

*World Bank-financed Guizhou Rural
Development and Poverty Alleviation Project*

Ethnic Minority Development Plan

Foreign Capital Project Management Center of Guizhou Provincial Poverty

Alleviation & Development Office

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Abbreviations

EMDP	-	Ethnic Minority Development Plan
FGD	-	Focus Group Discussion
FPC		Farmers' Professional Cooperative
M&E	-	Monitoring and Evaluation
PMO	-	Project Management Office
PRC		People's Republic of China
SA		Social Assessment

Units

Currency unit	=	Yuan (CNY)
USD1.00	=	CNY6
1 hectare	=	15 mu

Abstract

A. Project overview

The World Bank-financed Guizhou Rural Development and Poverty Alleviation Project (hereinafter, the “Project”) is the first Bank-financed poverty reduction project in Guizhou Province. The Project has a construction period of 5 years, and consists of restructuring of agricultural sub-sectors, public infrastructure and services support, training and capacity building, and project management and M&E. The Project covers 241 villages in 63 townships, 11 counties and 3 cities in the Wuling Mountain and Wumeng Mountain contiguous destitute regions. The Project aims to increase local farmers’ income and improve local public services through agricultural restructuring and organizational improvement.

B. SA overview

This social assessment (SA) covers farmers’ professional cooperatives (FPCs) in 241 villages in 63 townships, 11 counties and 3 cities in the Wuling Mountain and Wumeng Mountain contiguous destitute regions. In January 2014, the SA team conducted SA for 15 days in 49 villages in 33 townships, 11 counties, 3 cities using the 7 SA methods of literature review, participatory observation, key informant interview, in-depth interview, FGD and questionnaire survey. 98 FGDs were held in 49 villages in 11 counties, including 49 ordinary FGDs and 49 FGDs with women. 169 men-times of personal in-depth interviews were conducted, including 85 minority persons, accounting for 50.3%; 78 women, accounting for 46.2%; and 64 poor persons, accounting for 37.9%. 219 key informant interviews were conducted with township and village officials, and 14 stakeholder discussion meetings held with county agencies concerned. The questionnaire survey covered 36 villages in 22 townships, 7 counties, with 1,080 copies of the questionnaire distributed and 1,013 copies recovered, accounting for 93.8%, including 537 male samples, accounting for 53%; 476 female ones, accounting for 47%; and 336 poor ones, accounting for 31.1%.

The socioeconomic survey shows: 1) 90.5% of the respondents support the Project; 2) 94.3% of the respondents agree (including “strongly agree” and “agree”) with the establishment of FPCs, 96.1% are willing to join FPCs, and 96.3% think it necessary (including “very necessary” and “necessary”) to conduct FPC training; 3) 92.0% of the respondents think the Project is important (including “very important” and “important”) for households, and 98.03% are willing to get employed under the Project; and 4) However, 81.5% of the respondents do not have or are short of skills for local advantaged industries. The SA team has developed a feasible social action plan in consultation with the APs, county PMOs, IAs and other agencies concerned to mitigate or evade social risks.

This EMDP has been prepared to learn local minority residents’ needs for and suggestions on the Project, and ensure that the Project is implemented in a manner culturally suited to ethnic minorities.

C. Identification of minority project area and population overview

The range of this EMDP is 138 villages in 39 townships, 9 counties, 3 cities in Guizhou Province, including 10 minority townships, accounting for 26.64%, including 2 counties with 7 townships with 16 villages in Zunyi City, 3 counties with 10 townships with 15 villages in Bijie City, and 4 counties with 22 townships with 107 villages in Tongren City.

The minority project area has a direct beneficiary population of 266,385, including a minority population of 202,820, accounting for about 76.14%. The minority population includes 98,863 Miao people, accounting for about 37.11%; 7,114 Yi people, accounting for about 2.68%; 56,253 Tujia people, accounting for about 21.12%; 34,679 Gelao people, accounting for about 13.02%, and a population of other ethnic minorities of 5,911, accounting for 2.22%.

D. Objectives of this EMDP

The objectives of this EMDP are: 1) providing all relevant project information in a manner suited to local minority cultures and customs, conducting adequate communication and consultation, and analyzing their needs; 2) incorporating minority needs for the Project into the project design; 3) establishing minority FPCs in a culturally adaptive manner; and 4) taking actions to minimize the Project’s potential impacts on and risks to minority residents, and enhancing their opportunities to

benefit from the Project in a way acceptable for them.

E. Prevailing policy framework for ethnic minorities

This EMDP has been prepared in accordance with the laws and regulations on ethnic minorities of the PRC, applicable regulations of Guizhou Province, and the Bank's policies on ethnic minorities (OP4.10 and BP4.10).

The prevailing state, provincial and local policies and regulations have given adequate consideration to the protection of basic civil rights, the equal political, economic, cultural and legal status of ethnic minorities, and the lingual right and religious freedom of ethnic minorities. These policies and regulations are consistent with the spirit of the Bank's policies on ethnic minorities (OP4.10 and BP4.10). As long as these policies and regulations are complied with strictly, and this EMDP is implemented effectively, all rights and interests of local minority residents can be protected practically.

F. Analysis of differences among ethnic minorities

1. Miao

The main beliefs of the Miao people are natural and ancestral worship, and elders and authorities are respected. At the preparation and implementation stages, Miao elders and authorities in the Wumeng Mountain area play an irreplaceable role in FPC management and dispute settlement.

In recent years, more and more Miao people are working outside, and employment income has become a great supplement to agricultural income, but the percentage of Miao people working outside is lower than that of Han people. In addition, transport costs of farm products are high due to backward traffic facilities, so that the marketing range of farm products with Miao characteristics is highly restricted.

The Miao people in Yongna County in the Wumeng Mountain area mostly speak in the Miao language and write in Chinese. The Miao people in Wuchuan and Daozhen County in the Wuling Mountain area have lived together with Han, Gelao and Yi people for a long time, showing no ethnic difference in economic structure and level, and language.

2. Yi

For the Yi people in the project area, the concept and role of "lineage" have weakened, and village committees are now playing the role of social management. Yi villages in Guizhou are located in remote plateau and mountain areas with harsh natural conditions, simple cultivation skills and insufficient agricultural infrastructure, featuring low income and simple economic structure.

The local Yi people have their own spoken and written language. According to the questionnaire survey, 60% of the Yi respondents cannot speak mandarin Chinese. The main festivals of the local Yi people are the Torch Festival and Yi New Year's Day. Project publicity and training activities should be conducted in languages and modes accepted by local people, and avoid these festivals.

3. Tujia

The Tujia traditional culture is reflected in the chieftain system, neighborhood administrative system, weddings, funerals, etc. Currently, a diverse cultivation structure composed of tobacco, tealeaf, mulberry and medicinal materials has been established, the overall income level of the Tujia people is low due to backward infrastructure and cultivation skills. Young Tujia people working outside do not have practical skills. The Tujia language has almost disappeared, and the Tujia people speak and write in Chinese.

4. Gelao

Agriculture is the main income source of the Gelao people. Due to backward traffic facilities and cultivation skills, the income level of the Gelao people is lower than the local Han people. The local Gelao people once had their own language, which has disappeared gradually. All local Gelao people speak Chinese. Their traditional festivals include the Bird-Respecting Festival, New Food Festival and Dharma Wheel Festival.

G. Vulnerability Analysis of Ethnic Minorities

1. Natural vulnerability and unsound public infrastructure

First, the Project is located in the Wuling Mountain and Wumeng Mountain contiguous destitute regions, where as a direct result of the shortage of resources for development, minority residents

can hardly evade the risk of poverty themselves; second, 70.7% of the minority respondents think local cultivation and stockbreeding facilities are insufficient, and the local public infrastructure is unsound, especially traffic and agricultural infrastructure.

2. Economic vulnerability

1) Lack of diversity in livelihoods, resulting in low resistance to economic risks: First, the local karst landform results in low land fertility, and local minority residents, especially poor ones, still rely on agriculture as their main income source; the questionnaire survey shows that 55.3% of the minority respondents live mainly on agriculture, and 35.4% live mainly on employment. Second, due to the lack of necessary human resources training and modern cultivation skills training, there is a lack of diversity in income sources of minority residents. Both factors have resulted in the low risk resistance of minority residents.

2) Short industry chain and weak market competitiveness: Due to low educational levels, few minority households in the project area are good at management, and minority residents have limited sources of market information, resulting in poor adaptation to the market.

3. Social vulnerability

1) Low educational levels and overall competencies: The percentage of minority residents having received senior high school/technical secondary school or above education is only 18.9%, so that they have difficulty in understanding the development concept of the Project and inadequate self-development capacity.

2) Lack of risk prevention and sharing mechanism: First, local minority residents live in remote mountain areas, have limited information sources, and weak market awareness, and are unable to respond to market risks. Second, since the poverty incidence of the minority project area is as high as 37%, there are no sufficient funds for risk resistance. Third, there is no farmers' organization that represents the interests of rural households, so that the risk resistance of individual rural households is low.

H. Analysis of minority FPCs

1. Current situation of minority FPCs

11 minority FPCs were covered in the survey, including two cooperative + household FPCs, accounting for 18.2%; 8 cooperative + base + household FPCs, accounting for 72.7%; one company + cooperative + household FPC, accounting for 9.1%; and two company + cooperative + base + household FPCs, accounting for 25%.

Minority FPCs mainly deal with cultivation (vegetables, leek, tobacco, etc.) and stockbreeding (egg chicken, etc.).

2. Features of minority FPCs

1) Late establishment: Among the 11 sample minority FPCs, 6 were established by economically capable persons, accounting for 54.5%; and 5 by village officials, accounting for 45.5%. Among them, 7 were established in 2010 or thereafter, and are still at the exploration stage.

2) For most minority FPCs, rules and regulations are mostly developed by superior authorities in a unified manner, but are not necessarily compatible with minority cultures and management practices.

3) Among the 11 sample minority FPCs, except the unregistered one, the other 10 minority FPCs have their definite profit distribution measures, and their main modes of distribution include profit distribution based on shares, dividend distribution based on shares, reward, etc. In profit distribution, minority FPCs pay attention to assistance for vulnerable groups.

3. Attitudes of ethnic minorities to FPCs

1) Awareness: The survey shows that 67.8% of the minority respondents are unaware of FPCs (including "unaware" and "a bit aware"), in which the awareness of FPCs among the Gelao respondents (including "highly aware" and "aware") is the highest, being 44.7%, and that among the Miao respondents is the lowest, being 35.6%.

2) Support: 96.4% of the minority respondents agree with the establishment of FPCs (including "strongly agree" and "agree").

3) Willingness to join FPCs: The survey shows that 430 minority respondents have not joined FPCs, accounting for 71.2%, of which 97.7% are willing to join FPCs through the Project.

4) Expectations for FPCs: 85.3% of the minority respondents expect FPCs to provide market information, 79.2% expect guidance on cultivation and stockbreeding skills, 68.2% expect marketing channels, 67.3% expect the purchase of means of production at preferential prices, and

41.4% expect dividend distribution.

5) Perceptions of and needs for FPC training: The survey shows that 98.5% of the minority respondents think it necessary (including “very necessary” and “necessary”) to strengthen FPC training, and 78.6% think that FPCs should strengthen industrial skills training.

I. Impacts of the Project on ethnic minorities

1. Positive impacts

1) Increasing job opportunities to improve the living standard of minority residents: At the implementation and operation stages, many jobs will be generated in the project area with the development of processing enterprises due to infrastructure construction and industry extension. Not less than 40% of such jobs will be first made available to minority residents, women, old people and other vulnerable groups.

2) Improving the capacity, organization level and subject consciousness of minority residents: By joining FPCs established under the Project and attending skills training, minority residents can develop their capacity, teamwork and subject consciousness continually through self-management, self-organization and self-development.

3) Improving the infrastructure to improve the production level and living standard of local residents: The Project will improve the infrastructure in the project area to support the development of local advantaged industries, especially traffic and agricultural facilities.

4) Promoting the development of minority women: First, the improvement of the agricultural infrastructure will reduce the labor intensity of women and reduce their burden. Second, through project implementation, minority women will be able to join FPCs and attend skills training, thereby opening their eyesight and improve their self-development capacity. Finally, some minority women working outside may do jobs offered by local FPCs, so that they can work while taking care of families.

5) Promoting ethnic harmony and realizing project sustainability: The Project will increase minority residents' income by offering jobs. Through participation in FPC establishment and operation, and skills training, social intercourse among different ethnic groups will be promoted, thereby contributing to ethnic harmony.

2. Negative impacts and risks

1) Perception risks of minority FPCs: First, the awareness of FPCs among minority residents is low due to inadequate project publicity and mobilization; second, minority residents can hardly have a comprehensive understanding of FPCs due to relatively low educational levels; third, their participation in FPCs may become a mere formality due to the lack of scientific perceptions.

2) Participation risks of minority residents: a) Lack of means of participation: First, minority residents living in remote areas and having traffic difficulty can hardly participate in project activities; second, minority residents may be unable to participate in and benefit from the Project equally due to low educational levels and overall capacity; b) Non-adaptation to participation modes: If minority customs are not respected, such as social intercourse, language and lifestyle, minority residents will be inadaptable; c) Inadequate participation capacity: Due to low educational levels, and limited experience and knowledge, minority residents don't know how to participate effectively in the Project, especially poor minority households.

3) Risks of minority residents to benefit equally: In the Project, funds will be allocated to FPCs to support the development of local advantaged industries. However, project funds may not be allocated to minority households (especially poor households) equally through FPCs, so that minority residents may be unable to benefit equally from the Project.

4) Livelihood risks of minority residents: First, some industries under the Project require substantial investment, but minority households do not have necessary funds for startup or expansion due to low income, so that investment level and ability to pay will determine their enthusiasm for participation and the economic efficiency of the Project directly. Second, minority residents have limited income sources, mainly including cultivation, stockbreeding and employment, so this will challenge their income sources and level.

5) Operating risks of minority FPCs. As a new thing, FPCs have their own rules and patterns of operation and management. There is no experience for reference in FPC operation and management in the minority project area, and minority residents' educational levels and overall competencies are generally low, so that minority residents may don't know how to participate in FPC operation and management after establishing or joining FPCs.

J. Recommended ethnic minority development actions

1. Empowering minority residents to participate equally, enhancing their identification with FPCs, and developing their subject consciousness: Strengthen project publicity to ensure that project awareness among minority residents is not less than 80%. Rules and regulations of FPCs should be developed in consultation with minority residents. Not less than 40% of unskilled jobs generated at the implementation stage should be first made available to minority residents, women, old people and other vulnerable groups. FPC counselors familiar with minority customs should be appointed. A sound, operable grievance redress mechanism should be established.

2. Promoting the equality and sustainable development of minority households: In the minority project villages, not less than 50% of FPC members should be minority residents; the board of directors or supervisors of each FPC should have at least one minority, one female and one poor member each. The profit distribution mode of each FPC should be determined at a general meeting. The former ownership structure should be transformed to establish an extensive joint stock system that involves minority residents. Profit distribution results should be disclosed regularly, and financial records kept for supervision by minority members. Each county PMO should appoint one member to be responsible for EMDP implementation.

3. Conducting training in various forms to strengthen the capacity building of minority residents: Pertinent training on mandarin Chinese, practical skills and FPCs should be provided to minority residents, in which not less than 40% of trainees should be women; in the minority project villages, the participation rate of minority residents should not be less than 50%, and that of poor minority residents not less than 40%. Trainers should be trained properly, and training programs welcome by minority residents developed. Timely feedback should be given on training effectiveness.

4. Publicity and training should be conducted in a manner that respects minority customs, scheduled to avoid traditional minority festivals, and given in languages or in the presence of minority interpreters and at places accepted by minority residents; training should be diversified and comprehensible. See Section 7.1 and Table 7-3 for specific recommended actions.

K. Implementation schedule and M&E

The Project will be implemented by the provincial and county PMOs mainly. This EMDP will be implemented at the preparation and implementation stages, and within half a year after the completion of the implementation stage. At the preparation stage, tasks related to ethnic minority development mainly include project information disclosure, project impact identification, project support rate survey, EMDP preparation and consultation, EMDP information booklet distribution, etc. At the implementation stage, tasks related to ethnic minority development mainly include project implementation, and internal and external monitoring. A summary evaluation will be conducted within half a year after the completion of the implementation stage.

EMDP monitoring includes internal and external monitoring. Internal monitoring will be conducted by the PMO on EMDP implementation progress. In addition, the PMO will appoint an independent agency to conduct external M&E on ethnic minority development until project completion. The independent agency may be an academic institution, NGO or consulting firm, but it must have qualified and experienced staff members, and their terms of acceptance must be accepted by the Bank.

Internal monitoring will be conducted semiannually and external monitoring annually, and external monitoring reports will be prepared. See Table 8-1.

1. Introduction

1.1 Project Overview

The Project is the first Bank-financed poverty reduction project in Guizhou Province, and was included in the List of World Bank-financed Projects of the National Development and Reform Commission, and Ministry of Finance (2013-2015) in July 2012. The preparatory work of the Project was started in November 2012.

