

SUMMARY OF THE MINORITY PEOPLE'S DEVELOPMENT PLAN

A. Policy and Planning Framework for Minority Nationalities in the PRC

1. The People's Republic of China (PRC) has 56 nationalities. The largest is Han, comprising 91 percent of the population. The other 55 nationalities are minority nationalities, and numbered about 136 million people (9 percent of the total population) in 1997. The Government has adopted a policy of minority equality, in which all nationalities are legally and constitutionally equal. Since many of the minorities lagged behind the majority in terms of socio-economic development, the Government introduced positive discrimination for minority nationalities. To implement this policy, the Government enumerated, mapped and officially recognized the identity of minority groups, and allowed them to select representatives to government bodies at all levels. Autonomous minority regions, prefectures and counties were established where minorities comprised a significant percentage of the population.

2. The 1954 Constitution set out mechanisms for exercising autonomy, including financial autonomy, in minority areas. The 1984 Nationalities Law strengthened autonomy in budgeting, the economy and education, giving governments of autonomous areas power to decide on economic policy, including production and power to allocate government subsidies, within set guidelines. Minority areas have special access to relief funds, loans, subsidies and tax relief, including lower tax on grain.

3. Between 1991 and 1995 the economies of minority regions grew by 11 percent annually but incomes in minority areas remain below the national average. The more rapid development of the eastern seaboard in the PRC has meant that many minority areas in the north and southwest have fallen further behind, while the few minorities in eastern PRC have advanced quickly on most economic and social indicators. Elsewhere, minority autonomous areas have had slower growth rates than the national PRC averages in agricultural and industrial output value. While the coverage of rail and roads in minority areas has increased significantly, there are still many gaps in the transport system, especially in areas where weather, or landslides, make roads impassable. Minority peoples have generally remained in the agricultural sector and have been slower to move into industrial work. Women in minority areas are generally economically active.

B. Minority Nationalities in Yunnan Province and the Project Area

4. Yunnan Province has a high percentage of minorities, at 36 percent of the total population of 40.5 million (1997). Half of this population lives in minority autonomous areas, in eight minority prefectures and 79 minority counties. Many minority groups retain distinctive patterns of resource use and forms of social and economic organization. Fifty one (70 percent) of the 73 poverty counties in Yunnan are also minority autonomous counties. The three counties traversed by the Project expressway have large minority populations.

5. Yuanjiang, in Yuxi Prefecture, is a Hani-Yi-Dai Minority Autonomous County with 79 percent of the total population of 187,000 from 17 minority nationalities. The largest minority groups are Hani (40 percent), Yi (22 percent), and Dai (12 percent). County level officials estimate that almost all of the 45,000 people with incomes below the poverty line are minority peoples. Mojiang country, in Simao Prefecture, is a nationally designated poverty county, and a Hani Minority Autonomous County with minorities comprising 73 percent of the population of 353,000. Numerically, the Hani predominate, at 60 percent of the population. Other minorities include Yi, Hui, Dai, Bai, Bulang, Lahu, Yao, and Pumi. Some 40 percent of people have

incomes below the Prefecture poverty line. Pu'er county, in Simao Prefecture, is a Hani-Yi Minority Autonomous County. The 19 minority groups comprise half of the population. Hani comprise 23 percent of the total population of 185,000, Yi 18 percent, Dai 3 percent and Bai 2 percent.

C. Minority Peoples Development Plan

6. The Bank's *Policy on Indigenous Peoples* does not state that all ethnic minorities are to be treated as indigenous peoples, but it does relate the concept of indigenous peoples to ethnic minorities, among others. A Minority Peoples Development Plan (MPDP) is necessary for this Project, because (i) two thirds of the population of the Project area is minority; and (ii), while there is significant diversity amongst minority groups, many minority peoples have traditional patterns of resource use, and of social and economic organization, which are distinct from the mainstream. The MPDP clarifies and complements the Resettlement Plan and other measures to maximize positive social benefits and mitigate adverse social impacts, by focussing particularly on the preferences and priorities of minority peoples. It provides the framework for participation of minority peoples in Project planning and implementation. The MPDP has been drawn upon consultations with minority peoples and their representatives in the Project area.

7. The main findings of the MPDP are the following: i) the Project will improve the living conditions of the minority peoples living in the Project area through the improvement of road bottlenecks, the decrease in transportation costs, the easier access to trading centers, and the attraction of entrepreneurial activities; ii) it will create job opportunities in construction and construction related works; and iii) negatively impacts on minority peoples, in particular those related to land acquisition and resettlement, should be adequately mitigated.

8. The MPDP recommends that the following measures should be taken into consideration during Project preparation and implementation: i) where ritual sites are affected by land acquisition¹, the costs of the ritual ceremonies for reinstatement of these sites in a new area should be included in the compensation payments; ii) consultations with the villagers of the Project area should be continued during Project implementation and the villagers' participation should be sought in the resolution of possible conflicts; iii) a special support program should be considered for marginal minority peoples or minority peoples living in very remote areas (e.g., the Kucong people in Sangongqing village) to extend the Project benefits to these communities; iv) information on resettlement and compensation payments should be provided to all affected minority peoples as soon as possible in order to gain people's cooperation and support for the Project; v) the Land Administration Bureau, assisted by the Minor Nationality Affairs Bureau, of each county should be responsible for coordinating the resolution of problems associated with land acquisition and resettlement for the minority peoples; vi) consideration should be given to the creation of a special fund, to be used as a safety-net, for the minority peoples affected by the Project and experiencing difficulties in the restoration of their livelihoods; and vii) villagers from minority peoples living in the Project area should be given priority in benefiting from the job opportunities associated with the construction of the expressway and feeder roads.

9. The monitoring and evaluation of the MPDP will be the responsibility of YMEC assisted by its domestic and international consultants. Participatory approach will be used to compare the socioeconomic conditions of the minority peoples living in the Project area at mid-term review, at Project completion, two years and five years after Project completion, with the conditions recorded by the baseline surveys conducted during Project preparation.

¹ This is the case of the Dragon Tree and Dragon Mountain, where the Nani people believe their God lives, which should be moved to another tree and another mountain.