



Social Monitoring Report

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PRC: Yunnan Pu'er Regional Integrated Road Network Development Project-Meng'a Road Subproject

Prepared by Hohai University for the Yunnan Pu'er Municipal Government and the Asian Development Bank

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ADB-financed Yunnan Pu'er Regional
Integrated Road Network Development Project

**Yunnan Pu'er Regional Integrated Road Network Development
Project——
Meng'a Highway Subproject**

External Resettlement Monitoring and Evaluation Report
(No.2)

Hohai University

April 2017

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ABBREVIATIONS

ADB	-	Asian Development Bank
AH	-	Affected Household
AP	-	Affected Person
DMS	-	Detailed Measurement Survey
FGD	-	Focus Group Discussion
HD	-	House Demolition
LA	-	Land Acquisition
M&E	-	Monitoring and evaluation
PMG	-	Pu'er Municipal Government
PMO	-	Project Management Office
PMTB	-	Pu'er Municipal Transport Bureau
PTIG	-	Pu'er Transport Investment (Group) Co., Ltd.
RIB	-	Resettlement Information Booklet
RP	-	Resettlement Plan

Units

Currency unit	=	Yuan (CNY)
1.00 yuan	=	\$0.15
1 hectare	=	15 mu

1 Summary

1.1 Introduction to the Project

Located in southwestern Yunnan Province, Pu'er City has a land area of 45,000 km², being the largest prefecture/city in Yunnan, and governs 9 counties, one district and 103 townships, with a population of 2.546 million, in which minority population accounts for 61%. Pu'er is the only prefecture/city of China bordered by Vietnam, Laos and Myanmar, with a border line of 486 kilometers, enjoying superior traffic and geographic advantages.

In order to promote the city's economic and social development, the Pu'er Municipal Government (PMG) plans to upgrade and reconstruct the existing transport infrastructure, and has thereby proposed the Yunnan Pu'er Regional Integrated Road Network Development Project (the "Project").

The Project aims to improve regional cooperation and trade development in Pu'er City, and traffic conditions in rural and frontier areas of Pu'er City. The Project has three outputs: 1) Regional Roads Development; 2) Rural Access Improvement; and 3) Institutional Development.

- **Output 1: Regional Roads Development:** This comprises (i) upgrading and new construction of 228 km of class III/IV/III highway between Ning'er–Jiangcheng–Longfu; (ii) upgrading and new construction of the 48.75 km Menglian to Meng'a section of the Lancang–Menglian–Meng'a class III/IV border road mainly to class II standard; (iii) development of trade facilities at the Meng'a Material Transit Centre (MTC); and (iv) improving the safety of these roads by introducing safety measures determined by the ChinaRAP road safety design decision-making tool.
- **Output 2: Rural Access Improvement:** This will provide all-weather access to administrative villages and links with higher level roads. It comprises (i) upgrading to class IV standard of 600 km of village earthen or gravel roads selected in accordance with the rural road assessment criteria, (ii) spot improvements on up to 1,200 km of connecting lower level village roads, (iii) introduction of five new village bus service routes on a pilot basis, and (iv) a gender focused rural road maintenance program.
- **Output 3: Institutional Development:** This will address the limited implementation capacity of PMG. A project management consultant will assist the PMG to implement and monitor the project in accordance with ADB procedures. The project will finance a 3-year program of international and domestic training in financial and project management, road maintenance engineering, road maintenance practices, road safety, environmental management, social safeguards management, and human, drugs and wildlife trafficking enforcement.

ADB approved the ordinary fund loan of \$200 million on December 8, 2014, and signed the loan agreement on June 25, 2015. The loan took effect on October 20, 2015, and the closing date is June 30, 2021.

Table 1-1 Basic Information of the Project

1	Country	People's Republic of China (PRC)
2	Loan No.	LOAN 3217-PRC
3	Project	Yunnan Pu'er Regional Integrated Road Network Development Project
4	Effective date of loan	October 20, 2015
5	Closing date of loan	June 30, 2021
6	Borrower	Ministry of Finance of the PRC
7	Executing agency	PMG
8	Implementing agency	PMTB
9	Loan amount	\$200 million
10	Last ADB mission	December 5-12, 2016

1.2 The Subproject and Resettlement Impacts

1.2.1 The Subproject

The Menglian-Meng'a Class-II Highway is a subproject of the Project (hereinafter, the "Subproject").

The highway begins with Menglian (pile No. K54+900), runs through Mengma and ends with Meng'a (pile No. K99+744.29), with a full length of 44.739km, a design driving speed of 60 km/h and a roadbed width of 12m (K54+900~K95+594.78) or 23m (K95+585.04~K99+744.29). See Figure 1-1.

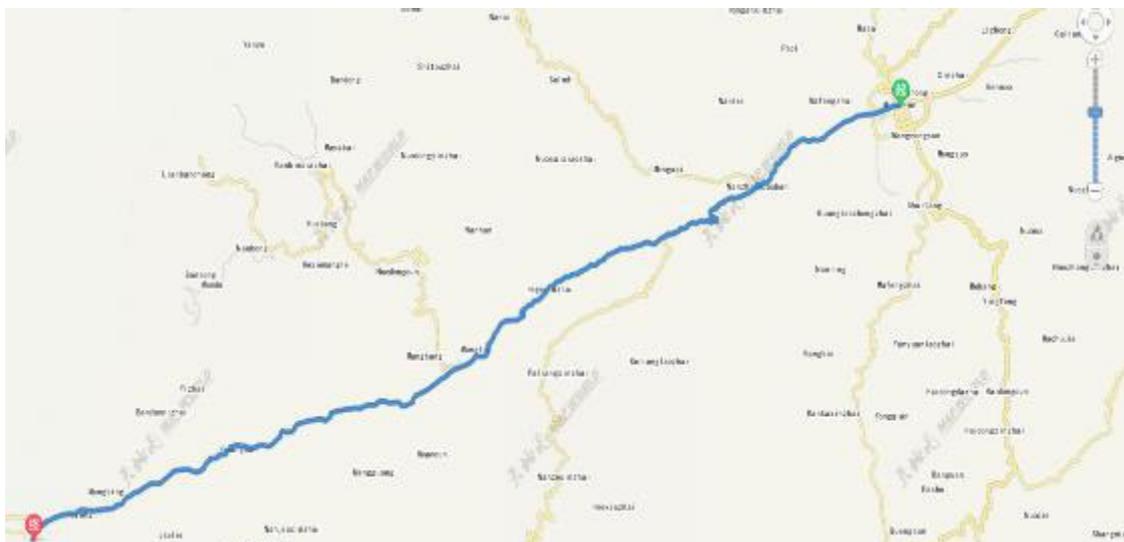


Figure 1-1 Route Map of the Subproject

1.2.2 Resettlement Impacts

According to the RP approved by ADB, 6 villages in two townships, Menglian County and 4 companies will be affected by LA and HD for the Subproject. 1,820.76 mu of land will be acquired permanently and 726.77 mu of land occupied temporarily, in which the permanently acquired land includes 1,621.92 mu in the 6 affected villages, 107.92 mu of Menglian State Farm, 69.55 mu of Luoxiaohai Rubber Factory and 21.37 mu of Mengma Rubber Company, affecting 471 households with 2,118 persons. Residential houses of 27,960 m² will be demolished, including 10,340 m² in frame structure, 4,606 m² in masonry concrete structure, 8,928 m² in masonry timber structure, 1,458 m² in earth timber structure, 1,008 m² in hanging structure and 1,620 m² in simple structure;

in which the demolition of masonry-timber houses of 650 m² of Mengma Tealeaf Company affects 10 households with 47 persons, all included in the data of Paliang Village. See Table 1-2.

