



Resettlement Monitoring Report

Project Number: 37596
October 2009

PRC: Guangxi Nanning Urban Environmental Upgrading

Prepared by Guangxi University of Finance and Economics

For Nanning Xinxujiang River Environmental Comprehensive Upgrading Subproject

This report has been submitted to ADB by the Guangxi University of Finance and Economics and is made publicly available in accordance with ADB's public communications policy (2005). It does not necessarily reflect the views of ADB.

Asian Development Bank

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

**NANNING XINXUJIANG RIVER ENVIRONMENTAL
COMPREHENSIVE UPGRADING SUBPROJECT**

**RESETTLEMENT EXTERNAL
MONITORING AND EVALUATION REPORT**

(NO.5)

Guangxi University of Finance and Economics
Nanning, P.R. China
July, 2009

Contents

1	Brief Introduction	3
1.1	Brief Introduction to Project	3
1.2	Brief Introduction to Resettlement Implementation	3
1.2.1	<i>Implementation of Land Acquisition and House Demolition</i>	3
1.2.2	<i>Payment of Compensation Capitals</i>	5
1.2.3	<i>Resettlement Implementation</i>	6
1.3	Project Implementation Progress	7
2	Income Restoration for Affected Villages and Affected Households	8
2.1	Restoration in Shangyao Village	9
2.2	Restoration in Weizilu Village	12
2.3	Restoration in Hede Village	13
2.4	Restoration in Tunlu Village	14
2.5	Restoration in Chendong Village	15
3	Involuntary Resettlement Sampling Survey and Result Analyses	16
3.1	Survey Methods	16
3.2	Family Annual Incomes and Expenses	16
3.3	Use of Compensation Capitals	17
4	Conclusions and Suggestions	19
4.1	Conclusions	19
4.2	Suggestions	19

1 Brief Introduction

1.1 Brief Introduction to Project

Nanning Xinxujiang River Environmental Comprehensive Upgrading Project a subproject of Guangxi Nanning Urban Infrastructure Development Project financed by Asian Development Bank (ADB). The range of Nanning Xinxujiang River Environmental Comprehensive Upgrading Project is: in the north, the upstream east tributary starts from the planned No.3 road, while the upstream north tributary starts from the planned No.1 road; in the south, the downstream ends at the overflow dam to the east of Xinxujiang pumping station of the west dyke of northern bank of Yongjiang river, while both east and west edges are the urban planned road. The total length of the main rivercourse is 3.8km, with a total treatment area of 4.06 km². This project is composed of five subprojects including Xinxujiang flood and waterlogging control and water course treatment project, sewerage interception project, flush water project, and environmental and ecological rehabilitation project

Five villages under Shangyao sub-district office, Anji sub-district office and Xinxu sub-district office are affected by this project. 1, 286 households, covering 4, 325 people, are directly affected by this project. The project will totally acquire 2, 128 mu of rural collective land, affecting 941 rural permanent households and 2, 931 people. 26, 524 m² of rural houses and 11, 118 m² of temporary constructions are demolished. 166 households and 565 people are affected by house demolition. The total floating population affected by the project covers 277 households, including 1, 121 people.

1.2 Brief Introduction to Resettlement Implementation

1.2.1 Implementation of Land Acquisition and House Demolition

By June 30, 2009, the project has acquired 2035.434 mu of rural collective land, accounting for 95.65% of the total planned collective land to be acquired in the *Resettlement Plan*, which increased by 275.741 mu as compared to that during the fourth monitoring, and all the increased land were vegetable land and fish pond in Shangyao village. A total of 930 households are affected by land acquisition, covering 2894 persons. The accumulated actual acquisitions of rural collective land are shown in Table 1-1.

Table 1-1 Comparisons of Acquisitions of Rural Collective Land

(As of June 30, 2009)

Affected village	Acquisitions of Rural Collective Land				Affected People			
	<i>Resettlement Plan</i> (mu)	Accumulated actual acquisition (mu)	Actual ratio (%)	Differences	<i>Resettlement Plan</i>		Accumulated actual acquisition	
					House hold	People	House hold	People
Chendong	168	212.78	126.65	44.78	120	416	116	401

Affected village	Acquisitions of Rural Collective Land				Affected People			
	Resettlement Plan (mu)	Accumulated actual acquisition (mu)	Actual ratio (%)	Differences	Resettlement Plan		Accumulated actual acquisition	
					House hold	People	House hold	People
village								
Shangyao village	540	420.371	77.85	-119.629	445	1157	439	1137
Hede village	770	771.006	100.13	1.006	235	846	235	846
Weizilu village	498	497.954	99.99	-0.046	123	431	123	431
Tunlu village	152	133.323	87.71	-18.677	18	81	17	79
Total	2128	2035.434	95.65	-92.566	941	2931	930	2894

