

Annex 2 Social Assessment of Ethnic Minorities Affected Resettlement

A. Introduction

1. This Annex presents the social assessment of ethnic minorities affected by resettlement in the project area. A separate Ethnic Minority Development Plan (EMDP) is not required since the potential negative side effects tend to relate to the poor in general, or to the affected persons. The Project has included adequate provisions to enhance the economic conditions of vulnerable groups, including ethnic minorities. Special mitigation measures will be provided to ensure that vulnerable groups adversely affected by resettlement will also benefit from the project. These, in addition to the policies and programs developed by the local governments for minority groups, does not warrant an EMDP.

B. Background

2. Hunan is located in the middle reaches of Yangtze River and borders Jiangxi to the east, Chongqing and Guizhou to the west, Guangdong and Guangxi to the south and southwest, and Hubei (meaning the north of the Dongting Lake) to the north. Geographically, Hunan can be divided into 2 broad blocks: the western mountainous area (western Hunan) and the eastern hilly and plain area (eastern Hunan). With a land area of 211,829 km² and a population of 66 millions by 2001, it is one of the most populated provinces in PRC. About 78% and 22% are rural and urban respectively. It has a high population density of 311 persons per kilometer that is 234% of the national average.

3. Hunan is an important minority province in eastern and central PRC. There are as many as 55 ethnic minority groups in Hunan making up a population of 7.3 million or 11% of Hunan's total population (Table 1). There are 8 minorities that has a population over 10,000, they are Tujia, Miao, Dong, Yao, Bai, Hui (Muslims), Zhuang and Mongolia. These eight groups make up over 99.4% of the total minority population of Hunan.

Table 1: Minority Peoples in Hunan Province (2000)

	Ethnic group	Population	% of minority groups	% of total population
Main group	Han	58,637,106		89
Minority groups	Tujia	2,639,534	41.2	
	Miao	1,921,495	30.0	
	Dong	842,123	13.1	
	Yao	704,564	11.0	
	Bai	125,597	2.0	

	Hui	973,68	1.5	
	Zhuang	23,559	0.4	
	Mongolian	15,869	0.2	
	Others	40,585	0.6	
	Sub-total	6,410,694	100	11
Total		65,958,500		

Source: Fifth Consensus data, Hunan Statistical Year Book 2002.

4. The minority groups are mainly distributed in the western Hunan (i.e., the Xiangxi Prefecture, Huaihua and Zhangjiajie municipalities), and the minorities in the western Hunan account for 75% of Hunan's total minority population. Minority populations account for 75%, 39% and 8% in the three project prefectures of Xiangxi, Huanghua and Changde respectively.

5. Over the last two decades, Hunan has experienced rapid economic growth. The annual GDP growth rate has reached 10.11% during the period of 1990-2000, which is more or less identical to the national average of 10.34%. However, the relatively higher growth rate had masked the unbalanced development situations among the various areas within Hunan. Table 2 makes a comparison between the two broad blocks of Hunan. It is very obvious that the development gaps between the two blocks are quite big. The rural per capita income of the western mountain area, for instance, is just 70% of the eastern area. Similarly, the per capita GDP from the western area is only 50% of the eastern area.

Table 2: Socioeconomic Characteristics of Hunan (data of 2000)

Indicators	Western Hunan	Eastern Hunan	Hunan
Land area (square km)	52649	159151	211800
<i>Land area (% of Hunan)</i>	<i>25</i>	<i>75</i>	<i>100</i>
Population ('000)	9,053	56,905	65,959
<i>Population (% of Hunan)</i>	<i>14</i>	<i>86</i>	<i>100</i>
Population density (person/sq. km)	172	358	311
Minority population ('000)	4,926	2,395	7,321
<i>Minority population (% of the area)</i>	<i>54.4</i>	<i>4.2</i>	<i>11.1</i>
<i>Minority population (% of Hunan)</i>	<i>67.3</i>	<i>32.7</i>	<i>100</i>
Rural population ('000)	7,462	43,629	51,091
<i>Rural population (% to the area)</i>	<i>82.4</i>	<i>76.7</i>	<i>77.5</i>
Rural income (Yuan/capita/yr.)	1688	2,398	2300
<i>Rural income (% of Hunan)</i>	<i>73</i>	<i>104</i>	<i>100</i>
Arable land (ha)	602,340	3,310,210	3,912,550
<i>Arable land (% of Hunan)</i>	<i>15</i>	<i>85</i>	<i>100</i>