The Project has a construction period of 5 years, and consists of restructuring of agricultural sub-sectors, public infrastructure and services support, training and capacity building, and project management and M&E. The Project covers 241 villages in 63 townships, 11 counties and 3 cities in the Wuling Mountain and Wumeng Mountain contiguous destitute regions. The Project aims to increase local farmers' income and improve local public services through agricultural restructuring and organizational improvement.

The gross investment in the Project is CNY857.14 million, including a Bank loan of USD100 million, equivalent to CNY600 million (USD1 = CNY6), accounting for 70% of gross investment, and domestic counterpart funds of CNY257.14 million, accounting for 30% of gross investment.

1.2 SA Overview

This SA aims learn current industrial and FPC developments in the project area, and stakeholders' attitudes to and needs for the Project, identify the Project's potential social risks, evade or alleviate such risks by developing an action plan, improve the project design, and involve individuals and groups that may be affected directly by the Project effectively in project activities.

This SA covers FPCs in 241 villages in 63 townships, 11 counties and 3 cities in the Wuling Mountain and Wumeng Mountain contiguous destitute regions. This SA mainly includes economic and social development, stakeholder analysis, FPC analysis, poverty analysis, social and gender analysis, minority analysis, information disclosure and public participation, and action plan development and implementation.

In January 2014, the SA team conducted SA for 15 days in 49 villages in 33 townships, 11 counties, 3 cities using the 7 SA methods of literature review, participatory observation, key informant interview, in-depth interview, FGD and questionnaire survey. 98 FGDs were held in 49 villages in 11 counties, including 49 ordinary FGDs and 49 FGDs with women. 169 men-times of personal in-depth interviews were conducted, including 85 minority persons, accounting for 50.3%; 78 women, accounting for 46.2%; and 64 poor persons, accounting for 37.9%. 219 key informant interviews were conducted with township and village officials, and 14 stakeholder discussion meetings held with county agencies concerned. The questionnaire survey covered 36 villages in 22 townships, 7 counties, with 1,080 copies of the questionnaire distributed and 1,013 copies recovered, accounting for 93.8%, including 537 male samples, accounting for 53%; 476 female ones, accounting for 47%; and 336 poor ones, accounting for 31.1%.

The socioeconomic survey shows: 1) 90.5% of the respondents support the Project; 2) 94.3% of the respondents agree (including "strongly agree" and "agree") with the establishment of FPCs, 96.7% are willing to join FPCs, and 96.3% think it necessary (including "very necessary" and "necessary") to conduct FPC training; 3) 92.0% of the respondents think the Project is important (including "very important" and "important") for households, and 98.03% are willing to get employed under the Project; and 4) However, 81.5% of the respondents do not have or are short of skills for local advantaged industries. The SA team has developed a feasible social action plan in consultation with the APs, county PMOs, IAs and other agencies concerned to mitigate or evade social risks.

The SA team identified ethnic minorities carefully by means of field investigation, literature review, key informant interview, etc. in accordance with OP4.10 with the support of the county PMOs, and agencies concerned (see Chapter 7 "Minority Analysis" of the SA Report for the detailed identification process). This shows that the minority project area mainly includes Wuchuan Gelao-Miao Autonomous County and Daozhen Gelao-Miao Autonomous County, Zunyi City; Yongna County, Hezhang County and Weining Yi-Miao Autonomous County, Bijie City; and Dejiang County, Shiqian County, Yinjiang Tujia-Miao Autonomous County and Yanhe Tujia Autonomous County, Tongren City. The main ethnic minorities in the project area are Miao, Yi, Tujia and Gelao.

This EMDP has been prepared to learn local minority residents' needs for and suggestions on the Project, and ensure that the Project is implemented in a manner culturally suited to ethnic

minorities.

1.3 Scope of this EMDP

The range of this EMDP is 138 villages in 39 townships, 9 counties, 3 cities in Guizhou Province, including 10 minority townships, accounting for 26.64%, including 2 counties with 7 townships with 16 villages in Zunyi City, 3 counties with 10 townships with 15 villages in Bijie City, and 4 counties with 22 townships with 107 villages in Tongren City. See Table 1-1.

In this EMDP, the minority project area refers to the 138 minority villages in 9 counties as identified above, and the project area refers to all the 203 project villages in 9 counties.

Table 1-1 Scope of this EMDP

City	County	Project townships		Project villages		Remarks
		Total	Minority townships	Total	Minority villages	
Zunyi City	Wuchuan	2	0	7	7	Gelao, Miao, Tujia
	Daozhen	5	0	9	9	Gelao, Miao
Total		7	0	16	16	
Bijie City	Nayong	6	4	16	8	Miao, Yi
	Hezhang	2	1	6	3	Yi, Miao
	Weining	2	1	13	4	Yi, Miao
Total		10	6	35	15	
Tongren City	Dejiang	7	2	42	42	Tujia
	Shiqian	3	2	7	7	Gelao, Miao
	Yinjiang	7	0	33	33	Tujia, Miao
	Yanhe	5	0	25	25	Tujia
Total		22	4	107	107	
Total		39	10	158	138	

Source: county PMOs

1.4 Purpose of this EMDP

This EMDP has been prepared in accordance with the laws and regulations on ethnic minorities of the PRC, and the Bank's policies on ethnic minorities (OP4.10 and BP4.10). This EMDP is prepared to ensure that: (a) Affected minority residents receive social and economic benefits suited to their cultural customs; and (b) If the Project does have negative impacts on minority residents, measures are taken to avoid or minimize such impacts, or such impacts are compensated for.

This EMDP will describe the demographic, social and cultural profile of local minority residents, the Project's impacts on them, and measures to ensure that they benefit equally and alleviate negative impacts, including measures to improve their living standard, alleviate their poverty, improve their overall competencies, protect minority cultures and traditions, support vulnerable groups, etc.

1.5 Objectives of this EMDP

The objectives of this EMDP are: 1) providing all relevant project information in a manner suited to local minority cultures and customs, conducting adequate communication and consultation, and analyzing their needs; 2) incorporating minority needs for the Project into the project design; 3) establishing minority FPCs in a culturally adaptive manner; and 4) taking actions to minimize the Project's potential impacts on and risks to minority residents, and enhancing their opportunities to benefit from the Project in a way acceptable for them.

2. Overview of Ethnic Minorities in the Project Area

2.1 Minority Population

Guizhou Province is inhabited by 18 ethnic groups, including Han, Miao, Buyi, Dong, Tujia, Yi, Gelao, Shui, Hui, Bai, Yao, Zhuang, She, Maonan, Manchu, Mongolian, Mulam and Qiang. The province governs 6 prefecture-level cities and 3 autonomous prefectures (Qianxinan Buyi-Miao Autonomous Prefecture, Qiandongnan Miao-Dong Autonomous Prefecture and Qiannan Buyi-Miao Autonomous Prefecture). Among the 56 ethnic groups of China, 54 can be found in Guizhou Province except Tajik and Uzbek. Guizhou has a minority population of 12.548 million, with the top 5 ethnic minorities being Miao (3.97 million), Buyi (2.51 million), Tujia (1.44 million), Dong (1.43 million) and Yi (830,000).

According to the 5th national population census, Guizhou has a population of 34.7465 million, including a minority population 12.548 million, accounting for about 36.12%. In its minority population, there is a Miao population of 3.97 million, accounting for 11.43%; a Yi population of 830,000, accounting for 2.39%; a Tujia population of 1.44 million, accounting for 4.14%; and a Gelao population of 495,200, accounting for 1.43%.

The project counties covered by this EMDP has a total population of 5.9976 million, including a Han population of 3.071 million, accounting for 51.2%; a Miao population of 618,900, accounting for 10.32%; a Yi population of 269,200, accounting for 4.94%; a Tujia population of 1.2009 million, accounting for 20.02%; a Gelao population of 486,500, accounting for 8.11%; and a population of other ethnic minorities of 323,900, accounting for 5.4%. See Table 2-1.

The minority project area has a direct beneficiary population of 266,385, including a minority population of 202,820, accounting for about 76.14%. The minority population includes 98,863 Miao people, accounting for about 37.11%; 7,114 Yi people, accounting for about 2.68%; 56,253 Tujia people, accounting for about 21.12%; 34,679 Gelao people, accounting for about 13.02%, and a population of other ethnic minorities of 5,911, accounting for 2.22%. See Table 2-2.

Table 2-1 Population Statistics of the Minority Project Counties

Division	Gross population (0,000)	Han		Miao		Yi		Tujia		Gelao		Other	
		Population (0,000)	%	Population (0,000)	%	Population (0,000)	%	Population (0,000)	%	Population (0,000)	%	Population (0,000)	%
Guizhou Province	3474.65	2219.85	63.88	397	11.43	83	2.39	144	4.14	49.52	1.43	581.28	16.73
Minority project villages	599.76	307.10	51.20	61.89	10.32	29.62	4.94	120.09	20.02	48.65	8.11	32.39	5.40
Wuchuan	45	1.62	3.60	18	40.00	/	/	5.4	12.00	19.8	44.00	0.18	0.40
Daozhen	30.31	3.57	11.78	7.76	25.61	/	/	1.65	5.44	14.54	47.99	2.79	9.18
Nayong	96	66	68.75	10.44	10.88	5.79	6.03	/	/	/	/	13.77	14.34
Hezhang	79.24	62.44	78.80	4.46	5.63	10.96	13.83	/	/	/	/	1.38	1.74
Weining	143.79	110.03	76.52	8.05	5.60	12.8	8.90	/	/	/	/	12.91	8.98
Dejiang	53.8	8.42	15.65	1.17	2.17	/	/	43.90	81.6	0.14	0.26	0.17	0.32
Shiqian	41	20	48.78	3.77	9.20	0.07	0.17	1.88	4.59	14.17	34.56	1.11	2.71
Yinjiang	43.76	12.47	28.50	7.33	16.75	/	/	23.92	54.67	/	/	0.04	0.08
Yanhe	66.84	22.55	33.80	0.91	1.31	/	/	43.34	64.84	/	/	0.04	0.05

Source: county PMOs

Table 2-2 Population Statistics of the Minority Project Villages

Division	Gross population	Han		Miao		Yi		Tujia		Gelao		Other	
		Population (0,000)	%	Population (0,000)	%	Population (0,000)	%	Population (0,000)	%	Population (0,000)	%	Population (0,000)	%
Guizhou Province	3474.65	2219.85	63.88	397	11.43	83	2.39	144	4.14	49.52	1.43	581.28	16.73
Minority project villages	266385	63565	23.86	98863	37.11	7114	2.68	56253	21.12	34679	13.02	5911	2.22
Wuchuan	28559	5088	17.82	13805	48.34	/	/	3083	10.80	6583	23.05	/	/
Daozhen	34891	7389	21.18	8139	23.33	/	/	1861	5.33	17502	50.16	/	/
Nayong	12838	4370	34.04	5377	41.88	2921	22.75	/	/	/	/	170	1.32
Hezhang	8413	4716	56.06	1549	18.41	2148	25.53	/	/	/	/	/	/
Weining	7637	3903	51.11	1563	20.47	2045	26.78	/	/	/	/	126	1.65
Dejiang	64887	8692	13.40	56195	86.60	/	/	/	/	/	/	/	/
Shiqian	29311	6408	21.9	3223	11.0	/	/	3062	10.4	10492	35.8	5586	19.1
Yinjiang	44178	9249	20.94	8238	18.65	/	/	26691	60.42	/	/	/	/
Yanhe	34872	13621	39.06	/	/	/	/	21251	60.94	/	/	/	/

2.2 Religious and Cultural Profile of Ethnic Minorities

1. Miao

General characteristics: Currently, the Miao people live together in high and remote mountain areas in Guizhou, Hunan, Yunnan, Shaanxi, Chongqing and Guangxi mainly.

Diet and clothing: The local Miao people eat corn and paddy rice mainly, and their diet is supplemented by wheat, potato, beans, meat etc. The ethnic clothing is worn on major festivals or at traditional ceremonies only.

Festivals: The traditional festivals of the local Miao people vary from area to area.

Language: The local Miao language belongs to the Miao branch of the Miao-Yao group of the Chinese-Tibetan family. The Miao people in Nayong County in the Wumeng Mountain area speak the Miao language mainly, and can hardly speak mandarin Chinese.

Religion: The main beliefs of the Miao people are natural and ancestral worship, and elders and authorities are respected.

2. Yi

General characteristics: The Yi people live in Yunnan, Sichuan, Guizhou and Guangxi mainly. The Yi people in Guizhou Province live in earth-wall and stone-wall houses mainly.

Diet and clothing: The Yi people eat corn, buckwheat, rice, potato, wheat, oak and meat mainly, and prefer liquors, which are essential to dispute settlement, friend making, weddings and funerals. The Yi clothing is diversified and colorful.

Festivals: The Yi people have many traditional festivals, including the Torch Festival, and have their spoken and written language.

Language: The Yi language belongs to the Yi branch of the Burmese group of the Chinese-Tibetan family. 60% of the Yi respondents cannot speak mandarin Chinese, and only some young Yi people can speak mandarin Chinese.

Religion: The main beliefs of the Yi people are natural, totemic and ancestral worship. Yi shamans are hosts of religious activities and disseminators of Yi culture.

3. Tujia

General characteristics: The Tujia people live in Hunan, Hubei, Chongqing and Guizhou mainly. The Tujia people in Guizhou Province live beside mountains and waters mainly.

Diet and clothing: The Tujia people eat corn rice mainly.

Festivals: The Tujia folklores are very rich, including hand-waving dance and Aeolus worship.

Language: The Tujia language belongs to the Burmese group of the Chinese-Tibetan family, but is spoken by a very small population. The local Tujia people generally speak and write in mandarin Chinese.

Religion: The main beliefs of the Tujia people are natural, heroic, totemic and ancestral worship.

4. Gelao

General characteristics: The Gelao people in Guizhou Province live in Wuchuan County and Daozhen Gelao-Miao Autonomous County in Zunyi City, Pingba County, Puding County and Guanling Buyi-Miao Autonomous County in Anshun City, Shiqian County in Tongren City, and Qianxi County in Bijie City.

Diet and clothing: The Gelao people eat corn and paddy rice mainly, and also eat beans, potatoes, etc. They like to drink oil tea and liquors.

Festivals: The traditional festivals of the Gelao people include the March 3 (in the ancient calendar) Festival (Mountain God worship), and the New Food Tasting Festival (ancestral worship). The Gelao people in Wuchuan County have many taboos, such as abstinence from sweeping, pouring waste and using kitchen knives during the Spring Festival

Language: The Gelao people once had their own language, which has disappeared gradually. All local Gelao people speak Chinese. The Gelao people have a rich oral art and unique dramas.

Religion: The Gelao people practice multi-god and ancestral worship.

5. Summary

Due to the special relationship in origin between the Miao and Yi people in Weining, Nayong and Hezhang Counties, Bijie City, there is a high level of identification and interaction in language, ideology, cultivation customs and economic life. Their similar cultural backgrounds enable them to intermarry frequently and coexist in harmony. In Wuchuan, Daozhen and Shiqian Counties, the Gelao and Miao people have frequent social intercourse, and a strong level of identification.

2.3 Socioeconomic Profile of Ethnic Minorities

2.3.1 Income

In 2012, the per capita net income of farmers of Guizhou Province was 4,753.00 yuan, including wage income of 1,977.73 yuan, household operating income of 2,249.21 yuan, transfer income of 454.53 yuan and property income of 71.54 yuan.

6 minority project counties have per capita net income of farmers of over 4,000 yuan, accounting for 66.67% of all minority project counties; Zhanghe County has the lowest per capita net income of farmers of 2,157 yuan. See Table 2-3.

Table 2-3 Composition of Farmers' Per Capita Income of the Minority Project Counties (2012)

County		Per capita net income of farmers	Wage income	Household operating income	Transfer income	Property income
Zunyi City	Wuchuan	4285	1360	2171	263	488
	Daozhen	4439	/	/	/	/
Bijie City	Nayong	3703	663	2345	283	398
	Hezhang	2157	1281	480	136	260
	Weining	4812	/	/	/	/
Tongren City	Dejiang	4206	1186	1908	915	333
	Shiqian	4676	2147	1370	370	703
	Yinjiang	4369	1943	1697	711	45
	Yanhe	3713	1476	1881	344	12

Source: Feasibility Study Report (FSR)

In 2012, 105 Han respondents in the minority project area had annual household income of 10,001-20,000 yuan, accounting for 34.7% of all Han respondents; 128 minority respondents had annual household income of 10,001-20,000 yuan, accounting for 21.2% of all minority respondents. In the minority project area, The Han respondents with annual household income of 10,000 yuan or more account for 62.2% of all Han respondents, and the minority respondents with annual household income of 10,000 yuan or more account for 50.0% of all minority respondents. 124 Han respondents whose annual household income was below the national poverty line of 2,300 yuan, accounting for 40.9%; and 299 minority respondents whose annual household income was below 2,300 yuan, accounting for 49.5% of all minority respondents.

