

ETHNIC MINORITIES DEVELOPMENT PLAN

CENTRAL SICHUAN ROADS DEVELOPMENT PROJECT

IN THE

PEOPLE'S REPUBLIC OF CHINA

SICHUAN PROVINCIAL COMMUNICATIONS DEPARTMENT

April 2005

**THIS REPORT WAS PREPARED BY THE BORROWER AND IS NOT AN ADB
DOCUMENT**

Endorsement of the Ethnic Minorities Development Plan

The Sichuan Provincial Communications Department (SPCD), through the Central Government, has requested a loan from ADB to finance part of the Project. Accordingly, the Project must be implemented in compliance with ADB social safeguard policies. This Ethnic Minorities Development Plan (EMDP) represents a key requirement of ADB and will constitute the basis for mitigating potential adverse impacts and enhancement of their benefits from the Project.

The SPCD hereby endorses the contents of the EMDP and ensures that funds will be made available as stipulated in the budget. The SPCD has discussed the EMDP with relevant local government officials and has obtained their concurrence. The SPCD authorizes the Project Company as the responsible agency to implement the Project and related EMDP activities.

Approved in March 2005 by:

Sichuan Provincial Communications Department
(original signed)

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I. INTRODUCTION

1. This Ethnic Minorities Development Plan (EMDP) was prepared to ensure equitable sharing of project benefits and to propose mitigation measures of adverse affects for minority communities¹ in the project area of the Central Sichuan Road Development Project (the Project) in Sichuan Province, People's Republic of China (PRC). The EMDP is based on the Resettlement Plan, the Social and Poverty Assessment, and consultation with ethnic minority groups, local county governments and their respective line agencies. Adequate provisions to enhance the economic conditions of minority groups have been integrated in project design. Provisions for special mitigation measures have been included in the resettlement plan, which will help ensure that ethnic minorities adversely affected by resettlement will also benefit from the project. Current government policies and programs for minority nationalities further help to protect and enhance project benefits to ethnic minority groups. This plan targets the affected minority populations of Yi and Tibetan in the project area. The Yi and Tibetan account for about 86% and 13% of total minority population, respectively.

II. BACKGROUND

A. Project Description

2. The Project's main objective is to remove transport barriers and reduce transport costs in Sichuan to (i) promote pro-poor economic growth and thus reduce poverty, and (ii) contribute to western region development and inter-country trades. The Project will also support reforms relating to poverty reduction, sustainable transport planning, transport services, road safety, asset management, corporate governance, and environmental protection.

3. The scope of the project includes:

- construction of a 244 km four-lane access-controlled toll expressway, including 11 km of connecting roads, interchanges, toll stations, 2 service areas, 4 parking areas and 2 maintenance centers;
- upgrading of 678 km of local roads to improve access to remote poor and ethnic minority areas;
- upgrading of 4 county bus terminals of Yingjing, Hanyuan, Shimian and Meaning;
- acquisition of 20,830mu of land, of which 56% is cultivated land, from 5,711 households (20,237 persons) and resettlement of 790 households (2,634 persons) for expressway and connector roads².

4. Access to the expressway will be provided by 8 interchanges with connector roads to the local roads network in the whole project area. A number of complementary actions and measures will also be implemented to enhance the project's positive impacts and to mitigate the negative impacts.

B. Ethnic Minorities in Sichuan

5. All 55 ethnic minorities are present in Sichuan. The proportion of ethnic minorities in the total population is 5% in Sichuan in 2000 (5th census data). The dominant ethnic minority group, the Yi, made up 2.58% of the total population of Sichuan and 52% of total minority population.

¹ Ethnic minority groups refer to those groups that are different from the majority ethnic group—the Han.

² These figures are mainly based on feasibility study estimations.

The second largest minority group is the Tibetan who accounted for 1.54% of the total population and 31% of total minority population in 2000. Other minority groups are very small in population and are disbursed.

6. The project area (PA), consisting of five alignment counties/districts (Table 3) with a total land area of 12,291 km², had a total population of 1.266 million by 2002. Table 1 presents the administrative units, land area and population of the PA counties; as indicated in the table, minorities account for about 17% of the total population (20% for Hanyuan, Shimian and Mianning counties).

C. Legal Framework

1. PRC Government Policy, Plans and Programs

7. After 1949 the PRC Government adopted a policy of ethnic equality, in which all nationalities are legally and constitutionally equal. Given the inferior social and economic conditions of most minorities, the government adopted a policy of positive discrimination in favor of the ethnic minorities (*minzu*) to help them "catch up" with the mainstream population of the Han. To implement this policy, the Government first clarified, enumerated and mapped the identity of ethnic groups. PRC post-1949 policy defines nationalities (*minzu*) in very precise terms, based on, *inter alia*, shared language, territory, economic base, and traditions/culture. Under this definition, the Han constitute the mainstream nationality in the PRC. Prior to 1949, some minority nationalities (e.g. Hui, Man and Zhuang) had become closely assimilated into the Han language and cultural traditions - but are still recognized as minority groups due to their lagging economic and social conditions. Since 1949 there has been a tendency for smaller ethnic groups to fuse and merge in the definition of officially recognized minority groups. Once a minority is recognized officially, the group selects representatives to government bodies at all levels.

8. The 1954 Constitution specified mechanisms for exercising autonomy in minority areas. The 1974 Constitution reduced the financial autonomy, and other powers, of these areas. Some of these powers were restored in the 1978 Constitution and further extended by the State Council (1980) and the National Law of 1984. Since the early 1980s governments of autonomous areas have been able to decide on economic policy, including what to produce, some latitude in allocating government subsidies, and within set guidelines, education and budgeting. In 1982 the formulation of the one child per family directive by the State Council advocated more flexible approaches to family planning amongst the minority nationalities.

9. Minority areas have special access to relief funds, loans, subsidies and tax relief, including a lower tax on grain, to assist in economic development. Minority people also benefit from points score system, which places them in a higher rank than the mainstream Han for university admissions. For the 8 provinces where minorities are concentrated (Guizhou, Yunnan and Qinghai provinces and the five minority autonomous regions of Inner Mongolia, Xinjiang, Guangxi, Ningxia and Tibet) government subsidies in the past have been substantial.

