

The External EMDP Monitoring and Evaluation Report of ADB-funded Hunan Flood Management Sector Project

No.1 Report

Changsha Xinghuan Water & Electricity Engineering Technology Development Co.,

April 7 2008

TABLE OF CONTENTS

1. INTRODUCTION	3
2. PROJECT OVERVIEW.....	4
3. INTRODUCTION ON ETHNIC MINORITIES RELATED TO THE PROJECT.....	7
4. THE BASELINE SURVEY	14
5. ENTITLEMENT FOR ETHNIC MINORITY GROUPS	16
6. THE AFFECTED PERSONS' APPEALS AND COMPLAINTS.....	23
7. MAJOR ISSUES AND RECOMMENDATIONS	25
8. CONCLUSION AND RECOMMENDATIONS	27

1. INTRODUCTION

On 29 June 2006, the Asian Development Bank (ADB) approved the 200 million Dollar loan from Ordinary Capital Resource (OCR) for Hunan Flood Management Sector Project. Currently the Project is under the implementation. According to the ADB requirements, an external resettlement monitoring & evaluation agency should be engaged in the project. This monitor is required to undertake the monitoring and evaluation on the implementation of resettlement and land acquisition, its quality and the results out of these activities so that PMOs and ADB will be present a full picture of resettlement and land acquisition on the ground in supporting them to make good decisions. After the selection and approved by ADB, the Changsha Xinghuan Water & Electricity Engineering Technology Development Co.,(CXWEETD) was chosen to engage in the monitoring and evaluation of 8 core subprojects, including Loudi, Xinhua, Sangzhi, Wugang, Yongzhou, Leiyang, Huaihua and Chenxi.

During the sector loan project preparation, the ADB approved the Ethnic Minority Development Plan (EMDP) for Sangzhi Subproject. CXWEETD has concluded the consolidated contract with PPMO and the subcontract with Sangzhi PMO respectively with respect to the resettlement and ethnic minority monitoring and evaluation.

The CXWEETD project team was mobilized in February 2008. The baseline surveys for the resettlement and land acquisition and ethnic minority were undertaken simultaneously. The EMDP M&E will pay the special attention to the resettlement and land acquisitions affected ethnic minority groups and also identify any measures taken to mitigate or reduce the negative impacts resulting from the subproject implementation to ensure that affecting ethnic minority groups benefits from the subproject.

o

2 PROJECT OVERVIEW

2.1 IMPLEMENTATION PROGRESS OF THE PROJECT

Due to several reasons, till now, the general implementation progress of all sub-projects lags behind the progress of original schedule.

Table 2.1-1 Implementation Progress of the Project

City	Project	Contract	Contract Price	Contractor	Supervision Company	Date of Commencing Work	Completed Construction in Phase I	Completed Construction in Phase II	Investment Completed
Sangzhi	1	Protection ring of main city area	30.35 million yuan	Yiyang Water Resources Hydro & Power Construction Company	Hunan Yuhui Water sources and Hydro-power Construction Consulting Company	2007.10.8		Flood Control Wall (A0+000~0+300; A0+800~1+390; C0+000~1+045) , Progress 30 %	10 million
	2	Protection ring of Gaojiaping	10.69 million yuan	Hunan Water Resources and Hydro-power Construction Company	Hunan Jianghe Water sources and Hydro-power Construction Consulting Company	2007.4.1	Flood Control Wall (Chainage 0+120 ~ 0+326) Progress 50% ; Earth Dike (Chainage 0+326 ~ 0+911.38) Progress 50%	Flood Control Wall (Chainage 0-120 ~ 0+326) Progress 100% , Earth Dike (Chainage 0+326 ~ 0+911.38) Progress 100%	9.6 million

2.2 Resettlement Progress

2.2.1 Land Acquisition

7 administrative villages (residential committees) and 17 village groups in Liyuan Town were involved in permanent land acquisition for the Project. 60 households with 472 persons were affected by the land acquisition of the project, and the land area of 67.57

mu were acquired, the details is shown below:

Table2.2.1-1 Land Acquisition Progress Unit(Mu)

Item	The Planned Acquired Land Area			The Actual Completed Acquired Land Area			% of the Completed Land Acquisition		
	Subtotal	Collective	State-owned	Subtotal	Collective	State-owned	Subtotal	Collective	State-owned
No.	67.57	54.53	13.04	110.32	44.55	65.77	163%	82%	504%
Remark									

Hunan Provincial Government had approved the application of land acquisition in the Document No.559, No.561 and No.562.

2.2.2 Housing Demolition

43 households with 201 persons were resettled in the Project, of which 37households with 176 persons need to be resettled by rebuilding houses. The Ethnic Minorities of such 37 households with 176 persons are distributed as below:

Table 2.2.2-1 The Affected Ethnic Minorities by House Demolition

Ethnic Types	Tujia	Miao	Han	Bai	Total
Population	78	7	54	37	176
Household	15	2	12	8	37

House demolition progress is shown below:

Table2.2.2-2 House Demolition Progress

	Item	Unit	Number	Remark
Planned	The Planned Demolished House Areas	m ²	16860.04	
	The Planned Demolished Households	HH	43	
	The Planned Relocated Persons	Person	201	
Completed	The Actual Completed Housing Demolition Areas	m ²	1239.19	
	The Actual Relocated Households	HH	4	
	The Actual Relocated Persons	Person	12	
% of Completion	% of the Completed House Demolition Area		7.35%	
	% of the Completed Relocated Household		9.30%	
	% of the Completed Relocated Persons		5.97%	

Table 2.2.2-3 The Relocated Ethnic Minorities

Ethnic Type	Tujia	Miao	Han	Bai	Subtotal
Population	10	0	0	2	12
HH	3	0	0	1	4

2.2.3 Resettlement Investment

RMB 15.2979 million yuan will be invested to the resettlement in the project according to the plan.

