

## Regulation on the Land Administration of the Hainan Special Economic Zone

(Adopted on June 24, 1994 at the 9th Session of the Standing Committee of the First People's Congress of Hainan Province and promulgated on July 18, 1994 by Announcement No. 12 of the Standing Committee of the People's Congress of Hainan Province, revised on September 24, 1999 at the 9th Session of the Standing Committee of the Second People's Congress of Hainan Province, amended for the first time in accordance with the Decision of the 22nd Session of the Standing Committee of the Third People's Congress of Hainan Province on March 30, 2006 on Amending the Regulation on the Land Administration of the Hainan Special Economic Zone, amended for a second time in accordance with the Decision of the 4th Session of the Standing Committee of the Fourth People's Congress of Hainan Province on July 31, 2008 on Amending the Regulation on the Land Administration of Hainan Special Economic Zone, and promulgated by Announcement No. 2 of the Standing Committee of the People's Congress of Hainan Province.)

### Chapter I General Principles

Article 1 To strengthen land administration, protect land resources, rationalize the utilization of land, practically protect the cultivated land, improve the ecological environment, accelerate the sustainable development of the society and economy, the present Regulation has been formulated in accordance with the Land Administration Law of the People's Republic of China and other relevant laws and regulations, and in view of the peculiarities of the Hainan Special Economic Zone.

Article 2 The right to use state-owned land may be lawfully remised, allocated, leased, transferred, contracted, mortgaged or inherited.

The right to use collectively owned land may be lawfully remised, transferred or contracted for crop cultivation, forestry, animal husbandry or fishery, or for non-agricultural construction by the rural collective economic organization by means of setting up enterprises or jointly establishing enterprises with others. The right to use collectively owned land may be lawfully mortgaged or inherited.

Article 3 The system of controlling the purposes of land use shall be adopted so as to strictly prohibit turning farmland into construction land, control the total volume of construction land, achieve the balance between occupation and reparation of cultivated land used for non-agricultural construction, give special protection to the ecological forested land used for public interests.

Article 4 The land administrative departments of the province, cities, counties and autonomous counties shall be responsible for the uniform administration and supervision of land within their respective administrative jurisdictions.

The provincial land administrative department shall set up dispatched agencies of land administration and implement vertical administration thereto, and shall be responsible for administering the allocated state-owned land which is used by agricultural enterprises and public institutions. The functions of its dispatched agencies shall be determined by the provincial land administrative department.

The land administrative departments of the cities, counties and autonomous counties may set up dispatched agencies in the municipal districts, towns or townships, and implement vertical administration thereto, and shall be responsible for the land administration in the municipal districts, towns or townships.

### Chapter II Land Ownership, Land Use Right, and Land Registration

Article 5 The system of land registration and issuance of certificate shall be implemented. The legally registered ownership, land use rights and other rights to land shall be protected by law.

The other rights to land as mentioned in the present Regulation refer to the land rights other than the ownership

and the land use right, including the right to mortgage, the right to lease and other land rights required to be registered under the laws and administrative regulations.

Article 6 The land administrative departments of the province, cities, counties and autonomous counties shall be responsible for the uniform administration of the urban and rural land work and cadastres within their respective administrative jurisdictions.

The people's governments of the cities, counties and autonomous counties shall register the rural collectively owned land, and make verifications and issue certificates according to law.

The people's governments at or above the county level shall handle the land registration of the ownership of the state-owned land, and make verifications and issue certificates for the land use rights.

As for the state-owned land, on which the land use right is not certain, the people's government of the cities, counties and autonomous counties where the land is located shall have it registered, and shall be responsible for its protection and administration.

The other rights to land shall be registered with the relevant departments for the registration, which shall make verifications and issue certificates for the other rights to land.

Article 7 Where anyone lawfully establishes an ownership, land use right or any other right to land, it shall, within 15 days from the establishment of the rights, handle the registration of establishment.

Where anyone alters an ownership, land use right or any other right to land, changes the purpose of land use, the land owner, user, or the owner of other right to land alters the name, address, as well as changes or alters the land certificate, it shall make alteration registration with the original registration department within 30 days from the date of change or alteration.

Where the ownership, land use right or the other right to land is terminated or extinguishes, the owner or right holder shall write it off with the original registration department within 15 days from the date of termination or extinguishment.

Article 8 A land registration department shall handle the registration according to law within 30 days from acceptance of an application for registration.

Where a land registration department decides to reject the application for land registration or to suspend the registration, it shall serve a written notification of the reasons for such decision to the party concerned within 15 days from receipt of the application.

Where a land registration department fails to handle the establishment registration or alteration registration on the relevant ownership within the specified time limit, it shall state the reasons.

Article 9 Any dispute over land ownership shall be settled through negotiations by the parties concerned. If no agreement is reached through negotiations, the people's governments shall make mediation within the power limit specified by the state law; if no agreement is reached through mediation, it shall be dealt with under the principle of settlement by the corresponding level of government.

As for any dispute over land ownership and land use right, if any disputing party has no evidence to prove his or its ownership, and no agreement is reached through mediation, the ownership shall be determined by the people's government at or above the county level based on the specific circumstances.

Chapter III Control of the Purposes of Land Use

Article 10 The people's governments at all levels shall compile an overall plan for land utilization of their respective administrative jurisdictions.

The overall plan for land utilization of an agricultural state-owned farm shall be compiled by the local people's government of the city, county or autonomous county after consulting the state-owned farm in question, and shall be entered into the overall plan for land utilization of the city, county or autonomous county where it is located.

Article 11 The people's governments at all levels shall solicit the opinions of the general public when compiling their overall plans for land utilization. The land administration departments shall organize argumentations and appraisements on the overall plans for land utilization before granting approval.

The entities which are responsible for the compilation of the overall plans for land utilization shall satisfy the relevant qualifications and requirements.

Article 12 The overall plans for land utilization shall stipulate the purposes of land use, classify land into basic farmland, ordinary cultivated land, forested land, garden land, pasture land, aquicultural land, construction land, unused land, etc, and make rules for the control of the various kinds of land. The land administrative departments at the same level shall be responsible for the specific work of the control of the purposes of land use.

The purposes of land use of a specific land lot as specified in the overall plans for land utilization at the next lower level shall conform to the purposes of use as specified in the overall plan for land utilization at the next higher level.

Article 13 The overall plans for land utilization of the province, cities, counties and autonomous counties shall be submitted for approval within their power limits and according to the procedures specified by laws and regulations.

The overall plans for land utilization of townships shall be approved by the people's governments of the cities, counties and autonomous counties they belong to, and be submitted to the provincial land administrative department for record.

