LIVESTOCK WASTE
MANAGEMENT IN EAST ASIA

Project preparation under the PDF-B grant

POLICY FRAMEWORK FOR
RESETTLEMENT OF
PROJECT DISPLACED PERSONS IN
GUANGDONG PROVINCE

Aug 30, 2004
### ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ARP</td>
<td>Abbreviated Resettlement Plan</td>
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<tr>
<td>BC</td>
<td>Boluo County</td>
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<td>DP’s</td>
<td>Displaced Persons</td>
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<tr>
<td>FAO</td>
<td>Food and Agricultural Organization</td>
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<td>GEF</td>
<td>Global Environmental Facility</td>
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<td>GP</td>
<td>Guangdong Province</td>
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<td>LPG</td>
<td>Local People’s Government</td>
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<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>NSC</td>
<td>National Steering Committee</td>
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<td>OP</td>
<td>Operational Policies</td>
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<td>PLG</td>
<td>Project Leading Group</td>
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<td>PMO</td>
<td>Project Management Office</td>
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<td>PRC</td>
<td>People’s Republic of China</td>
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<td>RA</td>
<td>Resettlement Activities</td>
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<td>RCEO</td>
<td>Rural Collective Economic Organization</td>
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<td>RP’s</td>
<td>Resettlement Plans</td>
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<td>SCS</td>
<td>South China Sea</td>
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<td>VPC</td>
<td>Village Peoples’ Committee</td>
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<td>YT</td>
<td>Yuanzhou Town, the project site, in Boluo County</td>
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SECTION 1  INTRODUCTION

A. The Project

1. The Livestock Waste Management in East Asia project is funded by GEF, and FAO is responsible for preparing the project. The key objective of the project is to reduce the negative local and global environmental impacts of rapidly increasing livestock production in selected watersheds in the coastal area, related to Guangdong Province (GP), Thailand and Vietnam. Focus point will be the reduction of land-based pollution from livestock production of the international water of the South China Sea (SCS). There will be some other extra objectives after the implementation of the demonstrated project, especially through the expansion and duplication of the surrounding areas of SCS in selected watersheds in the coastal areas not only the adverse impacts of land-based pollution from livestock production will be reduced, but also the global benefits would occur in the areas of biodiversity, land degradation, and climate change.

2. The Project consists of four components, they are Conducive Policy Framework (Component 1), Demonstration of Manure Management (Component 2), Regional Component (Component 3), and project management and Monitoring (Component 4). All of the project objectives supposed to be performed by the components.

3. In GP, Component 1 includes Policy Development, Policy Enforcement, Capacity Building and Awareness Raising. All of them focus on the development of policies and decision-support tools, so that to enforce and demonstrate the policies and regulations more effectively and more efficiently. For component 2, Guangdong selected Yuanzhou Town (YT) of Boluo County (BC) as the actual physical demonstration site, for the demonstration of improved livestock waste management practices. The Component 3 focuses on the regional affairs, including the evaluation activities on effects and impacts for the demonstration project, the development of common decision support tools, and the dissemination of demonstration project results. The Component 4 focuses on the efficient project management and effective monitoring of the activities and the project.

4. To implement component 2, i.e., Demonstration of Livestock Waste
Management, land acquisition/rental or land exchange may be required for establishing common waste treatment system.

5. In the Guangdong project area, based on the findings of the Social Assessment Expert and other local experts and the technical consultants’ design of component 2, it is the opinion of the Project Management Office (PMO) officials and the National Steering Committee (NSC) that the establishment of livestock waste treatment system in the currently identified demonstration site will not require land acquisition and resettlement. However, limited land acquisition and resettlement may be required in demonstration sites to be selected by the project in the future. In order to provide a framework for appropriate implementation arrangements for such land acquisition and relocation, Resettlement Plans (RP) or Abbreviated Resettlement Plans (ARP) will be prepared in accordance with this Resettlement Policy Framework.

B. Policy Framework

6. This resettlement policy framework is prepared based on the “Involuntary Resettlement” part of the Operational Policies (OP 4.12) of the World Bank, issued in December 2001. The overall objectives of the Bank’s policy on involuntary resettlement are:

(a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs;

(b) where it is not feasible to avoid resettlement, the project should provide sufficient investment resources to enable Displaced Persons (DP’s) to share in project benefits. DP’s should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs;

(c) DP’s should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them to pre-project levels.

7. The Policy Framework lays down the principles and objectives, eligibility criteria of DP’s, entitlements, legal and institutional framework, modes of compensation and rehabilitation, peoples participation features and grievances procedures that will guide the compensation, resettlement and rehabilitation of the DP’s.
C. Displaced Persons

8. The DP’s include the following persons to be identified by the baseline information collected for each of the Resettlement Plans (RP’s):

(a) Persons whose houses are in part or in total affected (temporarily or permanently) by the project;
(b) Persons whose premise and/or agricultural land is in part or in total affected (permanently or temporarily) by the project;
(c) Persons whose businesses are affected in part or in total (temporarily or permanently) by the project; and
(d) Persons whose crops (annual and perennial) and trees are affected in part or in total by the project.

