

*World Bank-financed Xining Water
Environment Management Project*

Ethnic Minority Development Framework

Management Office of the World Bank-financed Xining Water
Environment Management Project
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Abbreviations

EMDF	-	Ethnic Minority Development Framework
EMDP	-	Ethnic Minority Development Plan
FGD	-	Focus Group Discussion
M&E	-	Monitoring and Evaluation
PMO	-	Project Management Office
WWTP	-	Wastewater Treatment Plant

Units

Currency unit	=	Yuan (CNY)
1.00 yuan	=	\$0.15
1 hectare	=	15 mu

1. Introduction

1.1 Background of the Project

With the great support of the Qinghai Provincial Development and Reform Commission, the Xining Municipal Government has begun to prepare for the Xining Flood and Watershed Management Project, the first independent Bank-financed project in Qinghai Province, since the end of 2006. This project broke ground at the end of 2009, and has improved the flood and watershed management system of Xining City to some extent, and promoted awareness improvement and talent training. However, rivers in Xining are still seriously polluted, and their water quality is substandard. In view of this, the Xining Municipal Government plans to apply for a loan of US\$150 million (equivalent to CNY920 million, accounting for 60% of gross investment; the remaining 40% will be from domestic counterpart funds) with the Bank to implement the Xining Water Environment Management Project (hereinafter, the “Project”).

Through the construction of municipal wastewater collection systems, Beichuan River embankment improvement, municipal wastewater reclamation and reuse, and integrated gully and canal improvement, the Project aims to conduct integrated improvement of the Huangshui River (Xining segment), improve the urban water infrastructure of Xining City, reduce water pollution in Xining City, demonstrate reclaimed water utilization, build a green corridor that integrates the ecological protection, leisure, tourism and cultural display functions, meet the Class-4 water quality standard, and realize the overall goal of “clear water, smooth flow, green banks and beautiful landscape” in the Huangshui River basin.

1.2 Components

The Project consists of 4 components: (1) Construction of wastewater collection systems: construction of 128km of wastewater and rain water collection pipes, and associated roads and other municipal facilities; (2) Municipal wastewater reclamation and reuse: construction of the No.5 WWTP and associated reclaimed wastewater transfer pipes, with a capacity of 5,000m³/d; (3) Beichuan River embankment improvement: construction of the LID rainwater collection system, embankment environmental rehabilitation, permeable footways, lighting and sanitation facilities, etc.; and (4) Integrated gully and canal improvement: Integrated improvement of Chaoyangdian Canal, Liujia Gully and Shengou Gully. See Table 1-1.

Table 1-1 Components of the Project

No.	Component	Scope and scale
1	Construction of wastewater collection systems	Construction of 128km of wastewater and rain water collection pipes, including construction of 34km of wastewater collection pipes from the Datong WWTP to the Ningda Road toll gate along the Beichuan River, construction of 16km of wastewater collection pipes from Yangjiawan Village to Duoba along the Xichuan River, construction of 34km of wastewater collection pipes in the Beichuan area, and construction of associated roads and 44km of rainwater collection pipes
2	Municipal wastewater reclamation and reuse	Construction of the No.5 WWTP and associated reclaimed wastewater transfer pipes, with a capacity of 5,000m ³ /d
3	Beichuan River embankment improvement	1) Construction of the LID rainwater collection system: permeable pavement, habitat establishment, vegetation planting, rainwater collection barrels; 2) Embankment environmental rehabilitation: embankment, slope

No.	Component	Scope and scale
		and vegetation rehabilitation; 3) permeable footways; and 4) Lighting and sanitation facilities, landscaping water supply system, signboards, etc.
4	Integrated gully and canal improvement	Integrated improvement of 10.4km Chaoyangdian Canal, 0.9km Liujia Gully and 0.9km Shengou Gully

1.3 Purpose of Preparing this EMDF

According to the feasibility study and survey, since the positions of some networks have not been finalized, ethnic minority groups impacts are still uncertain for the moment, , so an ethnic minority development framework was prepared.

This Ethnic Minority Development Framework (EMDF) has been developed in accordance with the applicable state and local laws and regulations, and the Bank’s Operational Policy OP4.10 “Indigenous Peoples”. The purpose of this EMDF is to ensure that (a) Indigenous Peoples affected by the project receive culturally appropriate social and economic benefits; and (b) when potential adverse effects on Indigenous Peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for.

