



Supplementary Resettlement Plan

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Prepared by Xinjiang Uygur Autonomous Region International Engineering Consulting Center
Xinjiang Uygur Autonomous Region, PRC

For Xinjiang Project Management Office

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Asian Development Bank

**ADB Loan Xinjiang Infrastructure &
Environmental Improvement Project**

Supplementary Resettlement Plan

**for newly added subprojects under
Kanas Ecological Improvement & Infrastructure
Restoration Component**

**The Xinjiang Uygur Autonomous Region International
Engineering Consulting Center**

December 2011

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Endorsement Letter

Kanas Scenic Region Management Commission (KSRMC) has applied for a loan from the Asian Development Bank (ADB) to finance the Kanas Ecological Improvement & Infrastructure Restoration Project. Therefore, the project must be implemented in compliance with the guidelines and policies of the ADB for Social Safeguards. This Resettlement Plan (RP) is in line with the key requirements of the ADB and will constitute the basis for land acquisition, house demolition and resettlement of the project. The Plan also complies with the laws of the People's Republic of China (PRC) and local regulations, as well as with some additional measures and the arrangements for implementation and monitoring for the purpose of achieving better resettlement results.

Kanas Scenic Region Management Commission (KSRMC) hereby approves the contents of this RP and guarantees the implementation of land acquisition, house demolition, resettlement, compensation and fund budget will comply with this plan. Kanas Scenic Region Management Commission (KSRMC) has made discussion with related departments regarding this Resettlement Plan and got approval from them. Kanas Scenic Region Management Commission (KSRMC) is responsible for the project implementation and relevant resettlement issues.

This RP was compiled according to the detailed design, construction drawing design by the end of January 2012 and data of the preparatory socioeconomic investigation. If the final contents of project implementation are different from the Feasibility Study Report, this RP will be amended and re-submitted to the ADB for approval before its implementation.

Approved on 25/05/2012

Kanas Scenic Region Management Commission (KSRMC) leader: 

Description of the supplementary resettlement plan

This supplementary resettlement plan is an addendum to the original Kanas component's RP of ADB Loan Xinjiang Municipal Infrastructure and Environment Improvement Project. Original resettlement plan of this component covers the land acquisition and resettlement impacts caused by ten subprojects of the original components, including 3 roads, 4 parking lots, 1 water supply facility, 1 wastewater treatment system and 1 landfill lot, of which 3 subprojects were removed from the project scope. While the rest subprojects will continue to be implemented in this project. So far, Kanas component has completed and ongoing projects include: i) the roads in Baihaba village; 2) the parking lot in Baihaba and Hemu villages; 3) the water supply and wastewater system in Tiereketi village; 4) the vegetation recovery from Jiadengyu to Kanas; and 5) construction of the solid waste landfill in Haliutan. Xinjiang Agricultural University has monitored the implementation of original RP and EMDP, and the external monitoring reports have been submitted to ADB. In addition, in order to complete the Kanas scenic infrastructure construction and use the remaining loans, some new subprojects were added and approved by ADB, including 3 parking lots and one road. The land acquisition impacts of the newly added subprojects are addressed in the supplementary plan. New construction of the road project is the upgrading of the original roads, it does not involve land acquisition and resettlement; new construction of the parking lots will require collective land, but does not involve the villagers contracted land and housing demolition. The supplementary resettlement plan has explained the situation of proposed cancelled and new projects in detail. The proposed project scope change of Kanas Component is shown in following table:

Table: Summary of Proposed Project Scope Change in Kanas Component

Original subprojects	Supplementary Subprojects	Remarks	Impacts
1. Village roads construction			
Hemu Village: 9.81 km		Removal from the Project scope	No LAR impacts
Tiereketi Village: 6.35 km		Removal from the Project scope	No LAR impacts
Baihaba Village: 8.11 km		Design change	No LAR impacts
	Kanas Village: 5.5 km	Proposed new subproject	No LAR impacts
2. Parking Lots			
Hemu Village: 7,000 m ²		being implemented	Land acquisition: 10.5mu grassland
Baihaba Village: 8,000 m ²		being implemented	Land acquisition: 12 mu grassland
Tiereketi Village: 20,000 m ²	Tiereketi Village: 5,000 m ³	Responding to villagers' request to make the parking lot closer to them. Parking lot area reduced to 5,000 m ² and the site is slightly adjusted	Land acquisition: 7.5 mu grassland
Kanas Village (at Hailiutan): 20,000 m ²		Canceled	Land acquisition: 37.5mu grassland
	Jiadengyu: 5,000 m ²	Proposed new subproject	Land acquisition: 7.5 mu grassland
	Dongxilieke Village: 3,000 m ²	Proposed new subproject	Land acquisition: 4.5 mu grassland
3. Water Supply			
300 m ³ /day water supply system and associated connection and distribution pipelines in Tiereketi		being implemented	Land acquisition: 1.5 mu grassland
4. Wastewater Treatment			
200 m ³ /day wastewater treatment system and associated connection pipelines in Tiereketi		being implemented	Land acquisition: 3 mu grassland
5. Environmental Sanitation and Solid Waste Treatment			
A 23.42 t/d sanitation landfill and solid waste collection and transport facilities		being implemented	Land acquisition: 26.8 mu grassland
6. Rehabilitation of vegetation along roadside			
		completed	No LAR impacts

Executive Summary

The newly added subprojects under Kanas Ecological Improvement & Infrastructure Restoration components of the ADB Loan Xinjiang Municipal Infrastructure and Environmental Improvement Project, aim to improve the infrastructure conditions of Kanas Village, Hemu Village, Akehabanan Village and Tiereketi Village, as well as vegetation recovery in Kanas region. This resettlement plan is a supplementary document of the original project plan, and its objective is to improve the infrastructure of Kanas Science Region including (i) road construction of Kanas Village; (ii) parking lots construction in Tiereketi, Jiadengyu and Dongxilieke villages; (iii) purchase of environmental sanitation facilities, road maintenance facilities and environmental monitoring equipments, to meet the demands for road and parking lots construction, as well as road maintenance and environmental management in Kanas Science Region, achieving the harmonious development of regional society and economy.

The main newly added construction contents of this Project (the Project) include road upgrading, parking lots construction, purchase of environmental sanitation facilities, road maintenance facilities and environmental monitoring equipments. Kanas Science Region Management Committee (PMO) is the implementation agency (IA) of this Project. It is planned to be started in May 2012 and put into operation by October 2012.

Land acquisition will be needed for the Project without house demolition. Land of 115mu will be acquired permanently with 95.5 mu of original road area and 19.5mu of natural grassland. Besides, 4.5mu land will be acquired temporarily for a period of 2 years. Natural grassland of 19.5mu which is contracted by 5 herdsman households will be acquired for project construction.

To avoid or reduce the negative impact of land acquisition, the PMO consulted fully with affected villages regarding to the selection of project sites during detailed Measurement Survey, and made the best choice after comparison.

This RP was prepared based on The Land Law of the People's Republic of China (2004), Decision of the State Council on Deepening Reform and Strictly Enforcing Land Management (Guofa[2004] No.28), The Grassland Law of the People's Republic of China (2002), Method on Xinjiang Uygur Autonomous Region Implemented The Land Management Law of the People's Republic of China (1999), relevant policies of Altay region, ADB's policy on Involuntary Resettlement and related social safeguard policies. On this basis, upon consultation with local government and affected people (APs), the principles of this RP was made as follows: (i) to avoid involuntary resettlement as much as possible, wherever feasible; (ii) the compensation and entitlements to be paid to affected people should at least enable them to maintain the same living standards as "without project" or even better; (iii) all the APs regardless of the legal titles will be entitled to get compensation for land acquisition and resettlement; (iv) the compensation will ensure all APs to at least keep the same living standard as before; (v) If the remainder land after land acquisition fails to safeguard the livelihood of the APs, compensation in forms of cash or land replacement, plus other necessary income-earning activities will be provided for the APs; (vi) The APs will have good understanding of the qualification, means and standards of compensation, livelihood and restoration plan as well as project construction arrangement etc., and participate in the implementation of the RP; (vii) land acquisition should not conduct before the APs are satisfied with the compensation plan; (viii) implementing agency and independent third party will monitor the operation of compensation and resettlement; (ix)

vulnerable group will get special assistance or treatment, to ensure them better and all the affected people should get benefits from the Project; (x) the compensation will be enough to cover all impacts that are caused by the project construction.

All the APs have been informed of the key contents of RP by various means, such as meeting, interview, villagers' group discussion, public participation in meeting and community consultation. Through the above activities, immigrants took part in the Project and their views were taken fully into account in the RP. Altay PMO will be responsible for supervising the implementation of RP, participating in consultation and complaints. The complaint channels have been clearly described in the RP.

As for the permanent land acquisition, the compensation standard will be set based on the Method on Xinjiang Uygur Autonomous Region Implemented The Land Management Law of the People's Republic of China and relevant regulations from Xinjiang Uygur Autonomous Region Development and Reform Commission (XDRC) and finance bureau [xinjijiafang(2001) No.500]. It was identified that the land acquisition compensation factor and resettlement compensation factor for natural grassland occupied for the Project is 6 times and 3 times respectively. The main type of acquired land for the Project is natural grassland with high quality grass that listed as first-class grassland, and the compensation base was calculated by annual production value of 437.3 yuan/mu, so the compensation fee of natural grassland acquired for the Project is 2624yuan/mu, resettlement compensation is 1312yuan/mu; compensation standard for temporary acquired grassland is also calculated by 437.3 yuan/mu/year with 2 years of compensation period.

According to the survey and analysis, the Project towns have huge land ownership, and land acquisition of 19.5 mu for the Project only accounts for 0.16% of natural grassland in two towns, having almost no impact on agriculture production. Therefore, the compensation will be paid to the affected people by cash directly. Also by consulting with affected village government, the PMO will (i) help villagers with development of tourism and animal industry and (ii) provide non-technical job opportunities during project construction to the local villagers in priority (including at least 30% of women laborers).

According to the process of project implementation, land acquisition and compensation activities will be started from May 2012 and completed by October 2012, and the civil works are not allowed to start before land compensation was paid in full. To ensure the successful implementation of the RP, external monitoring will be conducted every half year by independent agency except for internal monitoring. The total investment for the additional subprojects is CNY 39.35 million, including CNY 76,752 for compensation on land acquisition.

1 Project Overview

1.1 Project Summary

Kanas Ecological Improvement & Infrastructure Restoration Project is one component of the ADB Loan Xinjiang Municipal Infrastructure and Environmental Improvement Project.

This RP was prepared by the KSRMC during the project preparation period, with assistance of Xinjiang International Engineering Consulting Center, referring to village roads upgrading and 4 parking lots newly construction in Kansa science region. The overall impacts in this RP were evaluated based on the detailed design and on-site investigation.

The project implementing agency, KSRMC, will submit this RP to ADB for approval, and then implement the RP after approved by ADB.

1.2 Project Sub-components

ADB Loan Xinjiang Kanas Ecological Improvement & Infrastructure Restoration Project has been implemented since June 2009. The PMO made some adjustment according to the actual condition as following:

(1) Cancelled Project

a. 9810 meters roads of Hemu Village Roads and Parking Lots Construction Project has been constructed by transportation department through rural road project; parking lots construction was completed by other funds.

b. 6354 meters roads in original Tiereketi village roads has been constructed by transportation department through rural road project.

c. Haliutan Parking Lots project: as the functions of Haliutan region was adjusted in Big Kanas Tourism Master Plan, no associated facilities will be built here, so the parking lot was cancelled.