Article 14 The land administrative departments of the province, cities, counties and autonomous counties shall organize the relevant departments and experts to make periodical evaluations on the implementation of the overall plans for land utilization, and solicit the public opinions by means of certification, hearing or other means.

Article 15 The land administrative departments of the province, cities, counties and autonomous counties may alter the overall plans for land utilization within their power limits and according to the specified procedures in any of the following circumstances:

- (1) The overall plans for land utilization of a higher people's government has been altered, and it is thus required to revise the plans;
- (2) It is necessary to revise the plans according to the provisions of Article 26 (2) and (3) of the Land Administration Law of the People's Republic of China;
- (3) It is necessary to revise the plans due to the adjustment of administrative division;
- (4) It is necessary to alter the plans upon evaluation;
- (5) Any other circumstance under which the approving authority for the plans considers it necessary to revise the plans.

When altering the overall plans for land utilization, none of the quotas for the control of land as specified in the overall plans for land utilization at the next higher level may be changed. When amending the overall plans for land utilization of townships, the land use of a specific land lot shall conform to the purpose of use as prescribed in the overall plans for land utilization at the next higher level.

Article 16 The people's governments at all levels shall strengthen their administration of the plans for land

utilization. The annual plans for land utilization shall be made by the land administrative departments together with other relevant departments. The annual plans for land utilization of the cities, counties and autonomous counties shall be compiled in accordance with the provincial annual plans for land utilization, and shall not exceed the quota as specified in the provincial annual plans for land utilization, and shall be submitted to the provincial land administrative department for record.

The construction land used for the various parks (areas) lawfully established upon approval, such as industrial parks, science and technology parks, development zones, etc., wherein the land is allocated for non-agricultural purposes, the land used for establishing township enterprises, town(ship) or village public facilities or constructions of public interests, and the land owned by the collective economic organizations but used by villagers to build their own premises shall be incorporated into the annual plans for land utilization so as to effect uniform administration.

The annual plan quotas of land utilization shall include the quota for newly-increased construction land, the quota for reserved cultivated land, the quota for land development and rehabilitation, and the annual quota for inventory construction land, among which, the quota for newly-increased construction land shall include the total amount quota for newly-increased construction land and the quota for newly-increased farmland as well as that for cultivated land occupied for construction use.

Article 17 The people's government of the cities, counties and autonomous counties shall strictly implement the annual plans for land utilization. Without the quota for newly-increased construction land, no approval may be made to use any agricultural land for non-agricultural purposes or non-used land for other purposes. Without the quota for inventory construction land, no approval may be made for the supply of the inventory construction land.

The Provincial People's Government shall make an annual evaluation and examination on the implementation of the annual plans for land utilization, and take the result of evaluation and examination as the basis for the compilation and administration of the next annual plan.

The people's governments at or above the county level shall incorporate the implementation of the annual plans for land utilization into the implementation of the plans for national economy and social development, and report to the people's congress at the same level.

Article 18 The system of protecting the basic farmland shall be implemented. It is prohibited to occupy basic farmland to plant trees or fruit trees or to dig ponds fish farming.

Article 19 It is prohibited to engage in non-agricultural construction and reclamation, to mine, quarry, dig sand, get soil, dig ponds, and other activities which destroys the layers of soil and vegetation by occupying the ecological forested land or land used for public interests. If it is really necessary to occupy, it shall be subject to the approval of the Provincial People's Government.

Where the layers of soil and vegetations can be restored, a restoration plan shall be formulated; where they cannot be restored, forest and vegetations restoration fees shall be paid according to the relevant state provisions.

The adjustment of agricultural production structure shall conform to the overall plans for land utilization; it is prohibited to reclaim cultivated land or solely grow economic herbage crops in the forested land.

Article 20 It is strictly prohibited to occupy cultivated land for various construction projects. If it is possible for the construction projects to utilize wasteland or inferior land, no cultivated land shall be occupied; if it is possible to utilize the existing construction land, no construction land shall be newly increased.

Where any entity or individual approved to occupy any cultivated land for non-agricultural construction purposes, it or he shall reclaim as much cultivated land as it or he has occupied; where the entity or individual can not reclaim by itself, it or he shall pay cultivated land reclamation fees according to law for the exclusive use of

reclaiming new cultivated land.

Article 21 The people's governments of the cities, counties and autonomous counties shall compile land utilization plans implemented phase by phase within the scale and scope of urban, village and township construction land as determined in the overall plans for land utilization, and shall clarify the scale and scope of the construction land to be utilized phased by phase.

Without approval, no non-agricultural construction land shall be arranged beyond the scope of the urban, village and township construction land as determined in the overall plans for land utilization.

Where any of the existing construction land in the administrative districts of cities, counties and autonomous counties is not reasonably utilized, it is the general rule that the examination and approval formalities for using newly-increased farmland for construction purposes with the exception of the land for construction projects approved by the State Council and the Provincial People's Government.

#### Chapter IV Land Development and Restoration

Article 22 The Provincial People's Government shall, in accordance with the provincial overall plans for land utilization and the occupation of cultivated land, formulate the provincial programs, plans and quality standards for cultivated land reclamation, the land administrative departments of the province, cities, counties, autonomous counties shall uniformly organize unified reclamation of contiguous expanses of cultivated land, or reclamation of cultivated land shall be done by the entities or individuals utilizing the land.

The people's governments of the cities, counties and autonomous counties shall ensure the dynamic balance of the total amount of cultivated land within their respective administrative jurisdictions. Where due to the lack of reserved land resources in some cities, counties and autonomous counties, the amount of newly-reclaimed cultivated land is not sufficient to compensate the amount of occupied cultivated land, a report shall be submitted to the Provincial People's Government for approving the reduction and exemption of the quota for reclaiming cultivated land, and pay the relevant cultivated land reclamation fees so that the Provincial People's Government can uniformly organize the reclamation in other regions.

Where the total amount of cultivated land of the current year fails to reach the dynamic balance or the plan for cultivated land reclamation has failed, the quota for using farmland for other purposes in the next year shall be decreased.

It is encouraged for the domestic entities and individuals to invest in the reclamation of cultivated land within the reclaimable areas as determined in the overall plans for land utilization.

Article 23 The plans for cultivated land reclamation shall be formulated for the reclamation of cultivated land, which shall be submitted to the land administrative departments of the cities, counties and autonomous counties for approval.

The newly reclaimed cultivated land shall be subject to the acceptance-oriented check and examination of the land administrative departments of the cities, counties and autonomous counties in collaboration with the agricultural administrative departments at the same level, and shall be submitted to the provincial land administrative department for record within 7 working days after the examination is done. Where it is found to be qualified upon examination, the people's governments of the cities, counties and autonomous counties shall have it registered, and be responsible for its protection and administration.

