

Ethnic Minority Development Plan

May 2018

People's Republic of China: Yunnan Lincang Border Economic Cooperation Zone Development Project

Prepared by the Lincang Municipal Government for the Asian Development Bank.

CURRENCY EQUIVALENTS

(as of 16 May 2018)

Currency unit	–	yuan (CNY)
CNY1.00	=	\$0.1570
\$1.00	=	CNY6.3698

ABBREVIATIONS

ADB	–	Asian Development Bank
EM	–	ethnic minority
EMDP	–	ethnic minority development plan
GAP	–	gender action plan
GMS	–	Greater Mekong Subregion
IP	–	indigenous peoples
LBECZ	–	Lincang Border Economic Cooperation Zone
PA	–	project area
PIU	–	project implementation unit
PMO	–	project management office
PRC	–	People's Republic of China
RCI	–	regional cooperation and integration
RP	–	resettlement plan
STI	–	sexually transmitted infection
SPS	–	Safeguard Policy Statement

NOTE

In this report, "\$" refers to US dollars.

This ethnic minority development plan is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature. Your attention is directed to the "terms of use" section of this website.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Contents

ENDORSEMENT LETTER FOR THE EMDP	ERROR! BOOKMARK NOT DEFINED.
EXECUTIVE SUMMARY	IV
1. INTRODUCTION	9
1.1 PROJECT BACKGROUND	9
1.2 PROJECT DESCRIPTION.....	9
1.3 ETHNIC MINORITIES IN YUNNAN PROVINCE.....	10
1.4 PROJECT AREA AND EM BENEFICIARIES.....	11
1.5 EMDP PREPARATION	12
2. THE LEGAL AND POLICY FRAMEWORKS ON EMS.....	14
2.1 NATIONAL LEGAL FRAMEWORKS ON EM.....	14
2.2 POLICES AND REGULATIONS ON EM IN YUNNAN PROVINCE	14
3. DEMOGRAPHIC AND CULTURAL CHARACTERISTICS OF EMS IN PAS.....	20
3.1 ETHNIC MINORITY POPULATION IN LINCANG PREFECTURE	20
3.2 ETHNIC MINORITIES IN PROJECT COUNTIES/TOWNS	21
3.3 CULTURAL CHARACTERISTICS OF EMS IN PAS.....	23
3.3.1 <i>Dai Minority</i>	23
3.3.2 <i>Wa Minority</i>	24
3.3.3 <i>Yi Minority</i>	25
3.3.4 <i>De'ang Minority</i>	25
4 POVERTY SITUATION OF EMS IN PAS	27
4.1 POVERTY PROFILE	27
4.2 POVERTY REDUCTION PROGRAMS FOR BORDER EMS	28
5 SOCIO-ECONOMIC PROFILE OF EMS IN PAS.....	30
5.1 INCOME SOURCES IN EM HOUSEHOLDS	30
5.2 EDUCATION	31
5.3 LAND RESOURCES.....	32
5.4 OCCUPATION	33
6 PROJECT IMPACT ANALYSIS ON ETHNIC RESIDENTS	34
6.1 EM NEEDS FOR ENVIRONMENTAL INFRASTRUCTURE IMPROVEMENT	34
6.1.1 <i>Solid Waste Mangement</i>	34
6.1.2 <i>River Rahabilitation in Qingshuihe Area</i>	34
6.1.3 <i>Public Transport Facilities and Service</i>	35
6.1.4 <i>Water Sector Service Improvement in Qingshuihe Area</i>	35
6.2 <i>EM Needs for Social Infrastructure and Service Improvement</i>	36
6.3 EM PERCEPTIONS ON BORDER TRADE CAPACITY IMPROVEMENT.....	39
6.4 JOB GENERATION OF PROJECT FOR LOCAL EMS.....	40
6.5 PROJECT NEGATIVE IMPACTS ON ETHNIC MINORITIES.....	41

6.5 OTHER POTENTIAL RISKS.....	42
7 ETHNIC MINORITY DEVELOPMENT ACTION PLAN.....	43
7.1 ACTIONS, TRAGETS AND INDICATORS OF EMDP.....	43
8 PUBLIC CONSULTATION AND PARTICIPATION	55
8.1 COMMUNITY PARTICIAPTION ACTIVITIES DURING EMDP PREPARATION.....	55
8.2 ETHNIC MINORITIES' VIEWS AND PREFERENCES OF THE PROJECT.....	56
8.3 PUBLIC CONSULTATION PLAN DURING PROJECT IMPLEMENTATION.....	56
8.4 INFORMATION DISCLOSURE	57
9 INSTITUTIONAL ARRANGEMENT AND BUDGETING.....	60
9.1 INSTITUTIONAL ARRANGEMENTS.....	60
9.2 BUDGET	60
10 MONITORING, EVALUATION AND REPORTING	61
10.1 INTERNAL MONITORING	61
10.2 EXTERNAL MONITORING AND EVALUATION.....	61
ANNEX 1: JOB PROVISIONS GENERATED BY PROJECT	63
ANNEX 2: TERMS OF REFERENCE FOR THE EMDP EXTERNAL MONITORING	64

Tables

TABLE 1: PROJECT COMPONENTS	9
TABLE 2: POPULATION OF YUNNAN PROVINCE BY NATIONALITY (2015)	ERROR! BOOKMARK NOT DEFINED.
TABLE 3: PORJECT BENEFICIARIES BY NATIONALITY	10
TABLE 4: SUMMARY OF LEGAL AND POLICY FRAMEWORK FOR EMS	ERROR! BOOKMARK NOT DEFINED.
TABLE 5: EM POPULATION IN LINCANG AND PORJECT COUNTIES (2016).....	12
TABLE 6: EM POPULATION IN PROJECT TOWNS (2016)	16
TABLE 7: POVERTY POPULATION IN PROJECT AREAS (2017)	20
TABLE 8: PERCENTAGE OF INCOME SOURCES IN SURVEYED HHS BY NATIONALITY	22
TABLE 9: EDUCATION LEVEL OF RESPONDENTS BY NATIONALITY.....	ERROR! BOOKMARK NOT DEFINED.
TABLE 10: LANDHOLDING PER HH BY NATIONALITY(MU)	ERROR! BOOKMARK NOT DEFINED.
TABLE 11: OCCUPATION OF REpondENTS BY NATIONALITY	31
TABLE 12: EM RESIDENTS' VIEWS ON BORDER TRADE CAPACITY IMPROVEMENT	31
TABLE 13: ETHNIC MINORITY DEVELOPMENT ACTION PLAN.....	32
TABLE 14: POPULATION INFOMRATION IN SURVEYED HHS BY NATIONALITY	33


Endorsement Letter for the EMDP

Lincang Municipal Government (LMG) has applied for a loan from the Asian Development Bank (ADB) for this project through the Ministry of Finance of the People's Republic of China (the "PRC"). The project, therefore, must be implemented in compliance with ADB's social safeguard policies. The Lincang Municipal Government has prepared this Ethnic Minority Development Plan (EMDP). The EMDP fully complies with requirements of the relevant laws, regulations and policies of People's Republic of China, Yunnan Province and Lincang Government as well as complies with ADB's Safeguard Policy Statement (2009), specifically the policy requirements on indigenous peoples. The project will start in 2019 and complete in 2024 during which the EMDP will be fully implemented and monitored in order to enhance project benefits and mitigate negative impacts on minority people.

The LMG and Lincang Municipal Project Management Office hereby acknowledge the contents of this EMDP and warrants that the budgetary funds under this EMDP will be included in the general budget of this project and made available on time. The LMG will ensure to implement objectives, indicative actions and monitor indicators achievement in the life of the project.

The Lincang Municipal Government hereby authorizes Lincang Border Economic Cooperation Zone Management Committee (LBECZMC) to be overall responsible for the EMDP implementation and monitoring, in coordination with related government agencies, like Ethnic and Religion Affairs Bureau, Women Federation, Human Resources and Social Security Bureau, etc.

Lincang Border Economic Cooperation Zone Management Committee

 (Signature)

16th, May, 2018 (Date)

Executive Summary

1 Identification of Minority Population in PAs

ES1. Based on ADB safeguard policy on ethnic minorities, social experts assessed and identified ethnic minorities inhabiting in project areas through various methods such as observation, household survey, key informant interview, secondary data collection, and literature review. The survey results have indicated that Lincang Prefecture and three project counties are EM inhabitation areas where are predominated with Wa, Dai, Yi and De'ang Minorities.

ES2. There are over 25 ethnic groups inhabiting in three project counties where a total of 375,866 minority people accounts for 58.76% of total population. Out of total minority population, Wa, Dai, Yi and De'ang share 84.98% of total minority population. Wa Minority makes up of 53.84% of total minority population, followed by Dai (19.19%), Yi (10.84%) and De'ang (1.11%). Other minority residents include Lahu, Bulan, Lisu, Jingpo, Miao, Bai, Hui, Hani, Yao, Manchu, etc., who are dispersed inhabitation in project counties mixed with other ethnic groups or Han families.

2 Project Area and EM Beneficiaries

ES3. Four towns in three project counties have been identified as locations of project components. The entire residents of Mengding Town and Mangka Town would directly benefit from project output 1, all residents of Mengding Town would directly benefit from project output 2, and then the whole population of Zhenkang County and 1,080 students from Cangyuan County will directly benefit from project output 3 since the new-built Zhenkang County Hospital will serve all residents in Zhenkang County although it is located in Nansan Town. In addition, the sub component of the primary school construction in Cangyuan County would serve 1,080 students from Mengding Town.

ES4. All the 288,924 residents in project areas will directly benefit from the urban infrastructure and municipal social services to be provided through the project, of which the 123,650 inhabitants are ethnic minorities, accounting for 42.8% of total project beneficiaries. Among EM beneficiaries, Dai, Wa, Yi and De'ang Minorities make up of 83.57% of the total EM population. The Wa share the largest percentage of total beneficiaries (11.8%), followed by The Dai (11.46%), The Yi (11.15%) and The De'ang (1.36%). The remaining 7.03% include Lahu, Lisu, Bulang, Bai, Miao, Jingpo, Hui, Zhuang, Buyi, Manchu, Yao, Hani, etc.

3 Poverty Situation of EMs

ES5. 86,108 people were poor in Lincang in 2017 with a poverty incidence of 5.05%. Cangyuan and Zhenkang are still national poverty counties with a poverty population of 23,291 people and 11,049 people respectively, where poverty incidences were higher than the average of Lincang. Gengma was no longer national poverty county since 2016 and its poverty incidence significantly reduced by 1.26%.

ES6. The great majority of poverty population in project areas is Wa Minority. Wa people are largely distributed in border mountain areas where smallholder agriculture is the prevailing farming system. What causes poverty is the unavailability of resources for mountain Wa families in terms of land, water, credit, information, technology, healthcare, infrastructure and market. As a result, the economy base for Wa minority is poorer than Han, Dai and Yi and this further leads to many obstacles for Wa people to develop industries that could help lift them out of poverty.

ES7. Compared to other ethnic groups, Dai people have higher economic level in project areas because they are more likely to reside in flatland areas where the quality of land is better, the availability of infrastructure and social services is often more sufficient than that of the upland areas.

ES8. Generally the main causes of poverty for EM population in project areas include: (i) Ethnic people have lower level of education. Illiteracy rate and people with only 3- year primary education and less are common among EM adults. Among illiterate residents surveyed, 44% are De'ang people, 37% are Wa people, and 27% are Yi people. Most labor forces working in the agriculture sector obtain only primary education level. As a result, many farmers have insufficient access to extension services of agricultural technology as well as market information; (ii) Ethnic people are mainly inhabited in rural mountain areas in which the geographical condition is quite harsh coupled with the shortage of natural resources and the weakness of infrastructure and social facilities. EM people are commonly facing poor community road conditions and insufficient social facilities like school and health care services. And (iii) EM residents are more likely to have lower level of agricultural productivity, lack of large-scale agricultural industries, lack of industry competitiveness and poor technical and market supporting system.

ES9. Poverty eradication for ethnic minority groups has been accelerated throughout Yunnan. The Yunnan government has developed a series of special support policies to accelerate poverty eradication for ethnic minority groups inhabiting in border areas. Yunnan Provincial Government launched "2015-2017 Action Plan of Comprehensive Well-being Improvement for Border Ethnic Residents" in 2015. Lincang Prefecture have developed and implemented prefecture level 2015-2017 Action Plan of Comprehensive Livelihood Improvement for Border Ethnic Residents accordingly. The Lincang government assigned special poverty reduction funds for border ethnic groups amounting to 786 million Yuan during the implementation of the action plan. The action plan contains infrastructure upgrading, special-featured industry development, house reconstruction and skill development training to support border EM residents' well-being improvement.

4 Socio-economic Profile of EMs in PAs

ES10. **Education** 28.98% of respondents are illiterate. Most of them are above 45 years old. They can communicate across ethnic boundary in Chinese dialect but are not able to either write Chinese characters or understand written Chinese language. Among illiterate respondents, 44% are De'ang people, 37% are Wa people,

27% are Yi people and 23% are Han people. The Dai has the lowest level of illiteracy (17%).

ES11. Income Sources Household socioeconomic survey shows that household income sources mainly derive from local wage income, cropping income and migration income. Sugarcane, rubber and vegetable form major income from cropping in households of project areas. Per capita annual net income for surveyed households averages 13,735 Yuan, higher than the average of Lincang and three project counties. Per capita annual net income for minority families averages 12,243 Yuan that is also higher than the average of Lincang and three project counties.

ES12. There are some differences of household income sources between nationalities. De'ang and Wa families are more likely to rely on local wage income compared to other nationality families, especially De'ang families where the share of local wage income is 42.93%. Dai people are skilled much more at small businesses compared to other nationalities. The share of self-running businesses in Dai families is 22.11%, quite higher than the average of minority families (7.85%) and the average of total families (5.95%) as well. Wa families share the biggest percentage (6.44%) of governmental subsidy (governmental monthly subsistence allowances), higher than the average of EM families (2.73%) and total families surveyed as well (1.32%) because 26 Wa families are poor families within surveyed families.

ES13. Occupation The majority of EM respondents within surveyed households are farmer. The sample survey shows that averagely 74% of EM people engaged in farmland cultivation. 12.3% are local migrant working in construction sector and service sector. 7% are running small businesses on their own such as small shops, restaurants, and shoe repair shops, etc. The entire De'ang respondents are farmers, mainly cultivating sugarcane as they have larger farmland areas.

5 Public Consultation Activities for EMDP Preparation

ES14. The social survey was conducted in project counties and towns where there are ethnic minority inhabitation communities from January to March 2018 to learn poverty situation, socioeconomic status, municipal services availability and accessibility for minority communities, and to understand opinions and expectations of EMs for the project and record EMs willingness to participate in project activities through multiple methods such as conducting household questionnaires, organizing focus group discussions and interviewing key informants.

ES15. Main consultation activities and results include: (i) Socioeconomic household survey. A total of 132 EM households have been surveyed. The sampled minority households were Wa (78 HHs), Dai (28 HHs), Yi (15 HHs), De'ang (9 HHs), Bai (1 HH) and Hui (1 HH) Minorities. Out of total EM respondents, 43.18% were women and 56.82% were men; (ii) Focus group discussions. The survey team conducted a wide range of focus group discussions with local ethnic people. A total of 8 FGDs for ethnic groups of Wa, Dai, Yi and De'ang were held in three project counties with different gender, age, household economic level and occupations. The discussions were to identify needs and concerns of local residents with respect to each project component, particularly for vulnerable groups like women and poor people. The discussions also

contributed to identification of positive and negative impacts of the project on the local ethnic people; (iii) Interviews with relevant government institutions. County level government institutions were interviewed including Ethnic and Religious Affairs Bureaus, Poverty Reduction Offices, Women's Federations, Civil Affairs Bureaus, Human Resources and Social Security Bureaus, etc. The project impact on minorities has been discussed with these government institutions in order to design effective measures to maximize the positive impacts and mitigate the negative ones on minority people, particular women and poor people; (iv) Key informants interviews. A total of 8 key informants were interviewed in De'ang village groups, Dai village groups and Wa village groups with leaders and representatives from these EM communities.

6 EMs Perceptions on the Project

ES16. The project is designed to mainly benefit minority residents. The project will provide them with (i) improved living conditions in terms of improved access to upgraded urban infrastructure and municipal services, (ii) job opportunities during the construction and operation phases of the project, (iii) better accessibility of social infrastructure and services in terms of primary school and hospital, and (iv) more comfortable and safer public transport service. The social survey has confirmed that the project design is well received by the ethnic communities. Furthermore, the project would also bring more business and job opportunities for local EM residents through across border business increase and regional economic development upon completion of border trade facilities and improvement of urban infrastructure in Qingshuihe National Port Area.

ES17. The minority residents are willing to participate in project activities particularly environment protection education activities at community level. Especially women and poor people are interested in job provision from the project.