Indicators	Western Hunan	Eastern Hunan	Hunan
Paddy land (ha)	443,340	2,516,560	2,959,900
<i>Paddy land (% of arable land)</i>	<i>73.6</i>	<i>76.0</i>	<i>75.7</i>
<i>Paddy land (% of Hunan)</i>	<i>15</i>	<i>85</i>	<i>100</i>
Per capita arable land (mu)	1.21	1.14	1.15
<i>% of Hunan</i>	<i>105</i>	<i>99</i>	<i>100</i>
Per capita GDP (Yuan/yr)	3905	7,835	6054
<i>Per capita GDP (% of Hunan)</i>	<i>65</i>	<i>129</i>	<i>100</i>
Number of counties	24	98	122
<i>Counties (% of Hunan)</i>	<i>20</i>	<i>80</i>	<i>100</i>
Number of national level poor counties	10	10	20
<i>National poor (% Hunan)</i>	<i>50</i>	<i>50</i>	<i>100</i>
No. of provincial level poor counties	8	10	18
<i>Provincial poor (% of Hunan)</i>	<i>44</i>	<i>56</i>	<i>100</i>
Poverty population('000)	2,600	1,700	4,300
Poverty incidence %	29%	3%	6.5%

Source: Calculations based on Hunan and local Statistical Yearbooks (2002)

C. Ethnic Minorities in PA

1. Population and Location

1. This section basically presents the minorities and Han within the western section since 99% of PA's minority population is within this section. This section is of mountainous terrain. Total minority population in PA amounts to 1,299,912 which is equivalent to 41% of the total population (much higher than the provincial proportion of 11%). As indicated in Table 3, the minorities are mostly concentrated in the western section of PA, and 99% of PA's minority population is within the western section. In the western section itself, minorities account for 51% of the section's total population. The minority populations reached 80% in Guzhang, 73% in Jishou, 71% in Fenghuang, 56% in Yuanling and 55% in Luxi respectively. The minority population in the eastern section is only 2.2%.

Table 3: Minority Population of the PA (2001)

	County	Total popu.	Minority popu.	Minority (% to total popu.)
Eastern Section	Dingcheng	76,900	6,000	8
	Taoyuan	496,079	6,628	1
	Sub-total	572,979	12,628	2.2
	% of the project area	21	1	
Western Section	Yuanling	640,400	360,545	56
	Luxi	279,942	155,334	55
	Jishou	278,542	203,550	73
	Chengxi	512,000	48,640	10
	Feng-huang	369,166	263,213	71
	Guzhang	136,935	109,052	80
	Sub-total	2,216,985	1,140,334	51
	% of the project area	79	99	
Project Area		2,789,964	1,152,962	41
Hunan		65,958,500	7,321,394	11

Source: Hunan and county statistics (2002)

Table 4: Main Ethnic Minorities in the Western Section of PA

County	Total		Miao		Tujia		Yao		Bai	
	Popu.	% of total minorities	Popu.	%	Popu.	%	Popu.	%	Popu.	%
Total	1,092,805	95.8	686,338	60.2	356,557	31.3	33,831	2.9	17,079	1.5
Yuanling	155,091	93.3	217,613	60.4	102,636	28.5	52	0.0	16,107	4.5
Luxi	336,408	99.8	106,157	68.3	48,839	31.4	35	0.0	60	0.0
Jishou	201,727	99.1	109,185	53.6	91,407	44.9	314	0.2	821	0.4
Chenxi	39,438	81.1	5,824	12	1,144	2.4	32,405	66.6	65	0.1
Fenghuang	251,107	95.4	186,882	71	64,184	24.4	15	0.0	26	0.0
Guzhang	109,034	100	60,677	55.6	48,347	44.3	10	0.0	0	0