Article 24 The principle of "Those who destroy shall be responsible for reclamation" shall be observed in land reclamation. Where the land is destroyed due to digging, cave-in or occupation etc, so that the entity or individual that uses the land is unable to restore the land by itself, it or he shall pay land restoration fees, and the land administrative departments of the province, cities, counties and autonomous counties can organize uniform

restorations.

Article 25 The retained part of the fees for paid utilization of newly-increased construction land, land idling fees and the cultivated land reclamation fees as collected by the people's governments of the province, cities, counties and autonomous counties shall be incorporated into the fund budget and special fiscal account, and shall be used by the land administrative departments of the province, cities, counties and autonomous counties jointly with the fiscal department at the same level pursuant to the plans for cultivated land reclamation for the exclusive purpose of reclaiming contiguous expanses of cultivated land.

#### Chapter V Use of Farmland for Other Purposes and Land Expropriation

Article 26 Where any cultivated land is used as construction land or is expropriated, it shall be subject to the approval of the Provincial People's Government.

Where any farmland other than cultivated land is used as construction land or is expropriated, it shall be subject to examination and approval within the following power limits:

- (1) for the people's government of Haikou and Sanya: less than 13.5 hectares;
- (2) the people's governments of other cities, counties and autonomous counties: less than 3.5 hectares;
- (3) if the acreage exceeds the quota as specified above, it shall be subject to the examination and approval of the Provincial People's Government.

The power limits of examination and approval of non-utilized land into construction land shall be implemented by reference to Paragraph 2 of this Article.

If it is prescribed by laws and administrative regulations that the use of farmland, expropriated land and non-utilized land as construction land shall be subject to the approval of the State Council, such provisions shall prevail.

The land of agricultural comprehensive development land occupied for non-agricultural construction projects shall be subject to approval by following the procedures for construction land.

Article 27 The expropriation of collectively owned land shall be organized and implemented by the people's governments of the cities, counties and autonomous counties where the expropriated land is located. However, as for the infrastructure projects, such as energy, traffic, water conservancy, etc, which have been approved by the State Council or the Provincial People's Government, the construction projects involving more than one city, county or autonomous county, as well as other key construction projects as determined by the state and this province, the land expropriation shall be organized and implemented by the provincial land administrative department.

Article 28 The expropriation of collectively owned land shall be carried out according to the following procedures:

(1) The land administrative departments of the cities, counties and autonomous counties where the land to be expropriated is located formulate a plan for land expropriation, and approve such plan or submit it to the competent higher authority for approval within the power limit as specified in Article 26 of the present Regulation. Before submitting the plan for approval, they shall notify the rural collective economic organizations and the farmers of the place where the land is to be expropriated of the purposes of use, the location, compensation standards, and way of relocation in written form.

(2) The approved plan shall be announced by the people's governments of the cities, counties and autonomous counties. The announcement shall last no less than 15 days. The rural collective economic organizations, farmers and other right holders of the place where the land is to be expropriated may, within the period stipulated in the announcement, get registered with the local land administrative departments for compensation for land expropriation upon the strength of the certificate of land ownership and other materials.

(3) The land administrative departments of the cities, counties and autonomous counties shall organize surveys so as to find out the land ownerships, the number of seedlings above-ground erections and other above-ground fixtures on the land. The survey results shall be subject to the confirmation of both the land administrative departments of the cities, counties and autonomous counties and the rural collective economic organization, farmers and other right holders of the place where the land is to be expropriated.

(4) The land administrative departments of the cities, counties and autonomous counties shall formulate plans of compensation for land expropriation and relocation according to the survey results and the approved plans for land expropriation, and have them announced.

(5) Where the rural collective economic organizations, farmers or other right holders of the place where the land is to be expropriated have dissenting opinions on the plan for land expropriation and relocation, they shall present their dissent to the land administrative departments of the cities, counties and autonomous counties within 10 working days after announcement of the plan for land expropriation and relocation. Where they apply for a hearing, the land administrative departments of the cities, counties and autonomous counties shall, within 10 working days after receipt of the application, organize a hearing pursuant to the legal provisions.

(6) The land administrative departments of the cities, counties and autonomous counties shall submit their plans for land expropriation and relocation to the people's governments at the same level for approval, and shall attach their opinions of the rural collective economic organizations, farmers and other right holders of the place where the land is to be expropriated and whether their opinions have been accepted. If a hearing has been held, the transcripts of the hearing shall be attached as well.

(7) The land administrative departments of the cities, counties and autonomous counties shall conclude an agreement on compensation for land expropriation with the rural collective economic organizations of the place of land expropriation, and carry the land expropriation into effect.

Article 29 The compensation and relocation for land expropriation shall adhere to the principle of ensuring that the level of living of the farmers whose land is expropriated will not be lowered and the long-term livelihood be guaranteed. The compensation fees for land expropriation shall include the land compensation fees, relocation subsidies, compensation fees for above-ground fixtures on the land and immature crops, compensation fees for relocation and social security fees for the farmers whose land is expropriated, etc. In case the social security fees have not been paid, the land expropriation shall not be approved.

The land compensation fees shall be paid according to the following standards:

(1) for the expropriation of paddy fields, dry land, vegetable land, garden land and fish ponds, the land compensation fees are paid at 6 up to 10 times the average annual yields of the previous three years before the land expropriation;

(2) for the expropriation of garden land on which crops have been planted but not harvested, the land compensation fees shall be paid at 4 up to 8 times the average annual yields of the preceding three years according to the crops growth and the identical crops on the adjacent garden land;

(3) for the expropriation of forested land, the land compensation fees shall be paid at 10 up to 15 times the average annual yields of the expropriated forested land.

(4) for the expropriation of other land, the compensation fees shall be paid at the reduced half rate of the non-irrigated land as described in Item (1);

The relocation subsidies for the expropriation of cultivated land shall be paid according to the standards as provided in the relevant state provisions. The relocation subsidies for the expropriation of forested land shall be paid at 10 up to 15 times the average annual production of the expropriated forested land.

The compensation for short-term crops shall be paid at the value of one produce; the compensation for perennial

crops shall be reasonably paid according to the species and the growth phases; the compensation for planted forest and scattered vegetations shall be paid at the actual value. For the expropriation of vegetable land in the suburbs, the entity utilizing the land shall pay development construction funds for new vegetable land according to the relevant state provisions.

The uniform rate of annual yields for expropriated land, the compensation rate for immature crops and the compensation rate for above-ground fixtures shall be determined by the people's governments of the cities, counties and autonomous counties, shall be announced and implemented upon approval of the Provincial People's Government, and shall be regularly adjusted.

The planted forest chopped or the crops planted, the erections and other fixtures built by the entities whose land is expropriated after the plan for land expropriation is announced shall not be compensated for.