Up to date, parts of rural collective land are not acquired from Shangyao village (an agreement was signed with Shangyao village to acquire some 100 mu of land, for which parts of the compensation capitals had been paid. About 30~40 mu of land are to be acquired from the village group No. 11 and No. 12 in Shangyao village, for which the details will be covered in the next monitoring report in the second half of 2009). The main reasons for delay of land acquisition from the village group No. 11 are as follows: Starting from March 1, 2008, the *Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City (No. [2008]15)* was applied for this project, of which the compensation standards are higher than those in the *Resettlement Plan* set according to the original document No. [2005]141. The compensation for self-employment in particular increased to RMB 50000 per person from the original RMB 25000 per person. However, the affected villagers who choose the compensation for self-employment are not entitled to the commercial land, or vice versa. When the collective land is to be acquired from the village group 11, some villagers mistakenly believed that they would be entitled to both the commercial land and the compensation for self-employment. Therefore, the district government, the sub-district office and the Land Acquisition and House Demolition Office of Xixiangtang district have arrived to the village for several times to publicize and explain the policies to the villagers (the mediation mission went to the village or the villager's representatives visited the district government or the sub-district office once or twice a week). The villagers have been more familiar with the compensation policies. According to latest information up to date, an agreement on selecting either commercial land allocation or self-employment compensation is expected to be reached recently (by the end of August). The main reasons for delay of land acquisition from the village group No. 12 are as follows: The village group has been allocated 4.7 mu of commercial land during the land acquisition for other projects in 1998. Their commercial land has been leased out for operation for several years. However, a high-voltage line crossed over the commercial land, which posed negative impacts on the development and operation of the commercial land. The villagers in the village group believe their return from the land is low for they only received RMB 20000 from leasing the land per year. When their collective land is acquired for

this project, the villagers expect to return the above 4.7 mu of commercial land to the government, and in return, the government gives RMB 50000 self-employment compensation each villager in the village group No. 12. The district government, the sub-district office and the Land Acquisition and House Demolition Office of Xixiangtang district have carried out several rounds of negotiation with the the village group No. 12 in this regard, and a written report has been submitted to the Nanning municipal government. The municipal government has coordinated to handle the issue, calling for a consensus agreement reached with the the village group No. 12 by the end of this August.

By the end of June 30, 2009, the house demolition for this project has not yet started. The main reason lies in that the new residential communities (such as Xixiangtang residential communities for households affected by land acquisition and house demolition), which are built under uniform planning of Nanning municipal government for households affected by land acquisition and house demolition (including the affected households of this project), are still under construction, as shown in Picture 1-1 and Picture 1-2. In line with the principle of “resettlement before house demolition”, the house demolition for this project will be carried out after the resettlement of affected villagers into the new residential communities.

1.2.2 Payment of Compensation Capitals

By the end of June 30, 2009, a total of RMB 268.2740 million had been paid for acquisition of rural collective land, increasing by RMB 38.5192 million over the 4th monitoring. All the compensation capitals have been fully paid to the affected villagers. The actual compensation capital increases by RMB 54.9930 million compared with the compensation of RMB 213.2810 million set in the *Resettlement Plan*. The main reason is that the compensation standards are higher than the original standards. The details of payment of compensation capitals for rural collective land are shown in Table 1-2.

Table 1-2 Comparisons of Compensations for Acquiring Rural Collective Land

Affected village	Compensations for rural collective land (RMB 10, 000)							
	Resettlement Plan	Accumulated actual compensation					%Actual proportion	Differences
		Land	Resettlement subsidy	Crops	Land-attached construction	Subtotal		
Chendong village	1711.5	723.50	1957.76	98.64	281.60	3061.50	178.87	1350.00
Shangyao village	5916.2	1516.04	3740.13	210.18	352.52	5818.87	98.35	-97.33
Hede village	7191.0	2921.50	6097.03	382.82	251.29	9652.64	136.73	2461.64
Weizilu village	5216.0	1963.82	4035.58	242.98	308.14	6550.52	125.58	1334.52
Tunlu village	1293.4	478.11	992.40	64.85	208.51	1743.87	134.83	450.47
Total	21328.1	7602.97	16822.9	999.47	1402.06	26827.40	125.78	5499.30

1.2.3 Resettlement Implementation

For better solutions to the resettlement for households affected by land acquisition and house demolition, Nanning municipal government decided in 2007 to build 5 resettlement residential communities, including Xixiangtang resettlement residential community (the community was approved in November, 2007, please refer to Nanning Development and Reform Commission document No. [2007]253 for details), Xingning resettlement residential community, Jiangnan resettlement residential community, Qingxiu resettlement residential community and Wuxiang new district resettlement residential community. The construction of resettlement residential communities were listed by the Nanning municipal government within the key projects catalogue in 2008 aiming for bring real benefits to the people, and it was also listed in the first investment plan for urban construction in Nanning (Nanning Development and Reform Commission document No. [2009]21).

