

Social Audit Report

Project Number: 46930
June 2017

Dynagreen Environmental Protection Group
Company Limited
Dynagreen Waste-to-Energy Project
Bobai Waste-to-Energy Plant
(People's Republic of China)

Prepared by Dynagreen Environmental Protection Group Co., Ltd.

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Dynagreen Waste-to-Energy Projects

Social Audit Report of Bobai Waste-to-Energy Plant

9 June 2017

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Abbreviations

AAOV	Average Annual Output Value
ADB	Asian Development Bank
AHs	Affected Households
APs	Affected Persons
CCEL	Commission of City Environment and Landscape
DMS	Detailed Measurement Survey
EIA	Environment Impact Analysis
FGD	Focus Group Discussion
FSR	Feasibility Study Report
HD	House Demolition
BESAS	Bobai Environmental Sanitation Administration Station
LA	Land Acquisition
LAR	Land Acquisition and Resettlement
LRB	Land Resource Bureau
M&E	Monitoring and Evaluation
MSW	Municipal Solid Waste
WTE	Waste to Energy
PRC	People's Republic of China

1 Introduction

1. **Project Description.** The project will address the need to treat municipal solid waste (MSW) in small and medium-sized cities and supply electricity to the local grid. The ADB loan is being channeled through Dynagreen to fund a series of WTE subprojects with total capacity of up to 7,100 tons of MSW per day and to generate approximately 610 gigawatt-hours of electricity annually by 2018. ADB's assistance to Dynagreen falls under the category of 'Corporate Finance' in Safeguards Requirements 4 (Special Requirements for Different Finance Modalities, section H) of the 2009 ADB Safeguards Policy Statement (SPS).¹ Dynagreen has adopted an environmental and social management system (ESMS) following ADB's SPS. Each subproject incinerates waste, recovers waste heat for power generation, purifies waste gas, and disposes of ash. This social audit report covers the Bobai WTE Subproject.

2. **Objectives and Scope of the Report.** Land acquisition of Bobai WTE subproject has been implemented starting March 2015 and completed by the local government on May 2017. As required by the SPS and Dynagreen's ESMS, a Social Safeguards Compliance Audit was undertaken by E&S manager for Dynagreen's past and present performance with regard to managing social dimensions of Bobai WTE subproject, particularly on land acquisition and involuntary resettlement, indigenous peoples/ethnic minority issues, labor and working conditions, stakeholder engagement, among other related issues.

3. The purpose of the Social Safeguards Compliance Audit is to determine the nature and extent of all social areas of concerns, gaps or non-compliances of the Bobai WTE facility and with corporate practices with national laws and regulations and ADB policies. The audit was performed in accordance with the SPS and Dynagreen's ESMS, as well as applicable local environmental, social, and occupational health and safety regulatory requirements in the PRC and other ADB social policy requirements related to labor and social protection and gender and development.

4. **Methodology.** In the course of conducting the social safeguards audit for the subproject, the following was undertaken: (i) a desk review of the Dynagreen's existing environmental and social management system; (ii) a review of relevant national laws, regulations and guidelines related to social impact assessment, land acquisition, ethnic minorities and consultation and participation, which are presented in Table 1; and (iii) interviews with the Dynagreen's Management staff, representatives of Bobai local government, the Land Resource Bureau (LRB) and local village committee²; and (iv) site inspection of the subproject. The documentary review and interviews were carried out during the course of the site visit with an aim to assess the labor and working conditions, land acquisition and involuntary resettlement, indigenous peoples, and gender and development aspect of the subproject. The desk review also included a review of project documents and literature including pre-approval of land using, permission notes for location, certificate of compensation, and consultation documents.

¹ The Safeguards Policy Statement is available from <http://www.adb.org/Documents/Policies/Safeguards/default.asp>

² See Appendix 4

Table 1-Relevant National Laws, Regulations and Guidelines

Type	Laws, Regulations and Guidelines
Involuntary Resettlement	<ul style="list-style-type: none"> ● Land Administration Law of the People's Republic of China (effective from January 1, 1999, amended on August 28, 2004); ● Law of the People's Republic of China on Administration of the urban Real Estate (1994); and ● The document 28: State Council's Decision to Deepen Reform and Strictly Enforce Land Administration Issued by State Council in October 2004. ● Regulations on the Protection of Basic Cultivated land (No.257 Decree of the State Council of The People's Republic of China on December 27, 1998); ● The Land Administration Law of People's Republic of China (effective as of January 1, 1999, latest version on August 28, 2004); ● The Implementation Rules for The Land Administration Law of People's Republic of China (Decree No.256 of the State Council, effective from January 1, 1999); ● Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (SC [2004] No.28, effective from October 21, 2004); ● Guidelines on Improving the System of Land Compensation and Resettlement (the Ministry of Land and Resources [2004] no. 238); ● Real Property Rights Law of the People's Republic of China (No. 62 order of the President of People's Republic of China, and effective as of October 1, 2007); ● The Administrative Measures for the Pre-view of Land Use for Construction Projects of the local government (No.42 Order of The Ministry of Land and Resources, effective as of January 1, 2009); ● Regulations on the Expropriation of Houses on State-owned Land and Compensation (Decree No.590 of the State Council, effective from January 21, 2011); and ● Regulations on Appraisal of the Houses on State-owned Land (No.77 of the Ministry of Housing and Urban-rural Development effective as of June 3, 2011).
Indigenous Peoples	<ul style="list-style-type: none"> ● Ethnic Minority Autonomous Religion Law of PRC(effective from October 1, 1984, amended on February 28, 2001) ● Notice of State Council on the Establishment of Ethnic Minority Villages (1983); ● Regulation on the Work of Administrative Urban Ethnic Minority (effective from September 15, 1993)
Other social issues	<ul style="list-style-type: none"> ● Labor Law of the People's Republic of China (effective from January 1, 1995) ● Law of the People's Republic of China on the Protection of Rights and Interests of Women (effective from October 1,1992)