Generally, the average household income of minority residents in the minority project area is less than that of Han residents, so minority residents have a more urgent need for development.

Table 2-4 Income of Ethnic Minorities and Han People in the Minority Project Villages

Income		Han		Ethnic minorities	
		N	Percent	N	Percent
Gross household income in 2012	≤1,000 yuan	3	1.0	19	3.1
	1,001-2,000 yuan	14	4.6	39	6.5
	2,001-5,000 yuan	46	15.2	123	20.4
	5,001-10,000 yuan	52	17.2	121	20.0
	10,001-20,000 yuan	105	34.7	128	21.2
	20,001-30,000 yuan	52	17.2	83	13.7
	30,001-50,000 yuan	29	9.6	76	12.6
	>50,000 yuan	2	0.7	15	2.5
Total		303	100.0	604	100.0
Per capita net income in 2012	≤1,500 yuan	23	7.6	123	20.4
	1,501-2,300 yuan	101	33.3	176	29.1
	2,301-5,000 yuan	115	38.0	182	30.1
	5,001-10,000 yuan	53	17.5	92	15.2
	10,001-30,000 yuan	10	3.3	29	4.8
	>30,000 yuan	1	0.3	2	0.3
Total		303	100.0	604	100.0

Source: socioeconomic survey

2.3.2 Crop Cultivation

In 2012, the gross sown area of crops of Guizhou Province was 5,182,860 hectares, in which

the gross sown area of food crops was 3,055,560 hectares, and the gross output of food crops was 10.795 million tons.

In the project counties, the gross sown area of crops was 160,649 hectares, in which the gross sown area of food crops was 114,432 hectares (accounting for 71.23% the gross sown area of crops), and that of commercial crops 27,217 hectares, and the gross output of food crops was 268,985 tons. See Table 2-5.

In the minority project counties, minority and Han residents do not differ much in crop cultivation. Their food crops are corn, potato and paddy rice mainly, and their commercial crops are medicinal materials, tobacco, tealeaf and walnut mainly.

Table 2-5 Crop Cultivation in the Minority Project Counties (2012)

County		Crops			Gross sown area of commercial crops (ha)
		Gross sown area of crops (ha)	Gross sown area of food crops (ha)	Gross output of food crops (ton)	
Zunyi City	Wuchuan	6257	4483	30395	2504
	Daozhen	22655	13985	40888	4842
Total		28912	18468	71283	7346
Bijie City	Nayong	33645	25636	66609	8743
	Hezhang	38149	31581	/	6568
	Weining	42405	27081	87768	95
Total		114199	84298	154377	15406
Tongren City	Dejiang	4808	2834	6834	982
	Shiqian	1019	568	10343	314
	Yinjiang	1882	1412	8469	471
	Yanhe	9829	6852	17679	2698
Total		17538	11666	43325	4465
Total		160649	114432	268985	27217

Source: FSR

2.3.3 Stockbreeding

In 2012, the year-end amount of large livestock of Guizhou Province was 5.4103 million, that of pigs 16.0409 million and that of sheep 2.9009 million.

In 2012, the year-end amount of large livestock of the project counties was 1.3752 million, that of pigs 450,990, that of sheep 240,190 and that of poultry 1.80297 million, and forage cultivation area 16,478.92 hectares. See Table 2-6.

All minority residents in the minority project counties have the tradition of stockbreeding, including sheep, pigs, chickens and cattle mainly, but the commercialization rate of animal products is low. In particular, underbrush chicken raising by the Tujia people in Yinjiang County has proven quite effective and accelerated the development of local stockbreeding.

Table 2-6 Stockbreeding in the Minority Project Counties (2012)

County		Year-end amount of large livestock (0,000)	Year-end amount of pigs (0,000)	Year-end amount of sheep (0,000)	Year-end amount of poultry (0,000)	Forage cultivation area (ha)
Zunyi City	Wuchuan	9.57	18.04	11.30	108.92	155.00
	Daozhen	13.67	62.36	11.44	296.66	3098.00
Total		23.24	80.4	22.74	405.58	3253
Bijie City	Nayong	21.36	30.17	9.99	288.40	0.00
	Hezhang	9.86	14.20	15.36	56.23	9580.00
	Weining	39.05	202.89	37.32	455.24	0
Total		70.26	247.26	62.67	799.87	9580.00
Tongren City	Dejiang	18.00	35.07	120.95	146.39	251.00
	Shiqian	3.06	6.00	4.90	127.30	225.60
	Yinjiang	8.57	35.54	7.19	230.72	3121.00
	Yanhe	14.39	46.72	21.74	93.11	48.32
Total		44.02	123.33	154.78	597.52	3645.92
Total		137.52	450.99	240.19	1802.97	16478.92

Source: FSR

2.3.4 Land Resources

The minority project counties have a total land area of 394,983 hectares, including 128,735 hectares of woodland (32.59%), 81,420 hectares of cultivated land (20.61%), and 60,624 hectares of wasteland (15.35%). See Table 2-7.

Table 2-7 Land Resources in the Minority Project Counties (ha)

County		Land area	Cultivated land	Woodland	Grassland	Water surface	Wasteland
Zunyi City	Wuchuan	41945	9209	22764	95	240	2105
	Daozhen	82881	18916	55445	3947	2185	23943
Total		124826	28125	78209	4042	2425	26048
Bijie City	Nayong	68768	14529	21059	/	/	31632
	Hezhang	84192	25433	29467	25766	573	2944
	Weining	117197	13333	/	/	/	/
Total		270157	53295	50526	25766	573	34576
Tongren City	Dejiang	9580	3265	4580	1151	200	2265
	Shiqian	17925	3302.19	3912	393	10	655
	Yinjiang	14310	1882	7187	2169	14	2036
	Yanhe	27094	2933	8968	2714	317	3528
Total		79653	11968	29141	7073	670	9353
Total		394983	81420	128735	29808	2998	60624

Source: FSR

2.3.5 Infrastructure

In the minority project counties, 167 natural villages are not connected by highways, 19 natural villages do not have power supply, 126 administrative villages are not covered by TV and radio service, and 27 administrative villages do not have clinics. In addition, the population not having safe drinking water is about 166,200. See Table 2-8.

Table 2-8 Infrastructure in the Minority Project Counties (2012)

County		Natural villages not connected by highways	Population not having safe drinking water	Natural villages without telephone service	Admin. villages without TV & radio service	Admin. villages without clinic
Zunyi City	Wuchuan	5	3844	/	9	/
	Daozhen	23	48963	/	2	/
Bijie City	Nayong	98	17021	/	/	19
	Hezhang	/	37748	19	72	/
	Weining	8	/	/	/	/
Tongren City	Dejiang	13	4580	/	/	6
	Shiqian	/	11480	/	/	2
	Yinjiang	20	3385	/	43	/
	Yanhe	/	39202	/	/	/
Total		167	166223	19	126	27

Source: FSR

2.4 Poverty of Ethnic Minorities

2.4.1 Poverty of Ethnic Minorities in the Project Villages

The 203 project villages include 131 key villages for poverty reduction, accounting for 64.53%, and have 68,155 poor households, a poor population of 233,600 and a poverty incidence of 37%. Poverty incidence ranges from 89.59% (Shiqian County) to 20.02% (Hezhang County). See Table 2-9.

Table 2-9 Poverty in the Minority Project Villages

County		Project villages	Key villages for poverty reduction	Poor households	Poor population (0,000)	Poverty incidence (%)
Zunyi City	Wuchuan	7	5	6850	2.11	33.12
	Daozhen	9	9	3463	1.39	39.71
Bijie City	Nayong	20	20	5214	1.99	62.78
	Hezhang	18	18	7266	1.37	20.02
	Weining	30	25	27442	9.95	31.73

County	Project villages	Key villages for poverty reduction	Poor households	Poor population (0,000)	Poverty incidence (%)	
Tongren City	Dejiang	42	16	2753	1.17	32.77
	Shiqian	19	5	6718	2.41	89.59
	Yinjiang	33	15	5107	1.68	37.09
	Yanhe	25	18	3342	1.29	42.16
Total	203	131	68155	23.36	37.00	

Source: FSR

2.4.2 Income Sources of Minority Residents

In the minority project villages, agriculture is the main income source for 68.3% of minority poor households, employment for 29.2%, MLS for 0.5%, individual business for 0.5%, and other for 1.5%. Compared to Han poor households, a higher percentage of minority poor households deal with agriculture.

Compared to rich and ordinary households, minority poor households lack diversity in livelihoods and rely mainly on traditional agriculture. For example, in Xiaojing Village, Xiaojing Xiang, Yanhe County, local Tujia poor households' income is from the cultivation of paddy rice, corn, potato and taro mainly, and agricultural income accounts for about 70% of their gross income, while income from odd jobs accounts for about 30%. In addition, some poor households deal with stockbreeding on a very small scale. See Table 2-10.

Table 2-10 Main Income Sources of Minority Poor Households (%)

Ethnic group	Agriculture	Employment	MLS	Individual business	Other	Total
Han	60.7	32.1	0.0	3.6	3.6	100.0
Ethnic minorities	Miao	67.9	32.1	0.0	0.0	100.0
	Yi	68.8	31.3	0.0	0.0	100.0
	Tujia	66.7	28.4	1.1	1.0	100.0
	Gelao	72.1	27.9	0.0	0.0	100.0
	Total	68.3	29.2	0.5	0.5	1.5

Source: socioeconomic survey

2.4.3 Participation of Poor Minority Households in FPCs

Among the minority sample poor households, 74.0% do not join any FPC; 21.9% join one FPC, 4.2% join two FPCs and 0.5% join over two FPCs. Compared to Han households, the percentage of minority poor households joining FPCs is much lower (26.0%<57.1%). Among all ethnic groups, the percentage of the Tujia people joining FPCs is the lowest, being 18.1%, while those of the Miao, Yi and Gelao people are 28.6%, 31.3% and 41.8% respectively.

In view of this, the participation of minority poor households should be ensured in FPC establishment under the Project.

Table 2-11 Statistics of Participation of Minority Poor Households in FPCs (%)

Ethnic group	Joining 1 FPC	Joining 2 FPCs	Joining over 2 FPCs	None	
Han	50.0	7.1	0.0	42.9	
Ethnic minorities	Miao	28.7	3.7	0.0	71.4
	Yi	18.8	12.5	0.0	68.7
	Tujia	14.3	3.8	0.0	81.9
	Gelao	37.2	2.3	2.3	58.2
	Total	21.9	4.2	0.5	74.0

Source: socioeconomic survey

2.4.4 Participation of Poor Minority Households in Local Advantaged Industries

Mastery of skills in advantaged industries is an important indicator of the capacity of minority poor households to participate in advantaged industries. According to the survey, 27.6% of minority poor households think that they master skills in advantaged industries, 33.9% think not, and 38.5% think that they have partial mastery. The percentage of minority poor households mastering skills in advantaged industries is higher than that of Han poor households by 9.7 percentage points, but minority residents have a weak mastery of skills in advantaged industries and limited participation capacity in general.

Table 2-12 Mastery of Characteristic Production Skills by Minority Poor Households

Ethnic group		Yes		No		Partial	
		N	Percent (%)	N	Percent (%)	N	Percent (%)
Han		5	17.9	14	50.0	9	32.1
Ethnic minorities	Miao	6	21.4	4	14.3	18	64.3
	Yi	5	31.3	4	25.0	7	43.7
	Tujia	37	35.2	38	36.2	30	28.6
	Gelao	5	11.6	19	44.2	19	44.2
	Total	53	27.6	65	33.9	74	38.5

Source: socioeconomic survey

The willingness of minority poor households to deal with advantaged industries can indicate their recognition of such industries. In the question “are you willing to deal with advantaged industries under the Project?”, 97.4% of the minority poor respondents choose “Yes”, 2.1% choose “No”, and 0.5% choose “Depends”. The percentage of minority poor households willing to deal with advantaged industries is similar to that of Han poor households.

Table 2-13 Willingness of Minority Poor Households to Participate in Local Advantaged Industries

Ethnic group		Willing		Unwilling		Depends	
		N	Percent (%)	N	Percent (%)	N	Percent (%)
Han		27	96.4	1	3.6	0	0.0
Ethnic minorities	Miao	28	100.0	0	0.0	0	0.0
	Yi	16	100.0	0	0.0	0	0.0
	Tujia	101	96.1	3	2.9	1	1.0
	Gelao	42	97.7	1	2.3	0	0.0
	Total	187	97.4	4	2.1	1	0.5

Source: socioeconomic survey

2.5 Prevailing Policy Framework for Ethnic Minorities

Wuchuan Gelao-Miao Autonomous County, Daozhen Gelao-Miao Autonomous County, Weining Yi-Miao Autonomous County, Yinjiang Tujia-Miao Autonomous County and Yanhe Tujia Autonomous County enjoy ethnic autonomy in economic development, education, language use and festival celebration. In Weining Yi-Miao Autonomous County, primary schools in minority areas having difficulty in instruction in Chinese, bilingual instruction is practiced.

This EMDP has been prepared in accordance with the laws and regulations on ethnic minorities of the PRC, applicable regulations of Guizhou Province, and the Bank’s policies on ethnic minorities (OP4.10 and BP4.10). See Table 2-14.

The prevailing state, provincial and local policies and regulations have given adequate consideration to the protection of basic civil rights, the equal political, economic, cultural and legal status of ethnic minorities, and the lingual right and religious freedom of ethnic minorities. These policies and regulations are consistent with the spirit of the Bank’s policies on ethnic minorities (OP4.10 and BP4.10). As long as these policies and regulations are complied with strictly, and this EMDP is implemented effectively, all rights and interests of local minority residents can be protected practically.

Table 2-14 Ethnic Minority Policy Framework

Type	Policy/regulations	Contents and key points
State laws and regulations	State laws and regulations: Constitution of the PRC, Law of the PRC on Regional Ethnic Autonomy, Law of Organization of Villager Committee of the PRC, Regulations on the Administrative Work of Ethnic Minority Xiangs the	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. ②Citizens 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. 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. 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

Type	Policy/regulations	Contents and key points
	PRC, the 12 th Five-year Plan for Ethnic Minority Programs	residence, shall have the right to vote and the right to be elected. ⑤The state shall support all ethnic minorities financially, materially and technically to accelerate their economic development, cultural and other social programs. ⑥The protection of ethnic folk cultures shall be subject to the principles of protection mainly, rational development, government dominance and social participation.
	Law of the PRC on Farmers' Professional Cooperatives	①The state shall support agricultural and rural economic development projects, which may be implemented by suitable FPCs. ②Central and local finance shall support FPCs financially to conduct training, farm product quality certification, agricultural infrastructure construction, marketing, technique extension, etc., especially for FPCs in minority and poor areas, and those producing urgently needed farm products.
	Regulations of Guizhou Province	Some Provisions of Guizhou Province on the Implementation of the Law of the PRC on Regional Ethnic Autonomy; Working Regulations on Written and Spoken Languages of Guizhou Province; Regulations on Autonomy of Wuchuan Gelao-Miao Autonomous County, Daozhen Gelao-Miao Autonomous County, Weining Yi-Miao Autonomous County, Yinjiang Tujia-Miao Autonomous County and Yanhe Tujia Autonomous County
State supporting policy	Some Opinions of the State Council on Promoting the Economic and Social Development of Guizhou Province	①Poverty and backwardness are the main problems of Guizhou Province, and accelerating development is its primary task. Guizhou shall become rich as soon as possible in order to narrow the gap between western China and the whole country. ②Development objectives: By 2015, breakthrough progress will be made in infrastructure construction; significant success will be achieved in industrial restructuring, the driving effect of industrialization and urbanization enhanced, and the modernization level of agriculture improved greatly; the energy consumption per unit of regional GDP will be reduced substantially, the total volume of main pollutants controlled effectively, and overall environmental quality kept stable; the trend of rock desertification will be reversed preliminarily, and forest cover rate will reach 45%; the overall level of well being will be close to the average of western China. ③Strategic positioning—demonstration region for development-oriented poverty reduction: Apply innovative poverty reduction mechanisms to gain experience for future development-oriented poverty reduction. ④Demonstration zone for ethnic unity, progress and prosperity: Implement minority policies carefully, support the accelerated development of minority areas, promote ethnic equality, unity and harmony, and realize social progress.
Regional development plans	Outline of the 12 th Five-year Plans for National Economic and Social Development of Guizhou Province, Bijie City, Tongren City and Zunyi City, municipal and county development and poverty reduction implementation plans in the Wumeng Mountain and Wuling Mountain areas	
World Bank	Operational Policy (OP4.10) and Bank Procedure (BP4.10)	This policy aims to ensure that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples. (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. (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. (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

Type	Policy/regulations	Contents and key points
		<p>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 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>

2.6 Ongoing Projects Related to Ethnic Minority Development in the Project Area

The realization of the social benefits of the Project will rely on some ongoing projects in the project area, including: 1) whole-village advancement, Rain and Dew Program, work relief, discounted loan, mutual fund projects, etc. implemented by poverty reduction offices; 2) Sunshine Program, agro-technical training projects, etc. implemented by agriculture bureaus; 3) women's business startup and employment training, small-amount secured loans for women projects, etc. implemented by women's federations; and 4) ethnic cultural village building, ethnic minority development support projects, etc. implemented by ethnic and religious affairs bureaus. See **Appendix 2** for details.

