Ethnic Minority Development Plan

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People’s Republic of China: Inner Mongolia Road Development Project

Prepared by the Hulubeier Municipal Government for the Asian Development Bank

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People’s Republic of China:
Inner Mongolia Road Development Project

Ethnic Minority Development Plan

November 2012

Inner Mongolia Autonomous Region Department of Transportation
Hulunbeier Municipal Government
### ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>CNY</td>
<td>China Yuan</td>
</tr>
<tr>
<td>CPPCC</td>
<td>Chinese People’s Political Consultative Conference</td>
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<tr>
<td>EA</td>
<td>Executing Agency</td>
</tr>
<tr>
<td>EM</td>
<td>Ethnic Minority</td>
</tr>
<tr>
<td>EMDP</td>
<td>Ethnic Minority Development Plan</td>
</tr>
<tr>
<td>HM</td>
<td>Hulunbeier Municipality</td>
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<tr>
<td>HMG</td>
<td>Hulunbeier Municipal Government</td>
</tr>
<tr>
<td>HBOT</td>
<td>Hulunbeier Bureau of Transportation</td>
</tr>
<tr>
<td>IMAR</td>
<td>Inner Mongolia Autonomous Region</td>
</tr>
<tr>
<td>IA</td>
<td>Implementing Agency</td>
</tr>
<tr>
<td>IMDT</td>
<td>Inner Mongolia Autonomous Region Department of Transport</td>
</tr>
<tr>
<td>IP</td>
<td>Indigenous People</td>
</tr>
<tr>
<td>Km</td>
<td>Kilometer</td>
</tr>
<tr>
<td>MIP</td>
<td>Manzhouli Industrial Park</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>PMO</td>
<td>Project Management Office</td>
</tr>
<tr>
<td>RCHCS</td>
<td>Rural Cooperative Health Care System</td>
</tr>
<tr>
<td>RF</td>
<td>Russian Federation</td>
</tr>
<tr>
<td>RMB</td>
<td>Renminbi (Chinese monetary unit)</td>
</tr>
<tr>
<td>ROM</td>
<td>Republic of Mongolia</td>
</tr>
<tr>
<td>RP</td>
<td>Resettlement Plan</td>
</tr>
<tr>
<td>SEAC</td>
<td>State Ethnic Affairs Commission</td>
</tr>
<tr>
<td>TOR</td>
<td>Terms of Reference</td>
</tr>
</tbody>
</table>

Gacha – a Mongolian word meaning “village”
Meng – a Mongolian word meaning “prefecture”
Qi – a Mongolian word
Sumu – a Mongolian word meaning “township”

**Note**

In this report

$ refers to US dollars

1 mu = approximately 0.067 ha, or 666.67 m²
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EXECUTIVE SUMMARY

1. This Ethnic Minority Development Plan (EMDP) aims at enhancing the benefits of the project to ethnic minority (EM) peoples, complementing the existing development programs in project area (PA), and eliminating or mitigating the adverse impact of the project on EM peoples as well as promoting the protection of their cultures. As the ethnic minority population in the project area is mainly Mongolian, the plan rather than using the term ‘ethnic minorities’ uses the term ‘Mongolians’. During the consultations at project preparatory stage, the Mongolian population in the PA welcomes the proposed road development project that include a total of seven roads (One class I highway and six rural roads in 3 Qi/city) and express the wish of starting the project as early as possible.

2. The social analysis and resulting EMDP for the project have assessed and described the circumstances of the Mongolians and the anticipated poverty and social impacts from the project. Adequate provisions to enhance the economic conditions of vulnerable groups, including ethnic minorities have been integrated in the project design. Provisions for special mitigation measures relating to land acquisition and resettlement (LAR) have been included in the resettlement plans (RPs)\(^1\), which will help ensure that vulnerable groups, including ethnic minorities adversely affected by loss of land or housing will also benefit from the project. Current governmental policies and programs for ethnic minorities further help to protect and enhance project benefits to ethnic minority peoples. Therefore, this EMDP presents (i) key observations that distinguish ethnic minorities from the Han population and that show differences among EM groups, (ii) the project impacts on EMs, and (iii) agreed mitigation and enhancement measures to be implemented as part of this Project.

3. The PA, an area of 48,124 km\(^2\), covers 2 Qi and 1 county-level city, with a total population of 0.25 million, of which the rural population accounts for 13.8%. The population density is 1.4 person/ km\(^2\) in Xinyou Qi, 1.9 person/ km\(^2\) in Xinzuo Qi and 228 person/ km\(^2\) in Manzhouli City. If the Manzhouli City and the Qi urban centers are excluded, the population density is just about 1 person/km\(^2\).

4. The rural population of the project area has rich grassland resources, but is vulnerable to frequent natural disasters with snow storm (white disaster) as the most notorious one. As a result, there is still wide spread rural poverty. The poverty incidences for 2011, using the IMAR standard of CNY3,100, are 59.5% and 25.5% for Xinzuo Qi and Xinyou Qi respectively. The Xinzuo Qi became a provincial poor county since since 2011. About 10% of the rural people, the poorest of poor, are covered by the Rural Minimum Living Allowance Program.

5. The direct benefits of the Project for the Mongolian population include: improved grassland protection along the highway corridor; faster, more comfortable and safer travel; improved transportation services; better access to social services; non-farm employment opportunities of the Project; and the enhancement measures included in the EMDP. The indirect benefits are: industrial and tourism development resulting in non-farm employment opportunities; higher profitability from animals; more opportunities for cross border trading; and improved rescue action in disaster and relief delivery.

6. The potential adverse impacts, in addition to LAR, include: the construction disturbances; more accidents associated vehicle speeding on improved highways, and more difficult rescue actions during the construction. Some EM peoples, especially the elderly are also concerned

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\(^1\) Four RPs, based on detailed measurement survey results, were prepared and endorsed: (i) one for the provincial road 203 (S230); (ii) one for Xinzuo Qi covering three rural roads; (iii) one for Xinyou Qi covering two rural roads; and (iv) one for Manzhouli City covering one rural road.
about the likely changes of their cultures and customs as a result of the Project’s direct and indirect influences in the long run.

7. The proposed road improvements will bring faster, safer, and more convenient transportation, and will facilitate better access to social services, such as healthcare and technical services, especially for women. The proposed roads will facilitate local tourism development featured by grassland, wetland and Mongolian cultural resources, which can also bring employment opportunities to EM women that will help diversify the income of herder families. The potential risks of human trafficking and HIV/AIDS associated with the road development are moderate and manageable, and can be further reduced by implementing the mitigation measures included in this EMDP.

8. The specific measures in this EMDP include: (i) building rural roads, especially useful for the Mongolian population mainly residing in rural areas; (ii) upgrading bus stations and building roadside passenger shelters; (iii) employment for Mongolian people, including women and the vulnerable, as unskilled laborers for project construction; (iv) improving disaster preparedness of small herders (v) capacity building of the Mongolian people to benefit from tourism opportunities by enhancing EM cultural self-awareness and sense of cultural protection; and (v) community road safety awareness. Other related benefits of the EMDP are (i) training in farm and non-farm skills; and (ii) support to the establishment of professional cooperatives of EM herders and farmers. The land acquisition and relocation (LAR) impacts will be separately managed by the implementation of RPs.

9. The total direct cost\(^2\) for the EMDP will be CNY300,000, including: (i) CNY 200,000 for EM Cultural protection and awareness building; (ii) CNY 50,000 for disaster preparedness--procurement of 100 disaster alarm radios and included in the project’s procurement list; and (iii) CNY 50,000 for ensuring road safety, specifically for development of bilingual cartoon type of road safety manuals and distribution of them among EM herders.

10. The EMDP will be implemented in parallel with the Project construction works during 2013-2017. Government agencies at municipal and Qi levels will lead the implementation of various actions under their institutional responsibilities within the government framework. The grievance redress mechanism will also be established to address the project related grievances of the people.

11. Both internal monitoring and external monitoring are included for the EMDP implementation. The Project Management Office (PMO), with the assistances of Hulunbeier Municipal Government, will be responsible for internal monitoring and reporting. External monitoring will be carried out by an independent agency. It will report to the IMDT and ADB semi-annually during construction and one year after completion of the Project. Upon mobilization and before fielding, the external monitoring agency will prepare a detailed work plan for review and approval by the PMO and ADB.

\(^2\) Excluding those covered by the project and by on-going government programs, such as the construction of roadside sheltered bus stops for EM communities.
1. INTRODUCTION

1.1 The Project

1. The proposed Inner Mongolia Road Development Project (the project) is located in Hulunbeier Municipality, northeast of Inner Mongolia Autonomous Region (IMAR). The project consists of (i) upgrade the existing Manzhouli to Alatanemule Highway (Man-A Road or main road hereafter) of 131.8km, a section of the provincial highway S203, from class III to class I (half), together with the construction of two Class II link roads of 12.1km; and (ii) rehabilitate and upgrade 390.1km of 6 rural roads. The proposed roads are within Manzhouli City, Xinbaerhuyou Qi (Xinyou Qi hereafter) and Xinbaerhuzuo Qi (Xinzuo Qi hereafter). Figure 1 shows the proposed roads and the project area.

2. The Project seeks to enhance the local traffic and transport capacity through updating and rehabilitating the existing low-class and/or sand-gravel roads so as to facilitate the local economic growth, particularly in cross-border trade, local services and local community-based eco-cultural tourism. The community based tourism measures are specifically developed for the Mongolian women and are separately budgeted under the Gender Action Plan (GAP). The project also seeks to improve road safety by introducing proper markings, signage, speed controls, junction design, barriers, underpasses for animals, designated parking, viewing points and service areas to ensure a safe environment for the road users.

3. In addition to infrastructure, the Project also includes interventions for strengthening institutional capacity for logistics and industry development, promoting regional economic integration, and conserving the grasslands and wetlands. The Project aims to integrate transport and logistics with tourism, trade, environment, and industrial production in Hulunbeier Municipality and assist the region to prosper in terms of economic and social development in a sustainable manner.

1.2 The EMDP

4. This ethnic minority development plan (EMDP) has been prepared to ensure the equitable sharing of project benefits and propose measures to mitigate adverse impacts for the Mongolian community within the project area (PA) of Inner Mongolia Road Development Project (the “Project”) in the People’s Republic of China. As this Project is located in an ethnic minority area where EM people represent 31.9% of the total population. The main ethnic minority group within the PA is Mongolian. This EMDP targets the Mongolian people in the rural areas of Xinzuo Qi and Xinyou Qi particularly, along the project road corridors.

5. Mongolian population in the PA will benefit along with the majority Han population. However, social risks arising from the Project have been identified and mitigation and protection measures are developed to meet the ADB’s safeguard requirements, which forms part of the loan agreement. In addition, measures to ensure that anticipated benefits accrue to local people in a culturally appropriate manner are also included in the EMDP.
2. SOCIOECONOMIC PROFILES

2.1 Hulunbeier Municipality

6. Prefecture level Hulunbeier Municipality is a major developing region in the eastern IMAR and it has main access ports between China from Russia. The total area of Hulunbeier is 253,000 square km, 639km from east to west, 700km from north to south. The east of Hulunbeier borders with Heilongjiang Province by the Nenjiang River, and the south is connected with Xing'an Meng. It borders with Mongolia in the west and south west part, and with Russia by the river of Eerguna in the north and northwest.

7. The Hulunbeier Municipality consists of a large territory having unique grassland, forestry and snow/winter sceneries. It is also expected to be an increasingly attractive area for tourism with plans to greatly increase local tourist facilities. The abundance of local resources and the proximity to a growing source of imports means that there is a growing need to expand the local transportation infrastructures. Rail currently dominates the cross border traffic but is reaching saturation level. It is considered that improved highways will both serve the international goods market and offer the flexibility to serve local economic and social needs.