2 Involuntary Resettlement

2.1 Subproject Description

5. On November 18 2014, Bobai County People's Government and Dynagreen signed the Build-Operate-Transfer (BOT) agreement to construct the Bobai Waste-to-Energy (WTE) plant. According to the BOT agreement, all land acquisition and resettlement activities will be implemented by the local government. Dynagreen was not involved in the land acquisition process as this is solely done by the local government. The proposed Bobai WTE Plant has a daily treatment capacity of 1500 tons of urban waste (700 tons for the first phase) and an annual generating capacity of 117.3 million kWh. The total investment of the Project is RMB 299.4277 million.

Figure1- Project location - Guangxi Province



Figure2- Project Location - Yulin City



6. **Location.** Bobai County (east longitude 109° 38' -110° 17, north latitude, 21° 38' - 22° 28) lies in the southeast of Guangxi Province, covering an area of 3,835 km². The area of Bobai County consists of 28 towns, 326 administrative villages (including neighborhood committees) and the population is 1.85 million as the end of 2015. The sub-district Shidong Village within which the project located is under the administration of the Wangmao Town of Bobai County.

7. Bobai County is adjacent to Zhanjiang Guangdong, and Beihai and Qinzhou Guangxi, which is the intersection of coastal and inland areas. It has the advantages of being eastern area of western China and coastal location in the west, and is an important channel for the seaway in the southwest.

8. Yulin County Bobai domestic waste incineration power generation project site is located in Team 5, Wangmao farm, Wangmao town, opposite to Xiujichong. Wang Mao town is located in center of Bobai County, and about 20km away from Bobai Town - where the Bobai county government is located in. Wangmao town is also about 50km from Shuangfeng town - the most northern part of Bobai county; around 35km from Lingjiao town - the most western part of Bobai, around 55km from Daba town - the most southern part of Bobai, and around 40km from Wendi town, the most eastern part of this County.

9. Bobai's GDP reached 24.207billion yuan in 2015, with a year-on-year growth of 14.1%; fiscal revenue reached 1.441 billion yuan, with an increase of 7.6% compared with previous year; the average income of urban and rural residents in 2015 reached 24,607 yuan and 10,229 yuan respectively, with an increase of 8.5% and 12% compared with previous year³. The total number of poor household in Bobai County is 26,701; the total poor villages of Bobai county is 138, which accounts for 42.3% of its total village number; the population of poor people is 128,201, which accounts for nearly 6.93% of its gross population of 1.85 million⁴. The population in Bobai County has reached nearly 2 million, according to local villagers. There is a local labor surplus and lack of employment opportunities, and thus most villagers have been going out as migrant workers.

2.2 Scope of Land Acquisition and Resettlement Impacts

10. Table 2 summarizes the main impacts of subproject components. All land acquisition and resettlement activities from negotiation to compensation payment were conducted by local government from March 2015 as reflected in Figure 3. Site Selection Report of Project up to June 2017 as indicated in Figure 7. 'Compensation Conformation Letter'.

11. Site Selection Report of Project was issued by The Housing and Urban Rural Construction Bureau of Bobai County on 23 March 2015, which is presented as Figure 3. The expected land area for the Bobai WTE subproject is 6.67 hectares (100 mu, 66,667 square meters)

12. However, the final total area of 5.84 hectares (87.6 mu, 58,400 square meters) was acquired for the WTE subproject as shown in Figure 4. For the access road, the project uses the local government highway (the public road, Provincial highway 221), as presented in Figure 5. The 5.84-hectare land was acquired by the Local government⁵ (Bobai County Environmental Sanitation Administration Station (BESAS), which subordinated to the Bobai County People's Government) from Shidong Village Committee (4.0018 ha) and Wangmao Farm (1.8382 ha) for the use of Bobai WTE project since March 2015. The land approval of transfer farmland to

³ Data from the Boabia government. Details can be found at <http://www.rxzf.gov.cn/info/381971?&tsrtyedrtz>.

⁴ Data from Guangxi poverty alleviation information network, details can be found at <http://www.gxfpw.com/index.php?m=content&c=index&a=show&catid=46&id=238>.

⁵ According to the concession contract, the land for the project land should be provided by Bobai County People's Government and the land expropriation and compensation for land acquisition work shall be the responsibility of the government.

construction land approval and the certificate of state-owned land using have not been received as of the reporting period._____.

