



Resettlement Monitoring Report

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PRC: Guangxi Nanning Urban Environmental Upgrading

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.5)

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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

Compared with the 4th monitoring and evaluation report, the land acquisition and resettlement in this report remain unchanged. The applicable policies and compensation standards for resettlement had been illustrated in details in the 4th monitoring and evaluation report and will not be reillustrated in this report in the following.

By December 10, 2008, the land acquisition for this project has fully completed. A total of 2158 mu of land has been actually acquired, including 1639.2 mu of collective land and 356.638 mu of state-owned land, decreasing by 78.525 mu compared to the total 2236.525 mu in the *Resettlement Plan*.

From January to June of 2009, there is no increased house demolition. By the end of June 30, 2009, a total of 16739.78 m² of houses had been demolished, accounting for 67.7% of the originally planned figure. The statistics of house demolition are shown in Table 1-1.

Table 1-1 Accumulated House Demolitions and Its Impacts

Affected villages	Demolition Area (m ²)			Affected households			Notes
	<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	Finished
Xinxu village	1580	1308.42	-271.58	9	7	2	Finished
Agricultural Occupational College	9850	4783.2	-5066.8	8	8	0	
Total	24707	16739.8	-7967	38	31	7	

As shown in Table 1-1, as compared to the house demolition figures in the *Resettlement Plan*, the difference of house demolition figures is 7967 m². The differences of house demolition figures in Silian village and Xinxu village are caused by the errors between the actual measures and the original measuring figures in the *Resettlement Plan*. The house demolitions in these two villages have been completed. Thus, by June 30, 2009, the actual houses remaining undemolished is 7792.32 m², including 2725.52 m² in Chenxi village and 5066.8 m² in Agricultural Occupational College.

The undemolished houses in Chenxi village is the office building of the villagers' committee, which is located in east Daxue road and east bank of Kelijiang river and next to Xixiangtang agricultural market. Since the office building is of certain distance from the bank of Kelijiang river, it does not affect the project construction progress. On the basis of the negotiations with Chenxi village, the office building will not be demolished until the new office building is built. The construction of new office building in Chenxi village and the upgrading of Xixiangtang agriculture market will be conducted under uniform planning and design. Nanning Planning Bureau has approved the project. The construction procedures is underway, and it is estimated that the office building will be demolished before the end of December, 2009.

The undemolished houses in Agricultural Occupational College include two students' dormitory buildings and a food processing plant, with a total area of 5066.8m². The food processing plant not only provides foodstuffs such as bread for dining hall in the college, but also serves as a practice base for its students. Currently, the new food processing plant is under construction within the college and will be put into use in September, 2009. Therefore, the old food processing plan can be demolished since then. The main structures of the three students' dormitory buildings have been completed. The three new buildings are estimated to be put into use in the end of 2009, and by then the

two old students' dormitory buildings will be demolished. In addition, on the basis of investigation, the buildings to be demolished in Agricultural Occupational College will not affect the project construction progress such as watercourse treatment and flood flowing.

1.3 Payment of Compensation

Except the compensations for the undemolished office building in Chenxi village and related undemoished buildings in Agricultural Occupational College remained unpaid, other compensations for land acquisition and house demolition have been fully paid. By June 30, 2009, a total of RMB 285.181287 million and RMB 5.1553 million have been paid respectively for land acquisition and house demolitions for Kelijiang subproject.

1.4 Project Implementation Progress

By June, 2009, the watercourse treatment for this subproject has initially formed its shape. RMB 94.93 million has been invested for the project, accounting for 51.06% of the total investment estimate, increasing RMB 56.85 million as compared to the total investment of RMB 38.08 million by December, 2008. A total of 3210000 m³ of earthwork has been excavated, accounting for 72.6% of the total estimated excavation, increasing 1010000 m³ as compared to the finished excavation of 2200000 m³ by December, 2008. The current project implementation progress of various bidding packages is listed in Table 1-2. The construction sites of various bidding packages for this subproject are shown from Picture 1-1 to Picture 1-4.