D. Principles and Objectives

9. The principles outlined in the OP 4.12 of the World Bank on involuntary resettlement have been adopted in preparing this Policy Framework. In this regard the following principles and objectives would be applied:

(a) Acquisition of land and other assets, and resettlement of people will be minimized as much as possible;
(b) All DP’s residing, working, doing business or cultivating land in transmission line, surrounding areas of tower foundation, the substation areas, in the service roads under the project as of the date of the baseline surveys are entitled to be provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels. Lack of legal rights to the assets lost will not bar the DP’s from entitlement to such rehabilitation measures;
(c) The rehabilitation measures to be provided are: (1) compensation at replacement cost without deduction for depreciation or salvage materials for houses and other structures; (2) agricultural land for land of equal productive capacity acceptable to the DP’s; (3)
replacement of premise land of equal size acceptable to the DP’s; and (4) transfer and subsistence allowances;

(d) Replacement premise and agricultural land will be as nearby as possible to the land that was lost, and acceptable to the DP’s;

(e) The resettlement transition period will be minimized and the rehabilitation means will be provided to the DP’s prior to the expected start-up date of works in the respective Project site;

(f) Plans for acquisition of land and other assets and provision of rehabilitation measures will be carried out in consultation with the DP’s, to ensure minimal disturbance. Entitlements will be provided by DP’s prior to expected start-up of works at the respective project site;

(g) The previous level of community services and resources will be maintained or improved;

(h) Financial and physical resources for resettlement and rehabilitation will be made available and as where and when required;

(i) Institutional arrangements will ensure effective and timely design, planning, consultation and implementation of the Inventories and RP’s; and

(j) Effective and timely supervision, monitoring and evaluation of the implementation of the RP’s will be carried out.

E. Resettlement Plan

10. In the case of more than 200 people in each selected project demonstration site are affected by the project, a resettlement plan for the demonstration site will be prepared by the PMO under the leadership of the Project Leading Group (PLG), and in close collaboration with local government authority (BC). The RP’s should be furnished by PMO under NSC to the World Bank for its concurrence. DP’s should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

11. Based on the “Involuntary Resettlement Instruments” outlined in the OP 4.12 of the World Bank, Each RP will cover the elements listed below, as relevant. When any element is not relevant to project circumstances, it should be noted in
(1) General description of the project;

(2) Potential impacts identification of the project;

(3) Objectives (the main objectives of the resettlement program);

(4) Socioeconomic studies. The findings of socio-economic studies to be conducted in the early stages of project preparation and with the involvement of potentially DP’s, including the results of a census survey and other descriptions;

(5) Legal framework. The findings of an analysis of the legal framework, covering the scope of the power of eminent domain and the nature of compensation associated with it, the applicable legal and administrative procedures, relevant law and social welfare legislation, laws and regulations relating to the agencies responsible for implementing Resettlement Activities (RA), and legal steps necessary;

(6) Institutional framework. Covering the identification of agencies responsible for RA and Non-Governmental Organizations (NGOs) that may have a role, an assessment of the institutional capacity of them, and any steps that are proposed to enhance the institutional capacity;

(7) Eligibility. Definition of DP’s and criteria for determining their eligibility for compensation and other resettlement assistance;

(8) Valuation of and compensation for losses;

(9) Resettlement measures. A description of the packages of compensation and other resettlement measures;

(10) Site selection, site preparation and relocation;

(11) Housing, infrastructure, and social services;

(12) Environmental protection and management;

(13) Community participation. Involvement of resettled people and relevant communities;

(14) Integration with host populations. Measures to mitigate the impact of resettlement on any host communities;

(15) Grievances procedures. Affordable and accessible procedures for
third-party settlement of disputes arising from resettlement;

(16) Organizational responsibilities;

(17) Implementation schedule;

(18) Cost and budget; and

(19) Monitoring and evaluation.

12. The RP should be completed no later than six months prior to the estimated date for commencement of the works. Each RP should be furnished to the World Bank for consideration no later than three months prior to the actual initiation of the works under the Project. Compensation, resettlement and rehabilitation activities will only commence after the World Bank has found acceptable the respective RP, which the PLG, local authority (BC) and NSC have approved it. The compensation, resettlement and rehabilitation activities will be completed before awarding contracts of civil works for the demonstration site.

Abbreviated Resettlement Plan

13. In the case of more than 200 people in each demonstration site are affected by the project, the Abbreviated Resettlement Plan (ARP) for the demonstration site will be prepared by the PMO under the leadership of the PLG, and in close collaboration with local government authority (BC). The ARP should be furnished by PMO under NSC to the World Bank for its concurrence. Related DP's should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

14. Based on the “Involuntary Resettlement Instruments” outlined in the OP 4.12 of the World Bank, the ARP covers the following minimum elements:

(1) A census survey of displaced persons and valuation of assets;

(2) Description of compensation and other resettlement assistance to be provided;

(3) Consultation with displaced people about acceptable alternatives;

(4) Institutional responsibility for implementation and procedures for grievances redress;

(5) Arrangements for monitoring and implementation; and
(6) A timetable and budget.

15. The ARP should be completed no later than four months prior to the estimated date for commencement of the works under the project. Each ARP will be furnished to the World Bank for consideration no later than three months prior to the actual initiation of the works under the Project. Compensation, resettlement and rehabilitation activities will only commence after the World Bank has found acceptable the respective ARP, which the PLG, local authority (BC) and NSC have approved it. The compensation, resettlement and rehabilitation activities will be completed before awarding the contracts of civil works for each demonstration site.