(2) Newly added Project

ADB Loan Kanas project will be supplemented as follows:

(a) Civil Works

The Project will focus on (i) two roads upgrading in Kanas village, (ii) parking lots construction in Kanas village and Tiereketi village and Jiadengyu, and (iii) purchasing of environmental sanitation, road maintenance and environmental monitoring equipment in Kanas science region. The details are shown as table 1-2-1.

Table 1-2-1 Main Contents of New Project Construction

No.	Project Name	Scales	Contents	Project Location
1	Road upgrading	5.5 km	road upgrading	Kanas Village
2	parking lot construction	5000m ²	parking lot construction	500m left of Tiereketi police station
3		3000m ²	parking lot construction	intersection of Dongxilieke and Naren
4		5000m ²	parking lot construction	Jiadengyu

(b) Project Investment and Financing

The total investment cost for project variation is CNY 39.35million, of which USD 4.98 million (about CNY 32.37 million, 1USD=6.5CNY) will be financed by ADB accounting for 82.26% of total cost; other CNY 6.98million will be provided from the counterpart fund of KSRMC accounting for 17.74% of total cost.

(c) Project period

The construction period of the Project is one year (2012-2013), at the end of which the project will be completed for operation.

1.3 Impact of Project Land Acquisition, House Demolition and Resettlement

Kanas village road upgrading project will be conducted with the right-of-way of the original road, without any land acquisition and house demolition. The natural grassland will be acquired for the construction of three parking lots and 5 herdsman households will get the compensation for grassland acquisition, but no house demolition is involved.

1.4 Total Cost Estimate

The total cost for new project is CNY 39.35 million, of which CNY 76,752 for compensation on land acquisition that accounts for 0.43% of the total cost.

1.5 Project Period and Resettlement Schedule

According to the progress of project implementation, the resettlement office engaged Xinjiang International Project Consulting Centre to prepare the RP. The RP was completed in August 2011 and will be approved by ADB by April 2012. The land needed for the Project will be approved by land management department in May 2012 and the RP will be implemented from May 2012 to October 2012, including contract signing for land acquisition and compensation payment.

2 Project Impact Area and Socio-economic Profile

2.1 Impact and Scope for Project Resettlement

The main resettlement impact of the Project is permanent and temporary occupied natural grassland, without any house demolition.

Two towns and two villages in Kanas science region will be impacted by the project resettlement, including Kanas village in Hemuhanasi town and Tiereketi village and Jiadengyu Village in Tiereketi town. In 2012, the population in these two towns is 4438, with 4406 of minority, which accounts for the 99.29% of the total population. Project land acquisition will affect 5 households with 24 people that is 0.54% of the total population. The impact scope of land acquisition is shown as table 2-1-1.

Table 0-1-1 Impact Scope of Project Land Acquisition

Subcomponents	County	Town	Village	Location
road upgrading project	Buerjin	Hemuhanasi Mongolian town	Kanas	Original road
parking lot construction project	Habahe	Tiereketi	Tiereketi	500m left of Tiereketi police station
	Buerjin	Hemuhanasi Mongolian town	Kanas	intersection of Dongxilieke and Naren
			Kanas	Jiadengyu

2.2 Socioeconomic Profile of Project Affected Region and County

2.2.1 Regional Socioeconomic Summary

Altay region is located in the most north-west part of Xinjiang province, which is a multi-ethnic border area mixed by Kazakh, Han etc. It is connected with Kazakhstan and Russia in northwest and linked with Mongolia in eastern part with border length of 1205km; in the south part, it is connected with Tacheng region and Changji Hui Autonomous Prefecture.

Altay region includes six counties and one city, which are Altay City, Buerjin County, Habahe County, Jimunai County, Fuhai County, Fuyun County and Qinghe County. The total area is 117,700 km², accounting for the 7% of the total area of Xinjiang.

In 2010, the total population in the region is 662,000 with 388,000 of minority, which is 58.61% of the total population. In 2010, the regional GDP is CNY 13.486 billion with 14.88% increased over the previous year; per capita GDP is CNY 22406 and local revenue is CNY 1.703billion, fixed assets investment is CNY 10.509billion. The main economic indicators of Altay region in 2008-2010 are shown as following table 2-2-2:

Table 2-2-2 The main socioeconomic indicators of Altay region in 2008-2010

Item	Unit	2008	2009	2010	Growth Rate (%)
I. total population at the end of year	10 ⁴ people	65.17	65.77	66.20	0.79
1. Agriculture population/proportion	10 ⁴ people/%	32.65/50.10	33.04/50.24	33.26/50.79	0.93
2. Minority population/proportion	10 ⁴ people/%	37.91/58.17	38.39/58.37	38.80/58.61	1.17
3. Natural population growth rate	‰	11.02	10.92	7.53	
II. Land Area	km ²	117699.0	117699.0	117699.0	
III. Integrated economic indicator					
1. GNP	10 ⁴ yuan	1176466	1173878	1348644	7.07
Primary industry/proportion	10 ⁴ yuan/%	248403/21.11	277272/23.62	295754/21.93	9.12
Second industry/proportion	10 ⁴ yuan/%	565418/48.06	475350/40.49	585885/43.45	1.79
Third industry/proportion	10 ⁴ yuan/%	362645/30.83	421256/35.89	467005/34.62	13.48
2. industrial and agricultural GDP	10 ⁴ yuan	809326	747944	1321419	27.78
Of which : agricultural GDP	10 ⁴ yuan	362908	410293	466904	13.43
industrial GDP	10 ⁴ yuan	446418	337651	854515	38.35
IV. Agriculture Production					
1. cultivated land	10 ³ Ha	181.26	195.35	250.11	17.47
2. food production	Ton	185381	248720	312900	29.92
3. food per capita	KG	284.46	378.17	472.66	28.90
4. per capita cultivated land of agriculture population	Mu	8.33	8.87	11.28	16.37
5. per capita net income of farmers and herdsmen	Yuan	4072.39	4340.63	5138	12.32

Note: the growth rate of GNP, industrial and agricultural GDP in the table was calculated by constant price of year 2000.

2.2.2 Socioeconomic Profile of Project Affected Counties

Buerjin county and Habahe county are two affected counties by the Project, both of them are located in the north-western part of Altay region, of which Habahe county is the border line of the most northwestern part of China. It is connected with Kazakhstan and Russia in northwestern part and adjacent to Buerjin County in the east. The total area of Buerjin county and Habahe county is 103,694,500 km² and 81,805,700 km² respectively. The ethnic mix in these two counties are almost the same mainly including Kazakh, Han, Hui, Uygur and Mongolian.

Habahe County has a population of 86600, with 60200 minority people which accounts for 69.52% of the total population. The GDP of Buerjin County in 2010 was CNY1.11585 billion with 8.60% increasing from the previous year; per capita GDP was CNY 15571 and local revenue was CNY 111.60 million. The GDP of Habahe County in 2010 was CNY2.67983 billion with 26.60% increasing from the previous year; per capita

GDP was CNY 3471 and local revenue was CNY 300.42 million. The major socioeconomic indicators of Buerjin county and Habahe county in year 2008-2010 are shown as table 2-2-3.

Table 2-2-3 The major socioeconomic indicators of Buerjin County and Habahe County in Year 2008-2010

Item	Unit	Buerjin County				Habahe County			
		2008	2009	2010	Growth rate (%)	2008	2009	2010	Growth Rate(%)
I. total population at the end of year	10 ⁴ people	6.97	7.08	7.17	1.4	8.45	8.57	8.66	1.2
1.Agriculture population/proportion	10 ⁴ people/%	4.59/65.9	4.61/65.1	4.66/65.0	0.76	5.42/64.1	5.50/64.2	5.59/64.5	1.6
Of which: animal husbandry population/ proportion	10 ⁴ people/%	1.78/25.5	1.79/25.3	1.81/25.2	0.84	2.17/25.7	2.20/25.7	2.23/25.8	1.4
2.Minority population/proportion	10 ⁴ people/%	4.84/69.4	4.94/69.8	5.01/69.9	1.7	5.83/69.0	5.91/69.0	6.02/69.5	1.6
3. Natural population growth rate	‰	11.16	15.28	11.68		10.97	10.74	10.57	
II. Land Area	km ²	10369.45				8180.57			
III. Integrated economic indicator									
1.GNP	10 ⁴ yuan	91799	99177	111585	10.25	209671	205473	267983	10.9
Primary industry/proportion	10 ⁴ yuan/%	21315/23.2	22861/23.05	24772/22.2	7.8	35408/16.9	42646/20.8	49184/18.3	17.9
Second industry/proportion	10 ⁴ yuan/%	28578/31.1	32387/32.7	37269/33.4	14.2	142895/68.2	120008/58.4	171711/64.1	9.6
Third industry/proportion	10 ⁴ yuan/%	41906/45.7	43929/44.3	49543/44.4	8.7	31368/14.9	42819/20.8	47088/17.6	22.5
2.industrial and agricultural GDP	10 ⁴ yuan	35298	40632	60772	31.2	150669	192623	292631	39.4
Of which : agricultural GDP	10 ⁴ yuan	15185	17537	18574	10.6	24574	32536	43449	32.9
industrial GDP	10 ⁴ yuan	20113	23095	42198	44.8	126095	160087	249182	40.6
IV. Agriculture Production									
1.cultivated land	10 ³ Ha	20.13	20.58	20.93	2.0	22.53	31.71	37.38	28.8
2.grain production	Ton	32095	33524	36402	6.5	32333	43330	86393	63.5
3.grain per capita	KG	460.28	473.42	507.71	5.0	382.57	505.61	998.12	61.5
4.per capita cultivated land of agriculture population	Mu	6.59	6.56	6.74	1.13	6.24	8.56	10.03	26.8
5.the number of livestock	10 ⁴ heads	33	32	30	-4.7	38	38	40	2.6
6.per capita livestock	heads	4	4	4		4	4	4	
7. per capita net income	yuan	4653	4997	5407	7.8	4778	5136	5587	8.13

Item	Unit	Buerjin County				Habahe County			
		2008	2009	2010	Growth rate (%)	2008	2009	2010	Growth Rate(%)
of farmers and herdsmen									

Note: the growth rate of GNP, industrial and agricultural GDP in the table was calculated by constant price of year 2000.

It is shown in table 2-2-3 that the integrated economic indicators in 2008-2010 of Habahe County are better than Buerjin County in general, and the per capita income of farmers and herdsmen in the two counties are almost the same. Overall, the economic status of two counties has no big difference, of which the second industry and tertiary industry of Habahe County grows quite fast in recent years mainly due to the mining industry.

2.2.3 Socioeconomic Profile of Kanas Scenic Region

1. Regional location and administration divisions

Kanas science region belongs to Buerjin County and Habahe County of Altay area before 2005, of which Hemuhanasi Mongolia town is under Buerjin County and Tierেকেyі town is under Habahe County. There are totally seven administration villages in these two towns. Hemuhanasi Mongolia town includes Hemu village and Kanas village, Tierেকেyі town includes Tierেকেyі village, Akehabanan village, Akehababei village, Qibaerxilike village and Akebulake village. To meet the demands of Kanas tourism development and nature development, these two towns were put under Kanas science region management commission since year 2006.

