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
<tr>
<td>AHs</td>
<td>Affected Households</td>
</tr>
<tr>
<td>APs</td>
<td>Affected Persons</td>
</tr>
<tr>
<td>AAPV</td>
<td>Average Annual Production Value</td>
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<tr>
<td>AV</td>
<td>Administrative Village</td>
</tr>
<tr>
<td>CRO</td>
<td>County Resettlement Office</td>
</tr>
<tr>
<td>DMS</td>
<td>Detailed Measurement Survey</td>
</tr>
<tr>
<td>DI</td>
<td>Design Institute</td>
</tr>
<tr>
<td>DRO</td>
<td>District Resettlement Office</td>
</tr>
<tr>
<td>EA</td>
<td>Executing Agency</td>
</tr>
<tr>
<td>FS</td>
<td>Feasibility Study</td>
</tr>
<tr>
<td>HD</td>
<td>House Demolition</td>
</tr>
<tr>
<td>IA</td>
<td>Implementing Agency</td>
</tr>
<tr>
<td>LA</td>
<td>Land Acquisition</td>
</tr>
<tr>
<td>LAB</td>
<td>Land Resources Bureau</td>
</tr>
<tr>
<td>LAR</td>
<td>Land Acquisition and Resettlement</td>
</tr>
<tr>
<td>L &amp; RO</td>
<td>County (district) Bureau of Land Resources</td>
</tr>
<tr>
<td>LEF</td>
<td>Landless Farmer</td>
</tr>
<tr>
<td>M &amp; E</td>
<td>Monitoring and Evaluation</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>NDRC</td>
<td>National Development and Reform Commission</td>
</tr>
<tr>
<td>PADO</td>
<td>Poverty Alleviation and Development Office</td>
</tr>
<tr>
<td>AH</td>
<td>Affected Household</td>
</tr>
<tr>
<td>AP</td>
<td>Affected Person</td>
</tr>
<tr>
<td>DRC</td>
<td>Guangxi Development and Reform Commission</td>
</tr>
<tr>
<td>RO</td>
<td>Resettlement Office</td>
</tr>
<tr>
<td>RA</td>
<td>Participatory Appraisal</td>
</tr>
<tr>
<td>RPF</td>
<td>Resettlement Policy Framework</td>
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<tr>
<td>RIB</td>
<td>Resettlement Information Booklet</td>
</tr>
<tr>
<td>SES</td>
<td>Socio and Economic Survey</td>
</tr>
<tr>
<td>SPS</td>
<td>Safeguard Policy Statement</td>
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Units

- m² - square meter
- mu - 666.7 square meters
- km - kilometer
## Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td><strong>Affected Person</strong></td>
<td>People affected by project-related changes in use of land, water or other natural resources</td>
</tr>
<tr>
<td><strong>Compensation</strong></td>
<td>Money or payment in kind to which the people affected are entitled in order to replace the lost asset, resource or income</td>
</tr>
<tr>
<td><strong>Entitlement</strong></td>
<td>Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base</td>
</tr>
<tr>
<td><strong>Income restoration</strong></td>
<td>Reestablishing income sources and livelihoods of people affected</td>
</tr>
<tr>
<td><strong>Resettlement</strong></td>
<td>Rebuilding housing, assets, including productive land, and public infrastructure in another location</td>
</tr>
<tr>
<td><strong>Resettlement impact</strong></td>
<td>Loss of physical and non-physical assets, including homes, communities, productive land, income-earning assets and sources, subsistence, resources, cultural sites, social structures, networks and ties, cultural identity, and mutual help mechanisms</td>
</tr>
<tr>
<td><strong>Resettlement plan</strong></td>
<td>A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation</td>
</tr>
<tr>
<td><strong>Vulnerable group</strong></td>
<td>Distinct groups of people who might suffer disproportionately from resettlement effects</td>
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</table>
A. Project Background and Introduction

