

**China / GEF Project
QT2014-30**

Involuntary Resettlement Process Framework

**Project on Landscape Approach to Wildlife
Conservation in Northeast China**

March 2015

Table of Contents:

1. Background	3
2. Project Components	5
3. Project Implementation Arrangement	7
4. Legal Framework	8
5. Criteria for Eligibility	11
6. Process Framework and Project Impact	12
6.1 Process framework and expected functions	12
6.2 Negative impact to local livelihood.....	14
6.3 Potential risks and mitigations in project implementation.....	15
7. Recommended Mitigations to Negative Impacts and Risks	18
7.1 Issues affecting effective mitigation.....	18
7.2 Key actions for more effective mitigations	19
7.3 Develop VDP and the Co-management plan with participatory method.....	22
7.4 Alternative livelihood	23
7.5 Implementation of VDP and the Co-management plan.....	25
7.6 Budgeting of VDP and the Co-management plan	34
8. Social Assessment.....	26
8.1 Key findings of SIA.....	26
8.2 Recommended mitigations for local livelihood.....	28
9. Public Consultations and Grievance Redress	29
9.1 Public consultation and participation	29
9.2 Conflict resolution and grievance redress	30
10. Project Monitoring and Evaluation	32
10.1 Objectives of the M&E	32
10.2 Internal monitoring.....	32
10.3 External monitoring	33
10.4 Key indicators.....	33

1. Background

The North-eastern Tiger (*Panthera tigris altaica*) is one of the 5 surviving subspecies of the world which only exist in north-eastern China, far east of Russia and the northern mountainous areas of North Korea. In recent years, alongside population growth in the north-eastern area, local people start to rely more and more on local natural resources and hence cause increasing fragmentation of habitat of the tiger and shrinking of the prey population; moreover, human activities and the due enlarging distances among different small tiger populations cause the decreased reproductivity of the tiger. As a result, distribution and population of the North-eastern Tiger sinks rapidly and became extremely endangered.

In order to promote the conservation of the North-eastern Tiger and protection of its habitat, the State Forestry Administration in associate with World Bank applied for a GEF supported *Landscape Approach to Wildlife Conservation in Northeast Project* and the application was in principle approved. The project will be implemented mainly in the north eastern area of China which covers the bordering areas of Heilongjiang and Jilin Provinces and closely bordered with far-east of Russia and the northern part of North Korea (see Figure 1 on geographic location of the project). The project will concern Hunchun and Wangqing Counties of Jilin Province, Dongning and Muling Counties of Heilongjiang Province¹, in total 13879.26 km² (see Figure 2 on distribution of project components). Total investigation of the project is 18 million USD including 3 million GEF funds and 15 million of domestic matching. The project will be implemented under administration of the Forestry Department of Jilin Province, the Forestry Department of Heilongjiang Province and the Heilongjiang Forestry Industry Administration.



Figure 1: Geographic Location of the Project

¹ In general, the north eastern area of China and forest areas there is famous for NTFP production (mushroom, fungus, bee honey, herbs, wild vegetables, nut fruits, etc.) with certain good loyalty of consumers. Except NTFP, paddy rice and soya bean are also famous farm products and important income source for not only local farmers, but also the forest farms and NRs. Livestock and poultry also has good market potential with the typical natural circumstances.