8. Hulunbeier Municipality administrates 7 Qi (county in Mongolian language), 5 (county level) cities, and 1 (county level) district. These county level bodies further administrate 76 townships, 19 Sumu (township in Mongolian) and 36 urban subdistricts. There are 608 villages, 178 Gacha (village in Mongolian) and 274 urban communities. In 2011, among the 12 municipalities and Meng (prefecture in Mongolian) in IMAR, Hulunbeier ranked 6th in terms of total GDP, 7th in terms of disposable income of urban residents, and 7th in terms of per capita annual net income of rural residents in 2011. The total GDP of Hulunbeier was CNY114.5 billion in 2011. The shares of primary, secondary and tertiary industries in GDP are 18.7%, 44.5% and 36.7% respectively. Owing to booming tourism development and cross-border trading, the tertiary industry is becoming the most important composition of the Hulunbeier's economic development. The per capita GDP was CNY 45,038 in 2011 with a growth rate of 14.4% over 2010.3

9. By the end of 2011, Hulunbeier Municipality had a total of 2.7 million people, of which 70.2% are urban populations. The disposable income of urban residents was CNY17,142 per capita in 2011 with the growth 15.4% over 2010, and the net income of rural residents was CNY7,643 per capita with the growth rate of 21.4%.4

10. There are distinct grassland, forest, and agricultural zones in Hulunbeier. The Forest Zone, which covers the largest part of Hulunbeier, is concentrated in the Daxing'anling5, one of the very few mountains fully covered by forest in China. The Grassland Zone, popularly known as the Hulunbeier (Grand) Grassland, is in the west6. The Hulunbeier Grassland is considered as one of the best grasslands in China and in the world. The Agricultural Zone (farmland) is at the foot of the Daxing'anling to the east7. There are also some cropping lands at the western foot of the mountain, and local governments are gradually converting these lands into grassland/forest.

11. Forestland, grassland and farmland account for about 60%, 33% and 5% of the total land area of Hulunbeier.

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5 Greater Khingan Mountains or Daxing'anling Mountains or Da Hinggang Mountains.
6 Xinyou, Xinzuo, Chenbaerhu and Ewenke Qi are titled as grassland farming Qi in Hulunbeier.
7 Zhuanlantun City, Arong Qi and Molidawa Qi are titled as the cropping City/Qi.
12. Of the 13 Qi/cities/district in Hulunbeier, 2 are national and 4 are provincial level poverty counties respectively. The rural poverty population, using the standard of CNY3,100 for pastoral area and CNY2,600 for cropping area, were 202,722 persons in 2011. Consequently, the rural poverty incidence was 25.1%. Xinzuo Qi in the project area is a provincial poor.

13. By 2010, there are 13,595 km of highways in Hulunbeier Municipality, including 1,144km (8.4%), 1,622km (11.9%), 4,187km (30.8%) and 3,429km (25.2%) of national, provincial, county and township level roads and 3,213km (23.6%) of special roads. All townships/Sumu, as well as administrative villages/Gacha are accessible by highways with public transport services available, although quality of some roads is still poor.

2.2 Project Area

2.2.1 Land Area and Population

14. The project area covers Manzhouli City, Xinzou Qi and Xinyou Qi. Table 1 presents the population data of the 3 project city/Qi. As indicated, the project area has a total population of 0.25 million in 2011, and 68% are concentrated in Manzhouli City. Of the total population, 13.8% and 86.2% are rural and urban residents respectively. Rural residents, often refer as herders, are scattered in Xinyiu Qi and Xinzuo Qi.

15. The project area is known as the Hulunbeier Grassland: (i) 70.5-90.4% of the total land areas are grassland from Manzhouli City, Xinyou Qi and Xinzuo Qi; and (ii) per capita grassland areas (counting rural populations only) in Xinzuo Qi and Xinyou Qi are 1,634-2,327mu. The large per capita grassland area indicates that the area is sparsely populated.

16. The project area accounts for 19.0%, 9.1% and 4.2% of Hulunbeier's land area, total population and rural populations respectively.

<table>
<thead>
<tr>
<th>City/Qi</th>
<th>Total Popu. Qty</th>
<th>Female (%)</th>
<th>Rural Popu. Qty</th>
<th>% of total</th>
<th>Population Density (person/km²)</th>
<th>Land Area (km²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manzhouli</td>
<td>169,550 (68.7%)</td>
<td>49.8</td>
<td>161</td>
<td>0.1</td>
<td>231.5</td>
<td>732.44</td>
</tr>
<tr>
<td>Xinyou Qi</td>
<td>35,480 (14.4%)</td>
<td>49.2</td>
<td>15,848</td>
<td>44.7</td>
<td>1.4</td>
<td>25,154</td>
</tr>
<tr>
<td>Xinzou Qi</td>
<td>41,728 (16.9%)</td>
<td>49.8</td>
<td>18,203</td>
<td>43.6</td>
<td>1.9</td>
<td>22,200</td>
</tr>
<tr>
<td><strong>Project Area</strong></td>
<td><strong>246,758 (100.0%)</strong></td>
<td><strong>48.7</strong></td>
<td><strong>34,212</strong></td>
<td><strong>13.8</strong></td>
<td><strong>5.1</strong></td>
<td><strong>48,086</strong></td>
</tr>
<tr>
<td>Hulunbeier</td>
<td>2,717,514</td>
<td>49.8</td>
<td>807,100</td>
<td>29.8</td>
<td>10.7</td>
<td>253,000</td>
</tr>
<tr>
<td><strong>Project area as % of Hulunbeier</strong></td>
<td><strong>9.1</strong></td>
<td><strong>99.8</strong></td>
<td><strong>4.2</strong></td>
<td><strong>46.5</strong></td>
<td><strong>48.0</strong></td>
<td><strong>19.0</strong></td>
</tr>
</tbody>
</table>


2.2.2 GDP

17. Table 2 presents the GDP data of the project city/Qi. As indicated, the project city/Qi have higher per capita GDP due to coalmining, petrol oil mining and cross-border trading.

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8 Elunchun Qi and Molidawa Qi were designated as national poor in 2011, and they were provincial poor prior to 2011. Xinzuo Qi and Ewenke Qi were designated as provincial poor in 2011. Zhalantun City and Arong Qi remained as provincial poor in 2011.

9 It covers most of Hulunbeier, including the Daxing’anling Forest Area.

10 It covers the southeastern corner of Hulunbeier, i.e., the cropping area in Arong Qi, Zhalantun City and Molidawa Qi.

11 E.g., forest roads.

12 The population density in the pasture area is just about 1 person per square kilometer.
18. As a border city with the largest land port in China, Manzhouli’s economy is driven by cross-border trade. Consequently, the contribution of the tertiary industry to the total GDP is at a high rate of 69%. Three industry parks are the backbone of secondary industry of Manzhouli City: (i) the China-Russia trade zone; (ii) the Border Economic Cooperation Zone, and (iii) the Imported Resources Processing Zone. Tourism is also an important sector of Manzhouli’s tertiary industry. In 2011, Manzhouli had hosted 4.58 million of domestic tourists which generated an income of more than CNY 4.0 billion (7.3% growth over 2010). Agriculture is almost negligible in Manzhouli City.

19. Xinyou is known as one of the four grassland farming Qi in Hulunbeier, but it also has a petrol oil field under production. Contributed by the high-value petroleum industry, Xinyou Qi has an extremely high per capita GDP among the project city/Qi (see Table 3).

20. Xinzou Qi is also one of the four grassland farming Qi. However, it had experienced a minor GDP decrease in 2011 due to the poor performance of the petrol industry (planned investment was not materialized). Other industries in Xinzou Qi include coalmining, wind power, and mining of various minerals.

<table>
<thead>
<tr>
<th>City/Qi</th>
<th>GDP structure (%)</th>
<th>GDP growth over 2010 (%)</th>
<th>GDP per capita (CNY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary industry</td>
<td>Secondary industry</td>
<td>Tertiary industry</td>
<td></td>
</tr>
<tr>
<td>Manzhouli</td>
<td>2.0</td>
<td>29.0</td>
<td>69.0</td>
</tr>
<tr>
<td>Xinyou Qi</td>
<td>6.6</td>
<td>79.2</td>
<td>14.2</td>
</tr>
<tr>
<td>Xinzou Qi</td>
<td>21.5</td>
<td>47.6</td>
<td>30.9</td>
</tr>
<tr>
<td>Project area</td>
<td>5.3</td>
<td>43.2</td>
<td>51.5</td>
</tr>
<tr>
<td>Hulunbeier</td>
<td>18.7</td>
<td>44.5</td>
<td>36.8</td>
</tr>
<tr>
<td>IMAR</td>
<td>9.2</td>
<td>56.8</td>
<td>34.0</td>
</tr>
</tbody>
</table>


2.2.3 Income and Rural Poverty

21. Regardless of the good or bad performances of industries, rural residents are mostly dependent on animal husbandry. Table 3 gives the rural and urban incomes of the project area in 2011. As shown, the per capita net incomes for rural residents were over CNY 10,000 for Xinyou Qi and Xinzuo owning to rich grassland resource and high sale prices of animals. The official rural figures, as given in the table below, are much higher than IMAR and Hulunbeier averages.

22. However, rural poverty incidences are still high (25.5-59.5%) although the average per capita rural income is much higher than the poverty line (CNY3,100). Table 4 lists the rural poverty incidences\(^{13}\) and rates of rural Dibao\(^{14}\) of the project city/Qi. As indicated:

(i) The provincial poverty county of Xinzuo Qi reported a very high poverty incidence of 59.5%.
(ii) The non-poor Xinyou Qi estimated moderate poverty incidence of 25.5%.
(iii) About 10.5% of the rural population is protected by the rural Dibao Program in the project city/Qi.

23. The causes of poverty are summarized as follows:

(i) Remoteness and poor infrastructures, for instance, 37% of the pasturing households in Xinzou Qi lack of barn and drinking water wells by 2010. And the road conditions at

\(^{13}\) It is dynamic over years due to poverty reduction efforts and ever-changing poverty standards.

\(^{14}\) It is the Minimum Living Standard Security Program or Subsistence Allowance Program.
Gacha level are very poor.

(ii) The laborers lack of skills, especially non-farm employment skills. Therefore, they do not have good access to employment outside their Gacha.

(iii) Ever-deteriorating ecological environment of the grassland due to over-grazing and changing weather pattern. As a result, returns from animal husbandry becoming less and less.

(iv) Frequent natural disasters. This will be separately discussed in Section 2.2.8.

Table 3: Per Capita Income of Project Area (2011)

<table>
<thead>
<tr>
<th>City/Qi</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Annual per capita net income (CNY)</td>
<td>Growth over previous year (%)</td>
</tr>
<tr>
<td>Manzhouli City</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Xinyou Qi</td>
<td>10,796</td>
<td>19.2</td>
</tr>
<tr>
<td>Xinzou Qi</td>
<td>10,840</td>
<td>18.7</td>
</tr>
<tr>
<td><strong>Project area</strong></td>
<td><strong>10,800</strong></td>
<td><strong>19.0</strong></td>
</tr>
<tr>
<td>Hulunbeier</td>
<td>7,643</td>
<td>21.4</td>
</tr>
</tbody>
</table>


Table 4: Rural Poverty Data in Project Area (2011)

<table>
<thead>
<tr>
<th>Qi/city</th>
<th>Poverty Status</th>
<th>Poverty Incidence (%)</th>
<th>Poverty line (CNY/capita/yr)</th>
<th>%</th>
<th>Standard (CNY/capita/yr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xinyou Qi</td>
<td></td>
<td>25.5</td>
<td>3,100</td>
<td>9.3</td>
<td>2,220</td>
</tr>
<tr>
<td>Xinzou Qi</td>
<td>Provincial poor</td>
<td>59.5</td>
<td>3,100</td>
<td>11.5</td>
<td>2,000</td>
</tr>
<tr>
<td>Project Area</td>
<td></td>
<td><strong>43.7</strong></td>
<td><strong>3,100</strong></td>
<td><strong>10.5</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Hulunbeier</strong></td>
<td></td>
<td><strong>25.1</strong></td>
<td>2,600-3,100</td>
<td>11.6</td>
<td><strong>1,847</strong></td>
</tr>
</tbody>
</table>

Source: Civil Affairs Bureaus of Project city/Qi.

2.2.4 Tourism Development

24. Hulunbeier grasslands together with the unique customs of ethnic minority groups and cool summer attract a lot of tourists during the summer period. Table 5 presents the major tourist attractions and domestic tourists hosted in the project city/Qi. The project city/Qi, driven by Manzhouli City, had hosted 5.15 million of tourists in 2011, a growth of 7.6% over 2010. The project area hosted 44.2% of the total tourists of Hulunbeier Municipality in 2011. Details are given in Table 5 below.

Table 5: Major Tourist Attractions and Tourists Hosted (2011)

<table>
<thead>
<tr>
<th>City or Qi</th>
<th>Major Tourist Attractions</th>
<th>Tourists Hosted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Qty (million person-time)</td>
</tr>
<tr>
<td>Manzhouli</td>
<td>National Gate, Red Tourism Expo Hall, Nested Doll Square, Hulun Lake, Aojin Grassland</td>
<td>4.58</td>
</tr>
<tr>
<td>Xinyou Qi</td>
<td>Golden Coast of Hulun Lake, Baogedewula Holy Mountain, Baerhu Museum</td>
<td>0.34</td>
</tr>
<tr>
<td>Xinzou Qi</td>
<td>Daoledu Grassland, Nuomenhan Battle Remains, Ganzhuer Temple</td>
<td>0.23</td>
</tr>
</tbody>
</table>

15 Xinzuo Qi was designated as provincial poor in 2011.
2.2.5 Education

25. There were 521 primary, secondary, and colleges in Hulunbeier in 2009. The primary school (grade 1-6) and primary middle school (grade 7-9) enrolment rates in Hulunbeier, as well as in the project area, had reached 100% since several years ago; and the enrollment rate of high school is about 85%. Most of the students from herders households are living in the boarding schools during the semester time. Education is mostly free for rural children. Children of Mongolian ethnic group, in many of the project city/Qi, can enjoy kinder gardens of Mongolian teaching language free of charge.