1. The proposed project areas to be included in the World Bank (WB) financed Guangxi Rural Poverty Alleviation Pilot Project are 10 counties of Baise and Hechi cities that are located in the Yunnan-Guizhou-Guangxi degraded karst stony area. All 10 counties are national level poor counties, including Tiandong, Tianlin, Leye, Donglan, Bama, Fengshan, Dahua, Du'an, and contiguous and deeply embedded Pingguo County and Yizhou City. At the time the RPF was prepared, the project area was expected to cover 76 townships, 274 administrative villages, 4988 natural villages, 122,811 households and 523,038 persons and a poor population of 338,602 people was expected to benefit from the project. The project will support special industry-based poverty reduction, infrastructure and environment improvement, poverty alleviation industry service and finance, and project management and M&E. The special industry-based poverty alleviation will support the development of featured farming and animal husbandry, agricultural products processing, featured agricultural products packaging and marketing through value chains and operation through farmers’ specialized cooperatives.

2. As some project components will potentially involve land acquisition, a RPF has been prepared prior to project implementation in accordance with WB requirements on project preparation. During November 12-22, 2015, the project preparation technical assistance (PPTA) team visited some of the project counties, and determined the contents, principles and requirements for the preparation of resettlement policy framework. The PPTA team confirmed the scope of work needed to prepare the RPF with Guangxi Foreign Funded Poverty Alleviation Project Management Center (PMC). Yunnan University was engaged by PMC for the relevant document preparation, and this resettlement policy framework was prepared by the consultant from Yunnan University for the project.

3. Guangxi Rural Poverty Alleviation Pilot Project consists of the following components:
   - Component 1: Improvement of Pro-Poor Value Chains. This component includes two subcomponents: a. Cooperative Development Fund (CDF), which will support the existing cooperatives and establishment of new cooperatives; b. Matching Grant for Enterprises (CG), which will provide matching grants to finance enterprise investments, demonstrating linkages
and benefit sharing with poor farmers/households.

- **Component 2:** Improving Public Infrastructure and Services. This component will support the establishment and strengthening of public infrastructure and service systems in support of value chain/key industry development under Component 1. The component includes two subcomponents: a. rural infrastructure; and b. industrialization risk management, including risk assessment and mitigation plan.

- **Component 3:** Enhancing Investment in Poor Areas. This component will improve and facilitate investment in poor areas by existing and new entrepreneurs and business entities (e.g. small and medium enterprises), returned migrant workers and cooperatives. This component includes two subcomponents: a. business incubation centers; and b. improve financing channels for credit rating and rural rights verification.

- **Component 4:** Project Management and M&E. This component aims to strengthen and develop the administrative and technical capacity of staff of the project management offices at the county, prefecture and regional level to manage the project effectively.

**B. Methodology for Preparing of this RPF**

Based on information gathered during the social assessment through participatory consultations, including interviews, questionnaire surveys, focus group discussions, and literature review of documents and records provided by all 10 project counties, and based on the social team’s experts experience, this Resettlement Policy Framework was prepared.

The team also reviewed China’s national and Guangxi regional legal framework for land acquisition and resettlement, and the World Bank’s Operational Policies (OP4.12) guiding land acquisition and resettlement work.

The social team reviewed feasibility study report of the project, and reviewed preliminary project proposals. It is clear that the first round of proposals are all based on existing local competitive products and resources. The project will start with the existing resources, including cash crops such as oil tree, mangos, walnuts, etc., and rural village tourism taking advantage of local clean water and pollution free environment.

After taking stock of local resources and the range of activities that could potentially be invested by the project, the social team made professional judgement based on available information to assess the possible impact project activities will bring to local communities, paying special attention to ethnic minority groups.
C. Principles and Objectives

1. The project will minimize land acquisition and will minimize its impact in cases where LA is unavoidable. In order to do so, any involuntary resettlement work must follow the fundamental principles proposed in this Resettlement Policy Framework. Once the quantities of to-be-acquired land and demolished structures are determined in a project county, a resettlement plan will be prepared for that county according to the policies and procedures specified in this policy framework.

2. This policy framework is prepared for the purpose of ensuring fair compensation and necessary support to the affected persons by project construction, so as to improve or at least maintain their original production level, income level and living standard.

