



Resettlement Monitoring Report

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Prepared by Guangxi University of Finance and Economics

For Nanning Kelijiang River Environmental Comprehensive Upgrading Subproject

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Asian Development Bank

**GUANGXI NANNING URBAN
ENVIRONMENTAL UPGRADING PROJECT
Loan No.: 2239-PRC**

**NANNING KELIJIANG RIVER ENVIRONMENTAL
COMPREHENSIVE UPGRADING SUBPROJECT**

**RESETTLEMENT EXTERNAL
MONITORING AND EVALUATION REPORT**

(NO.4)

Guangxi University of Finance and Economics
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1 Brief Introduction

1.1 Brief Introduction to Project

Nanning Kelijiang River Comprehensive Environmental Upgrading Project is an inland water course treatment key project in Nanning city, and it is also a subproject of Guangxi Nanning Urban Infrastructure Development Project financed by Asian Development Bank. The range of Nanning Kelijiang subproject is: in the north, the dyke foot of Tianbao reservoir; in the south, the west dyke at the north bank of Yongjiang River; in the east, Qingchuan Road; in the west, outer ring expressway to west bank of Shibu River. Its construction scopes include: (1). watercourse treatment and ecological restoration, covering a total length of 4.22 km. (2). sewerage system, covering a length of 59.6 km. The completion of this project will make the Kelijiang area become a public and open waterside ecological green land and a leisure and entertainment place for its citizens in the west of Nanning city.

1.2 Brief Introduction to Resettlement Implementation

1.2.1 Resettlement Impacts

By December 10, 2008, the land acquisition for this project has fully completed. A total of 1, 995.84 mu of land has been actually acquired, decreasing by 68.16 mu compared to the total 2, 064 mu in the Resettlement Plan. The main reason for decrease in land acquisition lies in the adjustment of the river line. The project has acquired 1, 639.2 mu of collective land, increasing by 26.2 mu compared to the total 1, 613 mu in the *Resettlement Plan*. It has also acquired 356.638 mu of state-owned land, decreasing by 94.362 mu compared to that in the *Resettlement Plan*, affecting two schools including Guangxi Agricultural Occupational College and Guangxi Economic Management Cadre College. Except for the reconstruction of students' dormitory for resettlement in Guangxi Agricultural Occupational College, the other land is ready for construction immediately. 252 households are affected by the acquisition of rural collective land, covering 945 people. The land acquisition and demolition and their impacts are shown in Table 1-1.

Table 1-1 Project Land Acquisition and Its Impacts

Affected units	Types of land						Affected population	
	Collective land				State-owned land	Subtotal	House holds	Persons
	Vegetable land	Fish pond	Orchard	House site				
Chenxi village	99.166	603	2.317	2		706.483	112	420
Silian village	456.46	85.582	11.826			553.868	45	179
Xinxu village	333.435	16.303				349.738	80	280
Hede village	29.113					29.113	15	66
Guangxi Agricultural Occupational College					305.513	305.513	/	/
Guangxi Economic Management Cadre College					51.125	51.125	/	/
Total	918.174	704.885	14.143	2	356.638	1995.84	252	945

From July 1 to December 10 of 2008, there is no new house demolition. 16, 739.78 m² of houses have been demolished, accounting for 67.7% of the total in the *Resettlement Plan*. The details of house demolition have been described in the previous monitoring and evaluation reports. The statistics of demolition are shown in Table 1-2.

Table 1-2 Accumulated House Demolition and Its Impacts

Affected villages	Demolition Area (m ²)			Affected households		
	<i>Resettlement Plan</i>	Actual	Difference	<i>Resettlement Plan</i>	Actual	Difference
Chenxi village	9867	7141.48	-2725.52	20	15	5
Silian village	3410	3506.68	96.68	1	1	0
Xinxu village	1580	1308.42	-271.58	9	7	2
Guangxi Agricultural Occupational College	9850	4783.2	-5066.8	8	8	0
Total	24707	16739.8	-7967	38	31	7

Notes: Because of the modification of the riverbank line, 78 mu of land in Guangxi Academy of Agriculture Science involved in the Resettlement Plan is no longer affected and therefore is not listed in the table. The land acquisition and its affected people in Guangxi Agricultural Occupational College are based on the planned figures after the

modification of the riverbank line rather than the figures in the Resettlement Plan. In addition, Guangxi Technological College of Machinery and Electricity and Chenxi village had disputes over the title of 17 mu of land that was assumed belonging to Guangxi Technological College of Machinery and Electricity. After the investigation and verified by related government departments, the 17 mu of land is verified to belong to Chenxi village and has been included in Table 1-1.

1.2.2 Compensation for Land Acquisition

A total of RMB 285.181287 million compensation capital has been paid for land acquisition for Kelijiang project, including RMB 203.154547 million compensation for collective land and RMB 82.02674 million for state-owned land. The compensation capital for collective land includes RMB 6.106626 million for land-attached constructions. All the compensation capitals have been fully paid. The compensation capitals for various affected units are shown in Table 1-3.

Table 1-3: Compensations for Project Land Acquisition

Unit: RMB 10, 000

Units	Land compensation	Resettlement subsidy	Crops	Land-attached construction	Subtotal
1. Collective land	6226.1068	12622.8788	855.8065	610.6626	20315.4547
Chenxi village	2716	5923.7	341.17	143.63	9124.5
Silian village	2131.4	3811.02	313.18	328.31	6583.91
Xinxu village	1273.9	2666.9	186.9	132.9	4260.6
Hede village	104.8068	221.2588	14.5565	5.8226	346.4447
2.State-owned land	8202.674				8202.674
<i>Guangxi Agricultural Occupational College</i>	7026.799				7026.799
<i>Guangxi Technological College of Machinery and Electricity</i>	1175.875				1175.875
Total	22631.4548	12622.8788	855.8065	610.6626	28518.1287

1.2.3 Compensation for House Demolition

There is no new house demolition during this monitoring period and the total demolition remains to be 167, 39.78 m². The total compensation capital for demolition is RMB 5.1553 million, including RMB 1.656 million (32.31%) for rural houses and RMB 3.4993 million for Guangxi Agricultural Occupational

College. The compensation capitals have been fully paid to affected units, as shown in Table 1-4.

Table 1-4 Compensation for House Demolition

Unit: RMB 10, 000

Units	Collective houses	Private houses	Subtotal
Chenxi village	14.9	89.1	104
Silian village	0	40.9	40.9
Xinxu village	0	20.7	20.7
<i>Guangxi Agricultural Occupational College</i>	349.93	0	349.93
Total	364.83	150.7	515.53

1.2.4 Resettlement

According to the regulations of Nanning municipal government on resettlement, 37 mu of commercial land has been allocated to Chenxi village and 14.5 mu of vegetable market has been approved for upgrading, and the investment promotion on the two pieces of land has completed. 4 mu of commercial land has been allocated to Silian village according to corresponding standards. The commercial lands have also been allocated to Hede village and Xinxu village according to their population in land acquisition for other projects before this project. In addition, 22 villagers chose the self-employment subsidy for land acquisition, with each receiving RMB 25, 000. The total of RMB 550, 000 have been fully paid to those villagers.

By December 10, 2008, the project implementing agency and related departments in the district had organized 2 training programs for land-losing villagers for this project. 136 affected villagers took part in the training and 42 villagers successfully found their jobs, including 28 temporary employment positions related to project implementation.

1.3 Brief Introduction to External Monitoring and Evaluation

To monitor and evaluate the resettlement implementation and to ensure a better living standard for the affected groups, Guangxi University of Finance and Economics is entrusted by Nanning ADB Project Management Office to carry out the resettlement external monitoring and evaluation for Nanning Kelijiang river environmental comprehensive upgrading project. Through checking and monitoring on resettlement schedule, capital management, land acquisition and demolition implementation, production and living restoration for affected groups, and the change of their living standards, the external monitoring and evaluation agency points out some existing and potential

problems and proposes suggestions to resolve those problems.

1.3.1 Monitoring and Evaluation Work Plan and Arrangement

According to the requirements of the *Guidelines for Resettlement External Monitoring and Evaluation*, the external monitoring and evaluation survey shall be conducted once every half a year from 2007 to 2010. This monitoring and evaluation is conducted in December 31, 2008. The external monitoring and evaluation report is completed in January 1, 2009 and will afterward be submitted to Asian Development Bank.