The detailed analysis and comparison between planned investment and actual investment to the resettlement project in Sangzhi County is shown below.

Table 2.2.3-1 Resettlement Fund Delivery Status Unit(10⁴ Yuan)

Items	Item Sub-items	Planned	Completed	
		The Total Investment	The Actually Spent	% of Completion
1. Resettlement Compensation		1203.88	252.31	20.96%
	1. Land Compensation	91.47	204.68	223.77%
	2. House and Auxiliary Facilities	998.46	47.63	4.77%
	3. Tomb	0.06		
	4. Infrastructure	26.4		
	5. Relocation Transportation Fee	10.56		
	6. Enterprise and Institutions	63.63		
	7. Individual Shops	2.4		
	8. Vulnerable Groups	10.9		
2. Specialized Facilities		9.38		
	1. Transportation Facility			
	2. Transmission and Transformation Facility	6.93		
	3. Water Resources Facility	0.75		
	4. Telecommunication	1.7		
3. Other Costs		128.68	50	38.86%
	1. Cost for Survey, Design and Scientific Research	36.4		

	2. Implementation Management Cost	36.4	50	137.36%
	3. Implementation Agency Initiation Cost	31.66		
	4. Technical Training Cost	6.02		
	5. M & E Cost	18.2		
4. Basic Contingency Cost		134.19		
5. Total Investment Excluding the tax and fee		1476.12	302.31	20.48%
6. Relevant tax and fee		53.67		
	1. Farmland Occupancy Cost	35.04		
	2. Farmland Reclamation Cost	18.63		
7. Total Investment Including tax and fee		1529.79	302.31	19.76%

3 Introduction on Ethnic Minorities Related to the Project

3.1 Survey on Ethnic Minorities in Project

By the end of 2006, there were 38 townships and 1 forestry unit directly managed by the county government, totally 558 residential committees with 4006 village groups with 431 thousand persons, of which 87.8% of such persons engaged in agriculture. The arable land area of the county is 340 thousand mu. Sangzhi County with the land area of 3474km² is one of the national poverty counties in Hunan Province. Its overall economic development is still lagging behind.

In 2002, the gross agricultural production value in Sangzhi County was RMB 476 million yuan, and the gross industrial production value was RMB 620 million yuan. The total grain output was 140 thousand tons that achieved the self-supplying basically. Annual mean income per capita of farmers was RMB 1250 yuan in the county, and urban residential mean housing area per capita was 23m². Absolute poverty population was 33 thousand persons. its poverty occurrence rate was 8.7%.

There are 17 ethnic minorities in Sangzhi County, ethnic minority population accounts for 88.12% of the total population in the County, Among them, Tujia nationality population was 252793 persons accounting for 59.02%, Bai nationality was 99934 persons accounting for 23.33% and Miao nationality was 22357 persons accounting for 5.22%. Totally 9 official minority towns were set up in Sangzhi County, of which 5 towns were set up as Tujia official minority town, 4 towns as Baizu official minority town. Liyuan Town isn't official minority town.

All ethnic minorities in Sangzhi speak Chinese in communication. They live in the same area for generations, getting married between ethnic minorities, so their living habits, social customs and so on are similar. But in other villages such as Liaojiacun, Shangdongjie, Lianghekou, Liangshuikou, Canguanyu, Xinjie, Hekou, Wudaoshui, Chenjiahe, Shataping and so on, Some ethnic minorities such as Tujia, Bai and Miao and so on still keep some original ethnic customs. (Seeing table 3-1 for the details)

3.21 Survey on Ethnic Minorities in the Project Protection Area

In project protected area, Liyuan Town, with convenient traffic condition and locating in the city area of Sangzhi County, is the political, economical, financial and cultural center of Sangzhi County. The land area is 98km² including 11296 mu farmland, 6320 mu orchard. The County has 31 villages (residential committee) and 230 village groups. By the end of 2007, there were 26981 households with 63550 persons. Among them, 54% of them were Tujia, 16% of them were Baizu, 22% of them were Han and the rest of 8% were the other ethnic groups. The total grain production output was 9427.61 tons and the gross production was 567 million Yuan. The annual average net income per capita was RMB 1575.1 Yuan of the rural people. The annual average disposable income per capita was RMB 6500 Yuan of urban people. There are two middle schools, one elementary school, two hospitals, and one social welfare institution in the Town. The agriculture is mainly rice, vegetable, fruit and pig breeding. In the industry sector, there is one thermo power plant, "Xinyiyuan" iron core concentration and smelting processing.

Liyuan Township is one of the most development townships in the project protection area. The integration of ethnic minority groups has been about 100 years that have fostered the common customs but they are different from what the Han Majority has. The detailed is shown Table 2.3-1.

