Resettlement Monitoring Report

Project Number: 42382
August 2012

PRC: Liaoning Small Cities and Towns Development Demonstration Sector Project

Prepared by: Liaoning Urban Construction and Renewal Project Office
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Asian Development Bank
Summary Report on Land Acquisition and Resettlement Monitoring and Evaluation
(Period from July 1 to December 2012)

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I. INTRODUCTION

1. The Liaoning Small Cities and Towns Development Demonstration Project (the Project) financed by Asian Development Bank (ADB) consists of eight subprojects, including three core subprojects in Donggang City, Kazuo Mongolian Autonomous County, and Linghai City, and subsequent ones in Goubangzi Town, Gaizhou City, Xifeng County, and Benxi City, which are under the process to be included as the additional subprojects. The loan was effective on 1 July 2010.

2. The internal and external monitoring of the land acquisition and resettlement (LAR) are conducted. Each implementing agency carries out internal supervision and monitoring to ensure the compliance of the provisions in the resettlement plans. Meanwhile, by the end of 2011, an independent LAR monitoring agency, Migration Research Center of Hehai University, has been engaged by five implementing agencies, i.e. Donggang, Linghai, Goubangzi, Gaizhou and Kazuo, to carry out external monitoring and evaluation (M&E) of the implementation of the resettlement plans. The LAR M&E reports for a period from July 1 to December 31, 2012 were prepared for Donggang, Gaizhou and Goubangzi subprojects, while no M&E reports for Linghai, Kazuo and Xifeng subprojects were prepared, because there was no resettlement work occurred during the reporting period.

3. As of August 2012, the PMO received three external LAR M&E reports for Donggang, Goubangzi and Gaizhou subprojects, as shown in Table 1.

   Table 1: External M&E Reports Submitted

<table>
<thead>
<tr>
<th>No.</th>
<th>Subproject</th>
<th>Report Name</th>
<th>Submission Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Donggang</td>
<td>No. 3 M&amp;E report (Chinese version)</td>
<td>June 2012</td>
</tr>
<tr>
<td>2</td>
<td>Goubangzi</td>
<td>No. 3 M&amp;E report (English and Chinese version)</td>
<td>August 2012</td>
</tr>
<tr>
<td>3</td>
<td>Gaizhou</td>
<td>No. 2 M&amp;E report (English and Chinese version)</td>
<td>August 2012</td>
</tr>
</tbody>
</table>

4. The external M&E covers institutional arrangements, baseline survey (including income and expenditure), project progress, resettlement progress, information disclosure and public participation, and grievance and appeal handling, etc. The external monitoring methodologies are specified in the reports as attached. The main conclusions of these reports received are summarized in the following section.

II. RESETTLEMENT PROGRESS OF EACH SUBPROJECT

A. Donggang Urban Infrastructure Subproject

5. The subproject affects 3 streets/towns of Donggang City (Xingcheng District, Dadong District, and Xinxing District) and 7 urban and rural communities. The permanent land acquisition is 385.37mu (25.69 ha), in which the collective land includes cultivated land
244.62mu, pond 9.2mu, channel and land for water conservancy facilities 37.42mu, construction site 39.93mu and other collective land 12.75mu, and there is also 37.42mu state land including reed land. The subproject will impact to total 1051 people of 285 householders, in which the permanent land acquisition affects 715 people of 194 householders, and demolition affects 336 people of 91 householders. The demolition building area is 7644.67m², in which there are 8 enterprise or public institution with 1638.28m² demolition building area, and there are 60 shops with 2013.9m² demolition building area.

6. By the end of December 2011, the land acquisition and resettlement (LAR) of Xincheng Road, Qingnian North Road and Yingbin West Street were ongoing, but the LAR of drainage works has not stared. The land acquisition of the above-mentioned three roads has been completed, and the land acquisition compensation fund for the affected householders is under the granting process. In total, 259.022 mu of land had been acquired, including 206.082 mu of collective land and 52.94 mu of state-owned land. The proposed compensation amount is CNY12.7304million, in which CNY9.6762 million had been paid and CNY3.0542 million has been in the process of payment, which is expected to be paid to the affected households by the end of Aug 2012.