From November 20 to December 20 of 2008, the external monitoring and evaluation agency conducted the fourth monitoring and evaluation (No. 4) on the implementation of land acquisition, demolition and resettlement as follows:

(1) To follow up survey on the production and living status for the villages and villagers affected by land acquisition and demolition in order to understand the impacts of land acquisition and demolition as well as the restoration situations.

(2) To follow up survey on the institutional units affected by land acquisition and demolition in order to understand the impacts of land acquisition and demolition as well as the restoration situations.

(3) To understand the implementation schedule and the resettlement compensation so as to verify whether they move forward according to the *Resettlement Plan*.

(4) To collect opinions from the affected groups; their opinions are collected through visiting and interviewing the villagers, the employees, the land acquisition, demolition and resettlement institution, and the affected people with complaint and grievance. The external monitoring and evaluation agency also reports the individual's and the collective's (unit's) opinions and suggestions to the land acquisition, demolition and resettlement office, and proposes suggestions to ensure a smoother and more effective resettlement.

1.3.2 Monitoring and Evaluation Procedures

- (1) Compiling resettlement monitoring and evaluation guidelines and work plan (scheme);
- (2) Designing the sampling plan;
- (3) Interviews and follow-up surveys;
- (4) Information collection and analyses;
- (5) Compiling monitoring and evaluation report.

1.3.3 Monitoring and Evaluation Contents

According to the project implementation, the monitoring and evaluation

contents mainly include the followings:

- (1) Land acquisition and demolition schedule, capital allocation, compensation standard and house restoration;
- (2) Restoration for institutional units;
- (3) Restoration for affected villages and shops;
- (4) Restoration for vulnerable groups;
- (5) Infrastructure restoration;
- (6) Affected households' income and expense analyses;
- (7) Public participation;
- (8) Complaint and grievance.

1.3.4 Monitoring and Evaluation Methods

(1) Sampling survey: the monitoring and evaluation agency prepares the sampling plan and questionnaire. The random sampling method is adopted for different affected groups, and the monitoring and evaluation agency conducts in-depth house-to-house survey with well-prepared questionnaires. The survey contents include family population information, income and expense structure, land acquisition and demolition, resettlement satisfaction etc. The follow-up survey will be conducted to these affected households until their income restoration.

(2) Consulting meeting: the monitoring and evaluation agency has visited and interviewed the project land acquisition and demolition implementing institutions, affected institutional units, related sub-district office, villager's committee and households in order to understand the land acquisition and demolition situations.

(3) Referring to document information: the monitoring and evaluation agency refers to and verifies related documents, agreements, and statistics regarding to land acquisition and demolition.

(4) Interviewing some key information releasers such as director of land acquisition, demolition and resettlement office, principal of affected institutional units, village director, affected householder, women and senior villagers.

2 Project Progress Status

According to the treatment plan for this project, the bidding invitation and construction for the whole project are carried out separately on watercourse treatment, flush water engineering, pumping station procurement, vehicle procurement, sewerage system, and sewerage pumping station. Currently, the winners of the four watercourse treatment contract packages China Construction Second Engineering Bureau and Guangdong Foundation Engineering Company have started their construction in the construction sites. The sewerage system is divided into 3 bidding packages, of which the bidding package and the bidding package have been awarded respectively to China Construction Fifth Engineering Bureau and China Railway 18th Bureau (Group) Co., Ltd. The 2 winners of the bidding have started the construction on project sites. The bidding invitation has not started for flush water engineering, pumping station procurement, and sewerage pumping station.

2.1 Engineering Progress for Watercourse Treatment

All the 4 bidding packages of watercourse treatment have been under construction. At present, the construction mainly includes earthwork excavation and backfill. By the end of December 10, 2008, a total of RMB 53.95 million has been actually invested, accounting for 29.01% of the total investment, showing an increase of RMB 15.87 million over RMB 38.08 million investment by the end of June 30, 2008. 2, 200, 000 m³ of earthwork has been excavated, accounting for 49.69% of the total earthwork excavation. The engineering progress for various bidding packages is shown in Table 2-1.

Table 2-1 Progress of Watercourse Treatment Engineering

Project name	Contractor	Investment estimate (RMB 10,000)	Actual investment (RMB 10,000)	Percentage of total investment (%)	Total earthwork excavation (10,000 m ³)	Actual earthwork excavation (10,000 m ³)	Percentage of total excavation (%)
Bidding package	China Construction 2nd Engineering Bureau	3368.782	830	24 . 6	62.6054	45	71 . 87
Bidding package	Guangdong Foundation Engineering Company	3378.79	220	6 . 5	84.2901	11	13 . 05
Bidding package	China Construction 8 th Engineering Bureau	5947.71	1065	17 . 9	201.407	65	32 . 27
Bidding package	China Railway 13th Bureau 5 th Engineering Division Co., Ltd.	5896.01	3280	55 . 6	94.3831	99	104 . 8
Total		18591.292	5395	29 . 01	442.6856	220	49 . 69

2.2 Engineering Progress for Sewerage System

The sewerage system is divided into 3 bidding packages. The construction of bidding packages started in the last ten days of July, 2008 and is scheduled to complete by the end of 2009. By December 10, 2008, 23% of the total construction had completed. The construction of bidding packages started in the last ten days of August, 2008 and is expected to complete by February 2010. By December 10, 2008, 5% of the total construction had completed. The engineering progress for various bidding packages is shown in Table 2-2.

Table 2-2 Progress of Sewerage System Engineering

Project name	Contractor	Investment estimate (RMB 10,000)	Actual investment (RMB 10,000)	Percentage of total investment (%)	Total sewerage length (KM)	Actually completed sewerage length (KM)	Percentage of total length (%)
Bidding package	China Construction 5th Engineering Bureau	4100.25	709	17.2	13.2	0.2549	1.9
Bidding package	China Railway 18th Bureau	4299.89	180	4.1	29.8	0.0402	0.1
Total		8400.14	889	10.5	43	0.2951	0.6

3 Public Participation, Complaint and Grievance

3.1 Public Participation

From June to July of 2008, the land acquisition, demolition and resettlement office, the project implementing agency and the sub-district office organized and held the meetings on land acquisition in Chenxi village and Silian village. They went to every affected household to publicize related policies on land acquisition and demolition. They distributed over 400 *Collections of Policies and Regulations on Land Acquisition and Demolition and Resettlement Information Handbook* to every affected household, which made the affected villagers get a further understanding on land acquisition and demolition for the project.

In August 2008, the land acquisition, demolition and resettlement office, the project implementing agency, the sub-district office, and related villagers' committee organized and held public consulting meetings on land acquisition and demolition. They publicized and explained for the new policy No. [2008] 15 of Nanning municipal government, and they also extensively listened to and collected the opinions from affected villages.

From September to October of 2008, the land acquisition, demolition and resettlement office and related government departments took part in the voting conference on land acquisition in affected villages. Since the land acquisition, demolition and resettlement office had done a lot of thorough work in advance, the voting for land acquisition underwent smoothly.

From October to December of 2008, the land acquisition, demolition and resettlement office went to every affected household and signed the agreement with them on land acquisition and demolition. They also explained and coordinated on related matters on land acquisition and demolition, which made every affected household have a clear understanding on land acquisition and demolition for this project.

On November 6, 2008, Nanning Environmental Protection Bureau released the *Second Notice on Landscaping Environmental Impacts Assessment for Nanning Kelijiang River Environmental Comprehensive Upgrading Project*, which consulted the opinions from direct or indirect affected units and individuals and those who are interested in project construction. The villager's committee is responsible for collecting the villagers' opinion and reported to related departments.

From November 15 to December 10 of 2008, the external monitoring and evaluation agency conducted the interview surveys on affected villages and households. The villagers' participation in the surveys also helps them have a better understanding on the Kelijiang environmental upgrading project.

3.2 Information Release

On July 21, 2008, the local newspaper *Modern Life Daily* introduced the ecological rehabilitation for Kelijiang river environmental upgrading project in the report *Xiangsihu Lake to Be an Urban Theme Park in the Western Area of Nanning*.