2. Approval and Implementation of the EMDP

2.1 Identification and Screening of Minority

Identification foundation

The term “Indigenous Peoples” is used in a generic sense to refer to a distinct, vulnerable, social and cultural group¹ possessing the following characteristics in varying degrees:

- (a) Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- (b) Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;²
- (c) Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
- (d) An indigenous language, often different from the official language of the country or region.

Identification methods

(1) On-site survey

Learning the population and ethnic composition of each village, identifying minority villages, and the residential pattern of ethnic minorities through on-site survey

(2) Data collection and literature review

Learning the demographics, and production and living patterns of the ethnic minorities and Han people in the project area by collecting statistical yearbooks, reports, annals and other literatures reflecting demographics, ethnic groups, cultures and customs in the project area.

Screening

Early in determined subproject preparation, According to the identification of Minority, PMO need to undertake a screening to determine whether Indigenous Peoples are present in, or have collective attachment to, the project area. In conducting this screening, the Bank seeks the technical judgment of qualified social scientists with expertise on the social and cultural groups in the project area.

2.2 Social Assessment

The breadth, depth, and type of analysis required for the social assessment are proportional to the nature and scale of the proposed project’s potential effects on the Indigenous Peoples.

The social assessment includes the following elements, as needed:

- (a) A review, on a scale appropriate to the project, of the legal and institutional framework applicable to Indigenous Peoples.
- (b) Gathering of baseline information on the demographic, social, cultural, and political characteristics of the affected Indigenous Peoples’ communities, the land and territories that they have traditionally owned or customarily used or occupied, and the

¹ The policy does not set an a priori minimum numerical threshold since groups of Indigenous Peoples may be very small in number and their size may make them more vulnerable.

² “Collective attachment” means that for generations there has been a physical presence in and economic ties to lands and territories traditionally owned, or customarily used or occupied, by the group concerned, including areas that hold special significance for it, such as sacred sites. “Collective attachment” also refers to the attachment of transhumant/nomadic groups to the territory they use on a seasonal or cyclical basis.

natural resources on which they depend.

(c) Taking the review and baseline information into account, the identification of key project stakeholders and the elaboration of a culturally appropriate process for consulting with the Indigenous Peoples at each stage of project preparation and implementation (see paragraph 9 of this policy).

(d) An assessment, based on free, prior, and informed consultation, with the affected Indigenous Peoples' communities, of the potential adverse and positive effects of the project. Critical to the determination of potential adverse impacts is an analysis of the relative vulnerability of, and risks to, the affected Indigenous Peoples' communities given their distinct circumstances and close ties to land and natural resources, as well as their lack of access to opportunities relative to other social groups in the communities, regions, or national societies in which they live.

(e) The identification and evaluation, based on free, prior, and informed consultation with the affected Indigenous Peoples' communities, of measures necessary to avoid adverse effects, or if such measures are not feasible, the identification of measures to minimize, mitigate, or compensate for such effects, and to ensure that the Indigenous Peoples receive culturally appropriate benefits under the project.

2.3 Preparation of the EMDP

Based on the screening, the Bank concludes that Indigenous Peoples are present in, or have collective attachment to, the project area, the borrower undertakes a social assessment to evaluate the project's potential positive and adverse effects on the Indigenous Peoples. An ethnic minority development plan (EMDP) will be developed based on the SA and consultation with the affected minority communities.

The PMO will determine if the affected minority communities provide extensive support for the Project based on the SA, and free, prior and informed consultation. If the minority communities provide such support, the borrower should prepare a detailed EMDP. The IPP includes the following elements, as needed:

(a) A summary of the information, A review, on a scale appropriate to the project, of the legal and institutional framework applicable to Indigenous Peoples. Gathering of baseline information on the demographic, social, cultural, and political characteristics of the affected Indigenous Peoples' communities, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend.

(b) A summary of the social assessment.

(c) A summary of results of the free, prior, and informed consultation with the affected Indigenous Peoples' communities that was carried out during project preparation (Annex A) and that led to broad community support for the project.

(d) A framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples' communities during project implementation (see paragraph 10 of this policy).