Table 1-2 Summary of Resettlement Impacts of the Subproject

Item	Unit	Subtotal
Collective land acquisition	mu	1820.76
Temporary land occupation	mu	726.77
Demolition of rural residential houses	m ²	27960
Affected population	HH	471
	Person	2118
—LA only	HH	305
	Person	1551
—Both LA and HD	HH	166
	Person	567

1.3 External Resettlement M&E

1.3.1 Basis

The basis for M&E of the Subproject includes:

- Applicable state laws and regulations
- ADB's Safeguard Policy Statement (June 2009)
- RP approved by ADB (October 2015)
- M&E contract
- Other documents related to the Subproject

1.3.2 Scope

This report is the No.2 external M&E report of the Subproject, and aims to sum up the resettlement work of the Subproject as of December 31, 2016, find out issues in resettlement and propose solutions accordingly. This report covers the institutional arrangements, progress of resettlement implementation, public participation, grievance redress, etc.

1.3.3 Procedure

- Preparing the terms of reference for resettlement M&E
- Sampling plan design
- Baseline survey
- Establishing an M&E information system
- Follow-up survey
- Data compilation and analysis
- Preparing a M&E report

1.3.4 Methods

1) Monitoring methods

Literature study: Documents, agreements, statistical reports, etc. on LA, HD and resettlement were referred to and verified.

Door-to-door interview: The task force conducted a survey on AHs, covering LA area confirmation, compensation payment, etc. These sample households will be followed up in the next round of M&E until their income is restored.

FGD: FGDs were held with the LA and HD agencies, township governments, village committees and AHs to learn information on LA, HD and resettlement.

Key informant interview: Heads of the affected enterprises were interviewed to learn their current situation, LA and HD impacts, and compensation.

Field investigation: A field investigation was conducted to learn the progress and effectiveness of resettlement, and identify existing or potential issues.

2) Evaluation methods

Statistical analysis: A comprehensive statistical analysis was performed on resettlement implementation, including resettlement progress, resettlement planning and completion, fund availability, etc.

Comparative analysis: A comparative analysis was performed on the resettlement effect, including horizontal and vertical comparison of production level and living standard.

Participatory evaluation: The APs and local residents evaluated the resettlement effect, and gave opinions and advice by means of FGD, questionnaire survey, etc.

1.3.5 Scope of this Report

1) Scope of M&E

This round of M&E covered the resettlement implementation of the Subproject in Paliang, Mengma and Meng'a Villages in Nayun and Mengma Towns, Menglian County, and the affected enterprises.

2) Time limit of M&E

The period of this round of M&E for resettlement implementation is from July 1 to December 31, 2016.

2 Organizational Structure

2.1 Agencies

To ensure successful resettlement as desired, a systematic organizational structure must be established during project implementation in order to plan, coordinate and monitor resettlement activities. Since resettlement is a very comprehensive task that requires the assistance and cooperation of different departments, the departments concerned will participate in and support resettlement implementation.

PMG is the executing agency of the Project, responsible for overall project implementation, and PMTB is the implementing agency, responsible for the fulfillment of the outputs and routine project implementation. The Pu'er PMO has been established at PMTB for project coordination and management.

The Pu'er PMO will be responsible for day-to-day implementation activities, including but not limited to (i) recruitment of consultants; (ii) procurement of civil works and equipment contracts; (iii) supervision and coordination of all project components implementation, including rural access improvement, for which implementation responsibility will be assigned to the county transport bureaus; (iv) ensuring all project activities to comply with ADB's safeguards requirements; (v) timely provision of the counterpart funds; (vi) submit progress, external monitoring, audit and other reports to ADB; and (vii) liaison with ADB.

The Menglian County Government is the implementing agency of the Subproject, where resettlement is implemented by the Menglian Subproject LA and HD Team together with the Nayun Town Government, Mengma Town Government and Farm Authority under the leadership of the Menglian County Government.

The agencies responsible for resettlement under the Subproject are as follows:

- 1) Project Leading Group
- 2) PMTB and Pu'er PMO
- 3) Menglian Subproject Leading Group and PMO
- 4) Menglian Subproject LA and HD Team
- 5) Menglian Resettlement Office
- 6) Nayun and Mengma Town Governments
- 7) Village committees
- 8) Design agency
- 9) External M&E agency
- 10) Other agencies: land and resources bureau, LA and HD management office, labor and social security bureau, etc.

See Figure 2-1.

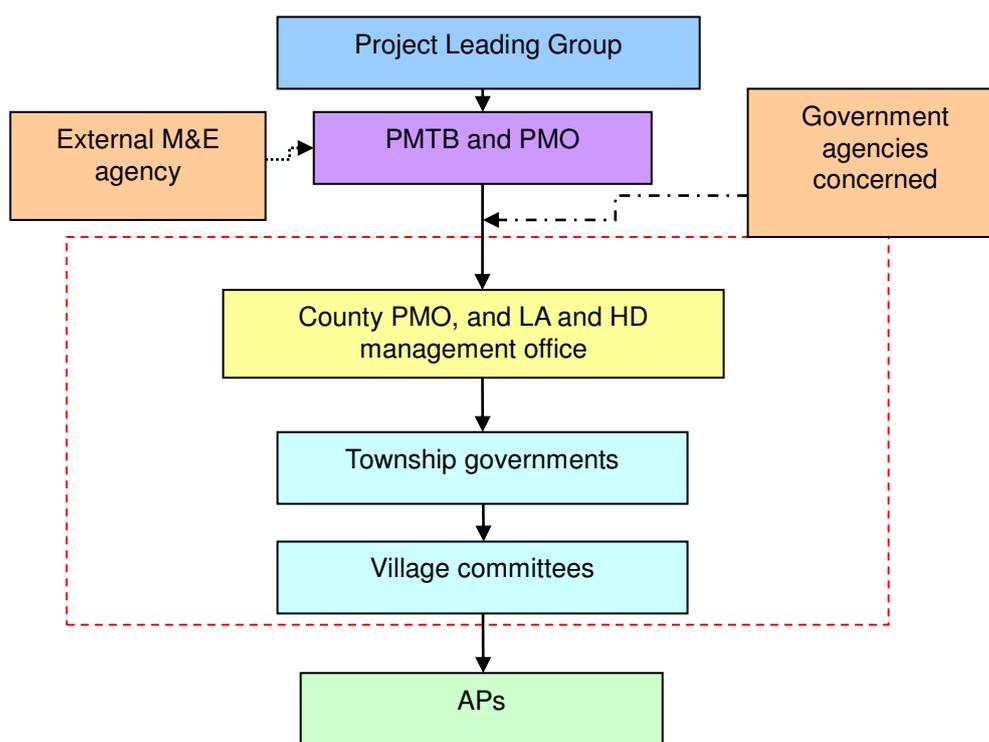


Figure 2-1 Organizational Chart

2.2 Staffing and Equipment

In order to facilitate resettlement, the resettlement agencies at different levels have been sufficiently staffed and created unobstructed information flows. These agencies are composed of administrative staff and technicians, with workforces of 3-8. All staff members have certain professional and administrative competencies, and experience in resettlement. See Table 2-1.