Table 2-1 Progress of Watercourse Treatment Engineering

Project name	Contractor	Investment estimate (RMB 10,000)	Actual investment (RMB 10,000)	Percent age of total investment (%)	Total earthwork excavation (10,000 m ³)	Actual earthwork excavation (10,000 m ³)	Percent age of total excavation (%)
Bidding package	China Construction 2nd Engineering Bureau	3368.782	1629	48.35	62.6054	60	97
Bidding package	Guangdong Foundation Engineering Company	3378.79	564	16.6	84.2901	30	35
Bidding package	China Construction 8 th Engineering Bureau	5947.71	2440	41.02	201.407	129	64.05
Bidding package	China Railway 13th Bureau 5 th Engineering Division Co., Ltd.	5896.01	4860	82.42	94.3831	102	108
Total		18591.292	9493	51.06	442.6856	321	72.6



Picture 1-1 Construction site of bidding package



Picture 1-2 Construction site of bidding package



Picture 1-3 Construction site of bidding package



Picture 1-4 Construction site of bidding package

2 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 June 25th to July 17th, 2009, the monitoring and evaluation agency visited the affected villages and conducted surveys and interviews. The income and living restorations in various affected villages are as follows:

2.1 Restoration in Chenxi village

Except for the demolition of office building of the villagers' committee in Chenxi village, all related land acquisition and house demolitions in Chenxi village have been completed. A total of 706.483 mu of land has been acquired from the village, with a total compensation of RMB 91.245 million. A total of 7141.48 m² of houses have been demolished, with a total compensation of RMB 1.04 million. The distribution plan was discussed and passed in the villagers' conference, and all the compensation capitals have been distributed to the villagers. The villager's representatives are elected by the villagers in Chenxi villager at a ratio of one representative for about 50 villagers. There are total 30 villager's representatives in the village. All important decisions are balloted by the villager's representatives in the villager's committee.

(1) Development of commercial land: The development and operation of commercial land is an important income resources from the collective village. All the commercial lands for Chenxi village have been finalized, which is composed of three pieces of land with a total area of 72 mu. It is estimated each villager will receive about RMB 1,000 per year from the profit dividend from the collective village.

1) The 35 mu¹ commercial land located in the east of Qingchuan Avenue has been leased out as a gas station and a cargo depot and the surrounding shops. The gas station occupies about 6 mu of land, with annual rental of RMB 150, 000. The cargo depot occupies about 29 mu of land, with annual rental of approximately RMB 400000. This piece of commercial land was developed and put into operation in 2003. It was

批注 [admin1]:

¹ The data in the last (4th) monitoring and evaluation report were obtained from the interviews with the villagers' committee of Chenxi village. The monitoring agency recorded the data on the basis on oral introduction by the village officials. Thus there is some discrepancies of the data. On this latest monitoring and evaluation survey, the villagers' committee of Chenxi village provided the leasing contract and related materials of the commercial land to the monitoring agency. The data obtained from this latest monitoring survey are accurate.

developed by lease (similar to BOT project). The developer invested for the construction and in return acquired the operation and management rights for the properties on the commercial land for 15 years. After 15 years, Chenxi village is entitled to all the properties.

2) The 14.5 mu of commercial land located east of Xiangxihu (i.e. Kelijiang) and south of Daxue Road is presently housing an agricultural produce market. Currently, the agricultural produce market is leased to Guangxi Rixin Market Development Co., Ltd., with annual rental of RMB 1.88 million. After the implementation 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 approved the project. The commercial land has been leased out to Guangxi Rixin Market Development Co., Ltd. to build a commercial building, which will have 4 stories of stores and an estimate of RMB 40 million in investment. Guangxi Rixin Market Development Co., Ltd. is entitled to the operation and management rights of the commercial building for 20 years. Chenxi village will acquire property rights of the commercial buildings after 20 years. At the same time, Guangxi Rixin company will pay an annual rental of RMB 1.8 million² to Chenxi village starting from June 2007. So far, the rentals have been transferred to the account of the collective village for three times.

3) The newly-approved commercial land for this project is 34.74 mu, which is located in the east of Xijiang Road and south of Daxue Road and has an actual useable area of 22.5 mu. A 4-stories commercial building will be built on the land. The land is developed by lease and invested by Guangxi Rixin Market Development Co., Ltd. The commercial building, with an investment estimate of RMB 20 million, will be built and put into operation in 2010. Guangxi Rixin company will acquire the operation and management rights of the commercial building for 23 years. Chenxi village starts to collect the rentals from 2010. The annual rental is RMB 900, 000, and annual rental will increase 5% after every 5 years.