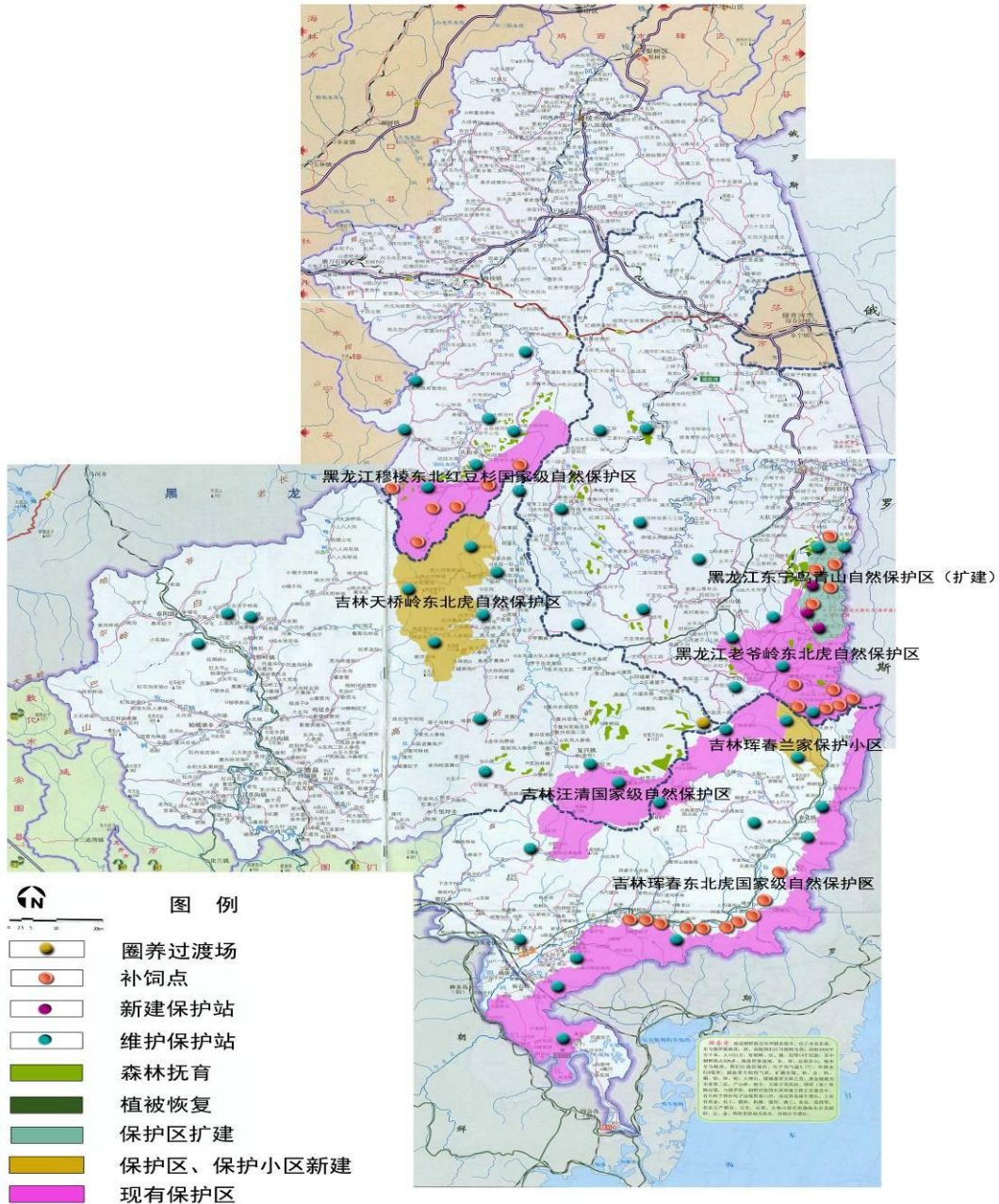


Figure 2: Distribution of Project Components

2. Project Components

There are four components under the project: (1) mainstreaming of protection of wild animals by coordination and cooperation among related departments; (2) prioritizing methods of regional ecosystem protection and enhancing the effectiveness on habitat protection in eco-zones in North-East China; (3) reducing conflicts between human and animal in the eco-zones (through capacity building; strengthening of law enforcement; environmental education; motivation mechanism on promoting community participation in to protection) (4) project management.

Main project activities include the construction of protection stations, building new or enlarging the existing natural reserves, tiger-friendly forest management, and the construction of supplementary feeding spots. All these activities will be conducted within the state-owned forest farms under administration of the Heilongjiang Forest Industry Administration, Heilongjiang Provincial Forestry Department and the Jilin Provincial Forestry Department.

Component	Sub-component	Project Contents
Mainstreaming of protection of wild animals by coordination and cooperation among all related departments	Enhance implementing and management of the policy framework on prioritizing eco-zones, for better protection of tigers habitats in forest land of the Heilongjiang Forest Industry Administration;	Establish priorities of protecting tigers' habitats;
		Strengthen regulations and rules for natural reserves;
		Update the protection and restoration plan of Jilin Province; create protection and restoration plan for Heilongjiang Forest Industry Administration
		Establish the regional advisory committee on protection of the Manchurian tigers;
		Study on how to make the protection of tigers' habitat as part of economic activities/ constructions;
		Create / update policies to reduce human-tiger conflicts (e.g. compensation mechanism);
		Establish cross-border protection and coordination mechanism involving China and Russia;
Prioritizing methods of regional eco-system protection and enhancing the effectiveness of habitat protection in eco-zones in North-East China	Improve management effectiveness of the 5 existing natural reserves;	Create / update regulations / plans (planning) of each natural reserve;
	Enlarge the natural reserves;	Enhance capacity building of 22 conservation stations;
		Enlarge the 2 existing natural reserves; clarify legal status and implementation arrangements; design regulations / planning of different project areas; build 8 new protection stations;

Component	Sub-component	Project Contents
	Trainings for staff of natural reserves and local forestry departments;	Train staff of the natural reserves and local forestry departments that are responsible for protection and management;
	Re-introduce the prey population and improve the tigers' habitats;	Construction of supplementary feeding spots; domesticate boars and then release into the wild; increase the population of the preys;
	Restore vegetation to improve tigers' habitats;	Restore vegetation and improve the quality of the habitat;
	Improve patrolling and clear hunting traps (need indicators);	Launch out activities such as patrolling and clearing hunting traps; deter poaching; design pilot motivation mechanism;
Reducing of human and animal conflicts in the eco-zones (by capacity building; strengthening of law enforcement; environmental education; motivation mechanism of encouraging participation of community in protection)	Strengthen monitoring and law enforcement outside the natural reserves;	Build 28 new conservation stations;
		Improve the capacity building of 14 conservation stations;
		Train staff and leadership of the conservation stations, including leaders of each conservation station;
	Strengthen publicity and education in local communities;	Publicize by TV, radio, journal, newspapers, signboards, leaflet, etc. to increase the awareness of protecting Manchurian tigers of the public;
	For civilian loss, pilot updated compensation methods;	Compensate losses caused by Manchurian tigers and their prey, in order to ease conflicts between human and tigers;
	Develop pilots on the environmental friendly activities for improving tigers' habitats and farmers' livelihood;	Carry out activities which are friendly to tigers; provide nice habitats for Manchurian tigers; meanwhile, ensure livelihood of the staff / local people;
	Project monitoring & evaluation;	According to monitoring indicators, monitor progress and phased achievements of the project;
Project management	Monitoring population size of tigers and their prey;	Conduct a survey of the population size of Manchurian tigers and their prey; get hold of the distribution and number of tigers and their prey; provide scientific evidence for protection, project management and evaluation;
	Establish effective coordination mechanism between the state and provinces;	Establish project management office in the Heilongjiang Forest Industry Administration, Heilongjiang Provincial Forestry Department and Jilin Provincial Forestry Department to coordinate