According to the regulations on the land acquisition and house demolition in Nanning city, the affected households of this project can select at will monetary compensation or a residential community for resettlement (at the price of economically affordable houses). They can select a resettlement residential community regardless of their original location. In line with the principle of close resettlement, the affected households of Xinxujiang project will be mainly relocated in the Xixiangtang resettlement residential community.

To better understand the affected villagers's willingness on resettlement place, the external monitoring agency Guangxi University of Finance and Economics conducted random interviews in Shangyao village and Weizilu village. Among the 24 villagers interviewed in Shangyao village, except for one household chose to resettle in the Qingxiu resettlement residential community because their son is working in Qingxiu district, all the other villagers choose to resettle in the Xixiangtang resettlement residential community. Among the 48 villagers interviewed in Weizilu village, 44 villagers (91.7%) expected to resettle in the Xixiangtang resettlement residential community. For the Xixiangtang resettlement residential community is not far from Shangyao village and Weizilu village, and they do not want to leave or live far from the land where they and their ancestors have lived for generations. The details of the villagers' willingness are shown in Table 1-3.

Table 1-3 Affected Households' Willingness in Resettlement Residential Communities

Affected Villages	Interviewee (person)	Affected villagers' willingness in resettlement residential communities (person)			
		Xixiangtang resettlement residential community	Xingning resettlement residential community	Jiangnan resettlement residential community	Qingxiu resettlement residential community
Shangyao village	42	41	0	0	1
Weizilu village	48	44	1	1	2
Total	90	85	1	1	3

Xixiangtang resettlement residential community, located in the west of South Luban road, covers 254.54 mu of land. With a total floor area of 310000

m², its total investment is expected to be about RMB 800 million. The main source of investment is from financial capital and the capital self-raised by the project owner. The construction contract was awarded to Guangxi Jinshui Construction Development Co., Ltd. through public bidding in the beginning of 2008. The land use and the overall plan for the construction of the residential community have been approved by Nanning Planning Bureau. The construction of the residential community has been listed the first investment plan for urban construction projects. The construction of two buildings in this residential community started in March, 2009, of which the sealing-top is expected in November, 2009. The two buildings will be completed and put into use in the first half of 2010. The two buildings are under construction, as shown in Picture 1-1 and Picture 1-2.



Picture 1-1 Xixiangtang Resettlement Residential Community Being under Construction



Picture 1-2 Two Buildings Being Under Construction in Xixiangtang Resettlement Residential Community

1.3 Project Implementation Progress

By June 30, 2009, the winner of bidding invitation for watercourse treatment contract package China Construction Fifth Engineering Devision has started the comstruction, which mainly carried out part of desilting and surface cleaning, completing an actual investment of RMB 5.8 million. The watercourse treatment contract package and have startted watercourse surface cleaning, watercourse desilting, earthwork excavation and earthwork backfilling, completing an actual investment of about RMB 63.89 million, accounting for 64% of the total contract capital. The ecological rehabilitation and landscaping engineering contract and have started the conctruction by the bidding winner Guangxi Road & Bridge Engineering Cooperation and China Railway 13th Bureau Group Corporation. The details of the watercourse treatment are shown in Picture 1-3 and Picture 1-4.



Picture 1-3 Construction Site of Xinxujiang Watercourse Treatment (North of Daxue Road)



Picture 1-4 Construction Site of Xinxujiang Watercourse Treatment (South of Daxue Road)

2 Income Restoration for Affected Villages and Affected Households

The external monitoring and evaluation agency conducted the follow-up survey on five affected villages from June to July, 2009. Based on the sampling surveys and interviews in various affected villages, except for 3 mu of commercial allocated to Hede village during this monitoring period (From January 1 to June 30 of 2009), the allocation and development of commercial land in various affected villages remain the same as the 4th monitoring. The details are shown in Table 2-1.

Table 2-1 Allocation and Development of Commercial Land in Various Affected Villages

Affected Villages	Resettlement Plan (mu)	Actual (mu)	Difference (mu)	Approval for unacquired commercial land	Development of acquired commercial land
Chendong village	114	0	114	Under negotiation	Owing to the new compensation standards, the villagers are still negotiating on whether to choose commercial land or self-employment compensation.
Shangyao village	180	54	126	Under process	The self-built commercial building and the land are leased out as agricultural market.
Weizilu village	35	22.8	12.2	Under process	The land is leased out as agricultural market or supermarket.
Hede village	231	52	179	Under process	The land is leased out as car market.