ES18. The affected ethnic people by land acquisition and house demolition are expecting to obtain full compensation timely. They are also concerned with the income loss due to land acquisition.

ES19. In addition, though the ethnic minorities in project areas fully support project construction, they also make some suggestions for the project implementation in terms of: (i) the project construction should not disturb their regularly religious activities; (ii) the construction activities would not destroy sacred trees, water sources, worship points; and (iii) keep construction sites and the surrounding areas clean up without leaving construction wastes anywhere.

7 Ethnic Minority Development Action Plan

ES20. Actions, indicators and targets have been developed in the EMDP and more specifically to:

ES21. *Mitigating land acquisition and house demolition impacts for ethnic minority families.* The project will affect 4 townships, 10 village/communities where a total of 88 households with 439 people will be affected, including 25 minority households with 109 people, accounting for 24.83% of the total population. Land acquisition will affect 87 households with 435 people including 24 minority households with 105 people. While

one family with 4 people will be affected by house demolition. This affected one family is The Dai. Detailed information of each affected households and compensation standard has been specified in the resettlement plan (RP) and the measures of income recovery for affected households have been included. Under this action, indicators and targets include: making full compensation to 100% affected EM households; providing livelihood restoration measures for all EM families such as skill training for business development and other development programs.

ES22. *Strengthening the safety management on construction sites, mitigating or avoiding construction disturbances for the residents.* Under this action, indicators and targets include: safety signs and corresponding protective measures like safety barriers must be presented on the construction site, and all the signs should be prepared in Chinese and local language; construction safety training must be provided to all the workers; site management must be in place to ensure clean-up on completion and to avoid side drain block due to construction wastes pouring into; dust reduction measures must be taken on the construction site.

ES23. *Enhancing environmental protection education for minority residents.* Main actions include: provide environmental protection education activities to the public at communities and schools; at least 40% of local participants are minority residents and the female are not less 40%; ensure minority residents to be engaged in public consultations in traffic facilities design at schools and hospitals); ensure the local language to be used during awareness campaign and in publicity/ information materials.

ES24. *Preventing HIV/AIDS/STI and Other Communicable Diseases During Construction.* HIV/AIDS/ STI problems are not considered as a major threat in the project area. However, the community leaders and government agencies perceived that the number of HIV cases might increase in the future, due to increase of migrant workers going to the project areas for work. Therefore, providing awareness on prevention of HIV/AIDS/STI and other communicable diseases will be conducted for 100% of the contractors and workers. At least 40% of local participants are minority residents and the female are not less 40%.

ES25. *Guaranteeing the equality of ethnic minority, minority women and minority poor to adequately participate in the project.* Main actions include: all minority people should be consulted with time, place and way of project mobilization and training; local minority languages or translators should be used for project mobilization and training in order to minority people receiving full information; establish proper grievance redress mechanism for the participation of minority residents where one person should be appointed as the appeal acceptor in each project town; Job information should be disclosed in the EM communities; Time, place and the way of disclosure of job information should be suitable for women; ensure the minority poor participation in the price hearing for water and wastewater and at least 10% resident representatives are from poor families.

ES26. *Enabling all project activities to be undertaken in consistency with ethnic minority culture.* During the public consultation, local ethnic minority residents

suggested project implementation should be ethnic culture sensitive, particular the construction sites should have EM cultural sensitivity features. Under this action, indicators and targets include: providing training on ethnic culture sensitivity for all construction workers, the construction work should not destroy sacred trees, water sources, worship points and other holy places.

ES27. *Promoting Wa Cultural Protection and Inheritance Through Primary School Education in Cangyuan.* There is no Wa language class available at existing primary schools in the urban areas of Cangyuan except for Cangyuan Minzu Primary School. Stakeholder consultations with Cangyuan Minority and Religion Bureau and Cangyuan Wa Culture Research Center also report that they are expecting the primary school becomes a good place to protect and develop Wa culture and tradition. Therefore, actions of promoting Wa culture entering the campus have been developed including: opening Wa language class in Guomen No.1 and No.2 Primary Schools, conducting the class of Wa culture and history for all students at campus.

8 Institutional Arrangements

ES28. The Lincang Municipal Government has endorsed the EMDP. The LBECZ, Cangyuan and Zhenkang PMOs are primarily responsible for implementing the EMDP and will coordinate with other key local governmental agencies. For implementation of the EMDP, county level Ethnic and Religion Bureaus will provide support in terms of cultural awareness and monitoring of the EMDP effectiveness. Other key agencies for the EMDP implementation include Poverty Reduction Office, Human Resources and Social Security Bureau, Women's Federation, contractor and construction supervisors. The implementation of the EMDP action plan has been incorporated into the overall project management.

ES29. The LBECZ, Cangyuan and Zhenkang PMOs will ensure: (i) to appoint one focal point staff from the PMOs to be responsible for EMDP implementation and monitoring; (ii) to allocate sufficient financing and other resources to implement the EMDP; (iii) to recruit one national social development specialist with 10 person-months to guide and support the EMDP implementation as well as PMO's capacity building for understanding ADB's safeguard policy on ethnic minorities and effectively implementing the EMDP.

9 Budgeting

ES30. The funds of EMDP implementation will be from four sources: project civil work budget, resettlement budget, project management budget and government public financing from different government institutions. The funding sources for EMDP actions implementation has been detailed in the action plan table of EMDP. Specifically, project management budget will allocate to: the cost of external EMDP monitoring and evaluation amounting to a total of USD 60,000; and the cost of recruiting one social development specialist to assist in both EMDP and GAP implementation and monitoring amounting to USD 60,000.

10 Monitoring, Evaluation and Reporting

ES31. Both internal and external monitoring and evaluation of the EMDP will be conducted. The internal monitoring will be done semiannually. The LBECZ, Cangyuan and Zhenkang PMOs with the assistance of the social development specialist will monitor the progress of the EMDP implementation and prepare and submit semiannual EMDP monitoring reports to ADB.

ES32. The External Monitoring will be conducted annually. An independent monitor with relevant EM experience will be contracted by the LBECZ to carry out the external monitoring and evaluation, and prepare monitoring annual reports for submission to the LBECZ and ADB until the completion of the Project. The external monitoring will assess the effectiveness of the EMDP activities and identify recommendations for follow up by the LBECZ and county level PMOs. A baseline survey report shall be prepared within 6 month after EMDP implementation. The monitoring reports will be made public in local community offices and distributed to the EMDP implementing agencies for taking actions. The reports will be uploaded on ADB website.

1. Introduction

1.1 Project Background

1. Lincang Prefecture is situated in the southwest of Yunnan Province and shares a 290- kilometer (km) long border with Myanmar. It has the potential to become an important trade gateway for the PRC to reach the Myanmar ports on the Indian Ocean and facilitate access to strategic sea trade routes towards South Asia, the Middle East, and ultimately Europe. However, Lincang Prefecture's poor infrastructure and low competitiveness of its second- and third- tier cities have become a bottleneck for enhancing cross-border trade and achieving sustainable economic and social development. Lincang Prefecture is also characterized by significant levels of poverty among urban and rural populations which include large numbers of Myanmar nationals that live and work in the border counties.

2. The development of the LBECZ is firmly set in the PRC's national and provincial strategic frameworks for enhancing regional RCI. Yunnan province has mainstreamed RCI into its own Thirteenth Five-Year Plan, with emphasis on prioritizing the development of economic corridors and the improvement of cross-border connectivity while highlighting the importance of cross-border cooperation as a way to enhance the benefits for neighboring countries, especially Myanmar. Yunnan's action plan for RCI includes a list of priority investments for the development of the Lincang economic and transport corridor and these are intended for financing by various sources including the PRC central and Yunnan governments, multilateral development banks, and the private sector.

1.2 Project Description

3. The proposed project will address urban and social development, border connectivity and trade facilities in the three counties of Cangyuan, Gengma and Zhenkang in Lincang Prefecture. The proposed project also aims to support the participation of Yunnan Province in RCI, especially the GMS Program, with a focus on economic corridor development. The project will deliver four outputs: (i) across-border trade capacity improved; (ii) urban environment infrastructure in Mengding Town and Qingshuihe National Port area improved; (iii) social infrastructure and services upgraded; and (iv) institutional capacity of involved agencies strengthened.

Table 1: Project Components

No	Outputs	Project Components
1	Across-border trade capacity improved	(i) Logistics parks in Mengding and Qingshuihe National Port areas, along with the construction of warehouses, service buildings and parking areas; (ii) Trading facilities at Qingshuihe border crossing point, including a covered market place, warehouses, and related facilities with a total area of 120,000 square meters. (iii) One long span bridge over Nanting River (including 5.0 km of link road); (iv) New municipal roads and related facilities totaling 6.0 km.

2	Urban environment infrastructure in Mengding Town and Qingshuihe National Port areas improved	(i) Water supply facilities with total treatment capacity of 40,000 cubic meters per day (m ³ /d) and water distribution pipelines totaling 89.0 km; (ii) Wastewater treatment facility with total treatment capacity of 25,000 m ³ /d and wastewater collection pipelines totaling 48.5; (iii) Solid waste management collection and transfer stations Utility ducting tunnel (1.85 km) under rehabilitated road in new city area; (iv) Green energy vehicles for public transportation and electric/liquid natural gas charging-stations; (v) Rehabilitation of 5.0 km of Qingshui River, including ecological embankments.
3	Social infrastructure and service upgraded	(i) Construction of a new county level hospital with 500 beds in Zhenkang County; (ii) Construction of a new city level general hospital with 100 beds in Qingshuihe National Port area in Gengma County; (iii) Construction of a new primary school for 1080 students in Cangyuan County; (iv) Construction of new facilities (one canteen and one residence hall) for an existing primary school with 580 students in Qingshuihe National Port area in Gengma County.
4	Institutional capacity of involved agencies strengthened	(i) Effective project and contract management; (ii) Public financial management; (iii) Border trade and logistic capacity building; (iv) TVET school leadership capacity building; (v) Health care service and hospital management; (vi) Teacher and primary school leadership capacity building; Urban master planning.

1.3 Ethnic Minorities in Yunnan Province

4. Yunnan is home to many ethnic groups where there are above 25 ethnic groups inhabiting and there are 6 ethnic minority groups with population exceeding 1,000,000 persons. They are: Yi Minority, Hani Minority, Bai Minority, Dai Minority, Zhuang Minority and Miao Minority. In 2015, Han people comprised about 66.46% of total population in Yunnan while minority population accounted for 33.54%.

5. Among the ethnic minority groups, the Yi was the largest ethnic group (11.0%%), followed by Hani (3.6%), Bai (3.4%), Dai (2.7%), Zhuang (2.7%), Miao (2.6%), Hui (1.5%), Lisu (1.5%), Lahu (1.0%), Wa (0.9%), Naxi (0.7%) and other small ethnic groups such as Yao, Tibetan, Jingpo, Bulang, De'ang, etc.

Table 2: Population of Yunnan Province by Ethnic Identity (2015)

	Nationality	Population (10,000 persons)	Percentage (%)
Majority	Han	3145.00	66.46
Minority	Yi	522.25	11.0
	Hani	168.81	3.6
	Bai	162.12	3.4
	Dai	126.68	2.7
	zhuang	125.90	2.7
	Miao	124.59	2.6

	Hui	72.34	1.5
	Lisu	69.24	1.5
	Lahu	49.21	1.0
	Wa	41.52	0.9
	Naxi	32.10	0.7
	Yao	22.78	0.5
	Jingpo	14.81	0.3
	Tibetan	14.74	0.3
	Bulang	12.08	0.3
	Buyi	6.09	0.1
	Pumi	4.36	0.1
	A'chang	3.94	0.1
	Nu	3.30	0.1
	Jinuo	2.36	0.0
	Mongolian	2.34	0.0
	De'ang	2.09	0.0
	Manchu	1.40	0.0
	Shui	0.92	0.0
	Dulong	0.66	0.0
	Others	0.35	0.0
	Sub-Total	1586.98	33.54
Total		4731.98	100.00

Source: Yunnan Statistical Yearbook 2016.

1.4 Project Area and EM Beneficiaries

6. The project components are located in Mengding Town (Qinghuihe land port is under its jurisdiction) of Gengma County, Mengdong Town and Mangka Town of Cangyuan County, and Nansan Town of Zhenkang. Based on ADB safeguard policy on ethnic minorities, social experts assessed and identified ethnic minorities inhabiting in project areas through various methods such as observation, household survey, key informant interview, secondary data collection, and literature review. The survey results has indicated that project areas are EM inhabitation areas where are predominated with Dai, Yi, Wa and De'ang Minority population.

7. All the 288,924 residents in project areas will directly benefit from the urban infrastructure and municipal social services to be provided through the project, of which the 123,650 inhabitants are ethnic minorities, accounting for 42.8% of total project beneficiaries. Among EM beneficiaries, Dai, Wa, Yi and De'ang Minorities make up of 83.57% of the total EM population. The Wa share the largest percentage of total beneficiaries along with 34080 people or 11.8%, followed by The Dai with 33103 people or 11.46%, The Yi with 32218 people or 11.15% and The De'ang having 3933 people or 1.36%. The remaining 20316 ethnic people or 7.03% of total beneficiaries

include Lahu, Lisu, Bulang, Bai, Miao, Jingpo, Hui, Zhuang, Buyi, Manchu, Yao, Hani, etc.

8. The entire residents of, Mengding Town (Qinghuihe land port is under its jurisdiction) and Mangka Town would directly benefit from project output 1, all residents of Mengding Town would directly benefit from project output 2, and then the whole population of Zhenkang County and 1080 students from Cangyuan County will directly benefit from project output 3 since the new-built Zhenkang County Hospital will serve all residents in Zhenkang County although it is located in Nansan Town. In addition, the sub component of the primary school construction in Cangyuan County would serve 1080 students from Mengdong Town. The ethnic-disaggregated beneficiaries by project outputs have been detailed in table 3 below.

Table 3: Project Beneficiaries by Ethnic Identity (2016)

	Output 1		Output 2		Output 3	
	No.	%	No.	%	No.	%
Total Beneficiaries	107947	100	94155	100	274052	100
Han Beneficiaries	41549	38.49	40831	43.37	163946	59.82
EM Beneficiaries	66398	61.51	53324	56.63	110106	40.18
Dai	29101	26.96	28458	30.22	32409	11.83
Wa	23393	21.67	11064	11.75	21375	7.80
Yi	4977	4.61	4918	5.22	32139	11.73
De'ang	1099	1.02	1099	1.17	3933	1.45
Other EMs	7828	7.25	7785	8.27	20250	7.37

Source: Gengma, Cangyuan and Zhenkang Statistical Yearbooks 2017.

1.5 EMDP Preparation

9. The EMDP preparation covers four project towns in three project counties where there are more than 15 ethnic groups and predominated with Wa, Dai Yi and De'ang minorities. The EMDP preparation is fully based on the social assessment for EMs conducted between January and March 2018. The social analysis of project impacts on EMs was conducted to screen and identify minority groups and population inhabited in PAs in line with the Bank's policies on ethnic minorities by various methods of literature review relating to minorities, key informant interviews with leaders of ethnic communities, focus group discussions with minority representatives and households survey. Based on identification and screening of minorities in PAs, it is imperative to prepare a development action plan for minorities in project areas to ensure all minority groups to participate equally in project activities as well as to have equal access to project benefits. Furthermore, the EMDP also can enable all project activities would be practiced in a proper manner accepted by the culture of ethnic minorities.

10. The EMDP preparation aims to: (i) provide all relevant project information in a manner suited to local minority cultures and customs, conducting adequate communication and consultation, and analyzing their needs; (ii) incorporate minority

needs of project into the project design; (iii) establish cooperatives in a culturally adaptive manner and (iv) take actions to minimize potential negative impacts of project on and risks to minority population and enhancing their opportunities to benefit from the Project in a way acceptable to them. The major tasks of EMDP preparation are as below:

- (i) Assess socioeconomic status of EMs in PAs including EM poverty Situation.
- (ii) Describe cultural characteristics of minorities.
- (iii) Evaluate social impacts of project on EMs, particularly focusing on Wa, Dai, Yi and De'ang.
- (iv) Propose measures to avoid or mitigate any negative impacts on EMs as well as actions to ensure minority population enjoying equal benefits brought by project implementation, particularly to a small ethnic group of De'ang with a very small percentage of population. Such measures include improving infrastructure and social services; decreasing poverty rate in EM communities; enhancing capacity of EMs for their livelihood development; facilitating EM women to participate in project activities; protecting tradition and culture of EMs and the action plan to mitigate possible impacts on them.