3. The population affected by the project herein refers to the following people:
   (a) Those people whose land are partially or totally, permanently or temporarily acquired by the project;
   (b) Those people whose houses are partially or totally demolished due to project construction;
   (c) Those people whose business activities are partially or totally, permanently or temporarily affected by project construction;
   (d) Those people whose land attachments are partially or totally affected by project construction.

4. In order to achieve the above objectives, this resettlement policy framework has referred to 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 Policy OP/BP4.12 of the World Bank.
   b) The project design will be optimized to minimize resettlement impact. The populous area will be excluded as much as possible, so as to minimize 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 affected people, so as to ensure their living standards restored to previous level.
d) It will be guaranteed that all affected people can receive all due compensations to cover for 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) All project affected persons are eligible to receive compensation for loss of assets/infrastructure and livelihood irrespective of possession of title to the land.

f) 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 increase.

g) Compensation for the demolished structures, specialized facilities and land attachments will be calculated according to the replacement cost. The value of demolished materials cannot be deducted, nor can the depreciation of original property. This means no extra cost will be bore by affected households after completion of compensation.

h) Both cash and in kind resettlement will be offered to the affected people for them to choose freely.

i) Relocated people will receive compensation during the transition period and relocation process.

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

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

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

m) Reasonable compensation will be given to cover for acquired land and related losses.

n) The compensation for the 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.

o) Inclusive stakeholder consultations through different phases of the projects/subproject will be conducted to prepare, approve, implement and monitor the proposed activities.

p) 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.
q) A transparent and easily accessible Grievance Redress Mechanism (GRM) will be established at regional, county, township, and village level to local affected farmers to raise their concerns. 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. Any disputes on compensation rates will be solved through consultations as far as possible. If consultation fails, it can be submitted for arbitration.

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

s) 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.

t) In the case where farmers investing their land as contribution to become members of cooperatives, they should be fully informed of potential risks.

D. Project Impact

The social assessment has completed a screening exercise to assess potential land acquisition and resettlement issues caused by the project. On this basis, no involuntary resettlement is expected under the project and no significant land acquisition is expected. Some of the cooperatives will need to construct storage, processing facilities and agricultural products markets. By the time of project appraisal, instances of subprojects requiring such land acquisition had been identified in 3 counties. Since the identification process was still on-going on other counties, a framework approach is appropriate. Plot exchanges within a village are an appropriate option for land use for small community infrastructure. Since some cooperatives may require members to use their land as investment resource to join the cooperative in the form of shares associated with land use rights, a principle of fully voluntary participation in such schemes is set up. The social assessment report also confirms that no ecological resettlement programs will be implemented in project villages, and that project activities will not be associated with these programs.

Ethnic minorities. Based on social assessment findings, the main minority ethnic groups to be targeted under the World Bank’s operational policy are the smaller groups such as the Yao, which are at risk of limited access to project activities. The Zhuang, although being the majority of the rural population in most project villages, are also be categorized as ethnic minority communities in tourism development subprojects and in other production schemes involving larger enterprises. The ethnic minority development framework sets up a principle of equitable access of smaller ethnic minority communities in project activities, and defines a set of measures to promote such access and avoid the above risks of potential impact on local cultures. Specific analysis will be
conducted when ethnic groups in particular the smaller ethnic groups are involved in potential land acquisition during project implementation. The same principles with regard to contribute land as investment in joining cooperatives.

It is initially identified that the project counties of Bama, Leye and Pingguo under Component 1 (Improvement of Pro-Poor Value Chains), Component 2 (Rural Infrastructure) and Component 3 (Increase Investment in Poor Areas) will be affected by acquisition of collective land or state-owned land in order to build (a) small structures such as farmer cooperative office space, rural markets, storage facilities for agricultural products, and (b) village infrastructure including production roads and small scale irrigation facilities. In addition, other project counties/cities, during the implementation of Component 1, will expect use of inner village land, as well as a small part of ground structures or attachment demolition, but no residential housing demolition will be involved. Currently the scale of LA and number of affected households (AHs) have not been determined yet as the detailed construction scope is still under discussion and will be decided through the operation of relevant cooperatives. Therefore this RPF is prepared to guide the proper procedures that will ensure compliance with OP/BP4.12. It has been communicated to project management offices at all levels that land acquisition should be limited to the minimum to avoid negative impact to local communities. Whereas internal land adjustment within the village for small structure construction, when needed, will be done in a transparent manner through full consultation with all members in the village, and with all members agreeing to the arrangement.