Tunlu village	48	20.8	27.2	Under process	The land is leased out as steel market and warehouse.
---------------	----	------	------	---------------	---

2.1 Restoration in Shangyao Village

According to the *Resettlement Plan*, 540 mu of rural collective land is to be acquired in Shangyao village. By the end of June 30, 2009, a total of 420 mu of land has been actually acquired in the village, accounting for 77.78% of the total planned land acquisition. RMB 58.1887 million compensation capitals have been actually paid for land acquisition in the village, of which RMB 38.5192 million was paid in the first half of 2009. The house demolition has not yet started.

(1) Distribution and use of compensation capitals: The compensation capitals for land acquisition from the village group 5, 7 and 8 were distributed by the affected village groups and were not reserved by the villagers' committee. The three village groups reserve RMB 100000~ RMB 500000 as development fund for their collective industry and welfare, and the remaining compensation capitals have been evenly distributed to the affected villagers. The reserved compensation capitals in various villagers' groups are under the uniform management of the financial group with its members as the villagers. The use of the reserved capitals must be verified and approved by the financial group, and any large investment in commercial project development or collective welfare must reach the consensus from all the villagers in the village group.

(2) Development of commercial land: 1) A 9-story commercial building, with an investment of over RMB 19.50 million, has leased as a whole to a private business (Jimin Tianxia Limited Company). The building was put into operation in the end of August, 2009, as shown in Picture 2-1. According to the leasing agreement, the leasing term is 20 years, and the annual rental is RMB 2.08 million, with an increase rate of 5% after every 5 years. The first rental RMB 1.04 million was paid in January, 2009. 2) 10 mu of commercial land is leased out as agricultural market, from which the annual rental is RMB 400,000, as shown in Picture 2-2. 3) RMB 6 million is invested to build 2 complex buildings, as shown in Picture 2-3 and Picture 2-4. The two buildings have been leased out to a business (Nanning Guoyu Appliance Company) as a restaurant (Lao Guizhou Zouxu Fish Restaurant already in operation) and a tea house (its interior decoration is underway and it is expected to put into operation in this September). The annual rental from the two buildings is RMB 1.50 million, and the annual rental will increase 5% after every 5 years. Up to date, the first rental of RMB 250000 has been paid to the village. The leasing of the above commercial buildings brings RMB 3.98 million to Shangyao village per year. Together with the returns from original industry, the per capita income in Shangyao village increased by more than 20% compared to that before land acquisition, ensuring a steady income for their living. According to the villagers' committee, 40% of the rentals from above commercial properties are reserved by the collective village as development fund, and 60% will be evenly distributed to the permanent villagers as their living subsidies and pension. It is estimated that each villager receives

some RMB 1200 per month.

(3) Trainings and employment: Since the end of 2008, 75 villagers (person-times) (including 37 women) took part in the employment training program organized by the district government. The training contents cover hotel management, planting and breeding skills. 31 villagers have found their jobs in the city area, with monthly income of RMB 1000~ RMB 1350. According to the leasing agreement, after the operations of the above commercial buildings, some trainees will get the priority to work in the service industry in the village. Up to date, 10 young ladies from the village are working as waitress or other posts in the restaurant, with monthly income of RMB 900 ~ RMB 1300.

(4) Production and living retrorations: The affected villagers mainly save their compensation capitals for land acquisition in the bank. Some villagers used the the compensation capitals in upgrading or decorating their houses so as to increase their rentals. Some other villagers bought the shares of rural credit cooperation. Few villagers invested the money such as running a store or expanding their original investment. Some villagers started to pay for their pension from this year, which to certain extent ensures their living when they are old. The statistics of villagers paying for the pension at their own expenses in the village is shown in Picture 2-5. The sources of income for the villagers mainly include: 1) Rentals from the land and houses. Owing to its advantageous location as well as improved environment after watercourse treatment in Xinxujiang river, more than 10000 came to work nearby or rent the villagers' houses. Therefore, house rental has become a main source of income for the villagers. 2) Incomes from animal breeding and growing on their cultivating land (or leasing the land out to floating population for operation). After land acquisition for this project and other projects, these incomes are decreasing, accounting for less than 15% of their total income. 3) Income from migrant employment. 4) Divident from the collective village. Owing to the increased incomes from the collective village or the village groups, the per capita monthly income actually increases more than RMB 1000 after the implementation of this project. There are currently 5~6 cars in every villager group, increasing by 2-3 cars as compared to those before land acquisition. According to the random surveys by the external monitoring agency, 75% of villagers believed that the implementation of this project made their incomes increase. They also expect the government to accelerate the project implementation progress so as to bring more incomes for them.