2. The legal and Policy frameworks on EMs

2.1 National Legal Frameworks on EM

11. “1954 Constitution of the People’s Republic of China” states the PRC is a unified multi-ethnic nation and all ethnic groups within Chinese territory are equal. The Constitution grants all ethnic groups in the nation widely legal rights of political participation, social and economic development, and cultural development in the society. In order to protect equal human development rights of ethnic groups, the Constitution determines to set up region autonomy system in ethnic groups’ habitation. Chinese constitution clearly prescribes that ethnic region autonomy is the basic policy in administration of Chinese ethnic affairs and a key part of the PRC’s fundamental political system.”1984 Law of Ethnic Region Autonomy of People’s Republic of China” determines three administrative level of ethnic region autonomy according to population and the magnitude of territory. Namely autonomous region equivalent to provincial level, autonomous prefecture equivalent to municipal level and autonomous county equivalent to county level. The Law formulates autonomy rights of three administrative levels of ethnic region, involving legislative power, financial and economic autonomy, staffing priority to minority cadres, the authority of using minority language and the rights of ethnic culture development.

12. Besides above legal rights given to ethnic minorities, Chinese government also makes great efforts to translate legal rights of ethnic minorities into practices of promoting ethnic groups development in all aspects of the social, political, economic and cultural by formulating and implementing “Five Year Plan for Ethnic Minority Development”. The key principles of ethnic minority development policies can be briefly summed up as: (i) strengthening ethnic equality and solidarity; (ii) improvement of living standard in ethnic minority regions by developing infrastructure and social services as well as increasing income for minority households; (iii) cultivating ethnic minority cadres; (iv) improving education level and health service in ethnic minority regions; (v) protection and inheritance of ethnic languages; (vi) protecting cultural heritages in ethnic regions.

2.2 Policies and Regulations on EM in Yunnan Province

13. Minority development policies in Yunnan Province are dependent on Regulation of Enforcing “Law of Ethnic Region Autonomy of People’s Republic of China” in Yunnan Province and Yunnan provincial thirteen Five -Year Plan for Ethnic Minority Development. The Plan outlines development goals for ethnic minorities in terms of economic growth, improvement of social insecurity system, improvement of infrastructure and public services, upgrading life quality for ethnic groups. Several measures of policy supporting have been made to fulfil these development goals: (i) improving infrastructure and public services in minority areas, including rural road network construction, agricultural irrigation upgrading and water supply facility rehabilitation; (ii) promoting specialized and advantaged industries of minority people

such as food crops, sugarcane, tea-oil tree, fruit, livestock, vegetable, herb medicine and aquatic products; (iii) protecting ethnic housing style and developing ethnic-cultural tourism; (iv) improving infrastructure and service facilities in those minority villages with small population, including rural road construction, farmland water facilities and facilities of drinking water supply.

14. In addition, Yunnan Province has made great efforts to improve livelihoods of ethnic population inhabiting along the border areas. There are 110 towns and 814 village committees along the border areas in Yunnan Province where 79.4% are border residents from variously ethnic groups. Yunnan Provincial Government launched “2015-2017 Action Plan of Comprehensive Well-being Improvement for Border Ethnic Residents” in 2015 to support border EM residents’ development in terms of infrastructure upgrading, special-featured industry development and housing renovation.

2.3 ADB Policies on Indigenous People

15. Indigenous peoples (IP) in ADB’s Safeguard Policy Statement (SPS) (2009)/SR-3 is defined as groups with social or cultural identities distinct from that of the dominant or mainstream society (for this project the mainstream society is the Han). Two significant characteristics of indigenous peoples are descent from population groups present in a given area before modern states or territories were created, and maintenance of cultural and social identities separate from mainstream or dominant societies or cultures. Additional characteristics for EM include (i) self-identification and identification by others as being part of a distinct indigenous cultural group, and the display of the desire to preserve their cultural identity; (ii) a linguistic identity different from that of the mainstream or dominant society; (iii) social, economic, and political traditions and institutions distinct from the mainstream society; (iv) an economic system oriented more toward a traditional system of production than toward the mainstream production system; and/or (v) a unique tie with and attachment to traditional habitat and ancestral territory and its natural resources.

16. The ADB’s SPS recognizes the potential vulnerability of indigenous peoples in development processes. ADB SPS formulation to ensure that indigenous peoples have opportunities to participate in and benefit equally from development. Accordingly, project activities must ensure that development initiatives affecting indigenous peoples are effective, sustainable, and culturally appropriate. Initiatives should be compatible in substance and structure with the affected peoples’ culture and social and economic institutions, and commensurate with the needs, aspirations, and demands of affected peoples. Initiatives should be conceived, planned, and implemented, to the maximum extent possible, including consultation with affected communities to ensure respect for indigenous peoples’ dignity, human rights and cultural uniqueness. Projects must avoid negatively affecting indigenous peoples and provide culturally adequate and appropriate mitigation when a negative impact is unavoidable. Project strategies and

approaches to development that affect indigenous peoples must include clear mechanisms for accurate, objective analysis of their circumstances. Development processes must incorporate transparency and accountability and encourage the participation of ethnic minorities in project design and implementation.

Table 4: Summary of Legal and Policy Framework for EMs

	List of Legal and Policy Framework	Main Contents
National laws and policies	1. "1954 Constitution of the People's Republic of China" 2. "1984 Law of Ethnic Region Autonomy of People's Republic of China" 3. "2010 Law of Organization of Villager Committee of People's Republic of China"	1. In addition to the same powers as local governments, the authorities of the localities of ethnic autonomy also have the following rights: autonomous legislative power; autonomy in the administration of local political, economic, financial, scientific, educational and cultural affairs, the right to organize local public security forces, and the right to use and develop ethnic minority languages, etc. 2. Citizens of the PRC shall have freedom in religious belief, and the state and the authorities of the localities of ethnic autonomy shall guarantee such freedom for citizens of all ethnic groups. 3. Administrative regulations for ethnic minorities shall be formulated to promote the development economic and cultural programs of ethnic minority, protect the lawful rights and interests of ethnic minorities, and enhance the unity among different ethnic groups. 4. Except those deprived of political rights, villagers attaining 18 years of age, regardless of ethnic group, race, sex, occupation, family background, religious belief, education, property condition or term of residence, shall have the right to vote and the right to be elected. 5. The state shall support all ethnic minorities financially, materially and technically to accelerate their economic development, cultural and other social programs. 6. The spoken and written language work, we must adhere to the principle of ethnic equality, ensure that all ethnic groups have the freedom to use and develop

		<p>their own languages, advocate all ethnic groups to learn from one another's language, enable languages to serve the reform and opening up, and all-round development of political, economic and cultural programs of the autonomous region, and promote the unity, progress and co-prosperity of all ethnic groups.</p>
ADB Safeguard Policy on EM	ADB's Safeguard Policy Statement (SPS) (2009)/SR-3	<p>This policy aims to ensure that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous People.</p> <p>(1) The Bank recognizes that the identities and cultures of Indigenous Peoples are inextricably linked to the lands on which they live and the natural resources on which they depend. These distinct circumstances expose Indigenous Peoples to different types of risks and levels of impacts from development projects, including loss of identity, culture, and customary livelihoods, as well as exposure to disease. Gender and intergenerational issues among Indigenous Peoples also are complex. As social groups with identities that are often distinct from dominant groups in their national societies, Indigenous Peoples are frequently among the most marginalized and vulnerable segments of the population. As a result, their economic, social, and legal status often limits their capacity to defend their interests in and rights to lands, territories, and other productive resources, and/or restricts their ability to participate in and benefit from development. At the same time, the Bank recognizes that Indigenous Peoples play a vital role in sustainable development and that their rights are increasingly being addressed under both domestic and international law.</p> <p>(2) Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples' communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and inter-generationally inclusive.</p>

		<p>(3) When a project affects Indigenous Peoples, the project consultants assist the borrower in carrying out free, prior, and informed consultation with affected communities about the proposed project throughout the project cycle. At all stages of the project, the parties consulted have prior access to information on the intent and scope of the proposed project in a culturally appropriate manner. It shall also be determined that if the affected communities give broad support to the project based on the social analysis and consultation process.</p> <p>(4) The EMDP should be flexible and practical, and include the following: legal and institutional framework suited to ethnic minorities; information on demographic, social, cultural and political features of affected communities, ancestral territories owned, used or occupied by them, and natural resources on which they live; a summary of free, prior, and informed consultation results in affected communities at the preparation stage, which has gained broad community support for the project; a framework for ensuring free, prior, and informed consultation with affected communities during project implementation; an action plan for ensuring that ethnic minorities receive culturally appropriate social and economic interests; after potential negative impacts on ethnic minorities have been determined, an appropriate action plan that avoids, minimizes or mitigates, or compensates for such impacts; the financial budget and financing plan for the EMDP; a procedure for addressing appeals from minority communities arising from project implementation; and an M&E and reporting mechanism, and indicator system suitable for the implementation of the EMDP.</p>
--	--	---

17. The summary of legal and policy framework for the EM between National laws and ADB's Safeguard Policy Statement (SPS) on the EM reveals there is no outstanding difference between national laws and ADB ethnic minority safeguard policy where both legal frameworks aim to ensure that all ethnic groups in the nation widely to have legal rights of political participation, social and economic development, and cultural development in the society. Further, two set of legal frameworks emphasize the dignity, human rights, economies, and cultures of Indigenous People

must be fully respected in the development process. However, ADB SPS pays much more attentions on action plans in which measures to avoid, minimize and mitigate project negative impacts on EM, compensate their loss and to recover their livelihoods have been specified on the one hand, on the other hand, measures for enhancing project benefits on EM have been specified. Moreover, ADB SPS addresses to establish a grievance redress mechanism to resolve any issues raised by the local minority people in a transparent and culturally appropriate manner from project implementation.

3 Demographic and Cultural Characteristics of EMs In PAs

3.1 Ethnic Minority Population in Lincang Prefecture

18. Official statistics indicate that Lincang had a total of 2,370,000 residents by the end of 2016, of which 504,446 were urban population and 1,865,554 were rural populations. The urban people accounted for 21.3% of total Lincang population and the rural people accounted for the remaining 78.7% of its population.

19. Lincang is home of ethnic groups of Yi, Wa, Dai, Lahu, Bulan, Bai, De'ang, Lisu, Miao, Jingpo, Hani, Hui, etc. In 2016 the official statistics counted 976,742 ethnic people, accounting for 41.2% of total population in Lincang. The Yi, Wa, Dai and Lahu minorities consists of the majority of EM population in Lincang. There are eight ethnic groups with population exceeding 10,000 persons in Lincang. In 2016 the official statistics counted 390,251 or 39.95% Yi people in Lincang, followed by 242,735 or 24.85% Wa people, 124,046 or 12.7% Dai people, 95,803 or 9.8% Lahu people, 44,443 or 4.55% Bulan people, 32,197 or 3.3% Bai people, 10,721 or 1.1% Lisu people and 10,135 or 1.04% Hui people. The smaller ethnic groups like The Miao, De'ang, Jingpo, Zhuang, Hani are indigenous residents in Lincang with a total population of less than 10,000 persons.

20. The inhabitation forms of ethnic groups are characterized by living scattered across Lincang in general but relatively compact habiting in a small region like county level, town level and community level. The Yi Minority can be most found in three counties of Yunxian, Fengqing and Yongde. The Wa and Lahu Minorities are concentrated in Cangyuan County (one of project counties), Gengma County (one of the project counties) and Shuangjiang County. The Dai Minority is compactly inhabited in Shuangjiang and Gengma (one of the project counties) and The De'ang Minority is concentrated in Zhenkang County (one of the project counties). Other ethnic groups live dispersedly throughout Lincang.

Table 5: EM Population in Lincang and Project Counties (2016)

		Lincang	Gengma	Cangyuan	Zhenkang
Yi	No.	390251	11614	1926	27221
	%	39.95	7.21	1.22	47.94
Wa	No.	242735	48636	143417	10311
	%	24.85	30.19	90.77	18.16
Dai	No.	124046	60181	7978	3951
	%	12.70	37.36	5.05	6.96
Lahu	No.	95803	25071	3606	1252
	%	9.80	15.56	2.28	2.20
Bulan	No.	44443	5032	92	1698
	%	4.55	3.33	0.06	2.99
Bai	No.	32197	2212	437	2606
	%	3.30	1.38	0.28	4.59

Jingpo	No.	1186	996	8	20
	%	0.12	0.62	0.00	0.03
De'ang	No.	4850	1280	0	2891
	%	0.50	0.79	0	5.09
Lisu	No.	10721	3149	66	3408
	%	1.10	1.95	0.42	6.00
Miao	No.	9732	400	61	2010
	%	1.00	0.25	0.04	3.54
Hui	No.	10135	1073	118	822
	%	1.04	0.05	0.07	1.45
Hani	No.	1243	121	37	56
	%	0.13	0.08	0.02	0.09
Zhuang	No.	1602	371	26	54
	%	0.16	0.23	0.02	0.09
Manchu	No.	1827	88	17	119
	%	0.19	0.05	0.01	0.20
Yao	No.	208	49	12	20
	%	0.02	0.03	0.01	0.03
Buyi	No.	711	116	34	22
	%	0.07	0.07	0.02	0.03
Others	No.	5052	698	162	321
	%	0.52	0.43	0.10	0.57

Source: Lincang Prefecture Statistical Yearbook 2017.

Note: The percentage in the table refers to the share of total EM population.

3.2 Ethnic Minorities in Project Counties/Towns

21. The project areas are located in three border counties in Lincang. They are: Cangyuan Wa Autonomous County, Gengma Dai and Wa Autonomous County and Zhenkang County. In 2016 there were 375,866 minority people in three project counties, accounting for 58.76% of the total population. Among three project counties, Cangyuan is predominated with The Wa Minority (about 90.77% of total minority population). Gengma had a total minority population of 161,087 people, sharing 55.3% of its total population where Dai made up of the largest percentage of minority population (37.36%), followed by Wa sharing 30.19% of the total minority population, Lahu (15.56%), Yi (7.21%), etc. Minority population accounted for 31.6% of total population in Zhenkang where Yi made up of the majority among minority population sharing 47.94% of its total minority population, followed by Wa sharing 18.16% of the minority population, De'ang (5.09%), Bai (4.59%), etc. Zhenkang is home of The De'ang Minority. There were 2891 De'ang people habiting in Zhenkang, accounting for 60% of total De'ang population in Lincang.

22. There are four towns in the project areas. They are: Mengding Town of Gengma County, Nansan Town of Zhenkang County, and two towns of Mangka and Mengdong in Cangyuan County. The project components under output 1 and 2 are located in Mengding Town of Gengma, Mangka Town of Cangyuan and Qingshuihe National Port Area as well that is in the jurisdiction of Mengding Town. The project components under output 3 are located in Mengding Town of Gengma, Mengdong Town of Cangyuan and Nansan Town of Zhenkang.

23. In 2016 there were 94,155 people in Mengding, of which 40,831 people were Han people (43% of total population) and 53,324 were ethnic people (57% of total population). Among the total population of Mengding, 30.22% are Dai people, 11.75% are Wa people, 5.2% are Yi people, 4% are Lahu people, 2.46% are Lisu people and 1.17% are De'ang people. The Lahu and Lisu Minorities in Mengding Town are largely distributed in remote mountain areas and will be benefited by the Project indirectly. However, border residents of Dai, Wa, Yi and De'ang ethnic groups will be impacted by the Project including the positive and negative. Three village groups of Banxing Village Committee in Mengding are predominated with The De'ang Minority, 998 De'ang people, accounting for 36% of total population in Banxing Village Committee.

24. In 2016 the official statistics counted 23,453 Han people (57.86% of total population) and 17,084 Ethnic people (42.14% of total population) in Nansan Town. The Yi Minority shared 17.21% of total population there, followed by De'ang (6%), Dai (5.85%), Miao (3.26%), Wa (3.2%), etc. Miao people in Nansan Town often occupy in upland areas compared to Yi, De'ang and Wa ethnic groups.

25. The Wa Minority consists the majority of population in Mengdong Town and Mangka Town of Cangyuan County with 30,827 Wa people in Mengdong, accounting for 80.00% of the total and 12,329 Wa people in Mangka, accounting for 89.39% of the total. In 2016 Dai people made up of 12% of total population in Mengdong and 4.66% in Mangka respectively. While there were 2719 or 7% Han people in Mengdong and 718 or 5.21% Han people in Mangka respectively.

Table 6: EM Population in Project Towns (2016)

		Mengding	Nansan	Mengdong	Mangka
Han	No.	40831	23453	2719	718
	%	43.00	57.86	7.05	5.21
Yi	No.	4918	6977	74	59
	%	5.20	17.21	0.19	0.43
Wa	No.	11064	1292	30827	12329
	%	11.75	3.20	80.00	89.39
Dai	No.	28458	2371	4629	643
	%	30.22	5.85	12.00	4.66
Lahu	No.	3768	184	286	-
	%	4.00	0.45	0.74	-
Bulan	No.	185	443	-	-

	%	0.20	1.10	-	-
Bai	No.	417	1233	48	43
	%	0.44	3.04	0.12	0.31
De'ang	No.	1099	2435	-	-
	%	1.17	6.00	-	-
Lisu	No.	2315	315	-	-
	%	2.46	0.78	-	-
Miao	No.	72	1323	-	-
	%	0.08	3.26	-	-
Others	No.	1028	511	-	-
	%	1.09	1.26	-	-

Source: Gengma, Cangyuan and Zhenkang Statistical Yearbooks 2017.