2.2.6 Healthcare

26. Healthcare is basically convenient in the project area. Each township/sumu has a township level hospital that can manage simple operations. Apart for township level hospital, there is a clinic in each Gacha that can handle indisposition. In case of serious diseases, rural people need to go to big hospitals in Qi and Manzhouli City or even cities in Heilongjiang Province.

27. At the end of 2011, about 99% of the herders have joined the New Rural Cooperative Healthcare System (NRCHS). The healthcare of the rural population is already safeguarded. The patient who joined the (NRCHS will receive a subsidy which will cover up to 70% of the healthcare expenses.

28. Each beneficiary needs to pay a membership fee of CNY120 to the CHCS each year. Actually, each beneficiary needs to contribute CNY20, and the remaining CNY 100 are covered by government subsides: (i) CNY 40 from the Central Government; (ii) CNY40 from the IMAR Government; (iii) CNY10 from Hulunbeier Municipality Government; and (iv) CNY10 from the city/Qi government.

29. The subsidy standards are as follows: the medical cost should at least reach CNY100 within the Qi, and CNY300 outside the Qi. The maximum subsidy is CNY30,000.

2.2.7 Herders’ Professional Cooperatives

30. Professional cooperatives are independent and self-help economic entities of herders for organized and standardized production, processing and management of special animals and machines (e.g., dairy cow raising cooperative, beef cattle raising cooperative, farm machine cooperative, etc.). The cooperative could enable individual herders to: (i) overcome the labor shortage problem through self-help; (ii) reduce production costs and increase income through collective buying and selling as well as improving the bargaining power of the herders; and (iii) have more secure income through contracted production.

31. There were 50 professional cooperatives by 2010, including: (i) 27 in Xinzou Qi; and (ii) 23 in Xinyuo Qi.

32. Currently, the city/Qi government could grant up to CNY 50,000 for a newly established cooperative if well organized and not less than 10 members.
2.2.8 Natural Disaster

33. Almost every year, more or less, the people of the project area suffer from the natural disasters. In the area, the natural disasters often happen and cause serious losses to the herders. The commonest one is the snow storm which is locally named as white disaster. Once the snow storm happens, the rescue is very difficult due to the difficult transportation. Another serious disaster is the drought. The drought will limit the grass growth and also cause the pest disaster. In addition, the fire disaster also causes area-wide feed problem for animals.

34. The natural disaster caused a lot of economic losses. According to the information from Xinyou Qi Civil Affairs Bureau, in 2000, there was a serious snow storm which affected 39 Gachas. About 1,235 households with 15,920,000 mu of pasturing land were affected and 9,000 heads of animals died. The direct economic losses reached CNY6 million. Again in 2002, there were 4 township/Sumu suffered from the snow storm. 12,020,000 mu of pasturing land and 1,554 households with 5,734 persons were affected. The direct economic losses reached to CNY2.5 million. In the end of 2009 and the early of 2010, the Xinyou Qi had several snow storms and 90% of the pasturing land was damaged, and 186,000 heads of animals died. The direct economic loss was CNY 52.37 million.

35. Such disasters impact small herder households the most. These households even if they lose a small number of the herds can be severely impacted by the loss, leaving their herd size less than optimum to be profitable. But they persist because they have no other employment skills or any alternative livelihood opportunities. As a result of frequent disasters, the poverty incidents in the project area are still high.
3. LEGAL FRAMEWORK

3.1 Background, Government Policies and Plans

36. 56 ethnic groups were officially identified from early 1950s to 1979 in the PRC. The main ethnic group is Han who accounts for 91.5% of the total population in 2010; while all the other 55 are titled as “ethnic minorities”. The Common Program of the CPPCC adopted by the Chinese People’s Political Consultative Conference (CPPCC) in September 1949 clearly stipulated that “all the ethnic groups within Chinese territory were equal; the PRC, as a unified multi-ethnic state, instituted EM regional autonomy in areas where EM people lived in compact communities, establishing various levels of regional EM autonomous organs according to the population and scope of these areas.” Chinese constitution clearly prescribes that regional autonomy of EM is the basic policy in solving Chinese ethnic affairs and one key part of China’s fundamental political system.

37. The key principles of PRC’s ethnic minority policies can be briefly summed up as: (i) ethnic equality and solidarity; (ii) administrative autonomy of ethnic minority regions; (iii) to develop economy and cultures of ethnic minority regions; (iv) to cultivate ethnic minority cadres; (v) to improve science, education, civilization, health and other undertakings in ethnic minority regions; (vi) to promote the application of ethnic minority languages; (vii) ethnic minorities customs and habits; and (viii) respect and protect ethnic minorities freedom of religious beliefs. On the top of its state-building agenda, PRC has been taking national unity, ethnic solidarity, ethnic equality and mutual respect as the basic guidelines of managing ethnic affairs.

38. In spite of many governmental efforts since 1949, many ethnic minority groups and ethnic minority areas still lag behind in socioeconomic development, largely due to historical and geographical factors. Ever since Chinese government launched large-scale poverty alleviation in mid-1980s, ethnic minority areas have been the main focus. Among the 331 poverty counties identified in 1986, 141 (42.6%) were in ethnic minority autonomous regions. In the national “8-7 Plan for Poverty Alleviation” (1994), 592 counties were designated to be the main focus of poverty alleviation. Among them 257 (43.4%) were in ethnic minority autonomous regions. “Outline of Poverty Alleviation in Rural China” issued in 2011 again identified 267 counties (45.1%) in ethnic minority autonomous regions as the main focus among the newly listed 592 poverty alleviation counties. In 1990, the government established the “Fund for Food and Clothes in Ethnic Minority Areas in Poverty” focusing on helping ethnic minority counties in poverty. In 1992, “Development Fund for Ethnic Minorities” was established to help the development of ethnic minority autonomous regions or to overcome special difficulties in ethnic minorities’ production and life. In 2000, the Western Development Program was launched aiming at a faster development in the western part of the PRC, where most of the EM peoples are living.

39. Support has also been given to the EM groups who are living in border areas so as to accelerate their development. The PRC government has been attaching great importance to the development of the ethnic minorities in border areas, in order to ensure the fruits of reform and opening up can be shared by all ethnic groups. At the two Central Working Conferences of Ethnic Groups convened in 1999 and 2005, requirements were put forth to urge local governments to take effective steps to speed up the development of border areas. The State Ethnic Affairs Commission (SEAC) advocated the “Action of Prospering Frontier and Enriching People” which started in 2000. It is an effective measure to speed up the development of border ethnic areas.

40. In 2007, the SEAC and other related departments formulated the *Eleventh Five-Year Plan for Ethnic Minority Development*, which shows the great attention the Central Government has
paid to the development of ethnic groups. In 2011, the *Twelfth Five-Year Plan for Ethnic Minority Development* was updated and issued with emphasis on infrastructure and capacity building.

41. In addition, some special support is given to the ethnic groups whose population is less than 100,000 people (commonly called “smaller ethnic minority groups). Since 2005, the 22 smaller ethnic minority groups have got annual special support from the central government to improve infrastructure and other living conditions. Since 2010, the number was updated to 28 with a new definition of “smaller EM” as those with an overall population of less than 300,000.

42. Through decades’ effort, many ethnic minority areas have made great progress socially and economically. However, by 2009, the population in absolute poverty in ethnic minority areas is still 52.5% of the national total, whereas ethnic minorities account for only 8.5% of the national population.

43. The PRC government has accorded great importance to the protection of cultural rights of ethnic minorities, devoted to create favorable conditions for the inheritance and development of these cultures. The main activities include:

(i) Respecting and protecting the right to retain or alter their customs in daily life.

(ii) Protecting the marriage customs. According to Article 50th of the Marriage Law, “the people’s congresses of the ethnic autonomous areas are authorized to make flexible alternation to the regulations in light of specific situations of local ethnic marriage and family.”

(iii) Respecting and protecting the right to preserve traditional festivals.

(iv) Respecting and protecting the right to retain or alter the ethnic funeral customs.

(v) The government has adopted a series of measures to cope with the cases in which a few news media and publications, violating the relevant state regulations, occasionally hurt the feeling of the ethnic minorities by defaming or distorting their customs.

(vi) Respecting and protecting the right to use and develop their spoken and written languages.

(vii) With great importance attached to the protection and development of the traditional cultures of ethnic minorities, the PRC has been collecting, editing, translating and publishing their cultural heritage ancient writings of ethnic minorities in a planned and organized way, and protecting their historical spots, priceless relics and historical heritages.

(viii) Various measures are taken to guarantee the development of the medicine of ethnic minorities.

(ix) Great importance is attached to the preservation of intangible or intangible cultural heritage of ethnic minorities.

44. Protection and construction of ecological environment in EM areas are other efforts from the PRC government that aims at not only improving the survival and development of ethnic minorities but also contributing to the nation’s sustainable development.

45. The PRC government stresses national integrity with the representation of different EM groups in the national power structure and the participation of different groups in decision-making. Since different EM groups, particularly the smaller ethnic minorities have retained favorable privileges in the national policies.

3.2 IMAR and HMG’s Actions

46. Poverty alleviation and support to the socioeconomic development of ethnic minorities have long been the main target of HMG because it is located in an ethnic minority area with a
number of ethnic minorities, including three distinct groups that formed autonomous Qi/county. HMG, under the direct administration of IMAR and the guidance of the Central Government, has been taking measures to launch a variety of programs to reduce poverty and promote local development. In 2010 the Communist Party Committee of Hulunbeier Municipality & HMG jointly issued “The Determination on Promoting the Reform and Development of Rural and Pastorals Areas”. These measures all aimed at improving socio-economic situation of ethnic minorities and women and protecting traditional ethnic cultures.

47. The national government allocated CNY9.0 million (2007—2009), as special fund to support smaller ethnic minority groups in the two project Qi, for the Construction of Inspection Building for Ebudege Cross-border Port, and Amugulang Township Vegetable Production Base in Xinzuo Qi and “Mongolian Camp”¹⁷, hospital, and ethnic schools in Xinyou Qi.

48. In 2005, Hulunbeier issued the Plan for Grazing Ban in Desertified Grassland (2005-2010) to protect the biological environment of the grassland; herders got a subsidy CNY4.0 per mu which was equivalent to the grassland renting rate. One of the important approaches to protect the grassland is to reduce the livestock pressures on the grassland through cutting down the numbers of livestock, raising animals in pens, reduce the No. of the smaller livestock (such as goats and sheep) while increasing the number of the bigger livestock (such as cattle and cow), and improve the breeding of the animals. From 2004-2009, the carrying capacity of livestock in grasslands of Hulunbeier has been reduced from 6 million heads to 3 million heads¹⁸ (by 2008, Xinyou Qi had 1.22 million heads and Xinzuo Qi had 0.73 million heads). All of these measures have effectively restrained the desertification of the grassland.

49. In 2008, Xinyou Qi Poverty Alleviation Office has mobilized poverty alleviation project funds of CNY2.0 million to help the poor households. Through the poverty alleviation program village by village, labor training and exporting, giving social support, helping the poor by categories and poverty alleviation in industrial sectors, 546 poor people came out of poverty. In Xinzuo Qi, through implementation of the “Seven-One” project,¹⁹ 1,200 households upgraded the grasslands as eco-pasture farms on voluntary bases. About 3 million mu pasture land owned by the herder households have been turned into the eco-pasture farms, and can generate additional CNY9 million of net income for 600 poor households.

50. The Bureau of Ethnic & Religious Affairs of Hunlunbeier Municipality, Xinzuo Qi and Xinyou Qi, and the related Qi/county government agencies had been taking efforts to protect the Mongolian culture and traditions, such as the protection of the ancient Mongolian books, the promotion and protection of Mongolian language, the promotion of the traditional cultures and tangible/intangible cultures, such as Nadamu,²⁰ dancing, folk song and poetry.

