

Regulations on Residents-Resettlement for the Yangtze River Three Gorges Project Construction

(Adopted at the 35th Executive Meeting of the State Council on February 15, 2001, promulgated by Decree No. 299 of the State Council of the People's Republic of China on February 21, 2001, and effective as of March 1, 2001)

Chapter I General Provisions

Article 1 These Regulations are formulated for the purpose of accomplishing the residents-resettlement work for the Three Gorges Project construction and protecting the lawful rights and interests of residents to be resettled, so as to guarantee the Three Gorges Project construction and promote the economic and social development in the Three Gorges reservoir area.

Article 2 These Regulations apply to the residents-resettlement for the Three Gorges Project construction.

Article 3 In the Three Gorges Project construction, the development-oriented residents-resettlement guideline shall be enforced, under which the residents-resettlement funds shall be used in an overall way, the resources rationally exploited, the ecological environment protected and the residents to be resettled properly relocated to ensure that their working and living conditions reach or surpass their previous level and that favorable conditions are created for the economic and social development in the Three Gorges reservoir area.

Article 4 The residents-resettlement work for the Three Gorges Project construction shall be integrated with the construction of the Three Gorges reservoir area, the opening-up of the riverine regions, water and soil conservation and environmental protection.

Article 5 The residents-resettlement in the Three Gorges Project construction shall follow the principle of combining the State support and aid from outside with self-reliance, and shall implement the guideline of combining financial compensation or allowance at the earlier stage with support through production at the later stage, giving due consideration to the interests of the State, the collective and the individuals.

The people's governments and the people in the Three Gorges Project inundated areas or in the residents-resettlement areas shall take the interests of the whole into account, be subordinated to the State overall arrangement, and properly handle the relationship between residents- resettlement and economic development.

Article 6 The principle of responsibility for both the task of residents-resettlement and the funds for residents-resettlement shall be adopted in the residents-resettlement work for the Three Gorges Project construction.

Article 7 The State shall compensate the residents-resettlement for the Three Gorges Project construction according to law. Specific compensation rates shall be calculated and worked out by the

resettlement administrative organ of the State Council Three Gorges Project Construction Committee jointly with the relevant departments of the State Council, and be implemented after approval by the State Council.

Article 8The management system of unified leadership with the provinces (or municipalities directly under the Central Government) concerned taking the charge and the counties as the basis shall be adopted for the Three Gorges Project construction residents-resettlement work.

The State Council Three Gorges Project Construction Committee is the leading and decision-making body for the residents-resettlement work for the Three Gorges Project construction.

The resettlement administrative organ of the State Council Three Gorges Project Construction Committee shall be responsible for the residents-resettlement work for the Three Gorges Project construction.

The people's governments of Hubei Province and Chongqing Municipality shall be responsible for the residents-resettlement work in the Three Gorges Project construction within their respective administrative regions, and shall set up Three Gorges Project construction resettlement administrative organs.

The people's governments of the cities, counties and districts in the Three Gorges Project inundated areas and the residents-resettlement areas shall be responsible for the residents-resettlement work for the Three Gorges Project construction within their own administrative regions, and may, when necessary, set up their Three Gorges Project construction resettlement administrative organs.

Chapter II Settlement of Resettled Residents

Article 9A residents-resettlement plan shall be compiled for the residents relocation for the Three Gorges Project construction. The residents-resettlement plan shall dovetail with the overall plan of land utilization.

The Yangtze River Water Resource Committee of the Ministry of Water Resources shall, jointly with the people's governments of Hubei Province and Chongqing Municipality, be responsible for compiling the Outline for the Yangtze River Three Gorges Project Reservoir Inundation Handling and Residents-Resettlement (hereinafter referred to as the Outline), which shall be submitted to the State Council Three Gorges Project Construction Committee for examination and approval.

The people's governments of Hubei Province and Chongqing Municipality shall, in accordance with the Outline, be responsible for organizing the people's governments of the cities, counties and districts concerned within their own administrative regions to compile their residents-resettlement plans, approving their plans, compiling on the consolidated basis the residents-resettlement plans of the

respective province and municipality directly under the Central Government and submitting them for the record to the State Council Three Gorges Project Construction Committee.

The resettlement administrative organ of the State Council Three Gorges Project Construction Committee shall strengthen supervision over the implementation of the residents-resettlement plans.

Article 10The residents-resettlement plans, after being approved, shall be strictly implemented and no adaptation or modification is permitted without authorization; where it is necessary indeed to be adapted or modified, it shall be reported for approval according to the original examining and approving procedures.