7. Compensation Rate: Since the Liaoning Provincial Government (LPG) issued the Notice of the General Office of the LPG on the Implementation of the Standard for Area-based Composite Land Prices for Land Acquisition (LPG Office [2010] No.2) in January 2010, the land prices of some collective lands to be acquired under the subproject have been adjusted accordingly. The rise of land compensation rate has led to increase of land compensation funds. Under the State’s new policy on the compensation rate for house relocation, the compensation rate for house demolition and resettlement is carried out according to “Land Management Law of People’s Republic of China”, “Regulation on the expropriation of House on the State-owned Land and Compensation” (No.59 under State Council), “Appraise Approach of State Council on the Expropriation of House on the State-owned Land” (Jianfang [2011] No.77).

8. The compensation rate for the resettlement of this project has been finalized by Donggang Municipal Government after discussions and the compensation rate for house demolition is determined as: CNY4000 per square meters for bungalow and CNY4500 land acquisition and resettlement (LAR) for building; meanwhile, the affected people will be paid with relocation subsidies, temporary resettlement compensation fees and relocation incentive fees. In addition, the shops, enterprises or public institutions and accessories involved in this project will be compensated in the market assessed price.

9. Information disclosure and public participation. By the end of 2011, the resettlement information booklet had not been distributed, but the local PMO has timely provided relevant information to the public by means of newspaper and consultation meetings. The public participation mechanism is sound.

10. Income restoration measures. By the end of December 2011, the resettlement had not begun, and thus the livelihood restoration programs of the affected village collectives had not been implemented.
11. Grievances and appeals. The channel of grievances and appeals is smooth. The displaced persons know the channel of appeal when their rights are infringed on. No reporting or appeal by any displaced person has occurred to date.

12. Appendix 1 presents the No.3 external M&E reports in Chinese.

B. Kazuo County Gongyingzi New District Water Supply Subproject

13. The subproject affects 2 towns/townships, 4 villages. The permanent collective land acquisition is 33.75mu, which will impact to 10 people of 3 householders. The subproject affects 959 trees and 131 graves, which has no demolition. The water distribution pipeline network construction needs to occupy 116mu temporary land, which include collective land 18mu and state land 98mu. By the end of December 2011, no LAR activity has started yet.

C. Goubangzi Town Urban Infrastructure Subproject

14. The subproject affects Goubangzi Village and Majiahuang Village of Beizhen City Goubangzi Town. The permanent collective land acquisition is 260.92mu, which will impact to 796 people of 204 householders. The demolition house area is 1226m², and the demolition non-house area is 1402m², which will impact to 169 people of 55 householders. The land acquisition involves also a dumped gas station, the building area is 257.8m², and the occupied area is 3200m².

15. The actual land acquisition required of the subproject is 233.72 mu, less than 260.92 mu in the RP. By the end of Dec 31 2011, the collective land acquisition is 164.72 mu; the house demolition area of the subproject is 1128 m², affecting 42 people of 16 households in Goubangzi town. All of them adopted property right replacement method and they have moved to new resettlement area by the end of 2011. In addition, the affected enterprise (dumped gas station), nursing room and accessory facilities chose currency resettlement method and the compensation fund of CNY3,849,310 for accessory facilities has been distributed totally.

16. Compensation rate. The collective land compensation rate of the subproject is specified as below: 30,000 RMB/mu, including 15,000 RMB/mu for land compensation and 15,000 RMB/mu for resettlement subsidies, which agrees with RP.

17. Information disclosure and public participation. By the end of 2011, the resettlement information booklet had been distributed, and the local PMO has timely disclosed relevant information to the public by means of newspaper, consultation meeting and etc. The public participation mechanism is sound.

18. Income restoration measures. Various restoration measures have been taken to guarantee the affected people’s living standard not lower than before. These measures include: 1) Jinzhou labor and social security bureau has included all the affected people into social security system with payment and withdrawn standard of 150 RMB/person; 2) the town government also holds vocation training as planned, which is free and open to all affected people; 3) the IAs have employed the affected people during project construction as promised and all of them are satisfied with such activities.
19. Grievances and appeals. The channel of grievances and appeals is smooth. The displaced persons know the channel of appeal when their rights are infringed on. No reporting or appeal by any displaced person has occurred to date.