SECTION 2 INSTITUTIONAL AND LEGAL FRAMEWORK

A. Institutional Framework

16. The responsibility for preparing and implementing the Policy Framework and RP’s are as follows:

(a) The overall responsibility for enforcement of the Policy Framework and for planning and implementing RP’s rests with PMO under PLG, BC authority and NSC. PMO is responsible for preparing RP’s and for the day-to-day implementation thereof within their respective jurisdiction under the direct leadership of PLG. The BC authority will actively involve in the preparation and implementation of RP’s. In order to have RP’s acceptable to the World Bank to implement RP smoothly, PMO under NSC is responsible for: (i) hiring qualified consultants to prepare RP’s; (ii) appointing qualified social safeguard staff for PMO and BC;

(b) Funds for implementing RP’s will be from counterpart funds based on budgetary requirements established by local governments (YT, BC and GP) in consultation with the DP’s.

B. Legal Framework
17. The legal framework governing the implementation of RP’s are OP 4.12 on Involuntary Resettlement of the World Bank, and related laws, regulations and decrees of the People’s Republic of China (PRC), both at the country, provincial and national level.

18. The laws, regulations and decrees of the PRC that have let the preparation of this RP’s Framework and warrant its legality are:

- The Law of Agriculture PRC, issued on July 2, 1993, approved and took effect by National People’s Congress; revised and approved on 28 December 2002, took effect on 1 March 2003;
- The law of Land Management PRC, issued on June 25, 1986, approved and took effect by National People’s Congress; revised and approved on 29 December 1988, latest revised on August 29, 1998, and took effect on January 1, 1999;
- The State Council Decree 256, implementation regulation of the Law of Land Management PRC, issued and took effect on December 27, 1998;
- The Law of Land Contract PRC, issued on August 29, 2002, approved by the National People’s Congress, took effect on March 1, 2003;
- The State Council Decree 74, regulation on land acquisition compensation and immigrants for large and medium hydro-engineering and hydro-electric projects, issued and took effect on February 15, 1991;

19. The following decrees, regulations and implementation rules of Guangdong Province, also provide the legal framework and policies at the provincial level for
the preparation of this RP Framework and warrant its legality:

- The implementation regulation of the Land Management GP, issued on November 29, 1986, approved and took effect by People’s Congress of Guangdong Province; revised and approved on 30 July 1991, revised and approved on 22 September 1997, latest revised and took effect on November 27;

- The implementation rules of GP for the Law of Land Management PRC, issued on November 27, 1999, approved by the People’s Congress of Guangdong Province; took effect on January 8, 2000;

- The GP Decree 61, the implementation rules of principal farm land protection, issued and took effect on July 26, 1996 by the people's government of GP.

20 Articles in the law of Land Management PRC, and articles in the State Council Decree 74 stipulate the principles, procedures, criteria and legal responsibilities of land acquisition compensation and the immigrants resettlement. In the case of international Agreement signed by the People’s Republic of China which policy on land acquisition, resettlement differ from PRC policy, the policy set forth in the Agreement will be followed.

21 Therefore, in approving this Framework (before the negotiation of the project), the PRC government grants the above-mentioned required waivers and authorizes NSC, PMO, PLG and Local Authority (BC) to provide: (a) compensation at replacement cost without deduction for depreciation and salvage materials, for land, houses and other assets taken by the project; and (b) to provide compensation and resettlement assistance in lieu of compensation all DP’s regardless of without title to the assets lost.

22. In submitting RP’s to the World Bank for clearance, letters of Chairs of PLG/Local Authority and NSC on agreements in implementing the policy set forth in RP are required.
23. Article 10 in the Constitution states that the ownership of rural land belongs to the Collective except for the state owned land, the house sites and self reserved land/mountain as well. For the need of public benefits, the state may requisition the land and provide compensation.

24. Article 10 in the Law of Agriculture states that the PRC implements the contract system for rural land, to protect the stability of the contract relationship in a long run; Article 71 in this Law, Article 2 in the Law of Land Management, and the implementation regulations of GP stated the compensation stipulation as well.

25. Article 6 in the Law of Land Contract states that women and men have equal rights in contracting the rural land. Article 20 further identifies that the contract period for arable land is 30 years, 30 to 50 years for grass land, 30 to 70 years for forestry land. Article 14 in the Law of Land Management, and implementation rules of GP stated the same regulation as well.

26. Articles in the law of Land Management PRC, articles in the state Council Decree 74, the implementation regulation of the Land Management GP, the implementation rules of GP for the Law of Land Management, and the GP Decree 61, stipulated the compensation for land acquisition in details as follows.

27. DP’s will be entitled to the following types of rehabilitation and assistance measures:

(a) DP’s losing agricultural land, non agricultural land, fish pond and forestry land

   (i) The general mechanism for compensation of losing agricultural land will be through the article 47 of the Law of Land Management PRC, namely the lost land should be compensated based on the original use, satisfactory to the DP’s.

   (ii) The compensation for losing paddy fields is 8 to 10 times of the average annual production value of previous 3 years.

   (iii) The compensation of losing cultivated land other than paddy fields is 6 to 8 times of the average annual production value
of previous 3 years.
(iv) The compensation of losing other agricultural used land, is 5 to 7 times of the average annual production value of previous 3 years.
(v) The compensation of losing non-used arable lands, 50% of the neighboring used land.
(vi) The compensation of losing non-agricultural used land, the same as the neighboring other cultivated land.
(vii) The compensation of losing fish ponds, is 8 to 12 times of the average annual production value of previous 3 years, refers to the neighboring paddy field.
(viii) The compensation of losing timber forest and economic forest is 5 to 10 times of the average annual production value.