(1)Hemuhanasi Mongolia Town

Hemuhanasi Mongolia Town is located in the northern border of Buerjin County, east of Kanas science region. Hemu village is located in the fault subsidence basin at the intersection of Kanas river and Hemu river with elevation of 1124-2300m, which is the location of township government; Kanas village is located in the fault subsidence basin at the intersection of Kanas river and Hemu river with elevation of 1124-2300m, where the mountains around the basin are deep and thick with round shape at the top, the river is mostly cut into valley with complex terrain conditions.

(2)Tierেকেyі Town

Tiereকেyі town is located in the northern part of Habahe county, west side of Kanas science region, east mountain area of upper Haba river. The length in North-west direction is 92km and the width in east-west direction is 14km, with the total area of 1,323km². Tierেকেyі village is in the west of upper part of middle Haba river with average altitude of 1072m, where is the location of township government. Akehabanan village and Akehababei village (Baihabe in short) is located in the border river between China and Kazakhstan, with the reputation of "the first post in western China".

2. Population and Ethnicity

The total population of these two towns in Kanas science region is 4,438 by the end of year 2010, of which Hemuhanasi Mongolia town has a population of 2,267 accounting for the 51.08% of the total population; the population in Tierেকেyі town is 2171, which is 48.92% of the total population. The major ethnic groups in the region are Tuva Mongolian and Kazakhs.

(1)Hemuhanasi Mongolia Town

Tuva Mongolian and Kazakhs are two main ethnics in Hemuhanasi Mongolia Town. It has a population of 2,267, including 1,347 of Tuva Mongolian accounting to 59.42% of the total population; 847 of Kazakhs that is 37.36% of the total population; 46 of Hui accounting for 1.04% of the total population.

(2)Tiereketi Town

The population in Tiereketi town is 2,171 in 2010, of which 360 of Tuva Mongolian accounts for 16.58and 1860 of Kazakhs accounting for 83.19% of the total population.

The population and ethnic structure in Kanas science region is shown as Table 2-2-4 in details.

Table 2-2-4 Population and Ethnic Distribution of Kanas Science Region in Year 2010

Towns and Villages		House holds	Affected People								
			Tuva Mongolian		Kazakh		Hui		Han		Total
			M	F	M	F	M	F	M	F	
Hemuh anasi Mongol ia Town	Hemu Village	497	326	352	343	372	6	2	16	7	1424
	Kanas Village	288	310	359	89	43	22	16	3	1	843
	Town subtotal	785	636	711	432	415	28	18	19	8	2267
	Town Ethnic total	785	1347		847		46		27		2267
Tiereketi Town	Tiereketi village	95			256	203			3	2	464
	Akehabanan village	141	36	68	231	217					552
	Akehababei village	75	149	107							256
	Qibaerxilike village	65			196	129					325
	Akebulake village	124			305	269					574
	town subtotal	500	185	175	988	818			3	2	2171
	Town Ethnic total	500	360		1806				5		2171
Total		1285	821	886	1420	1233	28	18	22	10	4438
Two towns Ethnic total		1285	1707		2653		46		32		4438

3. Economic Development

The GDP of two towns in Kanas region in year 2010 was CNY 17.93million with agriculture production value of CNY 7.91million and livestock number of 23,011. There are 11,986.3ha (180,000 mu) of natural grassland in the two towns with cultivated land area of 1000 ha (15,000mu) while no cultivated land in Hemuhanasi Mongolia town and forage grass land area of 279.97mu. The grain production was 330tons (no grain production in Hemuhanasi Mongolia town) and per capita income of farmers and herdsmen in two towns was CNY 4,960.

The major rural economy type of these two towns in Kanas science region is livestock industry with small part of agriculture. Before developing the tourism (before year 1999), livestock was their only production activity. In 2010, the livestock number in Hemuhanasi Mongolia town and Tiereketi town was 8,400 heads and 14,611 heads respectively. Recently, the rural economic income in project area comes from animal

husbandry, agriculture, commercial, service, migrant labour and others, of which Hemuhanasi Mongolia town has no income from agriculture, migrant labour and others. The key indicators of economic development in Kanas science region in last three years (2008-2010) were shown as table 2-2-5.

Table 2-2-5 The key indicators of economic development in Kanas science region in last three years (2008-2010)

No.	Item	Unit	Hemuhanasi Mongolia town				Tiereketi town				Two towns Total of 2010
			2008	2009	2010	Growth rate (%)	2008	2009	2010	Growth rate (%)	
I	Population at the end of year	people	2223	2245	2267	0.98	2151	2161	2171	0.46	4438
1	Agriculture population		0	0	0		521	533	557	3.40	
2	Herdsmen		2223	2245	2267	0.98	1630	1628	1614		
3	Minority population/proportion		2196/98.8	2218/98.8	2240/98.8	1.0	2146/99.7	2156/99.7	2166/99.7	0.46	4406/99.3
II	GNP	10 ⁴ yuan	782	895	976	11.72	683	722	817	9.37	1793
III	Agricultural and animal husbandry GDP	10 ⁴ yuan	272	316	322	8.80	383	416	469	10.66	791
IV	Agricultural and animal husbandry production										
1	Livestock number	head	8078	8296	8400	1.97	14275	14438	14611	1.17	23011
2	Natural grassland area	Ha	11333	11333	11333	0	653.3	653.3	653.3	0	11986.3
3	Forage grassland area	Ha	113.3	113.3	113.3	0	166.67	166.67	166.67	0	279.97
4	Cultivated land area	Ha	0	0	0		1000	1000	1000	0	1000
5	Grain production	ton	0	0	0		293	311	330	6.13	330
6	per capita net income of farmers and herdsmen	yuan	3353	4433	5850	32.09	2679	3095	3530	14.79	9380

Note: the growth rate of GNP, industrial and agricultural GDP in the table was calculated by constant price of year 2000.

4. Infrastructure

The infrastructure conditions of Kanas science region in recent three years has been greatly improved by the rapid development of tourism industry.

In terms of roads, four harden asphalt roads (third level road surface) from Buerjin county to Kanas village (Kanas lake) and Hemu village, from Habahe county to Tiereketi village have been constructed, but other regional roads and villages roads facilities still need to be improved. It will be convenient for the transportation of the villagers and transporting the animal husbandry in 7 villages of Tiereketi Village and Hemu Village. Upgrade 5.5 km road in Kanas village is used to facilitate the transportation of the herdsmen and production and living materials in villages.

As for power facilities, 5 villages out of 2 townships 7 villages have large power supply line except for Akehabanan village and Akehababei village. Some herders have small home-used wind (or solar power, small hydro) power generation facilities and the regional power supply rate is more than 80%. The communication system is good due to tourism development of Kanas Science region, which seven villages were covered with mobile telephone network and all the villages have fixed telephone.

2.2.4 Basic Residents Production and Living Conditions in Project Affected Villages

Based on the survey analysis, the per capita grassland area in two affected villages is 2.7 ha in 2010, housing area is 16m² per person while almost all of them are wood frame houses, and per capita livestock number is 5 heads. The per capita income of farmers and herdsmen in Hemuhanasi Mongolia town who mainly engaged in tourism and animal husbandry is CNY 5,850, while the income of farmers in Tiereketi village is CNY 3,530 that is far behind the other town. It is shown that there is a gap of per capita income of farmers in the core area and the non-core area.

2.2.5 Vulnerable Group Affected by Project Land Acquisition

All the villagers in 2 townships and 7 villages can get subsidies from Kanas science region, and the per capita net income is more than CNY 2,000 per year in average. In 2010, the per capita average net income of farmers and herdsmen in the region is CNY 4,690, which is CNY 5,850 and CNY 3,530 in Hemuhanasi Mongolia township and Tiereketi township respectively.

3 Project Impacts and Analysis

3.1 Project Impact Identification

The project resettlement impacts include land acquisition and temporary occupation of natural grassland. The project components were described in Section 1.2.

3.2 Methods for Project Impact Survey

To identify the project impacts, according to the requirements of the ADB, Kanas PMO and the XIECC conducted a survey on project impact, socioeconomic in affected area and the economic status of local residents in May 2011. During the process of survey, they consulted and discussed with township government, village commission and local villages for their comments on land acquisition.

3.3 Project Impacts

The project has impact on two villages in two towns, which are Kanas village in Hemuhanasi Mongolia town and Tiereketi village in Tiereketi town. Road upgrading project in Kanas village will be implemented along the existing roads, without any land acquisition. Parking lot construction in Tiereketi village will need to acquire 7.5mu of natural grassland (accounts for 38.46% of total land acquisition area); Kanas village parking lot construction project in the intersection of Dongxilieke and Naren will occupy natural grassland of 4.5mu (accounts for 23.08% of total land acquisition area); and parking lot construction project in Jiadengyu will occupy natural grassland of 7.5mu (accounts for 23.08% of total land acquisition area). The details are shown as following table 3-3-1 and 3-3-2.

Table 3-3-1 Land Type for Project Construction

No.	Project Name	Village	Scale	Land acquisition area (mu)	Location	Land type before land acquisition
1	road upgrading	Kanas village	5.5 km	59.5	Kanas village	Original road
4	parking lot construction	Tiereketi village	5000m ²	7.5	500m left of Tiereketi police station	Natural Grassland
6		Kanas village	3000m ²	4.5	intersection of Dongxilieke and Naren	Natural Grassland
7		Kanas village	5000m ²	7.5	Jiadengyu	Natural Grassland

Table0-3-1 Project Land Acquisition (by villages)

Town	Village	Natural grassland (mu)	Proportion
Tiereketi	Tiereketi	7.5	38.46%
Hemuhanasi Mongolia	Kanas	4.5	23.08%
Hemuhanasi Mongolia	Jiadengyu in Kanas village	7.5	38.46%
Total		19.5	100.0%

Besides, natural grassland of 4.5mu will be acquired temporarily for project construction with period of 2 years.

The natural grasslands acquired permanently for the Project are all contracted by herdsmen, including 5 households of herdsmen with 24 people; all of them are Kazakhs. The land acquisition compensation for 5,000m² parking lot construction in 500m left to Tiereketi village police station is CNY 29,520 and CNY 17,712 will be paid as land acquisition compensation for 3,000m² parking lot construction in the intersection of Dongxilieke and Naren in Kanas village, and the land acquisition compensation for 5000m² parking lot construction in Jiadengyu of Kanas village is CNY 29,520. Only land acquisition is needed for the Project without any house demolition, and CNY 76,752 in total will be provided to Kazakh herdsmen as compensation for their acquired land. The details are shown as table 3-3-3.

Table 3-3-3 Project Land Acquisition Impacts

Project	Village	Scale	Households	Ethnic	Population (people)	newly acquired land area (mu)	compensation
Road upgrading	Kanas	5.5km	none	none	none	none	none
Parking lots construction	Tiereketi	5,000m ²	3	Kazakh	15	7.5	29,520
	Kanas	3,000m ²	1	Kazakh	5	4.5	17,712
	Kanas Jiadengyu	5,000m ²	1	Kazakh	4	7.5	29,520

3.4 Impact Analysis on Land Acquisition

The affected area by project land acquisition is in remote pastoral areas. The residents in project area (there are 1,307 people in 383 households of two villages---2010 statistics) are mainly living by livestock grazing, only few of them take farming under good climatic condition, and most of the people participate in tourism business. According to the project construction contents and land acquisition, there is almost no adverse impact on residents' living and production. On the contrary, the project construction will promote the socioeconomic development of local animal husbandry, tourism, education, sanitation, poverty relief, etc., and also provide more livelihood opportunities to the APs. The details include:

- (1) In terms of the primary industry of the APs---animal husbandry, the

improvement of rural infrastructure and training on farming techniques will attract farming scientists to provide livestock improvement and disease prevention service to herdsmen, to speed up the information and technical exchanges of breeding, improve the animal protection and disaster relief level, raise the quality and price of animal products, promote the local development of animal husbandry, so that the APs' key industry has a good development environment and opportunity.