Table 2- Land Acquisition and impacts

N o	Com pone nt	Area Land acquired	Former Owner	# of Affected Households / # of Affected People	Remarks
1	WTE plant	4.0018 hectares	Village committee of Wangmao Township, Bobai County	N/A	
				N/A	
				2 households / 20 people	
				N/A	
				N/A	
		1.8382 hectares	Guangxi Farmland State - owned Wangmao Farm	N/A	N/A
2	Access road	Shuiying Grade II Highway (Provincial Highway 221	Bobai Government	N/A	The public road is used as the access road
3	Trans mission line?	Temporary land occupation	Wangmao Township	N/A	Transmission line, will set up along the existing road.
TOTAL		5.84			

13. Among the 5.84 hectares of the acquired land, 4.0018 hectares belonged to the collective land of the Shidong village committee of Wangmao Township, Bobai County. All this 5.84 hectares had been deserted for 20 years, because the land was inaccessible for farming machineries and water to get on the land.⁶ After the land had been deserted, farmers on the 0.6 hectare contracted land sought job opportunities outside of the village and landed jobs in factories.

14. Until recent years (during 2014-2015), Shidong Village Committee and Wangmao farm decided to grow some Eucalyptus to increase the income. Later, the land was acquired by the Environmental Sanitation Administration Station of Bobai County Government in March 2015 as the stated-owned industrial project construction land for the Bobai Dynagreen WTE project use,

⁶ Because of the traffic inconvenience, farming tools and other facilities are difficult to get onto the land, which makes the land hard to cultivate as well as causes a lack of access to water. And the cost of getting farming tools and other facilities on the land would exceed the profit from cultivating the land, thus, the village committee, farmers and Wangmao farm decided to deserted the land

as illustrated in Figure 5 “Construction land pre - trial approval for WTE project in Bobai county Yulin city” (No.123 Guiguotuziyushen 2015).

Figure3- Site Selection Report

NOGX 0048266

中华人民共和国
建设项目选址意见书

选字第 450023011200001 号

与原件一致
再复印无效

根据《中华人民共和国城乡规划法》第三十六条和国家有关规定，经审核，本建设项目符合城乡规划要求，颁发此书。

核发机关
日期 2015年07月22日

建设项目名称	博白县生活垃圾焚烧发电项目
建设单位名称	博白县环境卫生管理局
建设项目性质	博发改函[2015]3号
建设项目地址	博白县旺茂镇
用地面积	0.0007公顷
建设规模	

附图及附件名称

1. 博发改函[2015]3号;
2. 博白县人民代表大会常务委员会第十二次会议;
3. 博发改函。

遵守事项

- 一、建设项目基本情况一栏由建设单位提供的有关材料填写。
- 二、本书是城乡规划主管部门依法审核建设项目选址的法定凭证。
- 三、未经核发机关审核同意，本书的各项内容不得擅自变更。
- 四、本书所附附图与附件由核发机关依法确定，与本书具有同等法律效力。

广西壮族自治区住房和城乡建设厅 印制

*the English translation is presented in Appendix 1

Figure4- Project Site



Figure5- Access road



Figure 6- Construction land pre - trial approval for WTE project in Bobai county Yulin city

广西壮族自治区国土资源厅

桂国土资预审〔2015〕123号

关于玉林市博白县生活垃圾焚烧发电项目 建设用地预审的批复

博白县环境卫生管理局：

报来玉林市博白县生活垃圾焚烧发电项目用地预审材料收悉。经审查，现批复如下：

一、玉林市博白县生活垃圾焚烧发电项目已经自治区发展和改革委员会同意开展前期工作（桂能新能函〔2015〕34号）。项目建设内容和建设规模为：项目设计焚烧日处理垃圾800吨、年处理能力达到29.2万吨，拟配备2台日处理生活垃圾400吨的垃圾焚烧炉、1套15MW汽轮发电机组。项目总投资30000万元，选址位于博白县旺茂镇。项目符合《旺茂镇土地利用总体规划（2010-2020年）》（2015年调整）。原则同意通过用地预审。

二、项目拟用地5.8400公顷，其中农用地5.4994公顷（耕地0.2911公顷），未利用地0.3406公顷。项目不涉及占用基本农田，用地规模基本合理，在初步设计阶段，应进一步优化设计方案，从严控制建设用地规模，节约集约用地。

三、要按照国家有关法律法规和《国务院关于深化改革严格土地管理的决定》（国发〔2004〕28号）、《国务院关于加强土地调控有关问题的通知》（国发〔2006〕31号）的要求，认真做好

征地前期工作，足额安排补偿安置资金并纳入工程项目预算，合理确定被征地农民安置途径，明确就业、住房、社会保障等措施，保证被征地农民原有生活水平不降低，长远生计有保障，切实维护被征地农民的合法权益。

四、项目符合国家产业政策和供地政策，地方国土资源管理部门要在供地阶段认真核实项目性质，对于属《划拨用地目录》内项目的可以划拨方式供地，其他项目应以有偿方式供地。

五、项目建设单位可依据此批复文件完善项目核准手续，并须按照《中华人民共和国土地管理法》和国务院文件的有关规定，办理建设用地报批手续，未取得建设用地批准手续的不得开工建设。