Article 30 The compensation for land expropriation shall be paid in full amount within 3 months from the approval of the plan for land expropriation compensation and relocation, and the payment shall not be deferred under any pretext. If it is paid beyond the time limit, interest shall be paid at the rate for current bank deposit, plus a late fee of 1% of the total amount paid overdue to be paid for each day delayed. The deferred interest and the late fee shall be paid to the collective economic organizations, farmers and other right holder of land expropriation who are entitled to compensation under the law. Where the land administrative department of any city, county or autonomous county has failed to pay the compensation fees for land expropriation in full amount, it shall not utilize the expropriated land, nor may it handle the formalities of land supply; The provincial land administrative department shall suspend the allocation of the quota for newly-increased construction land of the next year to such city, county, or autonomous county.

The distribution and management of the compensation fees of land expropriation shall be governed by the relevant provisions of the provincial government.

The people's governments of the cities, counties and autonomous counties shall do a good job in the taking care of the production and livelihood, occupational training and social security of the farmers whose land is expropriated.

Article 31 Where collectively owned land is need for township (town) or village infrastructural facilities, township (town) or village enterprises, or public welfare establishments, it shall be subject to the approval of the people's government of the cities, counties and autonomous counties. In particular, where any farmland has to be turned into construction land, examination and approval shall be gone through for changing farmland into construction land according to Article 26 of the present Regulation.

Article 32 Each rural household shall have only one allocated home site, and the acreage shall not exceed 175 square meters. The specific standards shall be stipulated by the people's governments of cities, counties and autonomous counties and shall be formulated by the people's government of the city, county, or autonomous county and be implemented upon approval of the Provincial People's Government.

## Chapter VI Administration of the Market of State-owned Land Use Rights

### Section I Supply of State-owned Land

Article 33 The assignment, allocation, leasing and contracting of the right to use state-owned land shall adhere to the principle of "land underlying project" and shall conform to the overall plans for land utilization, urban plans and annual plans for land utilization.

The duration of the assigned right to use state-owned land shall not exceed 70 years, and the duration of contracted right to use state-owned land shall not exceed 30 years. Where it is really necessary to extend the time limit under special circumstances, it shall be submitted to the Provincial People's Government for approval. The

duration of leased right to use state-owned land shall be stipulated in contracts, however the maximum duration shall not exceed the maximum duration of the assigned use right for similar land as provided by law.

Article 34 Where the right to the use state-owned land is allocated, assigned or leased for non-agricultural construction, it shall be subject to approval of the people's government of the competent city, county or autonomous county.

Where the right to use state-owned land is assigned or contracted for crops cultivation, forestry, animal husbandry or fishery, it shall be subject to approval of the people's government of the competent city, county or autonomous county, unless it is subject to approval of the State Council according to law.

Article 35 Where temporary use of state-owned land or collectively owned land is needed for the construction of building projects or geological survey, it shall be subject to approval of the land administrative department of the competent city, county, or autonomous county.

Article 36 The provincial land administrative department shall determine and adjust the construction land standards for various projects jointly with the competent departments under the principle of using land sparingly, and distinguish the functions of industries and projects under the premise of satisfying the requirements of functions and safety. Such standards shall be promulgated and implemented upon approval of the Provincial People's Government.

The people's governments of the cities, counties and autonomous counties shall make land examination and approval in line of the standards of construction land of the various projects.

Article 37 The land administrative departments of the cities, counties and autonomous counties shall, according to the national economy and social development plans, industrial policies, overall plans for land utilization, urban plans, annual plans for land utilization, and the status of the land market within their respective regions, compile their plans for the supply of the right to use state-owned land, and shall publish them on the media as designated by the provincial land administrative department upon approval of the people's government at the same level.

Any entity or individual which needs to use land may file an application of intent to use land to the land administrative departments of the competent city, county, or autonomous county.

Article 38 The land administrative departments of the cities, counties and autonomous counties shall, according to the plans for the supply of the right to use state-owned land, draft their plans for land supply together with the relevant departments, and shall organize the implementation thereof upon approval of the people's governments at the same level.

The plans for land supply shall cover the actual location, boundary, purpose of use, acreage, duration, the conditions for land use, the conditions for planning and designing, methods for land supply, time for land supply, etc. of the land to be assigned, leased or contracted.

Article 39 With respect to the land for business operations, e.g., industry, commerce, tourism, entertainment, commercial housing, etc., or on which there are two or more intended land users, the assignment thereof shall be conducted through bid invitation, auction or quotation.

Where the assignment, leasing or contracting of the right to use state-owned land is made through bid invitation, auction or quotation, it shall be announced on the media as designated by the provincial land administrative department to disclose the basic information, time and address for the bid invitation, auction or quotation of the land to be assigned, leased or contracted.

Article 40 A standards publicity system shall be adopted for baseline land prices, marked land prices, and the minimum prices for the supply of state-owned land. The baseline land prices, the marked land prices and the

minimum land prices of the state-owned land for the various land lots shall be determined by the land administrative departments of the cities, counties, and autonomous counties at the same level, and shall be promulgated and implemented upon approval of the Provincial People's Government after examination by the provincial land administrative department and shall be regularly adjusted. The prices of the right to use assigned, leased or contracted land shall not be lower than the promulgated lowest prices of the state-owned land.

With respect to the assignment, leasing or contracting of a land use right, a qualified appraisal agency shall be entrusted to make an appraisal on the price of the land use right; a report on the appraised price of the land shall be submitted to the provincial land administrative department for record. The land use right which has not been appraised and which has not been placed on record shall not be assigned, leased or contracted.

The base price of the land use right assigned, leased or contracted through bid invitation, auction or quotation, or the price of the land use right assigned, leased or contracted by agreement shall be determined by the land administrative department of the competent city, county or autonomous county in accordance with the result of appraisal, the industrial policies and other factors.

The result of the assignment, leasing or contracting of a land use right shall be promulgated on the media as designated by the provincial land administrative department.

Article 41 The assignee, lessee or contractor of a land use right shall, within 10 days after the effectiveness of the assignment, lease or contracting agreement, pay an earnest money of 10% of the total amount of the assignment fees, the rentals of the current year or the total contracting fees, and shall pay off the margin of the assignment fees, the current-year rentals or the total contracting fees within 90 days. Where any of the assignment fees, rentals or the contracting fees is not paid off beyond the time limit, a penalty for breaching the contract shall be imposed on the violator at 1% of the outstanding amount for each day overdue. If it still fails to be paid off after 90 days, the land administrative departments shall have the right to terminate the contract without refunding the earnest money and to order the dismantlement of the above-ground erections and fixtures, and may claim for compensation.