3. Public Consultation and Perceptions of Development

Since the preparatory work of the Project was started in November 2012, a series of surveys and public consultation activities have been conducted. At the preparation stage, the FSR agencies (county poverty reduction offices), SA team, EMDP team and EIA agency disclosed project information, and conducted free, prior and informed consultation in minority communities.

This EMDP has been prepared on the basis of the questionnaire survey, FGDs, in-depth interviews, key informant interviews, stakeholder discussion meeting, etc.

3.1 Participation of Minority Communities at the Preparation Stage

1. Project information disclosure

- 1) In November 2012, the Project was included in the List of World Bank-financed Projects of the National Development and Reform Commission, and Ministry of Finance (2013-2015).
- 2) In November 2012, the Guizhou PMO began to screen project counties and components.
- 3) In April 2013, the Guizhou PMO submitted the Project Proposal, which was approved by the provincial development and reform commission.
- 4) In May 2013, the county PMOs began to conduct project preparation, and prepared the General Proposal of the Project.
- 5) In August 2013, the county PMOs prepared the draft FSRs based on the Project Proposal.
- 6) In December 2013, the EIA Report of the Project (EIA-Category B) was disclosed for the first time.
- 7) In January 2014, the FSR of the Project was completed.

2. Field investigation

- 1) In June 2013, the Bank identification and technical preparation missions investigated project preparation and reached an agreement of intent for lending support.
- 2) In September 2013, the Bank experts conducted another investigation in Guizhou, and discussed the rationality and feasibility of the Project with the provincial and county PMOs; the county PMOs further revised the FSR based on expert opinions.
- 3) During December 19-26, 2013, Guizhou Design Institute of Environmental Sciences conducted an investigation in the project area.

3. Participation activities in EMDP preparation

During January 2-16, 2014, the EMDP team conducted a field investigation in the minority project area to learn local production and living conditions, and poverty, and collect opinions and suggestions by means of questionnaire survey, FGD and interview.

①**Questionnaire survey:** The EMDP team conducted the questionnaire survey in 26 villages, 15 townships, 7 counties, with 780 copies of the questionnaire distributed and 722 copies recovered, accounting for 92.56%, including 635 minority copies, accounting for 87.95%. 604 copies of the minority questionnaire were distributed, including 121 Miao sample, 40 Yi ones, 273 Tujia ones, and 170 Gelao ones. The survey covers agricultural development, participation in FPCs, needs for FPCs, project awareness, personal information, etc.

②**FGD:** The EMDP team conducted 64 FGDs in 32 villages, 18 townships, including 32 ordinary FGDs and 32 FGDs with women, covering attitudes to, suggestions on and needs for the Project.

③**In-depth interview:** The EMDP team conducted 90 men-times of in-depth interviews with some local residents (including minority residents, women, poor residents, etc.), including 68 minority residents, accounting for 75.56%, and 43 women, accounting for 47.78%, covering living conditions, project impacts, attitudes to and suggestions on the Project.

④**Key informant interview:** The EMDP team conducted 65 men-times of key informant interviews with township and village officials, religious workers, FPC heads, agro-technicians, etc., covering local socioeconomic profile, agricultural and stockbreeding development, women's development and poverty, comments and suggestions, etc.

⑤**Stakeholder discussion meeting:** The EMDP team held 12 stakeholder discussion meetings with county poverty reduction offices, ethnic and religious affairs bureaus, agriculture bureaus, stockbreeding bureaus, women's federations, etc. (including 3 city-level and 9 county-level stakeholder discussion meetings), covering project impacts, comments and suggestions, etc. See Table 3-1 and **Appendix 3**.

Table 3-1 Public Participation Activities

County		Townships	Villages	Questionnaire survey (copy)	FGDs	In-depth interviews	Key informant interviews	Discussion meetings
Zunyi City	Wuchuan	2	4	116	6	9	7	1
	Daozhen	2	4	114	8	13	10	1
Bijie City	Nayong	2	2	/	4	5	5	1
	Hezhang	1	1	30	2	3	3	1
	Weining	1	2	60	4	6	4	1
Tongren City	Dejiang	1	3	/	6	10	7	1
	Shiqian	2	6	120	12	15	10	1
	Yinjiang	4	4	120	8	11	8	1
	Yanhe	3	6	162	12	18	11	1
Total		18	32	722	62	90	65	9

Source: socioeconomic survey

3.2 Perceptions of Rural Development

At the preparation stage, the SA team, EMDP team and EIA agency disclosed project information, and conducted free, prior and informed consultation in minority communities in order to learn local residents' attitudes to, needs for and suggestions on rural development, and communicate with the county ethnic and religious affairs bureaus, poverty reduction offices, women's federations, agriculture bureaus, stockbreeding bureaus, land and resources bureaus, civil affairs bureaus, social security bureaus, township governments, village committees, and collected comments from ethnic and religious workers. Their needs for and suggestions on rural development have been incorporated into the project design.

The above public participation activities aim to minimize negative impacts on minority residents, and develop their capacity in modes accepted by them so that they benefit more from the Project. Minority perceptions of rural development include:

1. Attitude to and participation in the Project

Minority support for and participation in the Project are an important prerequisite to successful project implementation and rural development. 97.7% of the minority respondents support the Project, and over 90% of the respondents of all the 4 ethnic minorities support the Project. 1.8% of the minority respondents don't care, and 0.5% do not support the Project. Minority residents generally support the Project and are willing to assist in project implementation.

Table 3-2 Support of Ethnic Minorities for the Project

Ethnic group	Supporting		Not supporting		Don't care	
	N	Percent	N	Percent	N	Percent
Miao	118	97.5	0	0	3	2.5
Yi	37	92.5	0	0	3	7.5
Tujia	267	97.8	1	0.4	5	1.8
Gelao	168	98.8	2	1.2	0	0.0
Total	590	97.7	3	0.5	11	1.8

Source: socioeconomic survey

96.8% of the minority respondents are willing to participate in the Project, 2.5% don't care, and 0.5% don't know. Most minority residents are willing to participate in the Project, because they think rural development is also the process of their own development and capacity building.

Table 3-3 Willingness of Ethnic Minorities to Participate in the Project

Ethnic group	Willingness		Unwilling		Don't care		Don't know	
	N	Percent	N	Percent	N	Percent	N	Percent
Miao	119	98.3	0	0.0	2	1.7	0	0.0
Yi	34	85.0	0	0.0	3	7.5	3	7.5
Tujia	267	97.8	1	0.4	5	1.8	0	0.0
Gelao	165	97.1	0	0.0	5	2.9	0	0.0
Total	585	96.8	1	0.2	15	2.5	3	0.5

Source: socioeconomic survey

2. Perceptions of development directions

Improving the income of local minority residents is an important objective of the Project. 87.3% of the minority respondents think that the source of additional income is characteristic cultivation and stockbreeding, followed by developing rural tourism and other tertiary industries (7.1%). Most of the minority respondents think that the large-scale development of characteristic cultivation and stockbreeding is key to income increase. In addition, farm and animal products should be further processed through an extended industry chain, and cooperation should be carried out with relevant enterprises or FPCs to develop more marketing channels.

Table 3-4 Attitudes of Ethnic Minorities to Sources of Additional Income (%)

Ethnic group	Characteristic cultivation and stockbreeding	Reemployment	Developing tertiary industries	Individual business	Other
Miao	94.2	4.1	1.7	0.0	0.0
Yi	75.0	20.0	5.0	0.0	0.0
Tujia	79.5	3.7	13.9	1.8	1.1
Gelao	97.6	1.8	0.6	0.0	0.0
Total	87.3	4.3	7.1	0.8	0.5

Source: socioeconomic survey

3. Perceptions of infrastructure construction

Sound infrastructure is important for promoting industrial development and providing living convenience. For a long time, unsound public infrastructure has been a key restraint on rural development, especially in remote areas. 79.1% of the minority respondents think the top 3 causes of poor income on farm products are low output, inconvenient traffic, and not knowing marketing channels and transaction rules, accounting for 36.2%, 26.2% and 24.7% respectively (see Table 3-5). It is learned from in-depth interviews that the main causes of low output of farm products are low land fertility in karst areas, the shortage of irrigation facilities and tractor roads, and poor road quality.

Local minority residents expect infrastructure improvement urgently. For example in Yangba Village, Yangxi Town, Daozhen Gelao-Miao Autonomous County, Zunyi City, roads connecting village groups are in poor quality, and some remote village groups are even not connected by roads. Tractor roads and field paths for agricultural production have limited accessibility, making transport effort and time consuming.

Generally, the minority project villages are mostly remote, and their public infrastructure is backward, especially roads, irrigation facilities, farm markets, etc. Public infrastructure construction is an integral part of the Project, which will improve the local public infrastructure, and create favorable conditions for minority residents to become rich.

Table 3-5 Main Causes of Poor Income on Farm Products Perceived by Ethnic Minorities (%)

Ethnic group	Low output of farm products	Poor quality of farm products	Not knowing marketing channels and transaction rules	No bargaining power	Natural disasters	Inconvenient traffic	Other
Miao	45.6	0.9	18.4	6.1	1.8	27.2	0.0
Yi	69.6	4.3	17.4	0.0	0.0	8.7	0.0
Tujia	34.4	3.1	21.4	4.9	4.5	31.3	0.4
Gelao	23.9	17.9	38.5	0.0	0.9	18.8	0.0
Total	36.2	6.3	24.7	3.8	2.7	26.2	0.2

Source: socioeconomic survey

4. Perceptions of skills training

Specialized skills are key to characteristic cultivation and stockbreeding. 95.1% of the minority respondents think that it is necessary or very necessary to conduct relevant skills training. Minority residents have strong needs for specialized skills training. It is learned that minority residents do not master specialized skills well, and think training on skills in advantaged industries should be strengthened. For example, at the FGD in Siping Village, Yangxi Town, Daozhen Gelao-Miao Autonomous County, villagers expect skills training on medicinal material cultivation, field

management and pest control. The training and capacity building component of the Project will meet minority residents' needs for skills training.

Table 3-6 Necessity of Specialized Training Perceived by Ethnic Minorities (%)

Ethnic group	Very necessary	Necessary	Neither, nor	Unnecessary	Very unnecessary
Miao	90.9	9.1	0	0	0
Yi	67.5	25	7.5	0	0
Tujia	81.7	13.2	4	0.7	0.4
Gelao	54.5	38.8	7.6	0	0
Total	74.7	20.4	4.4	0.3	0.2

Source: socioeconomic survey

5. Attitude to FPCs

Establishing FPCs is an effective way to improve the bargaining power of farmers in transactions, realize agricultural industrialization, and strengthen farmers' capacity development. 90.4% of the minority respondents agree or strongly agree with FPC establishment. Minority residents generally agree with the establishment of FPCs to promote industrial development and increase income. They think that FPCs play a crucial role in industrial development, because FPCs can provide technical guidance on cultivation and stockbreeding, purchase means of production at lower prices, and open up marketing channels. In addition, FPCs can provide timely market information, which is especially important for minority households, especially poor households.

Table 3-7 Support of Ethnic Minorities for FPCs (%)

Ethnic group	Very necessary	Necessary	Neither, nor	Unnecessary	Very unnecessary
Miao	68.6	28.9	0.8	1.7	0.0
Yi	47.5	47.5	5.0	0.0	0.0
Tujia	58.6	35.5	5.9	0.0	0.0
Gelao	44.7	54.7	0.6	0.0	0.0
Total	56.0	40.4	3.3	0.3	0.0

Source: socioeconomic survey

3.3 Community Participation Plan

In order to maximize the social and economic benefits of the Project for local minority residents, and evade the Project's potential risks, it is necessary to take the following measures at different stages of the Project. See Section 8.1.3 of the SA Report for details.

1. At the preparation stage, not less than 50% of participants in publicity, mobilization and training activities should be minority residents, women and poor residents.

2. At the design stage, not less than 40% of participants in industry selection, infrastructure design, and the development of FPC rules and regulations should be minority residents.

3. At the implementation stage, In the minority project villages, not less than 50% of FPC members should be minority residents; the board of directors or supervisors of each FPC should have at least one minority, one female and one poor member each. In training on mandarin Chinese, practical skills and FPCs, not less than 40% of trainees should be women; in the minority project villages, the participation rate of minority residents should not be less than 50%, and that of poor minority residents not less than 40%.

4. At the operation stage, the grievance redress mechanism should be operable for minority residents.

5. Objections of few community residents should be treated seriously, and persuasion and explanation conducted properly to avoid confrontations and even conflicts.

4. Analysis of Differences and Vulnerability of Ethnic Minorities

4.1 Analysis of Differences among Ethnic Minorities

4.1.1 Analysis of Ethnic Differences

1. Miao

The Miao people in the Wumeng Mountain area have kept cultural, lingual and religious customs very well, while those in the Wuling Mountain area show no significant difference in income and economic structure because they have lived together with Han, Gelao and Yi people for a long time, but some differences from other ethnic groups in culture and customs. Therefore, the analysis here covers the Miao people in the Wumeng Mountain area mainly.

1) Traditional culture

The main beliefs of the Miao people are natural and ancestral worship, and elders and authorities are respected. At the preparation and implementation stages, Miao elders and authorities in the Wumeng Mountain area play an irreplaceable role in FPC management and dispute settlement.

2) Economy

Agriculture is the main income source of the local Miao people, but this income source is unstable due to harsh natural conditions. In recent years, more and more Miao people are working outside, and employment income has become a great supplement to agricultural income, but the percentage of Miao people working outside is lower than that of Han people. In addition, transport costs of farm products are high due to backward traffic facilities, so that the marketing range of farm products with Miao characteristics is highly restricted. The local Miao people have an urgent need for infrastructure improvement and the development of advantaged industries.

3) Customs

a) Language: The local Miao language belongs to the Miao branch of the Miao-Yao group of the Chinese-Tibetan family. The Miao people in Yongna County in the Wumeng Mountain area mostly speak in the Miao language and write in Chinese, and their ability to use mandarin Chinese is weak. Therefore, publicity and training activities in the Miao areas in Nayong County should be conducted in the local language or in the presence of minority interpreters.

b) Festivals: The traditional festivals of the local Miao people include Miao New Year's Day and Dragon Boat Festival, where Miao New Year's Day is the most ceremonious festival of the Miao people and lasts 3-15 days. Project activities should be scheduled to avoid these festivals.

2. Yi

1) Traditional culture

The harsh natural environment has made the good Yi traditions of endurance and mutual help. This lays a social foundation for FPC establishment and operation.

For the Yi people in the project area, the concept and role of "lineage" have weakened, and village committees are now playing the role of social management.

2) Economy

a) Low income: The Yi villages in the project area are located in remote plateau areas with harsh natural conditions. Local Yi residents have simple cultivation skills and low mechanization level, and are short of tractor roads, water resources facilities and other agricultural infrastructure, resulting in their low income.

b) Simple economic structure. Although more and more local Yi residents are working outside, their traditional small-scale economic pattern has not changed. Due to dietary, lingual and cultural differences, Yi residents working outside mostly deal with unskilled labor-intensive industries, and their income is generally low.

3) Customs

a) Language: The Yi language belongs to the Yi branch of the Burmese group of the Chinese-Tibetan family, and local Yi residents have their own spoken and written language. According to the questionnaire survey, 60% of the Yi respondents cannot speak mandarin Chinese. Publicity and training activities in Yi areas should be conducted in the Yi language or in the presence of Yi interpreters. In addition, FPC counselors should be preferably Yi language speakers.

Table 4-1 Mandarin Chinese Proficiency of Yi People

Ethnic group	Yes		No	
	N	Percent	N	Percent

Ethnic group	Yes		No	
	N	Percent	N	Percent
Yi	16	40	24	60

Source: socioeconomic survey

b) Festivals: The main festivals of the local Yi people are the Torch Festival and Yi New Year's Day. Project publicity and training activities should be conducted in languages and modes accepted by local people, and avoid these festivals.

3. Tujia

1) Traditional culture

The Tujia people have their unique character and culture, including the chieftain system, neighborhood administrative system, weddings, funerals, etc.

2) Economy

a) The crop structure is diversified but income is still relatively low. Currently, a diverse cultivation structure composed of tobacco, tealeaf, mulberry and medicinal materials has been established, the overall income level of the Tujia people is low due to backward infrastructure and cultivation skills. Therefore, infrastructure construction and industrial skills training will be important means for the Tujia people to increase income and improve living quality.

b) Although more and more local Tujia residents are working outside, the livelihood pattern with focus on agriculture has not changed. Outside employment has increased income and widened eyeshot to some extent. However, due to their limited capacity, most Tujia households still rely on agriculture as the main income source but only have traditional cultivation skills. Therefore, developing more income sources and job opportunities for local Tujia residents is an important objective of the Project.

