

Shanghai APL I
POLICY FRAMEWORK FOR RESETTLEMENT AND LAND ACQUISITION
(Draft)

1. Objective of the Policy Framework

With consideration that there are possible adjustments to the project design during construction, as well as unidentified impacts especially related to the sub-projects, there is need to formulate this document to place some principles into the project activities which involves unavoidable resettlement related to land acquisition and leasing.

During its design, all subprojects under the Shanghai APL I have taken full consideration in order to avoid or minimize permanent and/or temporary occupancy of land that would result in involuntary resettlement. The document is formulated according to the World Bank's OP 4.12 and China's laws and regulations related to land and resettlement, and its main objectives are as follows:

- 1) Ensuring the implementation of the project exactly follows of the World Bank's OP 4.12 and the laws and regulations of China;
- 2) Avoiding or minimizing potential negative impact on those affected, by permanent and temporary occupancy of land due to and/or during construction period. If unavoidable, resettlement plan should be formulated to eliminate or minimize the negative impacts;
- 3) If land acquisition occurs in the implementation of project activities, Resettlement Action Plan (RAP) would be a pre-requisite before the sub-project is listed in the overall project investment plan. This RAP would be submitted to the World Bank for prior review;
- 4) During the implementation of the project close attention should be paid to those affected in order to improve or, at least, restore their living conditions;
- 5) Strengthening, monitoring and evaluation on resettlement, in order to timely identify the impacts due to land acquisition and leasing in the project construction;
- 6) Clarifying and carrying out measures of social adjustment, public participation and information disclosure;
- 7) Clarifying management organizations and their responsibilities;

2. Measures to Avoid or Minimize Resettlement

- 1) Taking full consideration in the design alternatives with regard to the socio-economic impacts of the project should be an important factor in the profit-loss analysis of the project;
- 2) Making project design to steer clear of residential areas, units and farmland;
- 3) Minimizing scope of permanent and temporary occupation of land;
- 4) Abbreviating construction period and land leasing duration in order to minimize the negative impacts due to the project;
- 5) Temporary land usage will be undertaken between autumn harvest and winter planting seasons. The compensation for land and its green crops would be compensated before the land usage;
- 6) Any land usage would be strictly controlled and any land acquirement and leasing will be submitted for approval.

FILE COPY

3. Laws and Regulations for Resettlement and Land Use

- 1) Based on the OP4.12 of the World Bank, case resettlement and land acquisition cannot be avoided. The RAP should therefore be prepared and followed in order to ensure improvement to the affected or at least restoration of their living standards.
- 2) Land acquisition and leasing should exactly follow the laws and regulations, such as:
 - ✧ *Land Administration Law of the P.R.C*
 - ✧ *Relevant provisions of Land administration Law of the People's Republic of China;*
 - ✧ *Notice of Compensation Rates for Property on Land Requisitioned for Construction* by Shanghai Land Administration Bureau in 1990
 - ✧ *Notice of Adjusting Compensation Rates for Property and Land Requisitioned for Construction (proposal) and Compensation Rates for Houses and Attachments*, by Shanghai Land Administration Bureau in 1993;
 - ✧ *Shanghai Administration Regulations for Land for Construction*, issued in January, 1992 and revised in December, 1997;
 - ✧ *Notice on Implementation of Land Administration Laws of P.R.C;*
 - ✧ *Approval of Adjusting Compensation Rates of Land Requisition*, by Shanghai Price Bureau and Shanghai Finance Bureau in 1999;
 - ✧ *Notice of Supplementary of Shanghai Taxes for Using Cultivated Land Regulation*, by Shanghai Finance Bureau in 1998;
 - ✧ *Shanghai Resettlement Regulations for Agricultural Population with Collective Land Requisitioned for House Construction*, issued with Shanghai People's Government Order No.62 on April 22, 1994;
 - ✧ *Notice of Increasing Pension for People Affected by Land Requisition*, by Shanghai Labor and Social Security Bureau in 1999;
- 3) Utilization of the above laws and regulations in the project:
 - ✧ Land usage for the project should abide by the Law of the PRC on Land Management, the Implementation Regulations of the Law of the PRC on Land Management and related laws, regulations issued by Shanghai Government;
 - ✧ According to the Land management Law of People's Republic of China, a land use payment system is in place. Construction units must abide with the approval procedures stipulated by the law, submit their application to the local land management authority and acquire the land use right through the administrative allocation and financial compensation. Each level of governments' land bureau reviews the land law's application at each level and monitor the land use. Any land acquisition must be submitted for government approval above county level.
 - ✧ The compensation for land in urban areas of Shanghai City is calculated according to the market price, whereas the compensation for other land will be based on the *Notice of Compensation Rates for Property on Land Requisitioned for Construction*;
 - ✧ According to the land law, if developments for township infrastructure need the use of land, it should be reviewed and approved by the township government first, then an application must be submitted to the county land bureau. The county land bureau should review the project before implementation and submit to the government above county level for approval.
 - ✧ For temporary acquisition of land, compensation for green crop should be reasonably paid in accordance with the physical loss. In principle, the compensation criteria should be based on local market price or re-purchasing price. When the temporary