Article 11The land to be used for the Three Gorges Project construction shall be examined and approved once for all, but be appropriated by stages according to the approved plan, and shall go through the procedures for registration of the change in ownership of the land.

The land to be used for residents' relocation and building for the Three Gorges Project construction shall be strictly controlled in scale and, in accordance with the overall plan of land utilization and the annual plan of land utilization, be reported in separate batches and level by level to the people's government at or above the provincial level for the procedures for the assignment of the land use from agriculture purposes and for the land requisition. The land to be used for residents' relocation and building shall not be transferred or used for projects not for resettlement purposes.

Article 12The rural residents to be resettled whose land has been all requisitioned due to the Three Gorges Project construction and residents-relocation, and who have been assigned to work in the second and tertiary industries or found work by themselves may, with their own consent and approval by the people's government of the county or district concerned, change from agricultural to nonagricultural status.

Article 13The local people's governments in the residents-resettlement areas shall make reasonable adjustments in land and encourage the resettled residents to develop quality, efficient and high-yield agriculture and eco-agriculture in the resettlement areas; in the areas where conditions permit, the resettled residents may be arranged by developing the second and tertiary industries.

Article 14The residents-resettlement in the Three Gorges Project construction shall combine resettlement in the local region with resettlement in other regions, concentrated resettlement with scattered resettlement, and resettlement by government with resettlement by their own efforts. Resettled residents shall first be relocated in their own local counties or districts; if the local counties or districts are incapable, the people's governments of Hubei Province and Chongqing Municipality shall relocate them in other cities, counties or districts in their respective administrative regions; if Hubei Province and Chongqing Municipality are still incapable, they shall be relocated in other provinces, autonomous regions or municipalities directly under the Central Government.

Article 15If rural residents to be resettled need to be relocated in other rural collective economic organizations in their own local counties or districts, the rural collective economic organizations shall sign

agreements with the resettlement administrative organs or departments responsible for the resettlement administration work of the people's governments of the counties or districts, and make arrangements for the production and livelihood of the residents to be resettled according to the agreements.

Article 16 Where the residents to be resettled cannot be relocated in their own local counties or districts and need to be relocated in other cities, counties and districts within the administrative regions of Hubei Province or Chongqing Municipality, the people's governments of the cities, counties or districts where they will move out and where they will resettle shall sign agreements and go through relevant procedures.

Where the residents to be resettled need to be relocated in regions other than Hubei Province or Chongqing Municipality, the people's government of Hubei Province or Chongqing Municipality shall respectively sign agreements with the people's governments of the provinces, autonomous regions or municipalities directly under the Central Government where the residents to be resettled are relocated, and go through relevant procedures.

Article 17 Regions getting benefits from the Three Gorges Project, the provinces, autonomous regions and municipalities directly under the Central Government, or their subordinate cities, counties or districts where the conditions permit, shall accept the rural residents to be resettled from the Three Gorges reservoir area who are arranged by government or who come of their own accord to their relatives or friends for help, go through relevant procedures in time, and make overall arrangement for their production and livelihood.

The rural residents to be resettled from the Three Gorges reservoir area who come of their own accord to go and live with their relatives and friends for help shall bear relevant certificates issued by the people's governments of the counties or districts where they move out.

Article 18 With respect to the relocation of rural residential communities, construction plans for new residential areas shall be worked out in accordance with the resettlement plans. The new residential area construction plans being worked out shall be suitable for local conditions, and be conducive to production and convenient to livelihood.

The infrastructures such as roads, water and electricity supply in new residential areas shall be constructed under unified organization by townships (towns) or villages.

All house-rebuilding compensation funds shall be allocated to every household according to the compensation standards for houses in villages, and used by the resettled residents to rebuild their houses.

Resettled residents may build their houses individually or collectively in line with the principle of voluntariness. The local people's governments and villagers committees concerned may not impose on them certain building standards.

Article 19 With respect to the relocation of cities and towns, a detailed plan for relocation areas shall

be drawn up in accordance with the residents-resettlement plan, and specific sites shall be fixed for the public buildings and various infrastructures that need to be relocated.

The compensation funds for the relocation of public buildings and various infrastructures in cities and towns shall be managed according to the system of responsibility for surplus and deficits, and its sum shall be determined according to the principles of actual inundation losses and proper development.

The compensation funds for units and residents in the relocation of cities and towns shall be managed according to the system of responsibility for surplus and deficits, and its sum shall be determined according to the actual inundation losses.