2. ADB Policy on Indigenous People³

10. The Asian Development Bank (ADB) notes that the social indicators, economic status and quality of life of minority peoples are often below those of the mainstream population. While fully recognizing the sovereignty of the borrowing country, ADB accepts that it has a responsibility for ensuring (i) equality of opportunity for national minorities and (ii) that its operations and assistance to developing member countries do not negatively affect the cultural identity, welfare and interests of national minorities. Where ADB-assisted projects will potentially cause adverse effects on national minorities, ADB requires the borrower to prepare an EMDP that will ensure compliance with its *Policy on Indigenous Peoples*.

11. The EMDP should describe the socio-economic characteristics of minorities affected by the project, identify significant project impacts, both positive and adverse which affect them, and should consider modifying the project design to minimize adverse effects and/or include measures to avoid or mitigate adverse impacts and to enhance project benefits for minority peoples. The EMDP also provides procedures for project implementation and for monitoring and evaluating how the plan achieves its objectives.

12. The ADB's Policy on Indigenous Peoples sets out the criteria for determining whether or not an EMDP should be prepared. The key criteria are:

- '... indigenous peoples should be regarded as those with a social or cultural identity distinct from the dominant or mainstream society, which makes them vulnerable to being disadvantaged in the processes of development' (p.6, op cit);
- 'the Initial Social Assessment determines that indigenous peoples are likely to be affected significantly...or that indigenous peoples are disadvantaged or vulnerable to an intervention because of their social and cultural identity, an [EMDP] ... must be developed.' (p.18, op cit);
- an EMDP should be prepared if a project 'affects indigenous peoples adversely and significantly' (p. 19, op cit).

³ ADB uses a broad definition of "Indigenous people" that includes ethnic minorities.

III. ETHNIC MINORITIES IN THE PROJECT AREA

A. Methodology

13. In order to have a better understanding of basic profile of affected households and facilitate the analysis of their impacts of project and development of resettlement policies and rehabilitation measures, data analysis on secondary data and social economic survey was carried out by Sichuan Provincial Communications Department (SPCD) with assistance from PPTA consultant between July and August of 2004, which was based on sample survey among affected households and affected villages. The sample household survey, together with consultation of local government agencies provided much of the quantitative and qualitative materials such as stakeholders analysis, needs and concerns analysis for women and ethnic minorities, social patterns analysis for affected villages that were used to prepare this report. It has also been used as the basis for identifying the potential project impacts, assessing their significance, and formulating complementary measures to enhance positive and mitigate negative impacts.

14. A total of 600 sample households and 2,522 persons were surveyed. Among these sample households, 50 of them or 8 percent were from Yucheng District; 115 households or 19 percent from Yingjing County; 115 households or 19 percent from Hanyuan County; 120 households or 20 percent from Shimian County, and 200 households or 30 percent from Mianning County. Such sample distribution is similar as those among affected households distributed in the 5 counties or districts. Of total affected households, 8 percent were from Yucheng District; 14 percent from Yingjing County; 17 percent from Hanyuan County; 39 percent from Shimian County, and 21 percent from Mianning County.

15. Among 600 sample households, 143 of them or 24 percent were Yi Minority households. There are 2 from Hanyuan, 60 from Shimian, and 81 from Mianning. Most of these households came from Tuowu mountain area, --the watershed separating Nanya River catchment in Shimian County and the Anning River catchment in Mianning County. 14 Tibetan households were sampled.⁴

B. Minority Population

16. The minority population of the PA was 156,700 in 2002, which is equivalent to 17% of the total population (higher than the provincial average of 5%). The major minority group, the Yi, accounts for over 86% of the total minority population. The second largest group, the Tibetan, makes up about 13% of the total minority population. The following table shows the distribution of minorities within the PA counties. The map of project area and location of the minorities is provided in Map1.

17. Minorities are concentrated in Shimian and Mianning (which is under the Liangshan Yi Autonomous Prefecture) and these counties contain over 87% of the minority population of the project area; in Mianning, they constitute over a third of the population. Minority population is overwhelmingly concentrated in mountain areas; only a small (but unquantifiable) number within the urban areas.

⁴ As Tibetan population resides on the western periphery of the project area and will not be affected by the express way, sample size was smaller than Yi population. Although Tibetan townships are named, but Tibetan accounts only for 20% of the total population in township.

Table 1: Minority Population in PA

Items/Counties	Yucheng	Yingjing	Hanyuan	Shimian	Mianning	PA
Townships	3	25	40	16	38	119
Minority townships	0	0	6	10	24*	40
% Minority township	0	0	15	63	63	28
Villages	26	105	255	95	232	713
Land area (km ²)	400	1,781	2,349	26,78	4,423	7,208
Total population	8,300	138,800	348,700	119,500	323,600	938,900
Minority population	0	1,400	19,000	25,600	110,700	156,700
% Minority population	0	1	5	22	34	17
% of minority population in minority townships			39	77	89	43
Rural population	8,300	114,200	319,400	82,600	289,784	814,284
% Rural population	100	82	92	69	90	87

Source: Sichuan Statistical Yearbook (2003); Ya'an Statistical yearbook (2003) and Liangshan Statistical Yearbook (2003); unpublished county statistical data (2003); Consultants' estimations.

*: Townships where minorities make up at least 30% of the population.

C. Ethnic Groups and Their Distribution

1. Yi

18. The Yi is the major ethnic minority group in the PA and are distributed in the mountainous areas in Hanyuan, Shimian and Mianning counties. Yi are a native group in the PA and it is believed they have been living there for over 1600 years. According to some local legends, the Yi were originally from Yunnan and Guizhou provinces in the south.

19. Yi was a slavery society prior to the foundation of the PRC, with clan chiefs and their families holding a lot of slaves. The current social and administrative system, same as that of the Han, was introduced in early 1950s when the PRC was established.

20. After abolishment of slavery, former slave class people enjoy personal freedom and political equality to abrogate the land ownership of the slave owning class and introduce the land ownership of the former slave class people to release the rural productive force and promote agricultural production. The Government also built houses and provided farm tools, grain, clothes, furniture and money for the former slaves.