(e) An action plan of measures to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate, including, if necessary, measures to enhance the capacity of the project implementing agencies.

(f) When potential adverse effects on Indigenous Peoples are identified, An appropriate action plan of measures to avoid, minimize, mitigate, or compensate for these

adverse effects.

(g) The cost estimates and financing plan for the IPP.

(h) Accessible procedures appropriate to the project to address grievances by the affected Indigenous Peoples' communities arising from project implementation. When designing the grievance procedures, the borrower takes into account the availability of judicial recourse and customary dispute settlement mechanisms among the Indigenous Peoples.

(i) Mechanisms and benchmarks appropriate to the project for monitoring, evaluating, and reporting on the implementation of the IPP. The monitoring and evaluation mechanisms should include arrangements for the free, prior, and informed consultation with the affected Indigenous Peoples' communities.

2.4 Approval of the EMDP

Before determining if the related projects or components are eligible for Bank financing, the PMO will submit EMDPs for the related projects or components committed by local governments to the Bank for review two months before project implementation. Such related projects or components will not be implemented until approval. The approved EMDPs must be disclosed via local newspapers and government websites before implementation.

2.5 Implementation of the EMDP

A specific implementation schedule should be proposed for all activities to be conducted, agencies appointed and funding sources secured in the EMDP. At the implementation stage, the PMO will implement the EMDP, address the affected ethnic minorities' needs for and suggestions on the Project through public participation, and enhance positive benefits and mitigate negative impacts by taking pertinent measures.

3. Overview of Ethnic Minorities in the Project Area

3.1 Minority Population

Xining City is inhabited by 34 ethnic groups, including Han, Zhuang, Hui, Manchu, Salar, Tujia, Mongolian, etc., and minority population accounts for a high proportion.

According to the 2012 Statistical Yearbook of Xining City, at the end of 2011, the city had a minority population of 578,200, accounting for 25.95% of gross population. In the minority population, there are 362,300 Hui people, accounting for 62.65%; 122,600 Tibetans, accounting for 21.20%; 57,800 Tu people, accounting for 10.00%; 8,620 Salar people, accounting for 1.50%; 13,810 Mongolians, accounting for 2.39%; and 13,101 people of other ethnic minorities, accounting for 2.27%.

In Chengbei District where the Project is located, the proportion of minority population (9.67%) is the lowest among the districts and counties in Xining City. In its minority population of 301,000, there are 13,300 Hui people, accounting for 45.95%; 8,198 Tibetans, accounting for 28.16%; 597 Salar people, accounting for 2.05%; 2,760 Tu people, accounting for 9.48%; 1,546 Mongolians, accounting for 5.31%; and 2,636 people of other ethnic minorities, accounting for 9.05%. Baduo Town, Datong County is inhabited by 10 ethnic groups, namely Han, Tibetan, Hui, Mongolian, Tu, Salar, Dongxiang, Miao, Bai and Manchu, and has a minority population of 7,716, accounting for 12% of the town's gross population, including 3,100 Tibetans, accounting for 40.18%; 4,448 Hui people, accounting for 57.65%; and 168 people of other ethnic minorities, accounting for 2.18%. In 2011, Changning Town, Datong County had a population of 41,076, including an agricultural population of 36,879, a nonagricultural population of 4,197, and a minority population of 15,822, accounting for 35.82% of gross population. In the directly affected area, there is a minority population of 964, accounting for 2.33% of gross population.

The objectives of ethnic minority development in the Project are to: (1) provide all project information in a culturally appropriate manner, conduct adequate communication and consultation, and analyze their needs; (2) incorporate ethnic minorities' needs for the Project into the project design; and (3) take measures to minimize the Project's potential negative impacts and risks on ethnic minorities, and create more opportunities for them to benefit from the Project in a manner acceptable to them.

3.2 Key Features of Ethnic Minorities

See Table 3-1.