land acquisition is completed, the land should be restored to cultivation. Practical compensation standard should be formulated in accordance with land management methods and relevant policies promulgated by Shanghai Government.

- 4) The compensation for house and other structures in urban areas of Shanghai City will be based on the *Detailed Management Regulations of House Demolition in Shanghai Urban Area*, issued in 2001; and houses in other areas will be paid at their replacement price level.
- 5) Compensation for other affected assets will follow the related regulations.

4. Basic Principles Related to Resettlement and Compensation

- 1) Involuntary resettlement and land acquisition will be avoided/minimized as much as possible;
- 2) If resettlement and land acquisition cannot be avoided, RAPs will be prepared for compensation and rehabilitation of the affected people;
- 3) Adequate funds will be timely provided for implementing such RAPs;
- 4) Preparation and implementation of such action plans will be conducted in consultation with the local governments and the affected people, on all the components related to resettlement and compensation;
- 5) Compensation will be paid at replacement costs without depreciation; and such payments will be made prior to the move and acquisition of land;
- 6) The affected people will be assisted during relocation and in their livelihood rehabilitation activities;
- 7) The living standards of the affected people will be either restored or improved, after resettlement activities;
- 8) Absence of Legal or formal title will not be an obstacle for the affected to get compensation and assistance during the resettlement implementation;
- 9) All the costs related to land acquisition and structure demolition will be included in the project cost estimates;
- 10) Adequate supervision and monitoring should be introduced to the resettlement management in order to timely identify the potential issues related to the land usage and resettlement;
- 11) Clarifying the resettlement organizations and their responsibilities at the project preparation stage; and
- 12) The action plans will be prepared on an annual basis for each county, and the plans will be reviewed by the province/municipality and be accepted by the World Bank before the relevant civil engineering work.

5. Planning and Implementation of Land Acquisition and Resettlement

- 1 All activities involving land acquisition and resettlement will formulate a plan for land acquisition and resettlement and implementation, which will serve as the basis for initiation of the activities.
- 2 Where less than 200 people are affected, an abbreviated plan would be prepared including:
 - (a) a census survey of displaced persons and valuation of assets;

- (b) description of compensation and other resettlement assistance to be provided;
- (c) consultations with displaced people about acceptable alternatives;
- (d) institutional responsibility for implementation and procedures for grievance redress;
- (e) arrangements for monitoring and implementation; and
- (f) a timetable and budget.

3 If more than 200 people are affected, a full plan would be prepared. A basic outline of a full land acquisition and resettlement plan (see Annex 1) would include :

- (a) The objective for land acquisition and its location and scope;
- (b) The principles for the land acquisition and relevant policy and law;
- (c) Social and economic investigation of the scope of land acquisition;
- (d) Impact of land acquisition and compensation standard;
- (e) Measures for restoring of livelihood and production of affected people;
- (f) Cost estimates and fund management for land acquisition;
- (g) Implementation schedule;
- (h) Establishment of land acquisition institution and personnel allocation;
- (i) Public participation;
- (j) What impact will land acquisition bring to farmers and community;
- (k) Complaints and grievance;
- (l) Monitoring & evaluation and report system;
- (m) Annex, maps and tables.

