



# Resettlement Monitoring Report

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## PRC: Guangxi Nanning Urban Environmental Upgrading

Prepared by Guangxi University of Finance and Economics

For Nanning Qingxiushan Mountain Ecological Protection Subproject

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**Asian Development Bank**

**GUANGXI NANNING URBAN  
ENVIRONMENTAL UPGRADING PROJECT**

**Loan No.: 2239-PRC**

**NANNING QINGXIUSHAN MOUNTAIN ECOLOGICAL  
PROTECTION SUBPROJECT**

**RESETTLEMENT EXTERNAL  
MONITORING AND EVALUATION REPORT**

(NO.3)

Guangxi University of Finance and Economics

Nanning, P.R. China

December, 2008

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# 1 Introduction to Resettlement Implementation

Qingxiushan Mountain Ecological Protection Project, a subproject of Nanning Urban Environmental Upgrading Project, consists of 3 subprojects including afforestation, infrastructure construction and supporting facilities. By the end of December of 2007, the resettlement had been fully finished. Compared with the publicly-released *Resettlement Plan*, 100% of land acquisition and demolition have been completed; the actual monetary compensation is 320.41% more than the originally planned monetary compensation, with an increase of RMB 20.8874 million for land acquisition compensation and 3.2811 million for demolition, of which the main reasons are as follows: 1. The budget in the *Resettlement Plan* did not include the compensation for seedling base and its land-attached constructions. 2. The compensation standards in the *Resettlement Plan* were defined according to different types of land, that is, RMB 36, 500 per mu for dry land, RMB 40, 000 per mu for orchard, RMB22, 500 per mu for forest land and RMB 20, 000 per mu for barren hills suitable for forestation. However, during the actual implementation, most of the dry land, forest land and waste land have been used for growing vegetables and became the vegetable land. According to the corresponding type of land, the compensation standard for vegetable land is RMB 119, 000 per mu. The details are shown in Table 1-1, Table 1-2 and Table 1-3.

Table 1-1 Summary Tables for Land Acquisition and Its Affected Population for the Project

Farm name	Land acquisition (mu)			Affected households		
	<i>Resettlement Plan</i>	Actual	Actual percentage of the planned (%)	<i>Resettlement Plan</i>	Actual	Actual percentage of the planned (%)
Fengling Horticulture Farm (collective-owned)	870.00	965.72	111	36	7	19.44
Dongfeng Horticulture Farm (state-owned)	328.80	233.04	70.88	18	47	261.11
Total	1198.80	1198.77	100	54	54	100

Table 1-2 Summary Tables for Demolition and Its Affected Population for the Project

Farm name		Demolition area (m <sup>2</sup> )			Affected population (person)		
		<i>Resettlement Plan</i>	Actual	Actual percentage of the planned (%)	<i>Resettlement Plan</i>	Actual	Actual percentage of the planned (%)
Dongfeng Horticulture Farm	Rural houses	/	/	/	/	/	/
	Temporary simple houses	936	1150	122.86	154	154	100
Fengling Horticulture Farm	Rural houses	600	600	100	11	11	100
	Temporary simple houses	570	356	62.46	9	9	100
Total		2106	2106	100	174	174	100

Table 1-3 Summary Tables for Monetary Compensation for Land Acquisition and Demolition for the Project

Farm name	Compensation for land acquisition (RMB 10, 000)			Compensation for house demolition (RMB 10, 000)		
	<i>Resettlement Plan</i>	Actual	Actual percentage of the planned (%)	<i>Resettlement Plan</i>	Actual	Actual percentage of the planned (%)
Fengling Horticulture Farm	3939.01	6216.71	157.82	106.45	357.47	226.50
Dongfeng Horticulture Farm	1119.75	930.79	83.12	18.14	95.23	114.56
Total	5058.76	7147.50	141.29	124.59	452.7	320.41

Based on the surveys, the payment of monetary compensation is as follows: the compensations for crops, land-attached constructions and facilities, and house demolition have been paid directly to the affected villagers; the compensations for land acquisition and resettlement allowance were first paid to the bank account of the horticulture farms, and then the villagers held conference to determine the use of the monetary compensation, which has been fully paid. The capital payment procedures accord with those set in the *Resettlement Plan*.

Because of lower exchange rate, the project implementing agency (IA)

adjusted the original 6 contract packages into 5 contract packages in October of 2008 according to the actual situations of this project. Currently, the first contract package for afforestation and arboreal mix improvement has been under construction; the construction of the fire control and irrigation system has started; the master plan for seedling base has been approved by the related planning authority, and its drawing design for construction is in process. The bidding invitations for the other 3 contract packages are scheduled to start in 2009.

## 2 Institutional Work and Evaluation

### 2.1 Work of Resettlement External Monitoring Agency

Guangxi University of Finance and Economics conducted resettlement external monitoring and evaluation on Nanning Qingxiushan ecological protection project from February to June of 2008 and compiled the second semiyearly resettlement report and submitted to Asian Development Bank (ADB) in July, 2008. On the basis of its second semiyearly resettlement report, this report mainly covers the production and living restorations for affected population, complaints and grievance, as well as the information release by the end of December 31, 2008, and the agency proposes resolutions and suggestions for the existing and potential problems during production and living restorations after land acquisition and demolition. Therefore, it provides an early warning system for project management and a channel for affected population to expressing their opinions.

#### 2.1.1 External Monitoring and Evaluation Work Arrangements

The resettlement external monitoring agency conducted resettlement monitoring and evaluation on production and living restorations after land acquisition and demolition from August 1, 2008 to December 30, 2008. The time arrangements for this monitoring and evaluation are shown in Table 2-1.