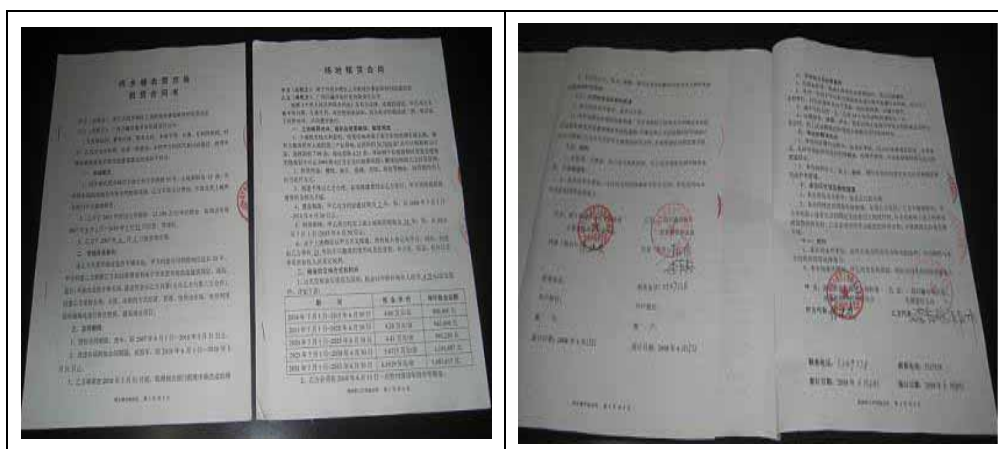
² This is the principal rental and is subject to 10% increase after every 5 years.



Agricultural market (to be upgraded)

The leveled commercial land

Picture 2-1 Development of commercial land in Chenxi village



Picture 2-2 The lease contract for the agricultural market and the newly-approved commercial land

(2) Villagers' production and living restoration: Chenxi village enjoys advantageous geographical location, and its economic conditions remain relatively good. Several schools and government institutions are located nearby, and there are quite a few migrant population. The income sources for the villagers are mainly from house rental, land lease, doing business and migrant employment. The lands acquired for this project are mainly located in the surface of Kelijiang river and the bottomland on the river banks, so it has little economic impacts on the villagers.

The villagers' committee mainly adopt two means to improve the villagers' living standards: On the one hand, it strengthens the development and management of commercial land to increase operation revenue from commercial land for the villagers. On the other hand, it actively cooperates with the district government to organize training programs on employment and doing business so as to guide the villagers for employment. Based on the village official, the villagers chose to participate in the training programs according to their actual needs and interests. Only few villagers participated in the training because of loss of land. In addition, owing to being in

relatively good economic status, the villagers have relatively high expectations on employment. 23 person-times from Chenxi village took part in the training programs organized by the district government in the first half of 2009. Five villagers have found their satisfactory jobs outside the village, with monthly income of RMB 1000~2000.

Based on field interviews, the villagers from Chenxi village show strong willingness in doing business, tertiary industry, and building houses for lease, showing less interests on agricultural production.



Picture 2-3 Interview with the villagers' committee members

Interview with the villager: Ms. Li, 35 years old, has a family of three, including two working adults and a daughter studying in elementary school. Ms. Li is running a store leasing audio-visual disks and has a monthly income of RMB 1400. She also takes care of her daughter with her living and study. Her daughter goes to school free of charge. Her husband Mr. Chen is doing fruit wholesale business with other villagers. He often goes to Yulin city and Baise city in Guangxi to purchase fruits and sell them in Nanning city, with annual income of about RMB 30000~40000. The family received about RMB 300000 compensation capitals from the land acquisition. At present, the compensation capital is saved in the bank. With the money, they are under little financial pressures in doing business, Ms. Li added. Considering high risk in doing business, they currently do not want to expand operation and investment. Instead, they plan to extend and decorate their houses so as to increase rentals, because there is little risk in investing in house construction, and it is very easy for them to lease out the houses.

Interview with migrant worker: Mr. Jiang, 50 years old, has a family of three, including two labor forces. The husband and the wife are running a steamed bread store, and their daughter is studying in high school. Mr. Jiang, from Anhui province, came to Nanning city 10 years ago with introduction by a

relative and has been running the steamed bread store since then. At present, they rents and runs a store in the Xixiangtang vegetable market. The store is about 14 m² and the monthly rental is RMB 1500. Affected by the project, the house that Mr. Jiang originally rented in Chenxi village was demolished, and he received RMB 950 in compensation. At present, they rent a 35-m² house with monthly rental of RMB 200. The tuition for their daughter is RMB 1800 per semester. According to Mr. Jiang, the surrounding environment has been obviously improved owing to the project implementation. At present, the daily turnover of his store is RMB 500~ RMB 600, increasing about RMB 100~ RMB 150 per day. As more people come to live in the residential community in its surrounding area, it is estimated that his business will become better. He expects to expend the store when the business increases and plans to employ an assistant in the future.