Component	Sub-component	Project Contents
		project implementation;
	Effective implementation;	Implement the project effectively by establishing organizations, allocating funds, training staff and effective project management;

3. Project Implementation Arrangement

In line with the institutional arrangement (see Figure 3) of the project, leading groups on project administration and management already established at different levels including:

- Leading group in SFA, responsible for overall management and coordination of the project implementation;
- Provincial level project office groups within the forestry departments of Heilongjiang and Jilin province, and the Heilongjiang Forest Industry Administration;
- Established the project leading group in concerned cities and counties as per requested by SFA and the provincial project offices, members including related governmental line agencies (forestry bureau, development and reform committee, construction bureau, planning bureau, environmental protection administration, etc.);
- So far, the Landscape Approach to Wildlife Conservation in Northeast Project construction and management office already established with different functions on: general administration, financial management, implementation management, tending and bidding management.

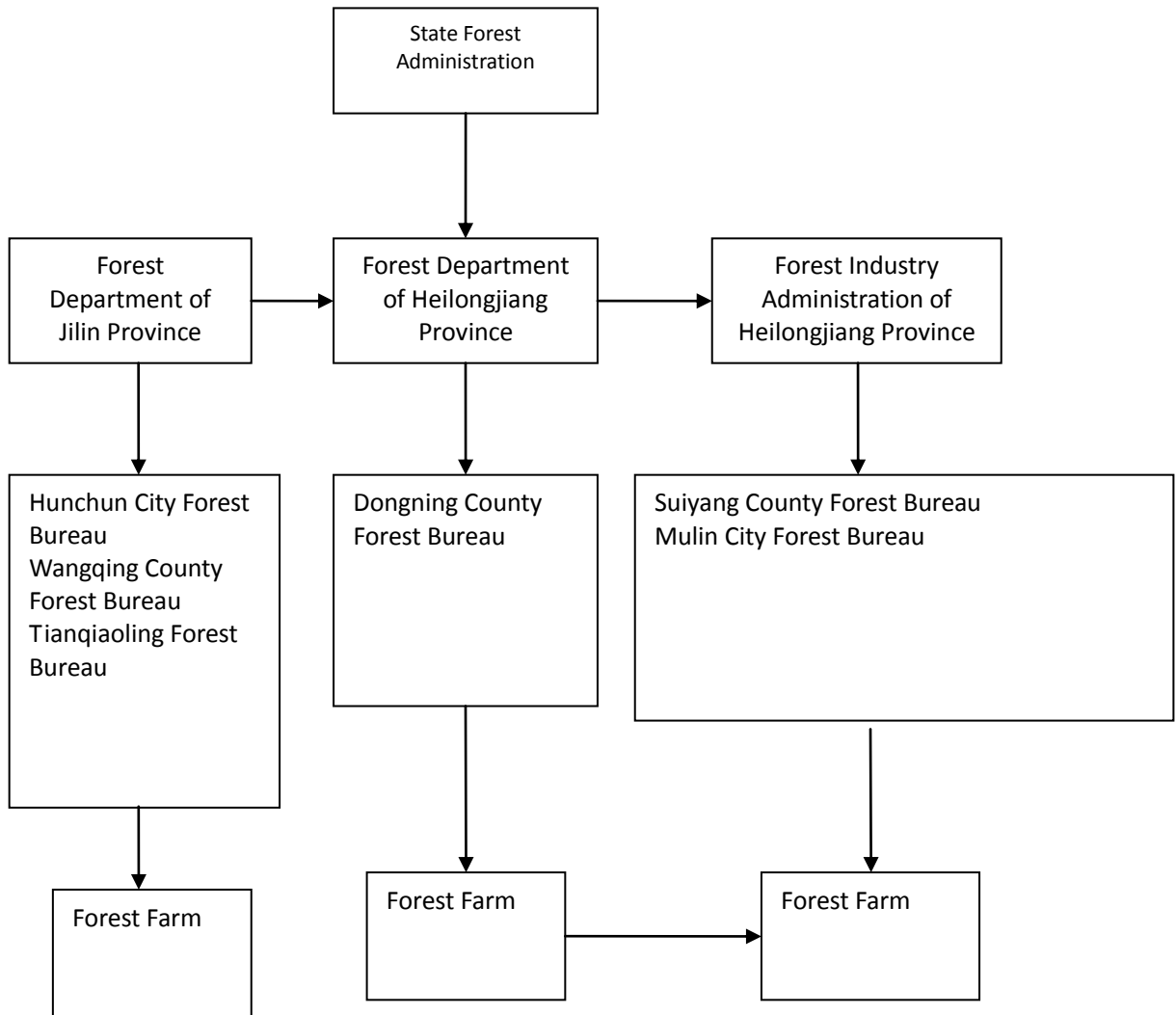
The social impact assessment report already showed details of the management structure of project construction and implementation. The operation and maintenance scheme of the project after completion was also established, with routine functions and divisions on planning, financing, auditing, administration, M&E.