Table 3-1 Information on Key Ethnic Minorities in the Project Area

Ethnic group	Key features	Centralized / scattered
Hui	①History: The Hui ancestors lived in Qinghai in the Tang and Song dynasties, and a large number of Hui people migrated to the Hehuang region in the Yuan dynasty. Since the Ming and Qing dynasties, Hui people migrating to Qinghai from Arab, Persia, Xinjiang, Gansu and Shaanxi have been increasing for complex social and historical reasons, and got along with other local ethnic groups. ②Language: Hui people usually speak mandarin Chinese, but they maintain Arabic and Bosnian words. ③Religion: The Hui people believe in Islam. There is a mosque in every village inhabited by the Hui people. ④Economy: The Hui people deal mainly with agriculture, and also with commerce and handicraft. Their agricultural economy is focused on crop cultivation, and has a big component of stockbreeding. In urban areas, the Hui people mostly engage in catering, handicraft, fur processing, commerce and trade, etc.	Scattered

Ethnic group	Key features	Centralized / scattered
	⑥Other: The Hui people celebrate the 3 major Islamic festivals – Fast-Breaking Festival, Corban Festival and Maulid al-Nabi.	
Tu	①History: Their ancestors were the Tughun people, who have evolved over a long time, and fused with Mongolians, Tibetans, and Han and Hui people. ②Language: They have their own spoken language, which belongs to the Mongolian branch of the Altaic family. The written Tu language was created in 1979, and is being put into practice and promoted. ③Religion: The Tu people believed in the primitive religion of Shamanism in history, and have begun to believe in the Gelug sect of Tibetan Buddhism since the late Ming dynasty. They are also influenced by Taoism. ④Economy: The Tu people have turned from nomads to farmers since the Ming dynasty. Currently, they deal with the cultivation of wheat, highland barley and potato, and also with stockbreeding. ⑤Other: Except the Spring Festival and Dragon Boat Festival that are the same as those of the Han people, the Tu people have their own festivals and temple fairs.	Scattered
Salar	①History: The Salar people originated from the Turkmenians, Turkish, Tartars and Azerbaijani in Central Asia, and have fused with local Mongolians, Tibetans, and Han and Hui people. ②Language: The Salar language belongs to the Uygkus group, west Hunnish branch, Turki sub-family, Altai family. Many Salar people can also speak Chinese and Tibetan. ③Religion: The Salar people believe in Islam. Although there are many sects, the basic faith is the same, and they differ mainly in doctrine or etiquette only. ④Economy: The Salar people have turned from hunting, lumbering and stockbreeding to farming gradually since the early Qing dynasty, and later developed handicrafts and horticulture. ⑤Other: The Salar people celebrate the 3 major Islamic festivals – Fast-Breaking Festival, Corban Festival and Maulid al-Nabi, and also have some own festivals.	Scattered
Tibetan	①History: The Tibetans in Qinghai originated from the ancient nomadic Qiang people, who have fused with other local tribes. ②Language: The Tibetans have their own spoken and written language. Tibetan belongs to the Tibetan branch, Tibetan- Burmese sub-family, Chinese-Tibetan family, divided into the 3 dialects of Tibet, Kang and An. The Tibetans in Qinghai mostly speak the An dialect. Commonly used written Tibetan was created in the 7 th century AD. ③Religion: The Tibetans believe in Tibetan Buddhism. ④Economy: The local Tibetans have no economic difference from the Han people. ⑤Other: The main festivals celebrated by the Tibetans include the Spring Festival, New Year's Day in the Tibetan calendar, Ghee Lamp Festival, Shoton Festival, etc.	Scattered
Mongolian	①History: This ethnic group was formed by Genghis Khan and entered Qinghai in the early 13 th century. ②Language: Mongolian in Qinghai is the Oirat dialect of Mongolian, and the written language is "Hutumu". ③Religion: The Mongolians believe in the Gelug sect of Tibetan Buddhism. ④Economy: They deal with farming and stockbreeding mainly. ⑤Other: Their folk festivals include New Year's Day in the Tibetan calendar, Butter Lamp Festival, Buddha's Birthday, Spring Festival and Nadam Fair.	Scattered

Source: Xining Municipal Ethnic and Religious Affairs Commission

Although the project area is inhabited by a number of ethnic minorities, based on interviews and field investigation, the Hui, Tibetan, Tu, Mongolian, Salar and other ethnic minorities in the project area live together with the mainstream ethnic group (Han), and do not live centrally; they use spoken and written mandarin Chinese in daily communication, intermarriage is also prevalent. The ethnic minorities in the project area do not show special uniqueness and vulnerability. At the preparation stage, we are unable to conduct comprehensive screening due to time and geographical restrictions, and uncertainties of the related projects; during project application, if any unique and/or vulnerable ethnic

minority is involved in the Project, we will prepare application materials according to this EMDF.