Table 2.3-1

Summary Table of Ethnic Minority Customs

	Language	Character	Garment Characteristics	Eating Habits	Special Festivals	Customs	Folk Arts	Religions
Tujia	Sino-Tibetan Burmese-Tujia Subbranch	Chinese	The head wears embroidery handkerchief; the garment has lute-shaped front. People like wearing the Silver accouterments	People used to eat sweet potatoes and corns. But now they eat rice with special dishes, such as smoked meat.	"Gannian" "Sheba" Festival; "April 8"; "June 6"; "July 15" Based on lunar Calendar	Unique ways of dealing with people, wedding and marriage, childbirth, funeral ceremonies. Young men and women sing songs to express their love to the others. "Crying Wedding"	During the festivals, people wear their costumes to dance and sing	Pay a tribute to their ancestors; Respecting White Tiger
Baizu	Sino-Tibetan Burmese-Baizu Sub branch	Chinese	Men wear blue or white towel and women wear the towels with embroidery, printed flowers and colors. Normally people wear white shirt with blue waistcoat.	Rice is the daily diet with sweet potatoes and corns as the complement. Special dishes include fried eggs with buds of Chinese toon, salty bean curds.	"Benzhu" Festival; "Ancestor Worship in midwinter; "Yueban" Festival	Unique ways of dealing with people, wedding and marriage, childbirth, funeral ceremonies. People especially like white color. They like drinking white wine and treat the guest with three runs of tea.	Drum dance	Benzhu God
Miaozu	Sino-Tibetan Miao Sub branch	Chinese	Dye the cloths with batik; people wear wide waistband; women like wearing Silver accouterments	People like sweet grain wine and drink often..	"April 8"; "June 6"; Celebration of Autumn	Unique ways of dealing with people, wedding and marriage, childbirth, funeral ceremonies. People promote free marriage. They treat the visiting guests with wine and dishes with peppers.	People like singing and dancing. Lusheng is their most favorable musical instrument. The most common dances are Drum Dance and Lusheng Dance.	Admire the nature; totem admiration and respecting their ancestors.

REPORT ON EXTERNAL MONITORING & EVALUATION FOR EMDP OF HFMS

Liyuan Township	People speak mainly Tujia language with integration of other ethnic minority languages.	Chinese	People wear Chinese garment and some senior people have kept their costumes.	Special dishes incorporating Han, Miao, Tujia and Bai.	Similar with Han Majorities	Unique ways of dealing with people, wedding and marriage, childbirth, funeral ceremonies. They are different from Tujia, Bai, Miao and Han but they are more like the combination of all ethnic minority groups	Same with the Han	People normally observe the beliefs of their ethnic minority but the Buddhism is also popular.
-----------------	---	---------	--	--	-----------------------------	---	-------------------	--

3.3 The Customs Relevant to the Land Acquisition and Resettlement

The project in the ethnic minority areas must respect and protect the religious freedom of the minority groups and their customs as well including garments, diets, living, wedding, amenity and funerals. Special attention should be paid to their languages, production patterns, religions, living habits and dismantling and constructing houses customs, which are related to the land acquisition and resettlement. Moreover, emphasis should be put on the preferable policies provided to the ethnic minority groups and whether there are any changes of these policies and their implication to these groups of people.

Table 3.3-1 Customs with most relevant to Land Acquisition and Resettlement

	Production Patterns	Special Living Habits	Customs in Dismantling and Constructing Houses	Preferable Policies for Ethnic Minorities
Tujia	People used to grow dry land crops but now they grow rice in paddy fields; people used to hunting, fishing and picking potherb but now they don't do them any more.	A yard with wooden building decorated by twisted angles	At the date of "Wuri" in each month, it's not the right time to dismantle and construct the houses; during the house construction, it's not allowed to sleep or blow whistles at the construction sites; The orientation of houses should not in the direction of Zhengziwu; the main beams should select Shuangya trees; the newly built houses are not allowed to repair within three years; the rear of the house is not allowed to build the new tombs. Pear trees are not allowed to plant in front of the house; the surrounding of the houses is not allowed to plant camphor.	Ethnic Minority Groups enjoys the preferable policies in family planning, children education and cadre promotion.
Bai	The hills are leveled into small strips of lands and built small dikes to divert water in the field to grow rice; the handcrafts are including making haulm hats, bamboo matting and dyeing. In the past, the goods were carried by horses but now disappeared.	"Siheyuan" with blue tiles and wood structure, only one flat; the gate is like the ancient castle gate. the housing plot should be against the mountain and adjacent to water. The house sits in the north facing south meaning that they are missing their hometowns in Yunan Province.	People check "Fengshui" and the calendar carefully to select a date when starting to building the new houses. The orientation of houses should not in the direction of straight east, west, south and north; the main beams should select Shuangya trees; trees should be carried away immediately after falling down; people are not allowed to walk across it; the newly built houses are not allowed to repair within three years; Pear trees are not allowed to plant in front of the house; the surrounding of the houses is not allowed to plant camphor	Ethnic Minority Groups enjoys the preferable policies in family planning, children education and cadre promotion.

Miao	People used to plant in the dry land but now they grow crops in the paddy fields; Dyeing with battik has about 1000 year history; Embroidery of Miao is famous around the country.	Storied building. People live at the upper story and put their production tools or keeping the poultry at the lower floor.	People check "Fengshui" and the calendar carefully to select a date when starting to building the new houses; the main beams should select Shuangya trees; when making the trees as the main beams, people drink enough wine first and make it as a go and no any rest is allowed in the middle.	Ethnic Minority Groups enjoys the preferable policies in family planning, children education and cadre promotion.
Liyuan Township	People mainly grow rice and vegetable with small amount of crops in dry lands. The economic trees are fruit tress. People breed pigs but eat them all by themselves. The secondary and tertiary sectors are more developed than the other townships.	Same with Han Majority	People check "Fengshui" and the calendar carefully to select a date when starting to building the new houses; Fireworks will be played and chicken are killed as sacrifice before the new houses are built; Pear trees are not allowed to plant in front of the house; the surrounding of the houses is not allowed to plant camphor	Ethnic Minority Groups enjoys the preferable policies in family planning, children education and cadre promotion.