3.3 ADB Policy Requirement on Indigenous Peoples

51. On 29 June 2006 during the inaugural session of the Human Rights Council, the United Nations (UN) adopted the Declaration on the Rights of Indigenous Peoples. The Declaration emphasizes the rights of indigenous peoples (IP) to maintain and strengthen their own institutions, cultures and traditions and to pursue their development in keeping with their own needs and aspirations. The Declaration addresses both individual and collective rights, cultural

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¹⁶ They are Elunchun Autonomous Qi, Ewenke Autonomous Qi and Malidawa Dawoer Qi.
¹⁷ “Mongolian Camp” is a social welfare institute built in the central town of Xinyou Qi to serve those absolute poor or aged herders, or orphans.
¹⁸ Hulunbeier Statistic Yearbook 2009.
¹⁹ One area of high quality pasture land of 2,000mu; one standard livestock barn; one set of pasture machines; one well; one wind or solar power generator; one feed grass base and one caravan for grazing.
²⁰ Sports Games of Mongolians.
rights and identity, rights to education, health, employment, language, and others. It also outlaws discrimination against indigenous peoples, promotes their full and effective participation in all matters that concern them, as well as their right to remain distinct and to pursue their own visions of economic and social development.

52. Taking poverty alleviation as its overarching goal, ADB proclaims in its Safeguard Policy Statement (2009) that poverty is an unacceptable human condition that can be eliminated through public policy and action, and that effective poverty reduction can only be achieved through promoting economic opportunities, social development and good governance. The development planned by the dominant (or majority) groups does not automatically or equally benefit all the other social groups, particularly the vulnerable groups, such as indigenous peoples, women and others. Thus strict measures should be taken to ensure that indigenous peoples (i) fully participate in any development project which is affecting their life and cultures, (ii) receive culturally-appropriate benefits, and (iii) their communities/cultures are adequately protected. Indigenous peoples’ concerns should be well integrated into the policy change, national project planning, designing, implementation, monitoring and assessment.

53. ADB defines ‘indigenous peoples’ as those whose social and cultural identities are distinct from that of the dominant or mainstream society. These distinct social and cultural groups often possess the following characteristics in varying degree:

(i) self-identification as members of a distinct indigenous cultural group and the recognition of this identity by others;
(ii) a distinct language, often different from the official (or the dominant society’s) language of the country or region;
(iii) customary, cultural, economical, social, or political institutions that are separated from those of the dominant society and culture;
(iv) collective attachment to geographically distinct habits or ancestral territories in the project area and to the natural resources in these habitats and territories.

54. ADB’s Safeguard Policy Statement requires that any development project that has impact on IPs should be ensured that:

(i) the project is in compliance with the IPs’ requirements and desires;
(ii) the project is, essentially and structurally, in compliance with the IPs’ cultural, social and economical norms;
(iii) the impacted people should be well informed about the concept, planning and implementation of the project and fully participate in it;
(iv) equity must be guaranteed in the developmental endeavor and its impact;
(v) the adverse impact of any developmental activity should not be imposed on the IPs. If such negative impact is unavoidable, proper and acceptable compensation or mitigation should be guaranteed.

55. To avoid, minimize and mitigate the adverse impact on IPs, ADB requires that all the ADB-financed development projects have to:

(i) undertake social impact assessment and planning process;
(ii) prepare social impact assessment of the proposed project activities;
(iii) prepare IP planning documents which specify (a) actions to mitigation adverse impacts and enhance project benefits in a culturally appropriate manner, and (b) institutional arrangements and budget to implement the actions;

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21 ADB’s original Policy on Indigenous Peoples was approved in 1998. The Safeguard Policy Statement consolidates three safeguards (environment, involuntary resettlement and IP, but retains specific policy requirement for each one.
(iv) disclose information and undertake meaningful consultation, which may include ascertaining consent of affected indigenous peoples’ communities to selected project activities;
(v) establish a grievance mechanism;
(vi) monitor and report on implementation of EMDP.

56. An innovative feature of the Safeguard Policy Statement is the selective application of country safeguard systems when borrowers have the necessary capacity and requirements equivalent to ADB’s. The Key features include emphasis on capacity development of borrowers and more attention to safeguard implementation and supervision.

57. The borrower/client will use qualified and experienced experts to prepare the social impact assessment and IPP/EMDP. For highly complex and sensitive projects, independent advisory panels of experts not affiliate with the project will be used during project preparation and implementation. Any highly complex and sensitive projects affecting IPs will require an IP expert on the advisory panel.

58. In addition that ADB timely discloses project-relevant information and documents, such as IP plans and monitoring reports, the borrower/client will provide relevant information, including information from the project-relevant documents in a timely manner, in an accessible place and in a form and language(s) understandable to the affected IPs and other stakeholders. If the IPs are illiterate, other appropriate communication methods will be used.

59. The borrower/client will establish a mechanism to receive and facilitate resolution of the affected IP communities’ concerns, complaints and grievances. The grievance mechanism will be scaled to the impacts of the project. It should address concerns and complaints promptly, using an understandable and transparent process that is culturally appropriate, gender responsive and accessible to the affected IP communities at no cost and without retribution. The mechanism should not impede assessment to the country’s judicial or administrative remedies. The affected IP communities will be appropriately informed about the mechanism.

60. To sum up, taking poverty reduction as its overarching goal, ADB requires that IPs social and economic benefits in modern development should be addressed in a culturally appropriate manner. Their diverse identities, unique histories, cultures and dignities have to be fully respected in development project planning and implementation. To ensure that the goal is properly reached, a certain structured mechanism is introduced and a specified process and activity have to be undertaken:

(i) Any development project financed by ADB will have to conduct social impact assessment (SIA) with the participation of qualified and experienced experts;
(ii) IP communities have to be fully consulted throughout the project cycle;
(iii) Proper measures have to be proposed and implemented to address the issues brought about by various social impacts (both positive and negative) in development project;
(iv) The IPs have to be well informed about the projects which affect them;
(v) A grievance mechanism should be established so that the IPs can conveniently access to and express their concerns, aspirations, complaints and grievances; and
(vi) The development projects have to be monitored (with the participation of external experts) from preparation to the implementation, particularly those components which relate closely to the benefits of IPs.
4. ETHNIC MINORITIES IN THE PROJECT AREA

4.1 EM Population

61. Figure 1 presents the project area and the proposed roads, while Table 6 presents the population of the project area by ethnic groups. The population of the project area consists of people from 42 ethnic groups. As indicated in the table below, Han accounts for 68.1%, and it is followed by Mongolian (28.0%), Manchu (1.6%), Hui (1.0%) and Dawoer (0.8%). However, only Mongolians have distinct communities in the project area. Other ethnic minority households are scattered in rural and urban areas.

<table>
<thead>
<tr>
<th>Qi/city</th>
<th>Total Popu.</th>
<th>Mongolian</th>
<th>Han</th>
<th>Dawoer</th>
<th>Manchu</th>
<th>Hui</th>
<th>Chaoxian</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manzhouli City</td>
<td>169,550</td>
<td>8,597</td>
<td>153,057</td>
<td>860</td>
<td>3,735</td>
<td>2,373</td>
<td>279</td>
<td>187</td>
</tr>
<tr>
<td></td>
<td>% 100.0</td>
<td>5.1</td>
<td>90.3</td>
<td>0.5</td>
<td>2.2</td>
<td>1.4</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Xinyou Qi</td>
<td>35,480</td>
<td>28,983</td>
<td>5,701</td>
<td>554</td>
<td>110</td>
<td>30</td>
<td>25</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>% 100.0</td>
<td>81.7</td>
<td>16.1</td>
<td>1.6</td>
<td>0.3</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Xinzou Qi</td>
<td>41,728</td>
<td>31,536</td>
<td>9,264</td>
<td>579</td>
<td>154</td>
<td>35</td>
<td>14</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>% 100.0</td>
<td>75.6</td>
<td>22.2</td>
<td>1.4</td>
<td>0.4</td>
<td>0.1</td>
<td>0.0</td>
<td>0.3</td>
</tr>
<tr>
<td>Project area</td>
<td>246,758</td>
<td>69,116</td>
<td>168,022</td>
<td>1,993</td>
<td>3,999</td>
<td>2,438</td>
<td>318</td>
<td>195</td>
</tr>
<tr>
<td></td>
<td>% 100.0</td>
<td>28.0</td>
<td>68.1</td>
<td>0.8</td>
<td>1.6</td>
<td>1.0</td>
<td>0.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Hulunbeir</td>
<td>2,704,414</td>
<td>245,690</td>
<td>2,193,594</td>
<td>75,554</td>
<td>103,693</td>
<td>34,516</td>
<td>9,491</td>
<td>2,383</td>
</tr>
<tr>
<td></td>
<td>% 100.0</td>
<td>8.8</td>
<td>81.5</td>
<td>2.8</td>
<td>3.8</td>
<td>1.3</td>
<td>0.4</td>
<td>0.1</td>
</tr>
</tbody>
</table>


62. The project city/Qi, regarding population composition, could be further summarized as follows:

(i) Xinyou and Xinzuo Qi are EM Mongolian Qi as Mongolians account for over 75% of the total population. These two Qi are very small in terms of total population.

(ii) Manzhouli City is completely urban and draws in a large number of traders and employees from different parts of the PRC. Most of these new comers are the Han. As a result, Han people account for over 90% of the total population in Manzhouli.

4.2 Main Ethnic Minority Group

63. The Mongolians, majority in the rural Xinzuo Qi and Xinyou Qi, still maintain their own distinctive socio-cultural features. The other EM groups are mostly individual households who live together with the Mongolians, Han and others.

64. It is believed that the Mongols first moved to the Mongol Pasture in the 7th Century. Mongol was the name of a tribe whose origin can be traced to Donghu Tribe. Later, the Mongol tribe gradually integrated with some other hunting tribes living by the deserts, and became a larger ethnic group. Between 1271—1368, the Mongolians established a unified empire that expanded to many parts of Asia and even Europe (known as Yuan Dynasty in Chinese history)
and became the ruling group. In 1947, Inner Mongolia Autonomous Region was established. The 6th National Census shows that the total population of the Mongolians in the PRC by 2010 is 5,981,840 who are living in many different parts of the PRC, such as Inner Mongolia, Xinjiang, Liaoning, Jilin, Heilongjiang etc. Herding/pasturing livestock is the main economic activities and sources of income for the Mongolian.

65. The Mongolians are the largest EM group in the PA, accounting for 22.02% of the total population.

66. The Mongolians are distributed primarily in the IMAR. Though they called themselves 'Mongol', meaning everlasting fire, other people refer to them as 'an ethnic minority on horseback'. This indicates that the Mongolians have long been dependent on herding.

67. The Mongolian language belongs to the Mongolian group of the Altaic phylum and has three main dialects. The written form is derived from that of the 13th century and had experienced many changes. The Mongolians still have their unique customs, culture and most of them can speak both Mongolian and Chinese, but in the pastoral areas not many of them can speak Chinese.

68. Before the 16th century, the Mongolians, together with other northern tribes, believed in Shamanism but they gradually turned to Lamaism (Tibetan Buddhism) in the Yuan Dynasty when they were the ruling group of the empire. Today the influences of Tibetan Buddhism and Shamanism are still visible in daily life.

69. One important traditional festival for the Mongolians is Nadam Fair for five to seven days in late August. Nadam has the meaning of “entertainment” or “game”. Mongolian people, in new clothes, will gather from many places and participate in the exciting competitions of shooting, wrestling, and horse-riding. In Xinyou Qi, there is another important public sacrifice named “Baogedawula Mountain Worship (or Sacrifice)” on May 13 and July 3 every year. The Mongolians from the surrounding areas all come to worship the sacred mountain and their ancestors. Baogedawula Mountain is sacred for the Mongolians, particularly those in Xinyou Qi, Xinzuo Qi and Chengbaerhu Qi. Though it is located in the PA, the proposed road (Baogedewulasumu with Beiersumu) is about 10—20 kilometers away, thus the construction of the road will hardly have any adverse impact on it.

70. Today, the Mongolians are still living on herding and related livestock production.

4.3 Sample Mongolian Community

71. One Mongolian community, the A’ershanbaolige Gacha of Xinyou Qi was targeted for consultation and socioeconomic survey during the PPTA in 2010. This Gacha is representative of many socioeconomic characteristics of the Mongolian communities.

72. There are 175 households with 437 residents in A’ershanbaolige Gacha: (i) 6 Han households with 13 persons (3.0%); and (ii) 169 Mongolian households with 424 persons (97.0%). There are 21 poor households (12%, by the Gacha people’s own estimation). Females account for 53.3% of the total population.