3.3 Prevailing Policy Framework for Ethnic Minorities

The Ethnic Minority Development Plan (EMDP) of the Project should be prepared in accordance with the state laws and provincial regulations on ethnic minorities, and the Bank's policies on indigenous peoples (OP4.10, BP4.10) and involuntary resettlement (OP4.12, BP4.12). See Table 3-2.

Table 3-2 Policy Framework for Ethnic Minorities of China, Qinghai Province and the World Bank

Type	Name of policy/regulation	Contents and key points
State laws and regulations, and regulations of Qinghai Province	State laws and regulations: Constitution of the RPC, Law of the RPC on Regional Ethnic Autonomy, Law of Organization of Villager Committee of the RPC, Regulations on the Administrative Work of Ethnic Minority Xiangs the RPC, 12 th Five-year Plan for Ethnic Minority Programs Regulations of Qinghai: Working Regulations on Written and Spoken Languages of Qinghai Province, Working Regulations on People's Congresses of Qinghai Province, Ethnic Minority Xiangs and Towns	<p>①In 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.</p> <p>②Citizens of the People's Republic of China 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.</p> <p>③Administrative regulations for ethnic minorities shall be formulated to promote the development economic and cultural programs of ethnic minority Xiangs, protect the lawful rights and interests of ethnic minorities, and enhance the unity among different ethnic groups.</p> <p>④Except 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.</p> <p>⑤The state shall support all ethnic minorities financially, materially and technically to accelerate their economic development, cultural and other social programs.</p> <p>⑥The protection of ethnic folk cultures shall be subject to the principles of protection mainly, rational development, government dominance and social participation.</p>
State supporting policy	Development Plan for Ethnic Minorities with Less Population (2011-2015)	<p>①Among the 55 ethnic minorities, the 28 ones with a population of less than 300,000 shall be supported, including the Sala people. The period of planning shall be 2011-2015.</p> <p>②Development objectives: By 2015, the poor population of areas inhabited centrally by ethnic minorities with less population is at least halved, the per capita net income of farmers and herdsmen reaches or exceeds the local average, and the per capita net income of about half of farmers and herdsmen reaches or exceeds the national average; infrastructure security level, livelihood security level and self-development capacity are improved greatly. By 2020, areas inhabited centrally by ethnic minorities with less population will feature more balanced development, richer lives, a better environment, and a more harmonious and well-being society.</p> <p>③Priorities: Strengthen the construction of infrastructure and supporting facilities, improve development security level greatly, develop characteristic and advantaged industries to promote income increase, protect and improve livelihoods, promote the equality of basic public services, development cultural programs and industries to prosper ethnic cultures, strengthen human resources development to enhance self-development capacity, promote ethnic unity and build a harmonious homeland.</p> <p>④Policy measures: Increase fund input, and strengthen financial services, counterpart-assistance, talent team building, and the implementation of prevailing policies and regulations.</p>
	Some Opinions of the State Council on	①The economic and social development of the Tibetan areas in Qinghai Province shall be supported, with focus on ecological protection and

Type	Name of policy/regulation	Contents and key points
	Supporting the Economic and Social Development of Tibetan Areas in Qinghai Province	<p>construction, and livelihood improvement based on the practical situation of these areas, and ecological construction, livelihood improvement, economic development and stability maintenance should be combined more closely.</p> <p>②Objectives: By 2015, the local ecological environment of these areas shall be improved significantly, the income of urban and rural residents shall be close to or attain the average of western China, the infrastructure shall be further strengthened, and key industries and characteristic economies shall take form; by 2020, the ecological environment shall be improved in general, the income of urban and rural residents close to the average of the whole country, the infrastructure sophisticated, the characteristic and advantageous industries large in scale, and the goals of a well-being society realized in all aspects.</p> <p>③Priorities: Strengthen ecological protection and construction; strengthen poverty relief and development, improve the production and living conditions of farming and pastoral areas, increase the income of farmers and herdsman; develop social programs greatly, improve public service capabilities; strengthen infrastructure building, improve the capability to support regional development; promote the development of the characteristic and advantageous industries, and develop new points of economic growth.</p>
Regional development plans	Outline of the 12 th Five-year Plan for National Economic and Social Development of Qinghai Province, Outline of the 12 th Five-year Plan for National Economic and Social Development of Xining City, 12 th Five-year Plan for Environmental Protection of Qinghai Province, 12 th Five-year Plan for Water Resources Development of Qinghai Province	
World Bank	Operational Policy (OP4.10) and Bank Procedure (BP4.10)	<p>This policy aims to ensure that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples.</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 TT assists 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 SA 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</p>

