

# Resettlement Due Diligence Report

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Project Number: 50050  
September 2016

## PRC: Guangxi Regional Cooperation and Integration Promotion Investment Program

Prepared by the Guangxi Zhuang Autonomous Region Government and the Asian Development Bank.

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**Fangchenggang Training Centre for Chinese and  
Vietnamese Workers and SMEs**

**Land Acquisition and Resettlement  
Due Diligence Report**

**August 2016**

# Contents

<b>1</b>	<b>Basic Information of the Project.....</b>	<b>1</b>
1.1	Brief Description of the Project.....	1
1.2	Methodology .....	1
<b>2</b>	<b>History of Land Acquisition and Resettlement.....</b>	<b>1</b>
2.1	Impacts .....	1
2.2	Compensation and Resettlement .....	2
2.3	Consultation.....	4
2.4	Grievance Redress Mechanism .....	6
<b>3</b>	<b>Conclusion.....</b>	<b>7</b>
	<b>Appendix 1 List of Persons Met .....</b>	<b>8</b>
	<b>Appendix 2 Land Acquisition Agreements .....</b>	<b>9</b>

### **List of Tables**

Table 1 Land Acquisition Impacts .....	2
Table 2 Land Acquisition Costs.....	2
Table 3 Main Concerns and Addressing Measures .....	4

### **List of Figures**

Figure 1 Improved Road, Water and Power supply .....	4
Figure 2 DMS Registered Map .....	5

### Abbreviations

AAOV	Average Annual Output Value
ADB	Asian Development Bank
AHs	Affected Households
APs	Affected Persons
DMS	Detailed Measurement Survey
FGD	Focus Group Discussion
HD	House Demolition
LA	Land Acquisition

### Units

mu	Chinese area measure for land 1 mu = 0.0667 ha
m <sup>2</sup>	Square meter

## **1 Basic Information of the Project**

### **1.1 Brief Description of the Project**

1. Fangchenggang Training Centre for Chinese and Vietnamese Workers and SMEs (Subproject or subcomponent #1) will be located within the Fangchenggang City Polytech Vocational School (The School). The Subproject includes construction of 45,727.8 m<sup>2</sup> training facilities covering auto repair, machinery, electronics, trade, and commerce. The total land area of the training centre is 165,000 m<sup>2</sup> (247.5 mu).

### **1.2 Methodology**

2. Site Visit. The consultant visited the project site and checked the status of the land on 28 July, 2016.

3. Key Bureaus Interview. The consultant met the officials of Land Acquisition and House Demolition Office of Fangcheng District on 29 July 2016.

4. Focus Group Discussion. A meeting was held in the Shamuwan Village office on 29 July 2016, and 2 village leaders and 10 representatives of the APs joined the meeting. The list of persons met is presented in Appendix 1.

## **2 History of Land Acquisition and Resettlement**

### **2.1 Impacts**

5. Totally, 247.5 mu of land was allocated for a new location of the School by the Fangchenggang City Government in 2013. Among them, 240.647 mu of collective land was acquired in 2013 from 2 groups of Shamuwan Village, Jiangshan Township, Fancheng District, including 215.099 mu of forest land and 25.548 mu of waste land. The remaining 6.853 mu was state-owned reserved land. Totally, 70 HHs with 280 persons were affected by forest land acquisition. There was no farmland acquisition and house demolition impact. It's confirmed by the village leaders that there was no vulnerable group affected.

6. Around 40% affected population is ethnic Zhuang. The Shamuwan Village is located in the sub-urban area. They are living together with Han group and don't have unique economic, social and political institutions different from dominant society. They get married with Han and other groups. In this area, they are fully integrated with Han peoples. They have lived side by side with the Han for over a thousand years. They all speak the Han language. The local Zhuang and the Han share common culture. These include

celebrations of the same festivals (e.g., Spring Festival, Dragon Boat Festival, and Mid-autumn Festival), social organization, patterns in marriage, housing and farming.