Table 2-1 Time Arrangements for External Monitoring Activities

Date	Place	Contents	Interviewees
Aug. 5, 2008	Qingxiushan Land Acquisition, Demolition and Resettlement Office	3 affected households in Fengling area	Qin Zhicheng, Pan Yian etc.
Sept. 16, 2008	Dongfeng Horticulture Farm	Use of compensation capitals and livelihood of affected staffs	4 people including the manager Mr. Huang, Wei Yi
Oct. 20, 2008	Fengling Horticulture Farm	Use of compensation capitals and livelihood of affected staffs	The party secretary Mr. Wei, Mr. Ou and 5 households
Nov. 28, 2008	Consulting Company	Related project information	Yin Jianjun, Li Yanjie etc.
Dec. 15, 2008	Nanning Qingxiushan Tourism Development Company	Project progress	Shi Xia, Liang Wang etc.

#### 2.1.2 Methods and Procedures for Monitoring and Evaluation

(1) Sampling household survey: the sampling plan and the questionnaires

were prepared in advance. The sampling questionnaires covered 20% of affected population (including 100% of households affected by demolition). The main survey contents include family income and expense information, project impacts, compensations for land acquisition and demolition, and resettlement etc. Follow-up surveys were also made on the sampled households of last time. This sampling survey covered 35 households and 135 people.

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

(3) Interviewing some key information releasers such as the implementing agency, director of land acquisition and demolition office, person-in-charge of the affected units, village director, affected householder, women and senior villagers etc.

The main staffs of the external monitoring agency Guangxi University of Finance and Economics are qualified with related professional knowledge and professional capacity. With the assistance from and consulting with the resettlement and social experts of the consulting company, they conducted the resettlement external monitoring work. The main staffs of the external monitoring and evaluation agency are shown in Table 2-2. The external monitoring and evaluation report is compiled twice a year. The first and the second report have been completed and submitted to Asian Development Bank respectively in March and September of 2008. The third external monitoring and evaluation report is completed by the end of December, 2008.

Table 2-2 Main Staff of the External Monitoring Agency

Serial No.	Name	Unit	Position	Contact	E-mail
1	Meng Lizhen	Guangxi University of Finance and Economics	Professor/ Vice president	07713833158	oooooo@163.com
1	Liang Suping	Guangxi University of Finance and Economics	Associate professor/ Vice director	13807716059	nnlsp@126.com
2	He Qingguang	Guangxi University of Finance and Economics	Associate professor/ Vice director	13788682480	gxsun2005@163.com
3	Hu Guihua	Guangxi University of Finance and Economics	Associate professor/CPA/ Institution chief	13977197640	hghua@126.com
4	Chen Jun	Guangxi University of Finance and Economics	Associate professor/ Director	13878159872	Gxcj59@126.com
5	Tian Wei	Guangxi University of Finance and Economics	Doctor/Associate professor	13768273483	Twei88@126.com
6	Cheng Chunming	Guangxi University of Finance and Economics	Master/ Instructor	159944644256	Chengcm@126.com

## 2.2 Work of Resettlement Internal Monitoring Agency

The resettlement internal monitoring agency is well staffed with most of them being professional technicians. A well-performing internal monitoring system has been established to transfer timely and accurate information regarding resettlement to Nanning ADB Project Management Office. The staff of the resettlement internal monitoring agency is shown in details in Table 2-3.

Table 2-3 Staff Arrangement of the Resettlement Internal Monitoring Agency

Project name	Agency and staff			Contact			
				Phone	Cell phone	E-mail	
	Nanning ADB PMO		Person-in-charge	Li Dong	2189328	13978631666	<a href="mailto:Lidong31666@163.com">Lidong31666@163.com</a>
Qingxiushan Environmental Upgrading project	Implementing agency	Nanning Qingxiushan Tourism Development Company	Person-in-charge	Liang Wang	5560679	13878883239	<a href="mailto:liangwangwww@163.com">liangwangwww@163.com</a>
			Contact person	Shi Xia		13737060123	<a href="mailto:qxg888@yahoo.com.cn">qxg888@yahoo.com.cn</a>
	Resettlement implementing agency	Qingxiushan Land Acquisition and Demolition Office	Person-in-charge	Pan Yian	5852610	13878896967	<a href="mailto:nnpyan@126.com">nnpyan@126.com</a>
			Contact person	Qin Zhicheng		13877187152	<a href="mailto:hhsjqin@163.com">hhsjqin@163.com</a>

A strict internal report system has been set up in Nanning ADB Project Management Office, as shown as follows:

(1) The resettlement implementing agency shall submit the internal monitoring and evaluation report form to the project implementing agency on the 5<sup>th</sup> of every month, and then the report form is submitted to the Nanning ADB Project Management Office (PMO) and the consulting company on the 10<sup>th</sup> of every month after confirmed and stamped by the project implementing agency.

(2) The project implementing agency shall submit the internal monitoring and evaluation report to Nanning ADB Project Management Office and the consulting company every half year (respectively before July 15 and January 15).

(3) Nanning PMO shall submit the internal monitoring and evaluation summary report form to ADB on the quarterly basis and submit the internal monitoring and evaluation report to ADB every half year (respectively on July 30 and January 30; submitting the report form on June 30 and December 31). The consulting company shall provide the Nanning PMO with necessary assistance.