On July 22, 2008, the spokesperson of Nanning municipal government introduced the overview, construction goal and planned drawing design for Kelijiang river environmental upgrading project in a related meeting. On the same day, *Nanning Evening Newspaper* introduced the project in the report *Nanning to Build Kelijiang and Shibu Riverside Ecological Parks*. On July 24, 2008, *Guangxi Daily* reported on the project in the report *Nanning to Carry out Comprehensive Treatment on Kelijiang River and Shibu River*.

On August 22, 2008, the local newspaper *Modern Life Daily* introduced the construction of bidding contract of the sewerage system in the report *Launching of Kelijiang Sewerage System and the preparations for the bidding contract*.

On November 27, 15 local deputies of the people's congress paid a study mission to Kelijiang river environmental upgrading project. Related media including Tieliu Website carried out reports on the study mission visit.

3.3 Survey on Public Satisfaction

In February 2008, Nanning municipal government newly promulgated the "Compensation and Resettlement Methods for Acquisition of Collective Land and House demolition in Nanning City (No. [2008]15), of which the compensation standards are higher than those in the old policy (No. [2005]141). Please refer to the following Chapter 4 in for details of the changes. Because of the changes in compensation standards, Asian Development Bank draws great attention to the affected villagers' attitudes toward the applied compensation standards for this project. Thus, the external monitoring and evaluation agency conducted once again on the public satisfaction surveys on the new compensation standards.

The surveys were carried out from November to December of 2008. The external monitoring and evaluation agency conducted sampling surveys on the affected villages including Xinxu village, Silian village, Hede village and Chenxi village. All the 42 villagers surveyed are the householders or main family members of the affected households. The survey results show that, over 85% of villagers know the compensation standards in the two policies promulgated by Nanning municipal government. 90.48% of the villagers believe the compensation standards applied for this project are consistent with related governmental policies, while 4 villagers believe the compensation standards are lower a little bit. Regarding the public satisfaction survey on compensation policy, 20 villagers (47.62%) are satisfied, while 6 villagers (14.29%) are not

satisfied. The villagers as a whole are satisfied with the compensation standards applied for this project. They are satisfied with the same compensation standards for collective land being applied to the acquisition of their land on state-owned watercourse as well as the higher standards for vegetable land compared to the original compensation standards. The main reason for their dissatisfaction is that they believe the compensation price for the land is lower than the price of the commercial land, industrial land and educational land in the same area. They believe they will have better benefits if the government approves them to develop the land by themselves. In addition, some villagers believe that the commercial land allocated by the government for them is relatively few. The details of survey results are shown in Table 3-1.

Table 3-1 Questionnaire Survey on Public Satisfaction

Questions	Answers	Analyses on survey results							
		(1)		(2)		(3)		(4)	
		Person	Ratio (%)	Person	Ratio (%)	Person	Ratio (%)	Person	Ratio (%)
1. Are you familiar with the new compensation policies in decree No. [2008] 15?	1) Very familiar; 2) Familiar; 3) Unfamiliar.	12	28.57%	25	59.52%	5	11.90%		
2. Are you familiar with the compensation policies in decree No. [2005] 141?	1) Very familiar; 2) Familiar; 3) Unfamiliar.	9	21.43%	27	64.29%	6	14.29%		
3. How do you think about the compensation standards applied compared to those of the municipal government?	1) Relatively high; 2) Suitable; 3) Relatively low.	3	7.14%	30	71.43%	9	21.43%		
4. Are you satisfied with the compensation standards for land acquisition and demolition for Kelijiang project?	1) Very satisfied; 2) Satisfied; 3) Average; 4) Dissatisfied.	3	7.14%	17	40.48%	16	38.10%	6	14.29%

3.4 Complaint and Grievance

According to the requirements of the *Resettlement Plan*, a transparent and effective channel for complaint and grievance has been established in its actual implementation. Complaint and grievance are accepted by Nanning ADB Project Management Office, Xiangsihu New District Project Management Office, the land supervision department in the city and various districts, and the independent supervisor. Various departments have informed the affected villagers of the name (contact person) and the contact number (telephone number) of staffs who accept the complaint and grievance, as shown in Table 3-2. If they have any unresolved issues or complaint, the affected villagers can report grievance to Nanning ADB Project Management Office, the land acquisition, demolition and resettlement office, and the project implementing agency, or even appeal to the court.

After learning from the supervision department for land acquisition and demolition, there are some main disputes during the process of land acquisition and demolition: 1. Various affected units had disputes over the boundary of the land. After field reconnaissance and referring to historical archives, all the disputes were settled before June, 2007 with the coordination and consultation among related governmental department, various affected units, villagers' committee and representatives of the villagers. 2. The land acquisition and demolition department consulted with the representatives of villagers for several times and finally agreed on types of land and their compensation unit price, which made the voting conference for land acquisition move forward smoothly. 3. With the assistance from the villagers' committee and the sub-district office, the land acquisition, demolition and resettlement office carried out field reconnaissance and found evidence in every affected households and finally verified and agreed on the land-attached constructions, compensation price for unit price and house demolition. They also listened to the opinions from affected villagers and coordinated to handle disputes.

Thanks to smooth and thorough information release, the government's compensation policies on land acquisition, demolition and resettlement are understood and supported by the affected villagers. Those with different opinions on this project and its compensation policies usually achieve consensus in public consulting meetings, and their problems are properly settled within reasonable scopes of policy.

Table 3-2 Resettlement Implementing Institutions and Their Staffs

Implementing Institutions	Staff	Person-in-charge	Contact	Contact Person	Contact

Nanning ADB Project Resettlement Management Office	5	Li Ning	0771-2189308	Li Dong	13978631666
Nanning Xiangsihu New District Construction and Development Company	8	Wan Lingyun	0771-3279896	Zou Shixiang	13727133001
Land Acquisition, Demolition and Resettlement Office in Xiangsihu New District	9	Quan Hongshun	0771-3279870	Huang Jingjing	13878895950
Independent Monitoring Agency—Guangxi University of Finance and Economics	7	Meng Lizhen	0771-3823158	Liu Ningjie	13152650525

4 Resettlement Compensation Policy

Kelijiang River Environmental Comprehensive Upgrading Project started work in August 2006, at the instruction of Nanning municipal government which decree No. (2005) 141 forms the basis for the project's decisions and policies on land acquisition, demolition, resettlement and compensation standards. In order to facilitate the resettlement and guarantee the smooth implementation of the project, actual compensation standards paid out at execution of project were slightly higher than the standards originally fixed in the *Resettlement Plan*. On the other hand, Nanning municipal government, by decree No. (2008) 15 promulgated in February 2008, also slightly raised the compensation standards. In effect, the actual compensation payouts matched the revised standards stipulated in the government decree.

4.1 Land Acquisition Procedures

Land acquisition procedures of Kelijiang River Environmental Comprehensive Upgrading Project are as follows:

(1) August 2006: Nanning Bureau of Land and Resources announced its Land Acquisition Pre-Notice (Ref. No. {2006} 97). The *Pre-Notice* detailed the locations of land to be acquired and related boundaries, areas, timing of acquisition, usages, compensation standards and methods of resettlement. The *Pre-Notice* also required that no construction of any permanent structures, and no unauthorized change of land use and its geomorphological features within the whole area covered by this project.

(2) March–July 2007: The Land Acquisition, Demolition and Resettlement Office, joined by relevant government departments, villager's committees and villagers' representatives, made visits to the affected villages verifying land boundaries (of individual village, rural production team and household), classifying land types, confirming land ownerships, confirming respective land sizes and doing the surveys, as well as taking count of land-attached constructions. All land details and land-attached construction were cross-checked again before public announcement.

(3) From August 2007 onwards: Conducting the negotiation and drafting of compensation and resettlement agreements in batches, and organizing both parties (i.e. the Project Implementing Agency and respective land owners) to scrutinize, approve and sign the agreements.

4.2 Acquisition of State-owned Land

State-owned land involved in this project includes educational land

occupied/used by schools, state-owned roads and state-owned watercourses.

