



# Internal Social Monitoring Report

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Project Number: 44037-014  
February 2018

## PRC: Shaanxi Weinan Luyang Integrated Saline Land Management Project—Internal Social Monitoring Report (Issue 4)

Prepared by the Weinan Project Management Office for the Asian Development Bank.

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**Asian Development Bank**

ADB FINANCED PROJECT



PRC: Shaanxi Weinan Luyang Integrated Saline Land Management Project

# Internal Social Monitoring Report

## (Issue 4)

Weinan Project Management Office  
Weinan China  
December 2017

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## ABBREVIATIONS

ADB	Asian Development Bank
AP	Affected Person
CNY	Abbreviation for Yuan, PRC's currency
DMF	design and monitoring framework
EA	Executing Agency
FSR	Feasibility Study Report
GDS	Gender and Development Solutions
GEF	Global Environment Facility
HH	Household
IA	Implementation Agency
LAR	Land Acquisition and Resettlement
LNWP	Luyanghu National Wetland Park
M&E	monitoring and evaluation
MIS	management information system
PAM	project administration manual
PIO	project implementation office
PLG	project leading group
PMC	project management consultant
PMO	project management office
PPMS	project performance monitoring system
PRC	People's Republic of China
SFB	Shaanxi finance bureau
SGAP	social and gender action and participation plan
SLM	sustainable land management
SPG	Shaanxi provincial government
SPS	safeguard policy statement
TA	technical assistance
WFB	Weinan finance bureau
WLMIDZMC	Weinan Luyanghu Modern Industry Development Zone Management Committee
WMG	Weinan municipality government

## WEIGHTS AND MEASURES

ha	hectare
km	kilometer
km <sup>2</sup>	square kilometer
m	meter
m <sup>2</sup>	square meter
m <sup>3</sup>	cubic meter
m <sup>3</sup> /d	cubic meter per day
\$(USD)	US dollar
CNY	Renminbi

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# 1 INTRODUCTION

## 1.1 Backgrounds

1. *Shaanxi Weinan Luyang Integrated Saline Land Management Project* (hereafter “The Project”) will support the Weinan Municipal Government (**WMG**) of the People’s Republic of China (**PRC**) in improving natural and rural livelihoods in Luyanghu area through following 4 components:

Component 1: Saline soils rehabilitated;

Component 2: Flood risk management implemented;

Component 3: Wetland ecosystem conservation established;

Component 4: Capacity development and project implementation support provided.

2. The project is estimated to cost \$165.2 million, including ADB loan \$100 million. The loan was signed on 7 May, 2013, and the Project will be implemented in 5 years (2013–2018). A summary profile of the Project is listed in **Table 1-1**, and the layout of the Project can be seen in Figure 1. In addition, MOF had approved to extend the close date of the project from 31 December, 2018 to 31 December, 2020.

Table 1-1 Basic Information of the Project

1	Country	People’s Republic of China (PRC)
2	Grant No.	0331-PRC
3	Loan No.	2980-PRC
4	Project	Shaanxi Weinan Luyang Integrated Saline Land Management Project
5	Borrower	Ministry of Finance of the PRC
6	Executing Agency	Weinan Municipal Government ( <b>WMG</b> ) A PMO formed to act on behalf of the WMG
7	Implementing Agency	Weinan Luyanghu Modern Industrial Development Zone Management Committee ( <b>WLMIDZMC</b> ) A PIO formed to act on behalf of the WLMIDZMC
8	Total Estimated Cost	USD 165.2 million
9	ADB Loan	USD 100 million

Source: ADB website.

## 1.2 Resettlement Impact in the Resettlement Plan

3. The Project is categorized as A for involuntary resettlement following the criteria laid out in the *Safeguard Policy Statement 2009*. To mitigate negative impacts of economic and physical displacement, the Project has prepared a draft resettlement plan (**RP**) during project preparation phase in 2012. Based on the preliminary design and DMS conducted in April 2015, an updated RP has been submitted to ADB and disclosed in August 2015. During the implementation, it’s found that there were several incorrect identifications on project LAR impact, and a new updated RP (2016 version) was submitted and approved by ADB in August 2016.

4. According to the updated RP (2016 version, similarly hereafter), the construction of Component 1 Saline Soils Rehabilitation and Component 2 Flood Risk Management, will acquire 5501.72 mu land and demolish temporary building in saltpan or along the branch sides at an amount of 19,326 m<sup>2</sup>. The saline land rehabilitation of Component 1 will incur temporary land occupation (**TLO**), so does the Component 2, and the total amount of TLO will be 160.13 hectares (2402.5 mu). The wetland ecosystem conservation of Component 3 is not involved in land acquisition and resettlement (**LAR**). A total of 17,232 persons in 3698 households will be affected by land acquisition, salt pan acquisition, temporary building demolition. The affected areas include 53 villages in 5 towns of Pucheng County and 7 villages in 1 town of Fuping County, Weinan Municipality. Based on the previous survey, there is no minority affected within the project area.



Figure 1 Project Area and Main Components



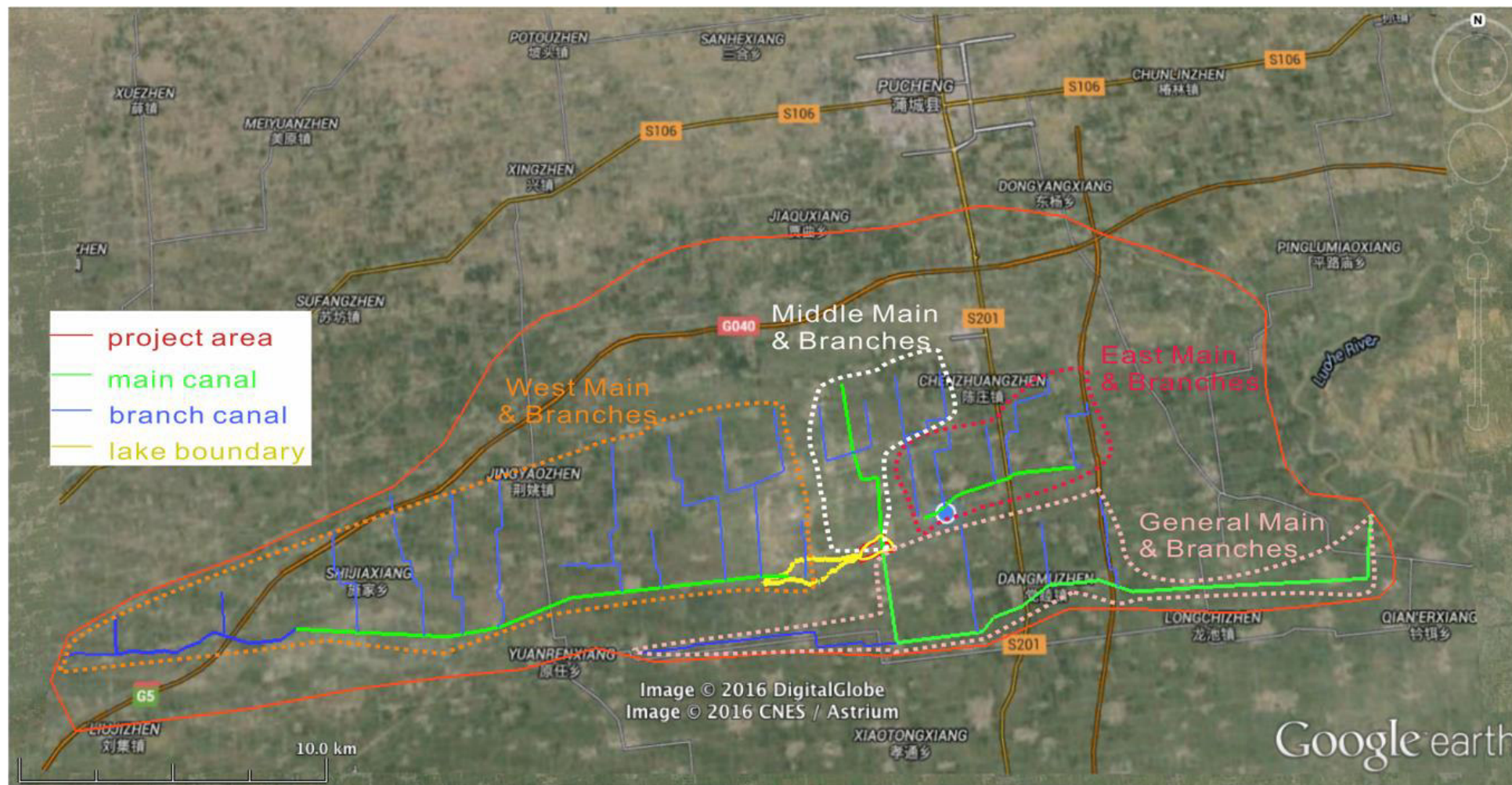


Figure 2 Layout of the Component 1 Saline soils rehabilitation



Figure 3 Layout of the Component 2 Flood Risk Management and the related villages

### 1.3 Institutional Arrangements

5. The Weinan Municipality Government (**WMG**) is the executive agency (**EA**) and the Weinan Luyanghu Modern Industrial Development Zone Management Committee (**WLMIDZMC**) is the implementing agency (**IA**). By the way, the IA was experiencing leader adjustment on December 2015. A project leading group of multi-agencies consisting of various government agencies such as Weinan Finance Bureau, Weinan Development and Reform Commission, Weinan Environmental Protection Bureau, Weinan Land Management Bureau, Weinan Water Services Bureau will oversee the execution of the project on behalf of WMG. The Project Management Office (**PMO**) set up by WMG is a permanent office responsible for coordination among various agencies and a contact point with ADB. There're 13 full-time staff in PMO before July 2015, while 5 staff fired in August 2015. In addition, Mr. Chen Mingtao assigned to be the full-time staff who coordinated the LAR activities. The project implementation office (**PIO**) of WLMIDZMC established to coordinate day-to-day work of the project, including civil works, tendering, contract management, fund utilization, except land acquisition and resettlement. Most of the LAR implementation rely on township government. Such as Dangmu Town, there is a Leading Group Office for Land Acquisition and House Demolition in Luyanghu Development and Construction (RIA), which is consist of 10 staff carry out the detailed measurement survey, negotiation and sign agreement with affected villages and APs, pay compensation as well in the scope of Dangmu Town. And other towns also establish the similar RIA.