There are fixed offices and office equipment for various implementing agencies. A special account has been set up for the resettlement capitals and is supervised by specially-appointed persons. There are smooth communication and feedback of information among various agencies. The reporting mechanism works well among various agencies with vertical contact relationship, and the coordinating meeting attended by the agencies with horizontal contact relationship is held on the quarterly basis as scheduled. The internal inspection systems set up correspondingly within Nanning PMO, the implementing agency Nanning Qingxiushan Tourism Development Company, and Qingxiushan Land Acquisition and Demolition Office work well.



The project management office for the construction contract package .

### 3 Public Participation, Complaint and Grievance

#### 3.1 Public Participation and Information Release

##### 3.1.1 Public Consulting Meeting

The external monitoring and evaluation agency Guangxi university of Finance and Economics organized and held two consulting meetings respectively in Fengling Horticulture Farm and Dongfeng Horticulture Farm from 29<sup>th</sup> to 30<sup>th</sup> of September, 2008. The topics covered in the consulting meetings include their food, clothing, housing, transportation, employment, endowment insurance and medical insurance etc.

On November 15, 2008, the external monitoring and evaluation agency Guangxi University of Finance and Economics once again organized and held two consulting meetings with the villager's committee and the affected villagers respectively in Fengling Horticulture Farm and Dongfeng Horticulture Farm to understand their production and living restorations after land acquisition and house demolition.



Consulting meeting with affected villagers in Fengling Horticulture Farm.

##### 3.1.2 Information Release

Qingxiushan Land Acquisition and Demolition Office prepared the *Qingxiushan Ecological Protection Project Resettlement Manual* and distributed to the affected persons before December of 2005. After the *Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City (Ref. No. [2008]15)* was promulgated in February 2008, Qingxiushan Land Acquisition and Demolition Office timely informed the affected villagers in information manual to improve work transparency.



*Main Operation Procedures for Land Acquisition and Demolition in Qingxiushan Land Acquisition and Demolition Office*

On December 21, 2008, the local newspaper *Nanguo Zaobao* released the newly updated *Planning for Green Land and Parks under the Master Plan of Nanning City* in the report “A new park in your neighborhood”, which proposed to build a green land system “mixed with mountain and river”, so as to improve the landscaping in the city to a higher level.

From December 26, 2008 to January 10, 2009, Nanning Planning Bureau held the Nanning Urban and Rural Planning Exhibition in Guangxi Exhibition Center to exhibit the completed urban planning to the public. The district where Qingxiushan is located is planned to be China-ASEAN Business Center, large-scale commercial convention and exhibition center, garden-style new city for living, as well as the green lung of the city. In addition, the planning authority distributed the questionnaires to the visitors for their comments on the planning. The questionnaires could be filled in on site or be mailed to the office of Nanning Planning Bureau (No. 125, Dongge Road). And a hotline 0771-5690224 was also opened (8:00~12:00 a.m. and 2:30~5:30 p.m. on every work day) to inquire for the comments and suggestions from the public. This made the affected people in project area further consolidate their support and confidence for this project.

### 3.1.3 Survey on Use of Compensation Capital by Affected Households

To understand the affected people’s comments on resettlement, the external monitoring agency conducted random surveys from 18<sup>th</sup>~25<sup>th</sup> of November, 2008 on villagers in Fengling Horticulture Farm and Dongfeng Horticulture Farm. Based on the previous surveys, the survey mainly covered the use of compensation capitals acquired by affected villagers from land acquisition and house demolition, including their investment intentions. The random survey covered 15% of the affected people. The details and results are shown in Table 3-1 and Table 3-2.

As shown from the survey results, the per capita compensation capital acquired is about RMB 128, 000. The use of compensation capitals is mainly divided into following types: 62.45% of compensation capitals are saved in the bank; 14.05% are used for family daily living expenses; 11.11% for agriculture investment, mainly in purchasing fertilizer and insecticide; 6.25% for buying

durable goods in the following two years such as replacing the existing TV set with a LED TV set, and buying fridge; there are also cost investment in business operation and other minor expenses.

Among the 26 villagers surveyed, all have saved part of their compensation capitals in the bank, which is in accord with the traditional saving concept and consumption habits of Chinese people; 15 people plan to invest part of their compensation capitals in plantation; 13 people plan to invest in animal breeding such as chicken and pig; about 10 people plan to replace their TV sets for better ones in a near future. All these show that the affected people in project area have planning on the use of their compensation capitals. In addition, as known from the survey, all the villagers surveyed support the development of this project, because the upgrading will improve their living environment, and there are much more opportunities to increase incomes as the further development of Qingxiushan tourism industry.

Table 3-1 Use of Compensation Capitals

Item	Per Capita (RMB 10, 000)	Ratio (%)
<b>Compensation Capitals</b>	<b>12.81</b>	<b>100</b>
Compensation capitals used or to be used for:		
1. Saving in the bank	8	62.45
2. Daily living expenses(/household/year)	1.8	14.05
3. Purchasing big durable goods (in this year or next year)	0.5	6.25
4. Agricultural production investment	0.2	11.11
5. Business operation expenses (processing, sales cost investment)	0.8	6.25
6. Buying houses	0	0
7. Education	0.4	3.12
8. Medical care	0.01	0.08
9. Buying vehicles	0	0
10. Repaying loans	0.3	2.34
11. Others	0.8	6.25

Table 3-2 Questionnaires on Investment Intentions

Item	Persons	Ration (%)
<b>Total</b>	<b>26</b>	<b>100</b>
1. House repairing and decoration	0	0
2. Buying commercial houses	0	0
3. Buying cars for self-use	0	0
4. Buying big durable goods	10	38.46
5. Plantation investment	15	57.69
6. Animal breeding	13	50
7. Restaurant investment	2	7.69
8. Investing in small grocery shops	5	19.23
9. Investing in clothing business	1	6.67
10. Other business operation	6	46.15
11. Investing in household processing	8	30.77
12. Saving in the bank	26	100

### 3.2 Complaints and Grievance

A transparent and effective channel for complaint and grievance has been established in actual resettlement implementation. Complaint and grievance are accepted by Nanning ADB Project Management Office, Qingxiushan Administration Committee Project Management Office, Qingxiushan District Land Supervision Department, and the independent supervisor. The complaint hotline is 0771-5560359; E-mail: tcl829@sina.com; Fax: 5560660. If their complaints and grievance are not unresolved, 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.