Source: Hunan and county statistics (2002)

3. Table 4 presents details of the main minority groups' distribution within the project counties. There are 7 main ethnic minority groups in the PA, including Tujia, Miao, Yao, Bai, Dong, Hui and Uygur. The dominant minority groups in the PA are Miao, Tujia, Yao and Bai. These four groups make up 95.8% of the total minority populations in the western section. Miao and Tujia are widely distributed in Yuanling, Luxi, Jishou, Fenghuang and Guzhang;

Yao is mainly distributed in Chengxi; while the Bai is mainly concentrated in a number of communities of Yuanling County.

2. Main Ethnic Groups

a) Miao

4. It is the largest minority group and it makes up 60.2% of the total minority population of the PA. Miao people are widely distributed in the western section of PA and some of them are mixed with the Tujia. Miao people have their own oral language, but most of them, especially those who live in the valley/hilly locations and those who are mixed with Tujia people, speak fluent Mandarin. The old people in the remote mountain villages can only speak Miao while the young generation can speak both Mandarin and Miao language. Most local people who can speak Mandarin do so with strong dialects. It is not easy for more cosmopolitan city dwellers to understand them. Sometimes they have to repeat themselves and use body language in order to be understood.

5. Miao is very good in dancing and singing, their finery are very unique with a lot of silver decorations. Their unique life style attracts more and more attention of outsiders. Based on the natural scenic resource and cultural resource, three of the surveyed Miao villages had developed own and peculiar tourism programs. Tourists are welcome to join their evening dancing and singing parties. Miao people are very good at embroidery. Almost every woman can do it in the sole Miao villages. Some women started to make profit from producing and selling embroidery.

b) Tujia

6. Tujia is the second largest minority group in the project area, making up 31.3% of the total minority population of the PA. This group is also widely located in the western section of PA. This group was highly assimilated to Han (Hanized) in many aspects except that this group has a few specific traditions.

c) Yao

7. This group lives mainly in the Luozi Mountain of Chengxi County, around 70km from the county center and 80km from the proposed expressway. Local legend says that Luozi Mountain was the cradle Yao People. The Yao does not have own written language. Most people speak Mandarin in their daily life, but they do use own language when singing and doing specific ceremonies. The proposed expressway has no direct affection on this group.

d) Hui and Uygur

8. These two groups are very small and are not within the western section, but they are presented here because expressway will traverse a few of their communities. Both groups are of Muslim belief. They are mainly in the Xujiqiao Hi and Uygur Autonomous Township of Dingcheng District in the far east of the project. It is said the Uygur came from Xinjiang some 500 years ago, and most of them would not speak Uygur language anymore.

9. Both groups are good at (small) business and in well-off conditions. Because the Xujiqiao Township is very close to urban Changde, road, irrigation, clinic and other physical and social infrastructures are quite good. Villagers are satisfactory with their current well-off life.

3. Ethnic Minorities Affected by Resettlement

10. The proposed expressway goes through three counties/district of Dicheng District and Taoyuan Conuty in Changde City, and Yuanling County in Huaihua City. The majority of APs in Changde city is of Han people, with one village, Paomagan village consisting of 60% ethnic minorities of Hui and Uygur group, located in Xujiqiao Minority Autonomous Township, Dingcheng District. Most of the minority groups affected is mainly distributed in Yuanling County consisting of Miao and Yujia groups. And in Taoyuan County, there are a few minorities scattered.

11. Of the 29 villages surveyed in Yuanling County, 16 villages have more than 40% of minorities. Four of the minority village are mainly made up of Miao groups, and other 12 village of Tujai group. The distribution of sampled APs is shown in Table 5. Of 657 HHs surveyed, 276 HHs are ethnic minorities with 4 HHs in Dingcheng, 7 HHs in Taoyuan, and 265 HHs in Yuanling.