**Table 1 Land Acquisition Impacts**

Type of land	Affected Village	Affected Village Group	Area (mu )			AHs	APs
			Forest Land	Waste Land	subtotal		
Collective land	Shamuwan	Nanji	85.618	12.748	98.366	22	88
		Shiping	129.481	12.8	142.281	48	192
<i>subtotal</i>			<i>215.099</i>	<i>25.548</i>	<i>240.647</i>	<i>70</i>	<i>280</i>
State-owned land			6.853			0	0
<i>Total</i>			<i>247.5</i>			<i>70</i>	<i>280</i>

## 2.2 Compensation and Resettlement

7. Forest land acquisition didn't affect the village's income. Although the forest land was allocated to the farmers in 1981, they can no longer cut the trees for selling as these are coastal protection trees. Local villagers fully accepted land acquisition as it can bring additional cash compensation.

8. According to the *Notice of Implementation Measures of Integrated Land Acquisition Compensation of Fangchenggang City [FZF2013(3)]*, the compensation rate for collective land was 24,992 yuan, which was 22 times of AAOV (1,136 yuan). Based on consultation, 25,000 yuan/mu was applied.

9. The land acquisition agreements were signed with the Nanji Group and Shiping Group on 26 November 2013 and 11 December 2013 respectively. The agreements are presented in Appendix 2. All 100% compensation was paid to the two Groups firstly by December 2013, then the Groups distributed the compensation to the AHs based on the results of the detailed measurement survey (DMS).

**Table 2 Land Acquisition Costs**

Village Group	Area (mu)	Cost (yuan)
Nanji	98.366	2,459,150
Shiping	142.281	3,557,025
Total	240.647	6,016,175

10. In 2015, the farmer's per capita net income in Fangchenggang City is 10,429 yuan, which is the highest city in Guangxi Zhuang Autonomous Region. In the affected village, the farmer's per capita net income reaches around 12,000 yuan in 2015. The village is close to the downtown of Fangchenggang city, and it's easy to get non-agricultural jobs.



Also, coastal fish breeding is developed well in the village. Each AH got averagely 86,000 yuan compensation. Based on the interviews with the APs, they used the compensation for improving their living and production conditions. They are satisfied with the compensation.

## 2.3 Institutional Arrangement

### 2.3.1 Implementation Agencies

11. The institutions related to land acquisition and resettlement include:

- Fangchenggang Municipal Government (FMG)
- Fangchenggang City Polytech Vocational School (the School)
- Fangchenggang Land Resources Bureau (FLRB)
- Land Acquisition and House Demolition Office of Fangcheng District (LAHDO)
- Shamuwan Village Committee

**Fangchenggang Municipal Government** was responsible for leading, organizing and coordinating all land acquisition and resettlement activities, including the formulation of resettlement policies and internal monitoring.

**Fangchenggang Land Resources Bureau** was responsible for pre-checking, approving and allocating land.

**Fangchenggang City Polytech Vocational School** was the applicant of land acquisition.

**Land Acquisition and House Demolition Office (LAHDO) of Fangcheng District** was responsible for land acquisition and resettlement survey, formulation of the scheme for land acquisition and consultation and negotiations with the APs.

**Shamuwan Village Committee** coordinated with the government to conduct DMS and confirmation the result of DMS, discuss the compensation rates and address the complaints as the first level.

### 2.3.2 Procedures for Land Acquisition

➤ In May 2013, the School applied to FLRB for construction land use, and on 21 May 2013, the pre-examination of land use was approved by FLRB.

➤ In September 2013, LAHDO announced the Land Acquisition Notice in the 2 affected Village Groups.

➤ From October to November 2013, LAHDO conducted consultation with 2 affected village groups.

➤ In November 2013, LAHDO completed the activities of confirmation of land ownership, land area measurement, counting and confirmation of land attachments. Accordingly, LAHDO signed land acquisition agreements with Nanji Group and Shiping Group on 26 November 2013 and 11 December 2013 respectively.

➤ On 12 December 2013, land compensation was paid by LAHDO to the two

affected groups, and the groups distributed the compensation to the AHs by December 2013.

#### 2.4 Consultation and Information Disclosing

12. In September 2013, Land Acquisition and House Demolition Office of Fangcheng District announced the Land Acquisition Notice in the 2 affected Village Groups and the related compensation documents were disclosed.