At the same time, the implementing institutions of land acquisition and demolition also explained timely to the affected people regarding matters arose from their land acquisition and house demolition and took the initiative to help them coordinate and resolve the matters concerning production restorations. For example, some villagers told the external monitoring and evaluation agency in the interview survey in April 2008 that their endowment insurance handling procedures were not properly settled. After knowing this, the Qingxiushan land acquisition, demolition and resettlement office specifically held an explanation meeting to publicize related policies in Fengling Horticulture Farm on the 5<sup>th</sup> and 6<sup>th</sup> of May, 2008. The affected people were very satisfied with the transparent work style and policy publicity of the Qingxiushan land acquisition, demolition and resettlement office.

Thanks to smooth and thorough publicity campaign, 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. Up to date, all the complaints and grievance received have been properly resettled.

## 4 Resettlement Compensation Policies

### 4.1 Main Policy Foundation

Based on the *Resettlement Plan*, the *Law of Land Administration of the People's Republic of China* is the main policy foundation for this project. At the same time, to further specify the compensation principle, compensation standards, land acquisition procedures and supervision mechanism for land acquisition and resettlement, the State Council promulgated the *Regulations of the State Council on Deepening Reform in Land Administration* (No. [2004]28, State Council) in October 2004. As a supporting document for the policy, the Ministry of Land and Resources promulgated the *Guidance Opinions on Perfecting Compensation and Resettlement System for Land Acquisition* (No.[2004]238, Ministry of Land and Resources) in November, 2004. At the same time, the people's government of Guangxi Zhuang Autonomous Region promulgated the *Implementation Measures for the Law of Land Administration of the People's Republic of China*, and the Nanning municipal government promulgated the *Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City (document No. [2005]141)*. These policies provide important guidance for resettlement for this project. The main policy foundations for resettlement for Qingxiushan ecological protection project are shown in details in Table 4-1.

Table 4-1 Resettlement Policy Foundations for Qingxiushan Ecological Protection Project

Serial No.	Names of policies, laws and regulations	Time of implementation/ Document reference No.
	<b>State</b>	
1	<i>The Law of Land Administration of the People's Republic of China</i>	Amended on August 28, 2004
2	<i>Implementation Regulations for the Law of Land Administration of the People's Republic of China</i>	January 1, 1999
3	Announcement Measures for Land Acquisition	Decree No. 10 Ministry of Land and Resources
4	Hearing Regulations on Land and Resources	Decree No. 22 Ministry of Land and Resources
5	Regulations on Petitions on Land and Resources	Decree No. 32 Ministry of Land and Resources
6	Circular of the Ministry of Land and Resources concerning Improving Work on Land Acquisition Compensation	Document No. 58, Ministry of Land and Resources 2004
7	<i>Guidance Opinions on Perfecting Compensation and Resettlement System for Land Acquisition</i>	Document No. [ 2004 ]238, Ministry of Land and Resources 2004

Serial No.	Names of policies, laws and regulations	Time of implementation/ Document reference No.
	<b>Guangxi Zhuang Autonomous Region</b>	
8	Implementation Rules for the Law of Land Administration of the People's Republic of China by Guangxi Zhuang Autonomous Region	Circular No. 34, the Standing Committee of the Ninth People's Congress
9	Administrative Rules on Urban House Demolition by Guangxi Zhuang Autonomous Region	Decree No. 4, the People's Government of Guangxi Zhuang Autonomous Region, 2003
	<b>Nanning City</b>	
10	Ordinances on Acquisition of Collective Land in Nanning City	September 25, 1996
11	Administrative Methods on Demolition of Urban Houses in Nanning City (On trial)	July 1, 2003
12	Ordinances on Acquisition of Collective Land in Nanning City (Amended)	January 1, 2003
13	Administrative Regulations on Assessment of Demolition of Urban Houses in Nanning City	August 15, 2004
14	The Circular of Nanning Municipal Government on the Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City	Document No. [2005]141, Nanning municipal government
15	Guidance Opinions on Related Matters concerning Acquisition of Collective Land and Demolition in Nanning City	Decree No. [2005]1, Nanning Land and Resources Bureau
	<b>Asian Development Bank</b>	
16	Asian Development Bank's Policy on Involuntary Resettlement	/

## 4.2 Adjustment of Resettlement Policy

On February 26, 2008, Nanning municipal government promulgated the document No. [2008]15 — *The Circular of Nanning Municipal Government on the Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City*. The original compensation and resettlement policy (No. [2005]141 Nanning municipal government) was simultaneously abolished. The comparative analyses on the policies in the document (No.[2008]15) and those in the *Resettlement Plan* were shown in details in Table 4-2, Table 4-3, Table 4-4 and Table 4-5.