Table 5 The Distribution of Sampled APs

Nationality	Dingcheng		Taoyuan		Yuanling	
	HH	APs	HH	APs	HH	APs
Han	29	126	178	747	216	719
Hui	8	34				
Miao			1	2	200	1156
Tujia					24	105
Uygur	1	5				
Total	38	165	179	749	440	1980

Source: Resettlement Survey, Hunan University, 2003.

12. To improve the minority's social and economic status, a series of policies especially benefiting the minority people in has been carried out in Hunan Province. Though the ethnic minority in the project area is characterized by the language, culture, custom, religion, etc, the social economic status has no significant difference from the Han people. The income distribution in Table 6 indicates that the minority people have no difference from or even higher than the Han people in the project area.

Table 6 The Income Distribution of Sampled APs

Nationality	Dingcheng		Taoyuan		Yuanling	
	APs	Net income per capita	APs	Net income per capita	APs	Net income per capita
Han	126	2911	728	4535	719	2795
Hui	34	3776				
Miao			2	2045	1156	3518
Tujia					105	2779
Uygur	5	3762				

Source: Resettlement Survey, Hunan University, 2003.

4. Socio-Economic Characteristics of Minority Communities

a) General

13. The PPTA field survey had covered different minority groups¹. Totally 38 minority villages were surveyed in the western section and basic social and economic data of these minority villages is shown in Table 7 and Table 8.

¹ Data for individual minority groups within the PA are not available.

Table 7: Basic Information of Surveyed Minority Villages

		NO. of surveyed villages	No. of poor villages*	Per capita arable land (Mu)	Characteristics of the surveyed Village
Minority villages	Western Section	38	23	1.06	<ul style="list-style-type: none"> • Out of the 38 minority villages survey in western section, 15 are Tujia, 12 are Miao, 8 are Mix-Miao and Tujia-8, 3 are Yao • All located to Mountain area
	5km corridors of the E-Way	23	16	1.18	<ul style="list-style-type: none"> • Convenient access to the main road or the main cities or towns • Plain/valley areas • Better access to market place • Grow more fruit trees

*Net annual income less than 900 Yuan

Source: field survey.

Table 8: Income and GDP of Surveyed Villages in the Western Section (2002)

Type of villages	Locations	Per capita net income □Yuan/year□	Per capita GDP (Yuan/year)
Minority Villages	Whole western section	1048	1537
	Expressway corridor	1056	1769
Han villages	Western Section	735*	1677
Rural Hunan*		2363	6565

*: Low due to sampling reasons (mostly resettled households)

Source: field survey.

14. Although the disparities between the different locations are not so obvious, it is still believed that the overall situations in the expressway corridor are better because it is of valley terrain with relatively better infrastructures, and these were proven by field observations and group interviews.

b) Road Access and Other Infrastructures

15. All villages in the PA have electricity connection, clinic service and certain kind of road access². However, these are not the case for natural villages or sub-villages. As presented in Table 9, road access among the surveyed minority villages is as low as 57%, compared to the Han communities. Similarly, clinic services are only available for 60% of the minority villages in the western section. Women are especially concerned about the quality of the clinic and the school, and indicated that the quality of the facilities will

² 95% of villages have telephone access.

improve with the proposed road. In the case of health clinics, improved access does not necessarily translate to increased utilization rates.

Table 9: Road Access, Electricity Supply and Clinics of Natural Villages

	Overall	Minorities in the western section	Han communities in the western section
% of natural villages with road access	70	57	65
% of natural villages with electricity connection	100	100	100
% of natural villages with clinics	70	60	80

Source: Field survey

16. The average distances of the surveyed communities to primary school, middle school and nearest market are 0.8km, 3.1km and 5.1km, respectively). Good rainfall and forestry cover enables all communities to get their water supply within 0.25km. Unfortunately, road conditions are poor, sections of paved roads are below 30% in general and some 40% of the road sections are often under bad conditions (Table 10).