六、依据《建设项目用地预审管理办法》的规定，建设项目用地预审文件有效期为两年，自批准之日起计算。如需对土地用途、建设项目选址等进行重大调整的，应当重新申请预审。



公开方式：依申请公开

抄送：自治区发展和改革委员会、玉林市国土资源局、博白县国土资源局。

— 2 —

* the English translation is presented in Appendix 2

Figure 7- Compensation Confirmation Letter

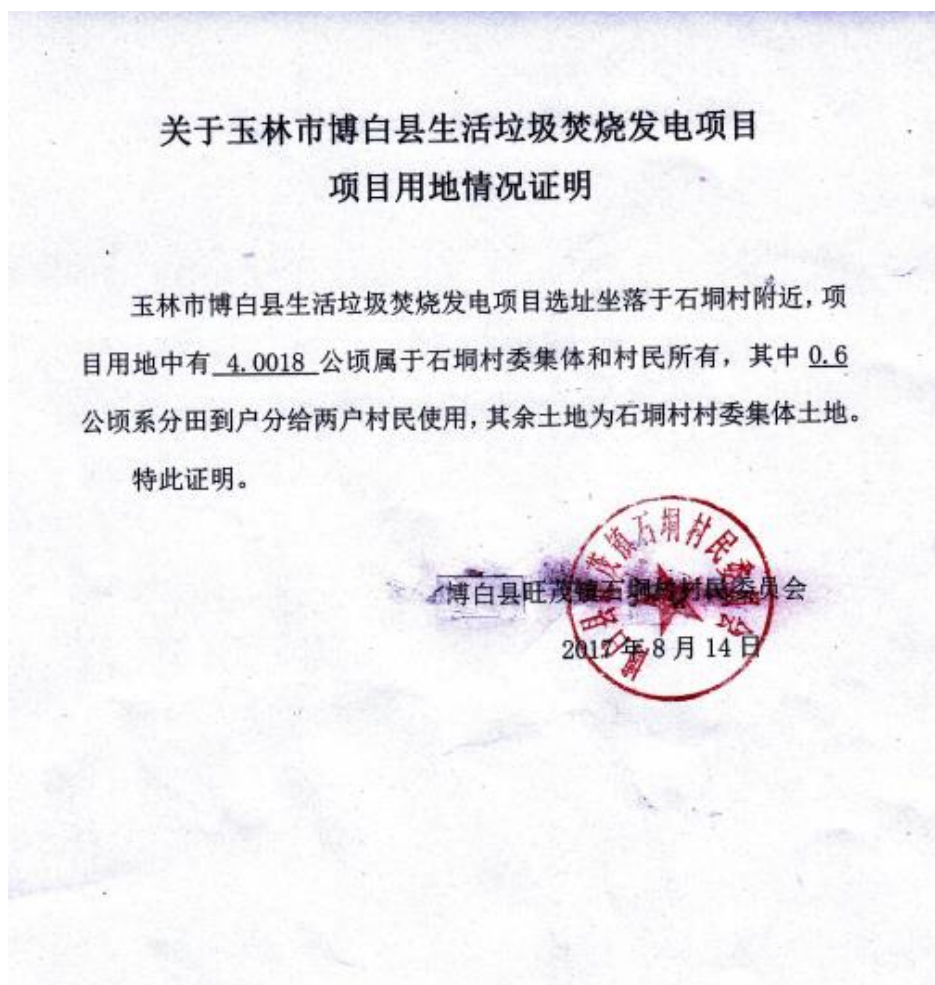
关于玉林市博白县生活垃圾焚烧发电项目 征地费用支付情况的证明

玉林市博白县生活垃圾焚烧发电项目选址坐落于我镇石垌村附近，该项目征用的石垌村民委员会的集体土地、广西农垦国有旺茂农场国有土地以及土地上附着物补偿累计支付人民币：¥4100926.66（大写：肆佰壹拾万零玖佰贰拾陆元陆角陆分），已经支付到位，支付完毕。特此证明。



*the English translation is presented in Appendix 4

Figure8- Proof of land use



*the English translation is presented in Appendix 6

15. The acquisition of the land for subproject plant didn't entail any physical relocation. As illustrated before, the project acquired land includes 4.0018 hectares Wangmao Town village committee collective land and 1.8382 hectares Wangmao Farm of state- owned land, it didn't entail any residential buildings or residents, thus there is no relocation activity involved.