### (1) Compensation standards on land acquisition

Based on the survey, the project area is mainly located in the Section 1 and Section 2 of Nanning city. With regard to the compensation for land acquisition, the average land price in the government's new document No. [2008]15 has increased, with an increase of RBM 10, 000 ~ RMB 30, 000 per mu, while the compensation standards for crops remain the same in the new

document. The average price of land in different sections is shown in details in Table 4-2. In addition, if the affected persons of land acquisition choose the self-employment, the self-employment allowance increases to RMB 500, 000 per person from original RMB 250, 000 per person.

Table 4-2 Comparatives Analyses on Average Land Prices in Different Sections

Compensation Standards (RMB/mu)						
<i>Resettlement Plan</i> <sup>1</sup>			Decree No. [2008]15 Nanning municipal government.			
Type of land		Basic compensation standards	Type of land		Section 1	Section 2
Cultivating land	Paddy land	45000	Agricultural land	Paddy land, vegetable land, orchard, fish pool and forest land	90000	78000
	Dry land	35000				
	Vegetable land	70000				
	Orchard	36000				
	Fish pool	53000		Facility agricultural land	50000	40000
Non-cultivating land	Other agricultural land	20000	Construction land		40000	30000
	Residential site	20000	Undeveloped land		40000	30000

(2) Compensation standards for demolition of rural residential houses and buildings

Compared with those in the *Resettlement Plan*, the compensation standards on demolition of rural residential houses and buildings in the decree No. [2008]15 have increased, while the compensation standards for demolition of rural non-residential houses and utility houses remain unchanged. The details are shown in Table 4-3 and Table 4-4.

Table 4-3 Comparatives Analyses on Compensation Standards on Demolition of Collective Residential Houses

Building Structure	Compensation Standards (RMB/m <sup>2</sup> )	
	<i>Resettlement Plan</i>	Decree [2008]15
Frame structure	1480 ~ 2320	1680 ~ 2630
Brick-concrete structure	1410 ~ 2160	1600 ~ 2440
Brick-wood structure	1270 ~ 1860	1440 ~ 2100
Simple structure	1030 ~ 1520	1170 ~ 1720

Notes: The land is categorized into 5 types. The compensation standards vary according to different types of buildings on different types of land.

<sup>1</sup> Referring to the Section 2 in the *Resettlement Plan*.

Table 4-4 Compensation Standards on Demolition of Non-residential Houses

Purposes of Buildings	Building Structure(RMB/m <sup>2</sup> )		
	Frame structure	Brick-concrete structure	Brick-wood structure
Hotels	2160	1960	1666
Office building	1980	1760	1496
Industry	1380	1270	1170

Table 4-5 Compensation Standards on Demolition of Utility Houses on Collective Land

Private (RMB/m <sup>2</sup> )			Collectively-owned (RMB/m <sup>2</sup> )		
Frame structure	Brick-concrete structure	Brick-wood structure	Frame structure	Brick-concrete structure	Brick-wood structure
700	600	450	500	350	250

On the whole, with the development of social economy in the city, the compensation standards for land acquisition and the self-employment allowance have increased in the decree No.[2008]15. However, its main policy principles and contents remain the same as those in the *Resettlement Plan*. Since the compensation for this project had completed by the end of December 2007, the new policy was promulgated on February 26, 2008. Based on the convention in China, the date of promulgation is regarded as the implementation date of the new policy. Thus, the affected villagers who received the compensations for land acquisition and house demolition are no longer compensated.

### 4.3 Evaluation

With the development of social economy in the city, to better safeguard the legal rights and interests of affected groups during acquisition of collective land and house demolition, Nanning municipal government has updated the compensation policy for land acquisition and house demolition and prepared new social security policy for land-losing villagers, which greatly promotes the construction progress for this project.

As for the compensatory use of rural collective land and state-owned land, the project implementing agency fully considers the affected villagers' desire and offers different types of resettlement compensation plans for them to choose, making the affected units and individuals fully understand their rights and interests. Based on the survey by the monitoring and evaluation agency, the resettlement policies for this project not only are consistent with the Chinese laws, regulations and policies on land acquisition, demolition and resettlement, but also they are highly transparent. In addition, they accord with the policies in the updated *Resettlement Plan* approved by ADB, and they are also consistent with ADB policies on involuntary resettlement.

## 5 Resettlement Production and Living Restorations

According to the *Resettlement Plan* approved by Asian Development Bank, the restoration measures for income, living and livelihood include: 1) Habitation resettlement, which refers to providing the affected units and individuals with monetary compensation, property exchange or reconstruction on residential site to restore their habitation condition. 2) Production resettlement, which refers to various production and operation restoration measures for affected village production organizations such as villagers' group (also called economic cooperative) and privately or individually-owned business; 3) Living restoration, which refers to restoration for living infrastructure and living standard for affected persons in the villages and units, so as to ensure their living condition and living standards not worse than those before project implementation. 4) Employment resettlement, which refers to providing employment for land-losing villagers, affected privately or individually-owned business and other affected people.

Based on the field survey, consulting meeting and interview, the restoration plans for this project are consistent with those as defined in the *Resettlement Plan*.

