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Helping Accelerate Poverty Reduction in Asia and the Pacific

POVERTY REDUCTION IN GRASSLAND IMPROVEMENT PROGRAMS IN THE PRC

Worsening degradation and desertification of grasslands, particularly in the dry and highly fragile environments of the impoverished Western Region, is seriously affecting the welfare and livelihoods of nearly a quarter of the population of the People's Republic of China (PRC).

Grasslands cover about 42% (400 million hectares) of the PRC, mostly in the Western Region, including Inner Mongolia, Xinjiang, Tibet, Qinghai, Sichuan, and Ningxia provinces or autonomous regions. Moderate to very severe land degradation occurs in nearly half the region. The primary cause for grassland deterioration is increasing human and livestock populations and the resulting overgrazing; natural disasters, such as continuous droughts in 1999–2001, and locust attacks exacerbate the situation.

A significant proportion of people live on less than \$1 a day in the grassland areas when compared to the PRC as a whole.

The Grassland Improvement Program

Poverty reduction and sustainable management of natural resources are key objectives in the PRC's 11th Five-Year Plan (2006–2010). The Government started to reverse environmental deterioration by introducing new measures, such as tenure policies in 1988, under which herders were granted 30-year lease rights, and livestock-balancing policies in 1999, to regulate the number of animals per unit of grassland and limit its carrying capacity.

The Grassland Improvement Program (GIP) 2001–2010, developed with assistance from various development partners and supported by the 2002 Grassland Law, introduced a number of grassland management practices. These included (i) long-term closures to allow degraded grasslands to recover, (ii) replacement of free herding by stall feeding, (iii) seasonal and rotational grazing, (iv) resettlement of herders' households from deserted grasslands to better land where social infrastructure is accessible, (v) conversion of croplands into grasslands and forests; (vi) aerial reseeding; (vii) provision of water for drinking and irrigation, (viii) application of fertilizers, (ix) shallow or zero-tillage practices; and (x) insect pest (locust) control and other technical packages. The

program also includes subsidies for fencing, construction of livestock sheds, storage facilities for hay, barns, reforestation and artificial grasslands (for forage production), and cash provision to affected households.

These policies and the program have largely resulted in positive environmental impacts and ecological restoration of grasslands. Some socioeconomic costs, however, affect the well-being of some communities. For example, the grazing ban did not include creating sustainable alternative sources of income for livestock owners and herders and, subsequently, exacerbated poverty. Little consideration of the adverse impacts on poverty outcomes in affected communities led to further degradation of grasslands as the communities were left with few livelihood options except to continue to overexploit available resources.

Development of the Project

In 2003, the Development Research Center of the State Council (DRC), the policy research and consulting institution of the PRC central government, put forward a research proposal on policies concerning grassland ecological improvement and poverty reduction. The aim was to carry out comprehensive research assessing existing programs in order to contribute to the development of policy frameworks for addressing the ecological issues of grasslands and poverty reduction issues in a balanced and sustainable manner. The Ministry of Finance (MOF) approached the Asian Development Bank (ADB) with the idea, which they agreed to fund. Technical assistance (TA) 4308: Poverty Reduction in Grassland Improvement Program was funded through the Poverty Reduction Cooperation Fund supported by the United Kingdom's Department for International Development (DFID) for a total of \$400,000. DRC acted as the executing agency and provided research guidance, expert participation, and staff support and organization for the research.

This TA aimed specifically to contribute to the Government's efforts to reduce poverty among herders and grassland-dependent communities by developing a policy framework for sustainable GIPs. The TA would

- Assess the impact of GIP policies and implementation approaches in the Western Region;
- Identify systems, cost-effective models, and enabling policies to manage grasslands; reverse grasslands' continuing degradation; and benefit affected people, especially the poor, while ensuring sustainable resources and a stable environment;
- Recommend changes in policies and programs that enhance social well-being; facilitate economic development; address the adverse fiscal situation; and ensure sustainability, implementation efficiency, and cost-effectiveness; and
- Develop an effective monitoring and evaluation (M&E) system linked to the provincial and national poverty reduction M&E systems.

Field research was carried out in three areas of the Western Region. The project took place over a year, from January 2005 to January 2006. This provided the time and the space to carry out detailed research and analysis necessary to provide a robust case for changes in government policy.

Project Implementation

Three key elements in the success of the project came from the organization of the research, including

- The high-level project committee of senior bureau heads, which provided access to policy makers;
- The expert committee, which brought together all of the main institutions related to the research area; and
- The involvement of stakeholders during the implementation of the research, which provided key insights and experience from the field.