6. Since September 2017, there is a new institutional mechanism for the LAR compensation which can be summarized as the intervention of Pucheng Water Resource Bureau. Because the Pucheng Water Resource Bureau can provide strongly trust and collaboration among the stakeholders, the PMO, Pucheng Water Resource Bureau, the Resettlement Implementation Agency (RIAs) in Township, the village committees can work together to push the canals rehabilitation with authorities and necessities.

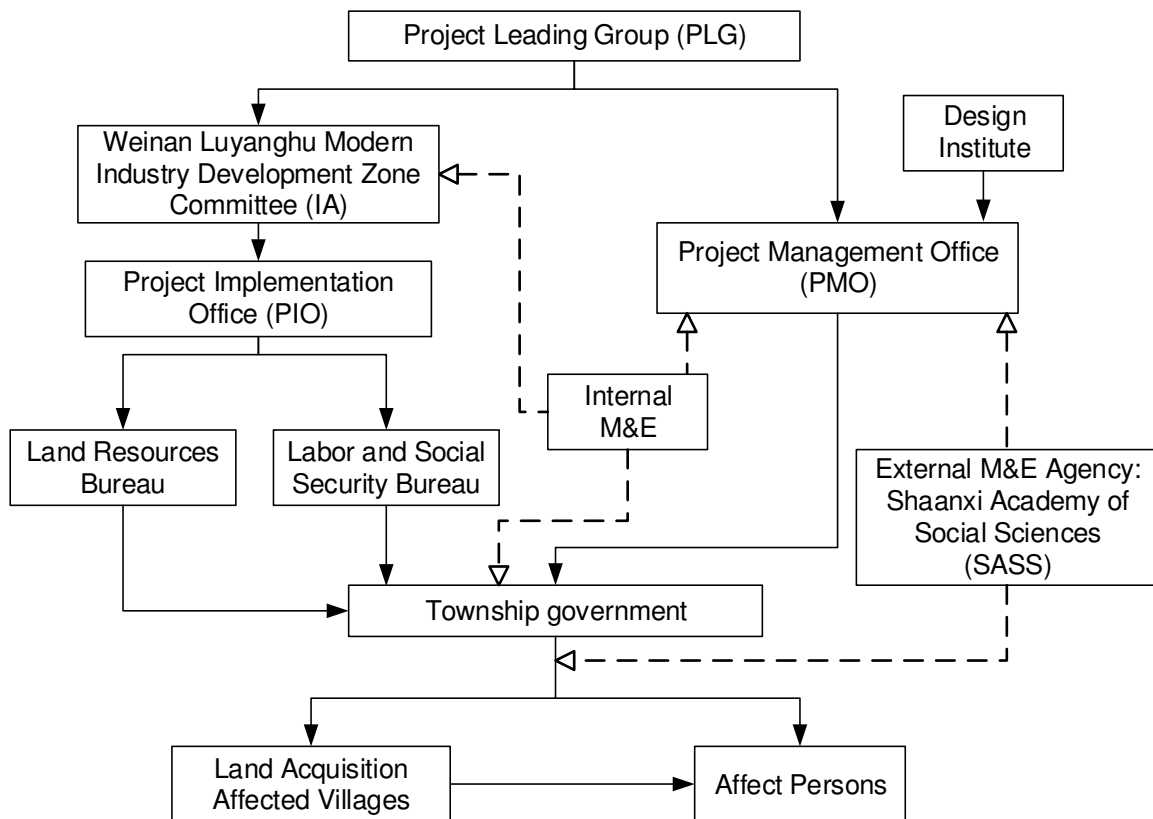


Figure 4 Organization Chart of the Relevant Resettlement Implementation Agencies

#### **1.4 Resettlement Budget**

7. All the cost incurred during land acquisition, relocation, and resettlement is included in the total budget of the project. Based on the price in 2014, the total resettlement budget for the project is CNY105.281 million yuan in updated RP. The resettlement budget is covered by the domestic fund, which will be financed by WMG from government fund or commercial banks.

#### **1.5 Monitoring Arrangements**

8. There are two kinds of monitoring to be carried out simultaneously by two separate organizations in the Project implementation. An internal monitoring will be conducted by PMO, while external monitoring by independent specialists. The PMO established in May 2014 and submitted the Internal M&E Report (Issue 1) in October 2015, the second one in February 2016, the third issue in October 2016, and the fourth issue shall be submitted in January 2018 which covers the monitoring period up to December 2017. Mr. Fang Haiyun and his team was engaged to conduct the external M&E on 1 March 2014, and two external Social Monitoring Reports (SMR) were submitted to ADB, and the third issue was submitted in December 2016, the fourth issue was submitted in December 2017.

## **2 Internal Monitoring Implementation**

### **2.1 Period**

9. The Project signed the loan agreement on 7 May 2013, but the physical progress was very low in the implementation period. Most of the LAR activities took place in 2014 for the preparation of Component 2. For the first internal social monitoring report, the period from May 2013 to September 2015. The second internal monitoring period covers October to December 2015. The third internal monitoring period covers January to October 2016 for the updating RP. The fourth internal monitoring period covers November 2016 to December 2017 because of the tiny progress on LAR. Subsequent internal M&E report shall be submitted in semi-annual intervals, in January (for period ending 31 December) and July (for period ending 30 June).

### **2.2 Scope**

10. Scope of the monitoring has been verified of results of internal monitoring, assessed whether livelihood restore, assessed the resettlement entitlements were appropriate in meeting the objectives and suited the local condition. The report evaluated on resettlement implementation, efficiency, effectiveness, impact and sustainability, such as public participation, grievances and appeals, existing issues and solutions, etc. The Report also summarizes the overall resettlement progress made so far.

The detailed works include:

- Review updated RP
- Comply (meet the terms) and assess the ADB's safeguard requirement for monitoring with RP's implementation process
- Verification the completed of RP
- Analyze relevant policy and regulation
- To knows the views and reactions of APs as well as project area people
- Review and analyze the entitlement matrixes
- Analyze all compensation procedure and method of payment
- Review all project documents
- Preparation of monitoring schedule and plan

### **2.3 Methodology**

11. The monitoring report was conducted through desk review of relevant information, interviews of key stakeholder. All qualitative and quantitative data and information have gathered from different surveys and secondary sources used appropriately in analyzing the implementation compared with the updated RP and have presented in this report.

12. The reviewed documents include: (i) Project Administrative Manual (PAM), the original and updated RPs, and external resettlement monitoring reports; (ii) comparison of planned and actual land acquisition and impacts for each component in terms of area, number of affected households and people; (iii) relevant resettlement policies and regulations, compensation agreements on land acquisition; (iv) progress report of resettlement, conference records on special issues, and annual resettlement work summary, etc.

13. The interviewees of key stakeholder interviews involved in the vice director and officials of Luyanghu Land Resource Bureau, the director and vice-director of RIA, the staff of contractor, civil servants of Town Government.

### 3 Monitoring Results

#### 3.1 Project Progress

14. Physical implementation of the Project is still in a very slow progress, the packages and the related land acquisition and resettlement (**LAR**) impact listed in Error! Reference source not found.. Among the 29 packages, 20 packages are used for equipment, services, management which will not involve in LAR; 6 packages of Component 1 are used for canals rehabilitation and 3 packages of Component 2 are used for lake excavation which will incur LAR impact with respect to updated RP. Furthermore, the land acquired for ADB-FM-CW-01 with 776.17 mu was previously finished in 2010. Up to 31 December 2017, 4 packages namely ADB-SS-CW-03, ADB-SS-CW-04, ADB-FM-CW-01, ADB-FM-CW-02 are under construction, specifically all the 5 sub-packages ADB-FM-CW-02-01 to ADB-FM-CW-02-05 are under construction. The other packages are in the preparation of bidding and don't get the practical progress in civil works. Moreover, PIO proposed to cancel 3 packages related to the central main rehabilitation.