### 5.1 Habitant Resettlement

#### 5.1.1 Fengling Horticulture Farm

In the *Resettlement Plan*, 600 m<sup>2</sup> of rural brick-concrete structure residential houses are to be demolished, affecting 3 households and 11 people. A piece of 70-mu land is to be allocated as the residential site that is about 100 meters from Fengling Horticulture Farm alongside the Qingxiu Road (diagonally across from the Daziran Garden residential community). According to the planning of the Fengling Horticulture Farm, the houses will be under uniform planning and construction and then distributed to the affected persons, with each household paying about RMB 20, 000. The actual implementation is as follows: the government has allocated the land with an area of 599, 99.82 m<sup>2</sup> to rebuild a new rural residential community and the investment is about RMB 200 million. After the consensus in the villagers' conference, all the investment capitals are from the compensation capitals paid for land acquisition in the horticulture farm. By December 25, 2008, the bidding invitation for the construction of the new residential community was ongoing. The new residential community is scheduled to be completed and transferred for use by the end of December 2009. After the new houses are completed, each villager in Fengling Horticulture Farm will acquire 80-m<sup>2</sup> residential houses. The house will be used for living after interior decoration by the villagers. Before the new residential houses are completed, the villagers are

not forced to remove from their existing houses. Provided that the project progress requires an early removal of affected villagers, with the agreement from the affected villagers, a transitional fee shall be paid for them to rent houses or temporary houses should be built for them to live (including the affected 3 households).

#### 5.1.2 Dongfeng Horticulture Farm

Based on the survey, Dongfeng Horticulture Farm has changed its name as Dongfeng Industry Co., Ltd.. This project demolishes 936 m<sup>2</sup> of temporary simple-structure houses, which are mainly used for piling up fertilizers and the shelter to take care of the orchards, affecting 18 households and 47 people. All these affected households have their houses in the staff's residential houses in Dongfeng Horticulture Farm, with the living area ranging from 70 m<sup>2</sup>~100 m<sup>2</sup>. Therefore, their living and habitation are not affected by this project, which accord with the description in the *Resettlement Plan*.

### 5.2 Production and Living Restoration

#### 5.2.1 Fengling Horticulture Farm

After land acquisition for this project, the horticulture farm acquires a compensation capital of RMB 62.1671 million, including RMB 7.7514 million for land acquisition, RMB 25.3436 million for resettlement, RMB 2.0763 million for crops, RMB 115, 800 for forest and RMB 26.8799 million for seeding bases. According to the autonomous bylaws and administrative regulations in the horticulture farm and with the consensus in the villagers' conference, the compensation for crops has been fully paid to the contracted households, and the compensation for land acquisition will be uniformly used by the horticulture farm for building the new village and Fengling Mansion. The resettlement allowance, with a per capita of RMB 90, 000, has been fully transferred to the personal accounts of affected villagers. On the basis of the survey, the living standards on the project area are on the medium and high levels in Nanning city, with an average monthly expense of RMB 1, 300~RMB 1, 500 per household. To be calculated on the basis of 4-member family, the RMB 360, 000 resettlement allowance is sufficient for their basic living expenses for about 20 years.

Based on the survey, the overall leasing contract of the 21-story complex building built on the commercial land ---- Fengling Mansion was signed with Guangxi Zhongjian Fengyu Real Estate Development Company Limited (hereinafter short for Zhongjian Company) on April 9, 2007. According to the agreement in the leasing contract, Zhongjian Company will carry out secondary decoration on the complex building with the standard of higher than 3-star hotel. The building is mainly used as a hotel. The term of leasing is 20 years, with an annual rental of RMB 6.005 million, and the rental will increase 5% after every 5 years. The company has paid RMB 3 million deposit to the

horticulture farm within 3 days after the signature of the contract, and the remaining RMB 3.005 million will be paid after its completion and acceptance inspection. By December 25, 2008, the decoration had not yet completed, but the entire RMB 6.005 million rentals have been transferred to the bank account of the horticulture farm in advance, which is a measure of Zhongjian Company to further cooperate with the horticulture farm in developing other projects. However, due to the global financial crisis, Zhongjian Company is suffering the shortage in the turnover of its capital, resulting in the slow progress of project progress. The horticulture farm does not dare to use the RMB 6.005 million rentals in case of contract disputes such as refund or other contingencies. Upon the use of the RMB 6.005 million rentals, after the deduction of taxes and development fund for the farm, every household will receive about RMB 50,000 in annual revenue on the basis of the total households in the horticulture farm. The villagers in horticulture farm has been compensated for land acquisition and demolition in other projects since 2002, it does not affected their living even with the delayed distribution of the RMB 6.005 million rentals. After the completion of the seedling base, it is expected that about 20 villagers will be able to work on seedling cultivation. In addition, those who lose their land will be able to work in other services industries. According to the statistics, the annual visitors to Qingxiushan tourist spot reached 1.45 million people in 2007, which promoted the merchandise trade and economic development in this area and provided affected villagers with employment opportunities in non-agricultural production activities. For the future, with the development of China-ASEAN Commerce Center, the large-scale commerce, trade and convention center as well as the horticulture farm, the living standards of the affected villagers will be greatly improved after land acquisition and demolition.



Fengling Mansion to be completed very soon.

### 5.2.2 Dongfeng Horticulture Farm

Dongfeng Horticulture Farm is also called Dongfeng Industry Co., Ltd.. Since it is located next to Nanning Langdong development area, the area has been developed with the service industry as its main industry and with the horticulture, property management, and cooperative development and

operation of land as its subsidiary industry. An operation pattern mixing with various industries has been formed, and agricultural production is no longer a main industry in the area. The annual revenue reaches RMB 8 million. At present, with regard to the affected households and population for this project, 18 households are affected by land acquisition in this project, affecting 46 people, accounting for only 5.4% of the total households on the farm.