In Nanning municipal government decree No.(2005) 14, compensation standard for state-owned educational land to be acquired from Guangxi Agricultural Occupational College and Guangxi Economic Management Cadre College is set at RMB 14,000 per mu. But, owing to Guangxi Zhuang Autonomous Region Government policy of protecting educational land for higher education institutions which requires educational land acquisition of this project to be done on the “Acquire One, Compensate One” basis, and since Bureau of Land and Resources has set the standard price for new educational land in Shengxihu area at RMB 230,000 per mu, hence educational land acquisition for this project is to be compensated at RMB230,000 per mu as well.

A total of 51.125 mu of educational land was acquired from Guangxi Economic Management Cadre College with RMB 11.75875 million compensation capitals paid during this monitoring period. The educational land acquisition from Guangxi Agricultural Occupational College (305.513 mu for RMB 70.268 million) was already mentioned in the third monitoring report.

4.3 Acquisition of Rural Collective Land

4.3.1 Changes of Compensation Standards

In 2005, Nanning municipal government promulgated decree No.(2005) 141 on “*Compensation and Resettlement Methods for Acquisition of Collective Land and House demolition in Nanning City.*” In the *Resettlement Plan*, this project made reference to the said decree and applied the Nanning City Section 2 standards in its compensation standard calculations. (For details, please refer to Table 4-1),

Table 4-1 Average Land Acquisition Prices as per Document No. [2005] 141

Type of Land	Compensation Standard (RMB/mu)	
	Section 1	Section 2
Paddy land	50000	45000
Vegetable land	80000	70000
Fish pond	60000	53000
Dry land	40000	35000
Orchard	40000	36000
Rural construction land, grassland and other rural land	20000	

Notes: The compensation standards are based on the coefficient of the second type of land.

In view of the economic growth and rising consumer prices, in February 2008, Nanning municipal government promulgated decree No. (2008) 15 to protect the interests of villagers affected by land acquisition. By this decree, Chenxi village, Silian village, Xinxu village and Hede village are all reclassified and included in Nanning City Section I and accordingly these villages are now qualified for the higher Section 1 compensation standards for land acquisitions. (Please refer to Table 4-2 for details)

Table 4-2 Average Land Acquisition Prices as per Document No. [2008] 15

Section, basic price Type of Land		Compensation Standard (RMB/mu)	
		Section 1	Section 2
Agricultural Land	Paddy land, vegetable land, dry land, fish pond and forest land	90000	78000
	Land for agricultural facilities	50000	40000
Construction land		40000	30000
Unutilized land		40000	30000

4.3.2 Land Type Reclassification

As per *Resettlement Plan* budget, 1613 mu of rural collective land are to be acquired, of which 1178 mu (73%) are fish pond land in the watercourse of Kelijiang river. This part of the river used to be a flood-discharge section. In the high-water season of the year, villagers operate fisheries on the river. But during the dry-water period, when the river narrows with over 80% of the riverbed exposes as dry land, villagers use it as vegetable land. Also, in the *Resettlement Plan* there are some 360 mu of dry land and orchard land which, depending on climate change, are used by the villagers for growing vegetables or forage grass.

For these reasons, upon acquisition of land of these types of land, both the village cadres and the villagers requested to be compensated at the vegetable land standards. After investigation and gathering evidence, the Project Implementing Agency and the Land Acquisition, Demolition and Resettlement Office reported this request for land-type reclassification to the People's Government and obtained the approval.

4.3.3 Modes of Resettlement

By Nanning municipal government regulations, depending on

circumstances, land-acquisition-related resettlement could be extended beyond the payment of resettlement subsidy (as granted by laws) to other modes of compensation include allocation of reserved production land, compensation in kind, payment of self-employment subsidy etc.

This project is a public welfare undertaking, main objectives of which are to dredge the river channel and to restore ecological environment. Since the acquired land are used on environmental improvements only and not for commercial property development, the compensation in kind is not a feasible option for this project. As for the other option of allocating 40 m² of reserved commercial land per person, this is all along the most popular option of the villagers, although some villagers choose to take the self-employment subsidy.

All four administrative villages affected by this project have held villagers' meetings to vote on the available resettlement options. Chenxi village opted for taking 2.5 mu of reserved commercial land (against 37 mu the village already hold). Silian village opted for taking 4 mu of reserved commercial land, with 9 villagers taking the self-employment subsidy. Xinxu village has 13 villagers taking the self-employment subsidy, whereas Hede village's resettlement issues are to be dealt with under the Xinxujiang project administration.

4.3.4 Evaluation

After this land acquisition, Chenxi village basically has no more farmland left, whereas Silian village still has 0.8 mu per person and Xinxu village 0.25 mu per person. Hede village, on the other hand, has only 0.29 mu of farmland per person even before this land acquisition exercise. It is stipulated that the per capita farmland coefficient should be 1.0 for Silian village, and 1.4 for the other three villages. But, after taking into account that land to be acquired from all four villages are similar in location and in nature, and taking comprehensive consideration of Silian villagers' opinions, it is decided that the same coefficient (1.4) is applicable to Silian village as well. Besides, there has been land-type adjustment on certain rural collective land acquired in the period from July 1 to December 20, 2008, compensation of which was based on "vegetable land" standards. For details, please refer to Section 4.3.2 in the report.

To sum up the above analysis, following the economic growth, Nanning city has adjusted its land acquisition compensation policy correspondingly. For the sake of safeguarding the affected group's interests and their return to normal living, compensation standards are gradually increased to match the economic growth. As far as this project is concerned, the compensation standards applied are not only higher than the ones set out in the *Resettlement Plan*, they are also in full compliance with the land acquisition compensation policy of Nanning city.

5 Resettlement Implementation Monitoring and Evaluation

5.1 Resettlement Schedule

From July 1 to December 10, 2008, 764.012 mu of rural collective land has been acquired for Kelijiang River Environmental Upgrading Project from two villages namely, Chenxi village and Silian village, with compensation capitals totaling RMB 95.9769 million fully paid. 51.125 mu of educational land has been acquired from Guangxi Economic Management Cadre College, with RMB 11.75875 million compensation capitals paid in full. In this period, there has been no house demolition involved, resettlement schedule is basically in line with the project engineering work schedule.

5.2 Acquisition of Collective Land

5.2.1 Comparative Analysis on Acquisition of Collective Land

By December 10, 2008, a total of 1639.2 mu of rural collective land has been acquired, thus completing the whole land acquisition exercise which involved four villages namely, Chenxi village, Silian village, Xinxu village and Hede village, and affected 252 households and 945 villagers. The actual acquisition of rural collective land from July 1 to December 10, 2008 is shown in Table 5-1. The total acquisition of rural collective land acquired so far is shown in Table 5-2.

Table 5-1 Land Acquisition Status for Kelijiang Environmental Comprehensive Upgrading Project (From July 1 to December 10, 2008)

Unit: mu

Affected village	Vegetable land	Fish pond	Total	Household	Population
Chenxi village	0	603	603	98	379
Silian village	158.335	2.677	161.012	9	37
Total	158.335	605.677	764.012	107	416

Table 5-2 Comparison on Acquisition of Rural Collective Land for This Project

Affected villages	Acquisition of rural collective land (mu)															
	<i>Resettlement Plan</i>								Actual acquisition					Difference	Affected population	
	Dry land	Vegetable land	Paddy land	Fish pond	Orchard	Others	House site	Subtotal	Vegetable land	Fish pond	Orchard	Others	Subtotal		House hold	Persons
Chenxi village	0	0	0	614	70	0	0	684	99.166	603	2.317	2	706.483	22.483	112	420
Silian village	116	15	50	353	16	2	0	552	456.46	85.582	11.826		553.868	1.868	45	179
Xinxu village	75	0	2	210	57	1	2	347	333.435	16.303	0		349.738	2.738	80	280
Hede village	29	0	0	1	0	0	0	30	29.113	0	0		29.113	-0.887	15	66
Total	220	15	52	1178	143	3	2	1613	918.174	704.885	14.143	2	1639.202	26.202	252	945

Notes: The *Resettlement Plan* included a 17 mu land of Guangxi Mechanical and Electrical Engineering College which ownership is disputed by Chenxi village. After investigation and verification by government departments concerned, it has now been confirmed that this lot of land belongs to Chenxi village and is counted as part of the village's rural collective land affected by this project.