3) Customs

The Tujia language has almost disappeared, and the Tujia people speak and write in Chinese. The Tujia people show slight differences in customs from the Han people. Such similarities provide a necessary social basis for the Tujia people to participate in and benefit from the Project equally. In addition, benefiting equally from the Project will further promote harmony among ethnic groups.

4. Gelao

1) Traditional culture

During the evolution of the Gelao people, unique social institutions such as the chieftain system and neighborhood administrative system, economic institutions in agriculture, handicrafts and commerce, and cultural institutions in kinship and family have been established.

2) Economy

Local Gelao residents rely heavily on agriculture as an income source. Due to backward traffic facilities and cultivation skills, the income of Gelao households is generally lower than that of local Han households. Therefore, increasing the income of local Gelao residents is an important objective of the Project.

3) Customs

a) Language: The local Gelao people once had their own language, which has disappeared gradually. All local Gelao people speak Chinese.

b) Festivals: Their traditional festivals include the Bird-Respecting Festival, New Food Festival and Dharma Wheel Festival. Project publicity and training activities should be conducted in languages and modes accepted by local people, and avoid these festivals.

4.1.2 Analysis of Gender Differences

1. Educational levels of minority women

The questionnaire survey shows that the percentage of the male respondents having received primary school education (16.3%) is lower than that of the females (27.1%) by 10.8 percentage points; the percentage of the male respondents having received junior high school education (57.8%) is higher than that of the females (49.5%) 8.3 percentage points; and the percentage of the male respondents having received senior high school/technical secondary school education (20.5%) is higher than that of the females (17.2%) 3.3 percentage points. See Table 4-2.

Table 4-2 Educational Levels of Minority Residents by Gender

Educational level	Male		Female		Total	
	N	Percent	N	Percent	N	Percent

Educational level	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Junior college or above	9	2.8	9	3.1	18	3.0
Senior high school/ technical secondary school	64	20.5	50	17.2	114	18.9
Junior high school	181	57.8	144	49.5	325	53.8
Primary school	51	16.3	79	27.1	130	21.5
Illiterate	8	2.6	9	3.1	17	2.8

Source: socioeconomic survey

The percentages of the Miao, Tujia and Gelao respondents having received junior high school education are 57.1%, 50.0% and 50.0% respectively; the percentage of the Yi respondents having received junior high school education (18.7%) is much lower than those of the other 3 ethnic minorities. The overall educational level of Yi women is the lowest, with the percentage of primary school education being 68.8%, much higher than those of the other 3 ethnic minorities. In the same ethnic minority, it is usual that men are better educated than women. See Table 4-3.

Table 4-3 Educational Levels of Different Ethnic Minorities by Gender

Educational level	Miao		Yi		Tujia		Gelao	
	Male	Female	Male	Female	Male	Female	Male	Female
Junior college or above	2.8	6.1	4.2	0.0	4.6	4.2	0.0	0.0
Senior high school/ technical secondary school	16.7	18.5	0.0	0.0	14.5	16.9	38.3	20.2
Junior high school	72.2	57.1	50.0	18.7	55.7	50.0	51.2	50.0
Primary school	8.3	16.3	37.5	68.8	20.6	26.8	10.5	26.2
Illiterate	0.0	2.0	8.3	12.5	4.6	2.1	0.0	3.6

Source: socioeconomic survey

2. Perceptions of the Project

61.8% of the minority respondents are aware of the Project, and 38.2% unaware; 61.0% and 62.5% of the male and female minority respondents are aware respectively. Among the male minority respondents who are aware of the Project, 7.8% are highly aware, 13.0% aware and 44.0% a bit aware; among the female minority respondents who are aware of the Project, 9.2% are highly aware, 12.5% aware and 29.4% a bit aware. 91.7% of the male minority residents and 91.4% of the female minority residents think the Project is important or very important for households, showing no significant gender difference.

Table 4-4 Awareness of the Project among Minority Women

Project perceptions		Male		Female		Total	
		N	Percent	N	Percent	N	Percent
Project awareness	Aware	191	61.0	182	62.5	373	61.8
	Unaware	122	39.0	109	37.5	264	38.2
Awareness level	Highly aware	22	7.8	24	9.2	46	8.5
	Aware	37	13.0	33	12.5	70	12.8
	A bit	125	44.0	77	29.4	202	37.0
	Unaware	80	28.2	120	45.8	200	36.6
	Highly unaware	20	7.0	8	3.1	28	5.1
Importance of the Project for households	Very important	159	50.8	134	46.0	293	48.5
	Important	128	40.9	132	45.4	260	43.0
	A bit important	20	6.4	16	5.5	36	6.0
	Unimportant	5	1.6	6	2.1	11	1.8
	Don't care	1	0.3	3	1.0	4	0.7

Source: socioeconomic survey

3. Awareness of FPCs

6.7%, 22.0% and 45.7% of the male minority respondents are highly aware, aware and a bit aware of FPCs respectively, while the corresponding percentages of the female minority respondents are 7.2%, 20.3% and 46.7% respectively; 21.1% and 4.5% of the male minority respondents are unaware and highly unaware of FPCs respectively, while the corresponding

percentages of the female minority respondents are 22.0% and 3.8% respectively, showing no significant gender difference.

According to FGDs with minority women, most women have heard of FPCs, but know little about their operating mechanism, equity participation, rules and regulations, and services offered. Generally, minority women have low awareness of FPCs, so relevant publicity should be conducted.

Table 4-5 Awareness of FPCs among Minority Women

Awareness of FPCs	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Highly aware	21	6.7	21	7.2	42	6.9
Aware	69	22.0	59	20.3	128	21.2
A bit	143	45.7	136	46.7	279	46.2
Unaware	66	21.1	64	22.0	130	21.6
Highly unaware	14	4.5	11	3.8	25	4.1

Source: socioeconomic survey



Women's FGD in Leju Village, Weining County, Bijie City

Only two women have heard of FPCs. After hearing of FPCs, all women present expected to establish FPCs to open up the market and receive training on cultivation skills.

(4) Mastery of industrial skills

43.8% of the male minority respondents and 32.6% of the females think they master industrial skills, 40.3% of the males and 43.3% of the females think they master partial skills, and 16.0% of the males and 24.1% of the females think they don't. It can be seen that minority men master industrial skills much better than minority women. However, minority women master tealeaf cultivation skills better than minority men because most laborers in this industry are females. In Gaodong Village, Huangdu Town, Wuchuan County, about 80% of laborers in tea garden management are females, and female laborers are more skilled than males.

In households where husbands are working outside, all farm work is done by women. In farm work, men are usually responsible for cultivation and harvesting, while women are also responsible for weeding, fertilization and irrigation.

Table 4-6 Mastery of Industrial Skills among Minority Women

Mastery of industrial skills	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Yes	137	43.8	95	32.6	232	38.4
No	50	16.0	70	24.1	120	19.9
Partial	126	40.3	126	43.3	252	41.7

Source: socioeconomic survey

5. Willingness to receive training

96.1% of the male minority respondents and 95.9% of the females are willing to attend local training on advantaged industries, and 96.5% of the males and 96.2% of the females are willing to attend training on FPCs, showing no significant gender difference.

It is learned from FGDs and interviews that in the minority project villages, a low percentage of women are trained. However, minority women have a strong desire for training. Not less than 40% of trainees in training on industrial skills and FPCs should be women.

Table 4-7 Willingness of Minority Women to Attend Training

Willingness		Male		Female		Total	
		N	Percent	N	Percent	N	Percent
Local training on advantaged industries	Willing	301	96.1	279	95.9	580	96.0
	Unwilling	3	1.0	4	1.3	7	1.2
	Don't care	9	2.9	6	2.1	15	2.5
	Don't know	0	0.0	2	0.7	2	0.3
FPC training	Willing	302	96.5	280	96.2	582	96.3
	Unwilling	4	1.3	6	2.1	10	1.7
	Don't care	5	1.6	4	1.4	9	1.5

Willingness	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Don't know	2	0.6	1	0.3	3	0.5

Source: socioeconomic survey

6. Willingness to input labor

98.4% of the minority male respondents and 97.9% of the female respondents are willing to do jobs offered by the Project, and there is no gender difference in this respect.

Table 4-8 Willingness of Minority Residents to Input Labor

Labor input	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Willing	308	98.4	285	97.9	593	98.2
Unwilling	5	1.6	6	2.1	11	1.8
Total	313	100	291	100	604	100

Source: socioeconomic survey

Generally, there is no significant gender difference in project awareness, FPC awareness, and willingness to attend training and input labor. The overall educational level of minority women is lower than that of minority men. Minority men master industrial skills much better than minority women. Therefore, more attention should be paid to minority women in all types of training.

4.2 Vulnerability Analysis of Ethnic Minorities

1. Natural vulnerability and unsound public infrastructure

First, the Project is located in the Wuling Mountain and Wumeng Mountain contiguous destitute regions, where as a direct result of the shortage of resources for development, minority residents can hardly evade the risk of poverty themselves; second, 70.7% of the minority respondents think local cultivation and stockbreeding facilities are insufficient, and the local public infrastructure is unsound, especially traffic and agricultural infrastructure.

The Project will play a significant role in reducing economic and social vulnerability through infrastructure construction, industrial restructuring and capacity enhancement.

Table 4-9 Perceptions of the Shortage of Cultivation and Stockbreeding Facilities among Minority Residents

Ethnic group	Yes		No	
	N	Percent	N	Percent
Miao	67	55.4	54	44.6
Yi	36	90.0	4	10.0
Tujia	198	72.5	75	27.5
Gelao	126	74.1	44	25.9
Total	427	70.7	177	29.3

Source: socioeconomic survey

2. Economic vulnerability

1) Lack of diversity in livelihoods, resulting in low resistance to economic risks

First, the local karst landform results in low land fertility, and local minority residents, especially poor ones, still rely on agriculture as their main income source; the questionnaire survey shows that 55.3% of the minority respondents live mainly on agriculture, and 35.4% live mainly on employment. Second, due to the lack of necessary human resources training and modern cultivation skills training, there is a lack of diversity in income sources of minority residents. Both factors have resulted in the low risk resistance of minority residents.

Table 4-10 Income Sources of Minority Residents (%)

Ethnic group	Agriculture	Employment	Transport	Tourism	MLS	Individual business
Miao	64.5	20.7	0.8	0.0	0.0	13.2
Yi	60.0	37.5	0.0	0.0	0.0	2.5
Tujia	53.6	34.0	4.4	0.4	1.1	4.0
Gelao	58.5	39.7	0.0	1.2	0.0	0.6
Total	55.3	35.4	2.2	0.5	0.5	4.8

Source: socioeconomic survey

2) Short industry chain and weak market competitiveness

Due to low educational levels, few minority households in the project area are good at management, and minority residents have limited sources of market information, resulting in poor adaptation to the market. The project area has a weak base of industrial development due to barren land and insufficient irrigation, farm and animal products have low added value, and the bargaining power of rural households is low.

3. Social vulnerability

1) Low educational levels and overall competencies

The percentage of minority residents having received senior high school/technical secondary school or above education is only 18.9%, so that they have difficulty in understanding the development concept of the Project and inadequate self-development capacity. First, minority residents have weak participation capacity, and can hardly express their appeals due to poor oral and written expression abilities; on the other hand, although mutual help is advocated in minority cultures, minority residents cannot organize effectively due to the poor infrastructure, backward cultivation and stockbreeding, and capital shortage in the minority project area.

Table 4-11 Educational Levels of Minority Residents (%)

Ethnic group	Junior college or above	Senior high school/technical secondary school	Junior high school	Primary school	Illiterate
Miao	4.1	17.4	66.1	11.6	0.8
Yi	2.5	0.0	37.5	50.0	10.0
Tujia	4.4	15.8	52.7	23.8	3.3
Gelao	0.0	29.4	50.6	18.2	1.8
Total	3.0	18.9	53.8	21.5	2.8

Source: socioeconomic survey

2) Lack of risk prevention and sharing mechanism

Minority households in the minority project area are exposed directly to natural, market and social risks. There is no prevention mechanism in the minority project area due to capital shortage, low educational levels and unsound organizational structure.

First, local minority residents live in remote mountain areas, have limited information sources, and weak market awareness, and are unable to respond to market risks. Second, since the poverty incidence of the minority project area is as high as 37%, there are no sufficient funds for risk resistance. Third, there is no farmers' organization that represents the interests of rural households, so that the risk resistance of individual rural households is low. See Table 4-10.

Table 4-2 Vulnerability of Ethnic Minorities and Alleviation by the Project

No.	Type	Current situation	Project effect in alleviating vulnerability
1	Natural vulnerability	Unsound public infrastructure, especially traffic and agricultural infrastructure	Constructing roads, especially tractor roads and field paths
2		Limited information sources, and weak resistance to market risks	Development an economy of scale through FPCs to resist market risks
3	Economic vulnerability	High percentage of agricultural income; backward cultivation and stockbreeding skills	Establishing FPCs to increase nonagricultural income; introducing new cultivation and stockbreeding skills
4		Short industry chain and weak market competitiveness	Extending industry chain, resisting market risks and improving self-organizing capacity through FPC establishment
5	Social vulnerability	Low educational levels, overall competencies and self-development capacity of minority residents	Conducting necessary training and education
6		Lack of risk prevention and sharing mechanism	Investing funds and conducting training, and establishing FPCs to resist risks jointly

5. Analysis of Minority FPCs

Due to social, economic and cultural differences, minority FPCs differ from Han FPCs in terms of establishment, operation, management, profit distribution, etc. Minority FPCs should be classified, and their features and problems analyzed in order to establish minority FPCs suited to needs of minority residents.

5.1 Minority FPCs

1. Types of FPCs

11 minority FPCs were covered in the survey, including two cooperative + household FPCs, accounting for 18.2%; 8 cooperative + base + household FPCs, accounting for 72.7%; and one company + cooperative + base + household FPCs, accounting for 9.1%.

Minority FPCs mainly deal with cultivation (vegetables, leek, tobacco, etc.) and stockbreeding (egg chicken, etc.). See Table 5-1.

2. Features of FPCs

1) Late establishment

Late establishment: Among the 11 sample minority FPCs, 6 were established by economically capable persons, accounting for 54.5%; and 5 by village officials, accounting for 45.5%. It is found that most minority FPCs are established under the advocacy of the government, and rely strongly on governmental support in establishment, operation and management.

Among the 11 sample minority FPCs, one is under application, one is being registered, one was established in 2007, one in 2009, two in 2011, 5 in 2012 and one in 2013. The minority FPCs were mostly established in 2010 or thereafter, and are still at the exploration stage.

Table 5-1 Years of Registration of FPC of Ethnic Minorities

Year of establishment	Number	Percent (%)
2007	1	9.1
2009	1	9.1
2011	2	18.2
2012	5	45.4
2013	1	9.1
Under application	1	9.1
Total	11	100.0

2) Rules and regulations

For most minority FPCs, rules and regulations are mostly developed by superior authorities in a unified manner, but are not necessarily compatible with minority cultures and management practices. For example, the Qianfurong Stockbreeding FPC in Guochang Village is led by village officials and capable persons, and its rules and regulations have been developed by them mainly. In addition, the Radix Codonopsis FPC in Yangba Village, Yangxi Town was initiated by college students and is composed of major cultivation households, and its rules and regulations have been developed by its founders in light of the applicable county and town policies, and are inoperable in practice.

3) Profit distribution

Among the 11 sample minority FPCs, except the unregistered one, the other 10 minority FPCs have their definite profit distribution measures, and their main modes of distribution include profit distribution based on shares, dividend distribution based on shares, reward, etc. In profit distribution, minority FPCs pay attention to assistance for vulnerable groups.