After land acquisition, Dongfeng Horticulture Farm acquires RMB 10.2602 million in compensation, including RMB 4.098 million for land acquisition, RMB 5.8837 million for resettlement and RMB 1.1203 million for crops. With the consensus in the villagers' conference on the farm, the compensation for crops has been fully paid to the contracted households, and the compensation for land acquisition and resettlement allowance will be uniformly kept, distributed and used by the horticulture farm. The compensation capitals are used as the development fund for reproduction activities on the farm, of which the use purpose will be determined by the villagers' conference. The villagers affected by land acquisition will be covered in the employee security system in the horticulture farm, with each villager receiving RMB 460 allowance per month. The same as Fengling Horticulture Farm, with the development of China-ASEAN Commerce Center, the large-scale commerce, trade and convention center as well as the horticulture farm, the living standards of the affected villagers will be greatly improved after land acquisition and demolition.

### 5.3 Employment Resettlement

Since the launching of employment and reemployment training campaign for a million villagers in Nanning city in 2006, serious activities have been carried out to ensure employment for "employment-free households" and build a district with full employment. A series of occupation training classes have been organized free of charge, as shown in Table 5-1. Since most of these training classes are organized for the villagers in the neighborhood and are free of charge, the villagers can voluntarily take these classes. Part of the young and middle-aged villagers acquire the qualified certificate for employment in certain occupation after receiving the occupation training, which greatly improve their enthusiasm on strengthening their employment skills. They also speak highly of the training campaign organized in their neighborhood by the government and show their gratitude. The correspondents of the Publicity Department of the CPC Central Committee carried out a featured interview report in Qingxiu district on December 18, 2008. Based on incomplete statistics, a total of 1, 989 land-losing villagers in Qingxiushang, Fengling and San'an area received various training on occupational skills in the district, of which 1, 275 villagers acquired their job qualification certificate and 823 persons were employed<sup>2</sup>.

Based on the survey by the external monitoring and evaluation agency,

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<sup>2</sup> Sources: the official website of the Nanning Qingxiu district government.

among those who were employed, 82 people are affected villagers, and among those who gain their job qualification certificates, 102 people belong to affected people of this project. This shows that the affected people have been found other ways of employment and gradually become urban citizens or “villagers engaged in business” from the villagers depending on land.



The completion examination for training program in Qingxiu district

Table 5-1 Statistics on Occupational Skill Training for Land-losing Villagers in Qingxiu District in 2008

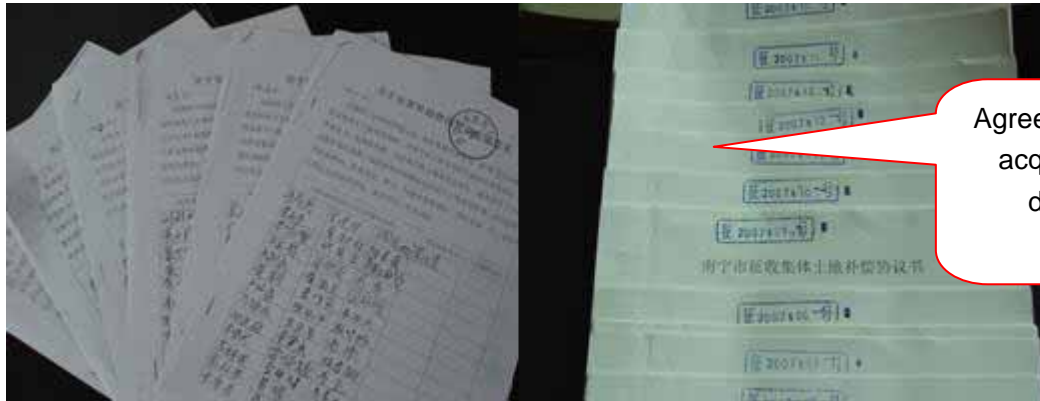
Date	Place	Contents	Trainees	Participant	Trainer	Effects
10 <sup>th</sup> ~26 <sup>th</sup> of June, 2008	Kangzhiqiao Occupational Skills Training School	Computer skills	Villagers on Qingshan, Fengling and San'an horticulture farm	35	Professional teachers from Kangzhiqiao school	35 people acquiring the computer certificate grade 1 of Guangxi
June 26 <sup>th</sup> ~July 12th, 2008	Kangzhiqiao Occupational Skills Training School	Hairdressing	Villagers on Qingshan, Fengling and San'an horticulture farm	46	Professional teachers from No. 4 Vocational school	43 people acquiring job qualification certificate in hairdressing
10 <sup>th</sup> ~30 <sup>th</sup> of July, 2008	Fengling Primary School	Computer skills	Villagers on, Fengling horticulture farm	28	Jintou sub-district office	28 people acquiring completion certificate
Aug. 22 <sup>nd</sup> ~Sept.22 <sup>nd</sup> , 2008	Kangzhiqiao Occupational Skills Training School	Housekeeping	Villagers on Fengling and San'an horticulture farm	58	Bagui Female Employment Service Center	57 people acquiring job qualification certificate
18 <sup>th</sup> ~23 <sup>rd</sup> of November, 2008	Kangzhiqiao Occupational Skills Training School	Cooking and maternity matron	Villagers on Fengling and San'an horticulture farm	138	Bagui Female Employment Service Center	112 people acquiring job qualification certificate

#### 5.4 Capital Sources and Payment Procedures

According to the project progress schedule, the capital sources for resettlement for this project are all from financial allocation and self-financed by the implementing agency.

For the acquisition of rural collective land, after the signature of the compensation agreement, the compensation capitals are fully paid to the primary bank account of the villagers' committee. The affected households and

the demolition implementing agency sign agreements on compensation standards, compensation amount, resettlement pattern and date of removal, and then various implementing agencies directly pay the compensation capitals to the affected villagers after the effectiveness of the agreement.