Type	Name of policy/regulation	Contents and key points
		<p>communities, ancestral territories owned, used or occupied by them, and natural resources on which they live; a summary of SA; 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 compensate 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>

The state policies and regulations on ethnic minorities are consistent with the Bank's policies on indigenous peoples, namely fully respecting the dignity, human rights, economies, and cultures of ethnic minorities, laying stress on their equality and development, and giving special concern for their economic, social and cultural programs to protect their rights and interests, and improve their social and economic status.

Both state and Bank policies attach importance to the public participation and consultation, and action planning of minority communities. At the preparation, implementation and M&E stages, all project information will be provided to ethnic minorities in a culturally appropriate manner, their opinions, attitudes and expectations collected actively to win their extensive support, and potential negative impacts on them avoided, minimized or mitigated. This requires that special attention be paid to women, the poor and other vulnerable groups so that they can benefit from the Project.

Both state and Bank policies emphasize that a series of measures must be developed to make sure that the effected minority can gain social and economic benefits which are in line with their cultural habits and measures should also be taken to avoid or reduce the potential negative effects to the minority.

4. Impacts of the Project on Ethnic Minorities

According to the SA, the Project may affect ethnic minorities' production and livelihoods in the following ways:

4.1 Positive Impacts

(1) The construction of wastewater collection systems will improve the wastewater treatment capacity of Xining City, and ensure healthy and safe water use by local minority residents, thereby reducing waterborne infectious diseases and improving their physical health.

(2) The Project will reduce the amount of discharge of pollutants substantially, reduce the organic load of the local aquatic environment, regulate microclimate, and improve the quality of life and living environment of ethnic minorities.

(3) During the long construction period of the Project, some unskilled jobs will be generated, such as carrying stone materials to the site and cooking for workers; at the operation stage, local minority residents can get such jobs as network maintenance, landscaping and cleaning.

(4) The Project will improve the local environment and urban image greatly, and promote investment and the development of local tourist resources, thereby generating more job opportunities for local minority residents.

(5) After the completion of the Project, the surrounding environment and landscape of the Beichuan River will be improved greatly, thereby creating a good leisure place for ethnic minorities.

(6) The Project will also help improve the awareness of water conservation and environmental protection of local residents.

4.2 Negative Impacts

(1) For low-income households, sewage treatment charges are a heavy burden, which may also bring poverty to vulnerable ethnic minorities.

(2) Any malfunction in wastewater collection systems would affect wastewater discharge in the project, cause inconvenience to the daily life of minority residents and affect the regular operation of enterprises adversely.

(3) Flying dust, noise and solid waste during construction will affect the local environment and the daily life of minority residents temporarily. Vehicles, and solid waste, sludge and wastewater on the construction site may threaten the personal safety of local minority residents, especially old people, children and pregnant women.

4.3 Conclusion

In general, the positive impacts of the Project on minority residents are much greater than negative impacts, which can be evaded through regulatory provisions and alternatives. Based on free, prior, and informed consultation, most minority residents think that the Project will improve their living environment and is positive for them in general.

5. Consultation and Participation

5.1 Free, Prior and Informed Consultation at the Preparation Stage

During March-April 2013, a participatory survey was conducted in Ershilipu Town, Dabaozi Town, Mafang Sub-district and Xiaoqiao Sub-district, Chengbei District; Changning Town, Datong County; and Duoba Town, Huangzhong County under the leadership of the SA experts, and with the assistance of PMO staff, including FGDs with representatives of community residents, household questionnaire survey, and interviews, according to the following basic procedure:

- (a) Township and village officials organize village meetings to fully involve community residents, especially women, old people, the poor and other vulnerable groups;
- (b) The participatory survey is focused on issue identification, demand analysis, project activities, organizational building, implementation and management, and M&E, and the results are disclosed;
- (c) Community representatives elected by community residents determine community activity programs for the Project together with the SA experts;
- (d) Community representatives communicate such programs to community residents for comment and feedback; and
- (e) Final programs are disclosed on newspaper.