Table 5-2 Basic Information of FPC of Ethnic Minorities

No.	Mode	Case	Status	Operation	Foundation	Composition	Profit distribution	Business
1	Cooperative + base + household	Vegetable FPC in Kele Village, Kele Xiang	Ordinary	Conducting cultivation on over 500 mu of land rented at 500 yuan/mu, purchasing vegetables at reserve prices	Founded in 2009, with a registered capital of 50,000 yuan	5 shareholders, composed of Yi residents mainly	Led by capable persons; farmers working for the FPC are paid 40 yuan/day in Year 1, and 50 yuan/day in Year 2 and afterwards, and work about 100 days a year	Leek cultivation and marketing
2	Cooperative + base + household	Yongfeng Tobacco FPC in Kele Village	Ordinary	Giving technical guidance on tobacco growers to improve cultivation level and product quality, resist market and natural risks, and increase income; assisting the tobacco company in purchasing tobacco leaves	Founded in 2013, with a registered capital of 120,000 yuan	Initiated by 6 persons, with 98 service staff members, serving 857 households with 3,856 persons	Led by officials and capable persons; covering 4 purchase stations in the whole township; having purchased 855,000 kg of tobacco leaf, and generating income of 20.52 million yuan	Tobacco cultivation, processing and marketing
3	Cooperative + household + base	Mopan Yunhai Vegetable FPC in Datang Village, Luolong Town	Bad	Granting seeds to vegetable growers, purchasing and selling vegetables; equivalent to hiring farmers to grow vegetables	Not formally registered yet	8 managers and 10 members, composed mainly of Miao and Gelao people	5 members are managing a 6,000 mu vegetable base	Tobacco processing and marketing
4	Cooperative + base + household	Radix Codonopsis FPC in Yangba Village, Yangxi Town	Dormant	①Gratuitous technical advice and services; ②fertilizer distribution; ③purchase of medicinal herbs; ④solving marketing problems	Founded in 2013	8 managers and 10 members, composed mainly of Miao and Gelao people	Founded by college students, led by major cultivation households, fees collected upon equity participation	Radix Codonopsis cultivation, purchase and marketing
5	Cooperative + base + household	Yanping Vegetable FPC in Yangba Village, Yangxi Town	Good	①Gratuitous technical advice and services; ②fertilizer distribution; ③purchase of vegetables; ④solving marketing problems	Founded in 2007	8 managers, composed mainly of Miao and Gelao people	Led by officials and capable persons; practicing scientific management and marketing (including fertilizer and pesticide application)	Vegetable cultivation, purchase and marketing
6	Cooperative + household	Shengxin Tobacco FPC in Yangba Village, Yangxi Town	Good	Operating as a company, offering tobacco cultivation services, technical training and advice, broadening marketing channels	Founded in 2012	Composed mainly of Miao and Gelao people dealing with tobacco cultivation	Led by officials and capable persons; equity participation with land and capital; members have priority in receiving services	Tobacco cultivation, purchase and marketing
7	Cooperative + household	Haoweilai Medicinal Material FPC in Siping Village, Yangxi Town	Bad	Purchasing medicinal materials without processing for sale to major households, running with low profits	Founded in 2011	Involving many households, composed mainly of Miao and Gelao people	Organized by individuals voluntarily	Purchase of medicinal materials

No.	Mode	Case	Status	Operation	Foundation	Composition	Profit distribution	Business
8	Company + cooperative + base + household	Tanchun Tealeaf FPC in Gaodong Village, Huangdu Town	Good	Giving technical guidance, selling products to Zhejiang Province, conducting standard production, running a 2,400 mu base	Founded in 2012, with a registered capital of 740,000 yuan, assets of over 3 million yuan	Composed of over 180 households, including 50 poor households, headed by the village secretary, with 15 managers, all being minority men, with a board of directors of 5 members, composed mainly of Miao and Gelao people	740,000 yuan contributed by 15 persons; dividend distribution based on shares: ①original shares: 20,000 yuan per share, 37 shares in total, in which 9 are held by the president; ②ladder shares: 100,000 per share based on asset appraisal	Tealeaf cultivation, processing and marketing
9	Cooperative + base + household	Pengjiazhai Tealeaf FPC in Dazhu Village, Huangdu Town	Ordinary	Purchasing, processing and marketing tealeaves, with a 1,000 mu tea garden; selling fresh tealeaves at 200 yuan/kg and dry tealeaves at 2,000-4,000 yuan/kg	Founded in 2012	4 managers, over 200 tealeaf cultivation households; composed mainly of minority residents	Member households may receive dividend or be subject to purchase of tealeaves at market price. Equity participation with land or capital is allowed; 50,000 yuan per share, about 20 shares in total.	Tealeaf cultivation, processing and marketing
10	Cooperative + base + household	Dashan Tealeaf FPC in Dazhu Village, Huangdu Town	Ordinary	Selling tealeaves without processing, offering tea seedlings and technical guidance for free, with a 500 mu tea garden	Founded in 2012, with a registered capital of 900,000 yuan	5 directors and 7 supervisors; including 7 poor households, with two technicians, composed mainly of minority residents	Led by officials and village group heads; equity participation with land or capital is allowed; 50,000 yuan per share, 18 shares in total.	Tealeaf cultivation
11	cooperative +Base + household	Qianfurong Stockbreeding FPC in Guochang Village	Good	Conducting chicken breeding, quarantine and marketing, feed processing in a unified manner; having a large-scale breeding base; its brand Qianfurong has been certified by the Ministry of Agriculture as a green product	Founded in 2011, with a registered capital of 2 million yuan	12 members, 3 directors, 3 supervisors, 2 accountants, 1 purchaser, 2 drivers; 1,000 yuan per share, dividend distribution at each year end	Led by officials and capable persons A box of eggs has a cost of 36 yuan and a net profit of 52 yuan, in which 20 yuan is used for public welfare, 6.3 yuan for dividend distribution, 2.57 yuan distributed to 12 members, 2.57 yuan to households, and the remaining as rolling capital	Chicken breeding and marketing

5.2 Attitudes of Ethnic Minorities to FPC

At the preparation stage, the IAs and consultants learned local minority residents' perceptions and attitudes to FPCs by means of questionnaire survey, FGD and interview. This is significant for improving FPCs and protecting minority interests.

1) Awareness of FPCs

The FPCs in the minority project area are small in number and undeveloped. The survey shows that 46.2% of the minority respondents are a bit aware of FPCs, 21.6% unaware, 21.2% aware and 6.9% highly aware.

Among the ethnic minorities, the awareness of FPCs among of the Gelao people (including "highly aware" and "aware") is the highest, being 44.7%, and that among the Miao people is the lowest, where 35.6% of the Miao respondents are unaware or highly unaware of FPCs.

Table 5-3 Awareness of FPC among Ethnic Minorities (%)

Ethnic group	Highly aware	Aware	A bit	Unaware	Highly unaware
Miao	0.8	5.0	58.7	30.6	5.0
Yi	7.5	25.0	37.5	25.0	5.0
Tujia	8.8	18.3	41.0	26.0	5.9
Gelao	8.2	36.5	47.6	7.1	0.6
Total	6.9	21.2	46.2	21.6	4.1

Source: socioeconomic survey

2) Support for FPCs

56.0% of the minority respondents strongly agree with FPC establishment, 40.4% agree, 3.3% don't care, and only 0.3% disagree. It can be seen that minority residents support FPC establishment strongly, because it will promote industrial development and increase income. See Table 3-7.

3) Willingness to join FPCs

The survey shows that 430 minority respondents have not joined FPCs, accounting for 71.2%, of which 97.7% are willing to join FPCs through the Project, showing that minority residents have strong willingness to join FPCs.

Although most minority residents do not know much about FPCs, they all think that FPCs can promote industrial development and increase income, and are willing to join FPCs.

Table 5-4 Willingness of Ethnic Minorities to Join FPCs (%)

Ethnic group	Willing		Unwilling	
	N	Percent (%)	N	Percent (%)
Miao	108	98.2	2	1.8
Yi	36	100.0	0	0.0
Tujia	174	95.6	8	4.4
Gelao	102	100.0	0	0.0
Total	420	97.7	10	2.3

Source: socioeconomic survey

4) Expectations for FPCs

Minority residents expect to address challenges in cultivation and stockbreeding skills, product marketing, information sources, etc. during industrial development by establishing FPCs. They expect guidance on cultivation and stockbreeding skills, receive timely market information, broaden marketing channels, and purchase means of production at more preferential prices through FPCs.

85.3% of the minority respondents expect FPCs to provide market information, 79.2% expect guidance on cultivation and stockbreeding skills, 68.2% expect marketing channels, 67.3% expect the purchase of means of production at preferential prices, and 41.4% expect dividend distribution. See Table 5-5.

Table 5-5 Expectations of Ethnic Minorities for FPCs (%)

Ethnic group	Cultivation and stockbreeding skills guidance	Marketing channels	Dividend distribution	Purchase of means of production at preferential prices	Market information
Miao	83.5	76.0	28.9	71.9	73.6
Yi	72.5	60.0	45.0	70.0	55.0
Tujia	75.0	71.3	47.1	68.0	59.9

Ethnic group	Cultivation and stockbreeding skills guidance	Marketing channels	Dividend distribution	Purchase of means of production at preferential prices	Market information
Gelao	85.3	68.2	41.2	48.9	85.3
Total	79.2	68.2	41.4	67.3	69.4

Source: socioeconomic survey

Among factors that hinder the development of FPCs, 53.5% of the minority respondents choose small scale, 43.6% choose poor infrastructure, 35.4% choose insufficient government support, 29.5% choose lack of enthusiasm, 29.1% choose lack of leader, 21.4% choose unsmooth operation mechanism, and 26.8% choose unsound policies and regulations.

In the minority project villages, it is necessary to promote overall balanced development through industrial expansion, bring external resources to improve cultivation and stockbreeding conditions through the Project and government support, and improve overall competencies of FPC leaders through education and training.

Table 5-6 Factors that Hinder the Development of FPCs Perceived by Ethnic Minorities (%)

Ethnic group	Small scale	Insufficient support	Lack of leader	Lack of enthusiasm	Unsound policies and regulations	Unsmooth operation mechanism	Poor infrastructure
Miao	29.7	19.5	18.6	20.3	9.3	11.9	68.6
Yi	90.0	67.5	7.5	2.5	7.5	7.5	37.5
Tujia	56.9	33.3	33.3	27.0	24.7	13.1	35.2
Gelao	58.8	44.1	36.5	47.6	48.2	45.3	39.4
Total	53.5	35.4	29.1	29.5	26.8	21.4	43.6

Source: socioeconomic survey

5) Perceptions of and needs for FPC training

60.6% of the minority respondents think FPC training is very necessary, 37.9% think it necessary, 1.3% think it neither necessary nor unnecessary, and 0.2% think it unnecessary, showing a strong desire for FPC training.

Table 5-7 Attitude of Ethnic Minorities on FPC Training (%)

Ethnic group	Very necessary	Necessary	Neither, nor	Unnecessary	Very unnecessary
Miao	71.1	28.1	0.0	0.8	0.0
Yi	27.5	65.0	7.5	0.0	0.0
Tujia	70.7	27.5	1.8	0.0	0.0
Gelao	44.7	55.3	0.0	0.0	0.0
Total	60.6	37.9	1.3	0.2	0.0

Source: socioeconomic survey

Local agriculture and stockbreeding bureaus have offered a series of FPC training courses on the improvement of rules and regulations, and financial institutions. However, such training should be strengthened and enriched. In this respect, 78.6%, 12.2%, 6.6% and 2.6% of the minority respondents expect training on industrial skills, market information, rules and management knowledge, and project publicity and extension respectively, showing strong needs of minority residents for training on industrial skills and market information.

Table 5-8 Scope of Training for FPC Expected by Ethnic Minorities (%)

Ethnic group	Industrial skills	Market information	Rules, management knowledge	Project publicity and extension	Other
Miao	90.9	2.5	5.8	0.8	0.0
Yi	35.0	55.0	10.0	0.0	0.0
Tujia	74.0	14.3	6.2	5.5	0.0
Gelao	87.6	5.3	7.1	0.0	0.0
Total	78.6	12.2	6.6	2.6	0.0

Source: socioeconomic survey

Generally, minority residents have low awareness of FPCs, but mostly support their establishment and expect to join FPCs to become rich. Statistics show that minority residents

expect FPCs to play a role in providing technical guidance on cultivation and stockbreeding, offering market information, and broadening market channels.

5.3 Issues of Minority FPCs and Causes

5.3.1 Issues of Minority FPCs

1. Internal issues

1) Low awareness and participation level: Only 28.1% of the minority respondents are highly aware of FPCs, and only 28.8% have joined FPCs. This is because most minority residents are unaware of FPCs and don't know how to join them due to low educational levels. Second, most minority FPCs are led by capable persons and poor households do not benefit enough from them.



Key informant interview in Gaodong Village, Huangdu Town, Wuchuan Gelao-Miao Autonomous County, Zunyi City

A tealeaf FPC was founded in the village in November 2012 and had 15 members then. Some villagers dare not join it, because they are not clear how it operates and makes profits. When villagers see that it is making profits, more and more people are joining it. Therefore, publicity on the FPC should be strengthened.

2) Low level of development and organization, and weak capacity in benefiting households: First, the minority FPCs were mostly established in 2010 or thereafter, and are still at the exploration stage. Second, the minority FPCs are not supported by stable resources, such as initial capital, market and infrastructure.

3) There is a lack of professionals and competent leaders, especially financial, marketing and technical professionals.



Interview with the master of the Wanzi Village agricultural economic station, Zhuchang Xiang, Nayong County, Bijie City

Now the FPC has encountered many problems, in which the greatest one is the shortage of professionals. It is now led by local capable persons and village committee members, who are not competent enough to manage the FPC.

2. External issues

1) Weak industrial base: This is shown in the following aspects: 1) The minority project area is remote and has inconvenient traffic, where the weak industrial base can hardly support the establishment and development of FPCs; and 2) Due to traffic and information restrictions in the minority project area, the commercialization rate of farm and animal products is low, and agriculture and stockbreeding level is also very low.

2) Insufficient financial and technical support: 1) Fiscal support for FPCs in poor minority areas is limited; 2) Minority residents have low educational levels, and lack necessary industrial skills; 3) The minority FPCs deal with crop cultivation mainly and have limited financial capacity.

3) Institutional defects: The minority FPCs are usually established lately, and their rules and regulations are mostly developed by competent authorities in a unified manner, and not suited to local needs. The minority project area has unique cultural and social institutions, so FPCs should be operated and managed in a way that respects minority customs.

5.3.2 Cause Analysis

1. Remote location, poor topography and bad climate: The minority project area is remote, and has inconvenient traffic and a weak industrial base; industrial and financial support for FPCs is weak. Most minority villages are not covered by the Internet, and local residents obtain market information through limited sources.



Mr. Wang, Yanhe Tujia Autonomous County Xiaojing Village, Xiaojing Xiang, Tongren City (53 years, Tujia)

Our village is remote and inconvenient in traffic, and it takes over one hour to go to the county town by bus. We sell farm products ourselves, and no one provides market information to us. Some poor households have no TV set, let alone Internet access.

2. Most minority residents are insensitive to market information. In the minority project area, most minority residents live in remote and backward mountain areas, and are insensitive to market information, which means that they can hardly utilize existing resources and their ability to participate in the market is weak.

3. Minority residents have low educational levels and know little about FPCs, so that FPCs usually do not operate effectively at the beginning and can hardly promote the development of households. The existing FPCs are short of financial, marketing and technical professionals, while minority households do not have sufficient capacity and experience for self-organization. Therefore, the minority FPCs have a low participation level and insufficient human capital.



Interview with the head of Qianfurong Stockbreeding FPC in Guochang Village, Xinye Xiang, Yinjiang Tujia-Miao Autonomous County, Tongren City

Although the FPC is growing, it is faced with many problems. Since many young villagers are working outside, there are few well-educated and flexibly-minded persons in the village. The greatest problem is the shortage of capable talent.

4. In the minority project area, the introduction and implementation of external projects relies strongly on local governments, and local minority residents have to accept new things gradually. Therefore, the Project should be suited to local knowledge and culture.

6. Impacts of the Project on Ethnic Minorities

6.1 Positive Impacts

1. Increasing job opportunities to improve the living standard of minority residents

At the implementation and operation stages, many jobs will be generated in the project area with the development of processing enterprises due to infrastructure construction and industry extension. During infrastructure construction, such as tractor roads, markets and animal farms, some unskilled jobs will be generated, for which minority residents are competent; second, after the establishment of FPCs, local advantaged industries will be expanded and more laborers will be needed, so that minority residents can work for FPCs to increase income. Not less than 40% of such jobs will be first made available to minority residents, women, old people and other vulnerable groups to increase their income and reduce economic vulnerability.

 **Mr. Li, Kele Village, Kele Xiang, Hezhang County, Bijie City (34 years, Miao)**

After working outside for years, I returned home this year. I have contracted several mu of land for vegetable cultivation, which is fairly profitable. Several villagers of similar age plan to deal with cultivation together next year.

2. Improving the capacity, organization level and subject consciousness of minority residents

The minority project area has limited FPCs, most of which do not operate well. In addition, only 40.6% of the minority respondents have joined FPCs. By joining FPCs established under the Project and attending skills training, minority residents can develop their capacity, teamwork and subject consciousness continually through self-management, self-organization and self-development. On the other hand, fine varieties can be introduced through FPCs to improve the quality of farm and animal products, and minority households can improve their resistance to market risks by attending FPC training.

Therefore, by joining FPCs, minority residents can improve their own capacity and organization level, and develop subject consciousness.

3. Improving the infrastructure to improve the production level and living standard of local residents

Infrastructure construction is an integral part of the Project, especially roads, irrigation facilities and markets, which are essential to industrial development. Local minority residents have a strong desire for infrastructure improvement, and the backward infrastructure has become a bottleneck on local economic and social development. In Hezhang County, Bijie City, ramie and related projects are local characteristic products, but are sold in the county town mainly due to bad traffic conditions. Therefore, the Project will improve the local infrastructure, promote the development of local advantaged industries, and improve production level and living standard.

 **Mr. Zhang, Yangba Village, Yangxi Town, Daozhen Gelao-Miao Autonomous County, Zunyi City (51 years, Gelao)**

Our village has developed in recent years and villagers are earning more, but medicinal materials such as Radix Codonopsis are unsalable due to poor road quality and inconvenient traffic. Some natural villages here are even not connected by roads, and there are insufficient field paths, so that it is difficult to carry fertilizers into fields. There is no irrigation, so that all farmland is rain-fed. We hope you to help us solve these problems.