Where a land administrative department fails to provide the land use right within the period specified in the contract, it shall pay a penalty for breaching the contract at the rate of 1% of the collected assignment fees, rentals and the total contracting fees. Where it fails to provide the land use right after 90 days, the assignee, lessee or contractor shall have the right to terminate the contract, and demand a refund of double sum of the earnest money, and may claim for compensation.

Since the implementation of the present Regulation, 30% of the fees for paid use of newly-increased construction land shall be turned over to the central treasury, 20% to the provincial treasury, and the rest 50% be retained by the treasury of the cities, counties and autonomous counties for the development of cultivated land.

Article 42 Where the assignee, lessee or contractor of the right to use state-owned land fails to complete 25% of the total investment of the projects two years after the date of commencement of construction as agreed in the assignment, leasing or contracting agreement, the people's government of the cities, counties, autonomous counties shall submit a report to the original approving authority for approval, and take back the land use right without any compensation.

Article 43 With respect to the idling of non-agricultural land, a land idling fee shall be collected by the people's government at or above the county level based at the following rates:

(1) As for the land use right obtained by means of assignment, if the right holder fails to commence the development after one year since the date of the commencement of development as stipulated in the assignment contract but less than two years, the land idling fee shall be collected at the rate of 5% up to 20% of the assignment fees of the land use right;

(2) As for the land use right obtained by means of leasing or contracting, if the right holder fails to commence the development after more than one year since the date of the commencement of development as stipulated in the leasing or contracting agreement but less than two years, the land idling fee shall be collected at 20% up to 50% of the rentals or contract fees;

(3) As for a non-agricultural construction project which has passed examination and approval for land expropriation and allocation, if the right holder fails to commence development and construction for more than one year, the land idling fee shall be collected at 5% up to 20% of the marked land price.

Article 44 Under any of the following circumstances, the land administrative department shall submit a report to the original approving authority for approval and take back the right to use allocated land:

(1) The entity that use the land has been cancelled or has moved to a different place ;

(2) Without the consent of the original approving authority, the land use right holder has failed to use the land for two consecutive years;

(3) Using the land for any purpose other than the approved purposes.

Article 45 In case the duration of assignment or leasing of the right to use state-owned land expires, if it is necessary to extend the duration of the right to use other state-owned land except for the automatic extension of the duration of the right to use housing construction land, the land user shall file an application before the duration expires, renew the assignment or leasing contract upon approval, and pay the assignment fees or rentals of the land use right based on the current land price. If the land user fails to apply for extending the duration or applies for extending fails to obtain approval for extending the duration, the land use right shall be taken back without any compensation by the people's government of the city, county or autonomous county at issue.

The assignee or lessee of the right to use state-owned land shall have preemptive right to be assigned or to lease the originally assigned or leased land.

Article 46 None of the state-owned land may be contracted for the purpose of non-agricultural construction. After the expiration of the contracting term, the contractor shall have preemptive right to contract the formerly contracted land. If the contracting agreement is not extended upon expiration, the contracted land may be taken back by the contract-letting party, the above-ground fixtures shall be disposed of based on the agreement in the contracting agreement. If there is no contracting agreement, the land use right shall be owned by the contract-issuing party.

Article 47 The assignee, lessee or contractor of the land use right shall use the land in the light of the purposes of use as agreed to in the agreement. If it is necessary to change the purpose of use, it shall be subject to the approval of the original people's government which approved the land use upon the consent of the land administration department of the city, county or autonomous county. In particular, where it is necessary to change the purpose of land use in an urban planning area, it shall be subject to the consent of the urban planning department before submitting it for approval.

Article 48 Upon approval of the Provincial People's Government, the state-owned reserved construction land which fails to satisfy the requirements in the overall plan for land utilization or is scattered may be exchanged with the farmland which is planned for construction land.

In the light of the requirements of overall plans for land utilization and township and village planning, the rural houses shall be centralized in the central villages and market towns, and the township and village enterprises shall be centralized in the industrial areas. If it is really necessary to occupy any land other than the basic farmland, it may be exchanged with the land in old sites upon approval of the people's government of the city, county, or autonomous county.

The Provincial People's Government shall formulate specific measures for land exchange.

Article 49 The people's governments of the province, cities, counties and autonomous counties shall establish the system for land reservation according to the demand for regulating the land market, the specific measures for which shall be formulated by the Provincial People's Government.

Within the scope of the construction land determined in the overall plans for land utilization, if it is necessary to occupy any collectively owned land for implementing the plan, the land reservation agency of the Provincial People's Government may conclude an agreement of compensation with the owners of the collectively owned land, and incorporate the land into the provincial land reserve after compensation fees have been paid.

The items for examination and approval of the supply of provincial reserved land shall be handled pursuant to the provisions of the Provincial People's Government.

Upon approval of the Provincial People's Government, the people's governments of the cities, counties and autonomous counties may authorize the land reservation agencies to guarantee for the financing of the governmental investment projects by banks and other financial institutions with the reserved land, and to handle the formalities of guarantee registration with the land administrative departments.

## Section II Trading of Rights to Use State-owned Land

Article 50 The land use right obtained by assignment may be transferred, contributed as equity, be leased, mortgaged, and inherited according to law.

The land use right on leased land obtained by lease may, after the land user has paid the rentals according to the legal provisions and completed the development and construction according to the agreement, be subleased, transferred or mortgaged according to law upon approval of the original approving authority.

After any state-owned land has been contracted, if the contractor has paid the contracting fees and completed development of land accounting for more than 25% of the total investment, it may be transferred, subcontracted, contributed as equity or mortgaged according to law.

Where the right to use state-owned land is transferred, leased, contracted, subcontracted, contributed as equity or mortgaged, the party concerned shall conclude a contract and handle the registration under the provisions of Article 7 of the present Regulation. The contract of transfer, sublease, subcontracting, equity contribution or mortgage shall not contravene any of the stipulations in the contract of assignment, lease or contracting.

The above-ground erections or other fixtures shall be assigned, transferred or mortgaged simultaneously with the land use right. If it is required to handle the formalities of transfer of ownership for the transfer of above-ground erections and other fixtures, the formalities must be handled upon the strength of the certificate for the land use right and other rights involved in such erections or fixtures.

Article 51 Where any land use right is lawfully inherited, the inheritors shall handle the registration of transfer of the land use right with the land administrative department of the city, county or autonomous county upon the strength of the notarization of inheritance of the land use right as issued by the notarization authority or other effective legal documents of the judicial organs.

The partition of a legacy land use right shall be good for production and livelihood, and may not damage the functions of the right of use such land. None of the land use rights which are not partitionable may be treated by means of converting into money, appropriate compensations or common ownership, etc.