However, one general issue concerning project management and setting-up in China is that constructions, engineering, physical facilities, technical planning, financial management received enough attentions as well as budget allocation, while livelihood restoration, alternative livelihood, co-management of natural reserves with local communities, capacity buildings and trainings for affected people and communities were more heard than actual implemented. Project owners and implementing agencies including the natural reserve bureaus / stations are extremely in shortage of staff with backgrounds on interaction with local communities and people – which will cause difficulties on dealing with livelihood issues and other post-construction issues.

Therefore, the project management and implementing organizations at different levels (the county level and the natural reserve bureaus and stations in particular) should assign specific staff on responsible for resettlement related issues, the staff should be involved from the initiation of the project (socio-economic baseline, household and community survey, livelihood restoration planning, implementing of RWP, etc.) and the

Bank safeguard specialist will provide training as well as guidance to the work. In cooperate with the internal and external monitoring experts and with support from the Bank, the assigned staff could also be involved in village development planning and implementing, the co-management of natural reserves with local community in a long-run, so as to fit into the original purposes of the project design.

Figure 3: Institutional Arrangements of the Project



4. Legal Framework

This Project will be implemented based on the PRC Land Administration Law (effective as of January 1, 1999 and revised as of 28 August 2004) which has been supplemented by a number of implementation measures, regulations and public announcements. The State Council Decisions to Deepen Reform and Strictly Enforce Land Administration (State Council [2004] No. 28, effective as of 21 October 2004) further specifies land

acquisition and resettlement principles, compensation rates, land acquisition procedures and supervision mechanism.

Chinese government enforces socialist public ownership of land, namely, ownership by the whole people and collective ownership by the working people. In practice, public ownership means that the State Council exercises the right of ownership of land on behalf of the State. Land in rural areas is generally owned by peasant collectives, and is operated and managed by village-based collective economic organizations or by villagers' committees; it is registered governments at county level, which issue certificates to confirm the ownership of such land.

For the Project, the key articles in the PRC Land Administration Law include the following:

- Improving land acquisition compensation methods: People's Governments at the county level and above shall adopt practical measures to ensure that the farmers whose land is acquired shall not be made worse off. It should be guaranteed to disburse fully and timely for land compensation, resettlement subsidies and compensation of affected assets to the APs. The people's Governments of the provinces, autonomous regions and municipalities directly under the Central Government shall formulate and publicize the annual average output values (AAOV) in uniform amount or comprehensive land price for each city/county, and the compensation should be uniformed for the same class of land. The full costs of land acquisition for national key construction projects shall be included in the overall project budget.
- Resettle the land-lost farmers properly: the people's Government at county level and above should specify detailed measures to secure APs' long-term livelihood.
- Improve land acquisition procedure: before legally submitting for approval, the usage, location, compensation rate and resettlement measures for the land to be acquired and resettlement measures should be disclosed to APs; the survey result on current situation for the land to be acquired should be confirmed by the affected rural collective economic organizations and households; if necessary, land and resources department should organise public hearing according to relevant regulations. The documentation on information disclosure to and confirmed by the APs should be treated as an integral part of the materials submitted for the approval of land acquisition.
- Strengthen supervision and management of the land acquisition process: In case the compensation and resettlement of land acquisition has not been carried out, use of the acquired land is not allowed. Provincial Government, autonomous region and municipality shall formulate the internal distribution options of the land compensation within the collective organization based on the principle that most of the compensation should be used for farmer households whose land has been requisitioned. The rural collective organization shall make the information on the revenues and allocation of the land compensation fund publicized to and supervised by its members. The agriculture, civil affairs and other departments shall strengthen the supervision over the distribution and use of the compensation fund within the rural collectives.

- Grievance procedures: Disputes between individuals or between individuals and collective economic units should be decided by governments at township level or at county level or above.
- Land reclamation: Parties responsible for using cultivated land in non-agricultural projects should be responsible for reclaiming the same amount and quality of cultivated land they use. If reclamation is not possible, they should pay land reclamation fees in accordance with government standards set by governments of provinces, autonomous regions and municipalities.
- Approvals: Approval will be required from the State Council for requisition of (1) capital farm land; (2) cultivated land, not included in capital farm land, that exceeds 35 hectares; and (3) other land that exceeds 70 hectares. Requisition of land other than that provided for in the preceding paragraph will be subject to approval of governments of provinces, autonomous regions and municipalities.
- Compensation registration: People and organisations who own or have the right to use the land being requisitioned will, within the time fixed in the requisition announcement, register for compensation with the land administration department of the local people's government by presenting their certificates of land ownership or land-use right.
- Compensation fees: Compensation for requisition of cultivated land will be six to ten times the average annual output value of the requisitioned land for three years preceding such requisition.
- Resettlement fees: Resettlement subsidies for requisition of cultivated land will be calculated by dividing the amount of requisitioned cultivated land by the average amount of cultivated land per person. The resettlement subsidies to be divided among the affected population will be four to six times the average annual output value of the requisitioned cultivated land for three years preceding requisition.
- Public participation: Once the compensation and resettlement plan is finalized, government should make a public announcement and solicit comments and suggestions from the collective economic organizations and peasants.
- Livelihood restoration: Government should support the rural collective economic organizations and peasants in their efforts to engage in development or business operation or to start enterprises.