Picture 2-4 Mr. Jiang's steamed bread store

2.2 Restoration in Silian village

The land acquisition and house demolition in Silian village had been completed in 2008. A total of 553.868 mu of land was acquired, with a total compensation of RMB 65.9391 million. 3506.68 m² of houses were demolished, with a total compensation of RMB 409000. The distribution plan has been discussed and passed in the villagers' conference, and all the compensation capitals have been distributed to affected villagers. The remaining lands have been adjusted with the whole village, with per capita of 0.5 mu of cultivated land after adjustment.

(1) Development of Commercial Land: Silian village's main income sources used to be from leasing out fish ponds and wasteland, and the

incomes are mainly used to pay for the village's public facilities and collective welfares. For example, each elderly being 60 and over receives RMB 200 allowance on Chung Yang festival (September 9th according to lunar calendar). After the completion of Keli road, the traffic condition of Silian village had markedly improved. The villager's committee leases out the 60 mu of unutilized land, with an annual rental of RMB 400000.

Silian village acquires 4 mu of commercial land from this land acquisition, which is also the first piece of commercial land arranged by the government to the village. Considering that the surrounding area of Silian village remains to be developed, the village is very cautious in choosing the location of commercial land, because the location of commercial land is closely related to its operation benefits. Therefore, the villagers have held the meetings to discuss about the location of commercial land. The Xiangsihu Administrative Committee has exchanged for time with the villagers in this regard. It is estimated that the issue should be properly settled in October, 2009.

(2) Training and Employment: Based on interviews with the village committee, 40 person-times from Silian village took part in job-related trainings organized by the district government in 2009, of which about 20 were farming technique related. 4 trainee villagers have found their satisfactory jobs outside the village with monthly payment between RMB 900-1200. Besides, the project itself has hired about 10 Silian villagers for temporary jobs with monthly payment between RMB 900-1000.

(3) Villagers' Production and Living Restoration: So far, the commercial land for Silian village remains to be developed and there is few industries for the village. The villagers' committee mainly depends on rentals from collective land for the collective facilities and welfare in the village. Currently, the income from agricultural production accounts for about 30% of the villager's incomes. The villagers' committee highly focuses on the agricultural production in the village. In addition, the villagers' committee cooperates with the district government to organize employment training to guide the surplus labor forces to seek for jobs outside the village.

At present, as an increasing flowing population come to rent houses in the village, the monthly rental income of some villagers is over RMB 1000. After the completion of this project, it is estimated that the rentals of the houses in the village will increase by 10%-15%.



Picture 2-5 Interviews with the village officials

Interview with the villager: Mr Chen, 64-year-old, has a family of ten. His two sons have married, and his three grandchildren are receiving pre-school education. About 200 m² of his houses is demolished for this project, and the family acquired a total compensation of RMB 490000 for land acquisition and house demolition. Currently, Mr. Chen is rebuilding a 2-story building with an area of 250 m² at an estimated cost of RMB 150000. He also plans to arrange a 20 m² store along the Kelijiang road. Her daughter will be responsible for running the store, and the old couple are willing to offer their help in its operation. They expect to have monthly income of about RMB 2000 from the store operation. After the adjustment of the cultivated land, the family currently has 5 mu of land, which is cultivated by his two sons. The two sons usually go out for employment outside the village during the slack farming season. Both Mr. Chen and his wife receive RMB 200 allowance from the village on Chung Yang festival every year. The whole family have taken part in the new type of rural cooperative medicare system. Mr. Chen was hospitalized this year and spent about RMB 3000 for medical costs, of which 70% was reimbursed by the new type of rural cooperative medicare system.



Picture 2-6 Interviews with Mr. Chen in his snack counter

2.3 Restoration in Xinxu Village

By the end of 2007, the land acquisition and house demolition have been completed in Xinxu village. All compensation has been distributed to affected households in 2007. Since commercial land had previously been allocated to the village during the land acquisition for Gaoxin Development Zone, there is no further commercial land allocated for this village for this project. The commercial land has been developed, and each villager annually receives about RMB 2000 dividend from it. The application of 13 villagers for self-employment subsidy has been approved, and corresponding subsidies have been paid to them.