21. Yi people have their own spoken language and once there were also written Yi. In 1975, the central government standardized the written Yi language and intended to promote its use in

the Liangshan Yi Autonomous Prefecture. However, the written Yi was not accepted in practice and it remains simply as a symbol.

22. The Yi account for 86% and 11.2% of the minority population and total population respectively.

2. Tibetan

23. Tibetan is a native group in the project area who migrated from Tibetan plateau 600 years ago. Within the 5 project counties, there are 20,000 Tibetans, which account for 1.7% of the total population. There are 4 Tibetan and 3 Tibetan-Yi townships in Shimian and Mianning counties, of which two within 25 km from the proposed expressway Xianfeng Tibetan Township is composed by 7 villages with a total population of 5,400, of which 22% of population is Tibetan and 71% is Han. The township is located at elevations ranging from 740-4700m. These villages are better off due to booming of mining activities. All villages have road access and 100% of households are connected with electricity, Xinmin Tibetan-Yi Township is composed by 9 villages with a total population of 7,900, of which 14% is Tibetan. The main industry of this township is agriculture (maize, silkworm-mulberry). All villages and households have access to road and electricity supply. Rural net income is 2,200 yuan per capita in 2002 which is 106% of the county average. Tibetans are exclusively located in higher mountainous areas (2,000 to 3,000 meters) in the northwest of Shimian and Mianning counties which is about 2 hours away from the county centres. These Tibetan townships are far from the expressway and, thus, there will likely be no adverse impact of the project on the Tibetans in the project area.

24. Ganzi Tibetan Autonomous Prefecture is located to the west from project alignment. The prefecture centre is 200 km from the proposed expressway; the existing expressway from Ya'an provides access to Chengdu. In between the project alignment and Tibetan prefecture, there are high mountain ranges (3,000 to 4,000m), therefore there is only one road connection to Shimian County. In view of the above, the project's adverse impact on the Tibetans living in Ganzi Tibetan Autonomous Prefecture is expected to be insignificant.

3. Other Minorities

25. Over 10 other ethnic minorities, including Qiang, Hui, Mongolian, Bai, etc., are present in PA. These minorities account for less than 1% of the total minority population and they are mostly individual households who are settled in urban centers. None of these minorities are native to the project area.

D. Socioeconomic Characteristics of Yi and Tibetans

26. There are some specific characteristics relevant to Yi and Tibetan:

- Although most rural Yi and Tibetans speak their own languages in daily life locally, many of them, especially the younger generation can speak Mandarin fluently.
- There are inter-marriages between the Tibetans and Han, but hardly any between Yi and other groups due to their cultural taboos.
- The Yi favor black color for the dresses.
- The most unique feature for Yi people is that they have their own cultural activities, e.g., the "torch festival", the most popular cultural activity hold in June

(according to Yi calendar) every year, which attracts a large number of tourist to join their festival.

- The most unique feature for Tibetans is their strong Buddhism belief in their daily life. While the Yi, with weaker belief, believe in many kinds of nature gods.
- Basic characteristic of economic activities (agriculture and livestock) are almost same in Han and Yi society (refer to Table 2). The economic disadvantage associated with Yi society is their settlement in high mountain area with poor rural/village road access (Hanyuan, Shimian and Mianning counties) which limits marketing activities of agricultural products. Also the lower percentage of irrigated area in those counties (average 50%) attributes the lower agricultural outputs.

27. The Yi are undoubtedly a vulnerable group in the project area compared with the Han. Table 2 presents the socioeconomic characteristics of the Yi in comparison with the Han. The Tibetans are highly scattered nomads and the field survey only targeted 14 households due to time and resource limitations. The 14 households vary from each other and therefore they could not provide a real picture of the Tibetans' socioeconomic situation. Consultation of local minority affairs officials indicated that the Tibetans are more advanced than the Yi. In fact, inter-marriages between Tibetan and Han are common in the project area. Inter-marriage, to certain extent, could be taken as an indicator of similar socio-economic conditions.

Table 2: Socioeconomic Characteristics of Yi and Han

Category	Indicator	Unit	Han* (233 sample HHs)	Yi** (122 sample HHs)
General	Average HH Size	Persons	4.3	4.8
	Poverty	% HHs <Y900/p/yr	17%	45%
	Per capita annual income (median)	Yuan	1450	975
Education	Adult Illiteracy	%	5%	35%
	Primary school drop out rate		0%	10%
	Middle school non-attendance rate (median)		<5%	25%
	Official/ technical visits in last month		4%	9%
Agriculture	Cultivated land	Mu per HH	4.3	6.3
	Agricultural Inputs	Yuan per mu	237	121
	Irrigated land	% Villages with irrigated land	86%	33%
Income Source	Grain	% HH with source	39%	36%
	Cash crops		67%	55%
	Livestock		66%	80%
	Off farm		26%	29%
	Migrant		52%	39%
	Other		22%	19%
	All off farm		77%	68%
Distribution of Income by Source	Grain	% cash income	6%	8%
	Cash crops		21%	12%
	Livestock		16%	17%

	Off farm		12%	19%
	Migrant		34%	27%
	Other		11%	17%
	All off farm		57%	62%
Assets	Farm vehicle	% HHs	9%	4%
	Draft Animal		58%	76%
	Motor vehicle		28%	4%
	Color TV		86%	60%
	Piped water		84%	84%

Source: Field survey.

*: 233 and 29 sample households and villages respectively

** : 120 and 18 sample households and villages respectively

28. **Poverty.** Yi are the poorest in the project area. As indicated in Table 2, the economic position of the Yi is far behind the Han, for instance:

- The poverty incidence (<900 Yuan) among the surveyed Yi communities is 45%, while it is just 17% for the Han.
- The average per capita annual income of the surveyed Yi villages is 975 Yuan, while it is 1450 Yuan for the Han.
- Only 4% of the Yi households have a motor vehicle, compared to 28% for the Han.

29. **Income.** The average per capita annual net income of the surveyed Yi villages is 975 Yuan. The table further highlights income patterns for both Yi and Han by sources and contributions. Specifically:

- More Yi families (80%) have income from livestock production than Han (66%) because the Yi are living in mountains with vast grazing areas.
- Due to harsher conditions, including poor transport access, only 55% Yi households have cash crops, 12% less than that of Han.