Table 10: Distance to Important Locations and Road Conditions

To	Average distance (km)	Proportion of Different Road Surfaces (%)			Proportion of Road Condition (%)		
		Earth	Sand and Stone	Paved	Good	Average	Poor
Main road	7.68	15.4	56.4	23.1	10.2	46.2	43.6
Nearest Market	5.08	25.6	46.2	28.2	17.9	41.1	41.0
Township center	2.27	28.2	43.6	28.2	17.9	48.7	33.3
County Center	28.9	7.7	48.7	43.6	23.1	43.6	33.3

Source: Field survey

c) Education and Labor Skills

17. Data on education and artisan skills of the minorities are in Table 11 and Table 12. It is obvious that there exist significant differences between the minorities and rural Hunan as a whole. Within the PA, due to various efforts in promoting education, as well as overall social economic growth, school enrollment is at a high level, and there is little difference between boys and girls. However, as in the case of adults, there are significant differences

between women and men (Table 11). Hardly any women have artisan skills that are important for generating incomes.

Table 11: Education Situation of the Surveyed Minority Villages (%)

	Rural Hunan	Minority Villages.	
		M	F
Enrollment Rate at Primary School	97.9	96.5	96.5
Enrollment Rate at Junior Middle School	94.8	90	90.5
Enrollment Rate at High School	51.5	35	34.8
Enrollment Rate at College and Vocational School	10.3	2.5	3
Dropout Rate at Primary School	0.54	1.5	1.5
Dropout Rate at Junior Middle School	10.1	18.5	17.5

Source: Village and HHs Surveys, Hunan Statistical Yearbooks

Table 12: Education Level and Skill of Labor Force of Surveyed Minority Villages (%)

		F		M		Total of minority vills.	PRC
		Hunan	Minority vills.	Hunan	Minority vills.		
Education Level	Illiterate	7.9	12.9	5.1	6.8	9.9	7.4
	Primary School dropouts	7.8	10.7	6.8	9.6	43.1	31.1
	Primary School Graduates	28.2	32.8	28.0	33.2		
	Middle School Dropouts	9.1	8.5	10.2	9.7	35.4	49.3
	Middle School Graduates	34.2	25.8	35.1	26.9		
	High School	10.9	9.3	13.8	13.8	11.4	11.7
Specific Skills	Carpenters	□	0.3	□	7.6	3.9	□
	Plasterers	□	0	□	18.7	8.2	□
	Tailor	□	4.4	□	0.4	2.1	□
	Retailer	□	3.6	□	2.4	3.1	□
	Transportation	□	3.2	□	7.7	5.7	□

Source: Village and HHs Surveys, Hunan Statistical Yearbooks

d) Vehicular Ownership

18. In terms of vehicular and other transport means ownership, there are significant differences between the minority people and the PA as whole (Table 13). In terms of motorcycles owned per 1000 people, for instance, the figure for minorities is only 4.7, while it is 12.1 for the PA as a whole. This leaves a big room for minority people, as well as

for all population of the whole PA, to increase their vehicular ownership so as to better use local roads.

Table 13: Vehicle Ownership (Number Owned per 1000 Persons)

	Surveyed Minority Villages.	All Surveyed Villages
Trucks	0.6	0.7
Tractors	2.9	3.6
Tricycles*	0.3	1.1
Motor cycles	4.7	12.1
Bicycle	22.0	79.0

Source: Village and HHs Surveys.

*Tricycles often require licensing and are not allowed into the township centers.

D. Poverty, Needs and Perceptions

1. Poverty

19. 715 villages were identified as key poverty villages in the PA, of which 411 or 57.5% are minority villages. Minority population makes up 69% of the total population of the key poverty village. Poverty in the project area has already been discussed in the main text of the resettlement plan (section 3.5.1.1.). According to Table 16 in the RP, the total number of poor minority households is estimated at 7.6%. About 6.9% of the Han, and 9.8% of the Miao are classified as poor. No other ethnic households in the survey were identified as poor.

20. Minority populations share similar characteristics with those from the rural population groups (Table 14). Income distribution of the households surveyed indicates that minority people have similar or higher incomes than the Han in the project area (Table 14). The poor households had the following characteristics: the absolute number of Han households is a little larger than Miao.