Interview with the villager: Mr. Liang, 51 years old, has a family of six members, including 3 labor forces (the husband, the wife and their son), and their daughter is studying in the university. At present, they are living in a 4-story building with 440 m² in area. The first floor and part of the second floor are leased out for rentals, from which the monthly rental is RMB 3200 (The monthly rental increased by RMB 600 after they redecorated their houses with the compensation capitals). Mr. Liang and his wife work as migrant workers in Nanning, and their son works as a migrant worker in other city. Three of them have monthly incomeS of some RMB 4100. The grandparents are taking care of the house. The family received RMB 320000 compensation capital from land acquisition for this project. They spent RMB 40000 for redecorating the house and the remaining are saved in the bank. According to Mr. Liang, the family plans to use part of the compensation capitals as initial capital to

operate a grocery store in their own house or rent a store nearby in the second half of 2009. They believed their incomes would increase as compared to incomes from migrant employment.



Picture 2-1 Commercial Building of Shangyao Village—Furao Building



Picture 2-2 Agricultural Market—Property of Shangyao Village



Picture 2-3 Commercial Building of Shangyao Village—Tea House



Picture 2-4 Commercial Building of Shangyao Village—Restaurant

Picture 2-5 Statistics of Villagers Paying for Their Pension at Their Own Expenses in Shangyao Village

2.2 Restoration in Weizilu Village

According to the *Resettlement Plan*, 498 mu of rural collective land is to be acquired in Weizilu village, which were acquired in 2007. Up to date, the house demolition has not yet started for this project.

(1) Development of commercial land: At present, 5 mu of commercial land is still leased out as an agricultural market. Owing to the adjustment of leadership in the village, the original construction plan of 20000 m² commercial building on 10 mu of commercial land will be correspondingly adjusted. Therefore, the location and the construction plan are still under discussion.

(2) Trainings and employment: More than 20 villagers, including 9 women, took part in the employment training program organized by the district government in 2009. The training contents cover property management, cooking and the skills of doing business. Eight trainees successfully found their satisfactory employment, with monthly income of RMB 1000 ~ RMB 1300. After the training, the villagers who run their own store also improve to certain extent their capacity in business operation.

(3) Production and living restoration: Owing to fewer villagers in the village, their compensation capital is high. A family of four member can receive RMB 500, 000~ RMB 600, 000 compensation capital. Based on the field surveys and interviews by the external monitoring agency, 70% of villagers believed their family incomes would increase after project implementation because of improved environment, advantageous location and more floating population. For example, it becomes easier for the villagers to lease out their houses and the rentals are increasing (the monthly rental increases by RMB 100~ RMB 40). The villagers' houses (for living and leasing) in Weizilu village are shown in Picture 2-6 and Picture 2-7. In addition, the villagers have other sources of income such as the fixed returns from buying the shares of the local rural credit cooperative and the dividend from the collective village. Some villagers have initial capital for doing business. After the land acquisition, the villagers newly bought more than 10 cars.

Interview with the villager: Mr. Liang, 48 years old, has a family of five members, including 4 labor forces and one child studying the high school. They are living in a 200 m² house, and they have another building for leasing. The family received some RMB 550000 compensation capitals from the collective village. They bought the shares of the local rural credit cooperative, purchasing some home appliances and a car. Last year, Mr. Liang, together with his brother and his friends, jointly invested RMB 400000 in establishing a plastic factory, which is right now under very good ooperation, from which the annual revenue is about RMB 100000. Owing to the compensation capitals from land acquisition, Mr. Liang was able to make money by establishing and operating an enterprise. Together with the rental from leasing the house, the family has steady incomes, and their living standars are much higher than those before land acquisition. Mr. Liang's son got married on May 1, 2009, they held 140 tables for the guests in a restaurant, which is the most splendid wedding ceremony so far in the village. Mr. Liang believed the family may not be able to hold such a splendid wedding ceremony without the compensation from land acquisition. The implementation of this project has brought real benefits to the family.



Picture 2-6 Villager's Houses in Weizilu Village (for living and leasing)



Picture 2-7 Villager's Houses in Weizilu Village (for living and leasing)

2.3 Restoration in Hede Village

According to the *Resettlement Plan*, 770 mu of rural collective land is to be acquired in Hede village. An actual 771.006 mu of land was acquired, which was completed in 2007. A total of RMB 96.5264 million was paid for land compensation, increasing RMB 24.61 million over the figure in the *Resettlement Plan*.

(1) Development of commercial land: In 2009, the village group 11 and the village group 19 totally acquired 3 mu of commercial land. Up to date, they have leased out the land at the price of RMB 40000 per mu. The 49 mu of commercial land, where a commercial building has been built, was continued to be leased out to the car dealers. The rentals from the above commercial land are evenly distributed to the villagers. The two incomes combined can bring each villager in the village more than RMB 1,000 per month, showing an increase as compared with that before land acquisition.