16. As regard to the buffer zone. As shown in Figure 9. Within the buffer zone, north of Provincial Highway 221 belongs to the Wangmao Farm, south of the highway belongs to the Shidong Village Committee. According to Bobai WTE Environmental Impact Report, there are no residential buildings, Scenic spots, nature reserves, or cultural relics and so on within the surrounding buffer zone⁷ construction. The buffer zone of the project company is 300-meter

⁷ The setting of the protection distance of this project should take into account the hygienic protection distance and the atmospheric environmental protection distance calculation result. At the same time, according to the "on the further strengthening of biomass power generation project environmental impact assessment management of the notice" Huanfal [2008] No. 82) requirements, the

radius from the project site according to the national environmental impact assessment laws and regulations. Within the buffer zone, the project site is 15 meters away from Shuiying Grade II Highway (Provincial Highway 221). Outside the buffer zone, the south side of the project site is 360 meters away from the Shidong Village residential area, and the Shidong Village and the Project site are separated by the Provincial Highway 221 and the hillside covered with woodland. The project site is 4-5 km away from the Wangmao Town Government, there are no school, hospital in the buffer zone.

Figure 9- Project land



Red circle: Project location

Yellow circle: buffer zone (300 meters radius)

17. When Wangmao Government acquired the 5.84 ha (87.6 mu) for the Bobai WTE project, they acquired a total of 7.067 ha (106 mu) the compensation was distributed to the beneficiary

new expansion of living garbage incineration plant to be environmental protection distance of not less than 300m. In summary, the project should be set at 300m outside the factory protection distance.

altogether summarized in Table 3, including the Shidong Village Committee, 2 affected households. Detailed compensation on land acquisition is shown in Table 3.

18. Land compensation rates were calculated based on provisions of No.31 Bozhengfa 2016 “Bobai County People's Government's Circular on the issuance of Bobai county compensation standards for house building expropriated and crops, fruit trees and bamboo for infrastructure project construction”, issued by the government of Bobai county on 2 December 2016. Details of compensation rate can be found at Table 4. This complies with the *Notification on Announcement for Average Annual Output Value for Land* issued by Land Resource Department of Guangxi Zhuang Autonomous Region (GGTZF[2018, No89], effective from January 1, 2016). According to the provincial document, the compensation for agricultural land is 19 times of AAOV (2010 yuan/mu). The compensation for unused land is 0.4 times of the compensation for agricultural land. After the negotiation between government of Bobai county and Wangmao town and land expropriated beneficiaries, an amount of RMB 4,100,926.66 was determined and received by the beneficiaries for the land compensation fees, and resettlement allowance⁸ on June 8, 2017, as shown in Figure 7.- Compensation Confirmation Letter. The village leader also confirmed that the 2 AHs have received the compensation by May 2017.

19. As stated by Shidong Village Committee and Wangmao Farm, when the 5.84 ha was acquired by the BESAS, the eucalyptus they grew had not mature when the land was acquired. Before the land was planted with eucalyptus, the land had not yield income to the village, because it was not cultivated by any individual farmers for the Shidong Village Committee Land and Wangmao State-owned land, nor did it have any workers working on the Orchard, garden, paddy field and woodland. Before the land was planted with eucalyptus, the main source of income of these farming households came from other economic activities such as working outside the village as factory workers etc. The income from the eucalyptus would have accounted for nearly 10% of the household's income, because the farmers had already found job outside the village, they do not need further help on their livelihood. There are no sensitive or vulnerable people (i.e. below the poverty level, elderly, women-headed households, or disabled) within the 20 compensated farmers.

20. Among these 5.84 hectares acquired land, except for the 0.3406 unused Land of from Shidong village committee, all the other 5.4994 hectares (1.8382 ha from Wangmao Farm, the left 3.06122 from Shidong Village committee and 0.6 ha for the contracted 2 households) are classified as Agriculture Land⁹, according to the provincial document (GGTZF[2018, No89]) and are compensated at a rate of 57.2850 RMB per square meters, and the rate for unused land is 22.9140 RMB per square meters. Please also be noted that the state-owned land owned by Wangmao Farm is compensated 70% of the same type of land of collective land of Shidong Village, which means the Agriculture land on Wangmao farm is compensated at 70% of the 57.2850 RMB per square meters, i.e. at RMB 40.0995 per square meters. The 1.2267 ha extra village collective

⁸ The resettlement allowance here doesn't mean the acquisition process involve any physical relocation, it simply means the general allowance paid for land acquired to help the farmers improve their livelihood.

⁹ The land compensation rate was decided on the classification of the land which was decided since the last land planning by the local LRB, not on what is planting on the land.

land is compensated as agriculture land. All the land is compensated for the ground attachment, no matter it is planted with eucalyptus or there is only grass on it. And the ground attachment is compensated by area not by the specific amount of the plants. All the attachment on the acquired land is immature eucalyptus (except for the 0.5093 ha paddy field), and the ground attachment is compensated at RMB 3.5 per square meters.

21. The 10 graves are all on the 2.4850 Woodland (excluding the 0.6ha contracted land), the compensation rate for the graves are decided by consulting and negotiating with the independent households, and the compensation rate for the graves is RMB 10,000 per grave on average, which the households were all satisfied with. The compensation is enough for the AHs to buy land to relocation of the graves. An amount of RMB 138,404.5520 compensation fee was paid altogether for relocation of 10 graves and for to the Wangmao Township Government. An amount of RMB 4,100,926.66 have been paid fully to the affected persons for the land compensation fees, and resettlement allowance¹⁰ on June 8, 2017, as shown in Table 3- Compensation for the Land and land attachment, as proven by Figure 7- Compensation Conformation Letter.