13. From October to November 2013, 6 consultation meetings were organized with village leaders and all representatives of the affected households to discuss the applied polices, the proposed compensation rates, and other supporting measures to the village, etc. The main concerns of the villagers and addressing measures are presented in Table 3.

**Table 3 Main Concerns and Addressing Measures**

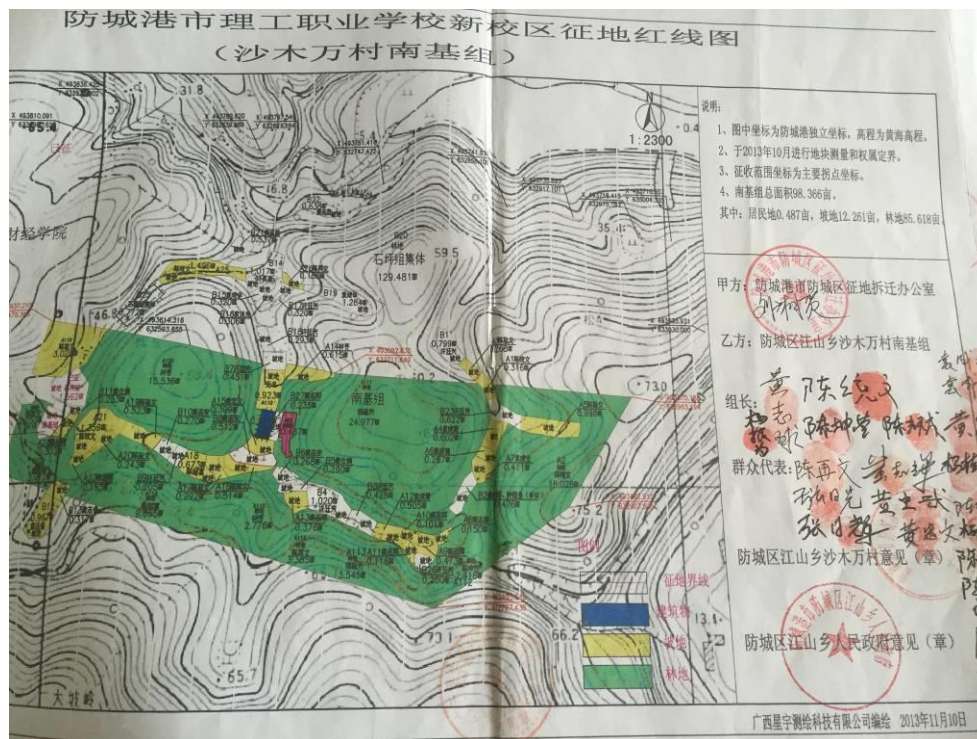
No	Concerns	Measures
1	APs preferred to get cash compensation.	The compensation rate of 25,000 yuan was accepted by the APs. Cash compensation was paid on time.
2	APs asked the government to improve the village road, water and power supply.	The government allocated additional 2 million yuan to improve the road, water and power supply, as presented in Figure 1. It's confirmed by the village committee that the funds were utilized for given purpose. The villagers were very satisfied with these additional benefits. The original sand road was upgraded to cement road. The water and power supply system also was improved.
3	APs prefer to get job opportunities when the school is constructed.	The APs have priorities to get the unskilled job opportunities, especially the women.