(b) DP’s losing young crops and gardening production
(i) The compensation for losing emergency crops is the production value of those crops.
(ii) The compensation for losing perennial crops, the planting period and growing period should be considered for the compensation of production value.
(iii) The compensation of losing gardening production, which has been planted but not yet to harvest, is 2 to 4 times of the average previous 3 years’ annual production value of the neighboring garden.

(c) DP’s losing residential land and household/structure
(i) The mechanism for compensating loss of residential land and structures will be: (1) the provision of replacement residential land (house site and garden of equivalent size, satisfactory to the DP or cash compensation at replacement cost according to DP’s choice; and (2) cash compensation reflecting full replacement cost of the house/structures, without deduction for depreciation or salvage materials or compensate in kind according to DP’s choice.
(ii) The compensation of losing residential land and structures will be: (1) the regulations or standards enacted by the PRC; or (2) the unified local standard value of the residential land and structures, satisfactory to the DP.
(iii) If residential land is only partially being affected by the project
and the remaining areas are not sufficient for reorganizing DP's house then at the request of the DP, the entire residential land will be acquired at full replacement cost, without depreciation.

(iv) If house/other structure is only partially being affected by the project and the remaining areas are not convenient to using, the house/structure will be acquired at full replacement cost, without depreciation.

(d) DP's losing business.

(i) The mechanism for compensating loss of business will be: (1) the provision of alternative business site of equal size and accessibility to customers, satisfactory to the DP's; (2) cash compensation for lost business structure.

(ii) The compensation of losing business due to the lost of cultivated land, each DP who lost the business will be subsided 4 to 6 times of the average previous 3 years annual production value of the lost land, but no higher than 15 times.

(iii) The compensation of losing business due to the lost of other agricultural used land, each DP who lost the business will be subsided 3 to 5 times of the average previous 3 years annual production value of the lost land.

(iv) If the sum of the compensation for losing land and subsidy for losing business is still not qualified to keep the original living standards, the subsidies can be increased after the approval of the provincial government.

(v) But the sum of compensation and subsidy should not be higher than 30 times of the average previous 3 years annual production value of the lost land.

(e) DP's will also be provided compensation at full replacement cost, without deduction for depreciation and salvage materials for any other fixed assets affected in part or in total by the project, such as tombs, water wells and other adhesive substance, etc.

28. DP’s who temporarily lose their lands will be entitled to the following types of rehabilitation and assistance measures:

(i) DP's who temporarily lose their lands by the project will be
compensated for their loss of income and for the cost of soil restoration and damaged infrastructure.

(ii) The compensation of temporarily losing agricultural used land should be accounted by the following equation:
    Compensation = the average annual production value of previous 3 years * temporary occupied time period

(iii) The compensation of temporarily losing construction used land should be accounted by the following equation:
    Compensation = the annual rent rate of state owned land * temporary occupied time period

(iv) Land should be rehabilitated after the project implementation by the unit or by the person who temporarily used the land

(v) The period for temporarily using of the land normally should be no longer than 2 years.

29. According to Article 48 of the Law of Land Management PRC, the resettlement plan of land acquisition should be publicly noticed, and the leaders or organizers should hear the opinions from the Rural Collective Economic Organization (RCEO) and the farmers.

30. In cases where public infrastructure such as schools, factories, water sources, roads, sewage systems is damaged, PMO and PLG under the local authority and NSC should ensure that these would be restored or repaired as the case may be, at no cost to the public.

Given the nature of project impacts, the losses affecting DP’s have been classified into 8 categories. The entitlement matrix is attached (see Annex 1)

SECTION 4  PEOPLE’S PARTICIPATION

31. DP’s, local authorities and its relevant organizations, PMO and PLG will participate throughout the various stages of the planning and implementation of RP’s. Prior to the preparation of RP’s, the DP’s will be fully informed of the provisions of this Policy Framework at public meetings held by the PMO, PLG, local authorities and NSC respectively.
32. Each DP will be fully informed and consulted by the relevant Village Peoples’ Committee (VPC), Township authority and its relevant organizations, County authority and its relevant organizations, PMO, and PLG of their entitlements and rehabilitation choices under the respective RP.

SECTION 5  BASELINE INFORMATION

A. Census and Inventory

33. The baseline information will include the following information for each household:

(a) Number of persons and names;
(b) Number, type, and area of the houses lost;
(c) Number and area of all the residential plots lost;
(d) Number, category and area of agricultural land lost;
(e) Number, category and area of non agricultural land lost;
(f) Number, category and area of forestry land lost;
(g) Number, category and area of fish ponds lost;
(h) Quantity and types of young crops and gardening production lost;
(i) Business lost including structures, land and other fixed assets;
(j) Productive assets lost as a percentage of total productive assets;
(k) Quantity and category of other fixed assets affected by the project.

34. The baseline information for temporarily loss will include the followings for each household:

(a) Number of persons and names;
(b) Number, category and area of agricultural land lost;
(c) Number, category and area of non agricultural land lost;
(d) Number, category and area of forestry land lost;
(e) Number, category and area of fish ponds lost;
(f) Quantity and types of young crops and gardening production lost;
(g) Business lost including structures, land and other fixed assets;
(h) Productive assets lost;
(i) Quantity and category of other fixed assets and
(j) Temporary damage to productive assets
The inventory form is attached (see Annex 2)

35. The entitlements of assets and land affected are calculated based on the above information in an “Entitlement Form” (see Annex 3).