15. In general, 776.17 mu land was acquired in 2010 with 3.47 million Yuan for compensation to the affected persons (**APs**) and affected villages, which was serviced for Tianlu-Tianjiao Connection and excluded from the updated RP (2016). Therefore, 2,127.66 mu land of PLA for Component 2 is ongoing since 2014, and the compensation of ground attachments and temporary building for APs has been paid by cash cheque with a total amount of 10.64 million. In October 1 to December 31, 2015, a total amount of 1,867.19 mu land with a total amount of 9.34 million had finished the compensation disbursement and agreements signature. All the temporary building is affiliated with salt pans production. In this monitoring period (November 1, 2016 to December 31, 2017), a total amount of 57 mu land had finished the compensation disbursement and agreements signature.

Table 3-1 Summary of the land acquisition and resettlement progress

Items	Unit	Planned Amount	Completed this semi-year	Cumulative Total	Proportion Completed
Fund allocation	1000CNY	119,029	1,625	38,387	32.2%
Permanent land acquisition	mu	5,501.72	57.00	3119.05	56.7%
Temporary land occupation	mu	2,042.50	0	0	0.0%
Temporary building demolition	m <sup>2</sup>	19326.62	0	16926.62	87.6%

Source: Updated RP and field visit. Compare with the last internal M&E report, the LAR impact and compensation induced by Tianlu-Tianjiao Connection exclude from the Updated RP.

Table 3-2 Packages and impact of the Project

Component/Package	Description	sub-package	contents	Status	Impact
<b>A.Works (13 packages)</b>					
<i>I.Saline Soils Rehabilitation (8 packages)</i>					
ADB-SS-CW-01	Rehabilitation of Central Main	ADB-SS-CD-01-01	0-2.848km	Completed	PLA
		ADB-SS-CD-01-02	2.848-12km	PIO propose to cancel	PLA
		ADB-SS-CD-01-03	12-21.135km	PIO propose to cancel	PLA
ADB-SS-CW-02	Rehabilitation of Branch and Secondary Branch under the Central Main			PIO propose to cancel	PLA
ADB-SS-CW-03	Rehabilitation of East Main and its Branch and Secondary Branch			Ongoing	PLA
ADB-SS-CW-04	Rehabilitation of Middle Main and its Branch and Secondary Branch			Ongoing	PLA
ADB-SS-CW-07	Rehabilitation of West Main and its Branch and Secondary Branch			To be revised	PLA
ADB-SS-CW-08	Rehabilitation of West Main including structures, management office, and on-farm works	ADB-SS-CW-08-01	Fuping, 3 channels	Bidding	PLA
		ADB-SS-CW-08-02	Pucheng, 5 channels	Bidding	PLA
		ADB-SS-CW-08-03	Pucheng, 5 channels	Bidding	PLA
GEF-SS-CW-09	Saline Soil management			Completed	No LAR
GEF-SS-CW-10	Shelter belt establishment			Ongoing	No LAR
<i>II.Flood Risk Management (3 packages)</i>					
ADB-FM-CW-01	Excavation of Tianlu-Tianjiao Lakes Connection	ADB-FM-CW-01-01	A.350mu	Ongoing	Pre-acquired
		ADB-FM-CW-01-02	B.350mu		Pre-acquired
ADB-FM-CW-02	Excavation of Tianlu Lake	ADB-FM-CW-02-01	A.400mu	Ongoing	PLA
		ADB-FM-CW-02-02	B.350mu	Ongoing	PLA
		ADB-FM-CW-02-03	C.300mu	Ongoing	PLA
		ADB-FM-CW-02-04	D.300mu	Ongoing	PLA
		ADB-FM-CW-02-05	E.300mu	Ongoing	PLA
ADB-FM-CW-03	Construction of lake road and dike			To be revised	PLA
<b>III.Wetland Ecosystem Conservation (2 packages)</b>					
ADB-WE-CW-01	Construction of Wetland Management Facilities			Ongoing	No LAR

Component/Package	Description	sub-package	contents	Status	Impact
GEF-WE-ME	Wetland Management			Ongoing	No LAR
<b>B.Goods (2 packages)</b>					
<i>I.Saline Soils Rehabilitation (1 package)</i>					
ADB-SS-ME-01	Office equipment for management offices	ADB-SS-ME-01-01	office equipment	Shopping	No LAR
		ADB-SS-ME-01-02	office equipment	No bidding	No LAR
		ADB-SS-ME-01-03	office equipment	No bidding	No LAR
<i>III.Wetland Ecosystem Conservation (1 package)</i>					
ADB-WE-ME-01	Equipment for Public Education			Ongoing	No LAR
<b>C.Consulting Services (8 packages)</b>					
<i>I.Saline Soils Rehabilitation (5 packages)</i>					
GEF-SS-CS-01	Soil Management Specialist			Ongoing	No LAR
GEF-SS-CS-02	Rural Business Development Specialist			Ongoing	No LAR
GEF-SS-CS-03	Eco-compensation Specialist			Ongoing	No LAR
GEF-SSTS-01	Field Schools Establishment			Ongoing	No LAR
GEF-SSTS-02	Alternative Livelihoods			Ongoing	No LAR
<i>III.Wetland Ecosystem Conservation (1 package)</i>					
GEF-WE-CS-01	Wetland Management Specialist			Ongoing	No LAR
<i>IV.Capacity Development (2 packages)</i>					
ADB-CD-CS-04	Project Management Consultants			Ongoing	No LAR
GEF-CD-CS-01	Monitoring and Evaluation Specialist			Ongoing	No LAR
<b>D.Training and Study Tours (6 packages)</b>					
<i>IV.Capacity Development (6 packages)</i>					
ADB-TS-TST-01	Training on drainage system management skills			Ongoing	No LAR
ADB-TS-TST-02	Training wetland management skills			Ongoing	No LAR
ADB-TS-TST-03	Overseas study tour on saline soil improvement			Preparation	No LAR
ADB-TS-TST-04	Overseas study tour on wetland management			Preparation	No LAR
ADB-TS-TST-05	Domestic study tour on saline soil improvement			Preparation	No LAR
ADB-TS-TST-06	Domestic study tour on wetland management			Completed	No LAR

Source: Updated RP and Quarterly Progress Report 2017Q4.



### 3.2 Civil works

16. As of 31 December 2017, physical progress of the project is very slow, roughly 37.4% against the elapsed implementation period of 90% (54 months out of 60 months since the date of loan effectiveness). In Component 1, Three contracts (ADB-SS-CD-01-01, ADB-SS-CW-03 and ADB-SS-CW-04) of the total 7 loan contracts were awarded up to date for this sub-component. Construction of this contract ADB-SS-CD-01-01 was completed in June 2016, and the final acceptance was carried out in March 2017. Contract ADB-SS-CW-03 and ADB-SS-CW-04 were initiated in later December and November 2017 respectively and current progress of the contract ADB-SS-CW-04 is roughly 5%. Last GEF funded contract of shelter belt establishment contract (GEF-CW-SS-10) was awarded in November 2017 and, so far, all the GEF funded contracts for the subcomponent have been awarded. All the detail design of the civil works of this component has been worked out, but there are three packages (ADB-SS-CD-01-02 and -03, and ADB-SS-CW-02 with total value of US\$16.4 million) has been dropped out due to design conflict with the planned Guanzhong Water Scheme (GZWS). The package (ADB-SS-CW-07) for construction of West Main needs to be re-designed due to design conflict with the planned Guanzhong Water Scheme.

17. In Component 2, All the six contracts, ADB-FM-CW-02-01 to 05 and ADB-FM-CW-01, have been awarded. Construction of the six contracts ADB-FM-CW-02-01, ADB-FM-CW-02-02, ADB-FM-CW-02-03, ADB-FM-CW-02-04, ADB-FM-CW-02-05 and contract ADB-FM-CW-01 has made a progress of roughly 80-98% respectively as of 31 December, 2017. The construction was scheduled to be completed by July 2017, but due to negotiations of construction of the box culvert (contract ADB-FM-CW-02-01), removal of the existing electric utility (ADB-FM-CW-02-02) and land acquisition (ADB-FM-CW-02-03) issues the constructions have been going off and on for several months. Lake Road and Dike contract (ADB-FM-CW-03) was scheduled to be awarded in Q4 2017, but it will need to be re-designed to align with a new GZWS lake, Tianzi, and could only be completed after this new lake is completed.

18. In Component 3, The contract for NWP master plan consulting service was signed in early December 2016 with Shaanxi Forestry Survey and Design Institute. According to the contract, draft NWP master plan would be submitted to PMO by the end of June 2017. However, due to impact of the GWS the NWP has been substantially delayed and, after exact one year the LNWP master plan has not been finalised. Contract of the two best practices in wetland management was awarded in October 2017. Currently it has been brought into operation and handed over to an individual farmer contractor for management and maintenance.

### 3.3 Permanent land acquisition and Affected Persons

19. According to the updated RP, the Project will be involved PLA of 5501.72 mu, of which 2432.65 mu is cultivated land. Up to 31 December 2017, the Project has acquired 3119.05 mu land, accounting for 55.7%. In this monitoring period, the PMO finished 57.00 mu land acquisition since the last report.