3.4 The Supporting Policies and Programmes for Ethnic Minority Groups

For a long-time, Chinese government have developed the supporting polices and programmes for ethnic minority groups. Sangzhi County is as one of 17 ethnic minority counties and have benefited from those policies and programmes. They are summarized as following:

3.4.1 The Supporting polices for the Ethnic Minority Groups

- (1) The financial supporting policies. Since 1955, the national government has established " the Supporting Fund for Ethnic Minority Areas". Later in 1964, the Government has set " the Flexible Fund for Ethnic Minority Area" and increased the financial fund reserve for the ethnic minority areas. In addition, the national government has developed the favorable financial policies that provide the increasing subsidies based on the quotas with the earmarked supporting funds for the ethnic minority areas. "The flexible fund" is calculated and provided based on the 5% of the total expenditures in the areas of economic construction, social, culture and education and administrative management in the previous year; the contingency fund is increased to the 3% of the total expenditure in the areas listed before. The agriculture tax is exempted.

- (2) The ethnic minority language and Chinese are taught at schools.
- (3) Supporting the education development in the ethnic minority areas. In 1995, the Xiangxi Autonomy Prefecture has built 136 Hope schools through “Hope Project” and helped tens of thousands of drop-out students.
- (4) Encouraging the trade development in the ethnic minority areas and taking the protection measures for the products produced in the ethnic minority areas. The protection measures are including funding raising support, profit setting aside and price subsidy. An imprest account is established to provide for those enterprises who have larger proportion of ethnic minority employees or who produce the productions especially for the ethnic minority people.

3.4.2 The Supporting polices for the Ethnic Minority Individuals

- 1) The ethnic minority families have favorable Planned Parenthood and they can have 2-3 children.
- 2) Education. The ethnic minority students have priority in the college entry and the enrollment quotas to increase the enrollment rate of the ethnic minority students. The scores for ethnic minority students are 20 lower than the Han students.
- 3) Promoting the cadres from ethnic minority groups. The county governor, the county party secretary and directors in government agencies are most of ethnic minority people. The cadres from ethnic minority groups are 7415 in Sangzhi County, accounting for 86% of the total. There are 12 of them working as the higher level leaders in Xiangxi Autonomy Prefecture and Zhangjiajie City.

The monitor will monitor and evaluate whether those ethnic minority people have benefited from these favorable policies or not before and after the land acquisition and resettlement by sampled household surveys. The results are shown in Chapter 4.

4 The Baseline Survey

The project in the ethnic minority areas must respect and protect the religious freedom of the minority groups and their customs as well including garments, diets, living, wedding, amenity and funerals. Special attention should be paid to their languages, production patterns, religions, living habits and dismantling and constructing houses customs, which are related to the land acquisition and resettlement. Moreover, emphasis should be put on the preferable policies provided to the ethnic minority groups and whether there are any changes of these policies and their implication to these groups of people.

The monitor had the baseline survey and the sampled household survey besides the collecting the socio-economic information. There are 22 sampled households, accounting for 37% of the total affected 60 households. After completion of the field survey, the monitor had collated the relevant information and conducted the analysis. A baseline survey database was established. The summary table of the baseline survey is shown Table 5-1.

4.1 the Living Conditions of the Affected Persons

Based on the resettlement baseline survey, there are 22 sampling households in Sangzhi Subproject. Currently their total housing area was 3685 m² including 3099 m² brick-concrete structure accounting for 84.1% of the total. The brick-wood structures the wooden structure accounting for only small percentage. The average housing area per capita was 70.9 m². The overall housing conditions were good. But the surveyed households said that their houses had been flooded frequently and the water level has been higher than 1-storied building sometimes. After the flood water was receded, a lot of litters, debris had been left. Therefore the sanitation conditions were worrisome. These people's living conditions should be improved.

4.2 Production Conditions and Employment of the Affected Persons

Based on the resettlement baseline survey this time, the 22 sampling households have 8.2 mu farmland in total and all of them grow vegetable. The average vegetable holding per capita is only 0.24 mu due to the urban construction, which have acquired a large number of farmland. As a consequence, farmers have to work in the city as migrant

workers or do some small business.

The subproject is aligned along the Lishui and Youshui Rivers in a linear shape. Most of the affected households only lost a very small portion of their farmland and houses, which are closely adjacent to the dikes.

The affected Liyuan Township will be in the future urban areas according to the county plan. The infrastructure there is quite good. Local farmers have more opportunities to be involved into non-agricultural activities. Most of local surplus labor forces have been transferred to working in the secondary and tertiary sectors. Especially young people went outside of their town and found employment in big cities, such as Guangdong, Wenzhou. They mainly work in the construction, timber processing, shoe making and electronics sectors.

The agriculture plantation is mainly vegetable and rice.

4.3 Economic Income of the Affected Persons

Based on the resettlement baseline survey, the total income of these sampling households was RMB 337,580Yuan last year including RMB 420,00Yuan income from the primary sector accounting for 12.1% of the total. This income was all from vegetable selling. The income from the secondary and tertiary sectors was RMB 295,580Yuan, which is from the salary income earned by migrant workers in the secondary and tertiary sectors, accounting for 85% of the total.