Table 2-1 Staffing of Key Resettlement Agencies

Agency	Workforce		Staffing
	Male	Female	
Project Leading Group	3	1	Civil servants
PMTB and Pu'er PMO	5	2	Civil servants, technicians
Menglian PMO	2	1	Civil servants
Menglian Resettlement Office	5	2	Civil servants
Township governments	5	2	Civil servants
Village committees	5	3	Village officials, AP representatives
Design agency	2	1	Engineers
External M&E agency	4-8		Resettlement and social experts

In addition, the resettlement agencies at different levels have fixed offices, sufficient funds, and basic office, transport and communication equipment, including desks and chairs, PCs, printers, telephones, facsimile machines and vehicles. The powerful organizational structure ensures the successful implementation of LA and HD. In order to strengthen the understanding of ADB's resettlement policy among the staff of the resettlement agencies, the Pu'er and Menglian PMOs have organized relevant training, covering domestic resettlement and social policies, resettlement planning, implementation, management and monitoring, etc. See Table 2-2.

Table 2-2 Summary of Training Courses Completed

Time	Location	Participants	Scope of training
2016.2.29	Menglian County	Staff of the LA and HD team, financial staff of the Meng'a Highway Construction Headquarters	LA and HD compensation procedure, and key points
2016.4	Pu'er City	ADB officials, Pu'er PMO staff	Management capacity building, including resettlement, environmental management, financial management, procurement, etc.
2016.6.3	Mengma Town	Staff of the LA and HD team, heads of the Meng'a Highway Construction Headquarters, village officials	LA and HD survey, program drafting, policy implementation, file management during resettlement



Figure 2-2 Organizational Training

2.3 Evaluation

The task force investigated the operation of the resettlement agencies. The investigation shows that the organizational structure for resettlement is sound, the resettlement agencies are well staffed and equipped, and the relevant staff has been trained. These agencies have rich experience in local new countryside building, and other urban construction projects, and are familiar with the applicable domestic regulations.

In this report period, the organizational setup and staffing for resettlement remained relatively stable, but there was no substantial progress in capacity building. In particular, systematic training for the resettlement staff was not offered.

In view of this, the task force suggests that the resettlement agencies should further strengthen institutional capacity building to ensure that resettlement is implemented successfully according to the RP approved by ADB, including: 1) enriching their manpower with professionals and keeping their staff stable; 2) strengthening training for their staff involved in LA, HD and resettlement pursuant to the training program under the RP; 3) improving reporting systems, and strengthening resettlement planning, implementation, supervision and monitoring; and 4) in particular, regulating file management in resettlement implementation, including hardcopies and electronic files.

3 M&E of Resettlement Implementation

3.1 Construction Progress

1) Roadbed works

Procurement for the roadbed contract packages has been completed, and roadbed construction has begun. As of December 21, 2016

2) Pavement works

As of December 21, 2016, pavement construction had not begun, which is expected to begin in Q4 2018.

3.2 Land Approval

In September 2015, the Ministry of Land and Resources approved the construction land of the Subproject (MLR [2015] No.647).

3.3 Resettlement Implementation

3.3.1 Acquisition of Collective Land

According to the RP, 1,820.76 mu of collective land will be acquired permanently for the Subproject, affecting 471 households in 6 villages.

In this report period, 1,259.74 mu of collective land was acquired additionally. As of December 21, 2016, 1,476.54 mu of land had been acquired, accounting for 91% of the planned area. See Table 3-1.

Since each AH is affected slightly, all of them are subject to cash compensation.

Table 3-1 Summary of Acquired Collective Land

County	Township	Village	Planned		Completed in previous period		Completed in this period		Completed in total	
			Land area (mu)	HHs	Land area (mu)	HHs	Land area (mu)	HHs	Land area (mu)	Percent
Menglian	Nayun Town	Mangzhang	116.96	29	0	0	80.92	20	80.92	69%
	Mengma Town	Paliang	594.3	85	86.59	52	411.18	59	497.77	84%
		Mengma	327.58	71	0	0	226.64	49	226.64	69%
		He'an	35.44	11	75.47	22	24.52	8	99.99	282%
		Manghai	255.03	72	54.74	23	176.45	50	231.19	91%
		Meng'a	292.61	166	0	0	202.45	115	202.45	69%
	Enterprises	Menglian State Farm	107.92	36	0	0	74.67	25	74.67	69%
		Luoxiaohai Rubber Factory	69.55	1	0	0	48.12		48.12	69%
		Mengma Tealeaf Company	0	0	0	0	0	0	0	0%
		Mengma Rubber Company	21.37	/	0	0	14.79		14.79	69%
	Total			1820.76	471	216.8	97	1259.74	325	1476.54

Source: PMO

3.3.2 HD

According to the RP, houses of 27,960 m² will be demolished for the Subproject, affecting 166 households in 5 villages.

It is learned that though some affected houses in the subproject area are out of the boundary line of the highway, they are too close to the highway and of poor quality, so they are affected greatly by road construction. In order to facilitate subproject implementation, these houses will also be compensated for, so that the actual HD area is more than the planned HD area. These houses will be subject to the compensation policy and rates for other houses specified in the RP.

In this report period, 86 households were affected by HD additionally, with an additional HD area of 14,989.7 m². As of December 31, 2016, 131 households had been affected by HD in total, with a total HD area of 23,533.34 m², accounting for 78.92% of the planned HD area. See Table 3-2.

Table 3-2 Summary of Demolished Residential Houses

County	Township	Village	Planned		Completed in previous period		Completed in this period		Completed in total	
			HD area (m ²)	HHs	HD area (m ²)	HHs	HD area (m ²)	HHs	HD area (m ²)	HHs
Menglian	Nayun Town	Mangzhang	252	3	0	0	169.92	1	169.92	1
	Mengma Town	Paliang	4858	47	6286.96	37	7646.3	45	13933.26	82
		Mengma	2046	18	0	0	2039.01	12	2039.01	12
		Manghai	588	9	117.32	1	1877.12	16	1994.44	17
		Meng'a	13788	70	2139.36	7	2444.98	8	4584.34	15
		Heyang	0	0	0	0	509.75	3	509.75	3
	Enterprises	Menglian State Farm	828	18	0	0	0	0	0	0
		Luoxiaohai Rubber Factory	5600	1	0	0	0	0	0	0
		China Tower Co., Ltd. Pu'er Branch	0	0	0	0	302.62	1	302.62	1
	Total			27960	166	8543.64	45	14989.7	86	23533.34

Source: PMO

3.3.3 Resettlement Progress

All households affected by residential house demolition are subject to cash compensation, and housing land will be allocated by the township governments and village committees. Among the 131 AHs, 37 choose centralized resettlement and the other AHs choose scattered resettlement.

It is learned from the survey that new houses were built before HD in Menglian County by drawing on the experience from the Lancang-Menglian Highway, so that the AHs could still live in houses to be demolished during new house construction, and their farming, outside employment, education and medical care were not affected. According to interviews, APs expect that the construction of resettlement housing be accelerated.

This round of M&E was focused on the 37 households subject to centralized resettlement. As of December 31, 2016, the resettlement sites for the Subproject under construction were located in Dongkuo and Yintai Groups of Paliang Village, and Manglang Group of Meng'a Village.

1) Resettlement site for Dongkuo Group of Paliang Village

Housing land for this site is reallocated within the group, and the Mengma Town Government is responsible for infrastructure construction. 12 AHs have completed and moved into new houses.



Figure 3-1 Construction Site of the Resettlement Site for Dongkuo Group of Paliang Village

2) Resettlement site for Yintai Groups 1 and 2 of Paliang Village

Some of the 12 households to be resettled in this resettlement site have completed their houses, and some are still constructing their houses.

According to the survey, competent authorities have attached great importance to landslides in this resettlement site, identified potential risks in detail, and developed a meticulous response plan. The consultation process and the countermeasures are as follows:

First, FGDs were held with APs to discuss countermeasures, and collect their opinions and suggestions.

Second, the Mengma Town Government attached great importance to this, and received timely response from the county-level competent authority.