30. **Education.** As with the poverty situation, the Yi are much inferior to Han in terms of education:

- The adult illiteracy rate of the Yi is as high as 35%; 30% more than that of the Han.
- The dropout rate at primary school for the Yi is as high as 10%, while there is nearly no dropout from the Han.
- The middle school non-attendance rate of Yi children is 25%, while it is less than 5% for the Han.

31. **Agriculture.** Since Yi are almost entirely located on mountains, they are mainly engaged in extensive upland farming of maize and potatoes. As indicated in the above table, only 33% of the surveyed Yi villages have irrigated land, while it is 86% for the Han villages. The production input of 121 Yuan/mu of Yi is just about half of the Han's 237 Yuan/mu.

32. **Migration.** Migration to local mines and construction sites (e.g., the various dams-hydropower plants) is common for both Yi and Han in recent years. However, Han also seek migration work outside the Project area while the Yi basically don't. There is little incentive for in-migration of Han in the Project area because there is no new permanent employment opportunity in those areas other than temporally road construction. Han people are migrating

from rural to major urban areas to find a better job. The Project area is a narrow corridor in high mountain area and no large scale industrial development to attract migration from outside. The change in population growth from the year of 1995 to 2000 at Yucheng, Yingging, Hanyuan, Shimian, and Mianning counties is 0.89%, 0.06%, 0.26%, 0.33%, and 1.53% respectively. In view of the above, the Project impact on permanent in-migration of Han people in the project area is expected to be limited. Temporary in-migration of about 5,000 construction workers for the expressway project will occur, but only a portion of these would impact the Yi communities that are already well integrated with the Han majority. No Tibetan communities would be impacted. The EMDP have included provisions to avoid adverse impacts and give priority to ethnic minority communities for allocation of construction employment. After construction is completed, no significant permanent in-migration of Han is anticipated because the area had already been opened to mineral development.

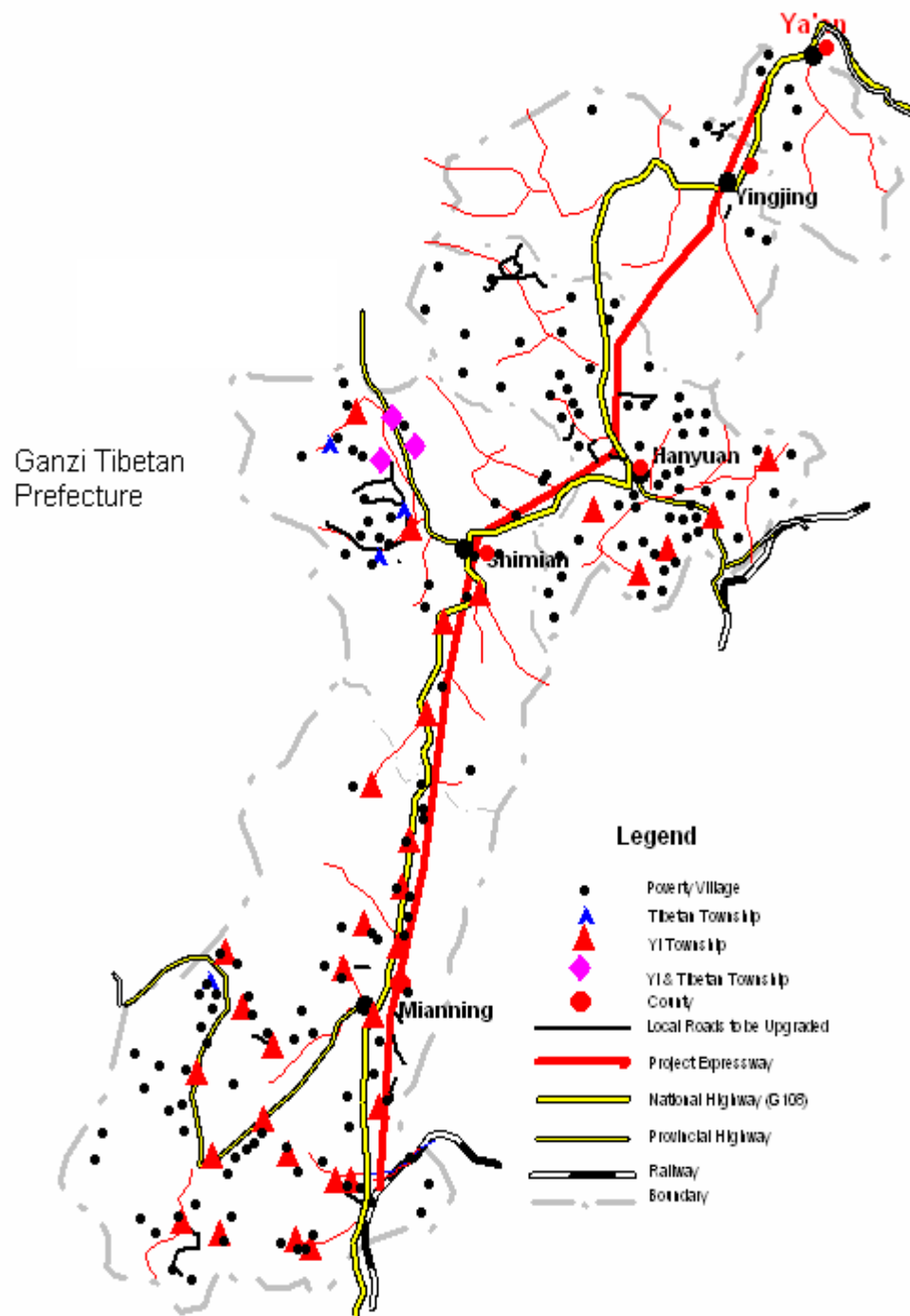
33. **STIs/HIV/AIDS Transmission.** Fortunately, no HIV/AIDS cases were found or reported in the project counties. The construction of the expressway will bring around 24,400 (100 people per kilometer for three years) construction workers to the project area, and these workers will unavoidably interact with local minority population. Therefore there would be increased risk of exposure to HIV/AIDS and STIs for minority population.