73. The total land area (all are grassland) is 1,111,200mu. The average pasturing land is 2,540mu per capita. Totally there are 980 cows, 100,000 sheep and goats, and 1,200 horses. The animal numbers and products are increasing during the past several years. People in the Gacha depend mostly on herding animals. In general, their economic conditions are good. Even if they lease the grassland to others at the least rate of CNY 5/mu, each person will have a minimum income of over CNY10,000/year. However, the risk lies in that a snow storm/drought/fire/pest disaster may make the vulnerable herders poor overnight. There is a green-house vegetable
garden in this Gacha. About 50 persons are involved in seasonal migration works, which provide another source of income for some people.

74. This Gacha center is located at 2km away from S203, but transportation is still a problem at the moment. It is 55km from schools, markets and hospitals in the Qi seat of Alatanemole Town, which makes the access to social services and transportation of goods (particularly the rescue mission in severe winter) difficult. The basic transportation information is listed in Table 7.

<table>
<thead>
<tr>
<th>Item</th>
<th>Location</th>
<th>Distance (km)</th>
<th>Transport means</th>
<th>Time for one way</th>
<th>One way fare (CNY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closest shopping market</td>
<td>Town of Qi</td>
<td>55</td>
<td>Bus</td>
<td>1 hour</td>
<td>12.5</td>
</tr>
<tr>
<td>Animal products market</td>
<td>Local</td>
<td>--</td>
<td>Bus</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Primary school</td>
<td>Town of Qi</td>
<td>55</td>
<td>Bus</td>
<td>1 hour</td>
<td>12.5</td>
</tr>
<tr>
<td>Medical point</td>
<td>Buerdun</td>
<td>1-5</td>
<td>Motorcycle/walk</td>
<td>5-30min</td>
<td></td>
</tr>
<tr>
<td>Middle school</td>
<td>Town of Qi</td>
<td>55</td>
<td>Bus</td>
<td>1 hour</td>
<td>12.5</td>
</tr>
<tr>
<td>Hospital</td>
<td>Town of Qi</td>
<td>55</td>
<td>Bus</td>
<td>1 hour</td>
<td>12.5</td>
</tr>
<tr>
<td>Township government</td>
<td>Hulun town</td>
<td>30</td>
<td>Vehicle</td>
<td>0.5 hour</td>
<td>8</td>
</tr>
<tr>
<td>Road where the bus is</td>
<td>S203</td>
<td>2</td>
<td>Walking</td>
<td>0.5 hour</td>
<td>--</td>
</tr>
</tbody>
</table>

Source: PPTA field survey in 2010.

75. All the 175 households have drinking water wells and the electricity supply which is generated from the wind power. Most of the households have transport or agricultural vehicles. Motorcycle is almost a must for herders because people are herding with motorcycle rather than on the traditional horseback. Table 8 shows the assets ownership.

<table>
<thead>
<tr>
<th>Assets type</th>
<th>Number</th>
<th>No. of households held</th>
<th>Average (No./household)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Color TV</td>
<td>175</td>
<td>175</td>
<td>1.00</td>
</tr>
<tr>
<td>Motorcycle</td>
<td>300</td>
<td>175</td>
<td>1.71</td>
</tr>
<tr>
<td>Agricultural vehicle</td>
<td>105</td>
<td>105</td>
<td>0.60</td>
</tr>
<tr>
<td>Tractor</td>
<td>120</td>
<td>120</td>
<td>0.69</td>
</tr>
<tr>
<td>Mobile phone</td>
<td>360</td>
<td>175</td>
<td>2.06</td>
</tr>
</tbody>
</table>

Source: PPTA field survey in 2010.

76. The general educational level is not high, but the basic education is extensive. 96% of the persons have received primary school education, and 57.8% have got junior high school education. And in terms of education, there is no discrimination between man and women. The education of the herders shown in the table below.
Table 9: Population and Education Level

<table>
<thead>
<tr>
<th>Education level</th>
<th>Illiteracy</th>
<th>0</th>
<th>0</th>
<th>0</th>
<th>0</th>
<th>0</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>218</td>
<td>98</td>
<td>45.0</td>
<td>120</td>
<td>51.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Junior High school</td>
<td>131</td>
<td>59</td>
<td>45.0</td>
<td>72</td>
<td>31.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>45</td>
<td>25</td>
<td>12.3</td>
<td>20</td>
<td>8.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above high school</td>
<td>43</td>
<td>22</td>
<td>10.8</td>
<td>21</td>
<td>9.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>437</td>
<td>204</td>
<td>100.0</td>
<td>233</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Enrollment rates</th>
<th>Primary school</th>
<th>100.0</th>
<th>100.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Junior high school</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>80.0</td>
<td>60.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: PPTA field survey in 2010.

4.4 Sample Mongolian Sumu

77. Wubuerbaolige Sumu (or Xilinbeier, or simplified as Wu Sumu) is the main town on two proposed rural roads (Road No.4 and Road No.6 in Figure 1) in Xinzuo Qi. With a total land area of 5,831 km², Wu Sumu has 9 Gacha with 1,449 households, 5,686 persons. There are 310 (21.4%) households being identified as poor. Among them, 225 rural households (327 herders) and 82 urban households (134 persons) were receiving the minimum living allowances.

78. The dominant ethnic group in the Sumu is the Mongolian. Over 80% of the land is good pasture and it is rich in mineral resources. By July 2012, the total heads of domestic animals were 430,000, accounting for a third of the total heads in Xinzuo Qi. The number of the households that had more than 1,000 heads of domestic animals was up to more than 100 and 120 households had 500~1,000 heads each.

79. The Sumu government is located at Xilinbeier Gacha where the total population is 1,327 (712 households). It is 75 kilometers from Amugulang (the central town of Xinzuo Qi) and 45 kilometers from S203.

80. In October, 2012, a public consultation was held in the Sumu. Over ten local leaders and six representatives from different Gacha participated in the consultation. Among the six Gacha representatives, 5 are Mongolians and 1 is Han. Two Mongolian women (Sumu leaders) also participated in the consultation.

81. All the local participants welcome the road development project. They believed that the improvement of the two roads would benefit them in the following ways: (i) more conveniently sending kids to schools; (ii) quick access to hospitals when some family members were seriously ill; (iii) pregnant women can go to hospitals for regular checking or give birth; and (iv) easier transportation of hay during winter. They do not see any adverse impact and cannot think of any need or anticipate any issues.
5. PUBLIC PARTICIPATION AND CONSULTATION

5.1 Main Stakeholders and Analysis

Table 12 presents the main stakeholders, their interests/responsibilities, influences and capacities relevant to the project implementation.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Interests/responsibilities</th>
<th>Influences and capacity</th>
</tr>
</thead>
</table>
| Inner Mongolia Department of Transport of (IMDOT) | IMDOT is the Executive Agency of the proposed project. IMDOT will be the project organizer, funds raiser, etc. | Very important
IMDOT have the experience and the capacity to execute the project |
| Hulunbeier Municipality Transport Bureau (HCTB) | HCTB will be the Implementation Agency (IA) of the project. HCTB also will be responsible for the construction and operation of the main or the Class I road (Man-A Road). | Very important
HCTB have the experience and capacity to implement the project |
| City/Qi Government, transport bureau, land acquisition affected sumu | Project city/Qi government will be responsible for the land acquisition and resettlement. The transport bureaus under the Qi/city governments will be responsible for the rehabilitation of proposed local roads. One of the major interests of local governments is to develop the economy and improve the living standards of the local residents. Road is the basic infrastructure for social and economic development. | Very Important for land acquisition and resettlement, and construction of local roads
Local governments have the capacity to implement the resettlement plan and to construct the local roads. |
| Resettlement affected households | These households will only lose a very small portion of their grassland and their economy and daily life will not be affected. Their core concern is whether they could get enough compensation or not. Their land is near the road, the dust and noise during construction will affect them. | Important. If they disagree about the resettlement measures, that will affect the construction works. |
| Herders and Rural Residents | The main road will pass through pasturing areas of Xinzou Qi and Xinyou Qi. Rural people are one of the stakeholders as they will be main group of local beneficiaries. All local roads are existing ones and upgrading will direct benefit local people. | Limited. They can participate in the road construction, some Gacha/villages can supply the construction materials. They can participate in maintenance and road safety programs. |
| Tourism industry | Good road network will bring more tourists, including self-driving ones. | Limited
This industry could plan and setup its facility construction along with the project (e.g., advertising on project road before and after construction). |
| Mining, industrial and commercial | Good road network means quick and timely delivery of products/outputs, goods and staff. Consequently | Limited
These companies should better |
companies planned their business development to protect ecological environment. Also, preferences should be given to EM people for employment

Road transport companies (trucking and buses) Ditto Ditto

5.2 Participation and Consultation at Project Preparation Stage

83. A lot of people participated in the consultation process at the project preparation stage. During the feasibility study, the design institutes have consulted the local Qi/city and Sumu/township governments and the various Gacha/villages on the road alignments and specific requirements. During the PPTA for the main road, a number of participation and consultation sessions with different stakeholders related to the project have been organized. A socio-economic survey was undertaken in June and July of 2010. In addition, focus group discussions were held with both women and men in different Gacha to discuss in an open ended manner with various topics related to the project. A number of key informant interviews were also held with Gacha leaders, various government bureaus, including Women’s Federation at Qi and city level, and other groups.

84. The attitudes of residents towards the Project construction are positive and supportive. The land acquisition and house demolition impacts are very small for which the people will be compensated. The residents realize that the transportation improvement will benefit them in terms of the natural disaster relief, economic development and easier access to the social services. They also have indicated their expectations on the compensation standards, and the local materials purchasing, local people participation, environment protection, etc, which have been documented in this EMDP.

85. Table 13 summarized the participation and consultation process and results.

<table>
<thead>
<tr>
<th>Date and Location</th>
<th>Agencies</th>
<th>No. of Participants</th>
<th>Purpose(s)</th>
<th>Main Issues Discussed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 2010, 2010-2011 Hulunbeier, project city/Qi</td>
<td>Design institutes, Hulunbeier Government IMDOT</td>
<td>200</td>
<td>Initial discussion of the proposed main road Rational of the main road Principles of the alignment selection Generate alternative options for the main road</td>
<td>Completion of the road network Maximize the role of ecotourism development Stimulate economic development through cross border trade facilitation Minimize the environmental impacts</td>
</tr>
<tr>
<td>2009 -2010, Hulunbeier Xinzou Qi, Xinyou Qi, and Manzhouli City</td>
<td>Design institute, IMDOT, Qi or city government and their line agencies.</td>
<td>100</td>
<td>Introduction of the proposed main road and its link roads Initial location of alignment Generate suggestions and comments</td>
<td>Maximize the beneficiaries along the road Alternatives of the alignment Issues of nature reserves, protection</td>
</tr>
</tbody>
</table>

Table 11 Public Consultation and Participation Activities
<table>
<thead>
<tr>
<th>Time</th>
<th>Location</th>
<th>Stakeholders/Participants</th>
<th>Sample Size</th>
<th>Activities</th>
<th>Source</th>
</tr>
</thead>
</table>
| June-July 2010, Manzhouli City, Xinyou Qi and Xinzuo Qi | TA consultants, 4 Gachas and 1 livestock farm leadership interview | TA consultants, Surveyors, Sample HHs                                                    | 15          | - Introducing the route of proposed main road  
- Collecting Gacha level statistics data  
- Consultation of Gacha leaders regarding the impact  
- Generate comments and suggestions | Local road network availability and its relationship with the proposed project  
- Land acquisition and compensation issues  
- Link roads status and improvement priorities from herders’ perspective  
- Income source and its implication relation to proposed project  
- Comments and suggestions regarding the proposed project  
- Development priorities |
| June-July 2010, Hulunbeier | Health Institutes/Bureau          | 4 (2 M, 2F)                                                                                | 4           | - Update introduction of the proposed project  
- Generate comments on prevention of epidemic diseases | Availability of healthcare facilities in both urban and rural areas  
- HIV/AIDS situation and prevention efforts  
- Comments and suggestions on epidemic diseases include HIV/AIDS spread |
| Sept-November 2012 | ADB staff and consultants, IMDOT, HBTB, City/Qi government and transport bureaus, Design Institute | 300                                                                                       |             | - Screening and selection of rural roads  
- Updating SA, RPs, EMDP  
- Construction design for rural roads  
- Preparation of RPs for rural roads | Socioeconomic conditions  
- Land acquisition and resettlement impacts of rural roads  
- Rural roads impacts on ethnic minorities  
- Local land acquisition and resettlement policies  
- Ethnic minority perceptions on rural roads |

Source: Consultants field surveys in 2010 and 2011 and supplementary data from field visits in 2012.
In project preparation, a series of consultations with local communities, beneficiaries and the affected persons show that the Inner Mongolia Road Development Project is widely supported by local communities. The consultations were organized in different ways: individual consultation, group interview and discussion, some of which was photographed or video-taped. In each consultation in ethnic minority village, village leader, the Party secretary, women (40—50% of the total participants), shop owners, drivers are included. The other villagers are chosen randomly to participate in the consultation. In addition, local township leaders, bureau of ethnic affairs, women’s federation, civil affairs office at county level are also consulted. All persons participated in the consultations admitted that they were well informed about the Project and expressed their full support to the proposed Inner Mongolia Road Development, expecting that the Project will improve their access to social services, good transportation, higher prices for livestock, more job opportunities and income increase through tourism.
6. PROJECT IMPACTS ON ETHNIC MINORITIES

87. A Social Analysis conducted for the Project has assessed the socio-economic circumstances including causes for poverty and high poverty incidences of EM peoples. The project has also assessed the positive and likely negative impacts of the project on ethnic minority communities in the project area.