(2) The herdsmen can develop their animal husbandry and take part in skills training by utilizing the compensation for land acquisition, to increase access to livelihood opportunities and income. The local government will also support the costs of training.

(3) The project construction will directly and indirectly bring more job opportunities to the APs. At first, the project construction, operation, management and service needs more labour forces, which will increase employment opportunities for local villages. Second, the stable development of regional tourism results in growing visitors and increasing demands on tourism service, and the construction of village-level transportation facilities improve the tourism reception conditions, which will increase the local job opportunities. Third, the development of the tertiary industry after project completion will also greatly expand rural labour employment. The livelihood opportunities and income of the APs will be increased from above mentioned three aspects.

3.4.1 Impact Analysis on the Land of Herdsmen

The natural grassland of 19.5mu will be occupied for the Project permanently which are under the contract of 5 herdsmen households. The grassland acquisition is not in large area, and has no impact on the daily living and production of herdsmen by compensation and taking employment assistance measures.

3.4.2 Impact on Ethnic Minority

The Project construction is conducted in ethnic minority area, so the minority people will be the major target affected by project land acquisition. Only land acquisition will be needed for project construction without any house demolition, and natural grassland under the contract of 5 households of Kazakh herdsmen will be affected but no houses demolition is involved. CNY29,250 will be paid as compensation for the land acquired in Tiereketi village and Kanas Jiadengyu, and the compensation for grassland occupied in Kanad Dongxilieke and Naren intersection is CNY 17,712. The project will occupy 19.5mu of natural grassland contracted by 5 herdsmen households, which only accounts for 0.16% of natural grassland in the whole Kanas science region, so the local villages can keep the same living standards as before or even better.

3.4.3 Impact on Women

There are 2,147 women in two townships (Tiereketi Township and Hemuhanasi Mongolia township) of Project area, accounting for 48.38% of the total population in two towns; 995 of them are labour force age which is 22.42% of the total population and 46.34% of the total women. From the view of local tradition, women are put in a subordinate position in the area of politics, economy and family, etc. In addition to some female village cadres, most of the women mainly engaged in tourism hospitality, animal husbandry and housework, responsible for daily housework, taking care of children and elders. Due to the rapid development of Kanas science region, the minority people there start to work on tourism reception, home visit service, tour guide, horses rent, apartment

rent, souvenirs selling, etc. and women are good at cooking and embroidery. Therefore, many women take part in the tourism service and get good benefits, making their status in family improved than before.

Therefore, the Project has no adverse impact on women. In contrast, the Project construction makes improvement of living conditions in remote livestock villages, and the improvement on transportation facilities shorten the travel time of visitors and bring more visitors to the region, increasing the job opportunities to women for getting higher income, which is better for the development of women.

4 Policy and Law Framework

4.1 Law Framework

The RP is established by Chinese relevant laws and regulations, and policies of the ADB.

4.1.1 National Laws and Regulations

(1) *Land Administration Law of the People's Republic of China* (effective as of January, 1, 1999, latest version on August 28, 2004)

(2) *Grassland Law of the People's Republic of China* went into force on Dec. 28th 2002.

(3) *The State Council's Decision on Deepening Reform and Managing Strictly Land* (State Council made [2004]28) (effective as of October 21, 2004)

(4) *Guidelines on Improving the System of Land Acquisition Compensation and Resettlement* (the Ministry of Land and Resources made) (effective as of November 3, 2004)

(5) *Notice for Trial of Land Classification.*(Ministry of Land and Resources made [2001]255)

(6) *Measures for the Administration of Preliminary Review of Land Use for Construction Projects* (went into force on Dec. 1st 2004)

(7) *Announcements of Land Acquisition* (went into force on Jan. 1st 2002)

(8) *Measures on the Management of Examination and Approval of Acquisition and Requisition of Grassland* (Decree No.58 of the Ministry of Agriculture of the People's Republic of China, went into force on Mar.1st 2006.)

(9) *Law of the People's Republic of China on the Contracting of Rural Land* ((Approved on Aug. 15th, 2002, by the 9th NPC at its 29th Session)

4.1.2 Related Policy in Xinjiang Uyghur Autonomous Region and Altay Prefecture

(1) *Procedures of Xinjiang Uyghur Autonomous Region on the Implementation of the Land Administration Law of the People's Republic of China* (effective as of October 1, 1999)

(2) *Regulations for the Administration of Preliminary Review of Land Use for Construction Projects in Xinjiang Uyghur Autonomous Region* (went into force on Mar.1st 2005)

(3) *The Trial Measures on the management of Grassland in Xinjiang Uyghur Autonomous Region* (went into force on Nov. 8th 1984)

(4) *The Application Regulations on Grassland Law of the People's Republic of China in Xinjiang Uyghur Autonomous Region* (reversed in 1997)

(5) *Notice for Measures on the management of Examination and Approval of Acquisition and Requisition of Grassland*

4.1.3 The Policy of ADB

(1) *Involuntary Resettlement* (effective as of November, 1995)

(2) *Handbook on resettlement A Guide to Good Practice* (effective as of 1998)

(3) Operations Manual-F2 on Involuntary Resettlement (effective as of October, 2003, revised in September, 2006)

The three important elements of the involuntary resettlement policy are (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it. Some or all of these elements may be present in a project involving involuntary resettlement. For any ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle, taking into account the following basic principles:

- 1) Involuntary resettlement should be avoided whenever feasible.
- 2) Where population displacement is unavoidable, it should be minimized by providing viable livelihood options.
- 3) Replacing what is lost. If individuals or a community must lose all or part of their land, means of livelihood, or social support systems so that the project can proceed, they will be compensated and assisted through replacement of land, housing, infrastructure, resources, income sources, and services, in cash or kind, so that their economic and social circumstances will be at least restored to the pre-project level. All compensation is based on the principle of replacement cost.
- 4) Involuntary resettlement is conceived and executed as part of a development project or program. ADB and executing agencies or project sponsors, during project preparation, assess opportunities for affected people to share project benefits. The affected people need to be provided with sufficient resources and opportunities to reestablish their livelihoods and homes as soon as possible, with time-bound action in coordination with the civil works.
- 5) The affected people are to be fully informed and closely consulted. Affected people are to be consulted on compensation and/or resettlement options, including relocation sites, and socioeconomic rehabilitation. Pertinent resettlement information is to be disclosed to the affected people at key points, and specific opportunities provided for them to participate in choosing, planning, and implementation options. Grievance redress mechanisms for affected people are to be established. Where adversely affected people are particularly vulnerable groups, resettlement planning decisions will be preceded by a social preparation phase to enhance their participation in negotiation, planning, and implementation.
- 6) Social and cultural institutions. Institutions of the affected people, and, where relevant, of their hosts, are to be protected and supported. Affected people are to be assisted to integrate economically and socially into host communities so that adverse impacts on the host communities are minimized and social harmony is promoted.
- 7) No formal title. Indigenous groups, ethnic minorities, pastoralists, people who claim for such land without formal legal rights, and others, who may have usufruct or customary rights to affected land or other resources, often have no formal legal title to their lands. The absence of a formal legal title to land is not a bar to ADB policy entitlements. The survey indicated that there are no non-titled households affected by the project.
- 8) Identification. Affected people are to be identified and recorded as early as possible in order to establish their eligibility through a population record or census that serves as

an eligibility cutoff date, preferably at the project identification stage, to prevent a subsequent influx of encroachers or others who wish to take advantage of such benefits.

- 9) The Poorest. Particular attention must be paid to the needs of the poorest affected people, and vulnerable groups that may be at high risk of impoverishment. This may include those without legal title to land or other assets, households headed by females, the elderly or disabled and other vulnerable groups, particularly ethnic minority groups. Appropriate assistance must be provided to help them improve their socio-economic status.
- 10) The full resettlement costs are to be included in the presentation of project costs and benefits. This includes costs of compensation, relocation and rehabilitation, social preparation and livelihood programs as well as the incremental benefits over the without-project situations (which are included in the presentation of project costs and benefits). The budget also includes costs for planning, management, supervision, monitoring and evaluation, land taxes, land fees, and physical and price contingencies. Where loans include subprojects, components or investments prepared only after project approval and loans through financial intermediaries that are likely to cause involuntary resettlement, sufficient contingency allowance must be allocated for resettlement prior to approval of the loan. Similarly, resettlement plans should also reflect the timeframe for resettlement planning and implementation.
- 11) Eligible costs of compensation. Relocation and rehabilitation may be considered for inclusion in ADB loan financing for the project, if requested, to assure timely availability of the required resources and to ensure compliance with involuntary resettlement procedures during implementation.

4.2 Law and Policy of the PRC

4.2.1 Relevant Law of Land Acquisition

Land Administration Law of the People's Republic of China is the main policy basis for this project. In the meantime, in order to specify the compensation principles, compensation guideline, land acquisition process and supervision mechanisms of land acquisition compensation and displacement, the State Council issues Notice on Strengthening Reform to Strict Land Management Promulgated by State Council in Oct. 2004. The Ministry of Land and Resources issues Guidance for improving the system of land acquisition compensation for guidance in Nov. 2004. Meanwhile, Measures on Land Administration Law of the People's Republic of China in Xinjiang Uyghur Autonomous Region, The Application Regulations on Forest Law of the People's Republic of China in Xinjiang Uyghur Autonomous Region, and Regulations for the Administration of Preliminary Review of Land Use for Construction Projects in Xinjiang Uyghur Autonomous Region, as listed in Article 4.1, provide the guideline for resettlement. See the main content and application of the project from table 4-2-1

Table 4-2-1 Relevant policy and application of land acquisition

No.	item	Land Administration Law of the People's Republic of China	State council [2004] No. 28	Ministry of Land and Resources [2004] No. 238	Land policies of Xinjiang Uygur Autonomous Region	local regulation	Project Arrangements Implementation
1	Resettlement plan	developing land demolition and resettlement plan					Developing a Resettlement Policy
2	Land compensation plan	(1) Land expropriated shall be compensated for on the basis of its original purpose of use; (2) Compensation for expropriated grassland land shall include compensation for land, and resettlement subsidies.	(1) according to law, timely and sufficient payment of compensation for the land,(2) the annual output value and area should be unified, the low land acquisition price is determined on the principle of same price in same area; (3) land requisition fees shall list into budget	(1) determine annual output value; (2) determine the multiple of annual output value; (3) determine the comprehensive price of land acquisition area; (4) distribution of the land compensation fees	On the basis of land administration law, specific compensation policies and rates are work out in line with the actual condition of Xinjiang Uygur Autonomous Region	similar to State Council [2004] No. 28	(1) resettlement plan will be conducted in strict compliance with the relevant regulations promulgated by the state or Xinjiang Uygur Autonomous Region and Altay region; (2) the annual output value conforms to the relevant regulations in Yining;(3)the minimum compensation of annual output value is 9 times and the annual standard is CNY 437.3/mu; (4) all resettlement expenditures are included into the total investment.
3	Resettlement plan	(1) To give a hand to the herdsmen to develop tourism industry	(1) In the affected village, to perfect employment system and social security system in order to ensure villagers' life. (2)To make the employment training to the affected villagers.	(1)Develop tourism and boost the village economy (2) To ask the villagers to attend the tourism work in order to resolve the employment.	Similar to the Land Management Law	similar to State Council [2004] No. 28	(1) adopt cash compensation, readjust crop production structure, reform the medium cultivated land, develop aquaculture industry according to AP's wish (2) on project construction, APs have a priority to be arranged when need non-technical workers; (3) technical trainings of APs
4	Procedure of land demolition and information publication	(1)Where land is to be expropriated by the State, the acquisition shall, after approval is obtained through legal procedure, be announced by people's governments at or above the county level, which shall help execute the requisition; (2) Once a plan for compensation and resettlement subsidies for requisitioned land is decided on, the local people's government concerned shall make it known to the general public and solicit comments and suggestions from the collective economic organizations, the land of which is requisitioned, and the peasants.	(1) inform of land acquisition condition, compensation rates, resettlement paths; (2) affirm the result of land acquisition surveys (3) organize an evidentiary hearing if it is necessary (4) establish and improve the and reciprocal mechanism of resettlement disputes	inform of land acquisition condition, compensation rates, resettlement paths; (2) affirm the result of land acquisition surveys; (3) organize an evidentiary hearing	Similar to the Land Management Law	similar to State Council [2004] No. 28	(1) make a careful social and economic investigation, field measure must be affirmed by resettlement households ; (2) held a consultation meeting of public engagement and policy ; (3) deliver resettlement plan resettlement information handbooks