Article 52 Where any land use right is lawfully mortgaged, the mortgagor and mortgagee shall conclude a contact

of mortgage on the land use right, and handle the registration according to Article 7 of the present Regulation. If they fail to handle the registration of mortgage, the contract of mortgage on the land use right shall be invalidated.

When the holder of the land use right mortgages his or its right to use leased land, the original lease contract shall continue to be effective, and the mortgagor shall notify the lessee of the mortgage in writing.

Article 53 Under any of the following circumstances, the land use right shall not be transferred or leased.

- (1) Without approval of the original approving authority;
- (2) Without the legitimate certificate of the land use right or the certificate of other rights;
- (3) Failing to invest or develop according to the duration and conditions agreed to in the contract of assignment of the land use right;
- (4) The people's government at or above county level lawfully decide to take it back.
- (5) Disputes have arisen over the land use right;
- (6) Without obtaining the consent of the co-holders of the land use right;
- (7) The transfer or lease of the land use is lawfully restricted by the order or ruling of any judicial organ or the administrative department or by any other means;
- (8) The transferor transfers the land use right without the consent of the mortgagee;
- (9) Any other circumstance of prohibiting the transfer or lease as provided for by any law or regulation.

Article 54 Where the transfer, mortgage, equity contribution of the right to use state-owned land or the restructuring and reorganization of the enterprise involves a change or trading of the right to use state-owned land, the parties concerned shall entrust a land appraisal institution to evaluate the land use right. A land evaluation report shall be submitted to the land administrative departments at or above the county level for record.

Where the right to use allocated state-owned land is used as an investment to jointly establish an enterprise with any other person, or is contributed as equity, or is used to restructure or reorganize an enterprise so that trading of the right to use state-owned land is involved, the parties concerned shall formulate a plan for the disposal of the right to use allocated state-owned land, and submit it to the competent land administrative department and the state-owned assets administrative department for approval.

### Section III Trading of the Right of the Allocated Land

Article 55 After an allocated land use right has been approved by the people's government of the city, county, or autonomous county, it may be transferred, contracted, leased, or contributed as equity or used to jointly establish an enterprise with any other person, and for which land registration formalities may be handled, with the exception, however, of those that shall be taken back.

Allocated land use rights may not be contracted for purposes of non-agricultural construction.

Article 56 Where the right to use allocated land is transferred, leased, mortgaged or used to jointly establish an enterprise with any other person, it shall satisfy the following requirements:

- (1) Having handled the registration of the land use right and obtained a certificate of land use right;

(2) A certificate of title having been lawfully obtained where there are above-ground erections;

(3) Having obtained the consent of the co-holders of the title to the land and the above-ground erections.

Article 57 With respect to the transfer of the right to use allocated land, the transferee shall retroactively conclude a contract of assignment of land use right with the land administrative department of the competent city, county, or autonomous county, go through the formalities for the assignment of the land use right, and make up the payment of assignment fees for the land use right. Where the right to use allocated land is leased or contracted to any other person, the lessee or contract-letting party shall pay the land proceeds to people's government at or above the county level at the rate of 40% of the confirmed rentals or contracting fees.

Where the land use right is used to jointly establish an enterprise with any other person, assignment fees shall be paid for the land use right pursuant to the proportion the appraised land contributed as equity as provided for in the preceding paragraph.

Article 58 Where the right to the use allocated land is mortgaged, the nature of the right to use the allocated land may be retained after being deregistered if the mortgage is terminated as a result of clearance of debt or any other reason. Where the mortgagor fails to pay off its debt or to be dissolved or declare bankrupt, and lawfully dispose of the mortgaged right to use allocated land, after the assignment fee has been retroactively paid out of the proceeds at the rate of 40% of the confirmed appraisal price, the mortgagee may have the preemptive right to be paid, and the entities or individuals which have obtained the land use right shall conclude a contract of assignment with the land administration department at or above the county level, and shall submit it for examination and approval through the legal procedures.

Article 59 Where the right to use allocated land is changed or traded in the incorporation of an enterprise, the establishment of an enterprise group, reorganization of a state-owned enterprise in line with stock system, operation by leasing, as well as the sale, merger, consolidation or bankruptcy of an enterprise, etc., it shall not handle the registration of alteration until approval has been obtained for disposal of the land use right.

## Chapter VII Administration of the Market of the Right to Use Collectively-Owned Land

Article 60 The maximum duration of the right to use assigned collectively owned land or a jointly established enterprise involving the right to use collectively owned land shall be 50 years. The maximum duration of contracted collectively owned land shall be 30 years. If it is necessary to extend the duration under special circumstances, it shall be subject to the approval of the Provincial People's Government.

Where the right to use collective-owned land is assigned, contracted to any other person or used to jointly establish an enterprise with any other person, such assignment, contracting or use for establishing an enterprise shall be able to contribute to the stabilization of the household contracting management system, and enough land shall be reserved for the production and living of the members of the rural collective economic organization.

Article 61 Where the right to use collective-owned land is assigned or used to jointly establish an enterprise with any other person for agricultural development, the rural collective economic organization shall file a written application to the land administrative department of the competent city, county or autonomous county, which shall be submitted to the people's government of the city, county, or autonomous county for approval after it has passed the examination of the land administrative department of the city, county, or autonomous county in question.

Where any collectively owned land is contracted any other person for operation, it shall be subject to the approval of the people's government of the township at issue.

Under the premise of complying with the overall plan for land utilization, the plan for village market and the industrial policies of the state as well as this province, the right to use lawfully obtained collectively owned land may be traded by means of establishing joint ventures, equity contribution after evaluation of the price or any

other means, the specific measures for which shall be formulated by the Provincial People's Government.

Article 62 The assignment or contracting of the right to use collectively owned land to any other person shall simultaneously satisfy the following requirements:

- (1) The title to the land is legitimate, the land boundaries are clear, and of the ownership to the collectively owned land has been registered;
- (2) The purpose of land use conforms to the overall plan for land utilization;
- (3) A plan for the land development of the project has been made;
- (4) Having obtained the consent of over two-thirds of the members of the villagers' meeting or over two-thirds of the representatives of the villagers' representative meeting;
- (5) Other conditions stipulated by any law or administrative regulation.

Where the land has been previously contracted, the consent of the original contractor must be obtained so as to dissolve the contracting agreement, and reasonable compensation shall be made to such contractor.

Article 63 Where the right to use collectively owned land is transferred or contracted to any other person, a contract shall be concluded to reasonably determine the assignment fees or the contracting fees for the right to use collectively owned land according to the rates as specified by the people's government of city, county or autonomous county at issue, and registration of the right to use collectively owned land or other rights to the land shall be made pursuant to Article 7 of the present Regulation.