34. **Gender Aspects.** China is committed to sexual equality and women and men have enjoyed an equal status by law. Female participation in agricultural activity is high in China, as it is in many parts of the world. In the communities surveyed⁵, the basic household principle is one of men and women sharing the farming work. Women also undertake most of the additional childcare and household maintenance tasks as well as looking after the livestock. Yet the surveys also provided many instances of men undertaking child care duties as their wives went to the market. Sharing of financial resources was also common, especially where most income came from agriculture. Women were conscious of the need to improve roads. In villages with very poor road access, women felt no options but to stay at home owing to the unwillingness of minibuses to provide services on roads where they would incur high costs for vehicle repair; women in these villages are also less likely to market household produce. Data on women's travel patterns revealed that few rural women traveled beyond the county towns but that they were equally represented in trips to county towns and township centers. The overall conclusion, which essentially confirms the findings of much other research, is that gender roles in much of rural China⁶ are far less clearly delineated than in most countries. This conclusion applies to Han communities. In Yi areas, the division of labor is more acute and less equal; women, often assisted by young children, bear most of the responsibility for fetching fuel wood and water.⁷ However, even in these communities, changes are evident as migration becomes more prevalent, piped water more widely available and female literacy and education increase.

⁵ 8 group discussions were held with women—2 in Yi villages and 6 in Han villages.

⁶ In urban areas too, many women are engaged in occupations that in most countries are the preserve of men, e.g., driving buses and pedicabs.

⁷ Apparently, men consider that they do most of the heavy work, which apparently does not include these tasks but does include riding horses and discussing politics (according to some women interviewed).

Map 1: Distribution of Minority Townships in Project Area

IV. ON GOING MINORITY DEVELOPMENT PROGRAMS

35. In autonomous region/prefecture/county in China, all activities are minority development oriented. In other words, central task of the autonomous governments is to promote minority people's development. In the project area, Mianning is a minority county within the Liangshan Yi Autonomous Prefecture. Shimian is treated as a minority county by the provincial government since 1986; this enables Shimian to obtain some additional support for its minority people. The minority population of these two counties account for about 31% of total population (see also table 3). Each county has their master plan and sector development plans support the development of ethnic minorities. The sector development plans include:

- poverty reduction and development plan
- agricultural and forestry development plan;
- industrial development plan;
- women's development plan;
- children's development plan;
- educational development plan;
- transport development plan; and
- public health development plan.

36. These plans are often linked with various programs, e.g., land conversion program is linked with forestry development plan and food for work program in linked with poverty development plan. Budgets for implementing these plans, as well as for other activities, are pre-determined and specified. In other words, there is hardly any flexible money available for additional activities imposed by such project like this ADB road development project.

37. In addition to the sector development programs, there are specific minority development programs in the project counties that are administrated by the Ethnic (Minority) Affairs Bureaus in the project counties. The programs are formulated based on the needs of each county through bottom-up and top-down approaches. Minority development programs include the provisions of providing social infrastructures (primary/secondary school, health clinic, housing upgrading, and recreation facilities), economic infrastructures improvement (rural road, water supply and electricity connection), and capacity building (training on farming, and training on income-generating activities with microfinance). The minority development programs often join hands with poverty reduction programs.

A. Mianning County

38. As a formal minority county within the Liangshan Yi Autonomous Prefecture, Mianning obtains specific minority development oriented support for all sectors from higher-level governments. In addition, the minority affairs sector itself, had also independently implemented a number of development programs with a total investment of 0.7 million Yuan from 2001 to 2003. The investment was mostly on community drinking water schemes (Table 3).

Table 3: Minority Development Programs in Mianning County

	Programs	Investment (Yuan)	Investment (%)
1	Drinking water works	350,000	58
2	Rural electricity supply	150,000	25
3	Social Development	100,000	17
	Total	600,000	100

Source: county minority affairs bureau. This is a very small amount.

B. Shimian County

39. Shimian was declared as an equivalent autonomous minority county in 1986 by Sichuan provincial government. Since then its minority sector got more and more support from the provincial minority development funds and the underdevelopment area funds. From 2000 to 2002, the minority affairs sector had received some 3.6 million⁸ Yuan from these two provincial funds. As indicated in the Table 4, the top 5 programs, which received 87% of the total investment, are road development, drinking water schemes, education, rural electricity network and small enterprises development (mostly small hydro-power plants).

Table 4: Minority Development Programs in Shimian County

	Programs	Investment (Yuan)	Investment (%)
1	Road development	1,160,000	32
2	Drinking water works	670,000	19
3	Education	540,000	15
4	Rural electricity supply	450,000	12
5	Small enterprises development	320,000	9
6	Social Development/training	190,000	5
7	Agricultural structure adjustment	70,000	2
8	Health development	30,000	1
9	Others	180,000	5
	Total	3,610,000	100

Source: county minority affairs bureau.

C. Hanyuan County

40. Hanyuan county government and its poverty reduction and sector development programs also give priority to its minority townships for road construction, rural water and electricity supply, rural education, etc. The county government has an annual budget of 100,000 Yuan for the minority affairs bureau for development activities. In addition, a minority development fund was separately created to assist poor minority children.

⁸ Much more than that of Mianning. This could be explained that all sectors in Mianning, as a formal autonomous county, are minority development oriented. While in the case of Shimian, mainly the minority sector receives specific funds for minority development activities.

V. PROJECT IMPACTS ON MINORITIES

A. General Impacts

41. The Project fully incorporates ethnic minorities' concerns into its design. Specific activities to ensure that ethnic minorities share proportionately in project benefits are under consideration for incorporating into the proposed transport interventions. Major benefits accruing to the minorities include higher income from increased cash-crop farming, more cash income sources due to seasonal migration work, enhanced communication with urban centers, and better access to social services. Surveys revealed that ethnic minority groups support road construction since they view this as one key measure to improve economic opportunities. It is estimated that ethnic minority groups will benefit equitably from the Project, since they are widely dispersed throughout the project area.