5.2.2 Compensation Standard for Land Acquisition

The actual compensation standards for land acquisition, resettlement and crops are all higher than those in the *Resettlement Plan*. According to the budget in the *Resettlement Plan*, the compensation standards for land acquisition and resettlement subsidies are calculated according to second type of land in Section 2; however, in actual implementation, the compensation standards for land acquisition and resettlement subsidies are all calculated according to first type of land in Section 2. In the compensation budget, the compensation standards for crops are based on the second type of land in the corresponding Section. However, for the best interests of affected villagers, the compensation standards for crops are all based on the first type of land in the corresponding Section in actual acquisition. The specific compensation standards for acquisition of rural collective land are shown in Table 5-3.

Table 5.3 Comparative Compensation Standards for Acquisition of Rural Collective Land

Type of land	Compensation Standards for Rural Collective Land (RMB/mu)				
	<i>Resettlement Plan</i>		Actual		
	Land acquisition and resettlement subsidy	Crops	Land acquisition and resettlement subsidy		Crops
Affected village			Actual Compensation		
Vegetable land	98000	3500	Silian village	110000	5000
Fish pond	74200	3000	Chenxi village	123000	5000
			Silian village	110000	5000

5.2.3 Payment and Use of Compensation Capitals for Land Acquisition

By December 10, 2008, the actual compensation capitals paid for acquisition of rural collective land for this project is RMB 203.15455 million, equivalent to 177.10% of the total planned compensated capitals budgeted in the *Resettlement Plan*. A total of RMB 95.9769 million has been paid for acquisition of rural collective land in the period from July 1 to December 10, 2008, of which RMB 77.3069 million for Chenxi village and RMB 18.67 million for Silian village (including RMB 0.138 million compensation for land-attached constructions). The sources of above capitals are all from financial allocations and are raised by the project implementing agency. As per Nanning municipal government requirement, all compensation capitals must be in place before

the actual land acquisition can start. And, all compensation capitals are to be paid in full amount to the village committees within 2 weeks of the signing of land acquisition agreements and verification by related land resources supervision department.

According to field surveys by the monitoring and evaluation agency, the compensation capital has been paid in full to the affected villages and villagers. The compensation capital has been paid on the basis of the standards defined in the *Resettlement Plan*, which assures the smooth and complete compensation for resettlement.

The compensation capital for actual acquisition of rural collective land during this monitoring period is shown in Table 5-4, and the total accumulated compensation capital for acquisition of rural collective land is shown in Table 5-5.

Table 5-4 Compensation Capital for Actual Acquisition of Rural Collective Land
(From July 1 to December 10, 2008)

Affected village	Land Acquisition (mu)			Compensation Capital (RMB 10,000)				
	Vegetable land	Fish pond	Subtotal	Land acquisition	Resettlement subsidy	Crops	Land-attached construction	Subtotal
Chenxi village	0	603	603	2412.08	5017.11	301.5	0	7730.69
Silian village	158.335	2.677	161.012	569.5	1202.6	81.1	13.8	1867
Total	158.335	605.677	764.012	2981.58	6219.71	382.6	13.8	9597.69

Table 5-5 Comparative Total Accumulated Compensation Capital for Acquisition of Rural Collective Land

Affected village	Compensation capitals for acquisition of rural collective land (RMB 10,000)								
	<i>Resettlement Plan</i>			Total Accumulated Compensation Paid					Difference
	Basic land acquisition	Crops	Subtotal	Land acquisition	Resettlement subsidy	Crops	Land-attached construction	Subtotal	
Chenxi village	4908.7	205.2	5113.9	2716	5923.7	341.17	143.63	9124.5	4010.6
Silian village	3736	142.6	3878.6	2131.4	3811.02	313.18	328.31	6583.91	2705.31
Xinxu village	2232.2	92	2324.2	1273.9	2666.9	186.9	132.9	4260.6	1936.4
Hede village	149.5	4.7	154.2	104.8068	221.2588	14.5565	5.8226	346.4447	192.2447
Total	11026.4	444.5	11470.9	6226.1068	12622.879	855.8065	610.6626	20315.455	8844.5547

Notes: There is no compensation capital for land-attached constructions in all the four affected villages in the *Resettlement Plan*.

5.3 Acquisition of State-owned Land

In the period from July 1 to December 10, 2008, this project has acquired 51.125 mu of state-owned land from Guangxi Economic Management Cadre College and paid RMB 11.75875 million compensation capital (i.e. at RMB 0.23 million per mu), thus bring the acquisition of state-owned land to a satisfactory completion

To date, this project has permanently occupied a total of 356.638 mu of state-owned land and paid a total of RMB 82.02674 million in compensation.

5.4 Demolition of Houses and Buildings

In the period, there was no change in demolition of houses and buildings as compared to that in the last monitoring. To date, a total of 16, 739.78 m² of houses and buildings have been demolished and RMB 5.1553 million paid in compensation (of which RMB 1.656 million was related to rural houses demolition), accounting for 32.31% of the total planned demolition in the *Resettlement Plan*. The compensation paid to Guangxi Agricultural Occupational College for demolition of its buildings was amounted to RMB 3.4993 million.

6 Income Restoration for Affected Villages and Affected Households

The villages affected by this project include Chenxi village, Silian village, Xinxu village and Hede village. From November 20 to December 20, 2008, the monitoring and evaluation agency made visits to the affected villages to conduct surveys and interviews. The income and living restorations in various affected villages are as follows:

6.1 Restoration in Chenxi village

In the period from July 1 to December 10, 2008, a total of 603 mu of rural collective land was acquired from Chenxi village. A total of RMB 77.3069 million of compensation capital has been paid to the village, including RMB 24.1208 million for land acquisition, RMB 50.1711 million as resettlement subsidy and RMB 3.015 million for crops.

Land acquired from Chenxi village in this period were fish ponds on Kelijiang river and by the riverside, collectively owned by the village and leased out to fish farmers who consisted of 9 local villagers and 8 external fish farm operators. Since August 2006 the village committee has ceased to renew the leases of fish pond land after Nanning Bureau of Land and Resources promulgated the pre-acquisition announcement. The village committee has reached agreement with the fishing households that they can continue with their fishery activities on the river until the project's engineering work begins, free of rent payments. But the fishing households must clear up their properties and vacate their fisheries, without further compensation, when the project starts works on the river. On June 30, 2008, majority of fishing households on the river were still operating as normal. But, as of December 10, 2008, as the project progressed and with the arrival of the dry season, water area on the river suitable for fisheries has reduced by 70% and was confined to the mid stream area.

(1) Distribution and use of compensation capitals: As per distribution plan discussed and passed by the villagers' meeting, the RMB 77.3069 million land acquisition compensation capitals received are to be evenly distributed among permanent resident villagers on the village's rural household registrar. A per-capita disbursement of RMB 68,000 has been released to each and every villager concerned.

(2) Development of commercial land: Chenxi village has got three pieces of commercial land of a total area of 72 mu. It is estimated that incomes generated from these commercial land will increase the village's future collective earning bonus by about RMB 1,000 per person per year.

1) The 44 mu commercial land located east of Qingchuan Avenue has been leased to a gas station and a cargo depot and the surrounding shops.

The gas station occupies about 6 mu of land, yearly rental is RMB 150, 000. The cargo depot occupies about 38 mu of land, yearly rental is approximately RMB 400, 000.

2) The 14.5 mu commercial land located east of Xiangxihu (i.e. Kelijiang) and south of University Road is presently housing an agricultural produce market which has about 1000 retail stalls. At an average monthly rent of between RMB 700-800 per stall (and up to RMB 1,000 for stalls in the center), the market is yielding a total yearly rental income of RMB 700,000 for the village. Upon commencement of this project, Chenxi village has applied for permission to convert the agricultural produce market into a commercial building. Considering that Chenxi village will have no more farmland after this land acquisition, and taking it as a way of compensatory arrangement to Chenxi village in support of the district's environmental upgrading program, the Nanning Planning Bureau has given their permission. The conversion, which will have 4 stories of shop premises and cost an estimate RMB 40 million to build, has successfully secured an interested investor. This commercial development will generate for Chenxi village a yearly rental income of RMB 1.8 million for 15 years and the property ownership will also be returned to the village after 15 years.