When farmer households are required to use their land as resources to gain shares when joining farmer cooperatives, it has been assessed during the social assessment that land will still belong to the individual farmer households after they join the cooperatives, and currently yields from the land only consist of a small proportion of the families’ total income. It has been estimated by the social team and feasibility study team that more income will be generated from the land after joining cooperatives, due to better management, technical guidance, and more bargaining power. It has been requested that farmers should be given full information of potential risks of joining a cooperative, and the profit distribution scheme should be fully understood by all members. It has also been agreed by all levels of PMOs that no one should feel pressurized to join cooperatives against their free will.

Based on available information at this stage, potential impact from land use in the 10 project counties is listed in Table 1.
Table 1 Basic Information on LAR

<table>
<thead>
<tr>
<th>Area</th>
<th>County</th>
<th>Permanent LA</th>
<th>In-Village Land Adjustment</th>
<th>Demolition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hechi City</td>
<td>Du’an</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Dahua</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Donglan</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Bama</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Fengshan</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Yizhou</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Baise City</td>
<td>Tiandong</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td></td>
<td>Pingguo</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td></td>
<td>Tianlin</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Leye</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
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E. Preparation and Review of Resettlement Plans

Resettlement plans will be prepared and implemented according to the following procedures:

a) Upon the completion of project design and confirmation of LA scope, a resettlement plan or an abbreviated resettlement plan will be prepared according to the resettlement policies specified in this report.

b) The resettlement plan or the abbreviated resettlement plan will be submitted to the World Bank for approval one month prior to its implementation.

c) The project owner, external monitoring unit and the World Bank may conduct field inspections on the implementation progress of resettlement plans. The construction unit will coordinate with the above units during the inspection. Should any issues be identified in the resettlement work, the World Bank will urge the project owner to take immediate measures to solve the issue.

d) In accordance with this policy framework, the resettlement plan will include the following contents:

- Socioeconomic survey and estimates of affected properties;
- Detailed records of consultations undertaken for preparing the resettlement;
- A census of all Project affected persons;
- A cut-off date that will be followed for compensation;
• A detailed assessment of impacts both positive and negative, with list of PAPs and their losses caused by project interventions;
• Soliciting the opinions of relocated people towards alternative plans;
• Mitigation measures, including compensation policies and agreed Entitlement Matrix for the RAP;
• Arrangement for information disclosure and instruments for the disclosure;
• Resettlement implementation organizations and complaint procedures;
• Monitoring and evaluation of implementation arrangements with indicators and timelines, frequency of monitoring and responsibilities for monitoring and reporting;
• Time schedule and budgets.

F. Eligibility Criteria

The compensation standard is specified to give proper compensation to the affected population, including for persons without recognizable legal rights, for property loss incurred by the project, and restore their living standard to the original level or even higher level within the shortest period of time. On the whole, the resettlement and restoration plan will include the following contents: (1) giving compensation for property loss such as houses; (2) offering living allowance to alleviate the temporary impact of project construction on the daily life and business activities of relocated people; (3) offering occupational training and job opportunities to the unemployed people, so as to restore their income level; (4) restoring the facilities in the affected communities and providing community services.

Persons who lose their farmland due to project construction can receive the following compensation:

- Directly receiving land compensation fund, resettlement subsidies and crop compensation fee.
- The crop loss, income loss, damaged infrastructure and reclamation cost caused by temporary land acquisition will receive appropriate compensations.

For persons who lose their houses and affiliated buildings due to project construction, all the loss will be valued based on full replacement cost, and affected persons will receive the following compensation:

a) Receiving in-kind resettlement upon the completion of the project;
b) Receiving monetary compensation according to replacement price;
c) Receiving relocation subsidies;
d) Receiving transitional subsidies according to the actual transitional period.