(2) Trainings and employment: More than 40 villagers (person-times) took part in the employment training program organized by the district government in 2009. 12 trainees successfully found their satisfactory jobs in Nanning area, such as temporary posts on the construction site for this project, with monthly income of RMB 900~RMB 1300.

(3) Production and living restoration: Since the village is located in the suburb of Nanning city and has advantageous geographical location. The main sources of income for the villagers are from house rentals and incomes from planting and breeding. Based on the surveys and interviews, except parts of compensation capitals being used for building or decorating the house, most compensation capitals are saved in the bank. Since the income from agricultural production is low, most villagers are not willing to expand their agricultural production. Owing to its advantageous location, more floating population come to rent the houses in the village. The monthly rental from the houses for most villagers ranges from RMB 1500 ~ RMB 2000. The number of villagers working as migrant workers is expected to increase by 18%, with per capita monthly income of RMB 800 ~ RMB 1200. And the per capita annual dividend from the collective village and the village group is about RMB 3500. In addition, some villagers paid for their pension at their own

expenses, which to certain extent ensures their living in the future.

Interview with the villager: Ms Lu, 49-year old, has a family of four, including two labor forces and two children one studying in middle school and the other studying in primary school. At present, the family is living in a 160 m² two-story house. Before land acquisition, the main sources of income for the family include monthly income of RMB 1250 from her husband Ms. Liu who works as a migrant worker, and annual income of RMB 8000 from Ms. Lu who engages in planting and breeding. Therefore, the living standard of the family is relatively low. After the land acquisition, the family received RMB 170000 compensation capitals. Ms. Lu spent parts of compensation capitals to upgrade one more floor of the house for leasing. At present, their monthly rental from the house is some RMB 1000. Mr. Liu is still working as a migrant worker in Nanning area, with monthly income of RMB 1250. The annual income from Ms. Lu by planting and breeding decreased to some RMB 4000. All the above incomes combined are RMB 4000 more than those before land acquisition per year. At present, the family has steady bank savings for their children's education in the future. According to Ms. Lu, the implementation of Kelijiang project and Xinxujiang project will improve the surrounding environment and attract foreign investment, which are beneficial for the villagers to lease their houses and do business.

2.4 Restoration in Tunlu Village

According to the *Resettlement Plan*, it is planned that 152 mu of rural collective land should be acquired in Tunlu village. Currently, 133.323 mu of land has been actually acquired in the village, accounting for 87.71% of the total planned land acquisition. RMB17.4387 million compensation capital has been actually paid for land acquisition in the village, which is RMB 4.5 million more than that in the *Resettlement Plan*. There is no land acquisition and house demolition in this village during this monitoring period.

(1) Trainings and employment: More than 30 villagers (person-times) took part in the employment training program organized by the district government in 2009. Some trainees are working in the service industry in the nearby Gaoxin Development Zone or Guangxi University, such as cleaning, with a monthly income of RMB 800~RMB 1000.

(2) Production and living restoration: Compared with that in other affected villages, the land acquisition is small in Tunlu village, and the land acquisition is scattered to several village groups. Therefore, the land acquisition for this project does not pose many impacts on the village. The village enjoys good geographical location by next to Nanning express ring way and convenient transportation. The main sources of income for the villagers are rentals from the houses, planting and breeding, or doing small business, such as running a store or expanding investing in their original business. Owing to increasing floating population and improved environment, the rentas from new houses has increased to certain extent. The monthly income from rental and land cultivation for most villagers ranges from RMB 1100 to RMB 1800. The per capita annual dividend from the collective village is RMB 3000. In general, the current income has inceased compared to that before land acquisition. With the compensation capitals, the living standards for the villagers have improved though the living expenses also increased correspondingly.

2.5 Restoration in Chendong Village

According to the *Resettlement Plan*, 168 mu of rural collective land is to be acquired in Chendong village. 212.78 mu of land has been actually acquired in the village, which was completed in 2008. RMB 30.6150 million compensation capitals have been actually paid for land acquisition, increasing by RMB 13.50 million over that in the *Resettlement Plan*. No house demolition is involved in this village.

(1) Trainings and employment: More than 30 villagers (person-times) took part in the employment training program organized by the district government in 2009. Ten trainees have found their jobs in Nanning city or Pearl River Delta (coastal cities in south China's Guangdong province), with a monthly income of RMB 1250~RMB 1800.