6. Design Procedures for Land Acquisition and Resettlement

- 1 Investigation on social and economic situation in the would-be land acquisition areas (a socio-economic survey);
- 2 Investigation and registering of affected population (persons, households, villages, types and quantities and the affected scope etc., i.e. census and inventory);
- 3 Formulating measures for land acquisition and resettlement in line with relevant policy, law, regulation and compensation standard.

7. Information Dissemination during Planning

- 1 From project inception up to the end of resettlement implementation, information on the project and the resettlement related national laws and regulations have and continue to be publicized through public participation activities. Resettlement workers and local governments are responsible for informing project affected people of the following: affected assets; the calculation process for compensation standards; means of compensation; relocation methods; the disbursement and utilization of resettlement compensation; their rights and preferential policies; etc.
- 2 RAPs of the project will be available in libraries at City and County level for the stakeholders and resettlers.

- 3 The dissemination of Resettlement information booklet. The issuance of these information booklets will be of paramount importance in ensuring awareness of all project affected people, enhancing transparency, and increasing the efficiency of resettlement operations.

8. Grievance Redress Mechanism

During project resettlement planning the affected people and units' rights will be fully recognized, maintained, and protected. In addition to some adequate compensation, opportunities and rights for further development will be made available for them. The mechanism of claiming will be regulated and set up in the action plan of the land acquisition and resettlement. In particular, if any project affected person have justified grievances during implementation, they will have an adequate channel to report to and make claims to the department(s) concerned. Such claims must be found in conformity with the plan and policy to be settled quickly.

9 Monitoring and Evaluation

- 1 In the case of land acquisition and resettlement in a sub-project, JIAMP PMO will employ an independent third party to be responsible for monitoring and evaluation of the land acquisition, resettlement and compensation. In addition, PMOs at each level should include construction land, land acquisition and compensation items in the project progress table when submitting it to higher-level PMOs.
- 2 Monitoring and evaluation personnel should regularly check and visit the site to assess progress and identify problems, and ask the project office at each level to take measures to solve problems, if any.
- 3 Main Monitoring Indicators would include:
 - ◇ □ Signing land acquisition agreement;
 - ◇ □ Payment of compensation expenses;
 - ◇ □ Time to raise compensation funds and its disbursement period; ?
 - ◇ □ Changes in the affected household economic situation;
 - ◇ □ Implementation of the planned measures;
 - ◇ □ Usage of the occupied land; and
 - ◇ □ Re-cultivation time of the temporarily acquired land.

10. Resettlement Management Organizations and Their Responsibilities

- 1) The coordination of resettlement projects. Given the project covers 6 sub-projects from different Districts and belonging to diverse departments, the Project should set up a specific resettlement office to coordinate all the resettlement assignments of the sub-projects. The tasks of the resettlement office are to cooperate with staff from each sub-project, to organize and implement the implementation of resettlement, and to summarize and report the outcome of the resettlement situation. The resettlement office will:
 - ◇ Organization and supervision of the resettlement structure of the Project to realize the resettlement target of the project;

- ❖ Direct the construction units to follow this document to formulate RAPs;
- ❖ Coordinate the setup of the resettlement management system under sub-projects, and manage the other issues such as funding of resettlement;
- ❖ Supervise and/or implement the resettlement;
- ❖ Coordinate relationship between the construction units and those affected;
- ❖ Summarize the resettlement implementation progress and report semi-annually the resettlement progress and effects to the World Bank, as well as supply cooperation to the supervision of the World Bank Mission;
- ❖ Employ and supervise external monitoring unit.