Table 3-3 Situation of the Permanent Land Acquisition of the Project (mu)

Package/Town	Planned amount	Completed this year	Cumulative	Percentage
ADB-SS-CW-01	703.4	0	221.34	31.5%
Dangmu	423.4	0	221.34	52.3%
Longchi	280			0.0%
ADB-SS-CW-02	220.35			0.0%
Dangmu	170.35			0.0%
Longyang	50			0.0%
ADB-SS-CW-03	289	25.42	25.42	8.8%
Dangmu	167	25.42	25.42	15.2%

Package/Town	Planned amount	Completed this year	Cumulative	Percentage
Dongchen	65			0.0%
Longyang	57			0.0%
<b>ADB-SS-CW-04</b>	<b>191</b>	<b>31.58</b>	<b>31.58</b>	<b>16.5%</b>
Dangmu	66	31.58	31.58	47.8%
Dongchen	125			0.0%
<b>ADB-SS-CW-07</b>	<b>377.4</b>			<b>0.0%</b>
Jingyao	47.4			0.0%
Liuji	85			0.0%
Longyang	245			0.0%
<b>ADB-SS-CW-08</b>	<b>631</b>			<b>0.0%</b>
Dangmu	53			0.0%
Dongchen	130			0.0%
Jingyao	328			0.0%
Liuji	82			0.0%
Longyang	38			0.0%
<b>ADB-FM-CW-02</b>	<b>1833</b>	<b>0</b>	<b>1812.5</b>	<b>98.9%</b>
Dangmu	1833	0	1812.5	98.9%
<b>ADB-FM-CW-03</b>	<b>1256.57</b>	<b>0</b>	<b>1028.21</b>	<b>81.8%</b>
Dangmu	1256.57	0	1028.21	81.8%
<b>Grand Total</b>	<b>5501.72</b>	<b>57</b>	<b>3119.05</b>	<b>56.7%</b>

### 3.3.1 Component 1 Saline soils rehabilitation

20. The updated RP (2016) has been submitted to ADB and publicized on the websites of ADB and WLMIDZC. According to the updated RP (2016), the construction of the Component 1 Saline soils rehabilitated incurs 2412.15 mu farmland for main channels and branches widen and management office construction. Although most of the required land is the state-owned land as water conservation establishment, the PMO will pay to the APs who planting crops on the land according to the compensation rate for collectively land to ensure the APs' entitlements. The completed package ADB-SS-CW-01-01 of rehabilitation of central main involved in 221.34 mu land which was acquired in May 2014 to March 2015. The progressive package ADB-SS-CW-03 and ADB-SS-CW-04 acquired 57 mu land in September 2017, which is listed in Table 3-4.

Table 3-4 Details of the PLA completed in Component 1 (mu)

Package	Town	Village	cultivated land	non-cultivated land	Grand Total
ADB-SS-CW-01	Dangmu	Fuhua	29.44		29.44
		Linji	18.29		18.29
		Luyangnan	89.59		89.59
		Luyangxin	8.84	52	60.84
		Xiaodong	5.9		5.9
		Xiaoxi	17.28		17.28
ADB-SS-CW-03	Dangmu	Luyangxin	25.42		25.42
ADB-SS-CW-04	Dangmu	Luyangxin	31.58		31.58
<b>Grand Total</b>	<b>1</b>	<b>6</b>	<b>226.34</b>	<b>52</b>	<b>278.34</b>

21. The Rehabilitation of East Main and its Branches (ADB-SS-CW-03) includes East Main and 5 branches, which are Tongyi Branch (E1), Mindi Branch (E2), Dujia Branch (E3), Jiangji Branch (E4), Gaomi Branch (E5). The Rehabilitation of Middle Main and its Branches (ADB-SS-CW-04) includes Middle Main and 5 branches, which are Dongchen Branch (M1), Xichen Branch (M2), Daobei Branch (M3), Sibü Branch (M4), Neifu Branch (M5). The layout and the satellite imagery of these two packages can be seen in Figure 5 and Figure 6.



Figure 5 Layout of the East Main(ADB-SS-CW-03) and Middle Main(ADB-SS-CW-04)



Figure 6 Imagery of the East Main(ADB-SS-CW-03) and Middle Main(ADB-SS-CW-04)

22. According to the updated RP, the East Main package (ADB-SS-CW-03) and Middle Main package (ADB-SS-CW-04) will be involved PLA of 540 mu. After the exploration and measurement conducted by the Project Implementation Office (PIO) and Luyanghu Land Resources Bureau in September 2017, the two packages incur less LAR impact with PLA of 233.93 mu. Especially, the East Main and Middle main have a significant decrease on the land acquisition.

Table 3-5 Comparison of the LAR impact induced by the East Main and Middle Main

code	canal	width (m)	length(m)	Planned(mu)	Actual(mu)
E0	East main	30	5520	125	16.67
E1	Tongyi	15	2876	32	35.96
E2	Mindi	15	4341	49	6.8
E3	Dujia	15	1817	20	22.6
E4	Jiangji	15	2952	33	27.16
E5	Gaomi	15	2631	136	25.42
M0	Middle main	30	6061	38	39.33
M1	Dongchen	15	3387	22	18
M2	Xichen	15	1960	30	7.2
M3	Daobei	15	1131	0	8.33
M4	Sibu	15	2161	24	5.5
M5	Neifu	15	2753	31	20.96
<b>Total</b>	<b>12</b>		<b>37590</b>	<b>540</b>	<b>233.93</b>

23. Considering the cancellation of the rest civil works of Central Main package (ADB-SS-CW-01) and its branches package (ADB-SS-CW-02), the decrease amount of the permanent land acquisition induced by the Component 1 could be 1,000 mu less than the figures in the updated RP. The change will low down the workload of LAR implementation and reduce the financial burden of PMO.

### 3.3.2 Component 2 Flood risk management

24. For the Package ADB-FM-CW-02-01 to 05 (Tianlu Lake) under Component 2, WLMIDZC started the compensation of young crops/ground attachments of totally 2,127.66 mu land in the end of 2014. The Dangmu RIA and affected Fanjia Village signed an agreement with an amount of 1274.02 mu wasteland in the middle of November 2015, where to be constructed 4 sub-packages in ADB-FM-CW-02 and ADB-FM-CW-03. So does the Chitou village signed an agreement with an amount of 593.17 mu wasteland on 1 December 2015, where to be constructed 1 sub-package ADB-FM-CW-02-03 and ADB-FM-CW-03. In 2016, land compensation agreement with an area of 973.52 mu land was signed between Land Reserve Center of WLMIDZC and affected Fanjia Village on 13 July 2016.

25. Up to December 31, 2017, totally 5 packages of Tianlu Lake Excavation are related to the completed land compensation. See details of land compensation in Table 3-6, and see the locations of packages and compensated land in Figure 7. There is no LAR compensation in this monitoring period for the Component 2. And it's totally 2840.71 mu land have been acquired for Component 2. Besides, Lake Road and Dike contract (ADB-FM-CW-03) was planned to be awarded in Q4 2017, but it required to be re-designed to align with a new GZWS lake, Tianzi, and could only be completed after this new lake is completed.

26. As for remaining 20.5 mu for package ADB-FM-CW-02-01, the villagers are busy with displacement and relocation for other project, besides the Fujia Village and Donglou Village is consolidated into Luyangxin Village, therefore the compensation standards and objects are still ambiguous for the ineffective negotiation.

Table 3-6 Details of the PLA completed in Component 2 (mu)

package	Design Area(mu)	2015		2016	2017	Cumulative amount	Percentage
		Luyangnan	Fanjia	Fanjia			
ADB-FM-CW-02-01	379	0	358.5	0	0	358.5	94.60%
ADB-FM-CW-02-02	395	0	395	0	0	395	100.00%
ADB-FM-CW-02-03	439	439	0	0	0	439	100.00%
ADB-FM-CW-02-04	320	0	57	263	0	320	100.00%
ADB-FM-CW-02-05	300	0	108	192	0	300	100.00%
ADB-FM-CW-03	1256.57	154.17	355.52	518.52	0	1028.21	81.83%
<b>Grand Total</b>	<b>3089.57</b>	<b>593.17</b>	<b>1274.02</b>	<b>973.52</b>	<b>0</b>	<b>2840.71</b>	<b>91.95%</b>

Figure 7 Sketch map of the 5 sub-packages of Tianlu Lake Excavation and acquired land