The average annual net income per capita was RMB 3,750Yuan, which is higher than the net income per capita (RMB 1,575.1Yuan) of rural people in 2007 Year Book of Liyuan Township but lower than RMB 6,500 Yuan of the disposable income per capita of urban people.

The income structure indicated that the income sources were simplex in the primary sector and all was from commercial vegetable selling. In addition, the income from the primary sector only accounted for tiny part of the total family income. The family income mainly relied on non-farming employment especially the salary income earned by migrant workers, which accounted for 50% of the total. Therefore, land acquisition had minor impact on their production and lives.

4.4 Living Quality of the Affected Persons

The houses of the affected persons were built adjacent to grade I terrace alongside the river. They were old stand-alone or two-storied buildings with brick-wood and wooden structures built in 1980's but the average housing area was limited. These houses were frequently flooded. Generally speaking, their living conditions were poor.

The subproject area is located in the urban area and its infrastructure is quite good. Local people have good access to water, electricity, road, post and telecommunications. It's convenient for them to see a doctor and for children to go to school.

The sample household survey showed that every hundred household had 4 motorcycles, 8 bicycles, 29 TV sets, 17 refrigerators, 13 washing machines, 1 micro-waver, 8 water heaters, 21 telephone sets. 34 out of 100 persons had mobile phones.

4.5 Ethnic Minority Customs

The focus of the baseline survey is to check whether the affected ethnic minority people have adapted their new production ways after the relocation; whether the ethnic language had been spoken in the public participation and the information disclosures; whether the ethnic amenity, customs, their special living habits, the customs related dismantling and constructing houses, their taboos and religions had been observed; and whether they have continued to benefit from the favorable policies especially for the ethnic minority people before and after the land acquisition and resettlement by sampled survey.

According to the baseline survey, the affected persons grow vegetable, work in the factory or do the small business. The land acquisition and resettlement have only minor impact on them. The livelihood rehabilitation ways proposed in the Resettlement Plan are not new for them. No any complaints from the ethnic minority people said that their customs are not observed. Maybe this is because that most of the staffs working in the project management office and the resettlement divisions within the office are ethnic minority. They are quite familiar with their own customs and behave naturally.

5. Entitlement for Ethnic Minority Groups

Representatives from ethnic minority groups should participate into management of the resettlement and land acquisition. The ethnic minority languages are spoken or talked to ensure the ethnic minority people are aware of their entitlements. All the ethnic groups adopt the same compensation standards. The special support is provided for the ethnic minority enterprises. The construction of the resettlement sites should observe the customs of the ethnic minority groups. Given the underdevelopment status of the ethnic minority areas, special supports should be provided for the vulnerable groups. After the completion of land acquisition and resettlement, the monitoring agency should monitor whether the ethnic minority groups continue benefiting from the favorable policies for ethnic minorities or not. The monitor should also monitor whether the rehabilitation measures adopted are based on their wills and whether the living standards maintain the at least same with those before the relocation.

5.1 the Resettlement Organization

All ethnic groups are entitled the same rights but have to fulfill their obligations at the same time in China. All people have the right to take part in the local community management.

5.1.1 Project Management Organization

The Sangzhi Government has put high priority on the land acquisition and resettlement affected by the flood management project. In order to make the land acquisition and resettlement smoothly, the county government has set up the project management office and the land acquisition and resettlement-implementing agency with staffs from all the line agencies including the Ethnic Minority Affairs Bureau after the consultation at the county council meeting in September 2006. The majority staffs in the project management office and the land acquisition and resettlement-implementing agency are ethnic minority people with few supporting Chinese technical staffs. This ensures that the entitlement of ethnic minority people will be fully complied.

Table 5.1-1 The Resettlement Organization

	Type of Organization	Name of Organization	Timing	Sub-Ordinate to	Responsibility	Full-time (P)	Part-time (P)	Composition	Legal Basis
Organization Setting	Subproject Management Office	Subproject Management Office	Sept. 2006	County Government	Project Management and Coordination	0	20	17 ethnic people, 3 Hans	No. 9 (2006) County Meeting Minutes
	Implementation Agency	Liyuan Township Government	Jun. 2005	County Government	Resettlement and Land Acquisition Implementation	9	0	8 ethnic people, 1 Han	No. 9 (2006) County Meeting Minutes
	House Appraisal Agency	Zhangjiajie Hengtai Appraisal Company		State-owned	House Appraisal				
	Resettlement and Land Acquisition Implementation Agency	The Land Reserve Center under the Land Resources Bureau		State-owned	Project implementation				

5.1.2 The Entitlement Safeguard during the Project Implementation

The government agencies jointly confirm the physical indices including Liyuan Township Government, the Financial Bureau, the Audit Bureau, the Land Resources Bureau and the Land Acquisition and Demolition Office. The confirmed physical indices will be disclosed afterwards. Then Liyuan Township Government together with the Land Acquisition and Demolition Office will have negotiations and then sign the agreements with the affected households, enterprises and institutions. The Financial Bureau pays the compensation to the affected ones. The County Audit Bureau audits the financial accounts. LPMO is coordinating and managing the process. Most of people involved into the process are ethnic minorities who can safeguard their entitlements fully.

5.2 The Compensation Standards for Land Acquisition and Resettlement

All affected persons adopted the same compensation standards.

5.2.1 The Compensation Standards for Land Acquisition and Resettlement

Some of lands to be acquired are state-owned that will be allocated by the Land Resource Bureau freely. But for the collective lands, the land acquisition and

resettlement agreements were signed and the relevant fund was allocated to the related villages, groups and communities. After the village and the village group meeting, the compensation was delivered to each affected person. The monitor checked this and found that every affected household had got the compensation.