5.2 Framework for Free, Prior and Informed Consultation at the Implementation Stage

The project activities currently chosen are based on free, prior, and informed consultation with communities and residents, and have been generally recognized by community residents. However, the borrower has realized that since these activities are pre-designed, they may be adjusted or improved in practice. Therefore, it is necessary to make appropriate arrangements for free, prior, and informed consultation with all stakeholders on concrete issues at different stages of the Project in order to maximize the interests of all stakeholders, especially ethnic minorities and other vulnerable groups.

The framework for free, prior, and informed consultation is as follows:

- (a) During construction, any matter involving the immediate interests of minority communities must be notified to community residents through the community planning team and/or committee in advance to obtain their majority consent.
- (b) Objections of a minority of community reasons are not necessarily unreasonable, and should be treated seriously. Adequate persuasion and explanation should be made to avoid confrontation or even conflict.
- (c) Free, prior, and informed consultation must be conducted in communities and in leisure times for the convenience of community residents.

5.3 Public Participation Survey at the Post-implementation Stage

According to the state policies on ethnic minorities and the Bank's safeguard policy, the project implementing agency should assist the PMO in a public participation survey to see if the dignity, human rights, economies, and cultures of ethnic minorities are fully respected, the Bank's mission of promoting poverty reduction and sustainable

development is fulfilled and if minority residents have benefited from the Project during project implementation, including:

—Questionnaire survey: Questionnaires are prepared for different components, covering possible project activities, social impacts and mitigation measures, to solicit comments from the public. The questionnaire for each component has not less than 50 copies.

—Expert consultation: Experts in environmental protection, cultural relics, agriculture, and water and land resources at the provincial, municipal and county levels are invited to conduct technical consultation on the possible ethnic minority development issues in the Project, learn their possible impacts, issues for attention in the Project, and mitigation measures that should be taken.

—Consultation with NGOs: Comments are solicited from NGOs, including those of ethnic minorities, in the form of FGD, telephone interview and letter.

The project implementing agency must invite experts, affected persons, technicians and government agencies to give advice or fill out public participation questionnaires. Key information, such as announcement time, meeting time and venue, materials provided, list of attendees and key points, must be recorded.

5.4 Grievance Redress Mechanism

A 4-stage grievance redress mechanism should be established to protect the interests of the affected ethnic minorities:

Stage 1: If any minority person is dissatisfied with the Project, he/she can file an oral or written appeal to the community volunteer service team, village committee or implementing agency orally or in writing. In case of an oral appeal, the village committee or implementing agency shall handle such appeal and keep written records. Such appeal should be solved within two weeks.

Stage 2: If the minority person is dissatisfied with the disposition of Stage 1, he/she may file an appeal to the sub-district/township volunteer leading group after receiving such disposition, which shall make a disposition within two weeks.

Stage 3: If the minority person is still dissatisfied with the disposition of Stage 2, he/she may escalate the appeal to the competent administrative authorities in accordance with the Administrative Procedure Law of the People's Republic of China after receiving such disposition for arbitration.

Stage 4: If the minority person is still dissatisfied with the governmental judgment, he/she may file a suit in a civil court in accordance with the Civil Procedure Law of the People's Republic of China after receiving such judgment.

Minority residents may file an appeal about any aspect of resettlement, including compensation rates, etc. The above appeal channel will be notified to local minority residents at a meeting or otherwise, so that they are fully aware of their right of appeal. Mass media will be utilized for publicity, and opinions and advice about minority work will be compiled into messages for study and disposition by the project management and implementing agencies. All agencies will accept grievances and appeals from minority residents for free, and costs so reasonably incurred will be disbursed from contingency costs. In addition, bilingual receptionists will be appointed, and telephone numbers and addresses for complaint handling disclosed.

6. Organizational Arrangements for Implementation

6.1 Implementing Agencies

In order to strengthen project coordination, management and implementation, the Xining Municipal Government established the Project Coordination Leading Group in September 2012, which governs a general office and a PMO. The General Office is responsible for project organization, management, coordination and M&E, reporting to and communicating with the leading group and the Bank, while the PMO is responsible for project implementation. The powerful organization will ensure the successful implementation of the Project, and the participation of ethnic minorities in the Project.