Note: The percentage in the table refers to the share of total population.

3.3 Cultural Characteristics of EMs in PAs

2.3.1 Dai Minority

26. **Population** The total population of Dai Minority is 126,1311 people in the PRC and most of them are distributed in Yunnan Province (97%). They are mainly concentrated in Xishuangbanna Dai Autonomous Prefecture, Dehong Dai and Jingpo Autonomous Prefecture, Gengma Dai and Wa Autonomous County in Lincang Prefecture and Menglian Dai, Lahu and Wa Autonomous County in Pu'er Prefecture. Dai is widely distributed in project counties and towns. Most of them are living in Mengding Town along the Nanting River valley and cultivating qualified paddy land in the flatland areas. The Dai has a long history of rice cultivation in project areas. With the economic development and cash demand increase from rural families in the PAs, more and more Dai people take the advantage of possessing lowland to cultivate vegetable instead rice. Non-farm earnings also become a more important source of most Dai households. Dai Minority's physical and cultural traits still distinguish them from the Han Chinese like Dai-style temple and pagoda. Therefore, it is important to respect and protect these cultural distinctions during project implementation.

27. **Diet and Clothing** Rice and rice-processed meals are the popular diets for Dai people. The clothing of Dai is diversified and colorful. There is difference of dressing and decoration between men and women.

28. **Language** The Dai have their own written characters and verbal language. Dai language and Chinese language are daily communicating language used by Dai people and even illiterately old people can speak Chinese language because Dai people are good at doing small businesses particular Dai women and Dai people reside in the flatland area where it is more convenient for mobility, resulting in many outsiders coming in and out.

29. **Religion** The religion of Dai people is Southern Buddhism which is popular in Southeast Asian countries. There is a Buddhist temple in each Dai community. Community members take turns to offer daily food for Living Buddha and monks in their community temple.

30. **Festival** Their important festivals are the Water Splashing Festival, the Door-closing Festival and the Door-opening Festival, all of which are related to Buddhism. The Water-splashing Festival is the New Year of the Dai ethnic minority. On the 24th to 26th day of the sixth month of the Dai calendar, people engage in traditional activities such as water-splashing and dragon-boating, hoping to pacify evil spirits and ensure a good harvest in the coming year.

31. The Door-closing and Door-opening Festivals are the two longest and grandest periods--one in mid-September and the other in mid-June. People worship Buddha by sacrificing food, flowers, sutra, clothes and other wealth. They also take advantage of the holidays to preach Buddhist teachings and have a good time.

32. **Marriage** Historically men can marry into wife's families while women also can marry into husband's families in the Dai marriage. Marriage across ethnic boundary is popular in project areas. Dai people can freely marry with other nationalities. It is popular to find two nationalities in one family intra Dai families like family members comprising Dai and Han, Dai and Wa, or Dai and Yi, etc.

3.3.2 Wa Minority

33. **Population** Yunnan Province is predominated with the Wa Minority. There are 400,814 Wa people in Yunnan, accounting for 93% of its total population in the PRC. The Wa compactly reside in Pu'er Prefecture and Lincang Prefecture. The population of Wa ethnicity is largely distributed in Ximeng, Lancang and Menglian of Pu'er as well as in Cangyuan and Gengma of Lincang. Wa people usually live in the upland areas where their livelihoods mainly rely on agriculture. They primarily produce food crops of rice, corn and potato from their limited paddy land. The vast areas of upland can create more cash income for them by growing sugarcane, banana and rubber.

34. **Diet and Clothing** The staple of diet for Wa people is rice, and they like to chew betel nuts and drink wine. The food is prepared with spicy flavors. They regard wine as a necessity when they host guests or their elders.

35. Wa people favor the colors red and black, so their clothes are usually black with red decorations. Men like to take knife and women often necklaces and bracelets, most of which are made of bamboo or silver. As the Wa women love very long hair, they incorporate their hair into their dances that highlights their charm.

36. **Language** Years ago The Wa has their own oral language that can be divided into three dialects. The Chinese government helped the Wa to create a written formal language in 1957, but it is not widely used right now.

37. **Religion** Traditionally Wa people believe in the power of natural things and thought all things have their spirits, for example water, mountain, and wood, etc. Many

Wa people in project areas like Mengding, Mangka and Mengdong also believe Southern Buddhism.

38. **Festival** The “New Rice” Festival is the grandest traditional event of Wa ethnic group to pray for harvest in project areas. They perform drums during celebration activities of New Rice Festival, which is held in late September or earlier October each year. They also celebrate The Spring Festival with Han people. Wa people, who are faithful to Buddhism, celebrate three important festivals with Dai and De’ang ethnic groups: The Water-splashing Festival, The Door-closing Festival and Door-opening Festival.

39. **Marriage** Traditionally internal marriage was popular in Yao communities. Such tradition has been changed with time. Currently their marriage with Han and Dai in project areas are common.

3.3.3 Yi Minority

40. **Population** The Yi are largely distributed in the hillside and basin areas in Yunnan, Sichuan, and Guizhou Provinces. The Yi is the largest ethnic group in Yunnan Province, sharing 57.8% of its total population. It has several branches. The Yi can be found in three project counties with a total population of 40,761 people. Yi population is scattered in project counties.

41. **Diet and Clothing** The Yi are quite skilled at painting, sculpture and embroidery. Women usually wear clothes with beautiful flowers embroidered on them and, long trousers with exquisite lace or skirts with numerous pleats. Men like to wear black narrow sleeved clothes, and loose pants. However, in project areas, Yi people usually wear like the Han and they rarely wear their traditional clothes.

42. **Language** The Yi Minority created the earliest syllable letters in the PRC in the 13th century. However, Yi people commonly speak Chinese dialect in project areas and most of them can not speak Yi language. At least three generations of Yi Minority are not distinctive from Local Han people with respect to clothing, food, festival and language.

43. **Religion** Various beliefs are treasured by Yi Minority, such as the belief of the spirit, the worship of their ancestors. But the religion of Yi people in project areas is not distinctive from Han people.

44. **Festival** Yi people in project areas celebrate the same festivals with Han. The Spring Festival is the biggest festival for Yi people rather than The Torch Festival that is the grandest traditional festival for Yi people in other places.

45. **Marriage** Yi people often get married with the Han in project areas. Thus, there is no village or village group compactly inhabited by Yi people.

3.3.4 De’ang Minority

46. **Population** With a population of 20,556, the De’ang ethnic minority lives exclusively in Yunnan Province, sharing 98.2% of its total population in the PRC, and primarily in Luxi and Zhenkang Counties, along with Dai, Jingpo and Wa ethnic

minorities. The De'ang can be found in two project counties of Gengma and Zhenkang with a total population of 4171 people.

47. **Diet and Clothing** The staple food of De'ang Minority is rice, supplemented with corn, wheat and legume. They like to grow tea and to drink dense tea. When they visit relatives, propose marriage, welcome friends, and even when they ask for forgiveness, they will offer tea to show their regard.

48. **Language** The De'ang has their own oral language but without written language. In project areas, most of De'ang people can speak Han Chinese and Dai oral language besides their own language since their residences are mixed with Han and Dai people for long time.

49. **Religion** Influenced by the Dai Minority, De'ang people are faithful to the Buddhism. Each village has its own Buddhism temple as the same as Dai-style temple.

50. **Festival** Similar to the Dai Minority, the De'ang people also take the Water-splashing, Door-opening and Door-closing Festivals as ceremonial days. The Water-splashing Festival is held mid cycle of the fourth lunar month, with a duration of three to five days. On that grand day, all the people rally in the temples, listen to sutras and clean the statue of Buddha with the purest water. After, while singing and dancing, they splash water to each other which is the ritual way to give greetings.

51. **Marriage** Historically monogamy is practiced in De'ang marriage. It is popular in project areas that De'ang people get married with the Han, Yi and Dai minorities.

4 Poverty Situation of EMs in PAs

4.1 Poverty Profile

52. The PRC has made an enormous contribution to poverty reduction worldwide. Over the past 30 years since the launch of the reform and opening, more than 700 million Chinese people have been lifted out of poverty. According to the UN Millennium Development Goals Report 2015, the proportion of people living in extreme poverty in the PRC fell from 61 percent in 1990 to 4.2 percent in 2014. By the end of 2015, the PRC still had 55.75 million people living in poverty. The country has planned to lift all its poor out of poverty by 2020 through a range of pro-poor policies and actions.

53. Yunnan is a poverty-stricken province. The number of poverty population in Yunnan has reduced from 4.7 million in 2015 to 2.5 million in 2017, a decrease of 2.2 million and 46.9 percent. In the same period the number of national poverty counties in Yunnan has declined from 88 counties in 2015 to 47 counties by 2017.

54. According to the official statistics from Lincang Poverty Reduction Office, 86,108 people were poor in Lincang in 2017 with a poverty incidence of 5.05%. Cangyuan and Zhenkang are still national poverty counties with a poverty population of 23,291 people and 11,049 people respectively, where poverty incidences were higher than the average of Lincang. Gengma was no longer national poverty county since 2016 and its poverty incidence significantly reduced by 1.26%.

Table 7: Poverty Population in Project Areas (2017)

	National Poverty county	Poverty town	Poverty village	Poverty HHs	Poverty population	Poverty Incidence
Lincang	5	3	321	25037	86108	5.05%
Cangyuan	Yes	2	61	6578	23291	18.05%
Zhenkang	Yes	1	31	3104	11049	8.22%
Gengma	NA	0	3	731	2548	1.26%

Source: Poverty Reduction Office of Lincang Prefecture.

55. In general, the main causes of poverty for EM population in project areas include: (i) Ethnic people have a lower level of education. Illiteracy rate and people with only 3- year primary education are common among EM adults. Among illiterate residents surveyed, 44% are De'ang people, 37% are Wa people, and 27% are Yi people. Most labor forces working in the agriculture sector obtain only primary education level. As a result, many farmers have insufficient access to extension services of agricultural technology as well as market information; (ii) Ethnic people are mainly inhabited in rural mountain areas in which the geographical condition is quite harsh coupled with the shortage of natural resources and the weakness of infrastructure and social facilities. EM people are commonly facing poor community road conditions and insufficient social facilities like school and health care services.

And (iii) EM residents are more likely to have a lower level of agricultural productivity, lack of large-scale agricultural industries, lack of industry competitiveness and poor technical and market supporting system.

56. Specifically, the Wa minority makes up much of the poor population in project areas. The poverty of Wa people is characterized by Wa population distribution. Wa people are largely distributed in border mountain areas where household-based farming, smallholder agriculture, forestry and animal husbandry are the prevailing farming system. What causes poverty is the unavailability of resources for mountain Wa families in terms of land, water, credit, information, technology, healthcare, infrastructure and market. As a result, the economy base for Wa minority is poorer than Han, Dai and Yi and this further leads to many obstacles for Wa people to develop industries that could help lift them out of poverty.

57. Yi and De'ang minorities in project areas sometimes are threatened by climate hazards and their vulnerability to livelihood security has increased coupled with relatively single income source within their households. The survey shows that Yi and De'ang people are heavily relying on single income sources like sugarcane or rubber that are significantly influenced by outside market. Their families are more likely to return to poverty due to natural disasters, family member illness, and higher spending on education. Many De'ang people are illiterate including those aged 40-50, hindering them to go outside for seeking non-farming jobs.

58. Compared to other ethnic groups, Dai people have a higher economic level in project areas because they are more likely to reside in flatland areas where the quality of land is better, the availability of infrastructure and social services is often more sufficient than that of the upland areas. Therefore, the poverty status of Dai people is characterized with vulnerable family members like the disabled and ill members.

4.2 Poverty Reduction Programs for Border EMs

59. Poverty eradication for ethnic minority groups has been accelerated throughout Yunnan. The Yunnan government has developed a series of special support policies to accelerate poverty eradication for ethnic minority groups inhabiting in border areas. Yunnan Provincial Government launched "2015-2017 Action Plan of Comprehensive Well-being Improvement for Border Ethnic Residents" in 2015. Lincang Prefecture have developed and implemented prefecture level 2015-2017 Action Plan of Comprehensive Livelihood Improvement for Border Ethnic Residents accordingly. The Lincang government assigned special poverty reduction funds for border ethnic groups amounting to 786 million Yuan during the implementation of the action plan. This action plan comprises major five components.

60. The first is house reconstruction along with 40,000-Yuan governmental subsidy for each household. A total of 322 million Yuan has been spent to support 8050 EM households to do house reconstruction by the end of 2017. The second is to cultivate special agriculture industry. A total of 101 million Yuan has been spent in this regard. By the end of 2017, the large-scaled planting of agricultural products reached 50000

Mu scale, the areas of agro-forest planting reached 155000 Mu, and 10 border EM villages have been financed to establish village funds for special industry development. The third is village level infrastructure improvement. A total of 342 million has been spent to pave village roads, upgrade water supply system and improve village level service of health care center. The fourth is village living environment improvement. A total of 16 million Yuan has been spent in this regard to construct solid collection points and drainage pipelines. By the end of 2017, 317 village groups inhabited by ethnic groups have established solid collection points and drainage pipelines. The fifth is skill development for rural labours with a 4.4 million of financing support where the achievements include: 6500 trainees (person/time) receiving agricultural technology training ranging from cropping to livestock, 200 trainees (person/time) receiving new professional farmer training, and 1500 persons (person/time) obtaining entrepreneurship training.

61. In addition to the integrated action plan, Lincang government issued “Lincang Prefecture Implementation Plan for Exempting 14-year education for Students in Three Border Counties” in 2016. Students from three border counties of Gengma, Zhenkang and Cangyuan have been exempted from tuition, accommodation, and textbook fees including all students studying in pre-primary school, primary school, middle school and high school. The policy is aimed at not only easing financial pressure on EM poverty families but offering impoverished students opportunities to enjoy higher education in order to fundamentally lift border EM families out of poverty.

5 Socio-Economic Profile of EMs in PAs

5.1 Income Sources in EM Households

62. Lincang statistics indicated in 2016 per capita annual net income for rural people reached 8914 Yuan, Out of three project counties, Gengma had higher level of per capita rural net income than the average of Lincang Prefecture where per capita annual net income for rural people was 9267 Yuan. Zhenkang and Cangyuan had lower level of per capita rural net income than the average of Lincang where per capita annual net income for rural people were 8786 Yuan for Zhenkang and 8658 Yuan for Cangyuan respectively.

63. Household socioeconomic survey shows that household income sources mainly derive from local wage income, cropping income and migration income. Sugarcane, rubber and vegetable form major income from cropping in households of project areas. Per capita annual net income for surveyed households averages 13,735 Yuan, higher than the average of Lincang and three project counties. Per capita annual net income for minority families averages 12,243 Yuan that is also higher than the average of Lincang and three project counties. Among minority families, per capita annual net income for The Dai reaches 15,534 Yuan, followed by The Yi (14,317 Yuan), The Wa (10,515 Yuan) and The De'ang (10,249 Yuan).

64. Household socioeconomic survey also presents some differences of household income sources between nationalities including: (1) De'ang and Wa families are more likely to rely on local wage income compared to other minority families, especially De'ang families where the share of local wage income is 42.93%. The survey reveals main reasons of De'ang and Wa families ranking the top share of local wage income. On the one hand, many De'ang and Wa residents, even people aged between 40 and 55, can not understand the written language of Chinese due to the lack of schooling education, which is a limitation of migration out for them. On the other hand, De'ang villages along the highway connecting Mengding Town and Qingshuihe National Port Areas and nearby the central urban of Zhenkang have been experiencing land acquisition for several times. Their compensations from land loss are sufficient to support them in livelihood improvement locally so that they do not have to go outside for seeking migration work. (2) Dai people are skilled much more at small businesses compared to other minorities. The share of self-running businesses in Dai families is 22.11%, quite higher than the average of minority families (7.85%) and the average of total families (5.95%) as well. (3) Yi and Han families are more likely to have larger share of cropping income compared to other minority families since they have more farming land areas than other minority families. They mainly cultivate rubber and sugarcane on their farming land. 47.39% income is from cropping within Yi families and the cropping income makes up of 45% total income within Han families. (4) Wa families share the biggest percentage (6.44%) of governmental subsidy (governmental monthly subsistence allowances), higher than the average of EM families (2.73%) and

total families surveyed as well (1.32%) because 26 Wa families are poor families, accounting for 33.3% of Wa families and 19.7%% of total EM families respectively.