Except the Land Administration Law, measures the project designed to take concerning interaction with local people and communities also conform with other specific national and provincial regulations in relate with natural reserves, including: *the Regulations on Natural Reserves of People's Republic of China*, the *Notice on Pilot Works on Termination of Logging for Commercial Purposes (SFA)*, the *Implementing Measures on Banning the Hunting of Terrestrial Wildlife of Jilin Province*, the *Regulations for Wildlife Conservation of Heilongjiang Province*.

5. Criteria for Eligibility

In general, communities living in or near the proposed NRs the project going to enhance or establish should be eligible for benefits based on the criteria to be agreed through the consultative process. The eligibility criteria will determine which groups and persons are eligible for assistance and mitigation measures, which groups and persons are not. At the same time, based upon agreement with communities, the criteria may exclude certain persons or groups from assistance because their activities are clearly illegal and knowingly undertaken in bad faith, such as illegal wildlife trade, wildlife poachers, dynamite fishers. The criteria may also distinguish between persons utilizing resources opportunistically and persons using resources for their livelihoods, and between groups with customary rights and non-residents or immigrants. Special consideration and priority will be given to the vulnerable groups of people including ethnic minority groups (Korean, Manchu and Mongolian, etc.) and female-headed households. Detailed criteria will be jointly determined with the affected villages, the staff from NR management, representative of local authorities, etc. and will be documented.

Despite the lack of detailed design and the corresponding data, the social impact assessment shows that a large area, including the existing NRs, need strengthen the management of protected areas. One new nature reserve need to be built and 2 need to be expanded. According to the social impact assessment, it is forecasted that the forest within the scope of protected areas and the surrounding community will be affected.

- Impact on the forest farm: including 25 forest farms, a total of 3343 households and 9854 employees and their families, among them:
 - Banned logging will affect 1515 households, 4344 people.
 - The implanting materials of fungus will affect 1182 households, 3327 people.
 - Herding restriction will affect 11 household, 33people.
 - Banned access on collection of NTFP will affect 725 household, 2150 people.
- Impact on the local communities: including 14 villages, in total 2355 households and 7145 people will be potentially affected, of which:
 - Banned logging will affect on 250 households, 728 people.
 - The implanting materials of fungus will affect 444 households, 1299 people.
 - Herding restriction will affect 77 household, 207people.
 - Taking back the leased farmland in the reserves will affect 122 households, 352people
 - Animal hit (biting the crops and fruit trees, hurting livestock.)

It should be pointed out that among the influence mentioned above, surrounding communities affected by animal hit belongs to potential risk, mainly relates to formulation

and implementation of local / national regulations on compensation to wild animal accident and trainings and other measures, instead of the other influence that will directly lead to alternative livelihood, livelihood compensations from the project.

Progress now is that the detailed planning on project concerned new NRs is still under preparation, part of the project effort is to build protection stations instead of NRs, so there is no clear numbers on affected villages and population. Therefore, when the proposed project starts, before making the Village Development Plan (VDP) and the Co-management Plan with Communities, it is suggested to undertake a detailed and comprehensive investigation on the local affected community and the population size.

6. Process Framework and Project Impact

Except routine requirements on project approval and management of the Bank, one important background idea of this process framework is the fact at project owners and planners have the understanding that an RP will be prepared for and work with actual relocation of local people concerning house demolishing, new houses construction, etc. Restrictions of access to natural resources and the due impacts on local livelihood were not traditionally deemed as topics under “resettlement” for project without physical relocation of people. Hence, the broader ideas on alternative livelihood development, village development, co-management scheme and related capacity buildings and trainings were not considered as compensation package² to “affected villages and people”. The bias towards “resettlement” will in turn have impacts on the actual implementation of the project on dealing with local communities and people, therefore may create pressures to sustainable management of NRs.

In fact, although various measures were adopted in the preliminary design for the construction and extension of NRs in this project in order to exclude local communities and avoid land acquisition and house demolishing, it is inevitable that the strict management and protection in this project will influence the surrounding rural communities and the living of those in state-owned forest farms. If these influences are not prospered solved or alleviate, they will definitely bring long-lasting pressure, conflicts to the management of reserve, which poses a threat to the success of the project.

It is also noticed that the Co-management plans and VDPs (including EMDP) based on participation, consultation and mutual understanding and respect are effective ways to ease tension between the reserve and the surrounding communities. This has been carried out in some reserves and achieved positive results. However, it is still constrained by the conventional governmental management mode. In the project area, the Co-management is still in a low level and remains to be improved by summary. These measures and plans will be proposed as the key solutions in the framework.