B. Resettlement Plan

35. The baseline information for a RP will include: a) an Census and Inventory (see above); and b) a detailed socioeconomic survey of all DP’s describing their age, gender, ethnicity, education, occupation, sources of income, and total household income. The form for the socio-economic survey is attached (see Annex 4)

SECTION 6 IMPLEMENTATION ARRANGEMENTS

A. Implementation Schedule

37. A detailed implementation schedule of the various activities to be undertaken will be included in each RP. The RP implementation schedule must be developed based on the linkage to the civil work implementation schedule.

38. Payment of compensation and subsidies to the DP’s, and furnishing of other restoration/assistance entitlements (in cash or non-cash kind), and relocation if that is the case, will be completed prior awarding contracts for civil works.

39. Article 32 in the implementation rules of GP for the Law of Land Management, states clearly about the implementation arrangement for the land acquisition, after the approval of the land acquisition through legal procedures:

(i) Release the announcement for land acquisition openly, and states the exact deadline, scopes and categories for compensation or subsidy.
(ii) Register the compensation/subsidy categories and scopes, including the land, house site/structure, adhesive substance of the land/residence, business, etc., as Section V listed.

(iii) Prepare the resettlement plan for compensation
- The local land administrative agency should double check the registered forms and the spots;
- The voices and opinions should be heard, both the relevant RCEO and the farmers;
- Then the compensation scenarios are prepared, including all the compensation categories and criteria listed in Section III;
- The land acquisition compensation and resettlement plan should be announced and public notified.

(iv) Confirm the land acquisition compensation and resettlement plan, and submit the documents to the Local People’s Government (LPG, it is the same as the local authority in this policy framework) for approval. Any disputes should be coordinated and mediated by the higher level of LPG.

(v) Implement the land acquisition compensation and resettlement plan. The compensation and subsidies should be paid to the RCEO or farmers within 3 months after the approval, otherwise the land owners have the right to reject handing over the lands.

B. Institutional Arrangement

40. PMO, PLG and LPG (i.e., the local authority) will arrange adequate and experienced staff to make sure that RP will be implemented smoothly as approved schedules.

C. Complaints and Grievances

41. Complaints and grievances related to any aspect of RP implementation, including the determined area and price of the lost assets, will be handled as follows:

(a) If any person is aggrieved by any aspect of the resettlement and
rehabilitation program, he/she can lodge an oral or written grievance with LPG. LPG will resolve the issue within seven to fifteen days from the date it receive the complaint, respect to the distance and to the extent of difficulty.

(b) If any aggrieved person is not satisfied with the decision in stage 1, he/she can bring the complaint to the higher level of LPG within one month from the date of the receipt of the decision in stage 1. The higher level of LPG will reach a decision on the complaint within 30 days.

(c) If the DP is still not satisfied with the decision at the higher level of LPG, he/she can appeal to the Government who is entitled to approve the land acquisition within 15 days of receiving the decision of the higher level of LPG. The judgment will reach a decision on the complaint within 30 days.

(d) If the DP is not satisfied with the decision of the Government who is entitled to approve the land acquisition, the legal procedure by the Court will be taken. The legal procedure will follow the Code of Civil Law PRC.

D. Supervision, Monitoring and Evaluation

42. Implementation of RP's will be regularly supervised and monitored by the respective PMO in coordination with the PLG and LPG. The findings will be recorded in quarterly reports to be furnished to higher level of LPG and NSC.

43. Internal monitoring and supervision will:

(a) Verify that the baseline information of all DP's has been carried out and that the valuation of assets lost or damaged, and the provision of compensation, resettlement and other rehabilitation entitlements has been carried out in accordance with the provisions of this Policy Framework and the respective RP.

(b) Oversee that the RP's are implemented as designed and approved.

(c) Verify that funds for implementing the RP's are provided to the PMO at local level (township/county) in a timely manner and in amounts sufficient for their purposes, and that such funds are used by the PMO in accordance with the provisions of RP.

(d) Record all grievances and their resolution and ensure that complaints
are dealt with in a timely manner.

44. Independent Monitoring: An independent agency or agencies or individual consultant will be retained by PMO to periodically carry out external monitoring and evaluation of the implementation of RP’s. The independent agencies will be academic or research institutions, Non-Governmental Organizations (NGO) or independent consulting firms, all with qualified and experienced staff and terms of reference acceptable to the World Bank.

45. In addition to verifying the information furnished in the internal supervision and monitoring reports of the PMO, the external monitoring agency will visit a sample of 20% of household DP’s in project area six months after each RP implementation to:

(a) Determine whether the procedures for DP’s participation and delivery of compensation and other rehabilitation entitlements have been done in accordance with this Policy Framework and RP.
(b) Assess if the Policy Framework objective of enhancement or at least restoration of living standards and income levels of DP’s have been met.
(c) Gather qualitative indications of the social and economic impact of project implementation on the DP’s.
(d) Suggest modification on the implementation procedures of RP’s, as the case may be, to achieve the principles and objectives of this Policy Framework.

SECTION 7       COSTS AND BUDGET

46. Each RP will include detailed cost of compensation and other restoration/assistance entitlements and relocation of DP’s, if that is the case, with a breakdown by agricultural land, non-agricultural used land, forestry land, residential land, business land, houses, businesses and other assets. The cost estimates will make adequate provision for contingencies.