The time limit for the payment of assignment fees or contracting fees for the right to use collectively owned land and the liabilities for breach of contract shall be analogically governed by Article 41(1) and (2) of the present Regulation.

Article 64 Without the consent of the land owner or the invested capital for development fails to meet the standards as stipulated in the contract, the right to use collectively owned land shall not be transferred, contributed as equity, leased or subcontracted.

Where the transferee or the contractor mortgages the right to use collectively owned land, such as barren hills, barren gullies, barren hillocks, waste shoals, etc., the consent of the land owner shall be obtained, and the formalities for mortgage registration shall be gone through.

Where the right to the use collectively owned land is transferred, contributed as equity, leased, or subcontracted, a contract shall be concluded and alteration registration shall be made.

Where the value of the right to use collectively owned land increases due to transfer, the transferor shall pay the 50% of the added value to the rural collective economic organization, unless the assignment contract stipulates otherwise.

Article 65 Where the right to use collectively owned land is assigned, contracted to any other person, or used to jointly establish an enterprise with any other person, the land must be used according to the purpose of land use as agreed to in the contract. The purpose of land use may not changed after the transfer, lease or subcontracting. Where it is necessary to alter the purpose of use, an application shall be filed with the original competent approving authority for approval.

Article 66 Under any of the following circumstances, the rural collective economic organization may take back the land use right without making any compensation, subject to the approval of the original approving authority.

(1) The duration of the contract to assign the right to use of collectively owned land or the term of the contracting agreement expires;

(2) The entity that uses the land has failed to use the land according to the purposes of use and the duration as agreed to in the contract, and refuses to rectify, thus resulting in keeping the land idle or wasted for two full years.

## Chapter VIII Supervision and Inspection

Article 67 The people's government of the cities, counties and autonomous counties shall, within 5 working days after an application for land use, submit it to the provincial land administrative department for record.

The land administrative department at or above the county level shall supervise and examine the following items according to law, and disclose supervision and inspection as well as the disposal result according to law.

(1) Information about the implementation of the overall plans for land utilization and the annual plans for land utilization;

(2) Information about the reclamation of cultivated land, and the balance between occupation, reparation, and protection.

(3) Information about the transfer of farmland used for other purposes and land expropriation;

(4) Information about the allocation, assignment, lease, contracting of state-owned land and the trading of land use rights, etc.;

(5) Information about utilization of rural collectively owned land for non-agricultural construction;

(6) Information about the collection and use of land use fees, cultivated land reclamation fees, land idling fees and the cultivated land restoration fees;

(7) Information about the changes in land ownership and registration and issuance of land certificates;

(8) Any other item that shall be subject to supervision and inspection.

The provincial land administrative department shall be responsible for the development, construction and administration of the provincial land administration information system, and establish a dynamic monitoring network on land utilization.

Article 68 The staff of supervision and inspection on land administration shall not carry out the supervision and inspection on land administration until they are trained and have passed the training examination.

The staff of supervision and inspection on land administration shall, when exercising the functions of supervision and inspection, produce their certificates of land supervision and inspection to the entities and individuals under supervision and inspection.

Article 69 While performing their duties of supervision and inspection, punishing the violations of the land laws, the land administrative departments may, apart from taking the measures as stipulated in Article 67 of the Land Administration Law of the People's Republic of China, adopt the following measures:

(1) interrogating the parties, suspects and witnesses in the violations of the law;

(2) Temporarily detaining the documentary evidence, physical evidence and other evidence related to the violation of law;

(3) Ordering the parties concerned to stop the violations of the land law, serving a notice ordering stop of the violations of the land law. If the party refuses to stop, the land administrative departments may dismantle the erections and other facilities illegally built, and may temporarily detain the tools, equipments, construction materials, etc. which are used in the construction;

(4) Stopping the examination and approval, registration and issuance of certificate for the land use suspected of violating the law;

(5) Ordering the suspects not to sell or transfer the properties relating to the case at issue during the process of investigation, and if necessary, may apply to the people's court for freezing their bank accounts.

Article 70 Where the provincial land administrative department finds that the people's government or the land administrative department of a city, county or autonomous county has illegally approved any land use, it shall order the people's government or land administrative department of the city, county or autonomous county to make corrections within a specified period. Where the people's government or land administrative department of the city, county or autonomous county has failed to rectify within a specified period, the department at a higher level shall subject the relevant persons-in-charge to legal liabilities.

Article 71 The land administrative department may demand the administrative supervisory departments, banks, audit departments, taxation departments and other entities to cooperate during their performance of supervision and inspection, and the relevant departments shall assist.

## Chapter IX Legal Liabilities

Article 72 The approving documents shall be nullified for any of the following violations of the present Regulation. Where land registration has been made, the people's government at or above the county level shall write off the land registration, take back the illegally-approved land, and give an administrative sanction to the directly responsible person-in-charge and other directly responsible persons according to law. Where any crime is constituted, the offender shall be subjected to criminal liabilities according to law:

(1) Any entity or individual not entitled to approve land expropriation and land use illegally approves the land use;

(2) Approving any land use contradicting the purposes of land use as determined in the overall plan for land utilization, or approving any land use after unlawfully changing the overall plan for land utilization;

(3) Approving any land use without a quota of land utilization, or approving the change of farmland or non-utilized land into construction land without a quota for newly-increased construction land;

(4) Approving any land expropriation, the change of purpose of use of farmland or non-utilized land, and the assignment, lease or contracting of the land use right beyond the power limit or violating the legal procedures;

(5) Approving the land expropriation without having the social security paid according to the legal provisions, and handling the formalities for land supply without paying compensation for land expropriation at the rates as specified in Article 29 of the present Regulation or without paying the compensation for land expropriation in full amount;

(6) Examining and approving any land use by violating the standards of project construction land as specified in Article 36 of the present Regulation;

(7) Illegally making land registration beyond the power limit or in violation of the regulatory requirements or

procedures;

(8) Examining and approving any land lot by dismembering the land into parts.

Where the acts of illegally approving the land registration as described in the preceding paragraph has incurred any losses to any party concerned, the person that approved the registration shall be responsible for compensation.

Article 73 The assignment, lease or contracting of the right to use state-owned land occurs under any of the following circumstances, the contract shall be nullified. If registration of land has been completed, the people's government at or above the county level shall write off the land registration and take back the illegal-used land according to law, and give an administrative sanction on the directly responsible person-in-charge and other directly responsible person. Where any crime is constituted, the offender shall be subject to criminal liabilities according to law.

- (1) The land is allocated instead of assigned;
- (2) The land is assigned by agreement instead of through bid invitation, auction or quotation;
- (3) Manipulating the determination of the bid winner, auction winner or the assignment result by maliciously colluding with the bidders or intentionally setting unreasonable conditions to restrict or exclude potential bidders in the course of bid invitation, auction or quotation;
- (4) Supplying land below the minimum prices for state-owned land.