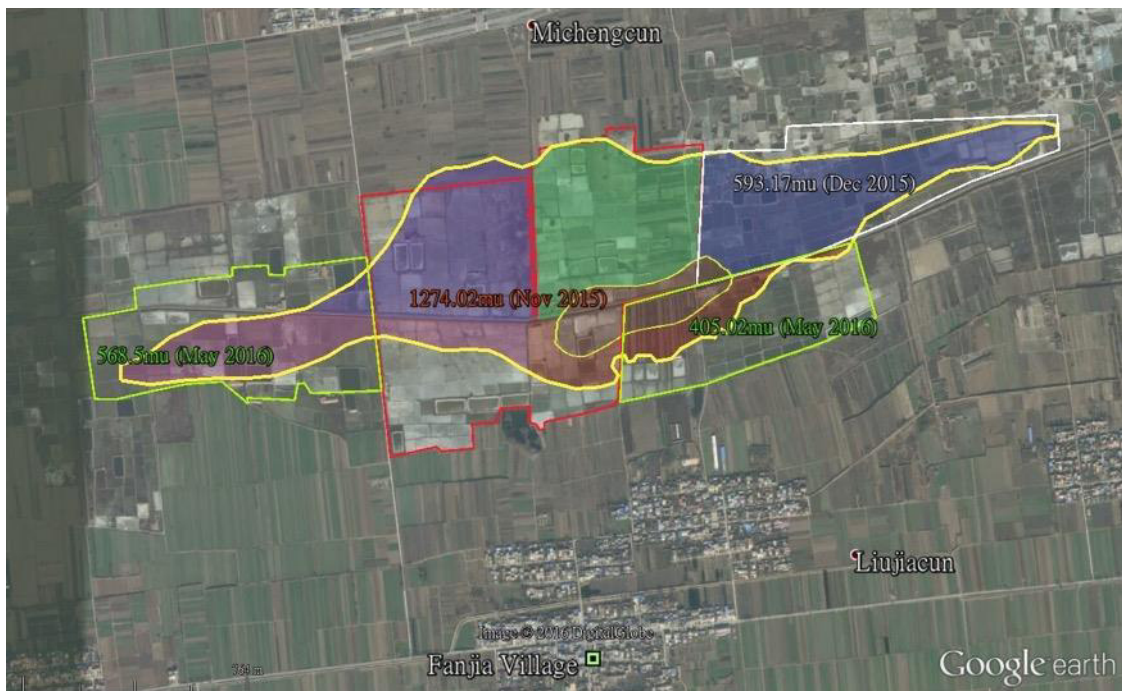


Figure 8 Image map of the 5 sub-packages of Tianlu Lake Excavation and acquired land

### 3.4 Temporary land occupation

27. About 2042.5 mu of land will be occupied temporarily, which are totally for Component 1 in Pucheng County. The planned period of occupation will be two years. There is no TLO up to 31 December, 2017, see Table 3-7.

Table 3-7 Temporary Land Occupation for the Project (mu)

Engineering	Current situation	site	Planned amount	Occupation time	reclamation
Construction and life area	farmland	Main and branch ditch	57	2 years	Yes
Construction road	farmland	Main and branch ditch	1018.35	2 years	Yes
Site for spoil from main channels	farmland	Along the main ditch, east of Jingcheng village	967.15	2 years	Yes

### 3.5 Temporary building demolition

28. It was planned to demolish 19326.62 m<sup>2</sup> temporary building, all the non-residential houses to be demolished were used for salt production, management, and warehouse for the tools in Component 2. Besides, the main channels rehabilitation will demolish some simple house or mud-wood house used for production tools storage. In this monitoring period, no demolition implemented for the Component 1. The details can be seen in Table 3-8 and Table 3-9.

Table 3-8 Situation of the Temporary Building Demolition of the Project (m<sup>2</sup>)

Package/ Component	Sub-package	Planned amount	Completed this year	Cumulative	Percentage
ADB-SS-CW-01		500	0	0	0%
ADB-SS-CW-02		500	0	0	0%
ADB-SS-CW-03		450	0	0	0%
ADB-SS-CW-04		350	0	0	0%
ADB-SS-CW-07		600	0	0	0%
<b>I. Saline Soils Rehabilitation Subtotal</b>		<b>2400</b>	<b>0</b>	<b>0</b>	<b>0%</b>
ADB-FM-CW-02	ADB-FM-CW-02-01	3906.47	0	3906.47	100%
	ADB-FM-CW-02-02	559.58	0	559.58	100%
	ADB-FM-CW-02-03	992.55	0	992.55	100%
	ADB-FM-CW-02-04	2483.66	0	2483.66	100%
	ADB-FM-CW-02-05	4028.79	0	4028.79	100%
ADB-FM-CW-03		4955.57	0	4955.57	100%
<b>II. Flood Risk Management</b>		<b>16926.62</b>	<b>0</b>	<b>16926.62</b>	<b>100%</b>
<b>Grand Total</b>		<b>19326.62</b>	<b>0</b>	<b>16926.62</b>	<b>87.6%</b>

Table 3-9 Progress of the temporary building demolition completed in Component 2 (m<sup>2</sup>)

Package	Sub-package	Village	2014Q4	2016Q2	Sub-total
ADB-FM-CW-02	ADB-FM-CW-02-01	Fanjia	3906.47	0	3906.47
	ADB-FM-CW-02-02	Fanjia	0	0	0
		Luyangnan	559.58	0	559.58
	ADB-FM-CW-02-03	Luyangnan	207.24	0	207.24
		Luyangxin	785.31	0	785.31
	ADB-FM-CW-02-04	Fanjia	1299.01	1184.65	2483.66
	ADB-FM-CW-02-05	Fanjia	2495.04	1533.75	4028.79
<b>ADB-FM-CW-02 Sum</b>			<b>9252.65</b>	<b>2718.4</b>	<b>11971.05</b>
ADB-FM-CW-03		Fanjia	1796.07	3159.5	4955.57
<b>ADB-FM-CW-03 Sum</b>			<b>1796.07</b>	<b>3159.5</b>	<b>4955.57</b>
<b>Grand Total</b>			<b>11048.72</b>	<b>5877.9</b>	<b>16926.62</b>

### 3.6 Affected persons

29. A total of 17,232 persons in 3,698 households will be affected by land acquisition, salt pan acquisition, temporary building demolition in the updated RP. In the implementation stage, almost all the APs are contractor on salt pans with temporary building demolished. The salt pans are usually invested by one or more household in property, while operated by one or two persons. Moreover, most collective-owned land acquired in Component 1 are close to the channel without villager contractors, and the precise APs are still need to investigate. Up to 31 December 2017, the Project actually involved

in 207 affected households induced by LAR, and 170 HHs are reported while no APs increase in this monitoring period. All the affected households confirmed are limited in Dangmu Town. The details can be seen in Table 3-10.

Table 3-10 Situation of the Affected Households of the Project (HHs)

Package	Town	Planned amount	Completed this year	Cumulative	Percentage
ADB-SS-CW-01	Dangmu	620	0	158	25.5%
	Longchi	415	0	0	0.0%
<b>ADB-SS-CW-01 Sum</b>		<b>1035</b>	<b>0</b>	<b>158</b>	<b>15.3%</b>
ADB-SS-CW-02	Dangmu	280	0	0	0.0%
	Longyang	70	0	0	0.0%
<b>ADB-SS-CW-02 Sum</b>		<b>350</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
ADB-SS-CW-03	Dangmu	200	0	0	0.0%
	Longyang	88	0	0	0.0%
	Dongchen	100	0	0	0.0%
<b>ADB-SS-CW-03 Sum</b>		<b>388</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
ADB-SS-CW-04	Dangmu	100	0	0	0.0%
	Dongchen	215	0	0	0.0%
<b>ADB-SS-CW-04 Sum</b>		<b>315</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
ADB-SS-CW-07	Longyang	365	0	0	0.0%
	Shijia	150	0	0	0.0%
	Jingyao	65	0	0	0.0%
<b>ADB-SS-CW-07 Sum</b>		<b>580</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
ADB-SS-CW-08	Dangmu	125	0	0	0.0%
	Longyang	50	0	0	0.0%
	Dongchen	181	0	0	0.0%
	Shijia	110	0	0	0.0%
	Jingyao	515	0	0	0.0%
<b>ADB-SS-CW-08 Sum</b>		<b>981</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
ADB-FM-CW-02	Dangmu	35	0	35	100.0%
<b>ADB-FM-CW-02 Sum</b>		<b>35</b>	<b>0</b>	<b>35</b>	<b>100.0%</b>
ADB-FM-CW-03	Dangmu	14	0	14	100.0%
<b>ADB-FM-CW-03 Sum</b>		<b>14</b>	<b>0</b>	<b>14</b>	<b>100.0%</b>
	Dangmu Sum	1374	0	207	15.1%
	Longchi Sum	415	0	0	0.0%
	Longyang Sum	573	0	0	0.0%
	Dongchen Sum	496	0	0	0.0%
	Shijia Sum	260	0	0	0.0%
	Jingyao Sum	580	0	0	0.0%
<b>Grand Total</b>		<b>3698</b>	<b>0</b>	<b>207</b>	<b>5.6%</b>

### 3.7 Rehabilitation and Income Restoration

#### 3.7.1 Restoration Measures in RP

30. The significant income impact induced by PLA. The affected villages can redistribute farmland and all the affected persons can get farmland the nearly same as before. In the implementation of the project, the villager representative meeting will decide to choose redistributing land or compensation in cash. During the construction stage, the IA promises that the villagers can take part in the construction if they are willing to, including: (i) in the same condition, the affected villagers have priority to take earthwork, or supply food and drink, (ii) PMO will provide 140 permanent working positions to the APs after the Project completion, (iii) the women are encouraged to take part in the construction and implementation of the project, (iv) skill training will be provided to the affected households. (v) help the APs to enrolled in social security system. Besides, the Project will supply subsidy for the vulnerable groups.