6.1 Process framework and expected functions

According to SIA, various measures were taken during project designing and planning, physical relocation of local residents was successfully avoided. Anyway, for better protect the natural resources as well as wildlife in a sustainable manner, the Project will

² It is still a popular understanding for many grass-root level governmental staff as well as local residents that compensation mostly equals to cash and other direct support including social security, housing, etc.

introduce the restrictions of access to natural/ forestry resources under the project which may negatively affect the livelihood of local communities (including those civilian villages and the staff and their families of those state-owned forest farms) at least on a short run. Therefore, according to OP 4.12 of the World Bank, it is necessary to help those whose income and living style will be disrupted with various feasible countermeasures to ensure alternative livelihood is proper and appropriated.

This Process Framework is therefore developed to achieve the following objectives:

- a) To support the resettlement process of the project, guide the identification of priority areas of action to restore and improve the livelihoods of affected people and communities.
- b) To ensure full consultation with, and informed participation of affected people on creation of alternative livelihood / livelihood restoration plan as well as feasible Village Development Plan (VDP)
- c) To provide guidance to create detailed implementation plans, including actions, financial and human resources, accountabilities and schedules required to ensure timely execution of alternative livelihood and livelihood restoration activities under the project.
- d) To avoid, minimize or mitigate potentially adverse effects of new restrictions, and increased enforcement of existing as well as new restrictions, of access to natural resources.

The principles laid out to meet these objectives include:

- Broad-based and consultative definition of protected area boundaries, new restrictions, and increased enforcement in the project sites / natural reserves based on biophysical as well as socio-economic assessments;
- Decisions will be based on the informed participation of all affected people, in the form of consultations and agreements reached between the affected people / villages and the respective local and project authorities. Agreements will be formalized in a Co-management Plan on Natural Resource (Co-management plan);
- Restrictions of access to resources that will adversely affect the livelihood of affected people and villages will be mitigated in order to ensure that affected people will have alternative livelihoods to be able to at least maintain, if not improve, their livelihoods. This is especially true for wildlife that is sold to meet cash needs and restrictions of the use of natural resources such as land and NTFPs. Measures to ensure alternative livelihood will be provided in the Village Development Plans.
- Wildlife conservation interventions will respect ethnic minorities' belief systems, and ethnic minorities will be facilitated to actively participate in the whole project cycle to ensure that they are continually informed in a free, prior and informed participatory manner through out the implementation of the EMDP and the PF.

This Framework provides the process to be followed. It does not spell out in detail each of the activities undertaken to avoid or mitigate impacts from restrictions of access to

natural resources. Such details will be worked out during project implementation in accordance with the Process Framework, through the participatory processes for protected area management and buffer-zone management, which culminate in the development of the Village Development Plan (VDP) and the Co-management Plan on Natural Resource (Co-management Plan) based upon the villagers' needs and priorities. Thus, respective VDP and the Co-management Plan which as part of the Process Framework implementation will provide the detailed actions which will describe the results of the participatory planning with affected communities and provide measures to mitigate impacts and means to address grievances, with potential sources of financing to implement them, thereby ensuring compliance with OP 4.12.

6.2 Negative impact to local livelihood

Project implementation in the long run will bring potential benefits to the local people (including forest workers and local communities) through improvement of the environmental, enrich ecological species benefits. But in the short and mid terms, the project implementation must will bring some negative influence to the original accustomed and community which have been used to living live on the local ecological environment. This will be the key point of this chapter and the framework of the produce.

According to the planning and design of the current project, reserve construction related to the project has avoided to put the local rural community into the protection area, therefore it will not cause any land acquisition and house demolition.

Most of the project impact will come from constructions of new protection stations, feeding spots, constructions of the management building of Wangqing NR and remote monitoring center of tigers of Hunchun NR. All the constructions are planed to be within the state-owned forest farms and concerns no land acquisition. Constructions of the project will concern temporary land use which all belong to the state-owned forest farms, hence no compensation needed. Overall, the effect to the local population (including the surrounding forest farm workers and their families, farmers from the protected the area) of the project is mainly about the impact on people's livelihood activities by strengthening the protection and management on the reserve, the patrol and being prohibited from entering, logging and other measures. In the core area and the buffer areas, livelihood activities used to include: grazing, firewood collection, NTFP collection, forest to collect fungus planting materials, ecological tourism etc..

Generally speaking, according to the function division between different NRs, the project will produce different effects in different zones. The process framework follows the general zoning principles in China, which include:

Core zone: is the key protection area of nature reserves, the implementation of the absolute protection, prohibited any form of logging, hunting, tourism and other activities, for observation, research and resource monitoring only, anyone without approval, are not allowed to enter.

Buffer zone: one of the function is slowing down of the outside influence and interference to the core region; also is in the condition of not destructing their community environment ,to do some test on production or science, scientific experiment, practice teaching and collection of samples, but the commercial activities are forbidden; anther function is turning into the core area through the gradual improvement in wildlife habitat .

Experimental zone: in the condition of not destructing native vegetation and rare animals and plants resources in the reserves, appropriate use the natural resources, carry out scientific experiments, education and training, ecological tourism and a variety of commercial activities, and construct and arrange project production, life and facilities management appropriately.