Third, the following countermeasures have been proposed: 1) engaging technical experts to conduct a field investigation, and propose a solution and a risk response strategy; and 2) completing slope hardening by the end of May 2017.



Figure 3-2 Completed Houses



Figure 3-3 Construction Site of the Resettlement Site for Yintai Groups 1 and 2 of Paliang Village

3) Manglang resettlement site for Paliang Village

Housing land was allocated by lot drawing, and houses were designed by the AHs themselves. The Mengma Town Government is responsible for infrastructure construction. Among the 7 AHs, 6 have completed and moved into new houses, and the other one has not begun to build a new house and will build it after the completion of the Subproject in order not to affect construction progress.



Figure 3-4 Construction Site of the Manglang Resettlement Site for Paliang Village

4) Scattered resettlement site

The AHs in this site will select housing land for house reconstruction themselves with the assistance of the Menglian Resettlement Office, township government and village committee.



Figure 3-5 Construction Site of the Scattered Resettlement Site

3.3.4 Temporary Land Occupation

According to the survey, 308.17 mu of land has been occupied temporarily during construction for the Subproject, and 418.6 mu of land occupied temporarily for borrow areas and spoil grounds.

During construction, the land and resources authority acquired all occupied land (temporary construction roads, spoil grounds, etc.) as state-owned land in a unified manner, and then the construction agency used such land on a rental basis. After the completion of highway construction, such land will be planned and utilized by the land and resources authority in a unified manner. As of December 31, 2016, statistics on temporary land occupation were still being compiled.

3.3.5 Line Relocation and Street Tree Felling

According to the DMS, 5 types of lines (telecom optical cables, mobile optical cables, broadcast and television optical cables, power lines, and water supply lines) would be relocated at 114 points.

By the end of December 2016, the relocation of 96 sites (8,375.78m, including 45 sites for power lines, 47 sites for telecom optical cables and 4 sites for national defense optical cables) had been completed, with a completion rate of 81.3%. The 10KV power line from Hegai in Mengma to Yintai Group has been relocated. The felling of alley trees has been completed.

3.4 Resettlement Policies and Compensation Rates

LA for the Subproject is compensated for based on the Land Administration Law of the PRC, Regulations on the Implementation of the Land Administration Law of the PRC, Land Administration Regulations of Yunnan Province, Announcement of the Menglian-Meng'a Highway (2013 No.2), Notice of the Menglian County Government on LA and HD Compensation Rates of the Menglian-Meng'a Highway (MCG [2013] No.46), etc.

According to the survey, the resettlement policies and compensation rates of the Subproject have not varied in practice, and are still consistent with the RP.

3.4.1 Compensation Rates for LA and Land Occupation

1) Permanent LA

All compensation rates applied in the affected villages are those for the county town, dam area and other areas. These rates are deemed reasonable and sufficient for replacement. The APs are aware of and accept these rates through public consultation. These rates are consistent with those specified in the RP.

Table 3-3LA Compensation Rates of Menglian County

No.	Land type	Compensation rate (yuan/mu)			Remarks
		County town	Dam area	Other areas	
1	Irrigated land (including vegetable land)	60000	50000	35000	County town—east: Zhongle Reservoir; south: Shuitang Group; west: 61 st Ecology Park; north: Mangjie area
2	Rain-fed fields	45000	40000	30000	
3	Non-irrigated land (including garden land)	35000	25000	20000	Including land for tea, coffee, rubber, fruit, etc.
4	Collective construction land	30000	20000	15000	Including collective enterprise land, housing land, and infrastructure land
5	Fishpond	60000	50000	35000	
6	Woodland	7500			
7	Unused land	8500			

2) Temporary land occupation

Compensation for temporary land occupation will be based on the actual occupation period, and the temporarily occupied land will be reclaimed by the contractor upon expiry of the occupation period. The compensation rates for temporary land occupation are consistent with those specified in the RP. See Table 3-5.

Table 3-3 Compensation Rates for Temporary Land Occupation

Item	Unit	Rate	Remarks
Temporary land occupation	Paddy land	yuan/mu/year	2000
	Non-irrigated land	yuan/mu/year	1500
	Dry land	yuan/mu/year	1000
Land reclamation	yuan/mu	2000	Occupation period not more than two years

3.4.2 Compensation Rates for HD

The compensation rates for HD are consistent with those specified in the RP. See Table 3-6.

Table 3-4 Compensation Rates for HD

Structure	Unit	Compensation rate (yuan)			Remarks
		County planning area	Township planning area	Village	
Frame	m ²	2000	1900	1750	All weight-bearing components being reinforced concrete, including columns, beams and slabs, with ordinary decoration
Masonry concrete	m ²	1600	1500	1350	Over 24cm brick walls, structural columns, ring beams, reinforced concrete slabs, with ordinary decoration

Structure	Unit	Compensation rate (yuan)			Remarks
		County planning area	Township planning area	Village	
Masonry timber	m ²	1300	1100	1000	Floor height being 2.2m or more, brick, timber and masonry weight-bearing structure, gray tile roof, gray brick walls, with ordinary decoration
Timber	m ²	800	700	600	Floor height over 2.2m, complete timber structure, gray tile roof, timber walls This rate may apply to auxiliary houses in masonry timber or simple brick timber structure (e.g., kitchen).

3.4.3 Compensation Rates for Infrastructure and Ground Attachments

The compensation rates for infrastructure and ground attachments are based on replacement cost, and are consistent with those specified in the RP. See Table 3-7.

Table 3-5 Compensation Rates for Ground Attachments

No.	Type	Unit	Compensation rate (yuan)
1	Optical cable (including pole)	km	22000
2	Power cable (including pole)	km	25000
3	Water pipe	m	6
4	Brick enclosing wall	m ²	125
5	Well	/	450
6	Biogas tank	/	2000
7	Pigpen	m ²	200
8	Toilet	/	150
9	Tomb	/	2800

3.5 Funds and Disbursement

3.5.1 Disbursement Progress

In this report period, 31.7594 million yuan was disbursed. As of December 31, 2016, 41.085 million yuan had been paid in LA and HD compensation in total. All compensation had been paid to the AHs timely and fully. See Table 3-8.

Table 3-6 Disbursement Progress

County	Township	Village	Completed in previous period			Completed in this period			Completed in total	
			LA compensation	HD compensation	Subtotal	LA compensation	HD compensation	Subtotal		
Menglian	Nayun Town	Mangzhang	0	0	0	216.04	24	240.04	240.04	
	Mengma	Paliang	192.59	210.22	402.81	319.57	332.89	652.46	1055.27	
		Mengma	0	0	0	435.31	315.92	751.23	751.23	
		He'an	302.35	0	302.35	100.17	0	100.17	402.52	
		Manghai	126.71	3.98	130.69	314.31	38.42	352.73	483.42	
		Meng'a	0	96.71	96.71	1020.13	1.65	1021.78	1118.49	
		Heyang	0	0	0	0	8.3	8.3	8.3	
	Enterprises	Menglian State Farm	0	0	0	0	0	0	0	
		Luoxiaohai Rubber Factory	0	0	0	0	0	0	0	
		Mengma Rubber Company	0	0	0	0	0	0	0	
		Mengma Tealeaf Company	0	0	0	45.68	0	45.68	45.68	
		China Tower Co., Ltd. Pu'er Branch	0	0	0	0	3.55	3.55	3.55	
	Total			621.65	310.91	932.56	2451.21	724.73	3175.94	4108.5

3.5.2 Disbursement Process

All costs related to resettlement will be included in the general budget of the Subproject, and LA compensation fees will be paid up before LA.