People who lose production and business opportunities due to project construction can receive the following compensation:
(a) Providing other places available for the affected people to conduct production and business activities;
(b) Giving reasonable compensation for relocation of equipment and relevant loss;
(c) Giving compensation for production suspension during the transitional period;
(d) Giving compensation for fixed assets such as houses that are partially or totally affected by the project according to the replacement price.

**G. Legal Framework**

Resettlement work involved in the project should follow the domestic laws and regulations:
Considering that there are some gaps between the domestic resettlement policy and the Bank’s OP4.12, during the resettlement implementation stage of the projects covered by this RPF, PMO will follow requirements from the Bank’s OP/BP4.12. Gap analysis is listed in the table below:

### Gaps between China and the World Bank’s policy and Measures under this Project

<table>
<thead>
<tr>
<th>Goal</th>
<th>Policy of China</th>
<th>Policy of the World Bank</th>
<th>Policy under this project</th>
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<tbody>
<tr>
<td></td>
<td>Guarantee project can be implemented in time and effectively, ensure social stability and harmony.</td>
<td>Avoid or minimize involuntary resettlement as far as possible; ensure living standard of relocated person is not lower than before.</td>
<td>Carry out the Bank’s policy. When land acquisition is unavoidable, full consultation will be carried out to ensure no one is forced to accept land acquisition.</td>
</tr>
<tr>
<td>Compensation approach</td>
<td>Land acquisition is generally compensated by currency, supplemented by employment assistance and social security. In-village land adjustment is commonly used for inner community collective land use.</td>
<td>Compensation shall be provided for Project affected persons based on replacement cost.</td>
<td>All land acquisition will be carried out based on full and transparent consultation with Project affected persons. In-village land adjustment should be done in a transparent manner with full consultation with all affected members, and clearly documented in writing. Compensation will be done at replacement cost.</td>
</tr>
<tr>
<td>Inner community land adjustment and land donation</td>
<td>To be resolved within the community.</td>
<td>All related loss of assets should be compensated at replacement cost, in transparent and voluntary manner.</td>
<td>Land for rural infrastructure will mostly use collective land not allocated to individual households, after full consultation with all affected members and clearly documented in writing; farmers investing their land in joining cooperatives will be fully informed of risks and return. Short term income loss will be made up by investing in alternative productions such as chicken raising under walnut and tea oil trees, peanuts planting etc., with full support from all members.</td>
</tr>
<tr>
<td>Compensation for illegal building</td>
<td>No compensation shall be provided for illegal buildings.</td>
<td>Compensation is provided for illegal buildings.</td>
<td>All Project affected persons are entitled to compensation irrespective of having title to the affected property.</td>
</tr>
<tr>
<td>Public</td>
<td>Public participation</td>
<td>Has a complete and</td>
<td>Full participation of all</td>
</tr>
<tr>
<td>Policy of China</td>
<td>Policy of the World Bank</td>
<td>Policy under this project</td>
<td></td>
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<tr>
<td>--------------------------------------------------------------------------------</td>
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<td></td>
</tr>
<tr>
<td>participation system is not sound enough, public can only participate in some phases of the project implementation.</td>
<td>sound public participation plan, public can participate in the whole process of the project.</td>
<td>members of affected communities in the whole project cycle including preparation, implementation, and M&amp;E.</td>
<td></td>
</tr>
<tr>
<td>Monitoring arrangement Internal management mechanism of project owner and resettlement implementation agency conducts the monitoring process.</td>
<td>Including internal monitoring from the internal management mechanism of project owner and resettlement implementation agency and external monitoring from the external independent monitoring unit.</td>
<td>Set up external and internal monitoring systems in accordance with the Bank requirements. External monitoring will be commissioned by the project owner with clearly indicated budget.</td>
<td></td>
</tr>
<tr>
<td>Grievance mechanism Set up specialized agency to accept public grievance.</td>
<td>Public can appeal through multiple channels and ways, including community, sub-district, project owner, external monitoring agency, etc.</td>
<td>Set up GRM in accordance with the Bank requirements</td>
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</tr>
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</table>

**H. Responsibilities**

County PMOs where LA occurs (hereinafter referred to as the PMOs) will be responsible for all the resettlement activities covered by this RPF, including the arrangements for disclosure and consultation and preparing and implementing RAPs. At this stage Pingguo, Bama and Leye are confirmed to be such counties. The resettlement implementation agencies for the subprojects covered by RPF will be the same as for individual subprojects financed by the World Bank. The PMOs are responsible for their safeguard capacity. All resettlement funding will be raised by the project county governments, and the resettlement funds will be included in the total investment.