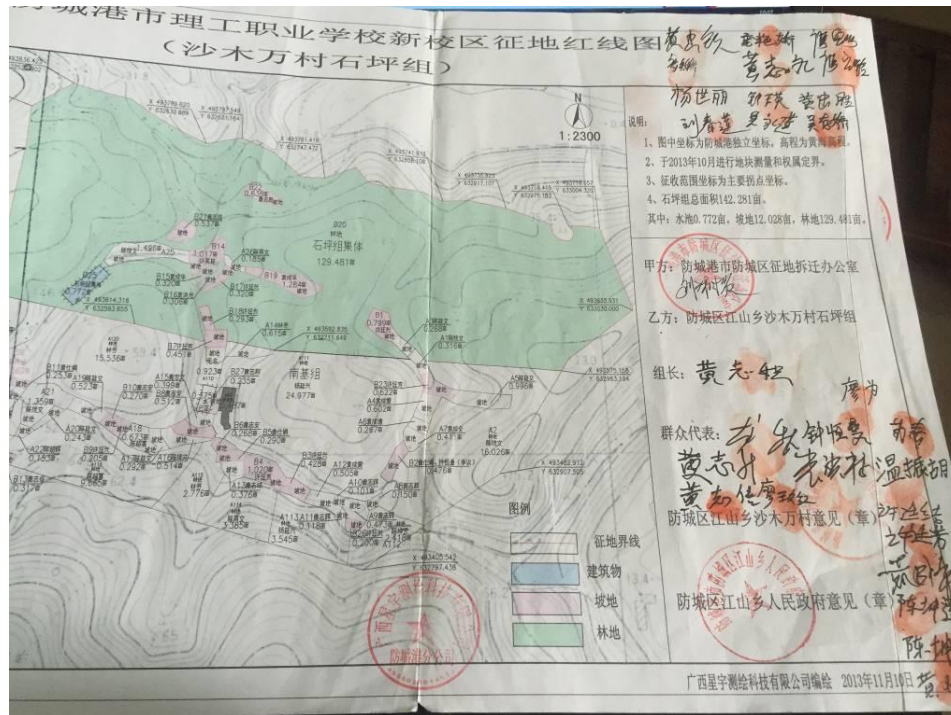
**Figure 1 Improved Road, Water and Power supply**



14. In November 2013, detailed measurement survey (DMS) was conducted. Representatives of Jiangshan Township Government, Land Acquisition and House Demolition Office, Village Committee and all affected households participated in DMS. The results of the survey which include the location and areas of the acquired land were confirmed and signed by all participants. Figure 2 is the DMS registered map with signatures.

Figure 2 DMS Registered Map





Green = forest land; yellow/pink = wasteland; blue/ purple= avoided buildings

## 2.5 Grievance Redress Mechanism (GRM)

15. The local government uses its existing grievance mechanism to deal with the problems induced by land acquisition and compensation, so the APs could find relevant departments to solve their appeals and grievances. The basic procedures for grievance redress include the following:

- If any AP feels aggrieved by any aspect of the resettlement, he/she can state his/her grievance and appeal to the Shamuwan Village Committee in oral or 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 it and the resolution will be made in two weeks.
- The aggrieved AP can state the grievance and appeal to the Jiangshan Township Government in oral or in written form. The township government will make a decision on it and the resolution will be made in two weeks.
- If the aggrieved AP is not satisfied with the decision of the township government, he/she can appeal to the Land Acquisition and House Demolition Office, which will come up with a decision within two weeks.

16. APs can decide to go through the legal system directly and may decide not to use the project level grievance channels.

17. During project implementation, those agencies did not receive any appeal and grievance for land acquisition.

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### **3 Conclusion**

18. Land acquisition and resettlement was carried out by local government in 2013, which was not in anticipation of ADB financing. The compensation for permanent land acquisition complied with the PRC's Land Law (1999) and local regulations. There is no outstanding noncompliance issue or complaints.

19. Land acquisition didn't affect the villager's income. Cash compensation improved their living and production conditions. In addition, local government allocated additional funds of 2 million yuan to improve the village road, water and power supply, and the funds were utilized for given purpose.

20. Meaningful consultation activities were conducted, and all the AP's concerns were addressed well. GRM was established and there was no grievance received during implementation.

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### Appendix 1 List of Persons Met

No	Name	Title
1	Su Qisheng	President of the School
2	Wang Zhijun	President of the School
3	Mr. Tang	Director of the Land Acquisition and House Demolition Office
4	Huang Zhiqiu	Leader of Shiping Group
5	Huang ZHisheng	APs of Shiping Group
6	Huang Zhiren	APs of Shiping Group
7	Miao Wei	APs of Shiping Group
8	Xu Tingfang	APs of Shiping Group
9	Liu Chunlian	APs of Shiping Group
10	Huang Zhiqiu	Leader of Nanji Group
11	Yuan Chengai	APs of Nanji Group
12	Chen Chaofu	APs of Nanji Group
13	Chen Chaofeng	APs of Nanji Group



## Appendix 2 Land Acquisition Agreements