4.2.2 Approval procedure of grassland acquisition (occupation)

According to *Administrative Measures for the Examination and Approval of Grassland Acquisition and Occupation*, if the grassland is necessary for mining and construction, units or individuals should fill in the *application form of grassland acquisition and occupation*. And provide the following the following documents:

1. Project approval document
2. Supporting document of grassland property right (land use license, grassland contract)
3. Feasibility report including environment effects assessment which is issued by qualified design unit;
4. The compensation agreement for grassland compensation and allowance with the grassland owner, grassland user or contractor;
5. The audit form which is audited by the administration of county (city), territory (state).

If the grassland is expropriated temporarily, he should provide the document in the afore-mentioned (2), (3), grassland vegetation restoration and the compensation agreement for grassland compensation with the grassland owner, grassland user or contractor.

4.3 Compensation and Resettlement Principle

4.3.1 Compensation and resettlement principle

According to the regulation and policy of Chinese Government and ADB, we set the compensation and benefit of this project. Meanwhile, our principles are flexible in compensation, resettlement and incoming restoration. One is for land adjustment and cash compensation, and the other is for the incoming restoration choosing. The target is to make sure that the immigrants can get enough compensation and supporting. At least they can restore to the production and living level before the project and minimize adverse impacts on the local economy and social environment. See the detailed principles in table 4-3-1.

Table 4-3-1 Resettlement principle for Kanas project

No.	Principles	Remark
1	Involuntary resettlement should be avoided whenever feasible	
2	Living standards of the affected persons obtaining compensation and entitlements will be at least restored to the pre-project level, or better	
3	Whether they have legal title or not, affected persons should be compensated and assisted	
4	Economic compensation should be to ensure that the economic livelihood of people affected by the project is at least restored to the pre-project level after resettlement	
5	If the land left after acquisition cannot provide a living for an AP family, cash or other compensation to enable performance of activities to making money shall be provided.	
6	AP shall fully understand entitlements, the mode of compensation, livelihood and income restoration programs, the project time line, and take part in the implementation of the resettlement plan.	
7	Land shall not be requisitioned before the affected persons are satisfied with the compensation and resettlement plan.	

No.	Principles	Remark
8	The executing agencies and an independent third party will monitor the operation of compensation and resettlement.	
9	Special aid or treatment given to vulnerable groups will ensure they improve their socio-economic status. All affected persons shall have opportunities to benefit from the project.	
10	The resettlement funds will provide a comprehensive coverage of all project impacts.	

4.3.2 The compensation conditions and beneficiary

The deadline for the compensation qualification of this project is Apr. 30th 2012. After this date, the affected people cannot get the compensation and resettlement if they make any rush-planting and rush-construction. Before this date, the qualified immigrants have the compensation and resettlement right. See the compensation, resettlement condition and beneficiary in Table 4-3-2

Table 4-3-2 Compensation conditions and benefits

project	type
roads	AP who lose the land forever within the roads project
parking	AP who lose the land forever within the parking project

4.4 Confirmation of Compensation Standards

4.4.1 Compensation standards for natural grassland acquisition

According to *Measures on Land Administration Law of the People's Republic of China in Xinjiang Uyghur Autonomous Region* and Developing and Planning Committee, Financial Bureau, it is 6 times for the land compensation and 3 times for the resettlement compensation. The yearly output value should be calculated by 437.3yuan/mu because they are alpine meadow and mountain meadow and the grassland quality is very high. See the details in Table 4-4-1

Table 4-4-1 Compensation Standards for Land Acquisition

Type	Annual Output Value (CNY/mu)	Multipliers of Compensation (Time)			Compensation rates (CNY/mu)			
		Land	Resettlement subsidy	Crops	Land	Resettlement subsidy	Crops	Total
natural grassland	437.3	6	3	0	2,624	1,312	0	3,926

4.4.2 The compensation standards for temporary land occupation

According to the regulations of temporary land occupation, the standards are carried out following annual output value. After the occupation period is over, the organizer or the unit are responsible for the restoration. The compensation standard for this project is CNY 437.3/mu/year and the time limit is 2 years. The land restoration cost is extra and is included in the civil works cost. See the details in Table 4-4-2.

Table 4-4-2 Compensation standards for temporary land occupation

Type	Yearly output value (CNY/mu/year)	Occupation period (year)	Compensation (CNY/mu)
natural grassland	437.3	2	874.6

4.4.3 Other Costs and Taxes

See the details of unit costs for other applicable costs and fees in Table 4-4-3

Table 4-4-3 Compensation Standards for Other Costs and Fees

No.	item	Standard
1	management fees of land acquisition	4% of the compensation for land acquisition and resettlement
2	survey and design fees	3% of the compensation for land acquisition and resettlement
3	implementation management fees	3% of the compensation for land acquisition and resettlement
4	fees for external resettlement monitoring and evaluation	5% of the compensation for land acquisition and resettlement
5	contingencies fee	10% of the compensation for land acquisition and resettlement

4.4.4 Entitlement Matrix

The right of affected people is set according the relevant policy in this Article. See the details in Table 4-4-4:

Table 4-4-4 Entitlement Matrix

Type	Extent of Impact	Entitled Persons	Entitlement	Compensation Policies and Rates
Permanent acquisition of collective land	Land occupation 115 mu permanently including 95.5 mu for the old roads and 19.5 mu for the natural grassland.	villagers from 2 villages of 2 counties in Kanas	(1) Affected villagers get the land compensation; (2) the affected villagers get resettlement fee; (3) during the construction period, affected people has the priority to get the job.	(1) land compensation: CNY 2,624/mu for natural grassland; (2) resettlement fee: CNY 1,312/mu for natural grassland
Temporary land	temporary land occupation 15.06 mu and they are natural grassland	2 villages of 2 counties in Kanas	(1) to get the temporary land occupation compensation; (2)to be informed the land occupation situation in advance	compensation standard of temporary land occupation: CNY 437.2/mu/year, 2 years
Ethnic minority			Land acquisition compensation fee Priority employment opportunities Priority access to agricultural technology training And also developed measures to ensure that benefits the ethnic minority in EMDP, these measures include: Absorption of the local labor and involved in the project construction To promote the development of animal	

			<p>husbandry</p> <p>To encourage women participate in project</p> <p>To promote the development of tourism</p> <p>Skills training</p> <p>Strengthening public participation</p>	
Women			<p>(1) to be considered if there is any working opportunity in the project (at least 30%);</p> <p>(2) to get the technical training</p>	

5 Resettlement Measures

5.1 Income Restoration Measures for Villagers

This project is to rebuild Kanas road and to build the parking area in 2 villages of 2 townships. Land of 115mu will be acquired permanently with 95.5 mu of original road area and 19.5mu of natural grassland. ItThe only impact is land acquisition without house demolition, so there is no need for relocation.

The 19.5 mu are grassland which is contracted by the 5 herdsmen households with 24 people. As listed in 3.4.2, there are a lot of lands in this township. The effect of land acquisition is very small for the affected village. The highest loss rate is 0.16%. According to the inspection, 100% of the APs ask for cash of compensation. After they get the compensation, they can improve their skills, develop tourism and livestock breeding, increase incoming and living standards. See the detailed compensation plan in Table 5-1-1.

Table 0-1-1 Compensation restoration plan of affected villages

Village	Amount of grassland acquisition(mu)	Compensation (CNY)			APs	Compensation
		Land	Resettlement	Total		
Tiereketi	7.5	19680	9840	29520	15	cash
Kanas	12	31488	15744	47232	9	cash
Total	19.5	51168	25584	76752	24	

5.2 Protection Measures to Women's Rights and Interests

In the preparation period, the affected women attend the effect inspection and ask for their advices of this project. The women are satisfied with this project, and they think the project can accelerate the tourism, better for the transportation and living standard. They also hope that they can get the training opportunity for job, cash compensation, tourism, handicraft and breeding.

KSRMC or township government should organize women to attend training which is needed by project construction. During the project process, the project management office will ensure that some affected women (at least 30% of the unskilled workers) can get the chance of unskilled work. The affected women are preferred for the skilled training in order to make sure their incoming and benefits.

5.3 Development Measures to the Ethnic Minorities

Most of the affected people are ethnic minorities, Mongolian and Kazak mainly. The affected minorities have the same social and economic status in production and living, and they have the priority to get the work and training opportunity. In order to boost the development of the minorities, the PMO set a specialized change report. See the details from the report.

5.4 Job Opportunity and Training Measures

(1) The measures to boost the working opportunity

The project construction can bring a big amount of job opportunities to the local people directly and indirectly, especially the minorities. They can participate in the

construction and get benefits. Details below:

- 1) Jobs for local people. Except the administrators, the other workers mainly need to be recruited from the local people. During the construction, the KSRMC should cooperate with the construction unit, especially the building unit, to organize training and to recommend the right job for right people. And they also should consider the local people and women as the priority to increase their family incoming. The local drivers are considered as the priority for car of environmental health and road maintenance.
- 2) Job opportunities for catering industry. During the construction, a large number of workers are needed, so it is the best if all the workers are recruited locally.
- 3) Job opportunities from the tourism. The project construction improves the tour reception conditions, speed the tourism development in Kanas and bring more job opportunity.
- 4) After the construction finishes, there will be more job opportunity from the tertiary industry like business.

2. Training measures

From the project, the industrial structure will be adjusted, the tourism will be boosted and the livestock breeding, trade, wholesale and retail, catering and service industry are speeded. In order to make the industrial structure smoothly, the Project Management Office will guide them, arrange the special fund and work with the relevant department to make the technical training and bilingual education, which includes farming, tourism and handcraft. After the training, they will also set technical support department to resolve the detailed problems.

5.5 The Resettlement Measures of Temporary Land Acquisition

The area of temporary land occupation is 15.06 mu and the compensation is CNY 13,200 (2 years without restoration fee). It will be paid to the affected herders. After the construction is finished, the building unit will restore the land (vegetation recovery). The land restoration cost was included in the civil works budget.