The resettlement and land acquisition compensation policies and standards to be adopted are consistent with those in the Resettlement Plan. However, the affected are not willing to accept those standards and signed the resettlement and land acquisition agreement during the resettlement implementation. Therefore, the actual compensation standards are higher than the planned in the Resettlement Plan.

5.2.2 The House Compensation Standards

There are 4 households relocated in April 2005 including 3 Tujia households and 1 Bai household. The monitor checked the signed copies of the compensation agreements and the confirmed compensation standards are shown in Table 5.2.2.-1. The compensation standards are the same between Han majority and ethnic minorities. However, this conclusion is only based on the sampling survey.

The relocated households have adopted compensation standards based on No. (2004) 27 Document issued by Zhangjiajie Municipal Government. However, the actual standards are lower than those stipulated in Sangzhi Resettlement Plan. After endorsement of the Resettlement Plan by the local government, house demolition and relocation compensation standards will fully comply with Resettlement Plan.

The external resettlement-monitoring agency has reviewed the signed land acquisition and resettlement compensation agreements, and confirmed some of the actual applied compensation standards. The relevant details refer to Table 5.2.2-. The actual applied compensation standards are land compensation and resettlement subsidies exclusive the tax and fees. The empty cases in the two tables mean that actual compensation standards remain unclear or the external monitor didn't find out the exact examples.

Table 5.2.2-1 **the Compensation Standards for Permanent Land Acquisition**
unit (Yuan/mu)

Land Ownership	Land Types	The Planned Compensation Standards	The Actual Applied Compensation Standards
Collective Land	Paddy Field	10678	45000

	Dry Land	7474	45000
	Vegetable Land	15678	45000
	Wet Land	4485	
National Land	Residential Land	41354	
	Other land	Allocated free of charge	

Table 5.2.2-2 **The Housing Compensation Standards** Unit(Yuan/m²)

House Types	Structures	Unit	The Planned Compensation Standards	Disparity between the Planned and the Actual	The Actual Applied Compensation Standards	Disparity between the Planned and the Actual
Urban Houses	Brick-concrete	Yuan/m ²	384	340 ~ 420	320	260 ~ 360
	Brick-wood	Yuan/m ²	314	270 ~ 330	220	210 ~ 250
	Sundry Houses	Yuan/m ²	80		100	

5.3 The Relocated Enterprises and Institutions

Full consideration should be given to those ethnic minority enterprises and institutions during the relocation to protect their interests.

According to the Resettlement Plan, there are 8 affected enterprises and institutions including 2 enterprises. They are Papermaking plant and the Concrete Precast Plant. There is no ethnic minority enterprise. 6 institutions include only one Ethnic Minority Chinese Medicine Hospital. It's been relocated completed and started the operation at the new relocation site. The other 5 institutions have not been relocated yet.

In this Ethnic Minority Chinese Medicine Hospital, there are 350 full-time employees. Almost all of them are ethnic minority people. The land area of the hospital is 13mu and the land is state-owed. In July 2005, the new hospital was built and operated. At the same time, the old hospital was dismantled. All the affected employees are properly compensated and reemployed.

5.4 House Demolition and Resettlement Site Construction

The ethnic minority customs should be respected and observed during the house demolition and resettlement site construction.

The affected persons have about one month to dismantle their houses first. After one month, the Land Acquisition and Demolition Office will lead the house demolition and clear the lands. It's enough for the affected ethnic minority people to have one month to check "Fengshui" and dismantle their houses.

The construction of the resettlement sites is following:

(1) Construction Plan of the Resettlement Sites

The project will affect 4 residential committees(villages) in Liyuan Township. There are 37 households with 176 persons to be relocated. 25 households with 113 persons are willing to accept the relocation approach of the property adjustment. It's decided that the shangjiaping in Wenminglu Residential Committee is the new relocation sites tentatively. The high-storied buildings will be built for all the affected households.

(2) Construction Progress of the Resettlement Sites

There is another ongoing project of the expressway from Zhangjiapie to Sangzhi in the County. This project will also have the land acquisition and resettlement impact. So, the County Government decided that the Fengjiaping and Xiaotianchong are two resettlement sites for the affected persons.

Table5.4-1 Construction Progress of the Resettlement Sites and the Investment Made

Name	Location	Whether observing the ethnic minority customs	Whether observing ethnic minority amenity	Contractor	The Plan and Design		The Implementation Progress		Date of Completion
					Scale	Investment (10 ⁴ Yuan)	Physical Progress	Investment Completed (10 ⁴ Yuan)	
Fang jiaping	Group 2 Of Fangjiaping	The ready-made house plots are provided to the affected persons	Check 'Fengshui' ; Play fireworks and Sacrifice	Sangzhi Construction Installation Company	50mu	225	100%	225	January 2008
Xiaotian chong	Xiantianchong Group	The ready-made house plots are provided to the affected persons	Check 'Fengshui' ; Play fireworks and Sacrifice	Sangzhi Construction Installation Company	40mu	200	100%	200	February 2008

5.5 Public Participation, Consultation and Information Disclosure

The ethnic minority language are written or spoken during the public participation, consultation and information disclosure.

Before the resettlement implementation, the resettlement management organizations have several meeting with the affected persons including ethnic minority people to listen to their ideas and discuss about the resettlement sites and relocation approaches.

During the resettlement implementation, the resettlement management organizations will put up the posters, set up the bulletin board at the fixed public places and hold the group discussion in each subproject area to inform the affected persons of land acquisition, house demolition, compensation standards and resettlement site construction

Because Chinese is popular in the project areas and all the notices are expressed in Chinese.