(2) Production and living restoration: Before the implementation of this project, the collective village and the various villager groups own some properties. The annual per capita dividend from the collective village and various villager groups is over RMB 4, 000. In addition, since the village is located next to Daxue road, a large number of floating population come here. There is already a commercial street in the village. The main sources of income for over 60% villagers are from house rentals or self-operating store in the first floor. Therefore, most villagers have steady income. In addition, no demolition is involved in the village and the per capita land being acquired in the village is small; their income from their cultivating land is also low. Thus, there are few impacts of the land acquisition for the project on Chendong village. Based on the interviews with the villagers, the compensation capitals acquired from land acquisition were mainly invested in upgrading their houses or running stores, while a small proportion of villagers spent the money in improving their living expenses. 80% of villagers believed they would have more opportunities to make money in the village in the future owing to favorable factors such as prospective development of Nanning city, implementation of this project, and more immigration of floating population into the neighboring area.

Interview with the villager (the same interviewee in the fourth monitoring): *Mr. Chen, 48year old, has a family of six, including two seniors, a child studying in the middle school, and the other three being work forces. They are living in a 3-story building with an area of 260 m². The second the third floors are used for living by the family and the first first floor is used as a store operated by his wife, with a monthly income of RMB 3000~RMB 4000. The daughter and the father go out for employment, with a monthly income of RMB 1200 ~ RMB 1500. After land acquisition for this project, the family acquired RMB 216, 000 in compensation from the acquisition of their 1.4 mu of land. In the beginning of 2009, the family spent RMB 20000 in decorating the house and purchasing some home appliances. Except for a small proportion being used as floating capital for running the store, most the compensation capitals are saved in the bank because they do not have any good project for investment. The land acquisition did not pose many impacts on the family. There is no obvious difference in incomes as compared to the 4th monitoring. However, their living standards have been improved after the land acquisition, because they have more disposable capitals.*

3 Involuntary Resettlement Sampling Survey and Result Analyses

The external monitoring and evaluation agency conducted surveys on the implementation progress, compensation, demolition and resettlement for Xinxujiang project from June to July of 2009. The surveys focused on the incomes and expenses of affected villagers and their distribution and use of compensation capitals in the first half of 2009.

3.1 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 interviewed the village leaders and the representatives of villagers in the five affected villages such as Shangyao vilalge, Weizilu village, Hede village, Tunlu village and Chendong village. The monitoring agency also interviewed the land acquisition, demolition and resettlement office and the project implementing agency, so as to understand the implementation schedule of resettlement, the implementation of resettlement policies, the use of compensation capitals, complaint and grievance, and public participation.

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 are shown in Table 3-1.

Table 3-1 The Sampling Surveys in Various Affected Villages

Affected Villages	Households surveyed	Persons surveyed
Shangyao village	23	91
Weizilu village	15	58
Tunlu village	3	13
Hede village	15	67
Chendong village	12	49
Total	68	278

3.2 Family Annual Incomes and Expenses

From January to June of 2009, the per capita income of affected villagers is RMB 3240.90. Of which, the salary income and the rental and property income are RMB 934.84 and RMB 824.50 respectively, accounting for 28.85% and 25.44% respectively of the total income. Both the two incomes show increases over the 4th monitoring, and the two incomes exceed the agricultural income. The changes show that the main sources of incomes for affected

villagers have changed as their land keeps decreasing. The highest proportion of income is salary incomes, followed by rental and property income, as well as agricultural income. It is estimated that the top two sources of income will keep increasing after the completion of this project. As for expenses, the per capita expense was RMB 2952.51, increasing by RMB 340 over the 4th monitoring. The expenses include RMB 2101.17 (71.17%) for living expenses and RMB 494.24 (16.74%) for family production and operation expenses. The operational expenses keep increasing, accounting for a higher proportion over the 4th monitoring. The living expenses increased by RMB 134, but its proportion decreased by 4 percentage point in the total expenses. These show that the villagers' main expenses remain as daily living expenses, but the expense component is improving and their living standards are improved. The detailed incomes and expenses of the villagers are shown in Table 3-2.

Table 3-2 Statistics of Incomes and Expenses on Sampling Survey

Item \ Time	First half of 2008		Second half of 2008		First half of 2009	
	Total (RMB)	Ratio (%)	Total (RMB)	Ratio (%)	Total (RMB)	Ratio (%)
. Incomes	2344.15	100.00	2662.80	100.00	3240.90	100.00
1. Salary income	747.27	31.88	762.20	28.62	934.84	28.85
2. Agricultural income	856.12	36.52	806.12	30.27	757.43	23.37
3. Income from service industry	410.68	17.52	480.45	18.05	642.07	19.81
4. Rental and property-related income					824.50	
	276.02	11.77	546.69	20.53		25.44
5. Others	54.06	2.31	67.34	2.53	82.06	2.53
. Expenses	2557.90	100.00	2612.45	100.00	2952.51	100.00
() Production and operation expenses	365.40	11.35	381.56	14.61	494.24	16.74
1. Agricultural production expenses	121.85	4.76	167.80	6.43	175.11	5.93
2. Service industry operation expenses	243.55	9.52	213.76	8.18	319.13	10.81
() Living expenses	1979.73	77.40	1967.28	75.30	2101.17	71.17
1. Food	816.75	31.93	800.87	30.66	857.75	29.05
2. Clothing	173.06	6.77	183.67	7.03	237.76	8.05
3. Living	298.37	11.66	317.44	12.15	423.46	14.34
4. Home appliance and daily necessities	162.68	6.36	159.64	6.12	201.79	6.83
5. Transportation and communication	198.15	7.75	190.12	7.24	305.21	10.34
6. Culture and education	169.16	6.61	175.18	6.72	203.10	6.88
7. Medical care	136.42	5.33	125.22	4.80	148.23	5.02
8. Others	25.15	0.98	15.14	0.58	29.08	0.98
() Other expenses	287.77	11.25	263.61	10.09	357.10	12.09