Table 8: Percentage of Income Sources in Surveyed HHs by Ethnic Identity

Sources %	Ethnic Minorities						Han N=113	Average
	Dai N=28	Yi N=15	De'ang N=9	Wa N=78	Others N=2	Average		
Local Wage Income	27.86	18.01	42.93	39.45	15.28	33.52	16.92	24.87
Pension	0.1	0.44	0.82	0.67	0.93	0.51	0.27	0.39
Cropping Income	11.5	47.39	24.05	19.56	21.23	22.30	45.20	34.32
Livestock	0.85	0.64	0.00	5.88	1.42	3.73	0.65	2.23
Land Rental	0.09	0.00	0.00	0.56	0.00	0.30	0.00	0.14
Government Subsidy	1.06	0.23	0.00	6.44	0.00	2.73	0.24	1.32
Self running small business	22.11	5.51	0.00	3.09	0.00	7.85	4.24	5.95
Migration Income	36.44	27.78	32.20	24.35	61.14	29.06	28.85	28.95
House Rental	0.00	0.00	0.00	0.00	0.00	0.00	3.63	1.82
Per capita annual net income	15534.07	14317	10249	10515	12847	12243	15435.76	13735

Source: HH Socio-Economic Survey in January 2018.

5.2 Education

65. The survey data counts that 28.98% of respondents are illiterate. Most of them are above 45 years old. They can communicate across ethnic boundary in Chinese dialect but are not able to either write Chinese characters or understand written Chinese language. Among illiterate respondents, 44% are De'ang people, 37% are Wa people, 27% are Yi people and 23% are Han people. The Dai has the lowest level of illiteracy (17%).

Table 9: Education Level of Respondents by Nationality

Education Level	Han		Wa		Dai		Yi		De'ang		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Illiteracy	26	23.00	29	37.18	5	17.86	4	26.67	4	44.44	71	28.98
Primary school	55	48.67	33	42.31	14	50.00	6	40.00	4	44.44	106	43.27
Middle School	25	22.12	12	15.38	8	28.57	5	33.33	1	11.12	56	22.86
High school	6	5.31	4	5.13	1	3.57	0	0	0	0	11	4.49
Junior college	0	0	0	0	0	0	0	0	0	0	0	0
Undergraduate	1	0.9	0	0	0	0	0	0	0	0	1	0.40
Postgraduate	0	0	0	0	0	0	0	0	0	0	0	0

Total	113	100	78	100	28	100	15	100	9	100	245	100
-------	-----	-----	----	-----	----	-----	----	-----	---	-----	-----	-----

Source: HH Socio-Economic Survey in January 2018.

66. According to the social survey, the data indicates that most of respondents received primary and junior middle school education, sharing the largest percentage of total respondents. Most of them are below 40 years old. Only 4.49% of respondents received high school education, of which 5.3% are Han people and 5.1% are Wa people. There are few respondents from The Yi and The De'ang having the same education level. The main reasons are: many people graduated from the middle school are engaged in agricultural work or outside working on the one hand. On the other hand, most of the young people who get married in an early age, especially for female. Finally, parents in many families are not very aware of the importance of the high level of school education. They think the completion of primary and junior middle school education is fine for children to get a job.

5.3 Land Resources

67. According to statistics of three project counties, in 2016 Cangyuan had the largest area of with 2.39 Mu. Average per capita farmland was 2.27 Mu in Zhenkang and 2.25 Mu in Gengma respectively. At the same year, project town of Nansan in Zhenkang had the biggest farmland areas of per capita 3.53 Mu. Mengdong Town in Cangyuan had 2.87 Mu per capita farmland, and the smallest per capita farmland areas went to Mengding Town from Gengma with per capita 1.53 Mu.

68. The socioeconomic household survey indicated that Han people have the largest areas of farming land with average 11.23 Mu per household because many of Han households surveyed in Mengding State-owned farming where the farmland areas are larger than that of individual households. Among EM households, De'ang people share the largest areas of farmland with 10.37 Mu per household due to larger areas of farmland holdings in project De'ang villages like Banxing village in Mengding and Baiyan village in Nansan. Wa families have only average 4.22 Mu farmland per household because most of Wa families have been experiencing land acquisition caused by the urban expansion of Cangyuan city in recent years.

69. The Dai usually cultivate vegetables on their farmland replacing the traditional food crop of rice in order to increase cash income of household. Corn and sugarcane form major cropping patterns for The Yi and The De'ang. The Wa cultivate corn on their farmland to feed their pigs as well as for selling.

Table 10: Land Holding Per HH by Nationality (Mu)

	Han	Dai	Yi	Wa	De'ang	Average
Farming land	11.23	5.13	6.51	4.22	10.37	8.85
Forest land	6.21	4.15	8.63	8.34	4.12	8.48

Source: HH Socio-Economic Survey in January 2018.

5.4 Occupation

70. Most EM respondents within surveyed households are farmer. The sample survey shows that on average 74% of EM people engaged in farmland cultivation. 12.3% are local migrant workers in the construction sector and service sector. 7% are running small businesses on their own such as small shops, restaurants, and shoe repair shops, etc. The entire De'ang respondents are farmers, mainly cultivating sugarcane as they have larger farmland areas. Dai respondents are more likely to do small businesses compared to other ethnic groups.

Table 11: Occupation of Respondents by Nationality

Occupation	Han		Wa		Dai		Yi		De'ang	
	No.	%	No.	%	No.	%	No.	%	No.	%
Farmer	80	70.80	60	76.92	20	71.42	11	73.33	9	100
Local migrant	9	7.96	10	12.83	4	14.29	2	13.33	-	-
Out-Migrant	6	5.32	2	2.56	-	-	-	-	-	-
Small business people	9	7.96	4	5.13	4	14.29	1	6.67	-	-
Pensioner	7	6.19	2	2.56	-	-	1	6.67	-	-
Employee from enterprise or government	2	1.77	-	-	-	-	-	-	-	-
Total	113	100	78	100	28	100	15	100	9	100

Source: HH Socio-Economic Survey in January 2018.

6 Project Impact Analysis on Ethnic Residents

71. Local minority residents are widely consulted with project components through various participatory approaches such as household questionnaire survey, focus groups discussions with women, men and poor people, and key informants interviews with community officials. Project benefits are widely perceived by EM residents in terms of providing local people with a better living environment through road condition and road safety improved as well as municipal services improved; bringing more convenient mobility between Mengding Town and Qingshuihe National Port Areas through public transport provision; improving primary education facilities through upgrading school facilities in Qingshuihe Primary School and building a new primary school in Cangyuan; enhancing the capacity of local health care services through construction of a new county level hospital in Zhenkang and a new city level hospital in Qingshuihe National Port Areas.

6.1 EM Needs for Environmental Infrastructure Improvement

6.1.1 Solid Waste Management

72. The component is to build one transfer station and 2 collection stations in Qingshuihe, 6 collection stations with toilets and dustbins in Mengding Town and Qingshuihe. Collection equipment will be purchased accordingly. Solid waste management is still an unresolved issue in project areas of Mengding Town and Qingshuihe Area. Solid waste collection services are inadequate there. There are insufficient collection stations, garbage bins and garbage trucks in Mengding and Qingshuihe.

73. The local EM residents have similar needs for environmental infrastructure improvement. According to the focus group discussions with Dai, Wa, Yi and De'ang ethnic groups, EM residents perceive that the current solid waste collection in Mengding and Qingshuihe is poor and need to be improved. They report there are inadequate dustbins available within the pathways and the waste is not collected and carried timely and regularly, resulting in dirty environment and bad smells in the air. Other related problems perceived by EM residents are: (i) some sanitation problems are caused by people's poor behaviors like putting the garbage nearby dustbins not in the bins, leaving the garbage anywhere, refuse piling up in front of houses for long time, etc.; and (ii) walking about 300 meters to leave the refuse in waste collection points as there is no dustbins nearby.

74. The project implementation will greatly strengthen the capacity of solid waste treatment in Mengding and Qingshuihe through building new collection stations and collection points. The increased capacity would benefit all EM residents in more adequate accessibility of solid waste collection services.

6.1.2. River Rehabilitation in Qingshuihe Area

75. The component is to rehabilitate 2.38km of the Qingshuihe River and 1.00km of the Nanpa River. The construction includes flood control rehabilitation,

embankment, sewage pipelines, and greening of 106733 square meters along the river embankment. Construction of the scenery belt includes alley roads, small squares, lawns, etc. The local EM residents welcome the environmental improvement and support Qingshuihe and Nanpa Rivers rehabilitation that will bring more visible changes to them such as clean water and green open spaces. Most of local EM representatives believe this component would provide walking, exercise and leisure spaces to them, especially for old people, and children.

6.1.3 Public Transport Facilities and Services

76. The component is to construct a total of 22 electric charging stations in Mengding and Qinfshuihe. In addition, 6 new energy buses will be purchased to provide local residents with public transport service between Mengding Town and Qignshuihe Area. Currently there is no public transport service accessed by local EM residents between Mengding and Qingshuihe. The participatory observation in the field indicates electrically-driven bicycles, motorcycles, and motor tricycle are three common transport means used by EM respondents to travel between Mengding and Qingshuihe highway. The survey also shows that 59.9% of EM respondents use motorcycles for traveling, 43.7% use motor tricycle, 47.5% use electrically-driven bicycles and 12% travel with private cars.

77. The availability of public transport service would increase a transport mode for local EM residents. Most surveyed EM residents have similar expectations to have access to bus service. Old people and women have stronger aspiration to have bus travel because these groups are usually not able to drive motorized vehicles the fact that they do not have driving license. Many interviewed women believe the bus travel will bring more convenient mobility for them. They explain, *“We usually travel on the highway between Mending and Qingshuihe for various purposes like visiting doctor, visiting relatives, participating grand festival activities, etc. Sometimes our husbands drive us and sometimes we ask somebody to give us a ride. We would arrange regular travel for ourselves well when the public transport service can be accessed.”* They also believe the bus travel will be safer and more comfortable than other motorized vehicles particularly during the rainy season.

6.1.4 Water Sector Service Improvement in Qingshuihe Area

78. The municipal facilities in Qingshuihe are inadequate for current residential and commercial needs. The current municipal facilities could not accommodate the projected growth of border trade actives and good handling at the border custom. The municipal services in the border towns and cities are much less developed in comparison with other cities and towns in the PRC. The access to basic utilities is low - 26% of households do not have access to clean piped water, and 29% are not connected to the sewerage system.

79. **Water Supply System** This component includes: (i) constructing one Water Intake Station (21,000 m³/d); (ii) constructing 32 km of Water Transmission Pipeline; (iii) building one Qingshuihe Water Treatment Plant (WTP) with a capacity of 20,000 m³/d) and; and (iv) building 28 km of Water Distribution Network in order to

meet increasing water needs of local residents, migrants from Myanmar and investors. The current municipal water pipe network in Qingshuihe does not cover all water users. 26% of residents are supplied by ground water from wells. Even within 74% of residents covered by the municipal water supply system, about 50% of households surveyed have experiences of different degree of intermittent water supply.

80. The component will greatly improve the capacity of water supply in Qingshuihe and all residents including Han and ethnic people will be served by the improved municipal water pipe network. The problem of intermittent water supply will be extremely reduced.

81. **Wastewater Treatment** The component is to build: (i) one Qingshuihe Wastewater Treatment Plant (WWTP) with a capacity of 10,000 m³/d and (ii) 7200 m Qingshuihe Wastewater Pipeline. Currently 29% of local residents are underserved by the sewage network in Qingshuihe. Households, who are not connected to the Network drainage system, directly discharge their domestic wastewater on the ground outside houses or into their own yards or nearby ditches. EM residents face the same problems of discharging wastewater into the open areas. They raise the environmental problems cause by insufficient wastewater collection including: (i) more flies, mosquitoes and mice; and (ii) bad smells in summer time, resulting in more occurrences of flies and mosquitoes. They expressed the situation of insufficient wastewater collection would worse the living condition and threaten public health. Therefore, a majority of ethnic minority residents interviewed believe that upgrading water supply system and increasing wastewater collection and treatment capacity are urgently needed.

6.2 EM Needs for Social Infrastructure and Service Improvement

6.2.1 Primary School Facilities and Services

82. **Construction of Guomen No.2 Primary School** A primary school will be newly built in the urban area of Cangyuan city, named Cangyuan Guomen No 2 Primary School. Construction of the school includes: two four-story buildings for classroom, one five-story comprehensive function building, one three-story canteen, and two four-story dormitory buildings. Currently there are five primary schools in the urban area of Cangyuan city with a total of 3,195 students enrolled including about 600 Myanmar students. However, one of existing primary schools only has three grades from grade one to grade three that means students have to transfer to other four primary schools to complete their fully primary education from grade four to grade six. Further, only two of existing primary schools are able to offer accommodation services for students. Among existing five primary schools, Guomen No.1 Primary School is over-crowded with total 1,648 students, sharing 52% of total students because it has the best facilities and environment for study in Cangyuan city, but it does not have the dormitory facility to provide students with accommodation.

83. The urban area of Cangyuan city is densely populated with Wa ethnic minorities. Widely public consultations with them shows that it is necessary to have accommodation provision in the school since many parents are working people and they do not have much time to daily picking up and dropping their children at the school.

An interviewed Wa woman says, *“My child is studying in Guomen No.1 Primary School. I am fully responsible for day-to-day picking up and dropping my child at the school. I need do my job four times every day so I can not have time to do other things. I ever worked in a company before my child went to the primary school. But I have to leave my company to take care of my child. If the school could provide accommodation, I might continue my work rather than being as a housewife”*. Some parents are concerned about the imbalance between large number of students and the school's capacity available like too many students in the school might increase teachers' workloads, further influencing the teaching quality. Most of Wa and Dai parents are expecting the new Guomen No.2 Primary School will be qualified in study facilities and teaching skills as the same as or better than the existing Guomen No.1 Primary School.

84. It is reported from teachers and Wa parents interviewed that there is no curriculum opened for Wa language study in existing primary schools except for Cangyuan Minzu Primary School where there is one class of Wa language available once a week for students in grade four, five and six and only one teacher is available to undertake all classes of Wa language. Many Wa parents are concerned that their children would not speak their own language if the study of Wa language is not provided by the school.

85. **Upgrading Qingshuihe Primary School** Qingshuihe Primary School, located in Qingshuihe National Port Areas, will be upgraded in order to increase its capacity and accommodate 480 students. The upgrade includes construction of a five-story dormitory building and a two-story canteen. Currently Qingshuihe Primary School can accommodate 88 students and the remaining 392 students have to travel to and from school every day. The school's canteen is too small so that many students have to stand outside eating during the lunch time. A group discussion with EM parents report that it would be good to provide students with accommodation because it would help in saving time to travel to and from school every day for children and parents on the one hand, on the other hand, it would be good for children's study and grow up as children prefer to obey teachers' sayings. An interviewed Yi and De'ang women say, *“We are illiterate and could not be more helpful in children's doing homework as well as in the grow up of children. We trust teachers and are willing to let our children stay in the school.”*

86. The main challenge of the school assessed will be the campus management for boarders because the amount of students would be increasing from the current 88 students to 480 students. The EM representatives also express their concerns of small children in the 1-2 grades having difficulty to live alone in the school. They expect that the school would provide those small children with training on survival skills and security awareness.

6.2.2 Hospital Facilities and Services

87. **Qingshuihe Hospital** A general hospital in the Qingshuihe Area will be built serving patients from Mengding Town and Kunlong County of Myanmar. This hospital will replace the only health center in Qingshuihe that can only provide a very limited range of outpatient services. One U shape building is to be constructed,

including functions such as outpatients, ER, laboratories, offices and inpatients. There are 100 beds in the hospital as planned. Incremental benefits brought by the hospital construction are well perceived by local EM residents including: (1) the hospital will provide general medical services covering outpatient and inpatient medical treatment which would bring more conveniences for local minority residents inhabiting in the Qingshuihe area, who have to currently go to Mengding Town Hospital, 28 km away from Qingshuihe, for seeking inpatient treatment; (2) the hospital will benefit more for children, old people, disable people and emergency patients who are physically not allowed to travel long distance; and (3) the medical services will be accessed by nearby EM village groups that are miles away from Qingshuihe Area but over 40 miles away from Mengding Town Hospital. For example, a De'ang village group, named Qianjiazhai village group, is seated 10 km away from Qingshuihe Area and 46 km away from Mengding Town. De'ang villagers in this village group rarely go to the health care center in Qingshuihe Area due to the long distance as well as limited outpatient treatment. They prefer to take medicine by themselves. They expect the new hospital can provide them with good medical services including outpatient and inpatient treatment.

88. **Zhenkang Border County Hospital** A general hospital in Nansan border Town of Zhenkang will be built serving patients from Zhenkang County, part of Gengma County and Laokai County of Myanmar. Three buildings are to be constructed, one five-story building for outpatients and ER, one five-story building for laboratories and offices, and one nine-story building for inpatients. There are also some small buildings such as a diner and laundry house, a house for infectious patients. The new hospital will replace the existing Zhenkang County Hospital where the supply of hospital service cannot meet the medical demands of border residents due to poor facilities and insufficient equipment. The president of Zhenkang County Hospital report that this county level hospital is the only one of general hospital in Zhenkang, the problems of poor facilities and insufficient equipment are becoming critical with the increase in population both from Zhenkang County from the PRC and Laokai County from Myanmar. For example, the existing 789 beds are too insufficient to meet the amount of inpatients. It is necessary to increase 500 beds based on the projection of population served.