3) The third lot of commercial land, located east of Xijiang Road and south of University East Road, has a gross area of 37 mu and an actual useable area of 22.5 mu. Approval has been given to develop this piece of land into a car-free shopping street with 4 storeys of shop premises which is estimated to cost RMB 50 million to build. The village will be collecting from the developer a rental income of RMB 10,000 per mu per year for 15 years and have the ownership back in 15 years.

(3) Villagers' production and living restoration: Chenxi village used to have limited farmland, even before the land acquisition. The land acquired by this project are mainly onshore fish ponds and watercourse fisheries collectively owned and operated by the village. Few families rely on farming activities as their main income source. Collectively from the village's point of view, renting out fish ponds and watercourse fisheries (at a rent of RMB 200 to RMB 400 per mu per year) is a low income economic activity. In other words, the land acquisition by this project has little impact onto Chenxi village's financial incomes.

It is learnt in field interviews that, for now, most of the compensation capitals are being kept at the banks. In terms of investment intention, more people plan to use the compensation capital to build new houses or refurbish old houses for higher rental incomes, others plan to make use of Chenxi village's geographical advantage to do some service-industry business or open shops, five people said they would put RMB 30,000 to RMB 50,000 in farming.

In the meetings with the village committee and from field interviews, it is learnt that in 2008 Chenxi village has 120 man-times participation in employment trainings organized by the district government. (For details of training, please refer to paragraph 9.3). After training, 15 villagers found jobs outside the village earning a monthly salary of RMB 900-1200. The project implementing agency and the district's land acquisition office are very conscious of the villagers' training and employment needs, working closely with the district government to organize the land-losing villagers to

take part in training. Besides, this project itself has hired 7 villagers for temporary work for up to 12 months at a monthly pay of RMB 1, 100. According to the village committee's estimate, in 2008 they have 11-15 villagers newly engaged in business.

Interview with the villager: Mr Chen, 49 years old, has a family of five, including two working adults, two school children and an elderly. Chen and his wife are running a grocery store which earns them about RMB 3,000 a month. In addition, they are getting about RMB 10, 000 collective bonus a year from the village and have another RMB 20, 000 income from a 490 m² rental property they own. Their current incomes are sufficient to support the family's living expenses and so they have put their RMB 400,000 land acquisition compensation capital in the bank. Mr Chen said he may expand his grocery business in the right circumstances. But, above all, this money will be used for meeting his children's future schooling and career development needs.



Figures 5-1 Chenxi village commercial land development

6.2 Restoration in Silian village

A total of 161.012 mu of rural collective land was acquired in Silian

village from July 1 to December 10, 2008. With an accumulated total of 553.868 mu of land acquired, land acquisition from Silian village has been completed. Land acquired in this monitoring period are mainly the Silian village section of Kelijiang watercourse with the sloping fields on both side of the river which are collectively owned by the village. Total compensation capital for this period is amounted to RMB 18.67 million, including RMB 5.695 million for land acquisition, RMB 12.026 million as resettlement subsidy, RMB 0.811 million for crops and RMB 0.138 million for land-attached constructions.

(1) Distribution and use of compensation capital: As discussed and agreed by the villagers' committee, villager groups and in the villagers' general meeting, the compensation capitals for land-attached constructions are paid directly to the affected households. As for the compensation capitals for land acquisition and the resettlement subsidies, 10% is retained by the village as reserve for collective use, the remaining capitals are to be evenly distributed among permanent villagers in the village's rural household registrar, alongside the re-distribution of remaining farmland not required by the project. The above distribution of land acquisition compensation capitals and farmland have since been completed, in average each villager got RMB 13, 000 and about 0.5 mu of farmland.

(2) Development of Commercial Land: Silian village's main income sources used to be coming from letting out fish ponds and wasteland, incomes are mainly used to pay for the village's public facilities and collective welfares such as giving each elderly aged over 60 RMB 200 pocket money in Chung Yang festival. The village is allocated to 4 mu of commercial land according to the *Resettlement Plan*, development plans of which are being drawn up. Besides, the village has disbursed subsidy payments to 9 villagers who went for the self-employment option.

(3) Training and Employment: It is learnt in meetings with the village committee and in interviews that, in 2008, Silian villager has 170 man-times participation in job-related trainings organised by the district government, of which about 100 are farming technique related. About 10 trained villagers have since found jobs outside the village which pay between RMB 900-1200 a month. Both the project implementing agency and the district's land acquisition office are very conscious of the villagers' training and employment problems, they are working closely with the district government to organize the land-losing villagers to take part in trainings. Besides, the project itself has hired 26 Silian villagers for temporary jobs for up to twelve months which pay between RMB 900-1, 000 a month. According to the village committee's estimates, in 2008, they have about 10 to 15 villagers doing business in other places and about 5 to 10 villagers engaged in farming partnerships.

(4) Villagers' Production and Living Restoration: With the completion and opening to traffic of Keli Road, which runs along Kelijiang River, has greatly improved the livelihood and production environment of Silian village. According to estimates made during interviews, 20% more external tenants are attracted to the part of village adjacent to Guangxi University for Nationalities, and number of people doing business outside the village have increased to 10%-15% of the village's working population. It's understood that some villagers have built new houses and refurbished their homes with

the compensation capitals.

Interview with the villager: Mr Chen, 42-year-old, has a family of four, including two working adults and 2 children studying in middle school, Mr Chen is newly allotted 1 mu of farmland by the village, which he let his neighbor use it for free. Before land acquisition, he used to rent about 130 mu of land from the village for raising ducks and fish farming and earn between RMB 50, 000 to RMB 100, 000 a year. After receiving RMB 400, 000 compensation capitals from land acquisition, Chen quit fishing in October 2007. In beginning of 2008, Chen leased 4.5 mu of farmland from the village for 5 years at RMB 500 per mu per year, and invested RMB 120, 000 to build a 2, 200 m² piggery. The piggery has a maximum capacity of 380 head but at that moment he only keeps a herd of 160. Chen agreed that the breeding business has an element of risk and is more market-price sensitive. But, as compared to fish farming, the piggery is easier to manage.

6.3 Restoration in Xinxu Village

By the end of 2007, the land acquisition has been completed in Xinxu village. There was no land acquisition and no house demolition in the village in the period from January 1 to December 10, 2008. Since commercial land had previously been allocated to the village during the land acquisition for Gaoxin Development Zone, there is no further commercial land allocation for this village in this project. Altogether 13 people from the new population of the village opted for the self-employment subsidy, their applications have been approved and they are subsequently paid.

(1) Employment and Trainings: In 2008, the district government and the sub-district office joined hands to organize work-skills trainings for 90 villagers and found jobs for 16 in the property-management and landscaping sectors that earn about RMB 1000 monthly. This project implementing agency itself is a temporary-job provider to the village. It has employed 24 villagers in sewage-pipe installation works and as site security, for short periods up to 12 months that pays between RMB 800 to RMB 1100 monthly. The project has also hired some 20 farming and transportation vehicles from the village for temporary use.

(2) Villagers' production and living restoration: Based on field surveys and interviews, the land acquisition poses less impact to the villagers because incomes from planting and breeding account for only a small proportion of their total incomes. The most popular usages of compensation capitals are: building new houses or refurbish existing houses (for higher rental incomes), and funding new business start-up or expanding existing business. Some planting breeding households, however, indicated that they may expand their activities at appropriate time. Investigation also shows that some of the village's working population have jobs in enterprises nearby, earning RMB 1, 100-1, 500 monthly. With the development of the village's service-related business, the village's collective bonus reaches RMB 2, 000 per person.

Interview with the villager: Mr Liu, 56 years old, has a family of four, including three working adults and a daughter in high school. Liu is left with only 0.2 mu of farmland after the land acquisition. He owns a 3-storey house of a total floor area of 250 sq.m. which is left vacant. The family made about RMB 18, 000 a year from business, their other incomes include income from employment (about RMB 12,000), farm income (about RMB 1,000) and other incomes (about RMB 10,000). The family's yearly expenses is about RMB 25,000 inclusive of RMB 1,500 school fee. Chen received RMB 108,000 compensation capital from land acquisition, which he plans to use on property improvement and for his daughter's education. The land acquisition does not affect the family incomes. Liu hopes the Keli Avenue construction can be completed soon, in his opinion the new road will be helpful to Xinxu village's economic development.