In view of livelihood, the project involves effects to the livelihood of staff of the forest farms include: 1) prohibited logging; 2) fungus growing wood residue reduction because of the banned logging; 3) cattle grazing banned; 4) collection of NTFP in the buffer and the experimental zones. The impacts on the livelihood of farmers around the NRs including: 1) take back of farmland and forest leased to neighboring farmers; 2) the improved ecological environment in NRs will increase the potential risks of animal hit; 3) the banned logging will cause increased cost of growing fungus; 4) the range of the farmers entering into the core and the buffer zones to collect NTFPs will be affected; 5) farmers grazing will be affected if entering the NRs.

6.3 Potential risks and mitigations in project implementation

Giving the facts of implementation of this particular project, following risks are the most common and possible ones to be happened especially after project initiation and completion. These risks are also targets of the process framework and call for attention and input from project owners and implementing agencies.

More strict management and patrolling of the NRs vs resource utilization

Though the project already conducted various public consultations and information disclosure, once the protection of the NRs became more strict and those routine exploitations over natural resources that local people used with, the pressure to patrolling and interaction with local communities and people may increase. Because of the enlarge coverage of the forest farm, it is difficult to achieve a comprehensive patrolling, therefore the villagers' basic production such as NTFP, grazing, etc. is default. After division of protected areas, protected areas will have the ability to strengthen patrol work, so the villagers collecting forest products space will be limited. In some existing protected areas, it is common for some villagers to collect forest wild resources, so after the implementation of the project, probably in a long time, there will be a resource conflict problem between villagers and reserve.

Control measures recommended include:

- Establishment of a database of all neighboring communities including their locations, socio-economic conditions, major income sources, list of village committees, etc.
- Appointment of community liaison staff from the NRs to have regular communication and interaction with the affected villages on understanding changes, difficulties and issues on their livelihood.

Failure of livelihood restoration and alternative livelihood activities

The new and unfamiliar livelihood that to be introduced to local people may experience failure for various reasons, especially when more people start to involve in the activities

that used to be only fewer people doing (e.g. mushroom growth) and hence cause market decline. The failure will in reverse negatively affect the relationship between the NRs and the local communities.

Control measures recommended include:

- Close cooperation with affected villages and local authorities on preparation of effective VDPs.
- While developing VDPs, organize marketing survey and analysis on existing local products especially the popular NTFPs.
- Help the affected villages on necessary capacities on collecting market information and provided (help to find) assistances when needed.
- Identify opportunities for affected villages and businesses to work in the Project (e.g. hired on patrolling), and provide necessary trainings.
- Liaison with village committees on fairly distributing project benefits / provisions;
- Provide support for transportation where necessary.

Gender risks

Women might be involved more in alternative livelihood activities including NTFP productions and they tend to have responsibilities for basic needs like fuel, nutrition, water, and sanitation – loss of these has a far greater impact on women than on men. They are more dependent on common property resources; more likely to be involved in small businesses located at or near their homes; and less likely to travel to find employment. It is common that governmental provisions on capacity buildings and trainings ignore the concrete features and needs of women and cause further problems in sustainable livelihood.

Control measures recommended include:

- Provide technical skills and business development training to women within the livelihood restoration / alternative livelihood program.
- Ensure representation and presence of women in all consultation; ensure that consultations organized at a time when women find it convenient to attend, so that maximum participation can be ensured.
- Appoint female community liaison staff or facilitators to work through women's groups or networks—formal or informal.
- Ensure compensation and other benefits (training, job opportunities, technical assistances, etc) distributed equally to male and female household members.
- Ensure women's involvement and participation in livelihood restoration and alternative livelihood implementation and monitoring.

Increased vulnerability

Alternative livelihood is likely to further increase the vulnerability of people and households who are already vulnerable. The elderly, the sick, female-headed households and the poorest households are less likely to adapt well to changed livelihoods, particularly where those are transitional or temporary in nature. They are generally more likely to depend on their existing livelihood.

Control measures may include:

- By detailed socio-economic investigation, establishment of a database of the vulnerable groups of their vulnerabilities, household conditions, major income sources, potentials and preferences on alternative livelihood and involve assistance and development of the vulnerable groups into VDP.
- Close cooperation with local authorities responsible for trainings and capacity buildings of alternative livelihood, poverty alleviation, technical assistances, etc. on providing accurate and appropriate services to those affected by the project.
- Focus on maintaining existing employment and businesses rather than on providing compensation for lost earnings and introducing of new livelihood.
- Ensure adequate access of the vulnerable groups to capacity buildings, technical trainings and assistances and other provisions from the project.
- Arrange regular visit to vulnerable people, monitor and collect their progress in the alternative livelihood activities.
- Prepare EMDP for the ethnic minority communities.

Strengthen of wild animal protection and prevention of animal hit

The measures contained in this project will certainly reduce the fields for agricultural production of original villagers surrounded in the natural reserve, and the villagers who are not completely familiar to the new situation may be threatened by wild animals due to inadvertently enter the new protected areas, while improving the environment will also increase the risks of wild boar animal entering into the village.

The corresponding measures recommended are as follows:

- Increased the signs, billboards and other facilities around the reserve and sensitive positions, at the same time, increasing the understanding of the villagers' related knowledge for wild animals by the co-management plans such as propaganda, training and so on.
- Promote the development of animal hit compensation in Heilongjiang Province as soon as possible.