(1) Employment and Trainings: In 2009, about 30 villagers took part in the work-skill trainings organized by the district government and the sub-district office. 6 villagers have found their jobs with monthly payment of about RMB 1000. This project implementing agency itself is a temporary-job provider to the village. The project also provides temporary job positions for 20 villagers in the village, with monthly income of RMB 900~RMB 1000. It has also hired some 20 farming and transportation vehicles from the village for temporary use.

(2) Villagers' production and living restoration: Xinxu village is close to Gaoxin development zone and enjoys favorable geographical location. There are quite a few floating population in the area. Therefore, the villagers have diverse sources of income. Owing to improved traffic conditions and surrounding environment for the village, and some villagers invests their compensation capitals in building or decorating their houses, an increasing number of floating population come to rent houses in the village. The monthly rental for each room also increase RMB 30~ RMB 50. Among the

12 villagers interviewed, 9 of them believed they would benefit more after project implementation owing to improved environment, advantageous location and increased flowing capitals.

Interview with the villager (the same interviewee as in the 4th monitoring report): Mr Liu, 56 years old, has a family of four, including three labor forces and a daughter in high school with an tuition of RMB 1500 per semester. Liu is left with only 0.2 mu of vegetable land after the land acquisition. He receives RMB 108000 for land acquisition. The family is living in a 3-story house of a total floor area of 250 m². Last year, the main income sources of the family included: RMB 18000 from doing business, RMB 12000 from employment, RMB 1000 from agriculture and other incomes about RMB 10000. The family's yearly expenses is about RMB 25000. The family expects to have annual income of RMB 50000 in 2009, which is a little more than that of last year, the main reason being that they make more revenues from doing business this year. They redecorate their store and buy some new appliance, with costs of about RMB 10000. They have not used the compensation capitals.

2.4 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, and major impacts are caused by Xinxujiang project. Land acquisition and house demolition relating to Kelijiang project were completed in 2007, and the compensation capitals were also distributed to affected villagers in the same year. The commercial land for the village is subject to uniform arrangement by Xinxujiang project management office.

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-lease 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. In addition, the villager's collective bonus is about RMB 1500 per person per year.

Interview with the villager (the same interviewee as in the 4th monitoring report): Mr. Lai, 36 years old, has a family of three, including two working adults and a child in primary school. Currently, both Mr. Lai and his wife went out for employment and have annual income of about RMB 50000, with small increase compared to that of last year. The family has received in total about RMB 200000 land acquisition compensation capitals from Kelijiang project and Xinxujiang project. He has spent RMB 50000 on his rental property and buying new furniture, for this he can earn RMB 300~RMB 500 more rent

each month. The remaining RMB 150000 compensation capitals are saved in the bank. According to Mr. Lai, the economic conditions and living standards of the family are markedly improved after receiving the compensation. So far, he is satisfactory with his work and has no plan in doing business. 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.

3 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 for educational purposes. All the land acquired from Guangxi Economic Management Cadre College are unutilized land along the bank of Kelijiang river, and thus the land acquisition dose not pose many impacts on the teaching in the school. After the environmental upgrading of Kelijiang river, a vast waterside ecological green land help improve campus environment and provide leisure and entertainment place for the teachers and students in the college. The college plans to invest the compensation capitals in upgrading campus environment and buying teaching equipment.

The newly-built students' dormitaory buildings have so far been completed, as shown in Picture 3-3, which are expected to put into use in the second half of the 2009. The new food processing plant is under construciton in the campus and is expected to put into use in September, 2009. The old food processing plant will then be demolished, as shown in Picture 3-1.



Picture 3-1 The affected old food processing plant



Picture 3-2 The affected students' dormitory buildings



Picture 3-3 The newly-built students' dormitory buildings

4 Involuntary Resettlement Sampling Survey and Result Analyses

From June 25 to July 17 of 2009, the external monitoring and evaluation agency conducted surveys on the implementation progress, compensation, demolition and resettlement for Kelijiang project. The surveys focused on the productive incomes, living restoration, and use of compensation capitals of affected villagers in the first half of the 2009.

4.1 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. The interviews and sampling surveys covered the village officials and the affected villagers. 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, 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 effective sampling questionnaires received from various affected villages are shown in Table 4-1.