Article 20The cities and towns that need to be relocated shall have infrastructures constructed in advance.

For the units and residents that move out ahead of schedule using self-raised funds or non-resettlement funds, the local people's governments concerned shall not reduce the sum of compensation funds due to them.

Article 21The local people's governments concerned shall make unified planning and structural adjustment for the industrial and mining enterprises that need to be relocated, basing on the industrial policy of the State and combining with the technical transformation. The enterprises that have quality products and enjoy a brisk market may combine their relocation work with their re-grouping through gaining support from enterprises of similar production and cooperation or joint venture with top famous enterprises; the enterprises that are outdated in technology, wasteful of resources, poor in product quality, and severe in pollution shall be merged, declared bankrupt or closed through legal procedures.

The local people's governments concerned shall make proper arrangements for the basic livelihood of the workers and retired workers of the bankrupt or closed enterprises, and accomplish effective work in reemployment and social pension insurance.

The compensation funds for the relocation of industrial and mining enterprises shall be managed according to the system of responsibility for surplus and deficits, and its sum shall be determined according to replacement expenditure for the actual inundation losses.

Article 22Where infrastructures such as roads, bridges, ports, wharves, water resource projects, power installations, telecommunication lines, broadcast and television facilities and historic relics to be submerged because of the Three Gorges Project water storage need to be reconstructed, they shall be reconstructed above the submerging line in advance according to the reconstruction plan and the economical and rational principle. The reconstruction compensation fund shall be managed according to the system of responsibility for surplus and deficits, and its sum shall be determined in accordance with the original scale and standard, or the investments required for the function restoration.

Article 23In the relocation of units and industrial and mining enterprises in cities, towns and residents, and the reconstruction of infrastructures, the part of the money that surpasses the allocated

sum because of larger scale and higher standard shall be defrayed by the local people's governments, units or individual residents concerned.

Article 24 Construction for residents-resettlement projects shall have an item feasibility demonstration at the earlier stage. In the site selection and reconstruction of cities and towns, rural residential communities, industrial and mining enterprises and infrastructures, good work shall be done in hydro-geological reconnaissance, engineering geological investigation, geological calamity prevention prospecting, and geological calamity peril assessment.

Article 25 Construction for residents-resettlement projects shall go through the capital construction procedures, and strictly observe various systems stipulated in the Regulations on Construction Project Quality Control promulgated by the State Council in January 2001, so as to ensure the quality of construction projects.

In undertaking construction for residents-resettlement projects, attention shall be paid to the protection of the ecological environment and the prevention of vegetation damage and soil erosion.

Article 26 When arranging production for resettled residents, it is strictly forbidden to cultivate the hillside fields at an incline of over 25 degrees; if already cultivated, the cultivated land shall be returned to forests or grassland according to the plan. As for the cultivated hillside fields at an incline of 25 degrees or less, measures for transforming hillside fields into terraced fields shall be taken in line with local conditions, and the problems concerning mountains, rivers, forests, farmland and roads shall be tackled in a comprehensive way.

Article 27 The forest trees in the Three Gorges Project inundated area which have reached the cutting and utilization standard before inundation may be cut down and sold by the owners of the trees upon approval according to law; those that cannot be cut down and utilized shall be compensated after inundation according to the provisions of the Outlines.

Article 28 In the Three Gorges Project construction, efforts shall be made to save and protect the historic relics according to the principles of protection as the main work with salvage as the most urgent and concentrating efforts on protecting and excavating key items.

Chapter III Administration of Inundation and Resettlement Areas

Article 29 The local people's governments concerned shall intensify their control over capital construction in the Three Gorges Project inundation areas. No units or individuals may build, extend or rebuild any structures below the inundation line. Any project constructed after April 4, 1992 in violation of the provisions of the Circular of the General Office of the State Council on Tight Control over Population Growth and Capital Construction in the Three Gorges Project Dam Area and Reservoir Area

Below the Inundation Line, shall be treated as illegal constructions.

Article 30 The public security organs concerned in the Three Gorges reservoir area shall tighten up the household registration administration in the inundation area, exerting strict control over population movements into the inundated area from other regions. The State shall be responsible for the relocation and resettlement of the population who are allowed to move in after April 4, 1992 in accordance with the provisions of the Circular of the General Office of the State Council on Tight Control over Population Growth and Capital Construction in the Three Gorges Project Dam Area and Reservoir Area Below the Inundation Line and who are accepted with the approval of the public security organs of the people's governments at or above the county level; for the population who move in for any other reason without approval, the State is not responsible for their relocation and resettlement.