The project committee for this study brought together representatives of all key players in grassland management and poverty reduction, including representatives from across national and local governments and civil society. The research took place at a key time as national policy was being changed to have a greater poverty reduction focus. This was important in enabling the ongoing results from the research, in the form of the first seminar in Beijing and the mid-term report, to influence the development of national policy.

One of the key contributions made by DRC, who led this research, was to bring together a technical working group to be more closely involved in the research process. The group consisted of representatives of the State Forestry Administration, State Environmental Protection Administration, Inner Mongolia Agricultural University, and Gansu Grasslands Ecological Research Institute. Members of the group took part in the fieldwork and played a major role in the seminars. The two seminars provided opportunities for field-level staff to participate in the research process and provide their perspectives on the impacts of GIPs.

The approach taken in the research provided the opportunities and the space for local government officials and communities who rely on the grasslands to provide perspectives from the grassroots level. In many cases, these provided new insights in areas, such as the allocation of individual property rights to grasslands and the impact that these have on the management of grasslands and on wildlife.

Project Findings

With regard to poverty reduction, the main findings of this study were

- The need for future policies to have a more significant impact on poverty alleviation to ensure sustainability.

The relationship between poverty and grassland ecosystem sustainability is a fragile one. Sustainable grassland management involves ensuring that policies do not have unintended negative benefits, particularly on the poorest groups.

- The need for women, in particular, to be involved in all stages of programs.

The research concluded that women were not involved in project establishment and gender was not taken into account when developing project objectives. In terms of numbers of women involved, women cadres were engaged either in accounting or in office work, but no women were involved in policy-making activities related to the project. In addition, GIPs did not consult women's federations or local women throughout the project from establishment to implementation, nor were there any gender development schemes or measurement indicators concerning project planning and evaluation, let alone some concrete supporting measures targeted at women.

- The need for GIPs overall to be more participatory.

The TA also raised important issues about the need to make GIPs more participatory. The final report concludes that participation of herders could have been deeper, more inclusive, and less "consultative." Opportunities to listen to the herders' needs and thoughts were few. Instead, the outside experts and decision makers posed questions about what they wanted to know. When herders expressed their ideas, these were often used to verify the project team's judgments.

Project Impacts

The research report has become a key reference point for policy makers in the government and has helped draw the attention of other funding agencies to the work of DRC. As mentioned above, the research came at a key point in the development of environment and poverty reduction policies in the PRC. The findings helped influence the development of a dual focus in national policy, which has led to pilots to integrate previously separate programs. DRC, as an organization, also benefited from the research and has since begun working on grassland projects with the Swedish International Development Cooperation Agency (SIDA) and the Ford Foundation.

One of the main findings of the research was the need for a more holistic approach to development in grassland areas (including capacity building, pro-poor infrastructure, etc.) to ensure that poverty outcomes are fully addressed in the GIP and included in each element of the policy. As a result of the research, work has begun in 50 pilot counties to give the local government the power to integrate grassland development programs with poverty reduction programs to ensure this more holistic approach.

Lessons Learned

Two important lessons can be drawn from the experience in this TA:

- the implementation arrangement of the research has much role to maximize the impact; and
- participatory approaches used in the research provide positive outcomes.

One key element for the success of the TA was the way in which the research was organized and, in particular, the roles of the project committee and the technical working group. The project committee provided a ready channel for disseminating results from the field and preliminary findings to key policy makers at the national level. The technical working group provided opportunities for experts from important research institutions to interact directly with local government officials and communities. ADB played a critical supervisory role in ensuring quality control and regular feedback to the team from its resident mission in Beijing. This helped contribute to its overall influence.

A range of funding agencies had been involved in developing approaches to grassland management, including the Australian Agency for International Development (AusAID), Canadian International Development Agency, ADB, and the World Bank. What had often been missing from these approaches and from government programs were the perspectives of those involved in implementation and those who were intended to benefit. TA 4308 provided a range of opportunities for different stakeholders to voice their perspectives.

This case study was written by Social Development Direct (RETA Consultant) under the Regional TA 6270: Facilitating Knowledge Management for Pro-Poor Policies and Projects with inputs from Bruce Carrad, Project Officer of TA 4308, and Sonomi Tanaka, Senior Social Development Specialist, ADB. The views and assessments contained herein do not necessarily reflect the views of ADB or its Board of Directors or the governments they represent. ADB does not guarantee the accuracy of the data and accepts no responsibility for any consequences of their use.

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