Article 74 Any of the following acts shall be treated as an illegal occupation of land, and the land administrative department at or above the county level shall order restoration of the illegally occupied land. As for the act of unlawfully changing farmland into construction land as in violation of the overall plans for land utilization, the land administrative department shall order the dismantlement of the newly-built erections and other facilities on the illegally-occupied land within a prescribed time limit, and restore the original status of the land. Where the act conforms to the overall plans for land utilization, the land administrative department shall confiscate the newly-built erections, and may concurrently impose a fine of 15 up to 30 yuan per square meters of the illegally-occupied land:

- (1) Unlawful occupation of land beyond the scope of urban, villages, or town construction land as specified in the overall plans for land utilization for non-agricultural construction;
- (2) Occupying land beyond the approved amount or beyond the boundaries of utilized land;
- (3) The land use right has been taken back according to law, but the relevant party rejects to return the land;
- (4) The party concerned fails to return or handle the formalities for extending land utilization after the expiration of the duration of temporary land utilization.

Article 75 The relevant agreements, contracts, documents, and drawings shall be invalidated under any of the following circumstances, and the land administrative department at or above the county level shall confiscate the illicit gains, if any. As for the act of turning farmland into construction land in violation of the overall plan for land utilization, the land administrative department shall order the dismantlement of the newly built erections and other facilities on the illegally occupied land within a prescribed time limit. Where the act conforms to the overall plan for land utilization, the land administrative department shall confiscate the newly-built erections and facilities concerned, and may concurrently impose a fine of 20% up to 50% of the illicit gains. If any crime is constituted, the offender shall be subject to criminal liabilities:

- (1) Unlawful assignment, transfer, lease, contracting, mortgage of land use right;
- (2) Illicit trading of approval documents of land and drawings of the land under the pretext of joint operations, contractual joint ventures, or equity joint ventures;
- (3) The rural collective economic organization assigns or contracts any land not owned by itself to any other person or uses such land to jointly establish an enterprise with any other person;
- (4) Any other forms of illicit transfer of land prohibited by any laws and regulations.

Article 76 Where the state-owned land user unlawfully changes the purposes of land use, the land administrative department at or above the county level shall order it/him to rectify within a specified time limit, confiscate its/his illicit gains, if any, and impose a fine of 10 up to 30 yuan per square meters of the illicitly occupied land.

Article 77 With respect to any of the following acts, the land, forest and agriculture administrative departments at or above the county level shall order the land user to rectify within a specified time limit according to their respective duties:

- (1) The assignment or contracting of the right to use collectively owned land has failed to win the consent of over two-thirds of the members of the villagers' meeting or over two-thirds of the villagers' representatives;
- (2) The term of contracted land exceeds 30 years without the approval of the Provincial People's Government;
- (3) The price of the assigned or contracted right to use collectively owned land is below the prices formulated by the people's government of the cities, counties, autonomous counties;
- (4) The price of the right to use collectively owned land has increased due to transfer, but no added value has been paid to the rural collective economic organization according to the present Regulation.

The approval documents and contracts shall be invalidated for any of the acts as described in Paragraphs (1) to Paragraph (3) of the preceding paragraph. Where land registration has been completed, the people's government of the city, county, or autonomous county shall write off the land registration and take back the illegally approved land.

Article 78 Where the right to use collectively owned land is assigned, transferred, leased or contracted for the use of non-agricultural construction, the land administrative department at or above the county level shall order rectification within a specified time limit, confiscate the illicit gains, if any, and concurrently impose a fine of 5% up to 25% of the illicit gains.

Article 79 Where anyone has destroyed any ecological forest of public interest, or caused desertification and salinization of the land due to land development in violation of the present Regulation, the land administrative department at or above the county level shall order rectification or harness within a specified time limit, and may impose a fine of less than 2 times the reclamation fees. If any crime is constituted, the offender shall be subjected to criminal liabilities.

Article 80 Where anyone illegally occupies any compensation fees for land expropriation or the proceeds from the transfer or contracting of land by means of embezzling, misappropriation, or retention, etc. the land administrative department at or above the county level shall order it/him to refund or make compensations, and shall give an administrative sanction to the persons-in-charge and other directly responsible persons. Where any collective seizes or privately divides, or any individual illegally occupies such fees so that any crime is constituted, it/he shall be subjected to criminal liabilities.

Article 81 Where any land evaluation institution or any evaluation staff practices fraud in land evaluation, it/he shall be imposed a fine of 50,000 yuan up to 30,000 yuan, and the illicit gains shall be confiscated. If any crime is constituted, it/he shall be subjected to criminal liabilities.

Article 82 Where any person of the land administrative department derelicts his duty, abuses his power and practices favoritism, but no crime has been constituted, he shall be given an administrative sanction by the entity where he works or by the supervisory department. If a crime is constituted, he shall be subject to criminal liabilities.

Article 83 Where anyone unlawfully obstructs the state from expropriating any land, the land administrative department of the city, county or autonomous county shall order it/him to return the land. If it/he refuses to do so, it may file an application to people's court for compulsory enforcement. If the Law of the People's Republic of China on Administrative Penalties for Public Security is violated, it/he shall be punished by the public security organ according to law.

Article 84 Where there is no provision in the present Regulation for any act in violation of the present Regulation, it shall be treated according to the relevant laws and regulations.

Article 85 Where any entity or individual is dissatisfied with the punishment imposed upon it/him, it/he may apply for reconsideration or file a lawsuit with the people's court. If it/he fails to apply for reconsideration beyond the statute of limitations, file a lawsuit with the people's court, and execute the punishment decision, the authority that made the punishment decision may apply to the people's court for compulsory enforcement.

#### Chapter X Supplementary Provisions

Article 86 The administration of the land beyond this Special Economic Zone within the administrative division of Hainan Province shall be implemented by reference to the present Regulation.

Article 87 The rate for cultivated land reclamation fees, the specific preferential policies for investment in the reclamation of cultivated land and the compensation standards for the expropriation of collectively owned land for infrastructural construction, e.g., road network, main highways, railways, public ports, civil airports, gas pipelines, as well as large and medium-sized water projects, etc., shall be separately formulated by the Provincial People's Government.

Article 88 The power to interpret the specific issues in the application of the present Regulation remains with the Provincial People's Government.

Article 89 The present Regulation shall come into force as of the date of promulgation, and the Measures of Hainan Province on Land Administration and the Regulations of Hainan Special Economic Zone on the Assignment and Transfer of Land Use Right shall be simultaneously abolished.