The local people's governments at all levels and the units concerned in the Three Gorges reservoir area shall intensify the administration of family planning and curb population growth in order to ensure that the birth rate in the reservoir area shall not surpass the limit stipulated by Hubei Province and Chongqing Municipality.

The population mentioned in the first paragraph who are allowed to move in refer to those who are registered by birth, by marriage or by transfer of job, or those who are demobilized soldiers, assigned college graduates and secondary specialized technical school graduates, or those who are released after serving a sentence.

Article 31 Units and residents to be resettled who must be relocated in accordance with the residents-resettlement plan shall not refuse to be relocated or delay in relocation; those who have already being relocated and got compensated and resettled shall go through in time the compensation procedures to have their names cancelled from the registration, and may not move back or ask for compensation once more.

For the units and resettled residents that have been relocated according to the residents-resettlement plan, the land and its attachments before their relocation shall be taken over by the local people's governments at the county level according to law.

Article 32 The land in the area exposed by designed drawing-off in the Three Gorges reservoir belongs to the State and shall be in the charge of the Three Gorges pivotal project management unit, and priority of its use may be arranged through the local people's government at the county level to the local rural residents to be resettled; but this shall not exert adverse impact on reservoir safety, flood control, electricity generation and ecological environment protection. The State shall not compensate for the losses caused by water storage to the residents to be resettled who use the land.

Article 33 The local people's governments concerned shall strengthen the management of the Three Gorges Project residents-resettlement files and documents to ensure their completeness, accuracy and safety.

Chapter IV Management of and Supervision over the Use of Residents-Resettlement Funds

Article 34 The residents-resettlement funds are administered with the principle of static control and dynamic management. Except for the price index changes, adjustment of State policies or occurrence of force majeure, the residents-resettlement fund shall not be increased.

Article 35 The annual plan of the residents-resettlement funds shall be incorporated into the State annual investment plan.

The resettlement administrative organ of the State Council Three Gorges Project Construction Committee shall arrange for compiling the annual plan of the residents-resettlement funds in accordance with the approved residents-resettlement plan for the Three Gorges Project, and submit it to the State Council for examination and approval.

The resettlement administrative organs or departments responsible for the resettlement administration work of the local people's governments at or above the county level shall arrange for compiling the annual project plans of the residents-resettlement funds for their own administrative regions, and upon verification and consent by the people's government at the corresponding level, submit them to the resettlement administrative organs under the people's governments at the next higher level for examination and approval.

The approved annual project plan of the residents-resettlement funds shall not be adjusted without approval; any adjustments, if really necessary, shall be submitted to the original examining and approving organ for approval.

Article 36 The arrangement of the residents-resettlements fund shall make the focal points stand out, and guarantee that the residents-resettlement schedule keeps up with the progress of the pivotal project construction.

The residents-resettlement funds shall be arranged and used by the local people's governments concerned in accordance with the residents-resettlement plan.

The people's government of the province, autonomous region or municipality directly under the Central Government that has residents-resettlement assignments shall appropriate the residents-resettlement funds to the people's governments at the county level and the units concerned according to the investment and responsibility program of the State for the residents-resettlement funds, and the people's government at the county level and units concerned shall, then, allocate the residents-resettlement funds to specific residents-resettlement investment projects.

Article 37 The residents-resettlement funds shall be deposited in a special account opened for independent accounting with the banks designated by the resettlement administrative organs of the State Council Three Gorges Project Construction Committee or of the people's government of the province, autonomous region or municipality directly under the Central Government. The residents-resettlement

funds management departments specified by the State Council or the people's government of the province, autonomous region or municipality directly under the Central Government shall timely allocate the residents-resettlement funds in accordance with the responsibility program, and the annual project plan and schedule for the residents-resettlement funds.

Article 38 The residents-resettlement funds shall be used in the following items:

(1) compensation for the resettlement of rural residents to be resettled;

(2) compensation for the relocation of cities and towns;

(3) compensation for the relocation of industrial and mining enterprises;

(4) reconstruction of infrastructure projects;

(5) environmental protection; and

(6) other residents-resettlement-related items assigned by the resettlement administrative organ of the State Council Three Gorges Project Construction Committee.

No department, unit or individual may usurp, hold back or embezzle the residents-resettlement funds.

Article 39 The increment in the residents-resettlement funds during its depositing shall be incorporated into the residents-resettlement funds, and may not be diverted to any other purpose.