6.1 Needs and Perceptions

88. The opinions of EM herders towards the future development are given in Table 12. As shown in the table, women’s priorities are similar to that of men. Women’s first choice is to increase income, since they are responsible for the daily life of the family. Therefore, they are more sensitive towards how much money they can control. Men’s first choice is employment opportunity, since this can make more money for the family.

Table 12: Development Priorities of EM Herders

<table>
<thead>
<tr>
<th>Activities</th>
<th>Men Ranking</th>
<th>Women Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase animals</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Increase income</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Improve the electricity</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Improve the drinking water</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Improve education condition</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Access to loan</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Improve the road of Gacha</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Improve the medical condition</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Technical service</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>More employment opportunity</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: PPTA field survey in A’ershan Baolige Gacha of Xinyou Qi 2010. (For ranking 1 is the highest priority).

89. The household survey in the process of preparing the “Social Analysis” and this EMDP, revealed that some herders expressed their concerns about the likely impact of the project on their traditional culture and customs:

(i) 15% of the interviewees think that the road project will result in changes to their mode of production;
(ii) 73% of them think the project will result in change to their mode of life; and
(iii) 12% think their ethnic consciousness will be weakened.

90. The reason for these likely changes is that the convenient transport will bring more outsider people (permanent and temporary workers, tourists and visitors) who will affect local residents gradually towards to their mode of production and lifestyle. Many young men and women, who should be the inheritors of traditional cultures and customs, can be easily affected and can quickly switch to other life styles if without sufficient awareness building and education.

91. The change of production mode leads to the change of life mode and hence brings about the change of culture and is almost a universal phenomenon, particularly in modern times. However, a key point is that people should have the right and power to decide what to change and what to maintain, rather than some other persons (agents) force the change upon the people involved. Thus the IA and EA of the Project will contribute to raise people’s awareness of their cultures and traditional values by promoting peoples’ active participation both in the project and in cultural preservation.
6.2 Potential Benefits of Induced Economic Development

92. The project benefits to EM and local people are summarized in Table 13 and details are presented in Annex 2.

Table 13: Project Benefits

<table>
<thead>
<tr>
<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Improved road network and road conditions</td>
<td></td>
</tr>
<tr>
<td>(i) Save travel time</td>
<td></td>
</tr>
<tr>
<td>(ii) Enjoy safe and comfortable traveling</td>
<td></td>
</tr>
<tr>
<td>(iii) More and better transport services</td>
<td></td>
</tr>
<tr>
<td>(iv) Reduced operation costs and increased profits to transport operators</td>
<td></td>
</tr>
<tr>
<td>(v) Improved mobility for herders including in transporting feed and hey for livestock</td>
<td></td>
</tr>
<tr>
<td>• Protection of grassland by replacing track roads</td>
<td></td>
</tr>
<tr>
<td>(i) Saving more than 700 ha of grassland</td>
<td></td>
</tr>
<tr>
<td>(ii) More animals and more income (about CNY 1 mil annually)</td>
<td></td>
</tr>
<tr>
<td>• Employment of unskilled labors</td>
<td></td>
</tr>
<tr>
<td>• Provision of services to construction workers</td>
<td></td>
</tr>
<tr>
<td>• Improved response to manage natural disasters such as snow storms</td>
<td></td>
</tr>
</tbody>
</table>

93. Improved transport conditions as a result of the project will result in a number of benefits for the local communities including Mongolians. The rural roads will result in improved access to the remotely located herder families and will be beneficial economically as well as to provide them with rescue and other help and support during the natural disasters. The provision of sheltered bus stops along the rural road will ensure a relatively comfortable The improved road conditions will result in saving travel time especially to the urban centers like Manzhouli and will facilitate access to various social services such as health care, education and employment. Improved road condition will benefit the local communities by reduced operational costs especially of their farm vehicles and will also facilitate the travels of outside traders visiting the areas to buy the local products especially meat products. The improved road access also has potential to bring down the costs of the everyday life necessities.

94. The local communities including the Mongolians will also benefit from the employment generated by the project. It is estimated that the project will require about 50,000 person months of unskilled laborers during the construction period. As the bringing in laborers from outside is costly, due to a short construction period during non-winter snow free months, a large portion of these jobs are likely to go to the local communities. The local communities will also benefit from the use of local material and resources that the construction companies will require during the construction.

95. The newly built and paved roads will ensure a perennial driving access for the vehicles. Unlike at present where motorist drive on the grassland creating a number of tracks resulting in deterioration of grassland, improved road conditions will deter such practice and will help restoring and regenerating the degraded grasslands.

96. Improved road conditions will contribute to the industrial growth in the project area. The provincial and local governments have plans to develop industrial parks in the region that will bring in employment opportunities for the local population including the Mongolians. At present, in the Manzhouli Industrial Park there are 10 enterprises with 500 employees and 400 of these employees are local including 100 from ethnic minorities.

97. Improved road conditions are also conducive to the tourism development in the area. The project area has significant potential for eco-tourism. There are famous wetland nature reserve
and grasslands. The area is also rich in Mongolian culture. According to the available data, the ethnic minority households hosted over 0.5 million tourists and earned over CNY25 million in 2011. There is also potential to develop more by-products to generate income, such as handicrafts, horse renting, minority dress show, cultural performances etc. Tourism developed in a culturally appropriate way therefore has an excellent potential to contribute to the economic development of the area.

98. The project will also help add value to the animals and crops that are the mainstay of the rural communities including Mongolians. The project city/Qi are promoting organic production and specialized production. There are more than 50 professional cooperatives of herders in the project city/Qi that are specializing in high-quality animal production. The city/Qi government provides grant up to CNY50,000 to new cooperatives for specialized agricultural and animal production and processing. The proposed roads will further help these cooperatives as well as individual herders to scale up production and add value to their products.

99. Winter in the project area is long and harsh and snow storms (white disasters) frequently occur. They affect the lives of both human beings and animals and cause huge loss of property; some households falling into poverty. Poor road condition often hampers rescue and relief efforts. Once the project roads are constructed and rehabilitated, the rescue and relief measures can reach to the affected areas quickly and with ease.

6.3 Potential Adverse Impacts

100. There are likely a few indirect/minor adverse impacts (see Table 16). The project only plays very insignificant role in resulting these indirect negative impact.

101. The potential adverse impacts, in addition to land acquisition, are given in the table 12.
Table 14: Adverse Impacts Brought by the Project

<table>
<thead>
<tr>
<th>Negative Impact</th>
<th>Mitigation Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Noise and dust caused by the construction will affect the residents and animals</td>
<td>• Measures to be ensured under Environmental Management Plan (EMP)</td>
</tr>
<tr>
<td>• Temporary inconvenience to locals and local vehicles during construction</td>
<td>• Keeping communities informed, setting up temporary crossing arrangements</td>
</tr>
<tr>
<td>• Digging and deposit of soil, construction workers and machines will damage the grassland.</td>
<td>• Implementation of measures outlined in EMP</td>
</tr>
<tr>
<td>• External construction workers may have some public health problem</td>
<td>• Prevention measures at the guidance of local health agencies.</td>
</tr>
<tr>
<td>• Vulnerable groups are more sensitive towards the negative impacts.</td>
<td>• More preferential policy towards the vulnerable groups</td>
</tr>
<tr>
<td>• Rescue action in winter may become even more difficult during the construction</td>
<td>• Local government agencies to be liaised with to make adequate preparation in advance</td>
</tr>
<tr>
<td>• Over-speed driving and more accidents after upgrading</td>
<td>• Speed limit and warning signs</td>
</tr>
<tr>
<td>• EM cultures may be threatened and neglected in the process of modernization after the road network is improved</td>
<td>• Some activities/trainings have to be taken to enhance cultural awareness of EM peoples and local officials.</td>
</tr>
</tbody>
</table>

Source: TA Consultants’ Social Analysis.

6.4 Gender Impacts

The proposed project activities, based on experience gained from many other road development projects in China and in other countries, will basically not entail disparities and inequalities between men’s and women’s access to the project roads and transport services.

However, due to differences in education and socioeconomic roles, women may not necessarily equally benefit from the project. Yet women may be more vulnerable to adverse impacts of the Project, including the direct impacts during road construction and operation as well as the indirect impacts of increased traffic, industrial and tourism development. This modern development may come into conflict with their traditional cultures and customs.

The EA and Hulunbeier Municipal Government, as well as the two project Qi governments, are going to implement a series of additional actions to enhance gender benefits and mitigate any likely negative impacts. These additional actions formed a gender action plan (GAP). The actions in the GAP include: (i) providing women with training on both farm production skills, community and homestead based cultural and ecological tourism business operations; (ii) encouraging women for providing food services for the construction camps during project implementation; (iii) provision of microcredit to women to engage in tourism business; (iv) encouraging women for participating in international trade; and (v) preferential arrangements for women needing to work as unskilled laborers for the project construction.

6.5 ADB safeguards ‘broad community support’ requirement

The project consists of widening of a provincial road and paving 6 local roads. The potential benefits of the project are outlined above. The project will result in permanent acquisition of grassland. Most of the land to be acquired is already badly degenerated and is of very little economic value for those who currently have legal user’s right over this land. The occupants of these grassland areas will not only receive compensation for the land, their remaining grassland areas will be protected from encroachment by the vehicles as the paved roads will ensure an easy and perennial driving facility. The project does not include any of the following activities:

(i) Commercial development of the cultural resources and knowledge of EM people
(ii) Physical displacement from traditional or customary lands.
(iii) Commercial development of natural resources within customary lands under use
that would impact the livelihoods or the cultural, ceremonial, or spiritual uses that define the identities and community of ethnic minorities.

106. The project will not result in commercial development of the local ethnic minority resources and knowledge neither will any of the land acquired has any specific cultural, ceremonial or spiritual value for the Mongolian community. No Mongolian household will be physically displaced from their traditional and customary land. Only two small residential structures will be demolished. These structures have been abandoned for long time and their owners have alternative residential houses. Still, owners of these structures will benefit from the compensation they will receive from the project. The project, therefore, does not trigger the ADB Indigenous Peoples’ Safeguards Policy (2009) requirements for seeking ‘broad community support’. Sufficient efforts have been made to inform the Mongolian community and to ensure their participation in the project design. As is evident (para 85 and 86 of EMDP) the project is widely supported by the local communities including the Mongolian community within the project area.
7. ETHNIC MINORITY DEVELOPMENT ACTION PLAN

107. To ensure the project benefits EM in a culturally and gender sensitive manner, the project includes a series of measures that are summarized in Table 15 (the Action Plan). There are three types of measures. First two measures are directly related to the project while the third category or secondary measures refer to the broader policies and programs being implemented by government agencies at various levels:

(i) Measures to enhance the direct and potential benefits to EM.
(ii) Measures to mitigate the likely adverse impacts on EM.
(iii) Secondary measures for EM economic development and cultural protection

7.1 Enhancement Measures

108. **Transport services improvement.** As a measure to improve the transport services, IMDT and HMTB will construct sheltered bus stops on the project roads. The number of these sheltered bus stops will be decided on the basis of requirement and in consultation with the beneficiary population.

109. **Employment opportunities.** As an enhancement measure, IMDT and Hulunbeir Municipality Transportation Bureau (HMTB) will ensure that project construction contracts include clauses to encourage local employment for construction, and special attention will be given to Mongolians to promote their employment. IMDT and HMTB will ensure that employment opportunities are announced to local communities and will also ensure that contractors conform to appropriate labor laws and standards in the PRC, such as the Law of Safe Production, the Law of Labor, the Regulation on Safe Production Management for Construction Projects, and the Regulation on Working Injuries and Insurance of the PRC

110. A 40% of available unskilled and skilled jobs will be earmarked for the local people who are dominated by ethnic minority Mongolians.