47. Sources of funding for the various RP activities will be clearly specified in the
cost tables. For the Livestock Waste Management in East Asia project, funds for implementing RP’s will be from counterpart funds based on budgetary requirements established by PLG and LPG in consultation with the DP’s.
## Annexes:

### Annex 1    Entitlement Matrix

<table>
<thead>
<tr>
<th>№</th>
<th>Type of loss</th>
<th>Application</th>
<th>Definition of entitled DP’s</th>
<th>Compensation Policy</th>
<th>Implementation Issues</th>
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| 1  | Temporary acquisition of agricultural used land  | All DP’s have crops, trees, fish ponds, other agricultural used land        | DP’s with/without land certificate included in the inventory or able to prove land occupancy prior to cut-off date. | - Cash compensation for affected crops, trees, fish ponds, and other agricultural productions, based on the time of temporarily acquired land.   
- Compensation = the average annual production value of previous 3 years * temporary occupied time period  
- No compensation for land  
- Rehabilitate land after the project construction.  
- The period for temporarily using of the land normally should be no longer than 2 years. | - PMO, PLG and local authorities determine and ensure that compensation for crops, trees, fish ponds, and other agricultural used land according to the compensation policy.   
- Full compensation at least 03 month before land clearance.  
- The payments to DP's will be delivered by PMO and local authority staffs.  
- Finance available for compensation and well information disclose/dissemiate to DP's and key stakeholders.  
- Land should be rehabilitated after the project implementation by the unit or by the person who temporarily used the land. |
| 2  | Temporary acquisition of construction used land   | All DP’s have construction used land, normally the village or the township in GP | DP’s with/without land certificate included in the inventory or able to prove land occupancy prior to cut-off date. | - Cash compensation for affected construction used land, based on the time of temporarily acquired land.   
- Compensation = the annual rent rate of state owned land * temporary occupied time period  
- No compensation for land  
- Rehabilitate land after the project construction.  
- The period for temporarily using of the land normally should be no longer than 2 years. | - PMO, PLG and local authorities determine and ensure that compensation for construction used land according to the compensation policy.   
- Full compensation at least 03 month before land clearance.  
- The payments to DP’s will be delivered by PMO and local authority staffs.  
- Land should be rehabilitated after the project implementation by the unit or by the person who temporarily used the land. |
<table>
<thead>
<tr>
<th>No</th>
<th>Type of loss</th>
<th>Application</th>
<th>Definition of entitled DP’s</th>
<th>Compensation Policy</th>
<th>Implementation Issues</th>
</tr>
</thead>
</table>
|    | Acquisition of paddy fields land, cultivated land, and other agricultural used land | All DP’s have paddy fields land, cultivated land, and other agricultural used land | DP’s with/without land certificate included in the inventory or able to prove land occupancy prior to cut-off date. | - The compensation of losing paddy fields land, cultivated land, and other agricultural used land will be through the article 47 of the Law of Land Management PRC, namely the lost land should be compensated based on the original use, satisfactory to the DP’s  
- Cash compensation for affected paddy fields land, cultivated land, and other agricultural used land, based on the referenced production value of the acquired land.  
- The compensation for losing paddy fields is 8 to 10 times of the average annual production value of previous 3 years.  
- The compensation of losing cultivated land other than paddy fields is 6 to 8 times of the average annual production value of previous 3 years.  
- The compensation of losing other agricultural used land, is 5 to 7 times of the average annual production value of previous 3 years.  
- Rehabilitation assistance. | - Consultation for DP’s opinions on paddy fields land, cultivated land, and other agricultural used land compensation.  
- PMO, PLG and local authorities determine and ensure that compensation for paddy fields land, cultivated land, and other agricultural used land according to the compensation policy.  
- Full compensation at least 06 months before land clearance.  
- The payments to DP’s will be delivered by PMO and local authority staffs.  
- Replacement land, and resettlement sites development.  
- DP’s will be granted with Land Use Right Certificate without payment of administrative fees.  
- DP’s receiving compensation will demolish the impacted areas and reconstruct/or improve their land themselves.  
- Finance available for compensation and well information disclose/disseminate to DP’s and key stakeholders. |
<table>
<thead>
<tr>
<th>No</th>
<th>Type of loss</th>
<th>Application</th>
<th>Definition of entitled DP’s</th>
<th>Compensation Policy</th>
<th>Implementation Issues</th>
</tr>
</thead>
</table>
| 4  | Acquisition of non-used arable lands and non-agricultural used land | All DP’s have non-used arable lands or non-agricultural used land | DP’s with/without land certificate included in the inventory or able to prove land occupancy prior to cut-off date. | - The compensation of losing non-used arable lands or non-agricultural used land will be through the article 47 of the Law of Land Management PRC, namely the lost land should be compensated based on the original use, satisfactory to the DP’s.  
- Cash compensation for affected fish ponds or forestry land, based on the referenced production value of the acquired land. | - Consultation for DP’s opinions on non-used arable lands or non-agricultural used land compensation.  
- PMO, PLG and local authorities determine and ensure that compensation for non-used arable lands or non-agricultural used land according to the compensation policy.  
- Full compensation at least 03 months before land clearance.  
- The payments to DP’s will be delivered by PMO and local authority staffs.  
- Replacement land, and resettlement sites development.  
- DP’s will be granted with Land Use Right Certificate without payment of administrative fees.  
- DP’s receiving compensation will demolish the impacted areas and reconstruct/or improve their land themselves.  
- Finance available for compensation and well information disclose/disseminate to DP’s and key stakeholders. |
| 5  | Acquisition of fish ponds and forestry land | All DP’s have fish ponds or forestry land | DP’s with/without land certificate included in the inventory or able to prove land occupancy prior to cut-off date. | - The compensation of losing fish ponds or forestry land will be through the article 47 of the Law of Land Management PRC, namely the lost land should be compensated based on the original use, satisfactory to the DP’s.  
- Cash compensation for affected fish ponds or forestry land, based on the referenced production value of the acquired land. | - Consultation for DP’s opinions on fish ponds and forestry land compensation.  
- PMO, PLG and local authorities determine and ensure that compensation for fish ponds or forestry land according to the compensation policy.  