Table 14: Characteristics of Rural Population Groups

Features	Absolute Poor (<625 Yuan)	Poor (626-900 Y)	Non-poor (>900Y)
% of rural population for the project as a whole	19	37	44

Features	Absolute Poor (<625 Yuan)	Poor (626-900 Y)	Non-poor (>900Y)
<i>% of rural population for the western section</i>	24	46	30
Location	Remote Mountains with poor access	Mountains with low access	Irrigated valleys, plain
Guaranteed irrigation (% of arable land)	50-70	60-80	>80
Ethnicity	Miao, Tujia, Yao and Han	Tujia, Miao, Yao and Han	Hui, Han and Uygur
Animals	Pigs	Pigs, some goats	Pigs, goats, cattle and fish
Cash income sources	Animals, migration, Fruits	Migrations, animals, Fruits	Fruits and cash crops, migration, animals, small-scale businesses
Non-agricultural activity	Negligible	Little	Some
Transport mode	Bike, on foot	Bikes, tractors	Motor cycles, agricultural vehicles
Education	Primary; high drop-out rate in secondary school	Primary; some drop-outs in secondary school	High attendance at both primary and secondary schools
Adult illiteracy	Low, significant among some minority women	Low	Very low
Housing	Poor	Poor	Good
Heath	Many health problems	High incidence	Fair health

Source: field survey and observations.

2. Needs

22. To change the impoverished and underdeveloped situation, many kinds of factors currently restricting the minority villages' development must be solved. Those factors include both infrastructures and conceptions, such as traffic establishments, education facilities and concepts, technical services, input supply, market establishment. The development priorities, obtained from the surveyed 39 minority villages and 257 households, are presented in Table 15. It is obvious that the improvement of road access to outside world is their top priority.

4 Development Planning of autonomous counties are pro-minority and pro-poor.

Table 15: Major Development Priorities (ranking)

	Villagers	
	F	M
Improving Education	5	2
Improving Irrigation Facilities	3	
Improving the Road Access to Township Center	4	5
Improving the Road Access from G319 to Township Center	1	1
Better Health Care		
More Technical Advices on Farming		4
More Opportunities for Non-agricultural Employment Locally	2	3

Source: Village and HHs Surveys.

3. Perceptions of the Project

23. Table 16 presents the perceptions of minority people on the expressway construction and on local road improvement. Participatory consultations, discussions and interviews were held with the minority population in the project area. Consultations also included Ethnic Minority Affairs staff, individual villagers, poor households, entrepreneurs, traders and sellers at provincial, municipality, county, township and village levels. Not surprisingly, they have strong expectations from the project and they believe that the project could bring them with un-replaceable benefits.

Table 16: Perceptions on the Effects of Expressway and Local Roads

	Expressway	Local Roads
Positive Effect	<ul style="list-style-type: none"> Speeding up the mobility of People, Materials and Vehicles. Broadening the Market of Farming Products. Promoting the Exchange of Cultures, Changing People's Old Notions Promoting the Development of Tourism Speeding up the Dissemination of Information, Attracting Merchants and Capital Improving Health Care Services 	<ul style="list-style-type: none"> Solving the Problem of Poor Access, Higher Farm-gate Prices of Fruits Enhancing the Relationship with Nearby Areas Speeding up the Mobility of People, Materials and Vehicles Making Convenience in Doing Business and Setting up Factories and Enterprises Promoting Local Development

	Expressway	Local Roads
Negative Effect	<ul style="list-style-type: none"> ● Occupying Farmland and Orchards ● Destroying Vegetations ● Causing Inconvenience to Local People and Animals Who Used to Cross the Expressway Alignment ● Less Roadside Business due to Less Vehicles Passing through G319. 	<ul style="list-style-type: none"> ● Destroying Vegetation ● Ethical Language may be Lost as the Communication with Other Peoples being Intensified (put Forward by one Villager of Miao)

Source: group interviews.