89. Zhenkang County Hospital is regarded as the best one of hospitals in the urban area of Zhenkang by the local EM residents. The major problem facing EM residents is that patients have to be transferred to Lincang either due to limited beds provision or due to lack of medical equipment for diagnosis, resulting in the increase in the medical cost for local EM families. A group discussion with De'ang residents counts that the extra cost will be increase 300 Yuan per day including the travel cost and a accompanying member's accommodation and meal when a patient has to be transferred to Lincang in a family. The local EM representatives say that the people in general have long been expecting for this new hospital because they believe that it would be more convenient and cheaper for them to enjoy better medical services without visiting doctors outside county. They also express qualifiedly medical

technicians and advanced equipment should be introduced after the hospital construction.

6.3 EM Perceptions on Border Trade Capacity Improvement

90. The component of border trade capacity improvement is located in Qingshuihe Area including four subcomponents: (1) constructing five urban roads in the core zone of Qingshuihe Port Area; (ii) constructing border trade market facilities; (iii) constructing international cooperation area facilities like factory buildings, warehouses, office buildings and other supporting buildings; and (iv) building a bridge over Nanting River to connect Mangka Town (one of official pass ways in Lincang going to Nandeng County of Myanmar) and Qingshuihe Area via the Mengding-Qingshuihe Express Way that is being constructed.

91. The border trade is an important business activity for local EM residents. There are several types of border trade activities local EM residents mainly engaged in terms of: (i) providing their border resident permits with traders, who use them to be granted duty-free for a range of agriculturally imported products. According to the regulation of Qingshuihe Port Customs, each border resident permit can be used once per day with a value of 15 Yuan once; (ii) providing their labors engaging in loading and unloading goods in the freight yard, which is mainly occupied by males; (iii) doing some businesses at the port area, more likely running small restaurant; (iv) working in the construction site of New Guomen Area both men and women involving; and (v) transporting goods from both sides of the border usually hired by traders.

92. The project will improve the border trade facilities to accommodate the needs for border trade growth and improvement on the border trade capacity. It will further promote more business and employment opportunities for local EM residents. In particular, Wa and Dai residents in Mangka Town would directly benefit from the bridge building over Nanting River in terms of fast travel to Qingshuihe Area as well as to Mengding Town, and good accessibility of Qingshuihe Hospital, which is regarded as the most critical benefit by them since currently they only have access to limited medical service provided by Mangka Town Hospital. Local EM residents have been consulted with positive and negative impacts of border trade capacity improvement. The output would require land from two ethnic groups of Wa and Yi. The major negative impacts would be land acquisition much concerned by local Wa and Yi residents. In addition to the land acquisition, the other negative impacts raised by EM residents are related to unclean environment due to blocked side drain and much dust caused by poor site management. Their views on this output have been specified in table 12 below.

Table 12: EM Residents' Views on Border Trade Capacity Improvement

Project Components	Positive Impacts	Negative Impacts
Construction of urban roads	<ul style="list-style-type: none"> • Good road conditions without heavy traffic. • Safer travel on the road due to clear road marking, traffic signals at intersections, which is most important for children and the elderly. • Job opportunity during the construction. 	<ul style="list-style-type: none"> • Inconvenience in daily picking up school children during construction. • Unclean air due to lots of dust caused by construction. • Income loss due to land acquisition. • Difficulty to seek on-farm and non-farm jobs due to lower education level.
Construction of border trade market facilities	<ul style="list-style-type: none"> • The improved facilities would facilitate market expansion, resulting in more job opportunities. • Job opportunity during the construction. • The improved facilities would bring the economic growth particularly in business and service sectors, benefiting local EM people. 	<ul style="list-style-type: none"> • Inconvenience in daily picking up school children during construction. • Side drain might be blocked due to construction waste pulling into. • Income loss due to land acquisition. • Difficulty to seek on-farm and non-farm jobs due to lower education level
Building a bridge over Nanding River	<ul style="list-style-type: none"> • Fast mobility to Qingshuihe Area and Mengding Town Area. • More business and job opportunities due to good connectivity. • Good accessibility of Qingshuihe Hospital that will be helpful for having access to better medical service. • Job provision during the construction. 	<ul style="list-style-type: none"> • Concerning about land pollution caused by solid waste and wastewater of construction going in.
Construction of international cooperation facilities	<ul style="list-style-type: none"> • More business and job opportunities brought by outside investors. • Job provision during the construction. 	<ul style="list-style-type: none"> • Land loss due to land acquisition. • Difficulty to seek on-farm and non-farm jobs due to lower education level.

Source: Summary from EM Focus Groups Discussions.

6.4 Job Generation of Project for Local EMs

93. The project construction will generate 1080 jobs where 61% will be unskilled jobs, which are more suitable for women and poor people. The project will generate 700 jobs yearly during operation and maintenance periods where 68% will be unskilled jobs containing water meter reader, greening worker, pipeline maintenance worker, etc. that are more suitable for women and poor people.

94. The employment opportunities produced during project construction and operation period should be provided to local ethnic residents, specially the poor families and women.

95. The ethnic minority development action plan has set the targeted actions: (1) during the project construction, generally at least 50% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for ethnic women, Specifically, 60% of unskilled jobs will be given to the minority people, of which 20% for women and 10% for the poor people; (2) during the project operation period, generally at least 50% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for ethnic women.

6.5 Project Negative Impacts on Ethnic Minorities

96. The social assessment identifies that the primarily negative impact of project on local minority people is land acquisition and house demolition caused by project construction. A total of 159 households with 831 people will be affected, including 42 minority households with 175 people, accounting for 21.06% of the total affected population. Of total affected EM households, land acquisition would affect 21 households with 94 people from The Wa Minority, 10 households with 33 people from The Yi Minority, and then 10 households with 44 people from The De'ang Minority. While one Dai family with 4 people would be affected by house demolition due to a primary school building in Cangyuan. The resettlement plan has been prepared where the impact assessment were carefully conducted and specific measures to avoid and mitigate impacts of land acquisition and house demolition on local minority people have been proposed.

97. Other adverse impacts include: (1) Residents might be disturbed by project construction such as noise, dust and some inconveniences of daily travel; (2) Site management might be poor, resulting in severe disturbance such as lack of clean-up on completion and side drains block due to construction wastes pouring into. In particular, site safety management might be inadequate such as lack of safety barriers, resulting in unsafe walking on the road, some safety issues for children outdoor activities; (3) The communicable diseases, particular HIV/AIDS might be increasing in case the public health management on construction sites is poor. (4) There would be challenging of campus management in two primary schools due to a large number of boarders coming in; (5) Access to improved municipal water supply and wastewater treatment system will result in tariff increase. The PSA shows that the cost of water consumption accounts for 0.73% of total household monthly expenditures and 0.34% of poor households. All ethnic people interviewed could understand they need to pay for municipal services. Therefore, the payment for water tariff is accepted by 98% of EM respondents. However, the gradual and small number increase of water tariff could be affordable for the majority of household. The poor ethnic people might not afford the cost of water tariff if the price will be increasing up to CNY 2 /ton and beyond. The ethnic minority development action plan has set the objectives and indicative actions to mitigate and avoid these negative impacts on EMs.

6.5 Other Potential Risks

98. The identified potential risks include two aspects. One is that contractors and workers engaged may not have adequate sensitivity for ethnic culture and local norms, resulting in some project activities to be undertaken in a manner not accepted by the culture of ethnic minorities. For example, a Buddhist holy pagoda and the Buddhist temple are seated nearby the construction site of Guomen No.2 Primary School in Cangyuan. All Dai people living in Cangyuan city must go to the pagoda for worshipping during the Water Splashing Festival. Some Dai women are concerned about the unclean environment surrounding the holy pagoda caused by the construction. The Buddhist temple belongs to the Mengpeng village group and is worshiped daily by villagers. They are also expecting a relatively clean and peaceful environment nearby their temple.

99. The other is that the adequate participation in project activities for minority residents such as having good access to job information brought by the project construction, consultations on measures of income restoration and livelihood improvement for affected EM residents, etc. Particularly many Wa and De'ang ethnic people have the lower level of school education and then they could not understand the written Chinese language. The ethnic minority development action plan has set the targeted actions to ensure EM participation.

100. These identified potential risks on EMs have been fully addressed in the EMDAP through various mitigation measures and actions.

7 Ethnic Minority Development Action Plan

101. Minority communities in project areas have their own culture and custom. At the preparation, implementation and operation stages, the design agency and implementation agencies should pay more attention to ethnic indigenous knowledge and practical needs of the local ethnic minorities and conduct project activities in ways culturally acceptable to them in order to make the Project sustainable in minority project areas. The EMDP has been prepared based on the assessment of minority residents' perceptions about the project components through meaningful consultations with affected EMs and minority beneficiaries with respect to the potential adverse and positive effects of the project. The EMDP comprised two aspects of measures and actions: beneficial measures and actions in order to ensure ethnic population receive culturally appropriate benefits identified by the social impact assessment; mitigative measures and actions in order to avoid and mitigate any negative impacts of project on them.

7.1 Actions, Targets and Indicators of EMDP

102. Targets and indicative actions have been developed in the EMDP and more specifically to:

(1) Mitigating land acquisition and house demolition impacts for ethnic minority families and population.

103. The project will affect 4 townships, 10 village/communities where a total of 88 households with 439 people will be affected, including 25 minority households with 109 people, accounting for 24.83% of the total population. Land acquisition will affect 87 households with 435 people including 24 minority households with 105 people. While one family with 4 people will be affected by house demolition. This affected one family is The Dai. Detailed information of each affected households and compensation standard has been specified in the resettlement plan (RP) and the measures of income recovery for affected households have been included. Under this action, indicators and targets have been developed including: formulate detailed compensation standard, amount, time and the way of payment for all affected EM households; make full compensation to 100% affected EM households; provide livelihood restoration measures for all EM families such as skill training for business development and other development programs; and special assistances will be provided for them.

(2) Strengthening the safety management on construction sites and mitigating or avoiding construction disturbances for EM residents.

104. Proper construction site management is very important to mitigate and avoid potential negative impacts of the project on minority residents who are more concerned with disturbances of project construction and project implementation in an appropriate manner of respecting their tradition and social norms. Under this action, indicators and

targets include: safety signs and corresponding protective measures like safety barriers must be presented on the construction site, and all the signs should be prepared in bilingual language; construction safety training must be provided to all the workers; site management must be in place to ensure clean-up on completion and to avoid side drain block due to construction wastes pouring into; dust reduction measures must be taken on the construction site; environment safeguard and safety measures should be included in tender documents and contracts.

(3) Preventing HIV/AIDS/STI and Other Communicable Diseases During Construction

105. HIV/AIDS/ STI problems are not considered as a major threat in the project area. However, the community leaders and government agencies perceived that the number of HIV cases might increase in the future, due to increase of migrant workers going to the project areas for work. Therefore, providing awareness on prevention of HIV/AIDS/STI and other communicable diseases will be conducted for 100% of the contractors and workers. To ensure that the local people surrounding the construction sites to be protected from this potential risk, awareness on prevention of HIV/STI and other communicable diseases will also be provided to the local residents/ communities. This will be conducted by the government Disease Control and Prevention Center with coordination of the PMO. Conduct publicity activities/trainings on HIV/AIDS/STI, and other communicable diseases prevention to contractors/workers and local residents using their local language; at least 40% of local ethnic minorities participate in the training and related activities. With road rehabilitation the road safety awareness for the public will be increased in order to reduce the potential safety accidents. Under this objective, two sub-objectives and proposed actions include: provide environmental protection education activities to the public at communities and schools; at least 40% of local participants are minority residents and the female are not less than 40%.

(4) Guarantee the equality of ethnic minority, minority women and minority poor to adequately participate in the project

106. During the project implementation period, minority residents' participation will be ranged from understanding of project contents, objectives, activities, benefits, having access to job information, attending various public education activities and participating in public consultation activities of traffic facility design. Under this action, indicators and targets include: all minority people should be consulted with time, place and way of project mobilization and training; local minority languages or translators should be used for project mobilization and training in order to minority people receiving full information; establish proper grievance redress mechanism for the participation of minority residents where one person should be appointed as the appeal acceptor in each project town; Job information should be disclosed in local EM languages in EM communities/villages; Time, place and the way of disclosure of job information should be suitable for women; ensure minority residents to be engaged in public consultations in traffic facilities design (i.e., crosswalks, traffic signals, bus stops

distribution, and other traffic facilities at schools and hospitals); at least 10% EM representatives from poor families participating in price hearings for raising water tariff, ensure the local language to be used during awareness campaign and in publicity/information materials.

(5) Enabling all project activities to be undertaken in consistency with ethnic minority cultures

107. During the public consultation, local ethnic minority residents suggested project implementation should be ethnic culture sensitive, particular construction sites should have EM cultural sensitivity features. Under this action, indicators and targets include: providing training on ethnic culture sensitivity for all construction workers, the construction work should not destroy sacred trees, water sources, worship points and other holy places. In particular, the construction activities of school building in Cangyuan must be at least 500m away from Buddhist pagoda and temple.

(6) Providing employment opportunities for local ethnic minorities, especially for poor families and poor women

108. The employment opportunities produced during project construction and operation period should be provided to local ethnic residents, specially the poor families and women. Under this objective, two sub-objectives and proposed actions include: during the project construction, generally at least 40% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for ethnic women. Specifically, 50% of unskilled jobs will be given to the minority people, of which 20% for women and 10% for the poor people; during the project operation period, generally at least 40% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for ethnic women. Proper work positions for women have been proposed in the GAP; make sure that 100% of employees to sign the labor contracts with employers; 100% of ethnic workers, especially female have equal pay for equal work.

109. To protect the rights and welfare of the workers, labor protection regulations are implemented in the PRC, which include construction safety, working injury insurance, minimum wage requirement, working hours, etc. Under the supervision of the PMO/PIUs and the project loan implementation consultants, the contractors will provide orientation training on core labor standards (i.e., equal pay for the same type of job regardless of sex, no child labor, equal opportunities, etc.). The GAP and SDAP have also outlined various activities to address labor issues during the construction and operation stage.

110. In order to safeguard the labor rights of minority workers, the labor contracts should be signed between EM workers and contractors.

(7) Promoting Wa Cultural Protection and Inheritance Through Primary School Education in Cangyuan

111. Most of parents in Cangyuan are concerned about their children might not have more chances to practice Wa language in the school since there is no Wa language class available at existing primary schools in the urban areas of Cangyuan except for Cangyuan Minzu Primary School. Stakeholder consultations with Cangyuan Minority and Religion Bureau and Cangyuan Wa Culture Research Center also report that they are expecting the primary school becomes a good place to protect and develop Wa culture and tradition. Therefore, actions of promoting Wa culture entering the campus have been developed including: opening Wa language class in Guomen No.1 and No.2 Primary Schools, conducting public classes of Wa culture and history for all students on campus.