6.4 Restoration in Hede Village

Hede village is affected by both Kelijiang project and Xinxujiang project. Kelijiang project poses less impact as it acquires less than 30 mu of rural collective land from the village. Land acquisition relating to Kelijiang project was completed at 2007 year end, with total compensation capitals of RMB 3.464447 million paid. Distribution of compensation capitals in different villager groups varied, ranging from RMB 1800 to RMB 3100 per person. The village is more affected by Xinxujiang project, accordingly its commercial land allocation is being dealt with by Xinxujiang project management.

Hede village is located in the suburb of Nanning city. Being close to Gaoxin Development Zone, the village has more factories and an agricultural produce market and a shopping area nearby. Its geographical advantage has made house-letting an important income source for the villagers, incomes from farming are relatively small by proportion. Based on interviews with villagers, over 70% of the village population are either in business or have employments outside the village. The villager's collective bonus is about RMB 1, 500 per person per year. As from November 2007, the whole village population has joined Nanning city's new type rural cooperative medicare system.

Interview with the villager: Mr. Lai, 36 years old, has a family of three, including two working adults and a child in primary school. Total yearly family income is about RMB 45,000, of which about RMB 8,000 from house rentals and about RMB 28,000 from employment outside the village. Lai has received in total about RMB 200,000 land acquisition compensation capitals from Kelijiang project and Xinxujiang project. He has spent RMB 50,000 on his rental property and buying new furniture, for this he can earn RMB 300-500 more rent each month. He is prepared to spend the remaining money on suitable investments. The family has joined the new type rural cooperative medicare system of Nanning city. In his opinion, Kelijiang project and Xinxujiang project are financially beneficial to his family

7 Resettlement and Restoration in Affected Institutional Units

Institutional units affected by this project include Guangxi Agricultural Occupational College and Guangxi Economic Management Cadre College, and the land acquired from these two institutions is educational land. In the period from July to December, 2008, a total of 51.125 mu state-owned educational land has been acquired from Guangxi Economic Management Cadre College, while there has been no additional land acquisition or house demolition from Guangxi Agricultural Occupational College.

In the case of Guangxi Agricultural Occupational College, the construction of two new students' dormitories in the old campus has been completed and will be ready for use in the next semester, thus solving the accommodation problem of the students affected by the next phase of demolition. The laboratories affected by the next phase of demolition will be rebuilt on a chosen site in the old campus, relative building plan has been drawn up and confirmed. The compensations received from demolition and removal will be used in full amount for reconstruction, whereas the compensation received from land acquisition will be used for acquiring land for its new campus.

In the case of Guangxi Economic Management Cadre College, this project does not affect the school's day-to-day operation very much because the land acquired from the school are vacant, unused land on the Kelijiang riverside. Instead, an open waterfront ecological green belt being formed with this project will directly contribute to the improvement of the campus environment and provide a relaxing leisure area for its teaching staffs and students. The school received RMB 11.75875 million compensation from land acquisition which it plans to use on improving the campus environment and acquiring new teaching equipments.

8 Involuntary Resettlement Sampling Survey and Result Analysis

From November 20 to December 20, 2008, the external monitoring and evaluation agency conducted surveys on the implementation schedule, compensation, demolition and resettlement for Kelijiang project. The surveys focused on the incomes and expenses of affected villagers, and the distribution and use of compensation capitals from July to December 2008.

8.1 Survey Methods

The main survey methods adopted by the external monitoring and evaluation agency include interview survey and sampling questionnaire survey. The external monitoring and evaluation agency organized interview meetings in the four affected villages namely, Chenxi village, Silian village, Xinxu village and Hede village, and the village cadres and the villagers' representatives took part in the meetings. The external monitoring and evaluation agency also interviewed the land acquisition, demolition and resettlement office, the project implementing agency, Guangxi Agricultural Occupational College and Guangxi Economic Management Cadre College so as to understand the status of resettlement schedule and the implementation of resettlement policies, the use of compensation capitals, complaints and grievances, and public participations.

In order to understand the impacts on affected villagers by the project, their production restoration and their use of compensation capitals, the external monitoring and evaluation agency conducted sampling surveys on the affected households in the affected villages. The distribution of the sampling is shown in Table 8-1.

Table 8-1 The Sampling in Various Affected Villages

Affected Villages	Households Surveyed	Population
Chenxi village	15	63
Silian village	15	59
Xinxu village	10	41
Hede village	2	7
Total	42	170

8.2 Family Annual Income and Expenses

On the basis of statistic analysis on the questionnaires, the per capita income of affected villagers from July to December 2008 was RMB 3, 902.93. Of which, the village's collective bonus of RMB 1, 605.60 was the highest proportion, accounting for 41.14% of the total income. The second highest proportion was salary income and agricultural income. The compensation capital for the project was not included in the income. As for expenses, the per capita expenses of affected villagers from July to December 2008 was RMB 2, 857.97, including RMB 319.86 (11.19%) for family production operating expenses and RMB 2, 216.66 (77.56%) for living expenses, as shown in Table 8-2.

From the prospective of incomes, the villagers' income sources are multiple and varied. Collective bonus from the village is the most important component. Salary income and agricultural income are the next highest, accounting for 20.38% and 19.53% respectively. Incomes from doing service industry business and rental & property-related income are another main income sources. From the prospective of expenses, the proportion of production and operating expenses accounts for a small proportion (only 11.19%), smaller than the expenses on food (25.31%) and expenses on living (19.6). Judging from the survey results, the villagers' income situation is satisfactory and has improved as compared to the first half of the year.

Table 8-2 Income and Expenses Analysis on Sampling Survey

Item	Unit	2007 Jan.-Dec.	2008 Jan.-Jun.	2008 Jul.-Dec.	Jul.-Dec. Proportion (%)
I. Incomes	RMB	5572.62	2102.22	3902.93	100.00
1. Salary income	RMB	2215.76	647.27	795.42	20.38
2. Agricultural income	RMB	787.16	726.19	762.15	19.53
3. Income from service industry	RMB	1115.02	398.68	325.45	8.34
4. Rental and property-related income	RMB	323.8	276.02	205.13	5.26
5. Collective bonus	RMB	1089.38		1605.60	41.14
6. Others	RMB	41.5	54.06	209.18	5.36
II. Expenses	RMB	3571.52	2557.90	2857.97	100.00
(I) Production and operating expenses	RMB	563.29	290.40	319.86	11.19
1. Agricultural production expenses	RMB	94.36	121.85	157.32	5.50
2. Service industry operating expenses	RMB	468.93	168.55	162.54	5.69
(II) Living expenses	RMB	2639.94	1979.73	2216.66	77.56
1. Food	RMB	1180.84	816.75	723.30	25.31
2. Clothings	RMB	211.08	173.06	246.56	8.63
3. Living	RMB	339.86	298.37	560.27	19.60
4. Home appliances and daily necessities	RMB		162.68	135.04	4.73
5. Transportation and communication	RMB	305.12	198.15	218.10	7.63
6. Culture and education	RMB	475.5	169.16	210.13	7.35
7. Medical care	RMB	127.54	136.42	89.00	3.11
8. Others	RMB		25.15	34.26	1.20
(III) Other expenses	RMB	368.29	287.77	321.45	11.25

8.3 Use of Compensation Capitals

On the basis of the statistics of the questionnaires, the affected households received an average of RMB 184,600 compensation capital.

According to surveys on actual use or planned use of compensation capital, an average of RMB 131, 400 (71.39%) per household is saved in the bank, usages in other purposes are relatively small. In comparison with the previous survey, there are growth in property-related investments (such as building new houses and repairing/refurbishing old houses) and increase in business-related operational expenses, as shown in Table 8-3. This survey also enquired about the villagers' investment intention, and results show that the biggest interest is to invest in service industry business, as shown in details in Table 8-4.