- Full compensation at least 06 months before land clearance.  
- The payments to DP’s will be delivered by PMO and local authority staffs.  
- Replacement land, and resettlement sites development. |
<table>
<thead>
<tr>
<th>№</th>
<th>Type of loss</th>
<th>Application</th>
<th>Definition of entitled DP’s</th>
<th>Compensation Policy</th>
<th>Implementation Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>off date.</td>
<td>acquired land.</td>
<td>development.</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>- The compensation for losing fish ponds, is 8 to 12 times of the average annual production value of previous 3 years, refers to the neighboring paddy field.</td>
<td>- DP’s receiving compensation will demolish the impacted areas and reconstruct/or improve their land themselves.</td>
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<tr>
<td></td>
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<td></td>
<td>- The compensation for losing timber forest and economic forest is 5 to 10 times of the average annual production value.</td>
<td>- DP’s will be granted with Land Use Right Certificate without payment of administrative fees.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Rehabilitation assistance.</td>
<td>- Finance available for compensation and well information disclose/disseminate to DP’s and key stakeholders.</td>
</tr>
</tbody>
</table>
| 6  | Acquisition of young crops and      | All DP’s have young crops or gardening land                                   | DP’s with/without land certificate included in the inventory or able to prove land occupancy prior to cut-off date. | - The compensation for losing young crops or gardening land will be through the article 47 of the Law of Land Management PRC, namely the lost land should be compensated based on the original use, satisfactory to the DP’s  
- Cash compensation for affected young crops or gardening land, based on the referenced production value of the acquired young crops or gardening production.  
- The compensation for losing emergency crops is the production value of those crops.  
- The compensation for losing perennial crops, the planting period and growing period should be considered for the compensation of production value. | - Consultation for DP’s opinions on young crops and gardening land compensation.  
- PMO, PLG and local authorities determine and ensure that compensation for young crops and gardening land according to the compensation policy.  
- Full compensation at least 06 months before land clearance.  
- The payments to DP’s will be delivered by PMO and local authority staffs.  
- Replacement land, and resettlement sites development.  
- DP’s receiving compensation will demolish the impacted areas and reconstruct/or improve their land themselves.  
- DP’s will be granted with Land Use Right Certificate without payment of administrative fees.  
- Finance available for compensation and well information disclose/disseminate to DP’s and key stakeholders. |
<table>
<thead>
<tr>
<th>№</th>
<th>Type of loss</th>
<th>Application</th>
<th>Definition of entitled DP’s</th>
<th>Compensation Policy</th>
<th>Implementation Issues</th>
</tr>
</thead>
</table>
| 7 | Acquisition of residential land and household/structure | All DP’s have residential land or household/structure, which is occupied by common waste treatment systems. | DP’s with/without land certificate and properties associated with land included in the inventory or able to prove land occupancy and property rights prior to cut-off date. | - The compensation for losing gardening production, which has been planted but not yet to harvest, is 2 to 4 times of the average previous 3 years’ annual production value of the neighboring garden.  
- Rehabilitation assistance. | - Consultation for DP’s opinions on residential land and household/structure compensation.  
- PMO, PLG and local authorities determine and ensure that compensation for residential land and household/structure according to the compensation policy.  
- Full compensation for impacted residential land and household/structure to DP’s at least 08 months before land clearance.  
- The payments to DP’s will be delivered by PMO and local authority staffs.  
- Replacement land, and resettlement sites development.  
- DP’s receiving compensation will demolish the impacted areas and reconstruct/or improve their land themselves.  
- Finance/ land available for compensation/ rehabilitation and well information disclose/disseminate.  
- DP’s will be granted with Land Use Right Certificate without payment of administrative fees. |
<table>
<thead>
<tr>
<th>No</th>
<th>Type of loss</th>
<th>Application</th>
<th>Definition of entitled DP’s</th>
<th>Compensation Policy</th>
<th>Implementation Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>DP is impacted on business</td>
<td>All DP’s who are impacted on business</td>
<td>DP’s with/without business certificate and properties associated with business included in the inventory or able to prove business occupancy or property rights prior to cut-off date.</td>
<td>The compensation for losing business will be: (1) the provision of alternative business site of equal size and accessibility to customers, satisfactory to the DP’s; (2) cash compensation for lost business structure. - The compensation for losing business due to the lost of cultivated land, each DP who lost the business will be subsided 4 to 6 times of the average previous 3 years annual production value of the lost land, but no higher than 15 times. - The compensation of losing business due to the lost of other agricultural used land, each DP who lost the business will be subsided 3 to 5 times of the average previous 3 years annual production value of the</td>
<td>- Consultation for DP’s opinions on business compensation. - PMO, PLG and local authorities determine and ensure that compensation for business according to the compensation policy. - Full compensation for impacted business to DP’s at least 06 months before business clearance. - The payments to DP’s will be delivered by PMO and local authority staffs. - Replacement land, and resettlement sites development. - DP’s receiving compensation will demolish the impacted areas and reconstruct/or improve their land themselves. - Finance/ land available for compensation/ rehabilitation and well information disclose/disseminate. - DP’s will be granted with Land Use Right Certificate</td>
</tr>
<tr>
<td>№</td>
<td>Type of loss</td>
<td>Application</td>
<td>Definition of entitled DP’s</td>
<td>Compensation Policy</td>
<td>Implementation Issues</td>
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<td>lost land.</td>
<td>without payment of administrative fees.</td>
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<td>- If the sum of the compensation for losing land and subsidy for losing business is still not qualified to keep the original living standards, the subsidies can be increased after the approval of the provincial government.</td>
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<td>- But the sum of compensation and subsidy should not be higher than 30 times of the average previous 3 years annual production value of the lost land.</td>
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<td>- Rehabilitation assistance.</td>
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</tbody>
</table>
## Annex 2
### Inventory of Displaced People