Article 40 The city and town relocation and reconstruction headquarters (management committees) established by the local people's governments concerned are not financial accounting units, through which no residents-resettlement funds may be re-appropriated.

Article 41 The State implements an auditing system for the management, allocation and use of the residents-resettlement funds and applies the economic responsibility auditing system to the responsible persons of the local people's governments and the subordinated departments or organs concerned that are in charge of the management, allocation and use of the residents-resettlement funds during their term of office.

Article 42 The people's governments at or above the county level shall strengthen supervision over the people's governments at the lower levels and their departments concerned on their management, allocation and use of the residents-resettlement funds.

The resettlement administrative organs or the departments responsible for the residents-resettlement administration work under the people's governments at all levels shall strengthen internal auditing and supervision, and regularly report to the people's governments at the corresponding level and to the higher competent departments on the execution of the residents-resettlement funds

annual project plan and the allocation and use of the residents-resettlement funds.

Article 43 Townships (towns) and villages that have residents-resettlement assignments shall set up and strengthen financial management system, and put up notices to make public the circumstances about the use of the residents-resettlement funds of townships (towns) and villages so as to be subject to supervision from the masses.

Article 44 The auditing institutions, the supervision and finance departments at all levels shall strengthen auditing and supervision over the management, allocation and use of the residents-resettlement funds, thus fulfilling their duties entrusted by the relevant laws and regulations of the State.

When the auditing institutions, the supervision and finance departments carry out auditing or supervision, the units and individuals concerned shall cooperate and present relevant data without delay.

Chapter V Supporting Measures

Article 45 The State shall, by deducting a certain amount of funds from the electricity price income of the Three Gorges power station, set up a later-stage Three Gorges reservoir area residents-resettlement supporting funds and allocate them to the people's governments of Hubei Province, Chongqing Municipality and other provinces, autonomous regions and municipalities directly under the Central Government that accept residents to be resettled, which shall be used as their follow-up support. Specific measures shall be formulated by the Ministry of Finance jointly with relevant departments of the State Council and be implemented after approval by the State Council.

Article 46 The part of tax legally retained to the local treasury from the tax paid by the Three Gorges power station after it is put into operation shall be allocated to the people's governments of Hubei Province and Chongqing Municipality, and used to support the Three Gorges reservoir area construction and eco-environmental protection. Specific measures shall be formulated by the Ministry of Finance jointly with the relevant departments of the State Council and be implemented after approval by the State Council.

Article 47 The rural resettled residents shall be exempt from cultivated land use tax for occupying cultivated land for rebuilding their houses. Cultivated land use tax shall be levied on the cultivated land used for the construction in the Three Gorges Project dam area and inundation area at 40 percent of the tax amount payable; for occupying cultivated land for the relocation of cities and towns, enterprises and institutions, and the reconstruction of infrastructures, cultivated land usage tax shall be paid in accordance with the relevant provisions of the State. All cultivated land usage tax paid shall be used for the resettlement of rural resettled residents of the Three Gorges reservoir area.

Article 48 The Three Gorges reservoir area enjoys the priority to use electricity when the Three

Gorges power station begins to generate electricity.

Article 49The State rates the inundated counties and districts that possess hydroelectric power resources in the Three Gorges reservoir area as primary-stage hydroelectric electrified rural counties and districts to be supported.

Article 50The State rates the inundated counties and districts where conditions are favorable in the Three Gorges reservoir area as the pilot counties of eco-agriculture to be supported, which enjoy the priority to get capital farmland and water conservancy special fund for the construction of water conservancy in the farmland of the residents-resettlement areas.

Article 51The departments concerned of the State Council and the people's governments of Hubei Province and Chongqing Municipality and their subordinate departments concerned shall, when making arrangements for construction projects and allocating funds, give first consideration to the counties and districts concerned in the Three Gorges reservoir area.

Article 52The departments concerned of the State Council and the provinces, autonomous regions or municipalities directly under the Central Government concerned shall, in line with the principle of mutual complementation of advantages, mutual benefits, long-term cooperation and joint development, take various means to encourage top famous enterprises to invest and set up plants in the Three Gorges reservoir area and provide corresponding support to the resettlement of residents of the Three Gorges reservoir area in the fields of such as education, culture, science and technology, talents, management, information, funds and materials.

Article 53Qualified resettled residents shall be given the priority to be employed in the construction projects arranged by the State in the Three Gorges reservoir area and the regions getting benefits from the Three Gorges Project.