25. During the field assessments, a number of participatory assessment sessions, consultations, discussions and interviews were held with the minority population in the PA. These included staff of the Ethnic Minority Affairs, individual villagers, poorest of the poor, entrepreneurs, traders and sellers at provincial, municipality, county, township and village levels. These assessments, surveys and discussions provided much of the quantitative and qualitative materials that were used to prepare this and other sections of the report. It has also been used as the basis for identifying the potential project impacts and assessing their significance.

C. Government Responses and Project Impacts

1. Government Policies, Plans, and Programs

27. After 1949 the PRC Government adopted a policy of ethnic equality, in which all groups are legally and constitutionally equal. This policy was a type of positive discrimination in favor of the minority nationalities (*minzu*), to help them "catch up" with the mainstream population. To implement this policy, the Government first clarified, enumerated and mapped the identity of ethnic groups. PRC post-1949 policy defines nationalities (*minzu*) in very precise terms, based on, *inter alia*, shared language, territory, economic base, and traditions/culture. Under this definition, the Han constitute the dominant nationality in the PRC. Some minority nationalities (e.g. Hui and Man) have become assimilated into the Han language and cultural traditions, but are still recognized as minority nationalities. Since 1949 there has been a tendency for smaller ethnic groups to fuse and merge in the definition of officially recognized minority nationalities.

28. The 1954 Constitution specified mechanisms for exercising autonomy in minority areas, but the 1974 Constitution reduced the financial autonomy, and other powers, of these areas. Some of these powers were restored in the 1978 Constitution and further extended by the State Council (1980) and the National Law of 1984. Since the early 1980s

governments of autonomous areas have been able to decide on economic policy, including what to produce, some latitude in allocating government subsidies, and within set guidelines, education and budgeting. In 1982 the formulation of the one child per family directive by the State Council advocated more flexible approaches to planned parenthood amongst the minority nationalities.

29. Most of the minority villages are identified as key working villages under the national and provincial 2001-2010 poverty reduction program. These villages had developed own development plans in a participatory manner by 2002. Policy priority is to be given to these minority villages for immediate implementation. Under this program, each village will have access to a fund amounts to RMB 0.6-1.0 million Yuan in 3 to 5 years, of which 60% will be credit.

30. For the 8 provinces where minorities are concentrated (Guizhou, Yunnan and Qinghai provinces and the five minority autonomous regions of Inner Mongolia, Xinjiang, Guangxi, Ningxia and Tibet) government subsidies in the past have been substantial. Minority areas have special access to relief funds, loans, subsidies and tax relief, including a lower tax on grain, to assist in economic development.

31. Listed below are policies that especially benefit minority people in Hunan province. The programs are applicable to all project area villages where minorities are present. The Ethnic Minority staffs in counties are responsible for the implementation of minority programs in relevant villages:

- Minorities are given a standardized additional score in the university entry examination which place them on a higher position even if the final score was low;
- A rural minority couple is allowed to produce 3 children, while the Han are allowed only 1-2;
- Finances from special minority development fund are given for projects (i.e. schools, roads, water supply, religious places) exclusively for minority groups and villages;
- The minority capacity building programs which are already in place in the five autonomous minority counties of Yuanling, Jishou, Chenxi, Fenghuang and Guzhang⁴.

32. There are a number of existing donor-funded programs already developed for implementation in the project area:

- Japan Bank for International Cooperation (JBIC): Wuling Mountain Area⁵ Poverty Reduction Project⁶ (\$63 million) is currently under implementation in the project's minority counties of Guzhang, Jishou, Fenghuang and Chenxi from the Xiangxi Prefecture. Stated in 2003, this project focuses purely on social infrastructures including education, market and water supply for minority communities and households. Four counties, the Luxi, Guzhang, Fenghuang and Jishou, from the Xiangxi Prefecture under the ADB Hunan road development project are included in this JBIC poverty reduction project.
- World Food Programme-International Fund for Agricultural Development (WFP-IFAD): Wuling Mountains Minorities Integrated Agricultural and Social Development Project was implemented in the western section of PA from 1999 to 2002 (\$14.2 million). This project targets almost exclusively minority communities and households. The project had a microcredit component, and project objectives included: achieve long-term food security, increase the income of rural poor families, increase families' capacity to cope with adverse conditions, and improve the living conditions of families in a sustainable way through integrated agricultural and social development. The project covered the project's minority counties in Xiangxi Prefecture, and part of Zhangjiajie Municipality. The four counties of the ADB Hunan road development project are also included in this WFP-IFAD project.