¹⁰ The resettlement allowance here doesn't mean the acquisition process involve any physical relocation, it simply means the general allowance paid for land acquired to help the farmers improve their livelihood.

Table 5- Compensation for the Land and Land attachment

Recipient of the compensation	Land area (m ²)	Total compensation (RMB)
Shidong Village Committee	3,406.0000	89,966.0840
2 HH (20 farmers) from Shidong Village	6,000.0000	364,710.0000
Shidong Village Committee	30,612.0000	1,860,750.4200

2.3 Institutional Arrangement

22. The land expropriation of the WTE project in Bobai county has been completed by the people's Government of Bobai county and governments of Bobai County Wangmao Town Government, wherein:

- Bobai County People's government is responsible for managing, examining and approval process for land expropriation and allocating land compensation, managing and supervising of the implementation of the whole process.
- Bobai County Wangmao Town Government participated in the physical measurement survey, agreement signing, obtaining and allocating compensation for the land expropriated beneficiaries
- There are no legal issues nor court cases related to the 5.84 hectares of land acquired for the Bobai Dynagreen WTE project. All compensation has been paid by the local government to the villagers in June 2017 as shown in the Figure 7. Confirmation letter.

2.4 Consultation and Participation

23. During the implementation of land acquisition and resettlement, great importance was paid to consultation and public participation, and 4 key consultation meetings were organized with the village committees, government organizations and the villagers. Public participation had made good achievements, and the needs of the villagers were incorporated into the implementation Table 6 summaries the results of the 4 meetings.

Table 7-Summaries of Consultation Meetings

Location	Date	Participants	number of APs	Key concerns of APs	Solution measures
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Location	Date	Participants	number of APs	Key concerns of APs	Solution measures
Bobai LRB	December 2016	2 officers from Bobai LRB; 2 from village committee	20	The compensation rate	The farm land compensation fee is 57.2850 yuan/ square meters, ground attachment compensation fee is 3.5 yuan/ square meters, compensation fee for unused land is 22.9140 yuan/ square meters.
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24. Appeals and Grievance Redress. Complete appeal and grievance system had been established to deal with the problems induced by land acquisition, so the APs could find relevant department for their appeal and grievance. During the land acquisition procedure, no grievance was received. Steps of appeal and grievance are shown as the following.

- If any AP is aggrieved by any aspect of the resettlement, he/she can state his/her grievance and appeal to the village committee in oral or in written form. If an oral appeal is made, the village committee will record it on paper and process it. The village committee will make a decision on or resolve it in two weeks.
- The aggrieved AP can state the grievance and appeal to the Wangmao Township Government in oral or in written form. The Township Government will decide on or resolve it in two weeks.
- If the aggrieved AP is not satisfied with the decision of the township office, he/she can appeal to the District LRB, which will reach a decision within two weeks.

Ethnic Minorities

Bobai County is located in the southeast of Guangxi, having a jurisdiction over 326 administrative villages in 28 towns (including the neighborhood committees). Its total area is 3,835 square kilometers, with a population of 1.85 million. It is belonged to Yulin city, and is the world's largest Hakka County, adjacent to Zhanjiang city of Guangdong and Beihai and Qinzhou

of Guangxi; at the same time, Bobai county is a multi-ethnic mixed area, having 24 ethnic groups including Han, Zhuang, Yao, Miao, Dong, Mulao, Maonan, Hui, Jing, Shui, ect. Han group has about 1.83 million, accounting for 99% and the other minorities have about 20,000 people, accounting for 1%. In respect of language, the minorities have the same as the Han people. They do not experience any social discrimination. Like the Han people, they do not face any social discrimination and can benefit the same from the project. Within the Shidong Village and Wangmao Farm, where the project site located, there is no ethnic Minorities, i.e. no distinct social and cultural group, no vulnerable group.

3 OTHER SOCIAL ASPECT

3.1 Employment and Labour Management

25. The power plant began land leveling at the end of July 2017, and is expected to put into operation in October 2018. The project company has already finished the Labor Employment Registration and Insurance and Housing Fund account opening procedures in January 2016, the labor recruitment procedure is in strict accordance with the implementation of national labor laws and regulations, the labor contract is signed in accordance with the law, and the Insurance and Housing Fund and salary money is paid timely and full. Dynagreen strictly abides by the Labor Law of the People's Republic of China (1994), and pay great attention to the welfare of employees in china. Dynagreen provides the employees social welfare of the "five social insurance and one housing fund", including pension insurance, medical insurance, maternity insurance, unemployment insurance, injury insurance and housing provident fund. Dynagreen signs labor contracts with employees according to labor law. For example, when the labor inspection department visits the project area, Dynagreen will work closely with the government to check whether the project area has signed labor contracts with the staff. The project company gained the Certificate of Compliance by the local municipalities, labor inspection departments and the Provident Fund Management Centers respectively in January and August in 2016 and February 2017.