#### 3.7.2 Local Government Activities for Income Restoration

31. Up to 31 December 2017, the PMO has provided the income restoration measures to the affected villages or APs more than 20 times, about 2000 villagers including 900 APs benefited from the measures. Benefited from the industrialization support in rural area invested by the nation and other commercial resources, the infrastructure and economic environment in WLMIDZ are significant improved. Moreover, the divisions of the relevant governments provide some training on e-commercial, agritainment business to the APs. All the restoration measures can be divided into 2 types, one is economic improved measures to the APs, and the other is social assistance measures to the vulnerable groups. Some activities can be seen in the below.



Figure 9 Villagers and cadres were learning the national policies in Linjia Village, Dangmu Town





Figure 10 Fertilizer improvement introduction to the villager in Fuhua Village, Dangmu Town



Figure 11 Caring activities for the elderly and the undergraduate students in Jiangji Village, Dangmu Town



Figure 12 The Domination of computers to villages and the internet classroom for farmer training

### 3.7.3 GEF Programs for Livelihood Restoration

32. As of 31 December, 2017, there are 14 consulting service contracts for GEF program have been awarded. Consulting service activities funded by GEF have made an outstanding progress.

33. The GEF-funded consultants have conducted following activities:

- Implementation of the 10 innovative and replicable BPs in saline land rehabilitation has been initiated. Currently rough 65% progress has been made;
- Contract award establishment of green shelterbelt;
- Organized 43 farmer representatives for the investigation of Dali saline soil improvement demonstration park and Fuping National Agriculture Experimental Research Station;
- Farmers environmental school establishment, more than 100 of farmers from the Luyang lake area interacted with volunteers (including 2 doctors, 8 master students) from Environmental and Resources College of Northwest Agricultural and Forestry University;
- Six rounds of FFS training, involvement of 523 farmers;
- Study tour to Beijing for the lead households (organic farming, agri-tourism) and Heyang wetland eco-tourism participated by 27 farmers;
- 10 “community business pilots” implemented.



Figure 13 BPs of Saline-resisting crop (winter dates)



Figure 14 BPs of grass growing/straw mulching in the orchards



Figure 15 Establishment of Farmer Environment Forum



Figure 16 FFS Training for planting grasses in orchard

34. Meanwhile, the GEF-funded rural business development specialists, wetland management specialists and eco-compensation specialist have conducted following activities:

- preparation of tourism, livelihood, and employment opportunities for local communities;
- finalization of design of the two wetland demonstration sites;
- Identification of the small pilot rural enterprise for alternative livelihoods development and business plan for the 10 pilot enterprises, disbursed the second support fund for the pilot enterprises;
- A review of eco-compensation was completed and three potential financing mechanisms identified for the LNWP



Figure 17 Development of the Business Plan



Figure 18 Study Tour to Hechuan Wetland Ecotourism

### 3.8 Compensation Standards and Payment

#### 3.8.1 Policy Framework

35. In response to provide better safeguards for the APs induced by land acquisition and salt pans demolition, the local governments issued some regulations to improve the implementation on LAR. Before 2014, the effective local regulation on LAR is the *Notice on the Implementing Plan of Land Acquisition, House Demolition and Relocation for Tianjiaoyuan ( Puluban [2008] No.7 )* on 28 December 2008. And then Pucheng County Government issued *Announcement on LAR for 6 domestic projects in Luyanghu Development Zone (PuZhengTong [2014] No.3)* on 9<sup>th</sup> April, 2014, which including a LAR implementation scheme with compensation standards. Therefore, the compensation standards become the latest one and adopted on the projects all over the Luyanghu Development Zone.

#### 3.8.2 Compensation Standards

36. PLA compensation for farmland includes land compensation, young crop compensation and ground attachments compensation, and is disbursed on local policies. Refer to the acquisition of salt pans, the compensation includes land compensation, construction cost compensation, AAOV compensation. Up to 31 December 2017, TLO and some kinds of attachment haven't induced by the Project construction, and all the LAR activities actually implemented are limited in Dangmu Town, Pucheng County. From the Table 3-11, the implemented compensation standards in 2014 are match or more than the standards in updated RP.

Table 3-11 The Situation of the Compensation Standards (CNY)

Compensation Item	Unit	Plan	Reality 2010	Reality after 2014
<b>Land Acquisition</b>				
young crops	mu	1000	800	1000
permanent farmland acquisition	mu	28500	27000	28500
permanent wasteland acquisition	mu	5000	2000	5000
salt pans AAOV	mu	-	900	900
salt pans construction	mu	-	1000	1000
temporary farmland occupation	mu	3500	-	-
temporary salt pans occupation	mu	3000	-	-
temporary wasteland occupation	mu	600	-	-
wasteland reclaim cost	mu	220	-	-
farmland reclaim cost	mu	600	-	-
<b>Demolition</b>				
temporary building demolition	m <sup>2</sup>	500	520	520
<b>Attachments</b>				
Brick enclosure	m	60-150	-	-
Grown fruit tree	tree	300	-	-
Grown tree	tree	100	-	-
Water closet	each	80-200	-	-
Young fruit tree	tree	80	-	80~120
Young tree	tree	20	-	20~40
water cellar	each	-	700	1500
well	each	-	2000	2000
concrete pole	each	-	100/200	200/300
chimney	each	-	1000	1500
transformer	each	-	-	80000/100000
power line	m	-	20	20/60

Note: "-" means not found.

### 3.8.3 Disbursement

37. Up to 31 December 2017, the Project disbursed CNY 38.39 million totally to the affected villages and APs, accounting for 32.2% of the resettlement budget in the Updated RP.

38. By the end of 2014, the PMO/PIO have also started the process for compensation of PLA of 2,127.66 mu land for Tianlu Lake. And about CNY10.64 million (\$1.69 million) has been paid to affected households. In 2015, about CNY 6.37 million has been paid to Fanjia Village for the PLA compensation on 1274.02 mu wasteland on 18 November 2015; about CNY 2.97 million has been paid to Chitou Village for the PLA compensation on 593.17 mu wasteland on 1 December 2015. For the Tianlu Lake excavation, about CNY 9.87 million has been paid to Fanjia Village Committee for the PLA compensation on 973.52 mu wasteland on 18<sup>th</sup> May 2016. In this monitoring period, 57mu cultivated land acquired for the canals rehabilitation, including 31.58mu for the Middle Main and 25.42mu for the Gaomi Branch(E5), and the compensation at an amount of CNY 1.62 million has been disbursed to the Luyangxin Village on September 14, 2017. Besides, about CNY 6.91 million has been paid to the affected villages and APs respectively for land and attachment compensation on 221.34 mu land for Rehabilitation of Central Main in Component 1 in 2014.

Table 3-12 The Situation of the Compensation Disbursement (CNY)

Row Labels	Unit	Plan amount	Completed this period	Cumulative	Percentage
<b>I. Land Acquisition</b>		99035286	1624500	24451942	24.7%
permanent farmland acquisition	mu	69758546	1624500	7125782	10.2%
permanent wasteland acquisition	mu	15345350	0	14463550	94.3%
young crops	mu	5551820	0	169340	3.1%
salt pans construction	mu	3069070	0	2693270	87.8%
temporary farmland occupation	mu	4085000	0	0	0.0%
farmland reclaim cost	mu	1225500	0	0	0.0%
<b>II. Demolition</b>		9663310	0	8535094	88.3%
temporary building demolition	m <sup>2</sup>	9663310	0	8535094	88.3%
<b>III. Attachments</b>		10330600	0	5399546	52.3%
<b>Grand Total</b>		<b>119029196</b>	<b>1624500</b>	<b>38386581</b>	<b>32.2%</b>

Table 3-13 Compensation Disbursement to the affected villages (CNY)

Package/Village	PLA	Young crops	Saltpan construction	Demolition	Attachment	Subtotal
Saline Soils	7555122	169340	0	0	976220	8531342
ADB-SS-CW-01	5761282	169340	0	0	976220	6906842
Linji	1345375	18290	0	0	365995	1729660
Luyangnan	24636967	89590	0	0	402250	2955536.5
Luyangxin	503160	8840	0	0	0	512000
Fuhua	811600	29440	0	0	114210	955250
Xiaodong	162250	5900	0	0	21710	189860
Xiaoxi	475200	17280	0	0	72055	564535
ADB-SS-CW-03	724470	0	0	0	0	724470
Luyangxin	724470	0	0	0	0	724470
ADB-SS-CW-04	900030	0	0	0	0	900030
Luyangxin	900030	0	0	0	0	900030
Tianlu Lake	14203550	0	2693270	8535093.7	4423325.5	29855239
ADB-FM-CW-02	9062500	0	2245610	6151488.7	3358492.5	20818091
Fanjia	6867500	0	1778190	5254481.7	2481904.5	16382076.2
Luyangnan	2195000	0	239060	500172	305604	3239836
Luyangxin	0	0	228360	396835	570984	1196179
ADB-FM-CW-03	5141050	0	447660	2383605	1064833	9037148
Fanjia	4370200	0	447660	2383605	1064833	8266298
Luyangnan	770850	0	0	0	0	770850
<b>Grand Total</b>	<b>21758672</b>	<b>169340</b>	<b>2693270</b>	<b>8535093.7</b>	<b>5399545.5</b>	<b>38386581</b>

39. In terms of the flow of fund, the compensation root from domestic counterpart fund administrated by Weinan Financial Bureau. The fund is transferred by bank between Weinan Financial Bureau, implementation agency (**IA**), Luyanghu Land Resource Bureau, resettlement implementation agency (**RIA**), affected villages with their specific accounts. Besides, the RIA paid the compensation to APs by cash cheque. The village will allocate the compensation in accordance with the scheme approved by the villagers' meeting.