6 Resettlement Budget

6.1 Budget

The costs in the process of land acquisition and resettlement are included in the total budget for this project. Update the resettlement costs of the new project is 97091.28 yuan based on price in 2011, of which the resettlement investment of parking lot is 37342.8 yuan in Tiereketi, accounting for 38.46% of the total costs; the resettlement investment of parking lot is 22405.68 yuan in Dongxilieke, accounting for 23.08% of the total costs; the the resettlement investment of parking lot is 37342.8 yuan in Jiadengyu, accounting for 38.46% of the total costs.

From the resettlement impact categories of view, permanent land acquisition costs is 76,752 yuan, accounting for 79.05% of the total costs; other costs (include land acquisition management fees, survey design fees, implementation management fee, resettlement monitoring, etc.) is 11512.8 yuan, accounting for the cost of 11.86%; price contingency is 8826.48 yuan, accounting for 9.09% of the total costs.

The resettlement cost estimates shown in Table 6-1.

Table 6-1 The resettlement cost estimates

Type	Sum (RMB)	Ratio (%)
permanent land acquisition costs	76752	79.05
other costs (include land acquisition management fees, survey design fees, implementation management fee, resettlement monitoring, etc.)	11512.8	11.86
contingency	8826.48	9.09

6.2 Financing Plans

The fund source of project resettlement is local counterpart funds.

6.3 Annual Investment Planning

Before the construction, all the land compensation and resettlement fee will be paid to the local herders at one time.

6.4 Appropriation and Management of the Fund

In order to ensure that the land occupation and compensation are following the policy and be paid to the affected people timely, the project management office set fund appropriation planning. The basic principles are as below:

(1) All the relevant fees are listed in the total budget.

(2) The land compensation and resettlement fee should be paid before the land occupation to make sure that all the affected people can be treated properly.

(3) Financial and supervision department will be set to make sure all the fund can be paid timely.

7 Organization

7.1 Organization Management

7.1.1 Organization Setup

The project organization is the organization from ADB. See the details below:

In order to make things smoothly, the leading group is set up to coordinate the preparation and carryout. The subcommissioner is the group leader and the members are the leaders from land bureau, farming bureau, agricultural bureau, financial bureau, civil affairs bureau and KSRMC.

Resettlement involves a lot of work and it needs the corporation from all the departments. So, the staff of resettlement management office is from land bureau, farming bureau, agricultural bureau, financial bureau and civil affairs bureau. There will be 1-2 leaders in the affected counties and villages to support the resettlement work. See the organization chart in Figure 7-1:

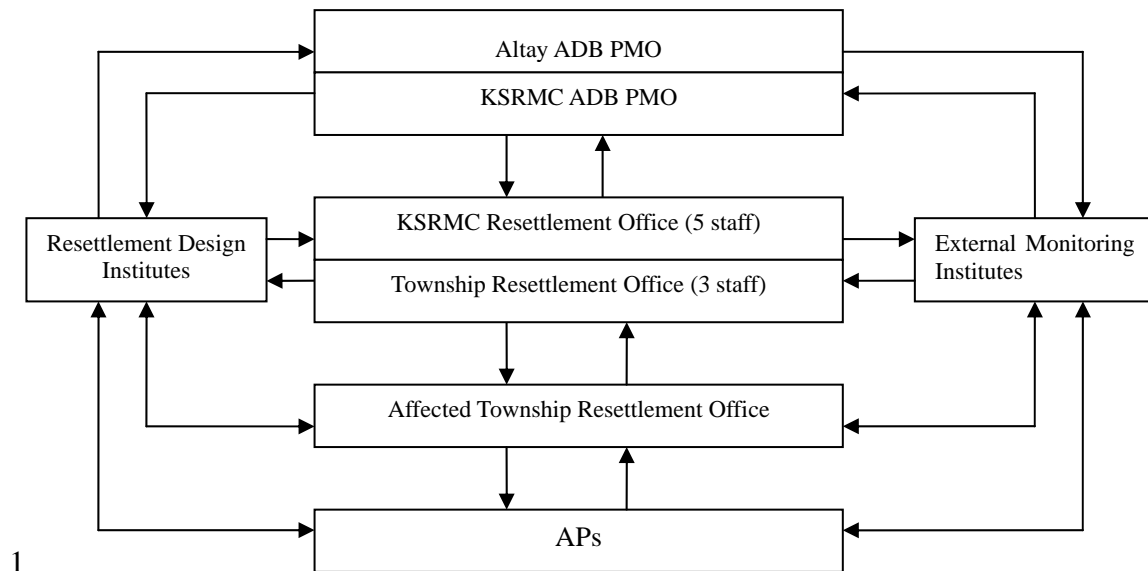


Figure 0-1 Organization Chart

7.1.2 Institution Responsibilities

The project institution responsibility is the same as before. See details below:

(1) Project Leading Group in Altay

The main responsibility is to organize the resettlement, policy setup and coordinate the relationship of all the institutions.

(2) Kanas PMO

The main responsibility is to deal with the daily affairs during the resettlement planning and application. As the management institution, the responsibility is to manage, plan, carry out, coordinate and inspect the resettlement.

Set up settlement policy

Contract the design institute to define the scope of area impacts, inspect the impacts

data and keep it

Apply for a Land Usage Planning and Construction Permission License

Make the training to the main leaders from resettlement office

Organize and coordinate the establishment and implement of *Resettlement Planning Report*

Responsible for management and payment of the funds and inspect the funds use

Guide, coordinate and inspect the resettlement and schedule

Take charge and check internal inspection, set up removing schedule report

Define external inspection institution and assist external inspection.

(3) Communities Resettlement Office

Managed by the leaders of Police Station, Government Land Bureau, Civil Affairs Bureau and assisted by village leaders, the main duties of the town government are to:

- Participate in the socioeconomic survey and assist in its completion;
- Organize public participation, and publicity of the resettlement policy;
- Implement, inspect, monitor and record the resettlement activities within the town area
- Pay and manage the land compensation funds
- Supervise land acquisition process
- Report on land acquisition, demolition and relocation progress to the PMO and Land Resource Bureau
- Handle any conflicts and problems in the process of implementation

(4) Village Committees

Village committees/communities are composed of the village commissions and main leaders of each community. They will:

Participate in the socioeconomic survey and project impact survey;

Organize public consultation, advocate the relocation policy;

Organize the agricultural and non-agricultural production activities;

Manage and allocate funds;

Convey opinions and suggestions of APs to superior departments;

Report on progress in the implementation of resettlement;

(5) Responsibility of Design Institution

In design period, the design institution should inspect the land occupation indicator and developable resources, assist the government to define the resettle planning, work out investment budget, resettlement planning, and make drawings.

In construction period, the design institution should provide design document, technical regulations, drawings/notices, make design clarification, assist the removing/resettlement, and improve the planning according to the actual situation.

(6) External Monitoring Institution

The Kanas PMO will engage qualified monitoring institution. The main responsibilities are below:

As the individual monitoring institution, they should check the resettlement and carryout, inspect the resettlement result and social adaptiveness, and report to the PMO and ADB.

They should provide conselling to the Kanas PMO for data inspection and completion.

7.2 Staff and Facilities

7.2.1 Staff Placement

Staffs are the old ones. See the details below:

In order to proceed the resettlement, all the institutions have the special staff, so that the info transferred channel is very smooth. The institution comprises administrators and technician from 1 to 6, who are professional, well-educated and has a lot of resettlement experience. See the details in Table 7-2-1.

Table 7-2-1 Staff List

Name	Staff	Details
Resettlement Office of KSRMC	5	Public officials
Resettlement Office of Community	4~6	Township government and relevant staff
Village committee and groups	3	Leaders and resettlement representatives
External inspection institution	4	Resettlement experts

7.2.2 Facilities

The facilities are the old ones. See details below:

There is basic office equipment, transportation equipment and communication equipment including table/chair, computer, printing machine, telephone and fax machine.

7.3 Training Planning

To ensure smooth implementation, staff in charge of land acquisition and resettlement will undertake relevant training, as detailed in the following training plan. The training workshops will be organized by the ADB Office in Altay.

7.3.1 Training Plan for Resettlement Management Staff

A system for staff training and human resource development will be established at all levels of resettlement management institutions. The contents of training will include specialist lectures, technical training seminars, inspection of other similar projects and site training etc. See the details below:

- Resettlement principles and policies;
- Plan and management of projects with resettlement;
- Resettlement planning and design;

- Resettlement progress management;
- Resettlement financial management;
- Resettlement quality control;
- Management information system;
- Resettlement monitoring assessment; and
- Resettlement project management.

7.3.2 Measures for Improving Resettlement Institutions

(1) Clearly define responsibilities of the resettlement management institutions at all levels and strengthen monitoring and management;

(2) Gradually enhance the strength of the resettlement institutions at all levels, especially in the aspects of technical strength and management quality, provision of necessary equipment such as computers, monitoring devices and transport tools etc.;

(3) Strictly select the working staff, enhance the occupational and technical training for the managerial and technical staff for the purpose of upgrading their work capacity and management level;

(4) Assign women leaders and ensure their full participation in resettlement implementation;

(5) Establish a computer database, enhance the information feedback process and thus ensure effective information exchange at all levels so that the key resettlement issues can be resolved by the resettlement steering committee in a timely manner;

(6) Enhance the reporting system, strengthen the internal monitoring and promptly solve any problems; and

(7) Strengthen the assessment mechanism for external monitoring through establishing an early-warning system.

8 Public Participation and Complaints

8.1 Public Participation

According to the laws, regulations and policies of the PRC, Xinjiang Province and the ADB for land acquisition and resettlement, in order to safeguard the legal entitlements of APs and displaced people, as well as minimize any complaints and disputes, it is required to concisely develop the relevant policies and implementation provisions for resettlement, listen to public opinions, prepare the resettlement plan and closely attend to the implementation, in order to achieve the targets of the resettlement plan. Public participation in the phases of preparation and implementation is key to successful implementation and outcomes.

8.1.1 Public Participation in During Project Preparation

From May 2005, XIECC and Altay PMO have carried out a series of socio-economic surveys and public opinion consultations under the TA experts' guidance. The main consultation activities during project preparation are shown in Table 8-1-1.

Table 0-1-1 Public Participation during Project Preparation

Date	Place	No. of Persons	No. of women	Method	Major Contents
May 5 th 2011	Kanas village	75	15	Community discussion	Introduce the background and purpose of the project; Ask for the advice from the herdsmen
May 6 th 2011	Tirekti village	94	20	Community discussion	Introduce the background and purpose of the project; Ask for the advice from the herdsmen

8.1.2 Survey for Public Opinions

From May to July of 2011, XIECC and Kanas PMO organize special inspection group during the inspection. The relevant representatives participate the survey. The project office also listens to the villagers' advice and coordinates for them. Meanwhile, they also make financial investigation, social opinions and psychological investigation. During the financial investigation, they investigate the resettlement willing and the immigrants' attitude. The detailed investigation is the basis of the planning carryout.