26. Dynagreen has a standard written process of staff management. Each new employee will be trained, and their immediate supervisor and the relevant functional departments of the group headquarters are responsible for the training. And further vocational training will be done by bringing them straight to work and in actual operations, while the entire team is responsible for training. The legitimate rights and interests of outsourced employees will be ensured and maintained from the following aspects if the form of outsourcing is taken:

A. In strict accordance with the contract law and labour dispatching laws and relevant regulations to determine the employment model of outsourcing staff, the selection of dispatch units, staff recruitment and other activities. Contract with the outsourcing agency/labour dispatch units will include compliance with the national labour laws including contract law and labour dispatching laws and will take measures to comply with the core labour standards;

B. determine the labor dispatch units strictly, review their legal business procedures, such as the annual audit certificate, insured proof, tax certificate and etc.;

C. take the dispatch units and project companies human resource department two-way management control method, strictly implement the national legal working hours standards, protect the social insurance, rest and leave, labor hygiene, security and other aspects of tangible interests of the outsourcing staff.

D. to review labor policy of the labor dispatch unit from time to time, to check whether it is in line with the statutory requirements, and make modification and improvement timely .

27. Dynagreen gives priority to hiring local labor. Dynagreen encourages contractors to hire local labor preferentially, and for the engineering contractor, although the contract with the owner has no relevant provisions, they still tend to hire local labor because of cost savings. During the construction of the project, the company employed about 22 people, of which about 10 individuals are local staff (including 4 female workers). The Construction contractor employing autonomously, with about 500 on-site employment workers, of which about 160 are local staff (including 15 female workers). After the project is put into operation, Dynagreen will create 86 jobs and is expected to recruit at least 50% in Bobai. Despite no agreement was signed with local governments, Dynagreen will still employ more local workers to complete the localization of local companies as soon as possible.

3.2 Women's Rights and Interests Protection

28. Dynagreen's human resources department has assigned specific staff to handle matters related to female employees. During the design, supervision and operation of the project, Dynagreen will ensure gender equality and provide equal opportunities for both male and female employees. Dynagreen also pay much attention to the working characteristics of female employees, if the job is more suitable for women, it will provide more employment opportunities for women. Some departs have a large number of female jobs, such as the financial management department, human resources department, technical research and application. Dynagreen strictly observes Women's Rights and Interests Protection Law (1992). All female employees have birth insurance, and on women's day they are organized to travel and get small gifts.

29. Dynagreen's headquarters has 134 employees, including 30 female employees, accounting for 22%. Dynagreen encourages engineering contractors to provide equal job opportunities for women, and the company is more inclined to cooperate with companies that are not biased against women. In Bobai, a total of 86 jobs will be created in the WTE project, with about 20% will be expected for women, mainly in positions relating to labor management, property management and administration. At the same time, there will be 10 service type jobs (such as chefs, cleaners), available to the local labor force, which will mainly be female labor force.

3.3 Community Relationships

30. The Bobai Company established a good relationship with the local communities. During the land leveling, a lot of local labors got temporary jobs, and the benefit sharing mechanism was the basis for the future good community relations. During operation, the Bobai company will also let the villagers' representatives to visit the project, and explain to them the power generation operation principle, deodorization measures, waste water treatment, emission control and disposal of waste residue and whether they can meet the environmental standards. Meanwhile, the Bobai company will also provide support for environmental awareness education to the local middle school. Specific activities / meetings / consultations are as follow:

A. In October 2015 and November 2016, the project company organized the local villagers representatives, village cadres, government departments, to go to the Haining Dynagreen project to take a visit. Through field visits, meetings and other exchanges, etc., a better understanding on the waste incineration power generation treatment has been achieved.

B. In November 2016, the project company invited the waste incineration power generation project experts to the local forum, clear villagers' doubts face to face, so that the villagers and local government units has a more profound understanding on the WTE plant.

4 Conclusion

31. Land expropriation, compensation and compensation payments are carried out in accordance with the land administration law and the relevant regulations of the Guangxi Zhuang Autonomous Region. The process followed by the Government and the compensation paid to the 2 HHs, village collective and Wangmao Farm meets ADB's requirements on principles of replacement cost. Dynagreen has done due diligence confirming that there are no grievances on land acquisition and compensation payments. If there are cases in the future where affected farmers require livelihood development support, Dynagreen will cooperate with the local government to implement such programs and report this to ADB.

32. The project aims to provide a wide range of social benefits for all residents in the region, which can effectively improve local environmental, health and sanitary conditions. The ethnic minority groups in the project area are not facing any differentiation problems, and they benefit equally from the project with the Han nationality. This project does not trigger the safeguard requirement 3 of the ADB Safeguard Policy Statement.

33. Dynagreen strictly follows the labor law and the law on the protection of women's rights and interests as well as other relevant laws and regulations. The rights and interests of workers and women in this project have been effectively protected. In the requirements of ADB's social protection measures (2001), the terms of the labor standards were not completely inconsistent with the standards of the country's labor use, which is also observed. These will be monitored continuously and will be reflected in the monitoring report submitted to ADB.

5 Corrective Action Plan

34. There is no outstanding noncompliance issue with respect to the standing crops acquisition and compensation. No corrective action is required.

35. The land approval of transfer farmland to construction land approval and the certificate of state-owned land using have not been received. The progress of this will be reported in the AESPR.