 **Villagers' FGD in Zhongjie Village, Zhongjie Xiang, Yanhe Tujia Autonomous County, Tongren City**

The sheep industry is developed in the village, but due to poor roads, most households would drive sheep to the market themselves. A nearby market is preferred.

4. Promoting the development of minority women

First, the improvement of the agricultural infrastructure will reduce the labor intensity of women and reduce their burden. Second, through project implementation, minority women will be able to join FPCs and attend skills training, thereby opening their eyesight and improve their

self-development capacity. Finally, some minority women working outside may do jobs offered by local FPCs, so that they can work while taking care of families.

 **Women's FGD in Shujia Village, Shaxi Xiang, Dejiang County, Tongren City**
We all do farm work at home. Road construction will make it more convenient for us to work in fields. We are willing to do jobs offered by the Project to earn more income.

5. Promoting ethnic harmony and realizing project sustainability

Compared to local Han residents, local minority residents' income is generally lower than that of Han residents due to relatively low educational levels. The Project will increase minority residents' income by offering jobs. Through participation in FPC establishment and operation, and skills training, social intercourse among different ethnic groups will be promoted, thereby contributing to ethnic harmony.

6.2 Risk Analysis

1. Perception risks of minority FPCs

First, the awareness of FPCs among minority residents is low due to inadequate project publicity and mobilization; second, minority residents can hardly have a comprehensive understanding of FPCs due to relatively low educational levels; third, their participation in FPCs may become a mere formality due to the lack of scientific perceptions.

2. Participation risks of minority residents

In terms of project participation, minority residents are faced with the risk of inability or insufficient ability to participate in mainly.

1) Lack of means of participation: First, minority residents living in remote areas and having traffic difficulty can hardly participate in project activities; second, minority residents may be unable to participate in and benefit from the Project equally due to low educational levels and overall capacity.

2) Non-adaptation to participation modes: If minority customs are not respected, such as social intercourse, language and lifestyle, minority residents will be inadaptable. Some minority residents cannot speak or understand mandarin Chinese. If trainers cannot communicate with minority trainees effectively or no interpreter is available, training will not work. Project activities should be scheduled and training designed rationally to ensure the participation of minority residents.

 **FGD in Shuichao Village, Shuitang Xiang, Hezhang County, Bijie City**
The main challenge is to find a market for farm products, which can only be self-consumed or used to feed animals. We have learned taro cultivation skills from other townships, but it took little effect. Moreover, only some village groups are connected to cement roads, and many villagers have to use earth roads. We expect village-level training under the Project.

3) Inadequate participation capacity: Due to low educational levels, and limited experience and knowledge, minority residents don't know how to participate effectively in the Project, especially poor minority households. Measures should be taken to improve the participation level of minority residents at the initial stage, because participation will be more difficult with the progress of project implementation.

3. Risks of minority residents to benefit equally

In the Project, funds will be allocated to FPCs to support the development of local advantaged industries. However, project funds may not be allocated to minority households (especially poor households) equally through FPCs, so that minority residents may be unable to benefit equally from the Project. Therefore, measures should be taken to ensure that project funds are distributed equally via FPCs and that minority residents benefit equally.

For example, the vegetable FPC in Kele Village, Kele Xiang is managed by 5 Han persons and employs Miao residents, who deal with leek cultivation, and are paid 40-50 yuan/day, but cannot participate in FPC management. These Miao employees expect to participate in FPC management and have a greater voice in the FPC. Therefore, during FPC establishment, minority residents are

faced with the risk of being unable to benefit equally from FPCs.

4. Livelihood risks of minority residents

First, some industries under the Project require substantial investment, but minority households do not have necessary funds for startup or expansion due to low income, so that investment level and ability to pay will determine their enthusiasm for participation and the economic efficiency of the Project directly. Second, minority residents have limited income sources, mainly including cultivation, stockbreeding and employment, so this will challenge their income sources and level.

5. Operating risks of minority FPCs

As a new thing, FPCs have their own rules and patterns of operation and management. There is no experience for reference in FPC operation and management in the minority project area, and minority residents' educational levels and overall competencies are generally low, so that minority residents may don't know how to participate in FPC operation and management after establishing or joining FPCs. For example, at the FGD in Shaozuo Village, Longchang Town, Weining County, Bijie City, the Miao participants expect to establish an FPC, but don't know how to run it, so they expect training on FPC operation and management, and market development.

7. Action Plan

At the preparation, implementation and operation stages, the design agency and IAs should pay attention to the unique features and practical needs of the local ethnic minorities, and conduct project activities in ways accepted by them in order to make the Project sustainable in the minority project area.

Local minority residents have some common features in vulnerability, such as harsh natural conditions, low educational levels and insufficient capacity, so that special attention should be paid to them during project implementation. Some recommended actions have been included in the Ethnic Minority Action Plan, and may be implemented by the IAs in cooperation with local agencies concerned, such as training on FPCs, mandarin Chinese and practical skills.

7.1 Ethnic Minority Action Plan

1. Empowering minority residents to participate equally, enhancing their identification with FPCs, and developing their subject consciousness

Providing equal development rights to minority residents is an objective of the Project. Due to the insufficient capacity of minority residents, they are exposed to a greater risk of exclusion in FPC establishment and development. At the implementation stage, minority residents should be empowered to participate equally, and their identification with FPCs enhanced, and their subject consciousness developed.

Suggestions:

1) Strengthen project publicity to ensure that project awareness among minority residents is not less than 80%. Rules and regulations of FPCs should be developed in consultation with minority residents.

2) Not less than 40% of participants in the development of FPC rules and regulations are minority residents.

3) Not less than 40% of unskilled jobs generated at the implementation stage should be first made available to minority residents, women, old people and other vulnerable groups.

4) FPC counselors familiar with minority customs should be appointed, and trained on FPC management, industry management, project management, minority cultures, etc.;

5) Establish a sound, operable grievance redress mechanism, and notify it to minority residents in a way accepted by them. In the Yi areas in Nayong, Hezhang and Weining Counties, Bijie City, and Miao areas in Nayong County, appeal handling agencies should have receptionists who can speak both mandarin Chinese and the minority language.

2. Promoting the equality and sustainable development of minority households

Enabling minority households to benefit equally during project implementation, and providing financial support to them is essential to the realization of the project objectives and the sustainable development of minority households.

Suggestions:

1) In the minority project villages, not less than 50% of FPC members should be minority residents; the board of directors or supervisors of each FPC should have at least one minority, one female and one poor member each.

2) The profit distribution mode of each FPC should be determined at a general meeting.

3) The former ownership structure should be transformed to establish an extensive joint stock system that involves minority residents.

4) Profit distribution results should be disclosed regularly, and financial records kept for supervision by minority members.

5) Each county PMO should appoint one member to be responsible for EMDP implementation.

3. Conducting training in various forms to strengthen the capacity building of minority residents

The local ethnic minorities have unique features in traditional culture, customs, organizational structure, religion, lifestyle, etc. In view of the common signs of vulnerability of local minority residents, such as harsh natural conditions, low educational levels and weak capacity, particular attention should be paid to them to minimize their vulnerability, and it is very important to strengthen their capacity building.

Suggestions:

1) Conduct pertinent training on mandarin Chinese to enhance the capacity of social intercourse of minority residents. 48.2% of the minority respondents cannot speak mandarin Chinese, 74.6% think this is inconvenient for outside employment, and 86.6% think it necessary (including “very necessary” and “necessary”) to conduct training on mandarin Chinese.

2) Conduct training on practical skills for minority residents in order to enhance the ability of minority residents to participate in the Project, such as cultivation skills of medicinal materials, taro and ramie, and field management skills.

3) Conduct FPC training on FPC management, financial management, market development, organizational cooperation, etc. for minority residents to improve their capacity and enthusiasm for participating in FPCs.

4) Not less than 40% of trainees should be women; in the minority project villages, the participation rate of minority residents should not be less than 50%, and that of poor minority residents not less than 40%.

5) Trainers should be trained properly, and training programs welcome by minority residents developed.

6) Timely feedback should be given on training effectiveness.

7) Implement a training evaluation mechanism, and give feedback on training effectiveness for adjustment to minority needs.

4. Publicity and training should be conducted in a manner that respects minority customs and scheduled to avoid traditional minority festivals

At the implementation stage, languages, modes, times and venues of publicity and training should be accepted by minority residents so as to ensure successful project implementation.

Suggestions:

1) Publicity and training should be conducted in a manner that respects minority customs, scheduled to avoid traditional minority festivals.

a. Miao: The traditional festivals of the local Miao people include Miao New Year’s Day and Dragon Boat Festival, where Miao New Year’s Day is the most ceremonious festival of the Miao people and lasts 3-15 days. Project activities should be scheduled to avoid these festivals.

b. Yi: The main festivals of the local Yi people are the Torch Festival and Yi New Year’s Day. Project publicity and training activities should be conducted in languages and modes accepted by local people, and avoid these festivals.

c. Tujia: The local Tujia people attach great importance to worship activities, so project publicity and training activities should avoid these activities.

d. Gelao: Their traditional festivals include the Bird-Respecting Festival, New Food Festival and Dharma Wheel Festival. Project publicity and training activities should be conducted in languages and modes accepted by local people, and avoid these festivals.

2) Publicity and training should be given in languages or in the presence of minority interpreters. In some areas, minority residents cannot speak or understand mandarin Chinese, such as Miao people in the Wumeng Mountain area. Publicity and training should be conducted in minority languages or in the presence of minority interpreters to ensure effectiveness.

3) Publicity and training should be given at places accepted by minority residents, such as village committees and squares.

4) Training should be conducted in diversified forms, such as classroom instruction, field explanation and field demonstration, and be comprehensible to suit educational levels of minority residents and meet their practical needs.

7.2 IAs and Implementation Schedule

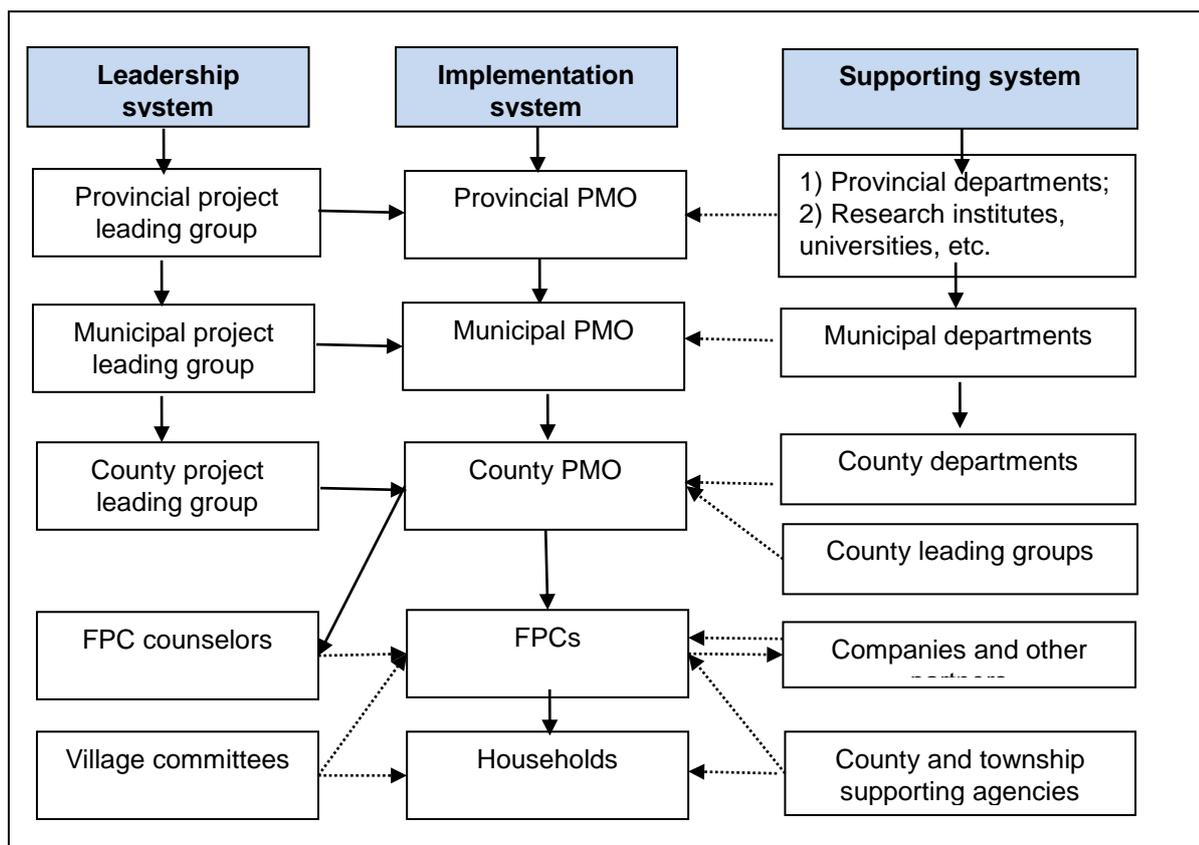
7.2.1 IAs and Capacity Building

1. IAs

The project agencies have been established under the project leadership, implementation and supporting systems. The leadership agencies are led by the county project leading groups, and composed of leaders from the local development and reform commissions, finance bureaus, poverty reduction offices, audit bureaus, and other agencies concerned; the IAs are responsible specifically for project management and implementation; the supporting system consists of officials from provincial, municipal and county agencies concerned, and technicians from research institutes and universities.

Project leading groups and PMOs have been established in all the project counties in order to

conduct project preparation and organizational leadership properly. The powerful organizational structure ensures the realization of the project objectives and the participation of minority residents in the Project.



Note: —→ denotes a leadership or administrative relationship;→ denotes a supporting or coordination one.

Figure 7-1 Organizational Chart of the Project

Table 7-1 Establishment of Leading Groups in the Project Counties

Province	City	County	Agency	Contact	Tel
Guizhou	Bijie	Nayong	County PMO	Zou Jing	0857-3522653
		Hezhang	County PMO	He Yue	0857-3222337
		Weining	County PMO	Liao Zhizhong	0857-6233639
	Zunyi	Daozhen	County PMO	Zheng Jianglin	0852-5828685
		Wuchuan	County PMO	Xu Baoquan	0852-5624315
	Tongren	Yanhe	County PMO	Xiao Xiangming	0856-8229375
		Yinjiang	County PMO	Rao Yi	0856-6223189
		Dejiang	County PMO	He Lin	0856-8521953
		Shiqian	County PMO	Yang Yong	0856-7628378

Source: county PMOs

2. Capacity building

The PMO staff has attended training organized by the Bank, covering FSR preparation, project design, financial analysis, EIA, SA, etc.. See Table 8-5 in Section 8.1.5 of the SA Report.

Domestically funded poverty reduction projects have been implemented in all project counties, and the staff has strong project implementation capacity.

At the preparation stage, specialized training on financial analysis, project management, report preparation, etc. was conducted so that the staff of the IAs had an understanding of project preparation tasks, and the Bank policies and procedures. However, since no Bank-financed poverty reduction project has been implemented in the project counties, further training should be conducted at the implementation stage to improve operating efficiency and ensure successful project implementation.

At the implementation stage, the IAs plan to conduct a series of training on project management, operation and EMDP M&E, covering project overview and background, Bank policies, applicable laws and regulations, public participation, EMDP preparation, management, reporting, M&E, grievance redress, etc.

7.2.2 Implementation Schedule

The implementation schedule of the EMDP has been prepared based on the progress of project preparation and implementation (see Table 7-2), and may be subject to adjustment in practice.

1. At the preparation stage, tasks related to ethnic minority development mainly include project information disclosure, project impact identification, project support rate survey, EMDP preparation and consultation, EMDP information booklet distribution, etc.

2. At the implementation stage, tasks related to ethnic minority development mainly include:

1) Project implementation: The IAs will conduct ethnic minority development activities to ensure successful project implementation.

2) Internal and external monitoring: Internal monitoring will be conducted by the PMO, which will submit an internal monitoring to the Bank semiannually. The PMO will appoint an independent agency to conduct external M&E on ethnic minority development through baseline and follow-up survey using participatory methods. An external M&E report will be submitted to the Bank annually.

3) A summary evaluation will be conducted within half a year after the completion of the implementation stage.

Table 7-2 Implementation Schedule

Stage	Task	Time
Preparation	Project information disclosure	Nov. 2012 – Nov. 2013
	Public participation of minority population	Whole process
	Identification of impacts on minority population	Jan. 2014
	Support of minority population for the Project	Jan. 2014
	Preparation of EMDP and consultation with minority population	Jan. 2014 – Feb. 2014
	EMDP disclosure	May 2014
	EMDP approval	Jun. 2014
	EMDP information booklet	Jul. 2014
Implementation	Implementation	2014-2018
	M&E	Submitting the M&E report (No.1, including baseline survey) during May-July 2014, an internal monitoring report semiannually and an external M&E report annually at the implementation stage (2014-2018)
Half a year after implementation	Summary evaluation	Submitting an EMDP summary evaluation report within half a year after the completion of the implementation stage

7.2.3 Financial Budget

Funds for EMDP implementation will be from the project budget, government fiscal budgets, special funds of agencies concerned, and publicly raised funds, etc. See Table 7-3.