40. In this monitoring period, assisting with the Pucheng Water Resource Bureau, the PMO made a compensation agreement with the Luyangxin Village Committee on September 15, 2017, and acquired 57 mu cultivated land for the canals rehabilitation, including 31.58mu for the Middle Main and 25.42mu for the Gaomi Branch(E5). According to the compensation policy in the updated RP, the PMO will pay the land compensation to the APs based on the custom land use rights. Although the land is the state-owned and utilized for the drainage works legally, the actual compensation standard for the cultivated land is CNY 28500 per mu, and CNY 5000 per mu for the non-cultivated land. And the compensation for ground attachments and young crops will comply with the standards listed in the updated RP. All the 57mu land acquired in vacant condition is owned by the Luyangxin Village and managed by the collective without contracted by individual households. Therefore, the compensation has been disbursed to the village on September 14, 2017. And the section acquired is vacant without ground attachments or crops. The details can be seen in Figure 19 and Figure 20.



Figure 19 The payment record to the Luyangxin Village on September 14, 2017

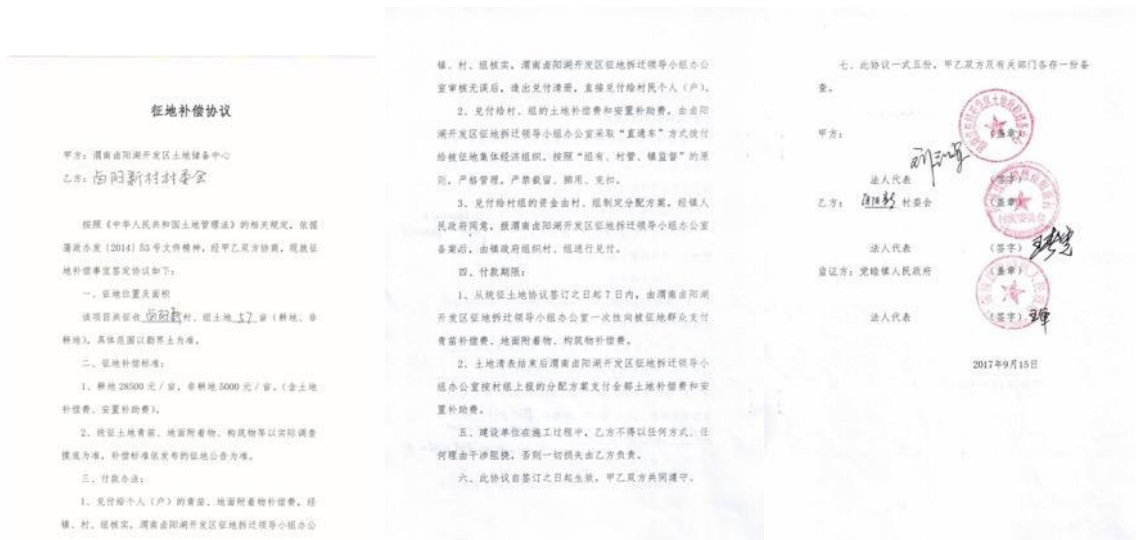


Figure 20 The compensation agreement signed on September 15, 2017

### 3.9 Public Participation and grievance redress

41. The public participation plan has been carry out well in the implementation. The updated RP in Chinese disclosed to the affected town, affected village committee or APs in August 2016 by papers and internet. The PIO confirmed that the project-specific GRM (described in Section K of the EMP;

and Section 6.6 of the updated RP) has been established; (ii) no grievances have been documented; (iii) the key GRM focal points and their awareness and capacity to implement the GRM are unclear; and (iv) the lack of a PMO Social Officer places most GRM implementation on the PMO Environment Officer.

42. In terms of the Social and Gender Action and Participation Plan, in line with the legal documents of the Project, the PMO has paid attention to address social dimension issues and highlight participation of woman stakeholders during the Project implementation. At PPTA stage at least 30% women had informed about project information, including financing, sources and project contents and, participated in the village meeting and involved in the project content design. During land acquisition consultation, at least 40% of woman villagers of the project sites have participated in land acquisition meeting. Currently, there is 18 female staff in PMO and PIO, and they have equally participated in the project training curricula and routine project management.

43. The PAM has included a complete gender and social dimension monitoring content and social and gender action and participation plan (SGAP) to ensure women equal involvement in the project activities and benefits from the project implementation. In Component 2 Flood Risk Management, 6 packages are under construction with about 1760 employees, of which 1280 employees are from Pucheng County. Most of the local employees are engaged in unskilled works. Meanwhile, the FFS and livelihood training activities conducted by the GEF consultants have been mobilized and implemented. GDS conduct a survey on the micro-credit demand of local farmers, and held a workshop, 2 learning tours with the representatives from 10 small and micro businesses. The 10 demonstrations of agricultural BPs carried out in the affected area, including fertilization, soil moisture, winter cultivation, cheery planting and so on, which provide modern agriculture technologies to the anti-saline-alkaline management and expand the production mode to the local people. About 10 female staff from the implementation agencies attends the training from consulting services. During the project implementation period, the PMO will strictly follow the SGAP and ADB's gender development policy to implement the project.

### **3.10 External monitoring and evaluation**

44. The external monitor for resettlement was engaged in April 2014 and two Social Monitoring Reports (**SMR**) (one in 2014 and one in 2015) were submitted to ADB. The quality of the reports was not satisfactory; they were not clear and concise; mainly repeated the LAR impacts and information from the RP; and contained inaccurate and/or incomplete information. The third SMR has been submitted in December 2016. The SMR (issue 4) has been submitted to ADB on October 9, 2017, and received the comments on October 13, 2017. The PMO had asked the external monitor to revise the fourth SMR (submitted in December 2017) as per the comments with a formal individual response and re-submit the SMR to ADB. After the revision, the SMR (issue 4) has been accepted by ADB on 15 January, 2018.



## 4 Main Issues Identified and Actions Required

### 4.1 Problems

45. Insufficient staff inputs on the resettlement implementation. The PMO established formally in May 2014 and the staff change frequently that they don't experienced the PPTA stage without well understanding of ADB policies and procedures. Besides, the PMO establish a social working team for LAR but act in a low efficiency.

46. Poor coordination between the relevant agencies. The Project implementation require design institute, planning bureau, land resource bureau, IA and PMC to identify the LAR impact induced by the civil works. Such as the PMO/PIO, resettlement implementation agencies (RIAs), PMC and external monitor still lack close coordination to ensure smooth implementation and monitoring of LAR the physical quantity and impact scope of the rehabilitation of main or branch channels, construction of management stations in Component 1, road and dike around Tianlu Lake in Component 2. Although RIAs of the 6 project-affected towns have been established, the local officials are not familiar with ADB's policy for involuntary resettlement or requirements of the updated resettlement plan (RP). Moreover, the Guanzhong water scheme may cause the civil works adjustment and unidentified LAR issues.

47. Insufficient survey and interview with the APs can't evaluated the realistic impact, individual attitudes, household livelihood status. The Project conduct many surveys, interviews, meetings with the affected villages and APs in the preparation stage. Without an orderly documentation, the little files and materials on resettlement impact, APs profiles, socio-economics database bring the barriers to successively survey on resettlement issues.

### 4.2 Future Work Plan

48. Engagement enough staff in the PMO, establish a framework and workflow under the help of PMC, including document archive, database, smooth consultation, disclosure plan, etc. Strengthen the external monitoring and survey in accordance with the terms of reference. Speed up the compensation payment from WMG funding. The detail actions required can be seen in *Table 4-1*.

Table 4-1 Action Plan for future

No.	Actions	Responsibilities	Timing
1	Updating documentation after the detail design on civil works packages	PMO, PMC	2016~2020
2	Submit resettlement 5 <sup>th</sup> Internal Monitoring Report and 5 <sup>th</sup> External Social Monitoring Report to ADB	PMO, External monitoring agency	2018.7.31
3	Conduct income restoration and public participation	PMO, villages	2015~2020
4	Implement Social and Gender Action Plan and report to ADB	PMO, IA, PIO, contractors, villages	2015~2020

## 5 Summary and Conclusions

49. The report confirms that the Project involved in permanent land acquisition, temporarily land occupation, temporary building demolition, avoided to dwelling house or structures demolition. Indigenous people were not found in the Project impact area. The APs induced by PLA had received the sufficiently compensation for themselves at the compensation standards as per updated RP.