111. HMTB will monitor the use of local labors and appropriate labor laws and standards within the first 3 months of the commencement of each construction contract and take appropriate action to improve the employment and compliance if needed. Prior to starting civil work, the local labor bureau will organize training to construction workers on safe and healthy work, and on labor’s rights and benefits. Further training will be provided by contractors when people are hired.

112. **Encouraging use of local resources.** The IMDT and HMTB will ensure that the contractors use local resources such as food and beverages, meat and farm products and rental spaces. Use of small machinery such as diggers, tractors, etc. will also be encouraged. ACWF will help organize women to provide catering service to construction camps.

113. **Capacity development.** Tourism opportunities are rapidly rising in the project area. Grasslands, lakes and ethnic minority culture are main tourism attractions. To ensure that the ethnic minority population benefit from these opportunities in a culturally appropriate manner, the IMDT and HMTB will contribute to building capacity of ethnic minority communities on the following:

(i) Marketing promotion: Taking the advantages of the media, using the internet, TV station, radio station, newspaper, and the tourism agencies as the platform, to promote the local attraction in the wider tourism market to attract more tourists.

(ii) Regional tourism cooperation promotion: Hulunbeier borders with Mongolia and Russia. To cooperate with the tourism agencies of in Mongolia and Russia and to include international destinations could enable more options for tourists and then
attract more of them.

(iii) Scenery areas construction. This include some temporary stops on the proposed roads so that driving-in tourists can stop for rest or enjoy the sceneries, parking places with toilets and other service facilities. The small shops at such stops or parking places can be rented to the local Monolian peoples or women so as to increase their incomes.

(iv) Household tour promotion: A lot of Mongolian herder households live along the proposed road. These households will be trained and supported to develop as the home stays. This is the direct approach of income increasing for the minority households. The development of household tour will focus on the local specially products, minority costumes presentation, horse rent, minority foods, etc. Government will support local entrepreneurs to avoid exploitation by the outsiders.

114. **Ethnic Minority cultural protection and awareness building.** As a response to mitigate the impacts of outside influx, IMDT and HMTB in collaboration with other agencies such as Ethnic Minorities Bureau, will take measures to protect culture and way of life of the ethnic minority communities. These measures will include:

(i) Building EM communities cultural self awareness particularly targeting younger generation.

(ii) Building cultural awareness and sensitivity of the construction workers during construction period.

(iii) Developing measures to build awareness and cultural sensitivity of the tourists visiting EM areas.

(iv) Skill training with focus on local and traditional products and artifacts.

115. **Disaster preparedness capacity building.** Disasters are the main contributors to rural poverty. These especially impact small herders and if they lose even a small number of animals, the impact is quite significant. IMDT and HMTB, in collaboration with local agencies such as Disaster Management Center will take measures to build capacity of small herders within the project area. These measures will include:

(i) Training on disaster preparedness, seeking intervention and rescue support and post-disaster recovery.

(ii) Community consultations to build and strengthen community level disaster preparedness including self help groups.

(iii) Distribution of ‘emergency radios’ to small herders.

(iv) Building awareness of herders about available disaster response.

### 7.2 Mitigation Measures

116. **Minimization of disturbances during construction.** Some disturbances might occur during project implementation that will affect community life. For example, the construction may cause the dust and noises, which will affect the pasturing of animals. The road construction will also cause temporary inconvenience to local herders and local vehicles. EA will ensure that construction contractors enhance the on-site management measures to reduce the noises and dust. IA will consult with communities to determine the best locations for crossings and other roads required to maintain access due to highway construction. The supervision engineers will monitor conditions and report any pending issues. The local government should well prepare, in advance, for rescue action in snow storm.

117. **Road safety measures.** IMDT and HMTB in collaboration with other agencies such as local police will ensure that the communities residing close to the roadside will be provided road
safety awareness training. Other road safety measures such as safe crossing, road signage, speed limit measures, safe animal crossing will also be included as part of road design. Specifically, a bilingual cartoon booklet on traffic safety will be developed and distributed to Mongolian herders.

118. **Prevention of HIV/AIDS spread.** The PA is currently the low risk area for HIV/AIDS and for human trafficking. The local officials believe that most of the construction companies/workers will be local because the severe and long winter will greatly increase the cost for any company to bring machinery and unskilled laborers from other places (they have to transport construction machines back and forth during the winter when the construction cannot be done). However, since the Project is located in border area, the construction activities associated with the Project may result in the spread of HIV/AIDS and other transmissible diseases. Workers will be stationed at construction sites along the highway corridor. These workers will be predominantly young, sexually active people and many of them may be poor migrant workers. These workers might also interact with locals. The following measures for the control of transmissible diseases will be funded by the local government. IMDT and HMTB will ensure that the contractors include HIV/AIDS and other transmittable diseases as part of work safety program and provide training to the workers. This condition will be included in the bidding contracts. IMDT and HMTB will carry out the advocacy, information and education campaigns to the communities nearby the road, and to the entertainment workers near the road by local disease control center and the women’s federations’ staff. The information dissemination materials will be developed by experts from local disease control center in Mandarin and Mongolian languages. The posters and other related information will be also put at the bus stations. The contact numbers and locations of local clinics and hospitals which can provide counseling and HIV test services will be also announced to the contractors and construction workers.

**7.3 Secondary Social Development Measures**

119. Some of the enhancement and protection measures require integration with complementary local programs for EMs. Local governments will take measures to ensure that the concerned agencies pay specific attention to the EM.

120. **Local economic development and skill diversification programs.** Local governments and their line agencies (e.g., the agricultural bureau and labor bureau), will provide technical training on animal husbandry, marketing, grassland protection and rehabilitation, non-farm production training.

121. **Support to EM herder cooperatives.** Local governments will support herder cooperatives to enhance their bargaining power vis-à-vis traders that visit to buy their products. It will also encourage and support establishing new cooperatives.

122. **Conservation of ethnic traditional culture and customs.** Local governments will promote conservation of ethnic culture and customs by organizing specific activities like Nadam, Mongolian dancing, teaching in Mongolian language, Mongolian culture and custom courses in schools, and etc.

**7.4 Budget**

123. The budget for EMDP is mostly covered by the project and on-going government programs. The total direct budget from the project will be CNY 300,000 (see Table 15), including: (i) CNY 200,000 for EM Cultural protection and awareness building; (ii) CNY 50,000 for disaster preparedness--procurement of 100 disaster alarm radios and included in the project's
procurement list; and (iii) CNY 50,000 for ensuring road safety, specifically for development of bilingual cartoon type of road safety manuals and distribution of them among EM herders.
## Table 15: Action Plan

<table>
<thead>
<tr>
<th>Enhancement of Social Benefits Mitigation Measures of Social Risks</th>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. Enhancement Measures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Transport services improvement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Construction of bus stops with shelters at Gacha and major intersections</td>
<td>Gacha near S203 and local roads</td>
<td>IMDT, Local Transport Bureaus</td>
<td>2013-2016</td>
<td>Included in the project (CNY25,000 per shelter CNY625,000)</td>
<td>25 roadside bus passenger shelters</td>
</tr>
<tr>
<td>(ii) Provision of Employment Opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 40% unskilled and skilled jobs for ethnic minorities, women, poor and local people.</td>
<td>Mongolians</td>
<td>PMO and Construction companies.</td>
<td>2013-2016</td>
<td>No additional costs</td>
<td>% of, ethnic people, local women and poor people employed in the project.</td>
</tr>
<tr>
<td>• Encouraging use of local construction material and resources</td>
<td>Rural women. Poor people Local enterprises</td>
<td>PMO and Construction companies.</td>
<td>2013-2016</td>
<td>No additional costs</td>
<td>% of use of local sand/stone and other materials.</td>
</tr>
<tr>
<td>(iii) Capacity development measures</td>
<td>Mongolians Women</td>
<td>PMO Local Tourism Bureau Women’s Federation</td>
<td>2013-2016</td>
<td>Included in the project’s GAP CNY13,00,000</td>
<td>% of use of local resources such as rental spaces, machinery.</td>
</tr>
<tr>
<td>• EM community awareness building to benefit from rising tourism opportunities especially of EM culture and grassland tourism</td>
<td>Mongolians Women</td>
<td>PMO Local Tourism Bureau Women’s Federation</td>
<td>2013-2016</td>
<td>Included in the project’s GAP CNY13,00,000</td>
<td>No. of EM people trained</td>
</tr>
<tr>
<td>• Training in various aspect of setting up small homestead tourism businesses in EM and herder’s grasslands</td>
<td>Mongolians Women</td>
<td>PMO Local Tourism Bureau Women’s Federation</td>
<td>2013-2016</td>
<td>Included in the project’s GAP CNY13,00,000</td>
<td>No. of businesses established.</td>
</tr>
<tr>
<td>• Training in publicity and small business management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(iv) EM Cultural protection and awareness building</td>
<td>Ethnic minorities</td>
<td>PMO Local Ethnic Affairs Bureau Tourism Bureau</td>
<td>2013-2016</td>
<td>CNY200,000 for training and awareness building campaigns</td>
<td>No. of community consultations made/ workshops held</td>
</tr>
<tr>
<td>• Building EM communities cultural self awareness particularly targeting younger generation</td>
<td>Ethnic minorities</td>
<td>PMO Local Ethnic Affairs Bureau Tourism Bureau</td>
<td>2013-2016</td>
<td>CNY200,000 for training and awareness building campaigns</td>
<td>No. of awareness programs held for construction workers</td>
</tr>
<tr>
<td>• Building cultural awareness and sensitivity of the construction workers during construction period</td>
<td>Ethnic minorities</td>
<td>PMO Local Ethnic Affairs Bureau Tourism Bureau</td>
<td>2013-2016</td>
<td>CNY200,000 for training and awareness building campaigns</td>
<td>Awareness material developed and distributed through tourism bureaus</td>
</tr>
<tr>
<td>• Developing measures to build awareness and cultural sensitivity of the tourists visiting EM areas</td>
<td>Ethnic minorities</td>
<td>PMO Local Ethnic Affairs Bureau Tourism Bureau</td>
<td>2013-2016</td>
<td>CNY200,000 for training and awareness building campaigns</td>
<td></td>
</tr>
<tr>
<td>• Skill training with focus on local and traditional products and artifacts</td>
<td>Ethnic minorities</td>
<td>PMO Local Ethnic Affairs Bureau Tourism Bureau</td>
<td>2013-2016</td>
<td>CNY200,000 for training and awareness building campaigns</td>
<td></td>
</tr>
<tr>
<td>(v) Disaster preparedness training (specially targeting small herders)</td>
<td>Mongolians especially small herders</td>
<td>PMO and local disaster management centers</td>
<td>2013-2016</td>
<td>CNY 50,000 for 100 radios, included in the project procurement package</td>
<td>No. of herders covered under the program</td>
</tr>
<tr>
<td>• Training on disaster preparedness, seeking intervention and rescue support and post-disaster recovery</td>
<td>Mongolians especially small herders</td>
<td>PMO and local disaster management centers</td>
<td>2013-2016</td>
<td>CNY 50,000 for 100 radios, included in the project procurement package</td>
<td>No. of self help groups established</td>
</tr>
<tr>
<td>• Community consultations to build and strengthen community level disaster preparedness</td>
<td>Mongolians especially small herders</td>
<td>PMO and local disaster management centers</td>
<td>2013-2016</td>
<td>CNY 50,000 for 100 radios, included in the project procurement package</td>
<td></td>
</tr>
<tr>
<td>• Distribution of storm/disaster alarm radios</td>
<td>Mongolians especially small herders</td>
<td>PMO and local disaster management centers</td>
<td>2013-2016</td>
<td>CNY 50,000 for 100 radios, included in the project procurement package</td>
<td></td>
</tr>
</tbody>
</table>

32
### II. Mitigation Measures

#### (i) Minimization of Disturbances during Construction
- Avoidance/restoration of water sources occupation.
- Avoidance of construction work at night nearby residential areas.
- Minimization of dusts caused by construction.
- Site clean up on work completion

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gacha close to project roads</td>
<td>PMO, Construction companies.</td>
<td>2013-2016</td>
<td>Project funds and IEE budget</td>
<td>• No. of local residents complaining on construction related disturbance • No. of sites restored after construction.</td>
</tr>
</tbody>
</table>

#### (ii) Ensuring Road Safety
- Community awareness training on road safety for local residents.
- Development of bilingual cartoon type of road safety manual

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local communities nearby project roads. Women and children</td>
<td>PMO, local police and road sector</td>
<td>2013-2016</td>
<td>CNY 50,000 for road safety manual</td>
<td>• % reduction in traffic accident • No. of easy-identifiable roads safety signs installed • No. of effective measures taken for speed limitation. • No. of local communities covered by road safety training. • No. of manuals prepared and distributed.</td>
</tr>
</tbody>
</table>

#### (iii) Prevention of HIV/AIDS Spread
- Ensuring all construction workers have required training on prevention knowledge and methods of control HIV/AIDS.
- Ensuring local communities have received training on prevention knowledge and basic methods of HIV/AIDS control.