6.2 Capacity Building of Implementing Agencies

In order to promote project implementation and enhance the capacity of the implementing agency, the key PMO staff has attended the training organized by the Bank since 2012, covering project management, procurement, project performance system, resettlement planning and monitoring, environmental protection and monitoring, public participation, ethnic minorities, social gender, etc.

7. Monitoring and Evaluation

To ensure that this EMDF is implemented effectively as expected, the owner will monitor and evaluate the implementation of the EMDP, and record M&E results in quarterly reports for submission to the Bank. Minority monitoring includes internal and external monitoring.

Where internal monitoring will be performed by the PMO semiannually, and the implementation progress and process of the EMDP will be inspected. Addition, the PMO will appoint an independent agency to conduct external M&E on all ethnic minority development activities in the Project through public bidding until project completion. Independent institutions or individuals can be scientific institutions, NGOs, or independent consulting company. But the selected institution must have qualified and experienced staff and their TORs shall be accepted by the World Bank.

Internal monitoring of Minority needs twice a year. External monitoring needs one a year, and draw up external M&E reports.

Table 7-1 Terms of Reference for EMDP M&E

Methods	Scope	M&E agency	Interval and reporting
<p>M&E methods shall include field survey, sampling survey, computational analysis and overall expert assessment;</p> <p>②The field survey will be conducted comprehensively on the implementation progress of the EMDP, availability and effectiveness of funds, institutional and management aspects;</p> <p>③The project area and households (especially ethnic minority households) shall be subject to sampling survey using the classified random sampling method to track typical ethnic minority households regularly.</p> <p>④The sampling ratio shall not be less than 20% of the affected population, in which the proportion of ethnic minority households shall not be less than 50% of all sample households; to collect relevant information, complete the impact form and compare with the existing EMDP data, a socioeconomic survey and a resettlement survey shall be conducted.</p> <p>⑤In addition to written materials, photos, videos, audio records and physical objects shall also be collected to establish a database of public participation and results.</p>	<p>The independent monitoring agency shall conduct monitoring semiannually during the implementation of the EMDP, with focus on the following activities:</p> <p>①Are the right of the ethnic minorities and minority groups to participate in the project equally guaranteed practically?</p> <p>②Are the linguistic and cultural rights of the ethnic minorities respected?</p> <p>③Which specific measures have the local PMOs taken according to the MEGDP? How effective are these measures?</p> <p>④How do the ethnic minorities and minority groups evaluate these measures?</p> <p>⑤How does the main population evaluate these measures?</p> <p>⑥Is a MEGDP M&E mechanism in place? Does it work?</p>	<p>Internal monitoring will be performed by the PMO, and external M&E by a qualified independent M&E agency.</p>	<p>Semiannual internal monitoring reports will be submitted by the PMO to the Bank; external M&E reports will be submitted by the independent M&E agency to the Bank annually.</p>

8. Information Disclosure

In order that the affected ethnic minorities learn more about the Project, and its positive and negative impacts on them, further support the Project, and participate in the Project, attention should be paid to information disclosure during the whole process of project implementation.

The main parties responsible for information disclosure are the project owner and local governments, and information disclosed includes basic project information, necessity and urgency of the Project, affected groups at the construction and operation stages, and ways for stakeholders to participate in project construction, design and implementation, good environmental awareness and behavior, and environmental data at the operation stage.

The modes of information disclosure include: ①preparing a project brochure in appropriate languages, and distributing it to all stakeholders; ②strengthening publicity in combination with bulletin boards; ③conducting more extensive publicity through local media, including TV stations, newspapers and websites; and ④conducting information disclosure in mosques where Salar and Hui people make worships.

In addition, it is necessary to raise the public awareness of public environmental health through education on water conservation, good practices of wastewater and solid waste treatment, waterborne disease prevention, waste recycling, state and local regulations on environmental protection in order to realize the project objectives sustainably. Such education may be given by the government agencies concerned, including education, environmental protection, and broadcast and television bureaus, with the assistance of local newspapers, sub-district offices, township governments, and community/village committees.