**I. Implementing Procedure**

The resettlement documents will include a detailed implementation plan. The
compensation fund (monetary or physical compensation) and other subsidies will be paid in time according to the actual progress of resettlement work. When land acquisition need is identified, after considering potential alternative approaches, the related County PMO will coordinate the preparation of a RAP by involving all relevant bureaus including land bureau, resettlement office, ethnic minority commission, women's federation, and poverty alleviation office. The RAP will be prepared based on full public consultation, and submitted to Bank’s task team for review.

No project activity should take place before a RAP is prepared and agreed by Bank’s task team.

The County PMO is responsible for overall implementation of the RAP, with assistance from township PMOs.

The grievance redress mechanism (GRM) established under the project should be easily accessible by all Project affected persons, with village committees being the first contact should individuals, households or cooperative members have concerned to raise. PAPs have the rights to refer to higher levels of the GRM if they believe their concerns were not sufficiently addressed.

Implementation of the RAP will be monitoring by internal and external monitoring teams, and the 6 monthly monitoring reports will reflect implementation progress of the resettlement work.

J. Grievance Redress Mechanism (GRM)

In order to effectively address relevant issues and ensure successful project implementation and LA, a transparent and effective complaint channel has been established for the Project. The complaint channel will remain effective during project implementation to provide timely response to the affected persons. The basic procedures are as follows:

Phase 1: If not satisfied with the RP, the APs can express their complaints to the village committees in oral or written form; oral complaints must be recorded in written form and given definite reply within 2 weeks by village committees.

Phase 2: If the replies from Phase 1 are not satisfactory, the complainants can file complaint with their townships; the townships shall respond within 2 weeks.
Phase 3: If still not satisfied with the response from the townships, the complainants can file complaint with the county PMOs who shall respond within 30 days.

Phase 4: If still not satisfied, the complainants can appeal to the Municipal People’s Court.

All complaints and measures to address the complaints should be maintained by the PMOs.

The APs can complain against any aspects of the resettlement, including compensation standards. The above complaint channel and the name, location, responsible person and contact number of the handling agencies will be disclosed to the APs through meetings, announcement etc. to inform the APs of their right to file a complaint.

All agencies shall accept the APs’ complaints free of charge, and reasonable expenditures occurred herein will be covered by project monitoring and management cost. These complaint procedures will remain effective for whole duration of project implementation to allow APs to address relevant issues through such channel.

K. Compensation Policy

The LA compensation policies of the subcomponents under the World Bank Project will remain the same for the same area. The compensation policies mainly include the following:

**Land Acquisition Compensation**

- Compensation standard will be calculated according to the latest uniform AAPV rates issued by the Land Resources Department of Guangxi, depending on the compensation standards of different project counties, the land acquisition compensation fees (including land compensation and resettlement compensation fee) range from 35688 yuan/mu to 55083 yuan/mu; crop compensation standards range from 1487 yuan/mu to 2627 yuan/mu.

- The APs will receive 100% of the land compensation fee and resettlement compensation fee.

- 100% of the crop compensation fee will be directly paid to the person farming the land.
Compensation and resettlement aid will be audited and monitored by relevant agencies.

- Land acquisition compensation fees in principle should be one-off payment to the AHs.

**Demolition Compensation**

Currently the project doesn’t involve house demolition, if occurs, compensations including house replacement and cash compensation will be provided for AHs to choose freely.