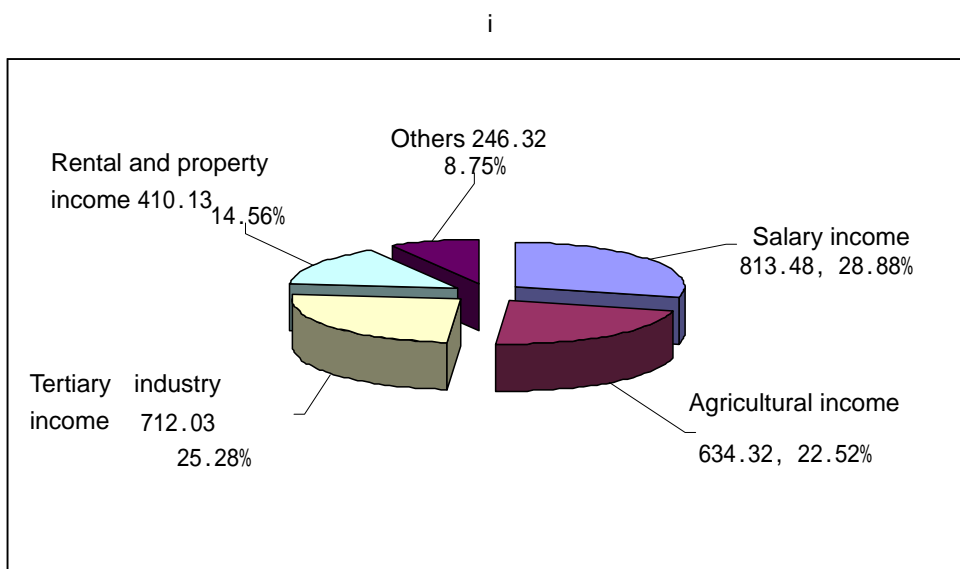
Table 4-1 The Sampling in Various Affected Villages

Affected Villages	Households Surveyed	People
Chenxi village	17	67
Silian village	15	63
Xinxu village	12	43
Hede village	3	11
Total	47	184

4.2 Family Annual Incomes and Expenses

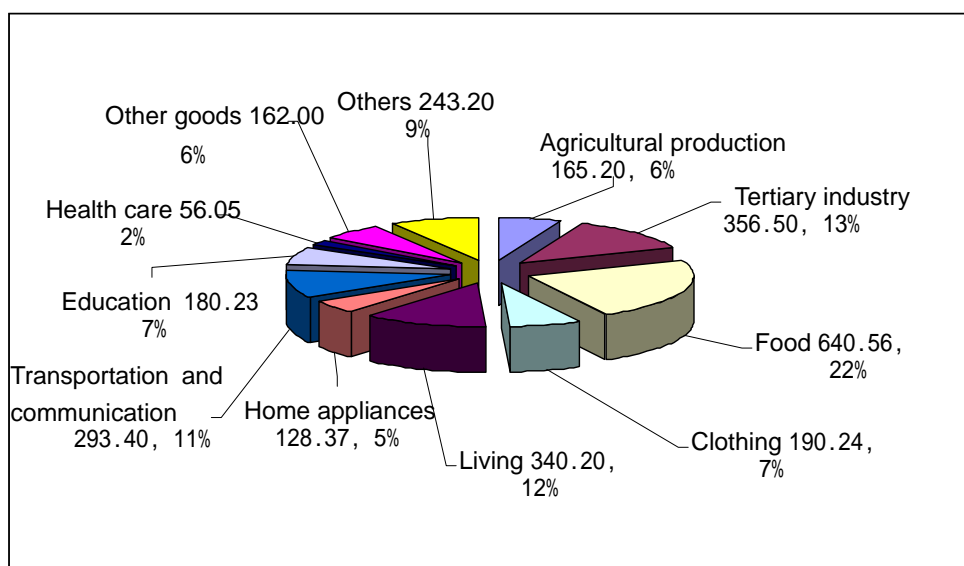
On the basis of statistic analysis on the questionnaires, the per capita income of affected villagers from January to June of 2009 was RMB 2816.28. Of which, the highest proportion is the salary income of RMB 813.48, accounting for 28.88%; the second highest income of RMB 712.03 is from tertiary industry, accounting for 25.28%; followed by agricultural income of RMB 634.32 and the rental and property-related income of RMB 410.13, accounting for 22.52% and 14.56% respectively. The details of various incomes and their proportions are shown in Picture 4-1.