All LA and resettlement funds are disbursed by the Pu'er Municipal Finance Bureau, and supervised by PMTB and the Pu'er PMO. The Menglian Resettlement Office is responsible for fund disbursement according to agreements. As resettlement agencies, the township governments ensure that all required resettlement funds are available timely and fully. See Figure 3-6.

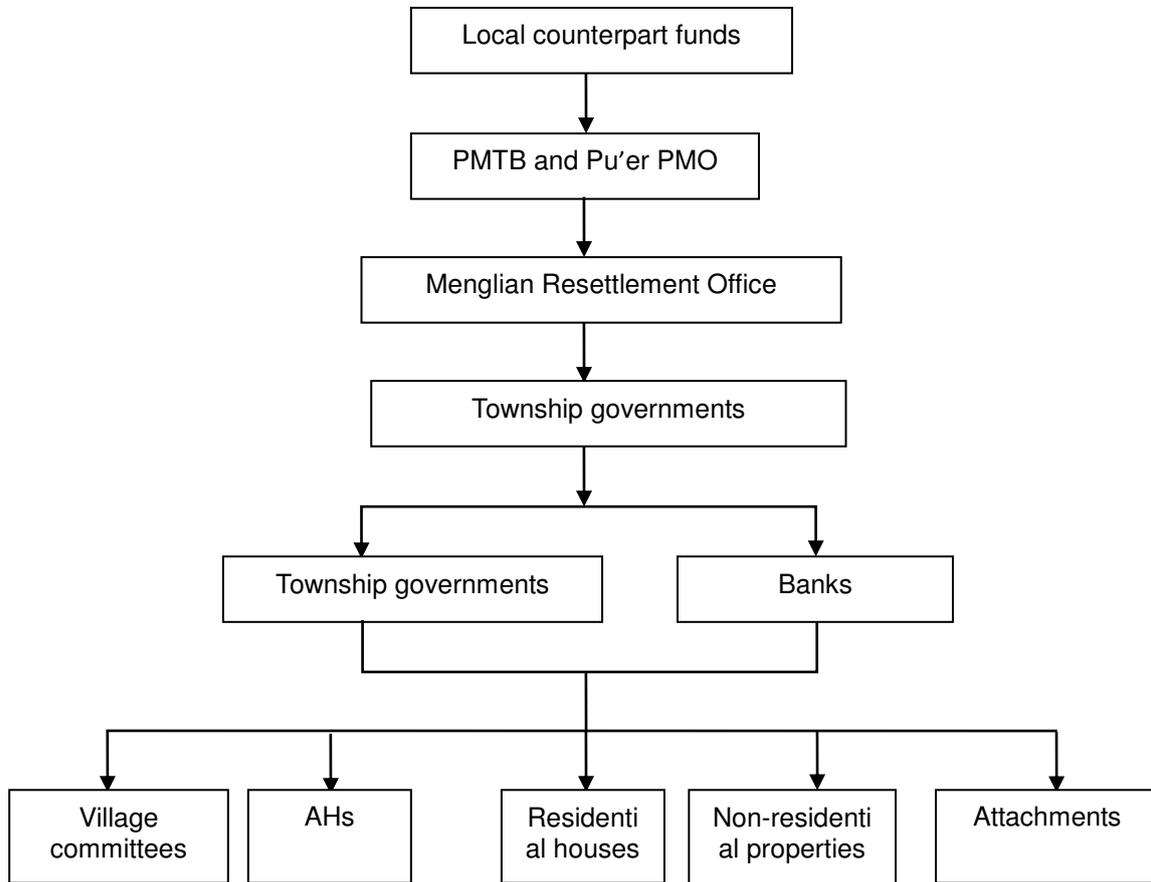


Figure 3-6 Fund Disbursement Flowchart

3.6 Evaluation

Through field investigation, interviews, FGDs and literature review, the task force thinks that:

1) As of December 31, 2016, the LA and resettlement progress of the Subproject was sufficient for construction. 216.8 mu of collective land acquired had been acquired and houses of 8,543.64 m² demolished for the Subproject. Among the 45 households affected by HD, 17 were building new houses, while the other AHs were preparing for house construction.

2) The resettlement compensation policies complied with the principles and requirements specified in the RP, the disbursement procedure of resettlement funds was transparent, compensation could be paid to the AHs timely, and resettlement was implemented successfully and sufficient to realize the objectives of resettlement;

3) The fund disbursement procedure was transparent and efficient, and LA and HD compensation fees had been paid to the AHs timely and fully.

3) RIB distribution

In order that the APs and local governments are fully aware of the compensation rates and the RP, the resettlement agencies distributed the RIB to the villages, households and entities affected by January 31, 2016, covering the state laws and regulations on resettlement, compensation rates, resettlement measures, fund disbursement and use, entitlements, policies, etc.

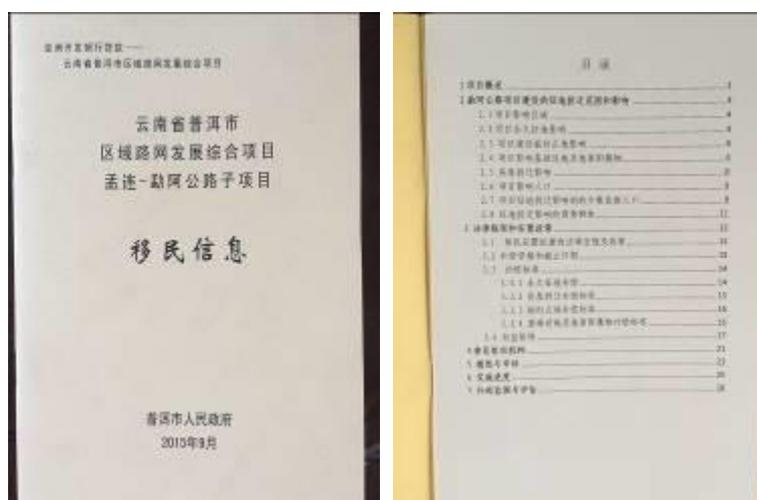


Figure 4-3 RIB Distribution

4) Implementation of the public participation plan

During the implementation of the public participation plan, the agencies responsible have carried out relevant activities, protecting the APs' lawful rights and interests. See Table 4-1.

Table 4-1 Implementation Progress of Public Participation

Time	Activity	Agencies responsible	Implementation progress
2016.1	Consultation on livelihood restoration	Menglian PMO, PMTB, township governments, village committees, enterprises	The income restoration program has been developed and implemented, involving employment and skills training, and needs further improvement.
2015.10~2016.5	Entering into agreements with affected villages and persons, and further information disclosure	Menglian PMO, PMTB, township governments, village committees, enterprises	Most of AHs have entered into compensation agreements.
2016.6	Internal monitoring	Menglian PMO, IA	In June 2016, internal monitoring was conducted.
2016.7	Baseline survey (I)	Task force, PTIG, Menglian PMO, township governments	In July 2016, the external M&E agency conducted a baseline survey on 50 AHs in 4 villages with the assistance of the Pu'er PMO, Menglian Resettlement Office and township governments.
2017.4	Survey on AHs (II)	Task force, PTIG, Menglian PMO, township governments	The external M&E agency conducted a follow-up survey with the of the Pu'er PMO, Menglian Resettlement Office and township governments..

5) Public participation during external M&E

During external M&E, the external M&E agency has conducted a series of public participation activities, including questionnaire survey, FGD and interview, to learn LA and HD progress, and discuss income restoration and resettlement programs with the assistance of the Pu'er PMO and the Menglian Resettlement Office. See Table 4-2 and Appendix 2.