- Resettlement housing in the three new communities will be completed before house demolition.
- Furnishing will be compensated according to relevant laws and regulations.
- Simple structures will be given monetary compensation based on their reconstruction cost

**Special Assistance to Vulnerable Groups**

- Priority will be given to the vulnerable groups in housing site arrangement. Considering such families usually have a disabled member or a person suffering from some illness, they will be given priority preference for first floor resettlement housing or housing on lower levels.
- During house demolition and reconstruction process, PMO will arrange dedicated personnel to provide necessary assistance to the house demolition and reconstruction of those vulnerable families.
- During the construction period, appropriate job opportunities will be provided to the affected vulnerable families to increase their income.
- Vulnerable families shall be given priority for governmental subsistence allowance and social security for lose-lost farmers.
- Training shall be provided for members of vulnerable families who are willing and able to work; they shall also be recommended to firms in the district.
- Eligible orphans, “five guarantee” families, and disabled people who have difficulty buying houses shall receive a 3000~5000 yuan housing stipend.

**L. Public Participation and Consultation**

The project owner will conduct the public participation and consultation activities 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., should be widely accepted by the affected population before it is approved and implemented. The APs will participate in the whole process from the preparation to implementation of the resettlement plan. 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 APs understand the compensation standards and their options specified in the resettlement plan. Public consultation will be carried out throughout the whole project cycle, including project preparation (during social assessment and feasibility study), project implementation, and M&E. Township PMOs will be responsible for overseeing public consultation at the village level. Facilitators recruited in local communities will be providing assistance and guidance to local farmer households in the form of public consultation and assist them in the process of joining cooperatives. The management of cooperatives will follow government rules and regulations, with required participation from women members, ethnic minority groups, and poor households. This will be monitored by county PMOs, and reflected in 6 monthly project progress reports. The external monitoring team commissioned under the project will provide 6 monthly monitoring reports, which will reflect public consultations carried out, and need of land acquisition and/or resettlement, details of land use by farmer households in joining cooperatives, land use for rural infrastructure during the reporting period.

**M. Monitoring and Evaluation**

The County PMOs will conduct internal monitoring on the resettlement work under the supervision of the Regional PMO. The resettlement monitoring is an integral part of the resettlement plan. The resettlement performance will be evaluated by comparing to the objectives, and RP will be revised as necessary. Any major issues that occur during the implementation process of resettlement plan will be reported to the World Bank in time. Internal monitoring should focus on progress of land acquisition, compensation payment and resettlement, and provide detailed up-to-date
data to PMOs.

The external monitoring will be carried out by qualified independent monitoring institute commissioned in accordance with the requirements of the World Bank. Resettlement progress will be reflected in the 6 months reports, including progress of land acquisition with information on amount and location and original owners, compensation paid, records of consultation with affected households, etc.

The external monitoring includes the following steps:

- Preparation of M&E workplan, questionnaires and survey forms;
- Sampling survey covering no less than 20% of affected persons;
- Baseline survey to understand livelihoods data (income, assets) of affected persons before resettlement and land acquisition;
- Establish an M&E data analysis system and database for follow up livelihoods analysis;
- Carry out investigations on livelihoods impact and restoration of affected persons, and provide recommendations to PMOs if livelihoods of affect people not restored in time;
- Main indicators to be monitored include capacity of resettlement unit, progress of land acquisition and resettlement, status of compensation payment, livelihoods restoration progress, implementation and effectiveness of public consultation, livelihoods impact to affected households by project activities.
- Records of GRM cases and redress outcome.

Monitoring of resettlement activities will start at the implementation of resettlement work, and include follow up monitoring 6 months after full restoration of livelihoods of affected persons.

The county and township PMOs are obliged to provide full support to the external monitoring team for them to complete their M&E functions.

**N. Capacity Building**

Safeguards training will be provided to PMOs at all levels before project implementation. This has been included in the overall capacity building component.

Further capacity building needs on safeguards will be identified by the
external monitoring team, and could also be raised by PMOs. Assessment on county and township PMOs capacity in carrying out land acquisition and resettlement work will be done as part of preparation of RAPs when such need is identified, and recommendations will be made to address existing capacity and the kind of training needed.

O. Budget

The Project client is responsible for meeting all related cost for carrying out necessary land acquisition and resettlement, and sufficient budget should be allocated in the overall budget plan of the project. This will be written in the Legal Agreement and Loan Agreement of this Project between the World Bank and People’s Republic of China.