42. The project itself is a minority peoples development project because it will greatly facilitate the linkage and interaction of local minority people with outside world. The social and poverty assessment identified that all minority population will directly benefit from the project; especially from the 678km local roads upgrading that cover all minority townships. Table 5 presets the details of minority beneficiaries. Overall, 157,000 minority people will directly benefit from the projects' expressway and local road construction components.

43. Specifically:

- an interchange, economically unviable, is set at the Tuowu Mountain to purely benefit some 5,000 Yi people at Mianning County,
- some 7,000 Tibetans in Shimian county will benefit from upgrading of the bus terminals of Shimian county. The terminal is important transferring stations for people from northwestern Shimian county to catch the project expressway or to catch the Chengdu-Kunming Railway at Hanyuan.

Table 5: Minority Beneficiaries in PA

	Expressway*	Local roads**	Total
Total beneficiaries ('000)	317	662	939
Minority beneficiaries ('000)	32	125	157
Share of total beneficiaries	10%	19%	17%
Share of minority population	100%	100%	100%

Source: Supplementary Appendix 16.

*: including 158 km access/local roads

** : 520 km

B. Potential Direct and Induced Economic Development Benefits

44. The immediate direct economic impacts include:
- Employment during construction. Some 800,000⁹ person-months of unskilled labor over 5 years will be employed, and 20% of them will be minority people.
 - Commercial activities during the construction. These will include groceries, provision of food and accommodation services.
 - Provision of construction materials. Contractors will only locally purchase the bulky and yet cheaper materials of stone and earth for civil works. This could enable some minority people, where the expressway crosses, to engage in excavation and transportation of stone sand earth.
45. Mid-term and long-term (after construction period) potential indirect economic impacts include:
- Increased agricultural production and productivity (cropping structure adjustment included) by implementing minority development programs
 - Reduced transportation cost by implementing local roads upgrading
 - Increased off farm economic activities by implementing local roads upgrading and urbanization
 - Road-related employment. The operation of the expressway itself will employ some 1300 people¹⁰ as service area workers, sweepers, toll collectors, etc. Experiences of other expressways indicated that 50% of them are rural youth. It is estimated that the expressway itself will employ some 300 rural minority people from Shimian and Mianning counties will be employed as road sweepers (60 in total, 1 each 5 kilometer) service area workers and toll station assistants (240 in total.). In addition, new employments, like vehicle repairing and service provision, will also be created along upgraded local roads.
 - Increased tourism related income
46. Mid-term and long-term (after construction period) potential indirect non-economic impacts include:
- Higher local mobility among communities connected by local roads.
 - Improved safety and environmental conditions along the parallel national highway and upgraded local roads.
 - Improved access to education and health along upgraded local roads.
 - Improved interaction with the outside world for communities connected by local roads.
47. These potential impacts are expected to benefit women, especially by the improvement of local roads. Social and Poverty Analysis showed that women were conscious of the need to improve roads. In villages with very poor road access, women felt no options but to stay at home. Also, women in the immediate impact area (area along the expressway) will receive more benefits from providing catering services and other social services to the large number of workers (over 20,000 permanently over 5 years) during the expressway construction period.

⁹ Estimation of consultants based on interviewing contractors working for the ADB Chongqing-Guizhou Expressway project. This figure is only about 1/4-1/5 of the feasibility study estimates that were calculated according standard norms of 1990.

¹⁰ This is just 50% of other expressways. 10 people per kilometer in average in the case of the ADB-financed Beijing-Shanghai Expressway (Hebei section) and the ADB-financed Changchun-Harbin Expressway.

The long-term trends for women are very favorable, such as improved female education, enhanced cultivation techniques, greater emphasis on livestock raising in poor areas, and increasing urban migration.

C. Potential Impacts of Resettlement

48. It is estimated that the proposed expressway will affect 29 townships, 70 administrative villages and 505 village groups in Yucheng District and Yingjing, Hanyuan and Shimian counties of Ya'an Municipality, and Mianning County of Liangshan Yi Autonomous Prefecture.

49. The Project will adversely affect the equivalent of 5,711 households (20,237 persons) by acquiring their arable land of 20,830mu (1,389 ha). A total of 94,800 square meters of houses will be demolished, necessitating relocation of 790 households (2,634 people). Relocation will provide an opportunity to improve current housing conditions for the relocated households. These households will be moved a short distance to another site within their original village. Other affected assets include telecommunications and electrical infrastructure, tombs, and trees. All land, housing, and other assets will be compensated at replacement value.

50. Surveys identified 1,918 Yi households (6,790 persons) from 38 villages¹¹ in 15 townships will be affected by land acquisition (34% of total affected person) and 141 Yi households (472 persons) will be affected by house displacement (18% of total) respectively. No other minority households will be affected by resettlement.

51. Apart from land acquisition and resettlement, the project is not expected to have adverse impacts on minorities as a separate group. Additional measures are outlined in the next section to minimize any adverse affects resulting from development and economic growth and to enhance project benefits to minority people.

D. Expectations and Concerns

52. Through series of participatory assessment sessions, consultations, discussions and interviews to project affected minority communities, their general feeling toward the project was positive, especially benefit brought by local roads component. They expect basic infrastructures development such as medical clinics, primary and secondary school, electrification, and water supply, which will be covered by the programs under Poverty Reduction Office and Ethnic Minority Affairs Bureau. They also expressed the needs of receiving agriculture training on cash crops and income generating opportunities such as engaging in expressway/local roads construction as a manual labor, and opening micro business in the village and around construction camps.

53. Some of concerns associated with the project were raised, such as traffic noise, accident, and moral disturbance.

54. Draft EMDP in Chinese version was circulated to the project affected area in 2nd week of February, 2005 to get further inputs from the local ethnic minority communities. Formal feedback from Hanyuan, Shimian and Mianning County governments indicated that they all support the daft EMDP.

¹¹ 18 villages are 100% Yi.

VI. ACTION PLAN

A. Specific Measures/Activities

55. Tables 6, 7 and 8 present the proposed measures, targets, budget and implementation timing. The proposed measures consist of the following three categories:

- Measures to avoid or mitigate adverse impacts
- Measures to enhance positive impacts
- Measures to ensure project benefits accrue to affected minority populations in a preferential or in an equitable manner

56. The scale and scope of the proposed measures are subject to modification from time to time depending on the finalization of project design and various other factors.