Table 8-3 Use of Compensation Capitals

Used or to be used for:	Household Average (RMB 10,000)	Proportion (%)
1. Saving in the bank	13.14	71.39
2. Daily living expenses	0.52	2.80
3. Buying big durable goods	0.14	0.75
4. Agricultural production	0.19	1.02
5. Operational expenses (processing and sales costs)	0.85	4.57
6. Building, repairing, refurbishing houses	1.03	5.54
7. Education expenses	0.57	3.09
8. Medical care	0.01	0.04
9. Buying vehicles	0.20	1.08
10. Buying communication equipments	0.00	0.00
11. Loan repayment	0.11	0.59
12. Others	1.70	9.14
Total	18.46	100.00

Table 8-4 Investment Intention Survey

Item	Households	Proportion (%)
1. Building new houses, repairing/refurbishing old houses	11	26.19
2. Buying commercial housing	2	4.76
3. Buying motor vehicle	4	9.52
4. Buying big durable goods	12	28.57
5. Investing in planting activities	7	16.67
6. Investing in livestock husbandry	9	21.43
7. Investing in catering trade	6	14.29
8. Investing in small grocery shop	11	26.19
9. Operating clothing trade	8	19.05
10. Operating small hotel	3	7.14
11. Operating other service industry business	18	42.86
12. Investing in cottage industry	7	16.67
13. Saving in the bank	28	66.67
Total	42	

9 Social Action Plan Monitoring and Evaluation

According to requirements of the *Vulnerable Groups Social Development Action Plan* by Nanning ADB Project Management Office in 2005, the external monitoring and evaluation agency conducted the monitoring and evaluation on the social development action for this project. The monitoring and evaluation contents include employment opportunity for vulnerable groups by or during project construction, income restoration for affected individuals, reduction or exemption of cleaning charges for poor population, minimum subsistence allowance for poor population, education on public environment and health, as well as construction safety education etc.

The external monitoring and evaluation agency, through telephone interview, visiting interview and household survey, has communicated with related government departments, project implementing agency, villagers' committee and villagers so as to know the implementation status of social development action plan for vulnerable groups.

9.1 Government's Supporting Policies for Vulnerable Groups

On August 27, 2008, Nanning municipal government promulgated the *Circular of Nanning Municipal Government on Further Improving and Accelerating Employment* (No. [2008] 55) in which the government drew special attention to the poverty-stricken groups and instructed departments concerned to give assistance to the straitened to find jobs. The document called for the rural and urban employment services to work together as an organic whole, to perfect its service and management systems, as well as to build up a robust pre-job training mechanism.

On October 7, 2008, Nanning municipal government promulgated the *Suggestions on Implementing Housing Allowance to Urban Low-Income Families* (No.[2008] 68), giving specific guiding suggestions to resolve the housing difficulties of urban low-income families in Nanning. The *Suggestions* also gave explicit guidance on housing solutions for migrant workers from the countryside and improving their living conditions.

9.2 Social Security and Assistance

All 4 villages affected by this project have participated in the new type of rural cooperative medicare system. Based on the household survey, the villagers told the external monitoring agency they had benefited from the

medicare system. Aiming to give those newly joined villagers more real benefits, the medical department will utilize this year's surplus funds from the system to offer a second-time compensation to the heavily-ill. Villagers whose individual hospital bill exceeds RMB 10, 000 can apply for such an extra benefit at the local office of the rural cooperative medicare system.

As an appropriate solution to basic subsistence and long term livelihood problems of villagers affected by this project, Nanning City Labor and Social Security Bureau issued a *Circular on Provision of Endowment Insurance for Land-losing Villagers in Nanning City and the Related Problems*. By this *Circular*, which was approved and distributed by Nanning municipal government on June 22, 2008, the government demanded all departments concerned to speedily arrange endowment insurance for land-losing villagers. Currently, the administrative villages affected by this project are processing their villagers' endowment insurance matters.

9.3 Training and Employment

Xixiangtang district government is very concerned about the employment situation of those who have difficulty finding jobs. Each year it allocates funds to provide free training and employment-related consulting. District land acquisition office, the project implementing agency and village committees, on their part, actively organize the affected villagers and the transient population to take part in employment-related trainings. In 2008, over 300 villagers and over 50 floating population joined in the training, of whom over 40 succeeded to find a job.

Since 2005, a domestic-service provider founded in Xixiangtang district called "Nan Fang Yue Sao" has conducted some 10 domestic-helper training classes and trained up more than 600 people. "Nan Fang Yue Sao" has now become quite a famous domestic-helper brand.

Starting from June 2008, Xixiangtang district runs 1 to 2 free career-related training classes each month for peasants-turned-urban-workers, scope of training include mechanical & electrical engineering, construction, hospitality, catering etc. In July 2008, 42 employees from 5 local restaurants took part in a free career-development training course specially designed for restaurant workers, upon completion of course they were awarded a certificate which gives them access to and qualification for employment. Training courses like this are also available free-of-charge to floating population affected by this project. On July 11, 2008 Xixiangtang district launched a new training course in teaching people how to start a new business. The first class was attended by 30 unemployed and job-seekers aged 20 to 50, according to plan this free course will train up more than 200 people over the year.

"Training up a Million New-type Peasants" is one of Xixiangtang district's "Doing Real Business for the People" projects in 2008. In 2008 the

district as a whole has no less than 19, 400 person-times of female rural population trained with new farming skills. According to the task assigned by Nanning municipal government, the district is to complete 48, 500 person-times of new-type peasants training in the year, of which training for female rural population accounts for no less than 40% of the total

In addition, as per *Nanguo Zaobao* report dated December 22, 2008, all 1, 392 villages in the six counties and the six urban districts of Nanning city have established the labour-force protection workstations, helping over 1, 700 rural “zero-employment” families to resolve their employment problems. Village level labour-force protection workstations will build up a database of peasant labourers and will coordinate with the labour department to systematically organize job-change trainings, encourage and guide peasant labourers to get employed or to start up businesses. All the four administrative villages affected by this project have established their own labour-force protection workstations.

10 Conclusions and Suggestions

10.1 Conclusions

As of December 10, 2008, all land acquisition of this project has been completed, with a total of 1, 995.84 mu of land acquired and a total of RMB 285.181287 million compensation capitals paid. Out of the total land acquired, 1, 639.2 mu are rural collective land for which RMB 203.15455 million compensation capitals paid. The village committees are keeping less than 3% of the total compensation capitals, the remaining has all been distributed to the affected rural households.

This project called for demolition of 16, 739.78 m² of properties, with RMB 5.1553 million paid out as house demolition and resettlement compensations. Out of the properties for demolition, rural houses accounted for 11, 956.58 m² and RMB 1.656 million in compensation capitals. Compensation compensations have all been released to the affected households. Major demolition works have already been completed, properties that remain to be pulled down are those which will not obstruct the project's engineering works.

The actual compensation standards used in this project, which are higher than those in the *Resettlement Plan*, are in line with the new standards in the *New Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City* newly promulgated in February 2008 and conform to the requirements of the nation, Guangxi and ADB.

The project's land acquisition procedures are being implemented lawfully and in conformity with the *Resettlement Plan*. The resettlement and the project's engineering work are both on schedule and are basically progressing in unison. With the exception of the student dormitories of Guangxi Agricultural Occupational College which vacant possession can only be delivered when the replacement dormitories are ready, all other land are vacant and available for immediate work and can satisfy the project engineering schedule.

Through the use of media in communication and the hiring of specialist research institutes to conduct interviews, meetings and surveys, the project attained active public participation. In the course of project implementation, there are also effective complaint channels established in accordance with the *Resettlement Plan* requirements. To date, there is no complaint from the affected villagers.

10.2 Suggestions

(1) Speed up the finalization and the development of commercial land to increase the villagers' income.

The development plan for Silian village's commercial land is still pending. Hopefully, government departments concerned can reinforce guiding and assisting the villagers to reach a consensus and finalize the development plan promptly with a view to raise the villagers' incomes.

(2) Speed up processing the endowment insurance of the land-losing villagers in order to relieve them of family worries.

The provision of endowment insurance to land-losing villagers, promulgated in Nanning City Labor and Social Security Bureau's *Circular* approved in June 2008, has not yet been implemented in the four villages affected by this project. It is recommended that government departments concerned to speed up with the implementation which the land-losing villagers urgently desire.

(3) Speed up the project's engineering work progress, to reduce affecting the production and livelihood of people living in the neighborhood.

Enclosed:

	
<p>Meeting at Project Implementing Agency</p>	<p>Meeting at Land Acquisition, Demolition and Resettlement Office</p>
	
<p>Meeting at Land Acquisition, Demolition and Resettlement Office</p>	<p>Field investigation on commercial land for service industry</p>



Survey with villagers



Works in progress on watercourse