Table 0-1-2 Survey on opinions and suggestions of the public

Question	Answer	Number of surveyed persons	Result(%)				
			(1)	(2)	(3)	(4)	(5)
Do you know the project will be constructed?	(1)know(2)know a little(3)do not know	344	82	16	2		
Do you support the project?	(1) support (2) do not support (3) do not care	344	100				
What you think can benefit from the project?	(1) Improve living conditions;(2) Improve financial environment;(3) Increasing job opportunity; (4) Other	344	85		15		
What you think the negative effect from the project?	(1) Effect of life; (2)Effect of work and production; (3) personal relationship; (4) decrease of incoming; (5) Other	344	50	20		30	

Question	Answer	Number of surveyed persons	Result(%)				
			(1)	(2)	(3)	(4)	(5)
Do you know policy of land acquisition resettlement?	(1) Know; (2) Know a little; (3) do not know	344	25	57	18		
Any opinions and suggestions?	Minimize removing(1)agree; (2) do not agree	344	100				
	Minimize the amount of land acquisition(1)agree; (2) do not agree	344	100				
	Recruit local labor (1)agree; (2) do not agree	344	85	15			
	Use local materials(1)agree; (2) do not agree	344	73	27			
Do you know grievance redress procedures?	(1) know; (2) do not know	344	76	24			

8.1.3 Public Participation Plan

The Kanas PMO, KSRMC and Bureau of Immigration at all levels of districts and towns will continue to organize public participation. Table 8-1-3 shows the detailed public participation arrangements

Table 0-1-3 Public Participation Plan

Purpose	Measure	Date	Agency	Participants	Topic for discussion
Publish RP or information handbook		at the end of Sep. 2011	Kanas PMO	Affected villages	Publish the compensation standard, appealing channels
Publish the RP		at the end of Nov. 2011	Kanas PMO	Affected villages	
Bulletin of land acquisition	Village news board and villagers' conference	Oct. 2011	Kanas PMO, Land and Resources Bureau, and the leaders of towns and villages	All affected people	Publish the area of land acquisition, compensation standard and relocation approach
Bulletin of land acquisition and resettlement	Village news board and villagers' conference	April 2012	Kanas PMO, Land and Resources Bureau, and the leaders of towns and villages	All affected people	Expense and the measures of compensation
Practicalities check	Field survey	April 2012	Kanas PMO, Land and Resources Bureau, and the leaders of towns and villages	All affected people	Check shortcomings and filling leaks, affirm the final impacts
Affirm the income recovery plan and implementation	Villagers' conference(many times)	before the construction	Kanas PMO, Land and Resources Bureau, and the leaders of towns and villages		Discuss the final income recovery scheme and the compensation use scheme

8.2 Complaint Procedure

During the preparation of the RP, public participation was encouraged, and thus there should not be any major issues or grievances. However, there may be some unforeseen issues happening during such a detailed process. In order to effectively settle such issues

and ensure the smooth implementation of the project construction and land acquisition, an effective and transparent channel for lodging complaints and grievances has been established. The basic stages for grievance redress are:

Step 1: If the immigrants' any right is violated, they can inform the village committees. The village committee or the immigrant can go to the township government for support. After the receiving the appeal, they will make record and resolve it in 2 weeks.

Step 2: If the complainant is not satisfied with the arbitral decision in Step 1, s/he can appeal to the Kanas PMO. The township government will make the decision to handle the appeal or not within 2 weeks after receiving the appeal.

Step 3: If the affected person is still not satisfied with the arbitral decision of Kanas PMO, s/he can appeal to the administration according to *The Administrative Procedure Law of the People's Republic of China*.

Step 4: If the affected person is still not satisfied with the arbitral decision, they can appeal to civil court according to *Civil Procedural Law*.

Relevant institutions shall accept the complaints and grievances lodged by APs free of charge. The reasonable charges as incurred shall be covered by the contingency of the project. During the whole process of project construction, these grievance procedures remain valid so that the APs may deal with relevant issues. The above appeal process will be informed by the announce conference and removing info brochure. Meanwhile, complain and appeal will be announced to the public through media.

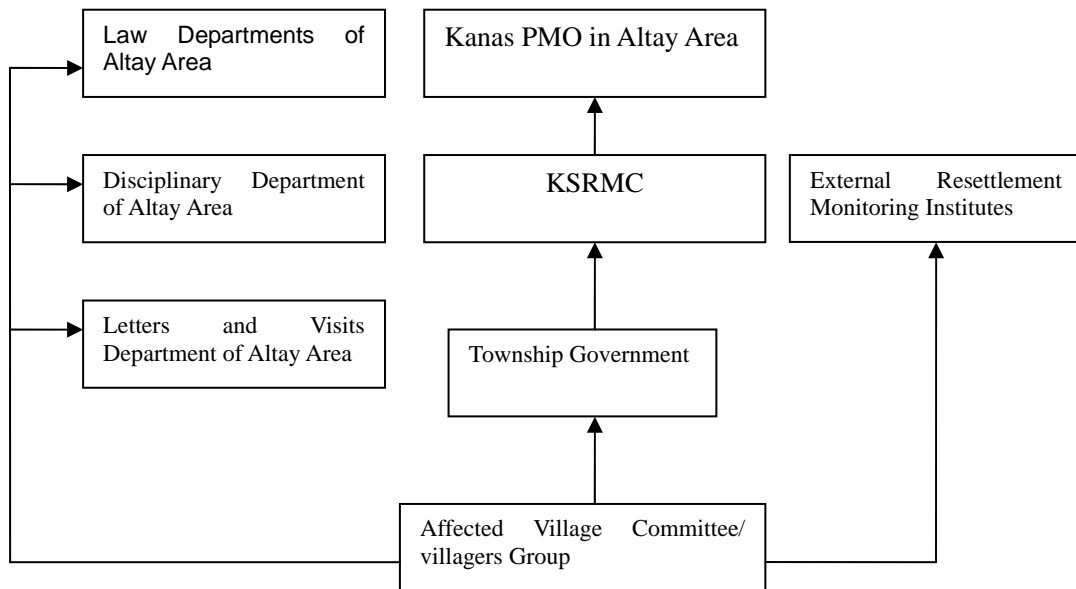


Figure 0-1 Diagram of Complaints Procedure for APs

9 Resettlement Implementation Plan

9.1 Principles for Resettlement Implementation

According to the implementation schedule, the project will begin in Jun. 2012 and finish in Sep. 2013, in stages. The resettlement schedule plan is consistent with the construction plan. Land acquisition will begin in Jul. 2011 and finish in Mar. 2012.

(1) Enough time will be kept for the land acquisition before the construction.

(2) Land acquisition should be finished in 3 months before the land acquisition and removing. The start time should be defined according to the land acquisition and resettlement.

(3) During the resettlement, APs have the chance to be involved. Before the construction, the area of land acquisition should be published and the brochure should be delivered to the AP.

(4) All types of compensation will be paid to property owners directly within 3 months of signing the land acquisition contract. No entities or individuals shall be allowed to utilize such compensation on behalf of APs. No interception or misappropriation of such funds in any cases shall be allowed.

9.2 Implementation Schedule for Resettlement

The overall progress plan for resettlement shall be developed based on the progress of land acquisition. The following schedule will be adjusted accordingly if the overall progress deviates from the present plan. See the details in Table 9-1-1.

Table 0-1-1 Resettlement Implementation Schedule

No.	Resettlement activity	Schedule	Status
1	Preparation of the RP		
1.1	Consign to compile <i>Resettlement Planning</i>	May 2011	Finish
1.2	Social and Economic survey of resettlement	May to Jul. 2011	Finish
1.3	Compile of RP	Jul. to Aug. 2011	In progress
2	Info disclosure and public participation		
2.1	Consult and negotiate with APs and related government dep.	Jul. to Sep. 2011	In progress
2.2	Disclosure of draft RPs and resettlement info brochure to AP	Aug. 2011	Finish
2.3	Disclosure of revised RP and resettlement info brochure to AP	Dec. 2011	To be finished
2.4	Uploading RPs to ADB website	Feb. 2012	To be finished
3	Implementation Stage		
3.1	Sign the resettlement agreement and disburse the compensation	Feb. 2012 to Mar.2012	To be finished

No.	Resettlement activity	Schedule	Status
3.2	Start the construction	May 2012	To be finished
3.3	Incoming restoration measures	Mar. 2012 to Oct. 2011	To be finished
3.4	Technical training	May 2012 to Dec. 2011	To be finished
4	Monitoring and Evaluation		
4.1	Baseline survey	May 2012	To be finished
4.2	Internal monitoring	May 2012 to Jun. 2012	To be finished
4.3	External monitoring and evaluation	Jul. 2012 to Aug. 2012	To be finished

10 Monitoring and Evaluation

The way of monitoring and evaluation (M&E) is the same as before. See details below:

In order to ensure resettlement plan is implemented smoothly and realizes the objectives of the RP, based on the requirements of ADB policies, it will be monitored and evaluated regularly. The monitoring consists of two parts: internal monitoring conducted by the resettlement institution and external monitoring by an independent third party.

10.1 Internal Monitoring

10.1.1 Objective

The objective of internal monitoring is to ensure the effectiveness and integrity of the resettlement process from preparation to implementation. Monitoring will enable progress to be continuously tracked and measured against expected outcomes and objectives. In this way changes can be made as required to accommodate successful implementation as circumstances dictate. This should prevent things from going off course, and enable smooth implementation.

10.1.2 Institution and Staffing

The resettlement internal monitoring agency of this project is Kanas PMO and other related departments (such as National Land Administrative Department). This department will appoint special leaders to take charge of resettlement issues involved in the project. These leaders are knowledgeable and experienced in resettlement, and can efficiently correspond with each department involved in the resettlement process.

10.1.3 Content of Internal Monitoring

Kanas PMO will prepare a detailed internal monitoring plan for land acquisition and resettlement, the monitoring will include:

The situation of payment, utilization and availability of the land acquisition compensation funds, as well as progress and quality of the development projects conducted by the displaced people;

Investigation, coordination and suggestions for solving the major issues of the IA and resettlement during resettlement implementation;

Payment, utilization and availability of land acquisition compensation funds;

Degree of participation and discussion with APs during land acquisition, house demolition and resettlement implementation;

Technical training and its effectiveness;

Working institutions, training, working time and working efficiency of the local resettlement offices.

10.1.4 Internal Monitoring Reporting

The Kanas PMO shall submit a semi-annual report to the ADB for internal monitoring. Such report shall adopt the present statistical data for the past six months in tabulated format, through comparison of the planned and the actual progress, the progress of land acquisition, resettlement and utilization of compensation. Table 10-1-1 and Table 10-1-2 offer the format.

Table 0-1-1 Progress Report on Land Acquisition and Resettlement

_____ Region (County) _____ Town _____

Cut-off Date: ____/____/____ (d/m/y)

Date: ____/____/____ (d/m/y)

Item	Unit	Planned Qty.	Completed Qty.	Accumulated Qty.	% of Completion
Permanent land acquisition	Mu				
Temporary land use	Mu				
Paid land compensation	CNY 10,000				
Training accepters					
Employments accepters					
Land adjusted	Mu				

Reporter:

Sign (Director):

Chop:

Table 0-1-2 Execution Progress on Funds Utilization

_____ Region (County) _____ Town _____

Cut-off Date: ____/____/____ (d/m/y)

Date: ____/____/____ (d/m/y)

Affected institutions	description	unit/amount	Investment Required (¥)	Compensation Received (¥)	Compensation Adjusted	Compensation rate
Village 1						
Village 2						
Collective						

Reporter:

Sign (Director):

Chop:

10.2 External Monitoring

According to the requirement of ADB policies, Kanas PMO will employ an independent and qualified institution which has relevant experience in ADB-financed project monitoring as the independent monitoring agent for resettlement.