1. Mitigation Measures

57. **Construction-related Disturbances.** The proposed expressway and its connector roads will directly affect 38 minority villages from 15 townships. Some disturbances might occur during project implementation. The total minority population affected by construction noises and other hazards from these villages will be about 53,286. The environmental impact assessment considers and addresses some, if not all of these potential health hazards identified. For instance, nighttime construction is prohibited thereby mitigating the issue of excessive noise for people living close to the expressway construction sites. The construction of crossings will address the concerns of road safety. The restoration of damaged irrigation and drainage systems will preserve surface water sources of local people from pollution caused by construction.

58. **HIV/AIDS and STIs Awareness and Prevention.** The Project Area is rather close to a High Risk Area¹² for HIV/AIDS and drug trafficking. Therefore county CDCs (Centre for Disease Control), in accordance with the PRC Law on Prevention and Treatment of Epidemic Disease, will take measures to prevent the spread of HIV/AIDS and other STIs. The SPCD and the contractors will support CDCs to take prevention measures for workers and local communities during construction and to transport operators and truck drivers during operation of project facilities such as establishment of health clinic at construction camps, HIV/AIDS and STIs prevention posters, HIV/AIDS and STIs education programs, and implementation of the international anti-AIDS programs.

59. **Gender Equality.** In order to ensure the fair distribution of the project benefit to the women, women's participation in terms of decision making will be secured in accordance with government laws and regulations during the implementation of Ethnic Minority Action Plan. The Womens Federation, which has a mandate to advocate women and children rights, and disseminate information of livelihoods improvement through newsletter and regular group meeting, will extend their activities in the project affected area as a part of their regular activities.

60. **Resettlement.** Local governments will support the development of social infrastructure and local markets, and have incorporated those into local development plans. For new house construction, local customs, agricultural requirements and future development needs will be taken into consideration. House construction will be carried out according to the wishes of

¹² Xichang City, the Capital of Liangshan Yi Autonomous Prefecture. The on-going China-UK anti-AIDS project covers this city.

households so that the traditional housing styles will be preserved. A special fund will be used to provide necessary help for the vulnerable people when necessary. Vulnerable people include the elderly, disabled, household headed by women, extremely poor households, and Yi people. In addition, the people seriously affected by the land acquisition and resettlement of the Project will be offered training in livelihood restoration and agricultural techniques according to their different situations. The resettlement organizations at all levels include staffs that are members of minority nationalities. Ethnic minorities and their representatives have been participating in resettlement, and such participation will run through the whole process of resettlement.

Table 6: Mitigation Actions

Proposed Measures	Targets/Indicators	Beneficiaries	Budget ('000 Yuan)	Timing
Protection of minority communities from construction disturbances:	Prohibiting nighttime construction Building of 383 grade separated crossings Reconstruction of damaged irrigation and drainage systems	Over 180,000 minority people from 503 sub-villages of 70 villages.	Included in the project EIA	2006-2010
Control of transmissible diseases	Health clinics in construction camps HIV/AIDS and STIs prevention posters HIV/AIDS and STIs education programs Implementation of the international anti-AID programs Zero case of HIV/AIDS in the project areas during the construction period	Minority residents in PA especially along the expressway. Over 20,000 migrant construction workers	Included in the project Compulsory requirement to contractors to take action under the supervision of county CDCs (Center for Disease Control)	2006-2010
Encourage women to participate in meetings and decisions	Number of meetings Number of newsletters	Over 90,000 minority women from 503 sub-villages of 70 villages.	Included in Government program	2006-2010
Special support to resettlement affected people	1% of total resettlement budget is reserved for vulnerable groups Options for affected households to selected new settlement sites 6 months notice time for affected households to select new resettlement sites according to their specific tradition Employment skill training by minority trainers	2,059 ethnic minority households (7,262 persons) in Mianning and Shimian counties	Included in Resettlement Plan. Cost of employment skill training is covered by existing Government programs	2006-2007

2. Enhancement Measures

61. **Micro-Credit Program.** Under the coordination of county poverty reduction offices, branches of the ABC (Agricultural Bank of China) will provide micro-credit service to some 24,000 rural minority population in the 38 Yi villages during the project implementation period. The average size of the loan is CNY 1000. The loan would be used for the income generating activities. Repayment period ranges from 0.5 to 4 years with annual interest rate of 5-6%. The poverty reduction offices will cover 50% of the credit's interest charges...

62. **New Farmland Development.** The local government will develop new farmland in the affected villages using provincial government funds derived from taxes paid by the Project for farmland reclamation fee. The Project will cause the loss of cultivated land (or farmland) for

which SPCD must pay a tax to the Sichuan Land Resources Administration Bureau. These funds can then be returned to the affected counties provided they have feasible land for land reclamation. SPCD will coordinate with the affected county governments to identify new land reclamation schemes; these could be targeted in minority villages. The local county governments will develop the detailed implementation plans when farmland acquisition is started.

63. **Forestation Program.** The local government will plant economic trees in the affected villages using provincial government funds derived from taxes paid by the Project for forest re-vegetation fee. The Project will cause the loss of forestland, including orchard/economic trees and timber forest. For this loss, SPCD must pay a tax to the Sichuan Forestry Administration Bureau (exact amount is yet unknown since design work has not yet started). These funds can then be returned to the affected counties provided they have feasible land for afforestation. SPCD will coordinate with the affected county governments to identify new afforestation schemes (including fruit orchards, economic trees and timber forest); these will be targeted in minority villages. Local ethnic minority people will be prioritized for a majority of the unskilled labor. The local county governments will develop the detailed implementation plans when forestland acquisition is started

64. **Tourism Development.** Tourism attractions in the PA are shown in Figure 16-3 in Supplementary Appendix 16. Key tourism resources in the PA counties include:

- Liziping Nature Reserve in Shimian County (Yi minority area)
- The potential Geological Park in Hanyuan County (Yi minority area)
- The future water recreation reservoir in Hanyuan after the Pubugou Dam's establishment (partly Yi minority area)
- The famous Yihai area in Mianning County (famous Yi area where there was an important event between the Red Army and the Yi Chief during the Red Army's Long March in 1934-1935)
- The Hongshan Temple in Mianning County (Yi area)
- The Satellite Centre in Mianning County (Yi area)

65. County governments and their tourism agencies will take the following promotion actions for tourism development:

- Exhibiting Yi cultures and establishing tourism infrastructures.
- Preparation of tourism brochures and posters to distribute and display in the rest and parking areas and service stations of the expressway. They are also to be distributed in various tourism agents in cities.
- Introduction of the tourism resources with access map on various websites.