Table 13: Ethnic Minority Development Action Plan (EMDP)

Actions	Indicator/Target	Responsible Agencies	Time	Budget
MITIGATION MEASURES				
1. Mitigating Land Acquisition and House Demolition Impacts for EMs				
1.1 The compensation for affected ethnic minorities would be fully and timely made. The compensation would be paid jointly to husbands and wives.	<ul style="list-style-type: none"> Formulate detailed compensation standard, amount, time and the way of payment for all affected EM HHs. Make full compensation to 41 EM HHs with 171 people affected by land acquisition. Make full compensation to 1 Dai family with 4 people affected by house demolition. The number of husbands and wives jointly receiving compensations. The number and the way of consultations with affected minority people about compensation opinions by gender. 2017 Baseline: 0	LBECZM; Zhenkang PMO; Cangyuan PMO.	2019-2024	Project resettlement budget
1.2 The income and livelihood for affected ethnic households would be implemented to ensure their living standard to be improved. The training plan would be developed for women in seriously affected households such as demolition and scale	<ul style="list-style-type: none"> Provide skill trainings to all affected 42 EM families with 175 people on the basis of job market assessemnt and with a focus on non-traditionally skilled jobs for affected women. At least 30% trainees would be ethnic women. Provide livelihood restoration measures for all affected 42 EM families with 175 people such as agricultural skill training and vocational skill training. At least 30% trainees would be ethnic women. The types and number of skill training provided to affected EM amilies/population by gender and ethnic identity. The types and numner of training provided to seriously affected minority women. 	LBECZM; Zhenkang PMO; Cangyuan PMO.	2019-2024	Government regularly budgeted programs

of land acquisition.	<ul style="list-style-type: none">The amount of participants in skill training by gender and thnic identity. 2017 Baseline: 0			
1.3 Special assistances will be provided for affected ethnic households.	<ul style="list-style-type: none">No. of jobs provided to affected EM people by gender and ethnic identity.No. of affected EM people/families receiving special assistances by gender and ethnic identity. 2017 Baseline: 0	LBECZM; Zhenkang PMO; Cangyuan PMO.	2019-2024	Government regularly budgeted programs
2. Strengthening Safety Management on Construction Sites and Mitigating Construction Disturbances for EMs				
2.1. The working site operations must comply with PRC and Yunnan Province regulations of construction safety.	<ul style="list-style-type: none">The environment protection and safety measures presented in the contracts.The number of cases and specific records of violation of PRC Labor Law and regulations of construction safety on the construction site. 2017 Baseline: 0	LBECZM; Zhenkang PMO; Cangyuan PMO; Project contractors and construction supervisors.	2019-2024	Project civil work budget
2.2 Mitigation measures must be made to avoid construction disturbances to EM residents living around construction sites.	<ul style="list-style-type: none">The amount of dust reduction measures taken on the construction site.The number of complaint ceases or records from residents like working during nighttime, side drain block due to construction wastes pouring into.The measures taken to solve problems raised by residents. 2017 Baseline: 0		2019-2024	Project civil work budget
2.3 Safety signs and corresponding protective measures like safety barriers must be presented on the construction site, and all the signs should be prepared in both Han and local EM languages.	<ul style="list-style-type: none">The number of accident records and other complaints due to lack of traffic signs and safety barriers, including lack of bilingual signs on the construction site.The amount of safety signs and contents on construction site.The number of participants receiving the safety training by gender and ethnic identity. 2017 baseline: 0		2019-2024	Project civil work budget
3. Preventing HIV/AIDS/STI and Other Communicable Diseases During Construction				
3.1 Prevention of HIV/AIDS/STI and other communicable disease clauses must be included in contract bidding documents.	<ul style="list-style-type: none">The terms of preventing HIV/AIDS/STI and other communicable disease should be presented in contracts.All contracts should include measures of Prevention of HIV/AIDS/STI and other communicable disease. 2017 Baseline: 0	LBECZM; Zhenkang PMO; Cangyuan PMO; Project contractors and	2019-2024	No budget needed

		construction supervisors.		
3.2 Publicity activities/trainings will be conducted on HIV/AIDS/STI, and other communicable diseases prevention to contractors/workers and local EM residents. The communication channels preferred by women would be applied.	<ul style="list-style-type: none"> 100% contractors and workers would be trained . At least 50% of participants will be EM residents involving in public activities/training and the female are not less 40%. The number and type of training on public health, HIV/AIDS/STI prevention awareness conducted. The proportion of local ethnic participants by gender and ethnic identity. The proportion of contractor and workers trained by gender and ethnic identity. The number and type of HIV/AIDS/STI prevention materials distributed to the contractors/workers and the public. The number of EM communities/villages receiving materials. At least 60% of female participants would be satisfied about the way of communications. The degree of women's satisfactions with various public training/activities on public health, HIV/AIDS/STI prevention awareness building. 2017 Baseline: 0	LBECZM; Zhenkang PMO; Cangyuan PMO; Project contractors and construction supervisors; Disease Control and Prevention Centers.	2019-2024	Government regularly budgeted programs
3.3 Measures of communicable diseases prevention for construction workers will be implemented including female workers' preferences.	<ul style="list-style-type: none"> Set up measures of communicable diseases prevention for construction workers (i.e., condoms provision, regularly physical examination). The number of measures of communicable diseases prevention for construction workers. The number of persons accessed by such measures by gender and ethnic identity. The degree of female workers' satisfactions with measures. 2017 Baseline: 0		2019-2024	Government regularly budgeted programs
4. Safeguarding Labor Rights of Ethnic Workers Particular Minority Women				
4.1 Safeguard the labor rights of ethnic workers such as signing the labor contract and equal pay for equal work for women, etc. The prevention of sexual harassment in the work place would be	<ul style="list-style-type: none"> Types and number of trainings on ADB labor safeguard. The number of EM trainees by gender and ethnic identity. The number of labor contracts for ethnic minority workers, disaggregated by gender, poor and non-poor. Satisfaction degrees on equal pay for equal work of the ethnic workers by gender and ethnic identity. All contracts should include measures of Prevention of sexual harassment. 2017 Baseline: 0	LBECZM; Zhenkang PMO; Cangyuan PMO; Project contractors and construction supervisors;	2019-2024	Project civil work budget.

presented properly in contract bidding documents.		Human Resources and Social Security Bureaus; Women's Federations.		
5. Guaranteeing The Equality of All Ethnic Minorities Particular Wa and De'ang Minorities and Minority Women to Adequately Participate In Project				
5.1 Proper grievance redress mechanism will be established for receiving appeals and solving issues raised by minority residents during project implementation. The communication channels preferred by women would be included.	<ul style="list-style-type: none"> One person should be appointed as the appeal acceptor in each project district and town. Contact information of appeal acceptors like email, telephone number and mailing address should be disclosed to project EM residents in both Han and local languages. The disclosure of grievance redress mechanism should be reached by EMs in open areas in both Han and local languages. The number of appeal acceptors. The number of women's views on the grievance redress mechanism. The number of ethnic people knowing the procedure of grievance redress mechanism complaint people by gender and ethnic identity. Time, place, language used, way and frequency of disclosure of grievance redress mechanism. Feedback record of EM opinions of projects by gender and ethnic identity. 2017 Baseline: 0	PMOs; Project districts and towns.	2019-2024	Project management budget
5.2 Employment information can be easily accessed by local minority residents during project construction and operation periods particular for De'ang and Wa Minority and EM women.	<ul style="list-style-type: none"> Job information should be disclosed in both Han and local oral languages in ethnic communities. Time, place and the way of disclosure of job information should be suitable for women and De'ang and Wa Minorities. The way/time/location/contents of job information issued. The number of local minority residents knowing the job information by gender and ethnic identity. De'ang and Wa people, particular women "satisfied" with the time, place and the way of disclosure of job information. 2017 Baseline: 0	PMOs; Project contractors and construction supervisors; Project ethnic communities; Human Resource and Social Security Bureau in three project counties.	2019-2024	Project management budget

5.3 Ensure the fully participation of local minority residents in consultations in traffic facilities design (i.e., crosswalks, traffic signals, and other traffic facilities on roads, bus stops, and traffic facilities at schools and hospitals)	<ul style="list-style-type: none"> At least 50% of participants will be local minority residents in the consultation while female participants are not less than 40%. All the public consultation activities should be conducted in local EM oral language or equip with translator in order to the local minority residents can show their opinions The number of participants in public participation and consultation, disaggregated by gender and ethnic identity. The records on the project views and suggestions provided by local minority residents by gender and ethnic identity. 2017 Baseline: 0	PMOs; Design Institute; Project towns	2019-2024	Project management budget
6. Ensure Poor Minority People Voicing Their Concerns in Public Hearings In Case Raising Water Tariff				
6.1 Ensure poor EM people participation in public hearings.	<ul style="list-style-type: none"> Poor people's voices should be heard during the public hearings for raising water tariff. The representatives from poor families should not be less than 10%. Total number of representatives participating in public hearing by ethnic identity. The number of representatives from poor EM families participating in public hearings by ethnic identity. 2017 Baseline: 0	LBECZM; Water Supply and Sewage Company.	3 months before raising water tariff	No budget needed
7. Enable all project activities to be undertaken in consistency with ethnic minority cultures				
7.1 Avoid destroying sacred trees, water sources, worship points and other holy places in EM communities during construction.	<ul style="list-style-type: none"> All construction workers should be trained on ethnic culture sensitivity. EM community consultations should be held to identify sacred trees and water sources and other holy places. The number of EM community consultations held. The number of training on ethnic culture sensitivity and participants. The number of complaints regarding project activities to be undertaken in a manner not accepted by the culture of ethnic minorities. 2017 baseline: 0	Cangyuan PMO; Cangyuan Minority and Religion Bureau.	2019-2024	Project civil work budget
7.2 Keep school construction activities at least 200m away from Buddhist pagoda and temple in Cangyuan.	<ul style="list-style-type: none"> The construction activities of school in Cangyuan must be at least 200m away from holy places of pagoda and temple. The surrounding environment of construction site must be kept very clean for local minorities daily worship. The construction work should be stopped during the time of Water Splashing Festival within 500 meters from the pagoda. The number of complaints raised by EM residents. 2017 baseline: 0	Cangyuan PMO; Cangyuan Minority and Religion Bureau.	2019-2024	Project civil work budget

ENHANCEMENT MEASURES				
1. Providing Employment Opportunities For Ethnic Minorities, Especially For Poor Families and Poor Women				
1.1 Recruit local workers during project construction and operation periods, and giving the proper work positions to the local ethnic minorities especially non-skilled jobs for poor families and poor women.	<ul style="list-style-type: none"> During the project construction, at least 50% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for ethnic women. Specifically, 60% of unskilled jobs will be given to the minority people, of which 20% for women and 10% for the poor people. During the project operation period, at least 50% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for poor ethnic women. The number and types of working positions generated during project construction and operation period. No. of job provisions for ethnic minorities from construction by gender, by poor and non-poor. No. of job provisions for ethnic minorities from operation period by gender, by poor and non-poor 2017 Baseline: 0	PMOs; Project contractors and construction supervisors;	2019-2024	Project civil work budget
2. Enhancing Environmental Protection Education For Minority Residents				
2.1 Strengthen public education of environmental protection such as water saving, good behaviors for refuse leaving, and wastewater treatment domestically, making community healthy and environment-friendly. Ensuring minority women to have access to these activities properly and easily.	<ul style="list-style-type: none"> Conduct publicity activities and training on environmental protection in project area, at least 50% of participants will be local ethnic minority residents in the relevant activity and the female are not less than 40%. Distribute the visual materials on environmental protection to local EM residents. The number of visual publicity/information materials on environment distributed to local EM residents and communities (i.e. posters, leaflets, etc.). The number of training on environment protection provided by school, and number of participating students, disaggregated by gender and ethnic identity. The degree of women's satisfaction with the time, place and approach of conducting public education. 2017 Baseline: 0	PMOs, Education Bureau; Project towns; Schools.	2019-2024	Government regularly budgeted programs
2.2 Strengthen environmental related awareness for EMs through providing training at community level such as disaster	<ul style="list-style-type: none"> Provide community-based disaster management training for EMs. At least 40% participants would be ethnic women. At least 5 disaster management training will be held in project areas per year. Number of training held. Number of ethnic women participating in the training. The degree of women's satisfaction with 	PMOs, Environmental protection Bureau; Project towns.	2019-2024	Government regularly environmental budgeted

management. Ensuring minority women to have access to these activities properly and easily.	the time, place and approach of training. 2017 Baseline: 0			programs
3. Promoting Wa Cultural Protection and Inheritance Through Primary School Education in Cangyuan				
3.1 Open the Wa language class in existing Guomen No.1 Primary School and newly constructed Guomen No.2 Primary School.	<ul style="list-style-type: none"> Recruiting 2 Wa language teachers from Cangyuan Minzu Primary School to instructing Wa language. Opening Wa language class to all students. The number of teachers conducting Wa language class. The number of students taking the Wa language class. EMDP implementation with 10 person-months inputs. 2017 Baseline:0	Cangyuan Education Bureau; Guomen No.1 and No.2 Primary School.	2019-2024	Cangyuan government education budget
3.2 Promote Wa cultural activities entering campus of primary schools.	<ul style="list-style-type: none"> Conducting Wa culture related activities on campus such as dancing and singing, at least twice each year in each school. Opening public class of Wa history and culture to all students in campus, at least twice each year in each school. The number of Wa cultural activities conducted in campus. The number of students attending public classes. 2017 Baseline: 2 times in Mengdong Primary School, 5 times in Cangyuan Minzu Primary School for Wa cultural activities.	Cangyuan Education Bureau; Four primary schools in urban areas of Cangyuan city; Cangyuan Wa Culture Research Center.	2019-2024	Cangyuan government education budget
4. Enhancing Campus Management in Two Primary Schools Constructed by Project				
4.1 Formulate specific measures of campus management in Guomen No.2 Primary School and Qingshuihe Primary School. 4.2 Survival skill development for small children in 1-2 grades.	<ul style="list-style-type: none"> Formulating campus management measures including campus safety management, dining and accommodation regulations. Providing training on survival skill development for all small children in 1-2 grades. The number of campus safety measures. The number of dining management measures. The number of accommodation management measures. 2017 Baseline:0	Cangyuan Guomen No.2 Primary School; Qingshuihe Primary School; Cangyuan and Gengma Education Bureaus.	2019-2024	No budget needed
5. Strengthening Project Management Capacity For EMDP Implementation and Monitoring				
5.1 Ensure the project implementation	<ul style="list-style-type: none"> Recruiting one national social development specialist to support EMDP, 	LBECZM; Zhenkang	2019-2024	Project budget

consultant team has ethnic minority development expert.	GAP and SDAP implementation with 10 person-months inputs. 2017 Baseline:0	PMO; Cangyuan PMO.		(USD 6000*10 person-months=6 0000)
5.2 Ensure an external agency to be involved.	<ul style="list-style-type: none"> Recruiting a qualified external monitoring agency to monitor and evaluate the EMDP implementation annually. 5 monitoring reports including one final monitoring and evaluation report would be submitted to ADB. 2017 Baseline:0	LBECZM; Zhenkang PMO; Cangyuan PMO.		Project budget (USD 30,000)
6. Strengthening EM People Participation in Professions of School Teacher and Hospital Doctor/Nurse				
6.1 Provide ethnic people with job opportunities from project school of Guomen No.2 Primary School and Qingshuihe Primary School.	<ul style="list-style-type: none"> 50% school teachers should be ethnic people in Guomen No.2 Primary School, of which ethnic female teachers would be 50%. 2017 Baseline: 0 <ul style="list-style-type: none"> At least 10% ethnic people occupying teacher jobs within total new created teacher jobs due to expanding Qingshuihe Primary School, of which ethnic female teachers would be 50% 2017 baseline: 20% for ethnic teachers, of which 50% ethnic female teachers.	Cangyuan Guomen No.2 Primary School; Qingshuihe Primary School; Cangyuan and Gengma Education Bureaus.	2019-2024	No budget needed
6.2 Provide ethnic people with job opportunities from project hospitals of Zhenkang Border County Hospital and Qingshuihe Hospital.	<ul style="list-style-type: none"> 10% doctors/nurses should be ethnic people in Qingshuihe Hospital, of which ethnic female doctors/nurses would be 50%. 2017 Baseline: 0 <ul style="list-style-type: none"> At least 6% ethnic people occupying doctor/nurse professional jobs within total new created doctor/nurse jobs due to expanding Zhenkang Border County Hospital. of which ethnic female doctor/nurses would be 50% 2017 baseline: 10% for ethnic doctors/nurses, of which 45% ethnic female.	Zhenkang Border County Hospital; Qingshuihe Hospital; Zhenkang and Gengma Health Bureaus.	2019-2024	No budget needed
7. Promoting Ethnic People's Benefits From Border-Trade Infrastructure Development				
7.1 Provide entrepreneurship training for ethnic border residents. Ensure ethnic women participation in training.	<ul style="list-style-type: none"> 20% trainees would be ethnic border residents, of which, 10% would be female trainees. 2017 Baseline: 10% ethnic trainees, of which 5% ethnic female trainees.	LBECZM; Zhenkang PMO; Cangyuan PMO; Minority and Religion	2019-2024	Government regularly entrepreneurship training budget.

		Bureaus in three project counties; Human Resource and Social Security Bureau in three project counties; Women Federations in three project counties.		
--	--	--	--	--

8 Public Consultation and Participation

8.1 Community Participation Activities during EMDP Preparation

112. The EMDP working team investigated three project counties to learn poverty situation, socioeconomic status, municipal services availability and accessibility for minority communities, and to understand opinions and expectations of EMs for the project and record EMs willingness to participate in project activities through multiple methods such as conducting household questionnaires, organizing focus group discussions and interviewing key informants. Main consultation activities and results are as following:

- (i) **Socioeconomic household survey.** The survey was conducted in three project counties. A total of 245 copies of HH questionnaires have been completed. The sampled minority households were 132, accounting for 53.88% of total sample households. Out of total EM respondents, 59% were Wa people, 21% were Dai people, 11% were Yi people and 6% were De'ang people. The survey aims to understand socioeconomic status of minority households in PAs with a special attention given to ethnic groups with small population like De'ang ethnic group to understand currently municipal services, to learn EMs needs, support preferences of project and willingness to participation in the project activities.
- (ii) **Focus group discussions.** The survey team conducted a wide range of focus group discussions with local EM residents. A total of 8 FGDs for ethnic groups of Wa, Dai, Yi and De'ang were held in three project counties. The discussions were to identify needs and concerns of local EM residents with respect to project components, particularly for components of social infrastructure and services. The discussions also contributed to identification of positive and negative impacts of the project on the local EM people.
- (iii) **Interviews with relevant government institutions.** Lincang Prefecture level government institutions and project county level government institutions were interviewed including Ethnic and Religious Affairs Bureaus, Education Bureaus, Health Bureaus, primary schools, Zhenkang County Hospital, Women's Federations, Civil Affairs Bureau, Human Resources and Social Security Bureau, etc. The project impact on minorities has been discussed with these government institutions in order to design effective measures to maximize the positive impacts and mitigate the negative ones on minority people.
- (iv) **Key informants interviews.** A total of 8 key informants were interviewed in De'ang village groups, Dai village groups and Wa village groups with leaders and representatives from these EM communities. The method of key informant interview was used to: (i) collect information on population, housing condition, status and problems of availability and accessibility of public infrastructure and services, poverty causes and poverty reduction programs implemented at the

community level; (ii) gain the views of community leaders on project components; and (iii) discuss EM communities participation in project activities.