Appendix 1

The People's Republic of China

Construction Project Site Submissions

Xuanzi No. 450923201520002

According to clause 36 of Law of the People's Republic of China on urban and rural planning and the relevant regulations of the state, upon examination and approval, the construction project conforms to the requirements of urban and rural planning, and the book is issued.

Basic information	Name of project constructed	Bobai County WTE Project
	Name of constructor	Environmental Sanitation Administration Station of Bobai County
	Legal basis	Bofagaihan No.3 2015
	Project site selected	Wangmao town, Bobai county
	Area occupied	6.6667 hectares
	Construction scale	

Figure and appendix

1. Bofagaihan No.3 2015;
2. 48th issue of 15th session of Minutes of the Standing Meeting of the People's Government of Bobai County;
3. border map by reconnaissance.

Matters complied:

1. The basic conditions of construction projects is filled out in accordance with the relevant materials provided by the constructor.

Printed and made by the Housing and Urban-Rural Development Bureau of the Guangxi Zhuang Autonomous Region

Office of Land and Resources of the Guangxi Zhuang Autonomous Region

Guiguotuziyushen No.13 2015

Approval of The Preliminary Review of the Construction Land for WTE Project in Bobai County of Yulin

Bobai county environmental sanitation administration station:

We confirm the receipt of preliminary review material for land used for WTE project of Bobai county Yunlin city. After review, our reply to approve as follows:

1. The autonomous region and Reform Commission agreed to carry out preparatory work for WTE project in Bobai County of Yulin City (Guinengxinnenghan No. 34 2015). Project construction content and scale: the daily waste treatment capacity of the project is planned to be 800 tons, and the annual capacity is 292,000 tons; it will be equipped with 2 sets of incineration furnace with each's daily treatment capacity of 400 tons, 1 set of 15MW turbine generator. The total investment of the project is 300,000,000 yuan, and the site is in Wangmao Town of Bobai County. It is in line with the Overall Planning of Land Use for the Wangmao town (2010-2020) (adjusted in 2015). We approve in principle after the preliminary view for the land use.
2. The planned land use is 5.8400 hectares, of which 5.4994 hectares is from farmland (0.2911 hectares of cultivated land) and 0.3406 hectares of unused land. The project does not involve the occupation of basic farmland, and the scale of land use is basically reasonable. In the preliminary design stage, we should further optimize the design plan, strictly control the scale of construction land, and use the land economically and intensively.
3. According to the requirements of the State's relevant laws and regulations of the "State Council Decision on Deepening the Reform of Strict Land Management" (China No.28 2004), "the State Council Notice on Issues Related to Strengthening the Land Regulation" (Guo Fa No.31 2006), conscientiously do the preparatory work, arrange sufficient funds for

the compensation for land expropriation and include the funds in the project the project budget, reasonably determine the resettlement of landless farmers, clearly define employment, housing and social security and other measures to ensure the living standards of the landless farmers are not reduced, ensure the long-term livelihood security, and earnestly protect the legitimate interests of landless farmers.

4. The project conforms to the national industrial policies and the land provision policy. Local land and resources management departments should carefully verify the nature of the project at the stage of land provision. For those projects belonged to "land allocation directory", land can be allocated for it, and it should be compensated for land used for other projects.
5. The project constructor can perfect the project approval procedures on basis of the approval documents, and handle construction land approval procedures in accordance with the relevant provisions of the Land management law of the people's Republic of China and the State Council. Construction should not be started before getting through land use approval procedures.
6. According to the provisions of the Administrative Measures for the Preliminary Review of Land Used for Construction Projects, the preliminary review documents for the land used of construction projects shall be valid for two years, which shall be counted from the date of approval. If it is necessary to make a major adjustment to the land use and the location of the construction project, the preliminary review should be applied again.

Office of Land and Resources of the Guangxi Zhuang Autonomous Region

28 December 2015

Publicity method publicize in accordance with application

CC: Autonomous Region Development and Reform Commission, Yulin Municipal Land and Resources Bureau, Bobai County Land and Resources Bureau

Appendix 3

The payment proof of land acquisition fees for WTE project in Bobai County of Yulin City

The WTE project of Bobai County Yunlin City is located near Shidong village of our town. We hereby certify that the cumulative payment of compensation for expropriating the collective-owned land of Shidong village committee and the state-owned land of Guangxi agricultural reclamation state-owned Wangmao farm with ground attachments is RMB4,100,926.66, and the payment has been completed.

The People's Government of Wangmao Town Bobai County

8 June 2017

Appendix 5

Summaries of Consultation Meetings

Location	Date	Participants	number of APs	Key concerns of APs	Solution measures
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Appendix 6

Proof of land use about Bobai County, Yulin City WTE project

Bobai County, Yulin City WTE project site is located near the Shidong village. There are 4.0018 ha land for the project belongs to Shidong village collective and villagers, of which 0.6 hectares of land are given to the two villagers to use for land allocation to households, the rest of the land is Shidong village collective land.

Hereby certify

Bobai County Wang Mao Town Shi Dong Village Village Committee

August 14, 2017