2. Project Benefits

33. The Asian Development Bank (ADB) policy on indigenous peoples (1999) aims to protect ethnic minorities from the adverse impacts of development, and to ensure that ethnic minorities benefit from development projects and programs. The Project will create favorable conditions for improved access to roads and transport services. This will enable ethnic minority families to share in the benefits of economic development.

34. The Project has included adequate provisions to enhance the economic conditions of the ethnic minorities. Surveys revealed that they strongly support road construction since they view this as one key measure to improve economic opportunities. It is estimated that ethnic minority groups will benefit equitably from the Project, since they are widely dispersed throughout the project area. For the expressway, 38% of the beneficiaries will be ethnic minorities; for the local roads, 54% will be ethnic minorities. The project has strong positive impacts on a large number of minority people through local road improvement and its resultant tourism development, increase of farm-gate prices of

⁵ Wuling Mountain Area refers to Western Hunan and Eastern Guizhou.

⁶ Details are given in the Supplementary Appendix XX, Social and Poverty Assessment Report.

agricultural goods, increased access to markets and employment information, increased migration and improvement of social services.

35. The local road component of this project is a perfect response to minority people's development needs. It is believed that the local roads, after improvement, will greatly enhance local communities capacities in many aspects provided there are complementary measures from various other sectors. Five out of the nine local roads under this project are awarded in the fifth minority county where there is neither JBIC nor WFP-IFAD project—the Yuanling from the Huaihua Municipality.

36. Apart from land acquisition, the two components of the project have no adverse impacts on minorities as a separate group. Rather, potential negative side effects tend to relate to the poor in general. Despite the distinctive features in language, culture and customs, there is little difference in social and economical status between Hans and minority people in the affected villages. There is no evidence of any discrimination against minorities in the direct project area on the basis of their cultural identity. The RP contains special mitigation measures for vulnerable groups, including ethnic minorities, to ensure that the affected people also benefit from the project.

37. A social action plan for the Project contains complementary measures that will further enhance the positive impacts of the project on the minority population. Minority groups will equally benefit from the support that is given to local communities for construction camps, protection of communities from construction disturbances, and social safety measures (e.g., traffic and roadside safety). However, the following actions will have a particular impact on the minority population:

- **Poverty reduction interventions.** Actions to enhance poverty reduction interventions for minority households will be taken. Actions will specifically focus on increasing agricultural production surplus through improved access to existing credit institutions, production means, technical training, and information on markets and migration.
- **Employment and skills development.** Priority will be given to minority households in construction-related employment, and skills development training for those adversely affected by resettlement. They will also be given priority for afforestation tasks, of which 50% are targeted at women.
- **Local roads and development.** Through continued stakeholder meetings, local townships and governments will work on integrating local roads with local development. For instance, micro-connector roads for future market development could be identified through a continued participatory process. Minority groups will be encouraged to attend and partake in consultation

meetings in identifying the connector roads that would particularly benefit them and the minority community.

- **Cultural relics.** Generating awareness amongst construction workers, local residents, and potential tourist on the protection of cultural relics is important. Inputs and suggestions by minority groups will enhance protection efforts such as posters.
- **Tourism development.** The opening of local roads will enhance the tourism potential within the project area. Minority groups in particular will benefit from the increased tourism through the sale of their locally produced items, and opportunities for establishing small businesses.
- **HIV/AIDS and STIs.** Amongst the very poor (mainly minorities), awareness and prevention programs will aim to educate and protect minority populations from the spread of HIV/AIDS and STIs. About 80% of the very poor in the western section of the project area have no knowledge of HIV/AIDS protect and do not want to learn about it.