The resettlement information booklet hasn't been distributed yet.

5. Support for Ethnic Minority Vulnerable Groups

Sangzhi is the ethnic minority areas and also one of the national key poverty counties. Its economy is underdeveloped and it has large percentage of poverty population. The county government has supported the vulnerable groups with minimum living subsidies regardless the races, which are provided by the Civil Affairs Bureau.

The method identifying the vulnerable group is to check whether the average income per capita is lower than the published minimum living standards.

Each of the vulnerable groups is given RMB 50 Yuan monthly. The details are shown in Table 5.6-1.

Table5.6-1 The Survey Table of the Affected Ethnic Minority Groups

Types of Vulnerable Groups	Name of Households	Persons	Ethnic Groups	Village Groups	The Main Problems	Supporting Measures Taken	Recommendation

Disabled	Xiang Chucui	2	Bai	Gaojiaping	Very low income	800 Yuan per quarter	
Disabled	Li Mingjun	2	Tujia	Lucaowan	Very low income	300 Yuan per quarter	
Disabled	Zhang Xinlian	3	Tujia	Lucaowan	Very low income	450 Yuan per quarter	

6. The Affected Persons' Appeals and Complaints

The affected ethnic minority groups are entitled to rights and obligations endowed by the constitution and laws. The acting laws and regulations guarantee legal rights of all citizens not being infringed. Once infringed, the affected persons have rights to lodge appeals and protect their rights.

6.1 Appeal Channels

Land acquisition, house demolition and the subproject construction may arouse the affected ethnic persons' dissatisfaction and complaints. There are many appeal channels. The affected person can lodge appeals to the resettlement management organizations at different levels, the mass medias and the relevant departments of the governments at different levels. The affected persons can also lodge appeals to the legal departments, such as Justice Departments. Or they can appeal to the Ethnic Minority Agency. In addition, they also can turn to the external resettlement monitoring agencies.

6.2 Appeal Procedures

When the affected ethnic persons lodge an appeal, they can settle it with the local resettlement management organizations or local government first. If unsolved, they can go to the relevant agencies at upper levels. The affected person can communicate with the village committee first, and then the village committees together with the affected persons settle it with the town/township government. Alternatively, the affected persons can lodge an appeal verbally or in written format to the resettlement management organizations at higher level directly. Upon receiving the appeal, the resettlement management organizations at higher level will work together with its subordinate agencies to find the solutions. If unsolved, the affected persons can lodge an appeal to the government departments under their jurisdictions according to Administrative

Procedural Law of People's Republic of China. If the affected persons still feel unsatisfied with the solutions, they can litigate it to the court.

6.3 The Affected Persons' Appeals and Complaints

The external resettlement monitoring agency has visited 22 affected households during the baseline survey and the sampling household survey. The external resettlement monitor had face-to-face communication with them to listen to their ideas. Currently, the majority of the affected persons supports the subproject construction and accepts the land acquisition and resettlement resulted from the subproject construction. Although the resettlement implementation organizations at different level have made lots of effort on the resettlement policies and compensation standards, some of the affected persons are still suspicious of the resettlement compensation standards. Some of them are worried about under-funded compensation fee and they can't afford to buy new houses. Some are worried about their future incomes when their farmland is acquired. Some are worried about the inconvenient traffic conditions in the resettlement site. Some are worried about their deteriorating living standards after relocation. On the contrary, some have extra high expectation and want to get the compensation beyond the resettlement policies. If unsatisfied, they will refuse to relocate.

A. Reply to the Issues and Requirements in the first M&E period.

The replies to the issues and requirements raised by the affected persons are summarized as below:

(1) Xiong Chaodong of Gaojiaping Residential Committee (relocated already) and others said that it's not easy to get the certificates for their new houses, such as land Certificate, House Certificate and House Construction Certificate.

Reply: these certificates are ready.

(2) Xiang Chucai(relocated already) said that he had bought a new apartment but he didn't get used to living in the high buildings. He hopes that he could get another new housing plot.

Reply: He can buy another new house in the resettlement site.

(3) Wang Songhou, Xiang Zuojun and others hope that the local government can help their children with employment.

Reply: the employment can't be found so far for him.

(4) Gu Guilian and others in Gaojiaping Residential committee said that the

compensation standards are low. They hope that the special subsidies should provide to the vulnerable groups.

Reply: The affected households were double-checked and the Civil Affairs Bureau provided some of them with living subsidies.

B. The major Issues and Requirement Raised in the 2nd M&E period.

- (1) Group 2 and Group 3 in Wenming Road said, "They enjoy the rural cooperative medical care when they are rural people; when they become urban citizens, they couldn't afford to see the doctor if they don't join in the urban cooperative medical treatment."
- (2) Liu Wenzhi of Group 3 in Wenming Road said, "My houses is flooded every year and can't live any more". He requests to relocate as soon as possible.
- (3) Yuan Zhengzhu of Group 2 in Wenming Road said, " I heard that the compensation standards are quite low and I prefer to stay but suffer the flooding rather than relocate to another place."
- (4) Wang Weibi of Group 2 in Wenming Road said, " my family has relocated once for the urban development. Now, we have to relocate again for the flood control embankment construction. We have sacrificed too much and we deserve the higher compensation standards."
- (5) Xiang Chucai in Gaojiaping Residential Committee said," the minimum living subsidy is only 50 Yuan/ month in Sangzhi County, which is too low."
- (6) Zhang Xinlian in Weicaowan Group said, " Lot of people in the village are poor but not provided with the minimum living subsidy. It's unfair."