3.3 Use of Compensation Capitals

According to the survey results, the compensation capitals acquired are mainly saved (or to be saved) in the bank, accounting for some 60%, decreasing

by 4 percentage point over the 4th monitoring. This shows that the affected villagers prefer a conservative attitude towards the use of their compensation capitals. However, the villagers with more compensation capitals increased their expenses on other items of expenses. The expenses on house upgrading or decoration accounted for 17.11%, increasing by 3.7 percentage point, which shows that many villagers intended to increase their rental incomes by upgrading their houses. In reality, most villagers increased their rentals after upgrading their houses and adding more home appliances. 8.26% was operational expenses, showing a slight increase over the 4th monitoring, which shows that the benefits of using compensation capitals remain low for there are few channels for affected villagers to invest their money. It is suggested that the governmental department provide them with necessary guidance or employment opportunities in suitable time. In addition, as their land keeps decreasing, their expenses on agricultural production correspondingly decreased. The uses of compensation capitals are shown in Table 3-3.

Table 3-3 Uses of the Compensation Capitals

Use or intentional use of compensation capital	Proportion (%)	
	Second half of 2008	First half of 2009
1. Saving in the bank	64.12	60.05
2. Daily living expenses	2.10	2.43
3. Buying durable goods	1.55	2.15
4. Agricultural production	2.32	1.17
5. Operational expenses (processing and sale costs)	6.16	8.26
6. House upgrading and decoration	13.41	17.11
7. Education	1.19	2.05
8. Medical care	0.11	0.81
9. Buying vehicle	1.08	3.08
10. Buying phones	0.01	0.06
11. Repaying debts	1.70	0.51
12. Others	6.25	2.32
Total	100.00	100.00

4 Conclusions and Suggestions

4.1 Conclusions

According to the requirements of the *Guidelines for Resettlement External Monitoring and Evaluation*, the external monitoring and evaluation agency conducted the fifth monitoring and evaluation (No.5) on land acquisition, demolition and resettlement during project implementation from January to June of 2009.

As of June 30, 2009, a total of 2035.434 mu of rural collective land has been acquired for this project, accounting for 95.65% of the total in the *Resettlement Plan*. A total of RMB 268.2740 million compensation capitals have been paid for land acquisition, increasing by RMB 54.9930 million as compared to those in the *Resettlement Plan*, which increases by RMB 38.5192 million over the 4th monitoring. The compensation standards for this project are based on the *Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City* (No. [2008]15), which are higher than the standards of the *Resettlement Plan*. The compensation policies are also consistent with the requirements of China, Guangxi and Asian Development Bank. 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, which can satisfy the project engineering schedule.

The information is disclosed through public media, and the professional research institutions are commissioned to give lectures and conduct questionnaire surveys during public participation. According to the requirements of the *Resettlement Plan*, an effective channel has been established for complaint and grievance during land acquisition and resettlement. The reasonable requests of some affected villagers have been properly settled.

4.2 Suggestions

(1) Accelerate the construction of resettlement residential community so as to promote house demolition for this project.

So far, the construction of Xixiangtang resettlement residential community has started, where the affected villagers will be relocated. It is expected the new resettlement residential community will be completed and put into use in the first half of 2010. It is suggested related governmental department accelerate the construction progress for an early resettlement of affected villagers and an early demolition so as to ensure smooth implementation of engineering construction.

(2) Strengthen the publicity and explanation on compensation policies and timely resolve the pending issues due to historical reasons by consulting with affected villagers so as to accelerate the land acquisition progress.

So far, only 30~40 mu of rural collective land has not been acquired from the village group 11 and the village group 12 in Shangyao village. It is suggested related governmental department strengthen the publicity and explanation on compensation policies in order to win the understanding and support from affected villagers. It is necessary, by collaborating with related governmental departments and consulting with affected villagers, to timely resolve the pending issues due to historical reasons by considering affected villagers' benefits and realistic situations.