Table 4-2 Public Participation Activities during External M&E

Method	Time	Venue	Participants	Results
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Method	Time	Venue	Participants	Results
Questionnaire survey	Jul. 20 – Aug. 2, 2016	Mangzhang Village, Nayun Town; Paliang, Mengma and Meng'a Villages, Mengma Town, Menglian County	1) Pu'er PMO; 2) Menglian Resettlement Office, 3) township governments, village committees; 4) task force	50 copies of the questionnaire were distributed to learn the population and composition, income and expenditure of the sample households, and a baseline database was established.
FGD	Jul. 20 – Aug. 2, 2016	1) Pu'er PMO; 2) Menglian Resettlement Office; 3) township governments and village committees	1) PMO head; 2) PTIG head; 3) township and village officials; 4) task force	3 FGDs with 27 participants (including 9 women, accounting for 30%) were held to learn LA, HD and resettlement progress, potential issues, and suggestions.
Enterprise interview	Jul. 20 – Aug. 2, 2016	Meeting rooms of enterprises	1) Enterprise heads; 2) Pu'er PMO; 3) task force	Heads of Mengma Tealeaf Company, Menglian State Farm, Mengma Rubber Company and Luoxiaohai Rubber Factory were interviewed to learn their current situation, LA and HD impacts, and compensation.
Personal in-depth interview	Jul. 20 – Aug. 2, 2016	Mangzhang Village, Nayun Town; Paliang, Mengma and Meng'a Villages, Mengma Town, Menglian County	APs, including women and old people	50 persons were interviewed to learn villagers' needs and expectations for the Subproject, awareness of the Subproject, and degree of participation.

4.2 Grievance Redress

A transparent and effective grievance redress mechanism has been established during resettlement implementation, as detailed below:

Stage 1

If any AP is dissatisfied with the RP, he/she may file an oral or written appeal with the village committee, township government or Menglian Resettlement Office, which should make a disposition and keep written records within two weeks.

Stage 2

If the AP is dissatisfied with the disposition of Stage 1, he/she may file an appeal with the Menglian PMO after receiving such disposition, which should make a disposition within two weeks.

Stage 3

If the AP is dissatisfied with the disposition of Stage 2, he/she may file an appeal with the Pu'er PMO after receiving such disposition, which should make a disposition within two weeks.

Stage 4

If the AP is still dissatisfied with the disposition of Stage 3, he/she may file an appeal with the competent authorities level by level in accordance with the Administrative Procedure Law.

At any stage, an AP may bring a suit in a civil court directly if he/she is dissatisfied with the grievance redress procedure or disposition.

All grievances, oral or written, will be reported to ADB in internal and external resettlement monitoring reports.

If any AP may also file an appeal with the Office of the Special Facilitator or Compliance Review Panel of ADB in accordance with ADB's accountability mechanism.

All agencies will accept grievances and appeals from the APs for free, and costs so reasonably incurred will be disbursed from contingencies. During the whole construction period of the Subproject, these appeal procedures will remain effective to ensure that the APs can use them to address relevant issues.

The above grievance redress mechanism will be communicated to the APs at a meeting or through the RIB.

4.3 Evaluation

It is learned that project information is well disclosed, and the level of public participation is high. Some concerns the APs have been addressed properly by village collectives, such as scattered trees omitted in the DMS and construction impacts. The PMO and the owner have not received any grievance.

The task force thinks that the adequate public participation and grievance redress mechanisms of the Subproject played a great role during resettlement. In the future, the PMO and resettlement agencies should collect and handle grievances and appeals properly.

5 Findings and Suggestions

5.1 Key Findings

1) **Project and resettlement implementation progress**

As of December 21, 2016, roadbed construction had begun, but pavement construction had not begun and was expected to begin in Q4 2018.

In the 6 affected villages, LA and HD are in orderly progress, and resettlement progress is sufficient for construction. During construction, the IA attached greater importance to LA and HD, but statistics on temporary land occupation are not sound enough.

2) **IA**

As the owner of the Subproject, PTIG is responsible for all aspects of the Subproject. The Menglian Resettlement Office and the township governments are responsible for LA, HD, resettlement housing construction, resettlement, etc. within their respective jurisdictions.

The organizational structure for resettlement is sound. The resettlement agencies are well staffed and equipped, and have played a good organizing and coordinating role in resettlement implementation. However, training, file management and internal supervision should be strengthened.

3) **File management**

The resettlement agencies still have some deficiencies in file management. For example, videos on public participation during resettlement and project implementation, e-mails related to the Subproject, and records of major resettlement events are missing.

4) **Information disclosure and public participation**

According to the survey, most of the respondents are aware of the Subproject, and 100% of them support the Subproject and expect the Subproject to be implemented as soon as possible. The IA has disclosed project information timely and fully to the public by means of announcement, FGD and village meeting. The public participation mechanism is sound and the RIB has been distributed.

5) **Grievance redress**

A transparent and effective grievance redress mechanism has been established during resettlement implementation. The APs may file appeals with PTIG, the county or township government, and village committee, or bring a suit in the people's court.

5.2 Suggestions

1) **Organizing implementation in strict conformity with LA and HD procedures, and ADB's policy**

Currently, the LA and HD policies and procedures are sound, and administrative provisions on HD appraisal, ruling, public hearing, etc. are in place. In subsequent resettlement work, issues arising from LA and HD should be handled properly in strict conformity with the established procedures to protect the APs' lawful rights and interests. The resettlement implementation contract should include the provision of "ensuring conformity with the RP approved by ADB" so that resettlement implementation complies with both the applicable state regulations and ADB's policy on involuntary resettlement.

2) **Strengthening institutional capacity and improving internal management systems**

Before resettlement implementation, the resettlement staff should be trained on ADB's policy on involuntary resettlement, LA and HD regulations, resettlement implementation management, etc. in order to improve their operational capacity.

During resettlement implementation, backbone resettlement staff will be organized to attend training on resettlement policies and practices, etc., and visit domestic ADB-financed projects. The project management agencies should assign dedicated persons to manage LA and HD documents, and further train the staff.

Reporting and internal monitoring on resettlement, and external M&E should be strengthened in order to solve issues timely.

3) **Improving the information disclosure mechanism**

In order that the APs are fully aware of the Subproject's impacts, resettlement modes, compensation rates, appeal channels, etc., further publicity on the resettlement policies of the Subproject should be conducted.

4) Paying attention to the livelihood restoration and house reconstruction of the APs

The APs may become distressed due to the improper use of compensation fees. The resettlement agencies should establish a database (including contact information) of the APs (especially vulnerable groups), and track their livelihood restoration and house construction regularly to ensure that the objectives of resettlement are realized.

Appendixes

Appendix 1 M&E Methods (No.2)

Method	Time	Venue	Size	Participants	Remarks
1. Literature review	Mar. 26, 2017	/	/	Pu'er PMO, task force	Literatures: 1) RP approved by ADB, etc.; 2) Statistical Yearbook of Pu'er City (2015); 3) local plans; 4) subproject progress, etc.
2. FGD	Mar. 27 – 28, 2017	PMO, township governments and village committees	3	PMO, PTIG, township and village officials, task force	Basic village information; villagers' attitudes to and needs for the Subproject; LA and HD progress, compensation and resettlement, etc.
3. Enterprise interview	Mar. 27 – 28, 2017	Meeting rooms of enterprises	2	Enterprise heads, PTIG, task force	Learning their current situation, LA and HD impacts, and compensation
4. Personal in-depth interview	Mar. 27 – 28, 2017	Mangzhang Village, Nayun Town; Paliang, Mengma and Meng'a Villages, Mengma Town, Menglian County	10	APs, including women and old people	Villagers' needs and expectations for the Subproject, awareness of the Subproject, and degree of participation

Appendix 2 FGD and Interview Minutes (No.2)