<table>
<thead>
<tr>
<th>Survey No.</th>
<th>Name of Household Head</th>
<th>No. of persons in HH</th>
<th>Total landholding of HH in m²</th>
<th>Land to be acquired in m² by Type</th>
<th>Loss as % of total</th>
<th>Loss of Non-Agricultural Production</th>
<th>Loss of Agricultural Production</th>
<th>Temporary Losses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Non-used arable lands in m² (types and area specified)</td>
<td>Non-agricultural used land in m² (types and area specified)</td>
<td>Young crops (types and area specified)</td>
</tr>
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</tbody>
</table>
Annex 2     Inventory of Displaced People (Cont.)

<table>
<thead>
<tr>
<th>Survey No.</th>
<th>Name of Household Head</th>
<th>No. of persons in HH</th>
<th>Total landholding of HH in m²</th>
<th>Land to be acquired in m² by Type</th>
<th>Loss as % of total</th>
<th>Loss of Assets</th>
<th>Loss of Business</th>
<th>Loss of Other assets</th>
<th>Other Losses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td>Area of residential land lost (m²)</td>
<td>Number and type of lost structures</td>
<td>Types and area of business land</td>
<td>Types, numbers and categories of other fixed assets of the business</td>
</tr>
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</tbody>
</table>
## Annex 3 Entitlements of DP’s

<table>
<thead>
<tr>
<th>Survey No.</th>
<th>Name of HH Head</th>
<th>Compensation for Non-Agricultural Used Land</th>
<th>Compensation for Agricultural Used Land</th>
<th>Compensation for Temporary Losses</th>
<th>Sub Total 1 in Yuan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Quantity Sq. Meters</td>
<td>Unit Price Sq. Meters</td>
<td>Entitlement in Yuan</td>
<td>Quantity Sq. Meters</td>
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</tbody>
</table>
## Annex 3  Entitlements of DP’s (Cont.)

<table>
<thead>
<tr>
<th>Survey No.</th>
<th>Name of HH Head</th>
<th>Compensation for Loss of Assets</th>
<th>Compensation for Loss of Business</th>
<th>Compensation for Loss of Other Assets (wells, Tombs, etc.)</th>
<th>Compensation for Other Losses</th>
<th>Sub total 2 in Yuan</th>
<th>Total in Yuan (sub total 1 + sub total 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Quantity</td>
<td>Unit Price in Yuan</td>
<td>Entitlement in Yuan</td>
<td>Quantity</td>
<td>Unit Price in Yuan</td>
<td>Entitlement in Yuan</td>
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</tbody>
</table>
## Annex 4  Socio-Economic Household Data Sheet of Project Affected People

Prefecture: ___________________  County: ___________________  Township: ___________________  Village: ________________

<table>
<thead>
<tr>
<th>Survey No.</th>
<th>Address of Household</th>
<th>Name of Household Member</th>
<th>Gender</th>
<th>Age</th>
<th>Ethnic Group</th>
<th>Education</th>
<th>Occupation and Sources of Income</th>
<th>Employment</th>
<th>Estimated Total Household Income per Year (Yuan)</th>
</tr>
</thead>
</table>
### Basic statistics on lease and administrative allocation of the use right of state-owned land

<table>
<thead>
<tr>
<th></th>
<th>item</th>
<th>1995</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lease of use right of state-owned land</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of blocks</td>
<td>9701</td>
<td>8305</td>
<td>9340</td>
<td>8193</td>
<td></td>
</tr>
<tr>
<td>Area of totally leased land</td>
<td>8527</td>
<td>5542</td>
<td>7223</td>
<td>8201</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue from leasing of the use right</strong></td>
<td>489501</td>
<td>1125286</td>
<td>1629440</td>
<td>1201546</td>
<td></td>
</tr>
<tr>
<td>Expropriation fee</td>
<td>59731</td>
<td>95900</td>
<td>99105</td>
<td>106476</td>
<td></td>
</tr>
<tr>
<td>Development fee</td>
<td>103379</td>
<td>592421</td>
<td>822662</td>
<td>481786</td>
<td></td>
</tr>
<tr>
<td>Net revenue</td>
<td>264210</td>
<td>436023</td>
<td>703515</td>
<td>602455</td>
<td></td>
</tr>
<tr>
<td>Other revenue</td>
<td>62181</td>
<td>942</td>
<td>4158</td>
<td>10829</td>
<td></td>
</tr>
<tr>
<td><strong>Administrative allocation of the use right of state-owned land</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of blocks</td>
<td>6476</td>
<td>982</td>
<td>2943</td>
<td>1947</td>
<td></td>
</tr>
<tr>
<td>Area of allocation</td>
<td>6090</td>
<td>1315</td>
<td>1446</td>
<td>4022</td>
<td></td>
</tr>
</tbody>
</table>