The external monitoring and evaluation institution shall undertake regular monitoring and evaluation of the resettlement implementation activities and provide necessary consultative proposals on aspects of resettlement progress, quality and funds. In addition, the production and living standards of the APs shall be also monitored. Monitoring reports shall be submitted to Xinjiang PMO and ADB.

10.2.1 Content and Methods of External Monitoring

1. Baseline survey

The external monitoring agency shall conduct the required baseline survey, from which, the baseline information of the production and livelihood levels of the APs shall be acquired. The investigation of production and living levels shall be conducted on a semi-annual basis to follow up the changes of the displaced people in this connection. This is to adopt the methods of typical sample follow-up survey (random samplings: 100% for affected villages), random sampling, casual interviewing and site visits etc. to acquire necessary relevant information. Accordingly, a statistical analysis shall be made on this basis to evaluate progress and quality

2. Regular monitoring evaluation

The external monitoring agency shall, during the implementation of the resettlement plan, conduct regular follow-up monitoring of the resettlement twice a year. This will be done through site observation, sample follow-up investigation and casual interviewing of APs. The following activities shall be monitored:

- Payment and amount of compensation funds;
- Training;
- Production relocation and rehabilitation;
- Schedule of above actions;
- Resettlement organization;
- Usage of collective land acquisition compensation and APs' income conditions;
- Increasing condition of labor employment and incoming.

3. Public consultation

The external monitoring agency will take part in public conferences in the resettlement implementation period. By participating in these conferences, the external monitoring agency will evaluate the public participation effects.

4. Complaints

The external monitoring agency will visit the affected villages periodically; go deep into the resettlement offices of Yining PMO, townships and implementation agencies to consult on the outcomes of complaints and their treatment. Meanwhile, the agency may interview the APs who have made complaints and propose measures and suggestions for improvement. In this way the resettlement implementation will become more effective.

10.2.2 External Monitoring Reporting

The external monitoring and evaluation agency will submit semi-annual reports to Xinjiang PMO and ADB. Table 10-2-1 shows the schedule of reporting.

Table 0-2-1 Reporting Schedule for Resettlement Monitoring and Evaluation

	Resettlement report	Date
1	Socioeconomic baseline survey	May 2008
2	The first stage monitoring report	Mar. 2012
3	The second stage monitoring report	Mar. 2013
May 2013		
5	The first stage evaluation report	Mar. 2014
6	The second stage evaluation report	Mar. 2015

10.3 Post Assessment for Resettlement

Upon completion of the project, on the basis of the monitoring evaluation, the theory and method of post assessment will be used to review the resettlement activities of this project component. Post assessment will cover the successful experiences and lessons learned in all aspects of land acquisition and house demolition that can be referred to by future resettlement projects. The institution entrusted to conduct the post assessment for this project component must prepare Terms of Reference for post assessment, build up an assessment index system, undertake necessary social and economic analysis and surveys and prepare a *Assessment Report for Kanas Resettlement Construction Project* that will be submitted to Kanas PMO and the ADB.

Appendix 1 Terms of Reference for External Monitoring

The same as before. See details below.

1. Objectives of resettlement monitoring and evaluation

In accordance with the requirement of ADB's resettlement policies, it is to undertake external monitoring and evaluation for Kanas resettlement. Through monitoring the progress, funds mobilization and management of land acquisition, demolition and resettlement, it is to analyze and compare the changes and restoration of the production and livelihoods of the affected people, and thus to provide with follow-up evaluation in this connection. In addition to the regular reports (twice a year in resettlement implementation period) respectively submitted to ADB, Kanas PMO and relevant competent departments. This process shall also provide with information and suggestions to all departments for reference in policy making. Through external monitoring and evaluation, ADB and the project administrative agencies may have full understandings of the conditions and the existing problems of the land acquisition, demolition and resettlement, such as timely implementation of the resettlement plan, full achievement of the expected targets as well as the suggestions for improvement etc.

2. Major contents of resettlement monitoring and evaluation

(1) Monitoring and evaluation of the progress of land acquisition. Including: progress of land acquisition; progress of temporary land occupation;

(2) Monitoring and evaluation of funds mobilization and utilization, which includes: situation of in-place funds; and utilization of funds (planned and actual).

(3) Monitoring and evaluation of living standards of displaced of people, which includes: production and living conditions before construction; production and living conditions after construction; and comparative analysis and evaluation of the employment and living conditions before and after construction.

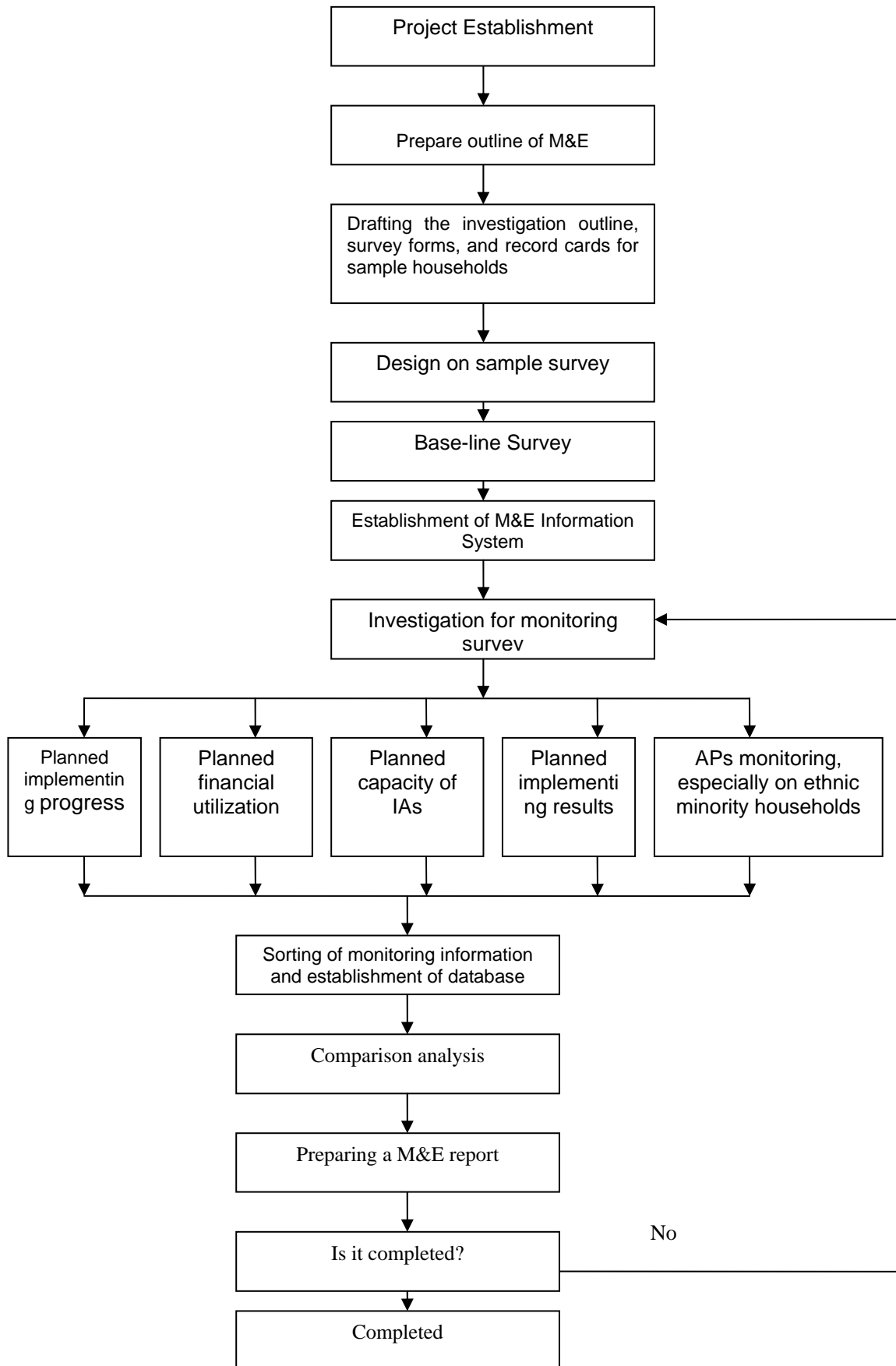
(4) The APs get benefits from the project or not;

(5) Evaluation of the capacity of resettlement institutions and the situation of public participation, complaints and grievance.

3. Technical flow

See the technical flow for external monitoring in Figure 1 below.

Figure 1 Processes for External Monitoring and Evaluation



4. External Monitoring Agency

The external monitoring agency in this project will be undertaken by an external institution entrusted by Kanas PMO and accredited by ADB.

5. Organization and work division for resettlement monitoring and evaluation

(1) Kanas PMO entrusts external institutions take charge of the investigation, data collection, computing and analysis about the monitoring and evaluation work, and review the research results;

(2) The external monitoring institutes compose Kanas PMO. The tasks are below: monitor and evaluate the resettlement according to the Involuntary Resettlement Policy of ADB; in charge of designing an outline of the monitoring and evaluation work; setting the monitoring spot; responsible for monitoring field investigation and internal analysis; and writing the monitoring and evaluation report;

(3) Kanas PMO provides convenience on personal and traffic to Independent Resettlement Monitoring and Evaluation Institution during on-the-spot monitoring and investigation.

6. Methods of resettlement monitoring and evaluation.

(1) Monitoring and evaluation shall adopt the combined methods of site survey, computerized analysis and experts' reviews;

(2) Survey work shall adopt the method of point-area method. The progress, funds, organizations and management of the resettlement implementation shall be fully explored. The progress, funds, organizations and management of the resettlement implementation shall be fully explored while sample survey shall be conducted for the APs;

(3) Sample survey shall adopt the random sampling method, while the typical samples shall be followed up for survey;

(4) Full-coverage survey shall adopt the methods of tabular format survey, interview discussion, archives consultation etc.

(5) In addition to the written materials, other materials such as photos, recordings, videos and articles in-kind shall be also collected.

7. M&E Report for resettlement external monitoring

According to the requirement of ADB and the project schedule, the external monitoring and evaluation agency would submit the monitoring report and the evaluation report to ADB and Kanas PMO periodically (usually twice a year).

Appendix 2 Relevant Policies

Relevant rules in Document [Xinjijiafang (2001) 500] by Development and Planning Committee and Finance Department, Xinjiang Uygur Autonomous Region.

Table 1 Compensations Rates of Cultivated Land (Unit: CNY/mu)

Category	The first level (superior farmland)	The second level (medium farmland)	The third level (inferior farmland)
Compensation rates	1200	640	480
explanation	1. The rates of this Table is fit for cultivated land growing food crop 2. The yearly output value of the cultivated land growing special crop, vegetable fields and garden should be higher than that of the first-level cultivated land; the maximum of cotton fields, garden land, vegetable land and grape land shall not respectively exceed 1.5 times, 2 times, 3 times and 4 times of it . Other economic crops are estimated by their actual yearly output value.		

Table 2 Compensations Rates of Meadow (Unit: CNY/mu)

Compensation Rates Rank	Level		
	First superior	Second Medium	Third Inferior
1	328	262	120
2	262	148	88
3	136	96	63
4	80	69	50

Table 3 Rates of Resettlement Fee

The Per-capita Area of Cultivated Land (mu)	Times of the Average Output Value of Three Years
Above 3.5 mu	4-----5
3.0-----3.5	6-----7
2.5-----3.0	8-----9
2.0-----2.5	10-----12
1.5-----2.0	13-----15
1.0-----1.5	16-----18
0.5-----1.0	19-----20