Project	Yunnan Pu'er Regional Integrated Road Network Development Project – Meng'a Highway Subproject	
Date	2017.3.27	
Venue	Xu Mufeng's home in Yintai Group 2 of Paliang Village, Mengma Town	
Participants	Mr. Ma and Mr. Zhou from the Pu'er PMO, Directors Song and Zhao of the county coordination office, deputy town head, task force	
Key points and findings	<ol style="list-style-type: none"> 1. The 3# housing plot (236 m²) has been obtained by lot drawing, featuring convenient traffic and satisfactory location; 2. The main part of the resettlement house has been completed, pending decoration and occupation; 3. Not only compensation has been received in full, but also a housing construction subsidy of 40,000 yuan received from the government. 4. A government subsidized loan of 50,000 yuan will be applied for to be used for decoration, pending approval by the credit cooperative. 	
Photo		

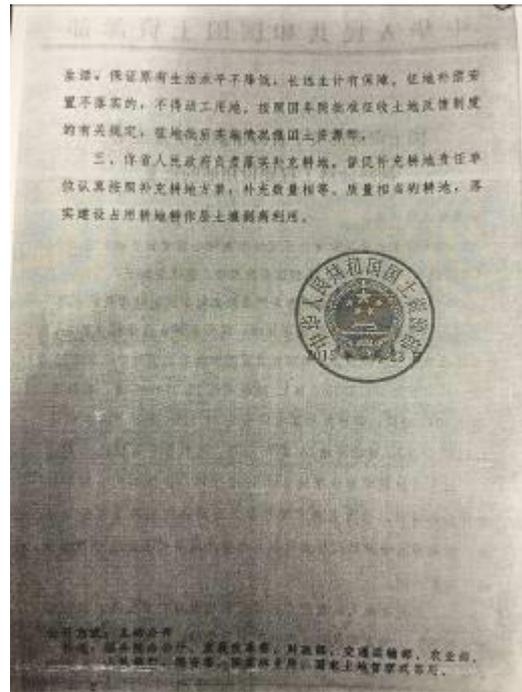
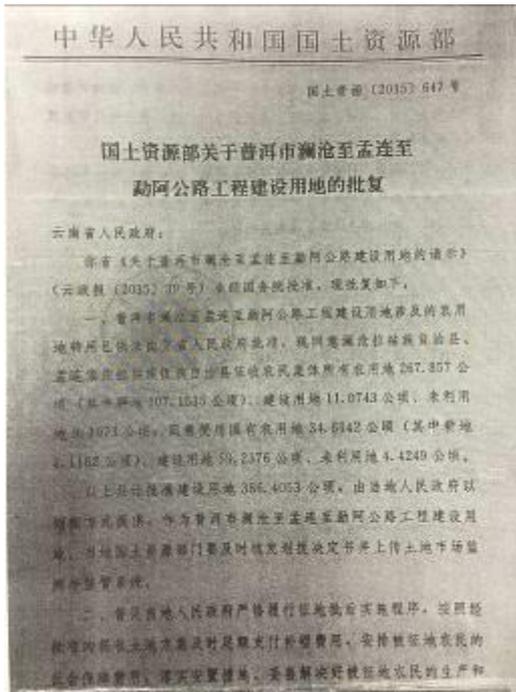
Project	Yunnan Pu'er Regional Integrated Road Network Development Project – Meng'a Highway Subproject
Date	2017.3.27

Venue	Mengma Tealeaf Company
Participants	Mr. Ma and Mr. Zhou from the Pu'er PMO, Directors Song and Zhao of the county coordination office, deputy town head, head Wang of Mengma Tealeaf Company, task force
Key points and findings	<ol style="list-style-type: none"> 1. The new factory site has been selected, and the new factory is being constructed, expected to be completed at the end of 2017. The new factory has a floor area of 7.4 mu, still in Paliang Village. 2. Factory relocation will begin after coffee processing in May 2017. 3. The young crop compensation has been disbursed to the company's account, and the company is negotiating the compensation program with tea growers. 4. There is still a dispute over workshop and land ownership due to outstanding issues, and the land compensation has not been paid. 5. Despite of the above dispute, the company head says that the company supports the Subproject and will not affect its construction progress.
Photo	

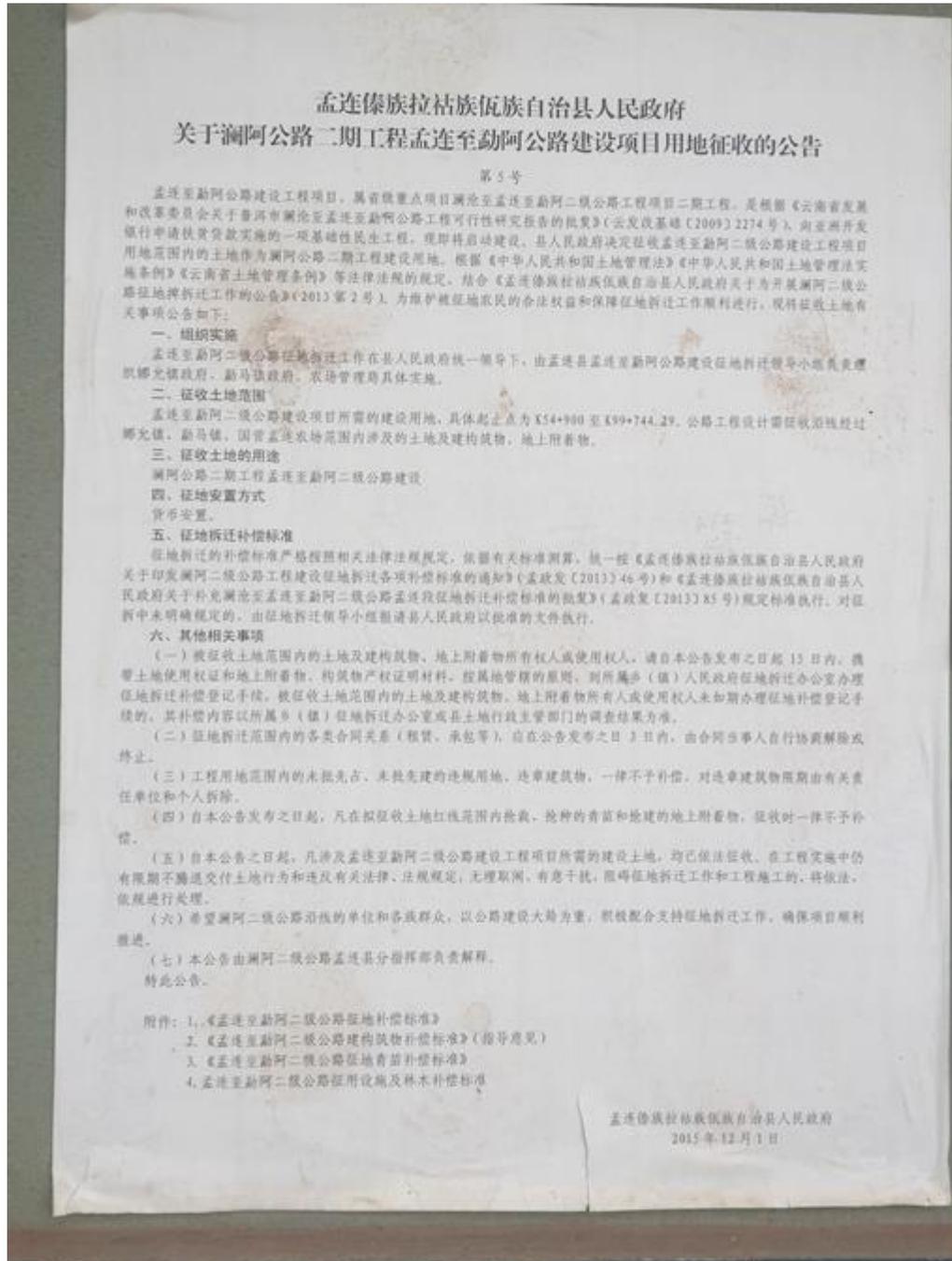
Project	Yunnan Pu'er Regional Integrated Road Network Development Project – Meng'a Highway Subproject
Date	2017.3.27
Venue	Yupa Sanhan's home at the Manglang resettlement site in Mengma Town
Participants	Mr. Ma and Mr. Zhou from the Pu'er PMO, Directors Song and Zhao of the county coordination office, deputy town head, task force
Key points and findings	<ol style="list-style-type: none"> 1. The family moved into the new house in May 2016, and its residential conditions have improved greatly. 2. The family's house is now in masonry concrete structure other than masonry timber structure, and its housing land area has risen from over 100 m² to 300 m². 3. Not only compensation has been received in full, but also a housing construction subsidy of 40,000 yuan received from the government. 4. The family's income is from rubber cultivation and outside employment, being about 60,000 yuan per annum. 5. Characteristic tourism should be developed after the completion of the Subproject to enrich farmers' spare-time cultural life and spiritual world.
Photo	