66. **Technical Advice and Training.** As components of the resettlement plan for income recovery, county technical sectors (i.e., agricultural and forestry bureaus) will provide special technical advices and training to the project affected farmers on cash cropping, fruits and livestock management. Skill training will also be provided to enable minority people take employment opportunities from both the expressway and local roads construction.

Table 7: Enhancement Measures

Proposed Measures	Targets/Indicators	Beneficiaries	Budget ('000 CNY)	Source	Timing
Micro credit (mostly to rural women)	38 Yi villages	24,000 rural Yi (4800 HHs)	4,800	Capital of ABC and poverty fund	2006-2010
New farmland reclamation	Refunding land reclamation taxes to affected counties 70 villages; 15,000 mu (1000 ha) of farmland	20,000 rural people, including 1900 Yi	30,000	Project cost (Tax rebate)	2006-2007
Afforestation	Selected poverty villages; 1200 mu of orchards/forest planted	6,000 rural people, including 500 Yi	4,600	Project cost (Tax rebate)	2006-2007
Tourism promotion	Tourism website Posters and brochures	10,000 minority people	200	County governments	2006 onwards
Technical advice and training on crops and animal production	38 Yi villages Minority trainers	24,000 minority population	Covered by local programs	County governments	2006 onwards

3. Project Benefit Measures

67. **Employment Measures.** It is suggested to take the employment of local minority people as unskilled labors for the construction of the expressway as a potential contract item between SPCD and contractors. The contract will specify that contractors should employ at minimum, 75% of local unskilled labors. Full wages will be paid to local people employed for the construction of the local roads. On-the-job training will be provided for workers and special attention will be paid to the illiterate workers by SPCD and contractors.

Table 8: Project Benefit Measures

Proposed Actions	Targets/Indicators	Beneficiaries	Budget ('000 CNY)	Timing
Employment of minorities as unskilled labors for construction of the expressway	Over 800,000 person-months unskilled labor, 20% are to be awarded to minority population Contractors use 75% of local labors minimum	30,000 minority labors (4 months each in average)	Included in civil works contracts	2006-2010
Employment of Yi for construction of the 678 km of local roads with full wages	2000 Yi workers	9,000 people from 2,000 Yi households	Included in cost of local roads	2005-2008
Employment of minorities at road service areas and other associated activities	1300 positions for hire, of which 20-25% would be Yi	300 Yi minority workers	Included in project operating budget	2010 onwards

B. Budget and Financing Sources

68. All measures are going to be financed by the local government or under the project. The budget for each measure is shown in Tables 6, 7, and 8. Since project design is not finalized yet, budget for the various actions are subject to modifications in the future.

C. Implementation Arrangement

69. SPCD, through its implementing agency and the contractors, will play a leading role in implementing most of the construction-related measures previously presented. Specifically, SPCD will be directly involved in local road network improvement program through finance provision and construction supervision.

70. County governments will take the leading role in implementing the supportive measures such as technical training, tourism promotion and micro-credit. These actions, routine work of local governments, will undoubtedly be implemented regardless the project. Several government agencies will be involved including minority affairs bureau, land administration bureau, poverty reduction office, forestry bureau, agricultural bureau, women's federation (government organized NGO), township governments, etc.

D. Monitoring and Evaluation

71. Monitoring and evaluation (M&E) of the EMDP is required to ensure the plan is implemented properly and meets the objectives specified. The final M&E plan will be formulated shortly before project implementation. ADB will assist SPCD in formulating the M&E plan. Objectives of the M&E plan include:

- Data and information to identify effects and project impact including qualitative information to describe social changes on minority people and their communities;
- Analyze and document the results for future planning of roads construction and poverty reduction interventions;
- Initiate participatory approaches (PA) needed to plan and implement complementary activities; and
- Focus on key-actions and processes learned from the project for replication in other areas.

72. The collection of data should be kept to a minimum and concentrate on data that is required for key indicators. The following list provides some broad evaluation indicators that are of greatest importance. Specific indicators related to the implementation of the EMDP are listed in previous Tables. Data collected shall be disaggregated by sex and by ethnic group whenever possible:

- Production output value in target villages
- income per capita
- poverty incidence
- ownership of assets in selected villages.
- throughput of wholesale produce and special market costs of selected key goods at selected townships and villages
- new commercial activity around interchange and local roads
- changes in quality of water and health with reasons for selected townships and villages
- passenger fares and freight rates and passenger volumes and service frequencies to key destinations in the project corridor including local roads.
- new houses built/under construction in selected townships
- frequency of technical and socio-economic advice and training to selected villages on local roads

- school attendance classified by grade, gender and ethnicity and drop out rate for selected townships

73. Not all the above questions will apply in every case. Some relate only to villages affected by the expressway. Others are only appropriate once the road has been constructed. Questions in the 'before construction survey' should instead probe into the anticipated benefits from the schemes and other development priorities. Surveys would be carried out in villages located in close proximity to the expressway, on selected village road improvements and in selected markets.

74. SPCD understands that ADB will play a leading role in formulating the M&E plan. Therefore, ADB should directly guide the PPMS consultants, included in the project's consultants plan, to prepare a feasible M&E plan before project implementation. The number of locations and survey samples are to be determined by ADB, the Consultant team and SPCD according to the resources available. SPCD will coordinate its implementing agency and local government to assist the consultant team to carry out the M&E plan.

75. The budget for monitoring and evaluation activities is around US\$50,000 for hiring the domestic PPMS specialist and domestic EMDP monitoring agency.