Table 14: Population Information in Surveyed HHs by Nationality

Category	Ethnic minority (N=132)							Han(N=113)		Total
	Dai	Yi	De'ang	Wa	Others	Subtotal	%	subtotal	%	
No. of respondents	28	15	9	78	2	132	53.88	113	46.12	245
Household population	113	67	43	304	11	538	53.27	472	46.73	1010
Poverty household	2	0	1	26	0	29	21.97	2	1.77	31
Female respondents	14	6	3	32	2	57	43.18	39	34.51	96

8.2 Ethnic Minorities' Views and Preferences of the Project

113. The social survey has confirmed that the project design is well received by the Uygur ethnic communities. The project will provide them with (i) improved living conditions in terms of improved access to upgraded urban infrastructure and municipal services, (ii) job opportunities during the construction and operation phases of the project, (iii) better accessibility of social infrastructure and services in terms of primary school and hospital, and (iv) more comfortable and safer public transport service. The social survey has confirmed that the project design is well received by the ethnic communities. Furthermore, the project would also bring more business and job opportunities for local EM residents through across border business increase and regional economic development upon completion of border trade facilities and improvement of urban infrastructure in Qingshuihe National Port Area.

114. The minority residents are willing to participate in project activities particularly environment protection education activities at community level. Especially women and poor people are interested in job provision from the project.

115. In addition, though the ethnic minorities in project areas fully support project construction, they also make some suggestions for the project implementation in terms of: (i) the project construction should not disturb their regularly religious activities; (ii) the construction activities would not destroy sacred trees, water sources, worship points; and (iii) keep construction sites and the surrounding areas clean up without leaving construction wastes anywhere.

116. The affected ethnic people by land acquisition and house demolition are expecting to obtain full compensation timely. They are also concerned with the income loss due to land acquisition.

8.3 Public Consultation Plan during Project Implementation

117. To maximize the social and economic benefits of the Project for local minority residents, and avoid the Project's potential risks, it is necessary to take measures to ensure minority residents' adequate participation in the project as well as project information reach them fully. The developed EMDP specifics public consultation

activities across all project activities implementation, including responsible agencies and budget. Furthermore, the following actions at project implementation stage should be taken to guarantee EM equal and sufficient participation in the project:

- (i) At the implementation stage, it is necessary to guarantee the equal and full participation of minority residents, women and poor people in project activities. All the public consultation activities should be conducted in project EM communities/villages, making sure most of local minority residents have a better understanding and show their own opinions.
- (ii) Priority of job opportunities should be given to minority people in minority communities where feasible, at least 50% of jobs will be given to the local ethnic minority people, of which 10% for poor minorities, at least 20% for ethnic women during project construction and operation period.
- (iii) At the implementation stage, all project activities should be implemented based on respecting wishes of minority people, particular women and poor people. At least 50% of participants in publicity, mobilization and training activities should be minority residents with 40% female and 20% poor people.
- (iv) At the implementation stage, establishing M&E mechanism to learn project progress and impacts on EMs to ensure EMs equal participation in the project. Before the ADB's approval of the Project, the EMDP will be posted on the ADB website and distributed to the affected communities and streets. Prior to implementation, a wide range of representatives of ethnic minorities and stakeholders will be consulted to discuss the implementation details of the EMDP. Participation and information disclosure will use notifications and meetings for all the measures and feedback of the EMDP. In order to address those unforeseen things and ensure the smooth progress of the construction and implementation, a clear and effective complaint and appeal mechanisms will be established. Monitoring indicators on participation and feedback have been incorporated into the plan.

8.4 Information Disclosure

118. At the project preparation stage, project information has been disclosed to minority residents through various approaches of the household survey, focus group discussions, and key informant interview. Information disclosure mechanism should be established during the project implementation in terms of ADB's and government's websites, meetings, interviews, focus group discussions, EMDP booklets distribution in minority communities, etc. The EMDP including the action plan (as shown in Table XX) was disclosed in the project areas (communities and villages) starting XX week of May 2018 (see Appendix XX). Before the ADB's management review meeting for the Project, the EMDP will be published on the ADB website. Prior to implementation, a wide range of representatives of ethnic minorities and stakeholders will be consulted to discuss the implementation details of the EMDP, particularly women and poor people. The

implementation of EMDP will be monitored and reported annually and verified by an external social safeguard monitoring mechanism. Disclosure of external EMDP monitoring and evaluation reports will be undertaken during project implementation.

8.5 Grievance Redress Mechanism

119. Given this EMDP will be implemented on the basis of adequate participation of minority residents, no substantial dispute will arise. However, a grievance redress mechanism has been established for minority residents to resolve any unforeseeable problems occurring in the implementation phase in an effective and transparent manner. The basic procedures for grievance are as follows:

- Step 1: If any minority residents are dissatisfied with the project, he/she can make either oral or written complaint to the neighborhood/village committee; If an appeal is made, the neighborhood/village committee will record it on paper and process it and will make decision on or resolve it in two weeks. The aggrieved person will be informed of the result.
- Step 2: If the aggrieved person is not satisfied with the result in the first step, he/she can appeal to township government after receiving the result; the township government should make decisions within 2 weeks. The aggrieved person will be informed of the result.
- Step 3: If the aggrieved person is not satisfied with the decision made by the township government, he/she can appeal to the county level project office after receiving the result; the Project Office should make decisions within 30 days. The aggrieved person will be informed of the result.
- Step 4: If the aggrieved person complainant is still not satisfied with any of the above decisions, he/she can appeal to the county government. The county government will make decision on or resolve it in 30 days. The aggrieved person will be informed of the result.

At any stage, if the aggrieved person is dissatisfied with the decision of the local government, he/she will appeal to the civil division of a people's court according to the civil court procedure.

The above offices and agencies will accept the grievance and appeals of the APs free of charge, and the reasonable expenses incurred there will be paid by the PMO from the Project's contingency fund. All the appeal and complaints cases should be recorded in each stage, and reported in progress reports. Also, the external monitoring reports should address these appeal and complaints cases and solutions and process status.

Each neighborhood/village committee should appoint a member to be the contact person accepting appeals. The contact information of the person accepting appeals at all levels is disclosed to project minority residents.

The grievance redress mechanism should be suitable to EMs education level and acceptable to ethnic minority tradition in PAs.

The aggrieved person can also put forward grievance to external monitoring and evaluation agency, the external agency reports it to project management office. Or the aggrieved ethnic minorities can put forward grievance to project team of ADB for negotiated resolution. If good faith efforts are still unsuccessful and if there are grievances that stem from non-compliance with ADB's safeguard policy on indigenous people, the aggrieved ethnic minority may submit a complaint to ADB's Office of Special Project Facility or Office of Compliance Review in accordance with ADB's Accountability Mechanism.

9 Institutional Arrangement and Budgeting

9.1 Institutional Arrangements

120. The Lincang Municipal Government has endorsed the EMDP. The LBECZM is primarily responsible for implementing the EMDP and will coordinate with county level PMOs and other key local governmental agencies. For implementation of the EMDP, county level Ethnic and Religion Affairs Bureaus will provide support in terms of cultural awareness and monitoring of the EMDP effectiveness. Other key agencies for the EMDP implementation include Poverty Reduction Office, Human Resources and Social Security Bureau, Women's Federation, contractor and construction supervisors. The implementation of the EMDP action plan has been incorporated into the overall project management.

121. The LBECZM and county level PMOs will ensure: (i) to appoint one focal point staff from the PMO to be responsible for EMDP implementation and monitoring; (ii) to allocate sufficient financing and other resources to implement the EMDP; (iii) to recruit one national ethnic minority development specialist with 10 person-months to guide and support the EMDP implementation as well as PMO's capacity building for understanding ADB's safeguard policy on ethnic minorities and effectively implementing the EMDP; (iv) to recruit an external agency responsible for EMDP implementation and annual monitoring.

9.2 Budget

122. The funds of EMDP implementation will be from four sources: project civil work budget, resettlement budget, project management budget and government public financing from different government institutions. The funding sources for EMDP actions implementation has been detailed in the EMDP. Specifically, project management budget will allocate to: the cost of external EMDP monitoring and evaluation amounting to a total of USD 60,000; the cost of recruiting one ethnic minority development specialist amounting to UAD 60,000.

10 Monitoring, Evaluation and Reporting

123. Monitoring and evaluation (M&E) of the EMDP will be conducted to ensure the plan is implemented properly and meets the objectives specified. The final M&E plan will be formulated by external monitoring agency before project implementation. Objectives of the M&E plan with respect to the ethnic minorities will be:

- To collect data and information to identify project impacts based on the target group(s) and monitoring indicators in EMDP Action Plan;
- To ensure that appropriate participatory approaches have been adopted in relation to proposed implementation of the EMDP Action Plan, and that the involvement of ethnic men and women in EMDP Action Plan implementation has been proportionate to the numbers in the beneficiary and affected villages/communities;
- To assess and verify whether the EMDP Action Plan has been implemented effectively and results have been achieved in accordance with the EMDP and ADB's SPS.

10.1 Internal Monitoring

124. The internal monitoring of the EMDP implementation is a part of internal monitoring of the whole Project and a part of project management activities. Therefore, the LBECZM and county level PMOs are primary responsible for the internal monitoring, which will be accountable to the Project Leading Group. The LBECZM and county level PMOs PIUs with the assistance of the ethnic minority development specialist will monitor the progress of the EMDP implementation.

125. The internal monitoring will monitor the indicative activities specified in the EMDP Action Plan. According to the plan, it will check whether the activities are undertaken, and whether they are adequate and effective, and if not, what is the reason and how to resolve it, what are the potential risks, and what measures needs to be taken.

126. The PIUs will prepare and submit semiannual internal monitoring reports to the LBECZM and county level PMOs, who will consolidate the reports and submit them to the ADB.

10.2 External Monitoring and Evaluation

127. **Objectives** The objectives of the external monitoring and evaluation of the EMDP will include:(i) ensuring that the EMDP is being properly implemented and the overall objectives of the EMDP are being met; (ii) collecting data and information to identify progress;(iii) analyzing data to describe impacts of EMDP measures; (iv) ensuring that appropriately participatory approaches have been adopted; (v) monitoring indicative actions proposed to identify issues during the implementation; (vi) ensuring that the grievance mechanism is effective, and updating the monitoring indicators if necessary.

128. **Reporting Schedule** The External Monitoring will be conducted annually. An independent monitor with relevant EM experience will be contracted by the LBECZM PMO to carry out the external monitoring and evaluation, and prepare monitoring annual reports for submission to the LBECZM PMO and ADB until the completion of the Project. Annual Reports will assess the effectiveness of the EMDP activities and identify recommendations for follow up by the PMO/PIUs. A baseline report shall be prepared within 6 month after EMDP implementation. The reports will be made public in local community offices and distributed to the EMDP implementing agencies for taking actions. ADB will upload these reports and any corrective action plan to their website.

2. Appendix 2 presents the terms of reference (TOR) for the external monitoring and evaluation agency that will be engaged to conduct the monitoring and evaluation of resettlement and social (including EMDP) during project implementation.

Annex 1: Job Provisions Generated by Project

Table 1: Job Provisions Generated by Project

Output	Components	Construction Jobs		Operation Jobs	
		Total	Unskilled	Total	Unskilled
Output 1	Market	160	77	100	60
	Industrial park	70	40	300	200
	Roads and bridges	21	9	220	132
	Sub-total	251	126	620	392
Output 2	Water supply	18	6	70	38
	Waste water treatment	12	2	50	22
	Solid waste collection	33	8	50	22
	Public transport	36	2	30	15
	River rehabilitation	11	11	60	28
	sub-total	110	29	260	125
Output 3	Hospitals	205	35	100	60
	Schools	134	30	100	60
	Sub-total	339	65	200	120
Total		700	220	1080	637

Annex 2: Terms of Reference for the EMDP External Monitoring

1. The Ethnic Minority Development Plan (EMDP) for Yunnan Lincang Border Economic Cooperation Zone Development Project outlines specific actions to promote inclusion of ethnic minorities in the project activities to enhance positive benefits and mitigate negative impacts on minority residents. It forms a stand-alone document to ensure compliance with ADB's Safeguard Policy Statement (2009), particularly Safeguard Requirement for Indigenous Peoples.
2. The objectives of the external monitor are to (i) ensure the objectives, indicative actions with targeted groups in the EMDP action plan are implemented and monitored in accordance with relevant PRC regulations and ADB's Safeguard Policy Statement (2009); (ii) assess the project impacts on the ethnic minority people; (iii) assess the overall effectiveness of the EMDP implementation and achievements; (iv) monitor and evaluate gender-related actions and targets under the EMDP and (v) suggest necessary adjustments if needed to ensure that ethnic minorities will benefit from the Project in an equitable and culturally appropriate manner.

Methodology

3. The general methodology will involve secondary data collection, key informant interviews, analysis of household survey data, and participatory rapid appraisal techniques. The field observations, analyses and overall evaluation methods will be combined. Focus group discussions and key informant interviews, secondary data review and review of resettlement plan monitoring survey data will be undertaken to assess the impacts, progress, funding, organization and management of the EMDP activities.
4. The secondary data will cover statistic data, annual implementation plans and review reports related to EMDP done by various agencies involved. The team will also interview responsible persons in Water and Waste Company, House and Urban-Rural Construction Bureaus, Ethnic Minority Bureau, Poverty Alleviation Office, Women Federation, Human Resources and Social Security Bureau, and other related institutions to learn the achievements, experience and recommendations.
5. Household survey will use the household questionnaire for the poverty and social assessment. This survey will selectively target certain number of ethnic minority households over the whole monitoring period and constantly record the household activities. The selection of households will be based on consultation of with the local authorities and residents themselves. This could enable to have systematic data to assess the project impacts.
6. The tasks of the external monitoring and evaluation will include:
 - (i) Regular monitoring of social and economic activities of sample ethnic minority households;
 - (ii) Conducting participatory assessments in villages;
 - (iii) Collection of secondary data of provincial, county and township levels;

- (iv) Monitoring the impact of tourism development on sensitive minority cultures;
- (v) Assessing the induced social impacts of the Project on ethnic minorities in the project areas;
- (vi) Monitoring gender-related actions and targets and evaluating gender impacts of project.
- (vii) Annual investigation and reporting of monitoring and evaluation results to the PMO and ADB; and
- (viii) Suggestions and feedback to IA and local governments for improving the implementation or revising the EMDP, if required.

4. The final M&E Report will constitute a completion report on the EMDP process and detail the extent to which the EMDP has (i) complied with ADB policy; (ii) met the objectives stated in the EMDP; and (iii) contributed to the welfare and inclusion of minorities in the project areas.

Qualification of Contracted Institute/Consultant to Implement the M&E

5. The qualification of the contracted institute/consultant to carry out this external M&E includes:

- (i) at least 5 years of working experience in similar tasks with international development projects;
- (ii) sound knowledge on ethnic minorities in Yunnan, social sciences and participatory development;
- (iii) knowledge and skills in designing instruments for data collection, especially at the community level;
- (iv) Experience in using rapid participatory appraisal techniques.
- (v) Experiences and skills in gender analysis for different projects.

Reporting and Distribution

6. The External Monitoring Agency will provide the ADB, LBECZM and county level PMOs and relevant departments with monitoring reports in Chinese and English annually. Copies sent to the ADB should be in English and Chinese. The Chinese versions should also be provided to local agencies involved in EMDP implementation and should be made available to the affected communities (e.g. website, meetings, etc.). The reporting schedule has been detailed in Table 1 below.

Table 1: Reporting Schedule

	EMDP Reports	Date
1	Baseline Survey	October 2019
2	M&E Report (No.1)	End of Dec. 2020
3	M&E Report (No.2)	End of Dec. 2021
4	M&E Report (No.3)	End of Dec. 2022
5	M&E Report (No.4)	End of Dec. 2023
6	M&E Final Evaluation Report	End of the Project (Dec. 2024)

Estimated Budget

7. A total of USD 60,000 is estimated to cover the costs of external monitoring and evaluation. The total cost includes remuneration, per diem, travel expenses, report preparation, and other administrative expenses.