Agreement on land acquisition and demolition



The voting results on the use and distribution plan of compensation capitals agreed by the villagers.

## 6 Social Action

According to requirements of the *Vulnerable Groups Social Development Action Plan* prepared by Nanning ADB Project Management Office in 2005, the external monitoring and evaluation agency carried out the monitoring and evaluation on the social development action for vulnerable groups for this project from August to December of 2008. The external monitoring and evaluation agency, through telephone interview, visiting interview and household survey, has communicated with related government departments, project implementing agency, villager's committee and villagers so as to know the latest status of implementation of social development action plan for vulnerable groups.

### **(1) Continue to focus on vulnerable groups and properly resolve their social security.**

In 2008, the government's attention on the disabled was to resolving their livelihood matters, which include improving the overall development of the disabled, conducting community rehabilitation activities and covering the self-employed disabled into the basic endowment security system.

All the affected people have taken part in the new type of rural cooperative medicare system, and all the related procedures have been properly handled. Every villager will pay RMB 10 per year, which is uniformly paid by the village. Based on the report on *Nanning Daily* on December 28, 2008, it is determined in the Guangxi work meeting on the new type of rural cooperative medicare system that Guangxi would double the per capita financing capacity for participants of the new type of rural cooperative medicare system in the next two years to be RMB 100 from the original RMB 50. In 2008, the annual per capita is RMB 80, of which RMB 10 paid by the participant remain unchanged, and the financing standard by the central budget, Guangxi and the city-level increased respectively RMB 20, RMB 6 and RMB 4, giving the participants with more benefits. The endowment insurance capital is paid by the individual, the collective and the government basing on the proportion of 3:3:4, of which the related procedures are ongoing. No affected villager is needed for the minimum subsistence allowance in the project.

### **(2) Create more employment opportunities**

During the project construction in the following two years, it is currently expected that 100 full-time or temporary employment positions will be created, of which two thirds belong to non-technicians positions such as landscaping worker and cleaner. By the end of December 30, 2008, the employment opportunities increase by about 25 persons as compared to that during the previous monitoring report, which mainly include the temporary work positions related to this project.

### **(3) Establish village-level environment and food informer supervision mechanism to ensure environment and food security in rural area.**

There are informers on food security, coordinator and countryside cook in every township and every village in Qingxiu district. According to related regulations, the organizer of gathering dining on birthday party or other gathering occasions in various villages shall register to the informer in the village, and then the informer shall conduct on-site supervision and guidance on food safety. The informer in the village shall timely report to the leading group on food security in the township, and the coordinator shall be called for to have on-site guidance on food security. After report to the Guangxi Institute on Hygiene Inspection, a special person will be appointed to conduct on-site guidance if necessary.

## 7 Conclusions and Suggestions

### 7.1 Conclusions

(1) The resettlement has completed for a year but the project construction moves forward slowly. The main reason is that Nanning adjusted its urban planning in 2008, the south Fengling road is adjusted to deviate from Qingxiushan tourist spot about 50~60 meters, which occupies the originally planned main street and part of the landscaping area. The adjustment of original landscaping design requires a new planning, of which the related procedures are in the process.

(2) Nanning municipal government promulgated the *Compensation and Resettlement Methods for Acquisition of Collective Land and House Demolition in Nanning City (No. [2008]15)* on February 26, 2008. Compared with the original standards in the *Resettlement Plan*, there are no fundamental changes in policy and provisions. Only the compensation standards for resettlement increase according to the economic development in the city. Since the compensation for land acquisition and demolition for this project had completed by the end of 2007, the promulgation of the new policy did not impose impact on the resettlement for this project.

(3) The resettlement compensation standards for this project are implemented strictly according to the standards defined in the *Resettlement Plan* and the compensation capitals are fully paid to the affected villagers in a timely manner.

(4) The income restoration program includes habitation resettlement, production and living restoration, and employment resettlement. The production and living restoration plan implemented by Nanning ADB project management office and various implementing agencies are basically consistent with those in the *Resettlement Plan*.

(5) The district government actively carries out training campaigns on vocational skill for land-losing villagers according to the market demand and the willingness of the affected villagers to strengthen their capacity in employment and self-employment. A lot of work has been done for affected villagers' employment and obvious effects have been achieved.

(6) The information release for the project is smooth. The project management offices at various levels distributed the project information handbook to affected villagers and managed to encourage their participation in the project with various measures. Thanks to the in-depth and thorough publicity campaign for this project, by the end of December 30, 2008, two pieces of opinions and suggestions have been received from affected persons and all have been properly resolved.

## 7.2 Suggestions

(1) The project implementing agency should further its communication and coordination with various government departments to resolve the planning adjustment to ensure smooth project progress.

(2) It is suggested that Jintou sub-district office strengthen its guidance and provide necessary legal aid to the horticulture farm in conducting effective supervision on the construction of the resettlement village and the operation of Fengling Mansion, which is good for an early removal of affected villagers to the resettlement village and protecting their best interests.

(3) The coverage of endowment insurance for land-losing villagers should be speeded up to relieve their concerns for their future. The district land acquisition and demolition office should explain to the affected villagers regarding the slow handling of their endowment insurance.

## 8 Annex 1 Photos of External Monitoring and Evaluation Activities



The external monitoring agency conducts interview surveys on resettlement, production and living restorations for affected villagers in the land acquisition and demolition office and the administrative committee on the horticulture farm.



The external monitoring agency is interviewing the affected villagers.



The external monitoring agency is interviewing the affected villagers.



The external monitoring agency carried out interview surveys on the construction of Fengling Mansion.