11. Resettlement Management Capacity Strengthening

- 1) Each resettlement office at various levels should staff 1 to 2 workers and be equipped with basic facilities such as vehicles, computers, faxes and phones. The resettlement training program should cover each resettlement office, and the training cost should be included in the total budget of the project.
- 2) Training program for resettlement staff. In order to strengthen the management capacity of the resettlement staff, it is necessary to set up a training system. The training program would include technical lectures, seminars, on site project visits and training on duty. The contents of training will cover
 - ❖ Resettlement policy and management method;
 - ❖ Management of Plan and design;
 - ❖ Implementation Management;
 - ❖ Management on the implementation progress;
 - ❖ Financial management;
 - ❖ Quality control;
 - ❖ Management information system;
 - ❖ Resettlement supervision;
 - ❖ Resettlement monitoring and evaluation;
 - ❖ Project Management .

12. Reporting System

- 1) The project resettlement office should develop a set of reporting tables to collect and manage information of resettlement information from each sub-project.
- 2) The project resettlement office should semi-annually prepare a progress document and submit to the Bank.

TOC of RAPs

Text

- 1 Project Description
 - 1.1 Brief Introduction of the Project
 - 1.2 Areas Affected/Benefited By the Project
 - 1.3 Socio-economic background of the project area
 - 1.4 Approval of the project
 - 1.5 Design process of the project
 - 1.6 Project ownership and organizations
 - 1.7 Target of resettlement and rehabilitation
- 2 Project Impacts
 - 2.1 Definition of affected people by the project
 - 2.2 Impacts of the project
 - 2.2.1 Components of the projects
 - 2.2.2 Project Impacts
 - 2.3 Impacts Analysis
 - 2.3.1 Impact Analysis on Land Used Temporarily
 - 2.3.2 Impact Analysis on Land Acquisition
- 3 Socioeconomic Survey
 - 3.1 Procedure of Socioeconomic Survey
 - 3.2 Analysis of the Socio-economic Situation
 - 3.3 Interview with the affected
- 4 Resettlement Policies and Compensation Rates
 - 4.1 Laws and Regulations
 - 4.2 Administration Procedures
 - 4.3 Resettlement Policies of the Project
 - 4.4 Compensation Rates
 - 4.4.1 Land compensation
 - 4.4.2 House compensation
 - 4.4.3 Other compensation
- 5 Rehabilitation Scheme for PAPs' Production and Living
 - 5.1 Resettlement of Residents
 - 5.2 Resettlement Scheme for Enterprises Affected
 - 5.3 Environment Protection
- 6 Cost and Budget
 - 6.1 Cost
 - 6.1.1 Basic Cost
 - 6.1.2 Management fee
 - 6.1.3 Contingencies fee
 - 6.1.4 Survey and Design Cost
 - 6.1.5 Monitoring and evaluation costs

- 6.2 Annual Investment Plan
- 6.3 Fund Source
- 6.4 Cash Flow
- 7 Public Participation and Appealing
 - 7.1 Public Participation and Information Publication
 - 7.2 Procedures of Appealing
- 8 Organizations and Management
 - 8.1 Concerned Organizations for Resettlement Action
 - 8.2 Responsibilities of Each Organization
 - 8.2.1 Organizations in Charge
 - 8.2.2 Organizations' Responsibilities
 - 8.2.3 External Monitoring Unit
 - 8.3 Measures for institutional strengthening
 - 8.4 Monitoring
 - 8.4.1 Internal Monitoring
 - 8.4.2 External Independent Monitoring
 - 8.4.3 Monitoring Indicators
- 9 Schedule of Implementation
 - 9.1 Resettlement and Implementation of the Project
 - 9.2 Implementation Schedule of Resettlement
 - 9.2.1 The principles for making schedule of acquisition and resettlement
 - 9.2.2 Overall Plan of Land Acquisition and Resettlement
- 10 Entitlement Matrix

List of Tables

List of Photos

List of Maps

List of Annexes

WB88190

L:\Admin4\SHUEP-Rest&LanAcPoly.doc

April 29, 2002 2:15 PM