50. There is a new institutional mechanism for the LAR compensation, the intervention of Pucheng Water Resource Bureau can provide strongly trust and collaboration among the stakeholders. The PMO, Pucheng Water Resource Bureau, the Resettlement Implementation Agency (RIAs) in

Township, the village committees can work together to push the canals rehabilitation with authorities and necessities. The compensation principles were accepted by all the stakeholders. The PMO and Pucheng Water Resource Bureau respect the custom land use rights, and the town government, village committees, APs support the rehabilitation of canals. The compensation standards are equal to the land owned by the collectives. For the individual affected household, the canal only incur linear land acquisition and minor land loss to them, which can be easily restored with the compensation and other support measures by the local government.

51. Up to 31 December 2017, about 56.7% of land acquisition and 32.2% of resettlement budget completed. Specifically, the identified impact of the Project is induced by the Component 1 and Component 2. The PLA for central main channel in Component 1 was acquired from early 2014 to June 2015, which is firstly recorded in the last monitoring report, while the compensation for the rest PLA for other main channels and those branches commenced from September 2017. The PLA for Tianjiao-Tianlu Lakes Connection in Component 2 was acquired in 2010 with fulfilled compensation to APs and affected villages, and exclude from the scope of updated RP; the PLA for Tianlu Lake Excavation was acquired in 2014 with compensation for ground attachments and young crops to APs.

52. Only about 11.7% progress on the LAR for Component 1, and 91.95% progress for Component 2. The actual LAR impact is less than the amount in updated RP after the exploration and measurement, because part of the land has been acquired by the WLMIDZ before, and the optimization of the design and construction can reduce the acquired land as well. The WLMIDZ were allocated about CNY 26 million fund to deal with the LAR compensation, which is meet the counterpart fund demand. Due to the change in the scope of the Project, the PMO prepared a resettlement framework draft on the potential adjustment for west main induced by the Guanzhong Water Scheme and submitted to ADB on 24 November 2017. Once the design confirmed the PMO will revise the resettlement framework and resubmit to ADB.

53. The key activities for the next phrase is to disburse the compensation to the affected villages if required, while the APs and local government are strongly agreed with the channels rehabilitation. According to the villagers' demand on the main canals rehabilitation, the contractor will speed up the construction during the dry season. For the customary rights on the land around the main canals, the villagers and township government are agreed with the PMO, RIAs that compensate the loss of villagers flexibly according to the actual situation and the requirements of civil works. Each affected household get tiny impact by the civil works for Component 1.

54. A comprehensive income and livelihood restoration program has been established in accordance with the RPs to enhance, or at least to restore, the livelihoods of all affected persons in real terms relative pre-project levels and to improve the standards of living of the poor and other vulnerable groups. Benefits from the targeted poverty alleviation plan widely implemented in the project area, the rural APs can participate many skill training and receive agricultural production support from the local government and enterprises. With these livelihood measures, the APs can improve their wellbeing at the moment and more sustainable opportunity after the Project.

## Annexes

### Annex 1: Social Safeguard Monitoring Checklist

Project Data			
<b>Name of Project &amp; Subproject:</b>	Shaanxi Weinan Luyang Integrated Saline Land Management Project & Flood Risk Management		
<b>Project Disbursement Status (%):</b>	29.5		
<b>Type of contract:</b>	<input checked="" type="checkbox"/> Regular	<input type="checkbox"/> Design-Build	<input type="checkbox"/> Combined
<b>Safeguards Categorization</b>	A		
<b>IR</b>	A		
<b>IP</b>	NA		

#### A. Design and Engineering Status

Item	Status (Y/N)	Follow up required (Y/N)	Type of Required Action
Final detailed engineering design of the subproject completed	Y	Y	<input type="checkbox"/> Updated draft IR/IP <input type="checkbox"/> New RP/IPP preparation <input checked="" type="checkbox"/> No Action
Changes in project design/ scope (occurred or envisaged)	Y	Y	<input type="checkbox"/> Project re-categorization (IR/IP) <input type="checkbox"/> IR/IP Impact assessment <input type="checkbox"/> New RP/IPP preparation <input checked="" type="checkbox"/> No Action

#### B. Institutional Status Readiness

No	Item	Status (Ready/ Not ready/NA)	Follow up required (Y/N)	Completion Deadline
1	Mobilization of civil works contractor	Ready	Y	
2	Mobilization of Project Supervision Consultant	Ready	Y	
3	EA's Safeguards Unit with designated staff	Ready	Y	
4	Recruitment of External Monitoring Agency	Ready	N	

#### C. Safeguards Requirements

No	Item	Status (Ready/ Not ready/NA)	Follow up required (Y/N)	Completion Deadline
1	Safeguards monitoring included in the project progress report	Ready	Y	
2	Final/ updated RP/IPP prepared and submitted	Ready	Y	
3	Project's Grievance Redress Mechanism established	Ready	Y	
4	Recruitment of third independent party for negotiated land acquisition	NA	N	
5	Project's ESMS (for FI) established	NA	N	

## RP/IPP Monitoring Checklist

Item No.	Safeguards Related Requirements	Status (Ready/Not ready/ NA)	Completion Deadline	Progress to Date/ Remarks
<b>1.0</b>	<b>MANAGEMENT</b>			
<b>Institutional and Financing Arrangements</b>				
1.1	Financing and budget : (i) safeguard office and staff; (ii) RP/IPP cost	Ready		
1.2	Establish Safeguard Unit: (i) resettlement offices (ii) resettlement staff as in RP (iii) safeguards' database (iv) facilities (v) safeguards training	Ready		
<b>Updating of DD/RP/IPP based on Detailed Design</b>				
1.3	Update DD/RP/IPP: (i) revise based on DMS (ii) revise implementation schedule (iii) revise budget	Ready		
1.4	Compensation rates: (i) approved by Government; (ii) Adequate as per RP/RF; (iii) APs informed.	Ready		
<b>Disclosure and Grievance Redress Arrangements</b>				
1.5	Disclose final/updated RP/IPP: (i) to the APs in local language; (ii) in ADB website; (iii) in EA's website	Ready	2016.08.25	
1.6	Disclose project activities to affected communities: (i) put up a project sign boards; (ii) distribution of project leaflets and GRM to affected communities	Ready	2016.08.25	Updating RP
1.7	Grievance redress committees: (i) clear terms of reference; (ii) appointment decree; (iii) publicly disclosed among APs.	Ready		
1.8	Grievance redress records: (i) list and numbers of grievances received; (ii) numbers of resolved issues; (iii) numbers of cases under GRC review; (iv) outstanding cases (filed to court)	Ready		
<b>Monitoring and Reporting Arrangements</b>				
1.9	Set up internal monitoring system : (i) assessment on capacity and staff requirements; (ii) criteria of safeguards assessment ; (iii) reporting mechanism	Ready		
1.10	Appoint external monitoring agency (as relevant): (i) recruitment schedule; (ii) TOR; (iv) baseline survey (v) reporting mechanism (vi) action taken by management on reports.	Ready		
1.11	Reporting: (i) frequency; (ii) timeliness; (iii) identified issues; (iv) action taken and/recommendation.	Ready		
<b>2.0</b>	<b>PR/IPP IMPLEMENTATION</b>			
<b>Consultation</b>				
2.1	Consultation: (i) responsibility; (ii) stakeholders Identified; (iii) consultation and process; (iv) documentation	Ready		
<b>Mapping and Assets Inventory</b>				
2.2	AP Identity cards & affected assets records: (i) issuance and distribution of AP ID cards, (ii) detail measurements survey of affected assets and documentation	Ready		

Item No.	Safeguards Related Requirements	Status (Ready/Not ready/ NA)	Completion Deadline	Progress to Date/ Remarks
2.3	Land acquisition activities: (i) maps of affected and relocation sites; (ii) acquisition & relocation schedule; (iii) coordination with the asset's acquiring, transfer and registration bodies	Ready		
2.4	Common property/ public assets: (i) final inventory; (ii) restoration plan and schedule; (iii) funding sources	Ready		
<b>Compensation, Relocation and Rehabilitation</b>				
2.5	Payment of compensation and entitlements (as stated in the RP): (i) schedule of payment; (ii) records/ receipts of payment	Ready		
2.6	Relocation of process ( relocation site readiness): (i) housing & associated facilities established; (ii) transfer of new land/plot/ house ownerships completed	NA		
2.7	Provision of (a) income restoration, (b) additional assistance for vulnerable APs, (c) training, etc. (as stated in the RP): (i) per type of activities; (ii) schedule of implementation	Not Ready		Ongoing
<b>Monitoring and Reporting</b>				
2.8	Submission of the reports: (i) semiannual monitoring reports; (ii) external monitoring and evaluation reports (as required); (iii) completion report	Ready		
2.9	Transfer of acquired assets to the acquiring agency	NA		

### Safeguards Loan Covenants

Overall Status of Compliance		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Not complied</u> – Redressed action & monitoring required	<u>Complied</u> with further monitoring	<u>Fully complied</u> – no further action