20. **Appendix 2** presents the No.3 external M&E reports in both English and Chinese.

D. **Xifeng County Infrastructure Water Supply Subproject**

21. The Subproject affects 5 people of 2 householders in Tieling City Xifeng County Zhenxing Town Gengke Township Xiaochengzi Village. The demolition house area is 134m². All the land acquisition and resettlement has been completed as of the end of June 2012. The LAR due diligence reports in both English and Chinese and updated RP were submitted to ADB.

E. **GaizhouTown Road Subproject**

22. The subproject affects 5 villages of Taiyangsheng subdistrict from Gaizhuang expressway road junction to south bank of Daqing River. The permanent collective land acquisition is 138.4 mu, including cultivated land of 120.8 mu and homestead of 17.6 mu, which affects 357 people of 118 households. The demolition building area is 3123.2 m², affecting 133 people of 44 households.

23. By the end of December 31 2012, the subproject has acquired collective land 241.1505 mu which are all newly increased land during this monitoring period, among which cultivated land is 228.112 mu and homestead is 13.0385 mu. The land acquisition affects 5 villages with 795 people of 221 households. The house demolition work for 4 villages has been commenced. In total, the residual houses of 37 households have been demolished with house area of 2924.99 m², all of which are newly increased demolishing and affecting 112 people of 37 households. On e non-residual house—enterprise accessory has been demolished, including one wall, two street light and one inspection well. The compensation fund involved is CNY10,896,904, comprising land acquisition compensation fund of 7,207,419 RMB, residual house demolishment compensation fund of CNY3,641,349 and enterprise accessory compensation of 48,136 RMB.

24. In accordance with “Notice of the General Office of the LPG on the Implementation of the Standard for Area-based Composite Land Prices for Land Acquisition (LPG Office [2010] No.2)”, the land acquisition compensation rate for Henan village and Shagouzi village, secondary type land in Gaizhou City, is CNY30,000 per mu(land compensation and resettlement subsidies are included), and the land acquisition compensation rate for other three villages (Shanghezhai village, Laomiao village and Huayuantuo village), third type land in Gaizhou City, is CNY25,000 per mu (land compensation and resettlement subsidies are included). Meanwhile, beanstalk of CNY1,000 per mu will be granted for cultivated land acquisition. After the full discussion with village committee and affected households, currency resettlement is applicable in all the five villages. As for the residual house demolishment, there are 17 households who adopt currency resettlement and 20 households who adopt property right replacement. As for the non-residual house demolishment, client and the enterprise owner agreed to adopt disposable currency compensation method after coordination. By the end of December 31 2011, Gaizhou financial bureau has relended all the compensation funds of CNY7,207,419 to Gaizhou resettlement
office, and then allocated to Taiyangsheng subdistrict office. The compensation fund for contracted land has been allocated to all the affected households in the 5 villages; the compensation fund for house demolition has also been allocated to Taiyangsheng subdistrict office who will distribute various compensation funds to affected people in a timely manner according to Resettlement Agreement.

25. Information disclosure and public participation. The resettlement information booklet has been distributed to the affected people by Gaizhou Dongsheng road project management office and Taiyangsheng subdistrict office in July 2011. The public participation mechanism is sound.

26. Grievances and appeals. The channel of grievances and appeals is smooth. The displaced persons know the channel of appeal when their rights are infringed on. The appeal hotline phone is: 0417-2275067. No reporting or appeal by any displaced person has occurred to date.

27. Appendix 3 presents the No.2 external M&E report in Chinese.

F. Linghai City Infrastructure Subproject

28. All the resettlement work of the Linghai subproject was completed in 2008. Therefore, there was no LAR implemented during the Project implementation period.

G. Xifeng Heating Subproject

29. The subproject does not have any LAR impact. No RP needs to be prepared.

H. Benxi Huaxing Heating Subproject

30. This subproject is just newly added to the Project and so is at the preparation stage. The RP is still to be prepared.

III. ISSUES AND RECOMMENDATIONS

31. The M&E report for Donggang in English has not been provided. The LUCRPO has requested the IA to submit the relevant M&E report. The M&E report will be submitted to ADB once received.
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