Article 54The State shall grant the lands and enterprises newly developed and established especially for the relocation of rural residents to be resettled exemptions from or reductions of agricultural tax, agricultural tax on agricultural special products and enterprise income tax.

Chapter VI Penalty Provisions

Article 55Where, in violation of the provisions of these Regulations, the residents-resettlement plan or the annual project plan for the residents-resettlement funds is adjusted or modified without approval, the authorities approving the plans shall order corrections to be made within a specified time limit; where no corrections are made within the time limit, the person in direct charge and other persons directly responsible shall be given administrative sanctions according to law.

Article 56Where, in violation of the provisions of these Regulations, the right to use the land for the relocation of resettled residents is transferred or used for non-residents-resettlement projects without

approval, the competent land administrative department of the people's government at or above the county level, jointly with the resettlement administrative organ at the same level and according to their functions and responsibilities, shall order to make corrections within a specified time limit, confiscate the illegal income and impose a fine of not more than one and not less than three times the illegal income. All the illegal income confiscated and the fines collected shall be incorporated into the residents-resettlement funds to be used for the relocation of residents to be resettled.

Article 57Where, in violation of the provisions of these Regulations, any construction project is undertaken, extended or changed below the inundation line without approval, the resettlement administrative organ of the people's government at or above the county level shall, according to its functions and responsibilities, order to stop the illegal activities and the original state to be restored within a specified time limit, and may impose a fine of not more than 50,000 yuan; where any losses have been caused, the liability to pay compensations shall be borne according to law.

Article 58Where, in violation of the provisions of these Regulations, any of the following acts has been committed in the course of relocation and resettlement of residents to be resettled, the resettlement administrative organ of the people's government at or above the county level, jointly with the departments concerned at the same level and according to their functions and responsibilities, shall order to make corrections within a specified time limit and give a warning; those who have committed an act against public order shall be punished by the public security organs according to law.

(1) refusing to be relocated or delaying doing so;

(2) moving back without approval after having already being relocated and got resettlement compensation according to the set standard; or

(3) asking for compensation once more without justification after having already got resettlement compensation according to the set standard.

Article 59Where, in violation of the provisions of these Regulations, any of the following acts has been committed, the relevant auditing organs and financial departments shall impose penalty according to the provisions of auditing and financial laws and regulations; the person in direct charge and other persons directly responsible shall be given administrative sanctions according to law; where a crime has been constituted, criminal liability shall be investigated according to law.

(1) diverting the residents-resettlement funds for the purpose of using in non-residents-resettlement projects, paying off non-residents-resettlement debts or balancing local financial budgets;

(2) using residents-resettlement funds for financing, investment or providing guarantee;

(3) purchasing shares, bonds or other negotiable securities; or

(4) misappropriating residents-resettlement funds by any other means.

Article 60Where, in violation of the provisions of these Regulations, the residents-resettlement funds is deposited in financial institutions other than the banks designated by the resettlement administrative organ of the State Council Three Gorges Project Construction Committee or the resettlement administrative organ of the people's government of the province, autonomous region or municipality directly under the Central Government, the resettlement administrative organ of the people's government at or above the county level shall, by the division of responsibilities, order corrections to be made within a specified time limit and give a warning; the person in direct charge and other persons directly responsible shall be given administrative sanctions according to law; where there is any illegal income, the illegal income shall be confiscated and a fine of not less than one and not more than three times the illegal income shall be concurrently imposed.

Article 61Where, in violation of the provisions of these Regulations, the residents-resettlement funds have been occupied or retained, the relevant auditing organs and finance departments shall recover it according to law, and may impose a fine of not more than the amount of that occupied or retained residents-resettlement funds; the person in direct charge and other persons directly responsible shall be given administrative sanctions according to law.

Article 62Those who, in the construction of residents-resettlement projects, damage vegetation and ecological environment and thereby cause water losses and soil erosion shall be punished in accordance with the relevant provisions of environmental protection laws and water and soil conservation laws.

Article 63Any State personnel who, in their residents-resettlement work, neglect their duties, abuse their power or commit illegalities for personal benefit or by fraudulent means, shall be investigated for criminal liability if a crime has been constituted; if no crime has been constituted, administrative sanctions shall be given according to law.

Chapter VII Supplementary Provisions

Article 64These Regulations shall be effective as of March 1, 2001. The Regulations on Residents-Resettlement for the Yangtze River Three Gorges Project Construction promulgated for implementation by the State Council on August 19, 1993 shall be repealed simultaneously.