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>All construction workers Local communities</td>
<td>PMO, construction companies, Health Bureaus, Governmental AIDS protection Office.</td>
<td>2013-2016</td>
<td>Project funds Government funds</td>
<td>• % of construction workers trained. • % of communities next to project roads covered by training.</td>
</tr>
</tbody>
</table>

#### (iv) Public consultation with local communities
- Community consultation on road safety measures
- Consultations on project impacts on EM culture and way of life.
- Community consultation on human trafficking issues

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local communities in the project area</td>
<td>External Monitor PMO, village leaders</td>
<td>2013-2016</td>
<td>Project funds</td>
<td>• No. of communities covered by consultation • No. of consultations held • No. of local people participated</td>
</tr>
</tbody>
</table>

### III. Secondary Social Development Measures

#### (i) Local economic development and skill diversification programs
- Technical training - animal husbandry, marketing, grassland protection and rehabilitation

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mongolian/poor/women</td>
<td>Local governments</td>
<td>2013-2016</td>
<td>Government funds</td>
<td>• No. of trainees (by M/F) • No. of courses</td>
</tr>
</tbody>
</table>

#### (ii) Support to EM herder/farmer cooperatives

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mongolian/poor/women</td>
<td>Local governments</td>
<td>2013-2016</td>
<td>Government funds</td>
<td>• No. of cooperatives • No. of members (M/F)</td>
</tr>
</tbody>
</table>

#### (iii) Ethnic traditional culture and custom conservation
- Organizing Mongolian traditional games

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Responsible Agencies</th>
<th>Timing</th>
<th>Funding (CNY) and Source</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mongolian Students</td>
<td>Local governments</td>
<td>2013-2016</td>
<td>Government funds</td>
<td>• No. of teaching sessions • No. of teaching materials • No. of attendants</td>
</tr>
<tr>
<td>Enhancement of Social Benefits</td>
<td>Mitigation Measures of Social Risks</td>
<td>Target Groups</td>
<td>Responsible Agencies</td>
<td>Timing</td>
</tr>
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<td>--------------------------------</td>
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</tr>
<tr>
<td></td>
<td>• Courses on Mongolian languages/culture</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8. **IMPLEMENTATION ARRANGEMENTS**

8.1 Institutional Setup

124. EMDP Implementation will be directly managed and coordinated by the Municipal Government. The municipal EM affairs bureau, agricultural bureau (including the disaster management center), poverty alleviation office, women’s federation, cultural bureau, health bureau, tourism promotion bureau and transport bureau and labor bureau will participate in the implementation.

125. Qi governments will coordinate with the government agencies to organize the implementation of the EMDP actions. Similarly, EM affairs bureaus, agricultural bureaux, poverty alleviation offices, women’s federations, cultural bureaux, health bureaux, tourism bureaux and the transport bureau in each Qi will be the implementing agencies.

126. The related Sumu governments will closely work with Qi government agencies and with Gacha to organize the herders to participate in the implementation of the EMDP.

127. The Gacha committees will play the role of liaison between government agencies and Gacha herders organizing the herders to implement the EMDP, collecting the recommendations and suggestions of herders and to report to Sumu/township and/or Qi governments.
The measures in the EMDP are mostly routine activities of the respective line agencies; therefore no capacity building measures for government agencies are deemed necessary, except some periodic awareness activities on ADB policy requirements by consultants or/and ADB officials.

8.2 Consultation and Participation Plan

The participation and consultation during the implementation stage will include:

(i) **Information Sharing.** The information to be made available to the public, related agencies and affected people will include: (a) the basic project information, such as the introduction of the project, the road alignment, the construction commencement and the estimated completion dates, b) the project impact information; and (c) EMDP and RP before and after the approval of ADB.

(ii) **Consultation and Participation (C&P).** Public C&P is the process of engaging affected and/or beneficial people and other stakeholders in open dialogue through which a range of views and concerns can be expressed in order to inform decision-making and help build consensus. A C&P plan is prepared and presented in Table 16.

Institutional arrangement for follow-up participation and consultation:

(i) Leading Agency: PMO of the project;
(ii) The supporting Agencies: Qi/city governments, township/Sumu governments, Gacha/village leaders
(iii) Participants: relevant institutes and government agencies, residents who are involved in the RP and EMDP implementation, environment management, social risks management; and contractors, etc.

### Table 16: Consultation and Participation Plan

<table>
<thead>
<tr>
<th>Stage</th>
<th>Participants</th>
<th>Main activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PMO, consultants, governmental line agencies, local EM communities</td>
<td>EMDP as well as project information disclosure and information sharing</td>
</tr>
<tr>
<td>2</td>
<td>PMO, consultants, governmental offices of various levels, local communities including various beneficiary groups (particularly EM peoples and women)</td>
<td>Collection of the beneficiaries’ comments, suggestions, requirements etc. in terms of the Project is a constant communication process. Different opinions are collected either through PMO, grievance redress system or consultant and then forward to all the related agencies.</td>
</tr>
<tr>
<td>3</td>
<td>PMO, consultants, governmental offices of various levels.</td>
<td>The existing governmental offices through which people can complain, appeal and express their requirements, can be complemented by providing more alternatives (e.g. through consultant, PMO or monitoring agencies. But any complaint or suggestion from local beneficiaries should be recorded in written form and be answered within 10 working days.</td>
</tr>
</tbody>
</table>

22 The main stakeholders of the EMDP include: (i) herders of Gacha, including Mongolians, women and the vulnerable groups; (ii) Sumu governments; (iii) HMG, city/Qi governments and their line agencies; (iv) the PMO and IMDT; (v) the contractors; and (vi) tourism, industrial, commercial and transport service companies.
8.3 Grievance Redress Mechanism

131. Prior to implementation, a transparent and effective channel for complaints and appeals will be established for affected peoples. The Grievance Redress Mechanism should be available so that problems can be identified, recorded, discussed and resolved in a timely and effective manner as they arise and in order to ensure the Project is implemented in compliance with ADB Safeguard requirements, as set out in this EMDP. This mechanism is identical to the existing government channels of complaint letters and visits in local government at all levels and is outlined as follows:

(i) Complaints regarding any aspects relevant to the implementation of EMDP should appeal first to the Gacha,
(ii) Then to the township/Sumu,
(iii) Then to the respective Qi level line agencies, and
(iv) Finally to city/Qi governments for explanations and/or solutions.

132. Most grievances should be resolved at the lower levels, but affected persons have the right to appeal to higher levels if they are not satisfied with the decision. The PMO will be informed and will retain a record of all complaints. The appeal channel stated above will be explained to the affected people through meetings or in other ways so that they are fully aware of their rights to appeal.

133. Any person who has complaints about the project implementation, RP and EMDP implementation, social risks management, environment management, etc. can use this grievance redress system to find solutions.
9. MONITORING AND EVALUATION

134. To ensure the smooth implementation of the EMDP and to enable EM people to benefit from the Project, it is necessary to monitor and evaluate (M&E) the implementation progress of the Action Plan and its results. The implementation of EMDP will involve in both internal and external M&E. The objectives of the monitoring and evaluation are:

(i) to continue the consultation with and participation of Mongolian communities in the PA,

(ii) to investigate and report the implementation progress and variations,

(iii) to provide justifications for adjustments and even for re-planning or remedial actions,

(iv) to evaluate the effects and impacts to ensure the EMDP objectives have been satisfied, and

(v) to learn lessons for future projects.

9.1 Internal Monitoring and Reporting

135. The internal monitoring is to enable the implementation agencies to supervise, understand and report on the EMDP implementation progress timely, and find out the variations during the implementation, and adjust the measures in the EMDP Action Plan, where necessary.

136. The PMO, with the assistance of HMG and Qi line agencies, will also be responsible for internal monitoring of the EMDP. The PMO will report to IMDT and ADB quarterly. An external monitor will assist the PMO to set contents and format for the progress report.

9.2 External Monitoring

137. An independent monitor will be contracted by the PMO to conduct external monitoring and evaluation (M&E). The external M&E will be combined with that for RPs and GAP implementation. The monitor will submit semi-annual M&E reports to IMARDOT and ADB until project completion.

138. This external monitor will prepare a detailed work plan for ADB review and approval once mobilized and prior to fielding. The work plan will include schedule, monitoring indicators, questionnaires/survey forms, sample sizes, etc. Major activities of external monitoring will include: (i) baseline survey and indicators; (ii) semi-annual monitoring and surveys; (iii) consultation meetings, (iv) reporting, and (v) EMDP evaluation and completion report.

139. The budget for external M&E is covered by that of the RPs. Annex 1 presents the TOR for external M&E.
ANNEX 1. TOR FOR EXTERNAL M&E

1. Purpose of M&E

According to ADB’s policy requirements, the EMDP implementation of the Project will be subject to external M&E. The EMDP implementation will be tracked and evaluated by checking the progress, funds and management, and making an assessment of the effectiveness of measures included in the Action Plan, as well as consultation with and participation of EM. Monitoring reports are to be submitted to ADB and IMDT (twice a year until project completion); information and suggestions will also be provided as a reference for decision-making by the implementing agencies. Through external M&E, ADB and the government agencies can fully understand if EMDP implementation is implemented with satisfactory quality standard to meet the objectives of the EMDP; where deficiencies as identified, the external monitor should point out existing issues, and propose suggestions for improvement by the IAs.

2. Scope of Work

The scope of work includes:

(i) Investigate, verify and report on EMDP Action Plan implementation progress.
(ii) Availability and utilization of funds including adequacy of funding and staff resources to implement the Action Plan.
(iii) Assess the standard of living of the adversely affected EM households
(iv) Assess the quality and effectiveness of consultation and participation among all stakeholders
(v) Assessment of complaints and appeals, and effectiveness of handling.

3. Organization of M&E

The PMO shall entrust the external monitor to take charge of the survey, data collection and computational analysis for M&E, and to review the corresponding findings.

The external monitor shall set up an M&E Team, whose task is to monitor and evaluate the implementation process, prepare the M&E outline, select monitoring sites, take charge of field surveys, monitoring and in-house analysis, and prepare M&E reports.

During the field monitoring and survey by the M&E team, PMO shall offer assistance in staffing and transport.

4. Methods of M&E

A combination of field survey, computational analysis and comprehensive expert evaluation shall apply to M&E.

The surveys (baseline, periodic and tracer) shall be conducted comprehensively. The progress, funds, organization and management of implementation shall be surveyed in all aspects.

The survey shall be based on systematic and stratified sampling of townships/Sumu, Gacha and households. Sampling size: 1 township/Sumu in each Qi, 1 village/Gacha and 20 HHs in each sumu. The survey will target the project affected households and the survey sample will include 50% of affected households from each project road area.

The complete survey shall be conducted in the methods of structured survey (questionnaire survey), discussion and literature search, etc.

Tracer surveys, using the baseline survey questionnaire, will be applied to assess the change in
living standard, livelihoods and income.

Written materials, photos, audio and video records, real objects shall also be collected to demonstrate results.

5. Monitoring Indicators

The baseline survey, as well as the follow up monitoring and post-project evaluation, will cover and not be limited to the following socioeconomic indicators of targeted households:

(i) Level of education of adults by gender  
(ii) House type (quality)  
(iii) Housing area  
(iv) Occupations of household members and incomes by source  
(i) Expenditure by type  
(ii) Major assets ownership  
(iii) Frequency of visits to county seats, Halaer and/or Manzhouli  
(iv) Grassland area/animals kept by type  
(v) Cropping area and structure  
(vi) Project impacts including employment in project construction  
(vii) Effectiveness of mitigation measures  
(viii) Perceptions on the Project and EMDP

6. Reporting

The external monitor shall submit an EMDP monitoring report to the IMDT and ADB semiannually until project completion. The last report should evaluate the outcomes of the EMDP and Project related impacts on EM.

7. Monitoring Budget

A total of CNY500,000 is budgeted for external M&E that will be covered under the budget for RPs implementation.

8. M&E Plan

Upon mobilization and prior to field investigations, the appointed external monitor should prepare a detailed M&E plan for both RP and EMDP M&E for PMO and ADB review and approval.

9. Qualification

The external monitor should be independent from PMO and the relevant government agencies responsible for implementing the actions. The monitor is expected to be able to demonstrate the following skills/experiences: having sufficient experience with the Project monitoring and evaluation on ADB project, especially the ability of data collection from the wide range of stakeholders.