Project	Yunnan Pu'er Regional Integrated Road Network Development Project – Meng'a Highway Subproject
Date	2017.3.27
Venue	Meeting room Menglian State Farm
Participants	Mr. Ma and Mr. Zhou from the Pu'er PMO, Directors Song and Zhao of the county coordination office, deputy director-general of the farm, task force
Key points and findings	<ol style="list-style-type: none"> 1. The compensation distribution program for rubber growers had been finalized, and compensation paid by the end of December 2016. 2. The production resettlement program was developed at the workers' congress in March 2017. 3. The farm expects further development through the Subproject, and the logistics park construction plan has been included in its annual agenda.
Photo	

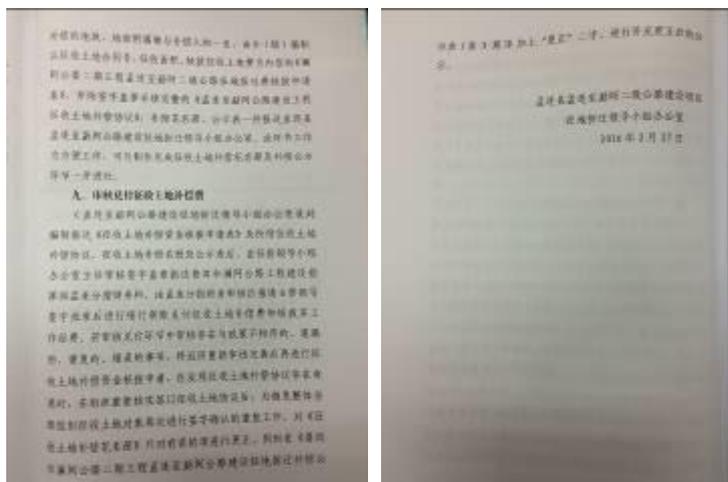
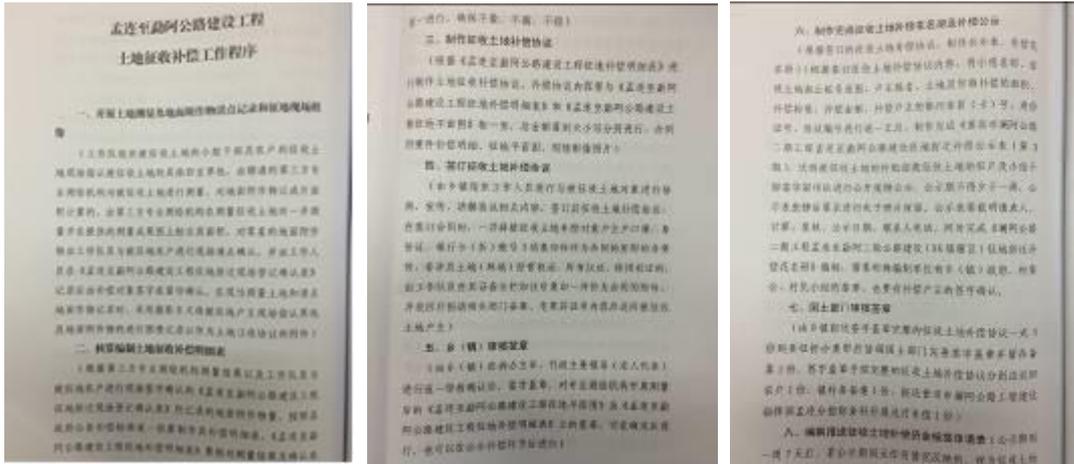
Appendix 3 Approval of Construction Land for the Lancang-Menglian-Meng'a Highway



Appendix 4 LA Announcement of the Menglian-Meng'a Highway



Appendix 5 LA Compensation Procedure for the Menglian-Meng'a Highway



Appendix 6 Fieldwork Photos



Interview with villagers in Yintai Group



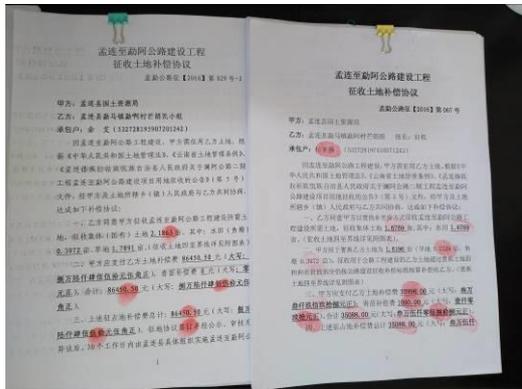
FGD at Menglian State Farm



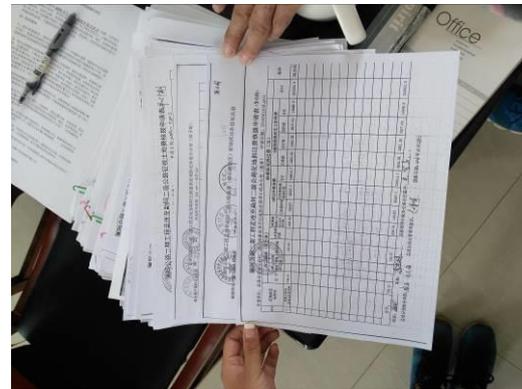
New house in Manglang Group



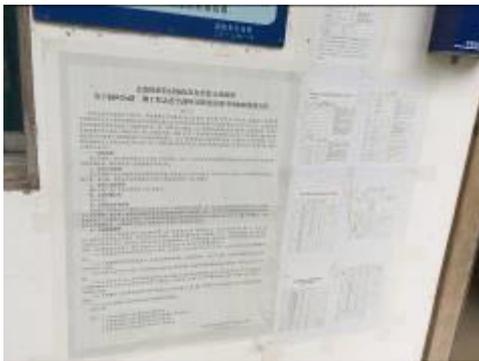
Demolition site in Manglang Group



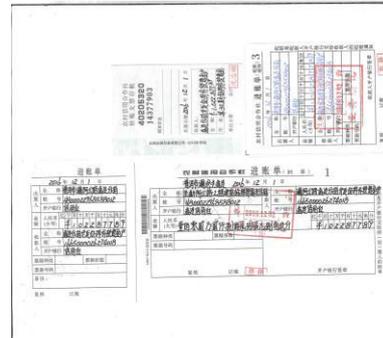
LA compensation agreement



HD compensation disbursement application form



LA and HD announcement



Compensation payment voucher