7.3 Grievance Redress Mechanism

Since 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 so that they can file grievances and appeals about any aspect of EMDP implementation (see Section 8.4 of the SA Report for details). Particular attention should be paid to the following:

1. Each village committee appoints a member as the appeal acceptor;
2. Contact information of appeal acceptors at all levels is disclosed to the project villages;
3. Relevant information is disclosed in Chinese and local minority languages;
4. Information is closed at places accessible for minority residents, such as gathering places and village committees;
5. All agencies will accept grievances and appeals from minority residents for free, and costs so reasonably incurred will be disbursed from contingencies.

Table 7-3 EMDP (Gender Action Plan)

Suggestion	Targets	IAs	Stage	Actions	Budget	Monitoring indicators
I. Empowering minority residents to participate equally, enhancing their identification with FPCs, and developing their subject consciousness						
1. Strengthen publicity on FPCs.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Conduct publicity by multiple means, such as village meeting broadcast and bulletin board, so that project aware among minority residents is not less than 80%. 2) Conduct diversified and comprehensible publicity. 3) Use languages accepted by minority residents.	Capacity building budget of 62.4 million yuan	1) Awareness of minority FPCs; 2) Perceptions of minority FPCs; 3) Mode, language and place of publicity and training
2. Rules and regulations of FPCs should be developed in consultation with minority residents.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Not less than 40% of participants of FGDs are minority residents. 2) Not less than 40% of participants in the development of FPC rules and regulations are minority residents. 3) A management mechanism for minority participation is designed.	Capacity building budget of 62.4 million yuan	1) Number of minority FGDs, participants and ethnic composition; 2) Percentage of minority residents among participants in the development of FPC rules and regulations; 3) Recognition of FPC rules and regulations among minority residents
3. Offer jobs suitable for minority residents so that they benefit equally from the Project.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) FGDs are held at the design stage to collect needs and comments from minority residents. 2) Not less than 40% of unskilled jobs generated at the implementation stage should be first made available to minority residents, women and other vulnerable groups. 3) Capable and willing minority residents are encouraged to provide catering and other services to construction workers during construction. 4) Project employment information is disclosed in Chinese and local minority languages.	/	1) Number of minority FGDs and specific suggestions; 2) Percentage of minority residents and women receiving unskilled jobs; 3) Percentage of minority residents offering catering and other services to construction workers; 4) Mode and language of employment information disclosure
4. Appoint FPC counselors familiar with minority customs.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) FPC counselors familiar with minority customs are recruited. 2) FPC counselors are preferably minority language speakers. 3) Well-educated and capable counselors are recruited. 4) Strengthen training for FPC counselors, covering FPC management, industrial management, project industrial management and minority customs.	Capacity building budget of 62.4 million yuan	1) Educational level and experience of FPC counselors; 2) Ethnic identity and lingual ability of FPC counselors; 3) Mastery of minority customs and local knowledge by FPC counselors; 4) Frequency, number of participants and scope of training for FPC counselors; 5)The content of FPC counselors.
5. Establish a sound, operable grievance redress mechanism, and notify it to minority residents in	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Dedicated appeal acceptors are appointed at village committees. 2) Contact information of appeal acceptors at all levels is disclosed to the project villages. 3) Relevant information is disclosed in Chinese and local	Project management budget of 29.34 million yuan	1) Number of acceptors appointed; 2) Mode, place, language, frequency and time of disclosure on the grievance redress mechanism; 3) Awareness of the grievance redress

Suggestion	Targets	IAs	Stage	Actions	Budget	Monitoring indicators
a way accepted by them.				minority languages. 4) Information is closed at places accessible for minority residents, e.g., gathering places and village committees.		mechanism among minority residents; 4) Feedback from minority residents
II. Promoting the equality and sustainable development of minority households						
Establish minority FPCs to promote the equality and sustainable development of minority households.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) In the minority project villages, not less than 50% of FPC members should be minority residents; the board of directors or supervisors of each FPC should have at least one minority, one female and one poor member each. 2) The profit distribution mode of each FPC should be determined at a general meeting. 3) The former ownership structure should be transformed to establish an extensive joint stock system that involves minority residents. 4) Profit distribution results should be disclosed regularly, and financial records kept for supervision by minority members. 5) Each county PMO should appoint one member to be responsible for EMDP implementation.	Capacity building budget of 62.4 million yuan, local fiscal budget	1) Number and percentage of minority households joining FPCs; 2) Percentage of minority residents, women and poor residents in FPC management staff; 3) Ownership transformation of existing FPCs; 4) Details of profit distribution mechanism, and awareness among minority residents; 5) If each county PMO has dedicated staff members responsible for EMDP implementation
III. Conducting training in various forms to strengthen the capacity building of minority residents						
1. Conduct pertinent training on mandarin Chinese to enhance the capacity of social intercourse of minority residents.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Learn the willingness to attend mandarin Chinese training. 2) Consult with minority residents on the design of the mandarin Chinese training program. 3) Select training time, location and language based on local conditions.	Capacity building budget of 62.4 million yuan, local fiscal budget	1) Frequency of training, number and percentages of participants; 2) If minority residents are consulted with in training design; 3) Minority population able to speak mandarin Chinese; 4) Time, venue and language of training
2. Conduct training on practical skills.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Conduct skills training on cultivation and stockbreeding, such as medicinal materials, taro and ramie cultivation, and field management. 2) Conduct market awareness training. 3) Conduct training on other labor skills. 4) Conduct practical skills training in cooperation with local agencies concerned.	Capacity building budget of 62.4 million yuan, local fiscal budget	1) Frequency of training, number and percentages of participants; 2) Frequency of market awareness training, number and percentages of participants; 3) Types and frequency of other labor skills training, number of participants; 4) Time, venue and language of training

Suggestion	Targets	IAs	Stage	Actions	Budget	Monitoring indicators
3. Conduct FPC training.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Learn the willingness to attend FPC training. 2) The scope of training is selected in consultation with minority residents. 3) Select training time, location and language based on local conditions. 4) Conduct FPC training in cooperation with local agencies concerned.	Capacity building budget of 62.4 million yuan, local fiscal budget	1) Frequency of training, number and percentages of participants; 2) If minority residents are consulted with in training design; 3) Time, venue and language of training
4. Ensure the participation of women in training.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Respect women's needs for training. 2) Not less than 30% of trainees are minority women; 3) Training courses for women are designed.	Capacity building budget of 62.4 million yuan, local fiscal budget	1) Training records; 2) Number and percentage of minority women trained; 3) Comments of minority women on training
5. Ensure the participation of minority and poor residents.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Not less than 50% of trainees are minority residents. 2) Not less than 40% of trainees are poor minority residents.	Capacity building budget of 62.4 million yuan, local fiscal budget	1) Training records; 2) Number and percentage of minority trainees; 3) Number and percentage of poor minority trainees
6. Trainers should be trained properly, and training programs welcome by minority residents developed.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Trainers are preferably minority residents familiar with minority customs. 2) Trainer training includes basic operations, training skills, communication skills, minority customs, etc. 3) A training program accepted by minority residents is developed.	Capacity building budget of 62.4 million yuan	1) Number and percentage of minority trainees; 2) Frequency and scope of trainer training; 3) Needs for and comments on training; 4) Training program developed
7. Timely feedback should be given on training effectiveness.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Implement a training evaluation mechanism. 2) Give feedback on training effectiveness for adjustment to minority needs, such as the cultivation of taro, tobacco and medicinal materials.	Capacity building budget of 62.4 million yuan	1) Establishment and implementation of the evaluation mechanism; 2) Improvement of minority residents in mandarin Chinese proficiency; 3) Number of minority residents employed through skills training
IV. Publicity and training should be conducted in a manner that respects minority customs and scheduled to avoid traditional minority festivals						
1. Publicity and training should be conducted in a manner that respects minority customs, scheduled to avoid	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	Publicity and training should be conducted in a manner that respects minority customs, scheduled to avoid traditional minority festivals, such as Miao New Year's Day and Dragon Boat Festival of the Miao people, Torch Festival and Yi New Year's Day of the Yi people, worship activities of the Tujia people, and Bird-Respecting	Capacity building budget of 62.4 million yuan	1) Publicity records; 2) Time and mode of publicity and training; 3) Frequency of training, number and percentages of participants; 4) Minority needs and comments on publicity and training

Suggestion	Targets	IAs	Stage	Actions	Budget	Monitoring indicators
traditional minority festivals.				Festival, New Food Festival and Dharma Wheel Festival of the Gelao people.		
2. Publicity and training should be given in languages or in the presence of minority interpreters.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) In Yi areas, publicity and training is given in the Yi language or in the presence of Yi interpreters. 2) In Miao areas, publicity and training is given in the Miao language or in the presence of Miao interpreters. 3) Trainers are preferably local experts familiar with minority customs and able to speak minority languages, or are accompanied by minority interpreters.	Capacity building budget of 62.4 million yuan	1) Language of publicity and training; 2) Ethnic identity of trainers, and familiarity with minority customs 3) Minority needs and comments on publicity and training
3. Publicity and training should be given at places accepted by minority residents.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	Publicity and training should be given at places accepted by minority residents, such as village committees and squares.	Capacity building budget of 62.4 million yuan	1) Place of publicity and training; 2) Suggestions of minority residents on publicity and training places
4. Training should be diversified and comprehensible.	202,820 persons in the minority project area	PMO, design agency, county agencies, township governments, village committees	Implement-ation	1) Training should be conducted in diversified forms, such as classroom instruction, field explanation and field demonstration. 2) Training should be comprehensible to suit educational levels of minority residents and meet their practical needs.	Capacity building budget of 62.4 million yuan	1) Training records; 2) Selected training mode; 3) Minority needs and comments on publicity and training

8. M&E

In order to ensure that this EMDP is implemented effectively as expected, it is necessary to monitor and evaluate the implementation thereof.

EMDP monitoring includes internal and external monitoring. Internal monitoring will be conducted by the PMO on EMDP implementation progress. In addition, the PMO will appoint an independent agency to conduct external M&E on ethnic minority development until project completion. The independent agency may be an academic institution, NGO or consulting firm, but it must have qualified and experienced staff members, and their terms of acceptance must be accepted by the Bank.

Internal monitoring will be conducted semiannually and external monitoring annually, and external monitoring reports will be prepared. See Table 8-1.

Table 8-1 Terms of Reference for EMDP M&E

Methods	Scope	M&E agency	Interval and reporting
<p>①M&E methods shall include field investigation, sampling survey, computational analysis and overall expert assessment;</p> <p>②The field investigation will be conducted comprehensively on the implementation progress of the EMDP, availability and effectiveness of funds, institutional and management aspects;</p> <p>③The subproject 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 40% 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> <p>The reporting requirements are as follows:</p> <p>Submitting the M&E report (No.1, including baseline survey) during May-July 2014</p> <p>Submitting an internal monitoring report semiannually and an external M&E report annually at the implementation stage (2014-2018);</p> <p>Submitting an EMDP summary evaluation report within half a year after the completion of the implementation stage</p>

Appendix 1 Sample Villages

32 villages in 9 counties, 3 cities in Guizhou Province were covered by FGDs, key informant interviews, personal interviews and the socioeconomic survey. See Attached Table 1-1.

Attached Table 1-1 Summary of Sample Villages

City	County	Village	Ethnic minority
Zunyi	Daozhen	Datang, Yangba, Siping, Wuyi	Gelao, Tujia, Miao
	Wuchuan	Gaodong, Dazhu, Tiancun, Chaping	Gelao, Tujia, Miao
Bijie	Nayong	Zhuozuo, Wanzi	Miao, Yi
	Hezhang	Kele	Miao, Yi
	Weining	Guiping, Leju	Miao, Yi
Tongren	Dejiang	Wanba, Shujia, Sibao	Tujia
	Shiqian	Qibi, Gong'e'ao, Fenghuangtun, Laozhai	Miao
	Yinjiang	Tuanshan, Tangkkou, Lengcao, Guochang, Yanziyan, Fengyi	Tujia, Miao
	Yanhe	Huanglong, Manao, Zhongjie, Dongliu, Longxing, Xiaojing	Tujia

Appendix 2 Ongoing Projects Related to Ethnic Minority Development in the Project Area

Project	IAs	Funding source	Remarks
Whole-village advancement	Poverty reduction office	Special budget of poverty reduction office	Poverty reduction, reemployment training, new countryside building
Mutual fund for poor villages		Public finance	100,000-150,000 yuan per village
Rain and Dew Program		State finance	Development of technical backbone and leaders in becoming rich
Poverty reduction county demonstration		Provincial finance	Zhijin County, Bijie City: cultivation of characteristic crops and medicinal materials
Rural assistance		Provincial and local finance	Providing central assistance to 6,000 administrative villages in the province
Ethnic cultural village building	Ethnic and religious affairs bureau	State, provincial and municipal poverty reduction funds	Construction of ecological waste bins, cultural squares, sewer lines, etc. in minority villages
Beautiful countryside building	Agricultural committee	Provincial finance	Construction of traffic, water and power supply, communication facilities, and housing, etc.
Special supporting fund for FPCs		Provincial finance	4 million yuan per annum
Tax reduction and exemption for FPCs	Finance bureau	State finance	Exempting farm products produced and sold by FPCs from VAT
Preferential Loan Rates for FPCs	Financial institutions	Financial institutions	Granting agricultural loans to FPCs mainly to meet their seasonal and temporary financial needs at preferential interest rates
Women's business startup and employment training	Women's federation, poverty reduction office	State poverty reduction funds, provincial finance	Women's business startup and employment
Small-amount secured loans for women	women's federation	Provincial finance	Granting small-amount secured loans for women to eligible rural poor women, especially capable women and female FPC leaders

Appendix 3 Summary of Early-stage Participation Activities

No.	Activities	Time	Venue	Participants	Remarks
1	Project information disclosure	Nov. 2012 – Jan. 2014	Project area	Guizhou PMO, Bank experts, county PMOs, local residents, FSR and EIA agencies	Guizhou Design Institute of Environmental Sciences prepared the EIA Report of the Project; the FRS agency conducted a field investigation to prepare the FSR of the Project.
2	Field investigation	Jun. 2013 – Dec. 2013	Project area	Bank experts, Guizhou PMO, EIA agency	1) In June 2013, the Bank identification and technical preparation missions investigated project preparation and reached an agreement of intent for lending support; 2) In September 2013, Bank experts conducted another investigation in Guizhou, and discussed the rationality and feasibility of the Project with the provincial and county PMOs; the county PMOs further revised the FSR based on expert opinions; 3) In December 2013, Guizhou Design Institute of Environmental Sciences conducted an investigation in the project area.
3	Questionnaire survey	Jan. 2-16, 2014	Project villages, homes	Local residents, SA team, county PMOs	722 valid copies were recovered, including 635 minority copies, accounting for 87.95%. The survey covers agricultural development, participation in FPCs, needs for FPCs, project awareness, personal information, etc.
4	Key information interviews	Jan. 2-16, 2014	Project villages	Key informants, SA team	65 men-times in total, covering local socioeconomic profile, agricultural and stockbreeding development, women's development and poverty, comments and suggestions
5	In-depth interviews	Jan. 2-16, 2014	Project villages, homes	Villagers, SA team	90 men-times, covering living conditions, project impacts, attitudes to and suggestions on the Project
6	FGDs	Jan. 2-16, 2014	Project villages, homes	Villagers, SA team	64 FGDs in total, covering attitudes to, suggestions on and needs for the Project
7	Stakeholder discussion meetings	Jan. 2-16, 2014	Agencies concerned	SA team, heads of agencies	12 stakeholder discussion meetings, covering local socioeconomic profile, minority and women's development, applicable policies, ongoing projects, comments and suggestions

Appendix 4 Fieldwork Photos



Women's FGD in Wanzi Village, Zhuchang Xiang, Nayong, Bijie City



Villagers' FGD in Leju Village, Xinfu Xiang, Weining County, Bijie City



Villagers' FGD in Kele Village, Kele Xiang, Hezhang County



Organizational FGD in Dejiang County, Tongren City



Industrial road in Qianbi Village, Shigu Xiang, Shiqian County, Tongren City



Access road in Qianbi Village, Shigu Xiang, Shiqian County, Tongren City



Villagers' FGD in Manao village, Guanzhou Town, Yanhe County, Tongren City



Interview at the Yinjiang County Stockbreeding Bureau, Tongren City



Qianfufeng Egg Chicken Breeding Cooperative in Xinye Xiang, Yinjiang County, Tongren City



Villagers' FGD in Chaping Village, Fengle Town, Wuchuan County



Key informant interview in Datang Village, Luolong Town, Daozhen County, Zunyi City



Women's FGD in Tiancun Village, Fengle Town, Wuchuan County, Zunyi City



Organizational FGD in Wuchuan County, Zunyi City



A leading enterprise in Wuchuan County, Zunyi City