From the perspective of incomes, the villagers' income sources are multiple and varied. Important components of incomes include salary income, agricultural income, incomes from tertiary industry, and rental & property-related income. Based on the survey results, the incomes of villagers show increase over the first half of 2008.



Picture 4-1 Incomes for the first half of 2009

From the perspective of expenses, the per capita expenses of affected villagers is RMB 2755.95. The productive and operational expenses account for a small proportion (only 18.93%). The biggest proportion of expenses remains as food consumption, being RMB 640.56 (23.24%). The details of their expenses are shown in Picture 4-2.



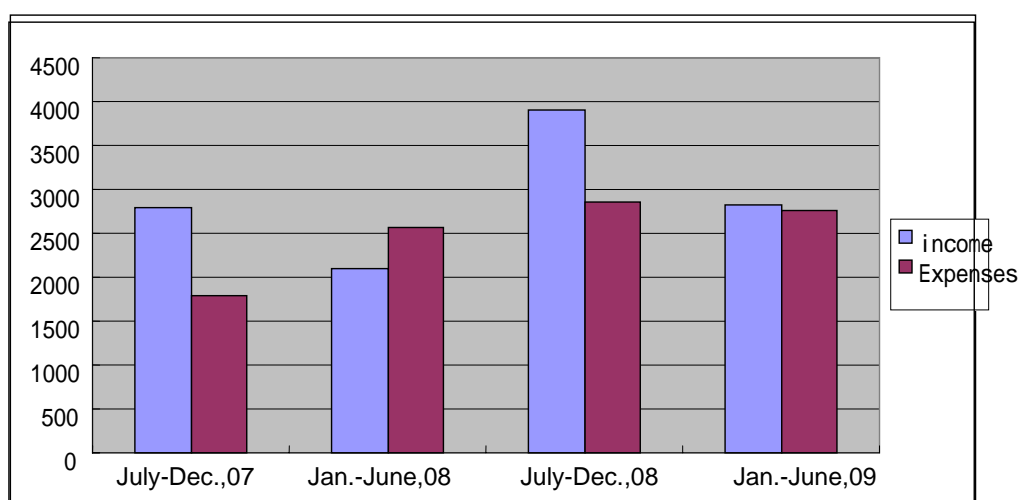
Picture 4-2 Expenses for the first half of 2009

Based on the results obtained from the past surveys, the external monitoring and evaluation agency made analyses on the incomes and expenses of affected villagers every half a year, as shown in Table 4-2. The comparisons of incomes and expenses of affected villagers every half a year are shown in Picture 4-3, in which the data of July to December of 2007 is obtained through the whole year data divided by two. Since the collective dividend from the village is often distributed to villagers in the end of the year, there are comparatively sharp difference between the data of the first half year and that of the second half year. Compared with that of the first half year of 2008 (January to June), the incomes and expenses of the first half year in 2009 increase to be RMB 2816.28 and RMB 2755.95 respectively, increasing by RMB 714.06 and RMB 198.05 respectively. Both the incomes and expenses show sharp increases.

Table 4-2 Incomes and Expenses Analyses on Sampling Surveys

Item	Unit	2007 Jan.-Dec.	2008 Jan.-June	2008 July-Dec.	2009 Jan.-June
. Incomes	RMB	5572.62	2102.22	3902.93	2816.28
1. Salary income	RMB	2215.76	647.27	795.42	813.48
2. Agricultural income	RMB	787.16	726.19	762.15	634.32
3. Income from service industry	RMB	1115.02	398.68	325.45	712.03
4. Rental and property-related income	RMB	323.8	276.02	205.13	410.13
5. Collective bonus	RMB	1089.38		1605.60	
6. Others	RMB	41.5	54.06	209.18	246.32
II. Expenses	RMB	3571.52	2557.90	2857.97	2755.95
(I) Production and operating expenses	RMB	563.29	290.40	319.86	521.70
1. Agricultural production expenses	RMB	94.36	121.85	157.32	165.20