As a whole, the most common concerns in the Sangzhi subproject are compensation standards, medical care and the minimum living subsidy. None of them mentioned the bias of ethnic minorities or ignorance of the minority customs. All these above-mentioned issues have been communicated with Sangzhi PMO. The external resettlement monitoring agency will follow up how these issues will be dealt with during the next monitoring phase.

7. Major Issues and Recommendations

(1) Strengthening the Project Management

ADB has higher resettlement management requirement on its financed project. However,

since the project is the first ADB-financed one, many resettlement management organizations at different levels lack sufficient resettlement experience. Therefore, the external resettlement monitoring agency recommended that the relevant experience should be summarized and lessons should be drawn from the past so as to regulate and guide the resettlement and land acquisition implementation in the future. In addition, relevant management regulations should be made, such as regular meeting regulation, coordinated meeting regulation, significant case reporting regulation, resettlement implementation reporting regulation, statistics reporting regulation and performance regulation.

(8) More Efforts on Supporting the Vulnerable Groups

Sangzhi is the national key poverty county and has a higher percentage of poverty population. The monitor also met a few of absolute poor people. The local government has put a lot of efforts on it and provided the minimum living subsidies to more people to the extent possible under the condition of the very tight budgets. However, the 50 Yuan/month minimum living subsidies is too low to cover their daily expenses due to rapid rising prices. If those groups of people are seriously ill, they are unable to afford the medical care although they join in the cooperative medical care program. The monitor met some of them during the survey and suggested the government should put more efforts on it and make them to have better lives.

(9) Benefiting from the Cooperative Medical Care Programme

Some families have relocated once for the urban development and became urban citizens. Now, they have to relocate again for the flood control embankment construction. They have sacrificed so much. They enjoy the rural cooperative medical care when they are rural people; when they become urban citizens, they couldn't afford to see the doctor if they don't join in the urban cooperative medical treatment. Therefore, the government should make them included into the urban cooperative medical care programme.

8. Conclusion and Recommendations

8.1 Conclusion

The CXWEETD project team was mobilized in February 2008. The baseline surveys for the resettlement and land acquisition and ethnic minority were undertaken simultaneously. The EMDP M&E will pay the special attention to the resettlement and land acquisitions affected ethnic minority groups and also identify any measures taken to mitigate or reduce the negative impacts resulting from the subproject implementation to ensure that affecting ethnic minority groups benefits from the subproject.

Most of staffs working in the project management office are ethnic minority people in Sangzhi County and they are also responsible for the land acquisition and resettlement affecting the ethnic minority people. The implementing compensation standards are all same with all groups of people regardless their races. The relocated enterprises with larger proportion of ethnic minority people have been properly compensated. The government provides the housing plots at good locations and the affected ethnic minority people build their houses by themselves. The government respects their special customs in constructing houses with little intervention. At the same time, they leave enough time for the affected ethnic minority people to dismantle their houses since they have to check “Fengshui” and select a good day to do the work. Ethnic languages are used in the public participation, consultation and information disclosure so that ethnic minority people who don't know Chinese can understand what's happened. The public notice is informed in Chinese. The way identifying the vulnerable ethnic minority people is to check whether their income per capita is lower than the published minimum living standards or not. For those living below these standards, the subsidy of RMB 50 Yuan/person will be provided. Any complaints or appeal during the project implementation, the affected persons can lodge an appeal to the government departments under their jurisdictions according to Administrative Procedural Law of People's Republic of China. If the affected persons still feel unsatisfied with the solutions, they can litigate it to the court.

Based on the resettlement baseline survey, the subproject area is located in the urban area and its infrastructure is quite good. Local people have good access to water, electricity, road, post and telecommunications. It's convenient for them to see a doctor

and for children to go to school. The average housing area of the affected persons is about 70m² brick-concrete structures. However, most of them are located in the low-lying areas and subject to flooding frequently. The average farmland holding is small and their main ways of making a living are working in the city, doing small business etc. the income generated from agricultural activities only accounted for 12% of their total income. Based on the surveyed 22 households, the average annual net income per capita was RMB 4300 Yuan, which is higher than the net income per capita (RMB 1,575.1Yuan) of rural people in 2007 Year Book of Liyuan Township but lower than RMB 6,500 Yuan of the disposable income per capita of urban people.

Chinese government has series of supporting policies for ethnic minority groups including those living in Sangzhi County. The Sangzhi Subproject has no any negative impact on ethnic minority groups benefiting from those policies but it doesn't provide any additional supporting policies for those affected ethnic minority people.

The Sangzhi County government has made some measurements to help with the vulnerable groups but the outcomes are not so satisfactory.

8.2 Recommendations

The resettlement management regulations should be made and improved. The resettlement implementation schedule should be updated regularly. Effective measures should be taken to promote the resettlement polices. More efforts should be made to increase the transparency of resettlement. Sufficient resettlement fund should be raised in a timely manner. The house demolition and construction of resettlement sites should be accelerated. More efforts should be made to improve the rehabilitation measures to ensure that the affected person can resume their normal production and lives. Inter-agency cooperation should be strengthened. The information management should be improved including data collection, collation and management. High priorities should be paid on complaints of the affected persons and effective measures should be taken to solve them. More efforts should be made to communicate with affected persons thoroughly and effectively to eliminate the distrust and worries of the affected persons so as to win their more support for the subproject.