2. Service industry operating expenses	RMB	468.93	168.55	162.54	356.50
(II) Living expenses	RMB	2639.94	1979.73	2216.66	1991.05
1. Food	RMB	1180.84	816.75	723.30	640.56
2. Clothing	RMB	211.08	173.06	246.56	190.24
3. Living	RMB	339.86	298.37	560.27	340.20
4.Home appliances and daily necessities	RMB		162.68	135.04	128.37
5. Transportation and communication	RMB	305.12	198.15	218.10	293.40
6.Culture and education	RMB	475.5	169.16	210.13	180.23
7. Medical care	RMB	127.54	136.42	89.00	56.05
8. Others	RMB		25.15	34.26	162.00
(III) Other expenses	RMB	368.29	287.77	321.45	243.20



Picture 4-3 Comparisons of incomes and expenses every half a year

4.3 Use of Compensation Capitals

To understand the use of the compensation capital, the external monitoring and evaluation agency once again carried out surveys on the use and the investment intentions of compensation capitals. There is no sharp difference between the survey results this time and that of last surveys. According to this surveys, the households receive an average of RMB 206600 compensation capitals. Most villagers save the compensation capitals in the bank, with average saving account of RMB 145600 per household, accounting for 70.47%. Their operational expense is RMB 17300, accounting for 8.37%. The expense on building houses is RMB 10300, accounting for 4.99%. Based on the interviews with the villagers, many villagers addressed that the land acquisition for Kelijiang project did not pose many impacts on their production and living, and they are not rush in investing their compensation capitals. The details of surveys are shown in Table 4-3.

Table4-3 Use of Compensation Capitals

Used or to be used for:	Household Average (RMB 10,000)	Proportion (%)
1. Saving in the bank	14.56	70.47
2. Daily living expenses	0.24	1.16
3. Buying big durable goods	0.57	2.76
4. Agricultural production	0.21	1.02
5. Operational expenses (processing and sales costs)	1.73	8.37
6. Building, repairing, refurbishing houses	1.03	4.99
7. Educational expenses	0.52	2.52
8. Medical care	0.12	0.58
9. Buying vehicles	0.67	3.24
10. Buying communication equipments	0.00	0.00
11. Loan repayment	0.21	1.02
12. Others	0.80	3.87
Total	20.66	100.00

According to the statistics of questionnaire surveys, the villagers show strong investment intentions in house rebuilding or renovation, purchasing big durable goods and running small grocery store. However, most villagers are willing to save their money in the bank, accounting for 74.47%. The survey results are shown in table 4-4.

Table 4-4 Surveys on Investment Intentions

Item	Households	Proportion (%)
1. Building new houses, repairing/refurbishing old houses	20	42.55
2. Buying commercial housing	1	2.13
3. Buying motor vehicle	7	14.89
4. Buying big durable goods	15	31.91
5. Investing in planting activities	5	10.64
6. Investing in livestock husbandry	11	23.40
7. Investing in catering trade	8	17.02
8. Investing in small grocery shop	13	27.66
9. Operating clothing trade	4	8.51
10. Operating small hotel	9	19.15
11. Operating other service industry business	7	14.89
12. Investing in cottage industry	4	8.51
13. Saving in the bank	35	74.47
Total	47	

5 Conclusions and Suggestions

5.1 Conclusions

By the end of June 2009, except the office building of villagers' committee of Chenxi village, two students' dormitory buildings and a food processing plant in Guangxi Agricultural Occupational College remaining to be demolished (7792.32 m² in total area), all the land acquisition and house demolition for this project have completed. The buildings to be demolished Guangxi Agricultural Occupational College do not pose impacts on watercourse treatment and flood flowing.

Except for the compensation capitals for the undemolished buildings remaining unpaid, all the compensation capitals for land acquisition and house demolition have been paid to affected households. The compensation standards for this project, which are higher than the standards set in the *Resettlement Plan*, are up to the compensation standards set in the *New Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City* newly promulgated in February 2008, which accord with the related requirements of China, Guangxi and Asian Development Bank as well as the *Resettlement Plan*.

Based on the survey, the land acquisition and house demolition for this project do not pose much impacts on the production and living of villagers. Their production and living restorations are in good shape, and their incomes keep increased. In addition, their living and production environments are also markedly improved.

During public participation, the information is released through public media, and professional agency is commissioned to conduct public consulting meetings and questionnaire surveys. During the process of land acquisition and house demolition for this project, effective channels for complaint and grievance are set up according to the *Resettlement Plan*. So far, no complaints and grievance are received from the affected villagers.

5.2 Suggestions

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

The development plan of commercial land for Silian village is still pending. It is expected related government departments 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 the project implementation progress and reduce affecting the production and livelihood of people living in the neighborhood.