Risks of poaching

One of the most important goals of building and expanding the reserve is to ensure the integrity of food chain for tigers and other wild animals; however, poaching has caused many challenges and risks to the implementation of the project. For example, the small feeding animals may be poached by illegal hunters, also poaching could cause damage

to the Northeast tigers and other wild animal. These situations might be more frequent with the environmental improvement and the increase in the number of wild animals.

The corresponding measures recommended are as follows:

- Give out more free materials and promote more public trainings, in order to increase awareness of the local population.
- When strengthening functions of the NRs and the protection stations, to establish good cooperation with neighboring communities through the Co-management plan so that the NRs could receive information and notices from communities in short time.

7. Recommended Mitigations to Negative Impacts and Risks

7.1 Issues affecting effective mitigation

So far, through the effective SIA that was conducted by the project owner, following potential issues of the project can be formalized which may further deepen the risks as described in last section, the issues include:

- Low awareness of the project among staff of related forest farms, neighboring communities and the particular concerned local ethnic minorities (differentiated in Heilongjiang and Jilin Province as well as the Heilongjiang Forest Industry Administration);
- No sufficient awareness and discussions on the potential conflicts that might be further caused by restriction of local accesses to natural resources³;
- No sufficient discussions and investigations on available alternative livelihoods and the potential risks of rely on exploitation of natural resources afterwards because of unsuccessful implementation of alternative livelihood;
- So far, for those local people who were already informed about the project, the support to the project planning is quite optimistic, and a clear trend is that the support is mostly based on confidence that the project as well as local authority will provide good alternative livelihood and services – may bring pressure to project implementation once the expectations can not be met;
- Once the actual and more strict restriction (in the existing NRs and the newly established NRs) to natural resources started, the due income of local people and communities may cause pressures on project owners and EAs on organizing and conducting feasible alternative livelihood;
- Changing of living style of local people (especially those more relied on exploitation of natural resources, the ethnic minorities for instance). In some cases, farmers' concerns and unwillingness on changing living style may even higher than changing livelihood;

³ Which happened frequently based on the conventional way government plan for project – focus on rapid application and approval by ignoring in-depth public consultations and preparations.

- Through investigations organized for SIA and EIA, farmers preferences on compensation and alternative livelihood provided by the project are already clear, in turns include: 1) NR patrolling with fixed and stable wage / subsidy; 2) join the new cooperatives / associations for income generating; 3) alternative livelihood. All the preferences so far will rely very much on organizational efforts by the local authorities and project management;
- Other potential risks that may occurred during construction and engineering periods, and unexpected market frustration of current NTFP productions.

7.2 Key actions for more effective mitigations

In order to meet the functions of the process framework as well as OP4.12 of the Bank in relate with resettlement, based on progress of the project preparation and the giving socio-economic situation in the project area, this process framework recommends four integrated elements / efforts on creation of next step works for alternative livelihood and livelihood restoration:

1) Institutional analysis

According to information collected so far⁴, governmental input (direct development projects, basic infrastructures, poverty alleviation projects, etc.) in the project areas is in general low. Anyway, this process framework suggest that alternative livelihood and livelihood restoration activities to be developed and implemented in line with the existing economic development plans of the concerned counties and cities; business development and training programs; infrastructure development; social service provision and poverty alleviation strategies / planning. So that efforts of this project on promoting community development could be integrated and in cooperate with government planning, budgeting and operational management processes. It will require assessment of the government resources and capacities available to support the projects' needs on alternative livelihood and livelihood restoration, and of areas where further resources and capacity development may be required.

In addition to the institutional analysis, once plans of the conservation stations and the new NRs formalized, following information need to be collected for supporting alternative livelihood planning, VDP and the Co-management planning:

- Provide actual zoning showing more accurate impact incidences for local communities and people and ethnic minorities in particular;
- Characterize in detail the different user groups in relation to the NRs;
- Provide detailed mapping of user access rights;
- Update changes and trends in the broad socio-economic and socio-political composition of the villages bordering the NRs.

These activities will be done in order to assess possible impacts of project activities

⁴ Both EIA and SIA didn't allocate specific questions and attentions in the field of governmental operations in the project areas, however, there are fewer basic infrastructure input in specific forest farms from the forest industry administrative of Heilongjiang and the forestry departments of both provinces.

mainly from resource use restrictions on the local communities. These assessments will feed into most other activities of the project, in particular to the education and awareness and experimental zone management of NRs, the development of the VDP and Co-management plans and the alternative livelihood programs.

2) Village Development Plan (VDP) and the Co-management Plan on Natural Resource (Co-management plan)

Giving the facts that the project is going to i) promote co-management of natural resources with local communities and, ii) promote more strict restrictions of access to natural resources which will affect local communities in general, a effective village development plan (VDP) and co-management plan on natural resources (Co-management plan) is needed. On the other hand, a more effective plan⁵ will assist the project (owners) to have better interactions with local communities through providing and organizing real alternative livelihood which reduces pressure to NR management. However, expertise to support project owners and local authorities on creation of participatory VDP which aims to be practical and feasible in a long-run is highly needed. Accurate and sufficient baseline information is essential for VDP which not only provides basis for the planning, but also for effective management of implementation, monitoring and evaluation and capacity building of the village and its members. In general, development of VDP requires the following steps:

- (a) Mobilization of the community and the VDP team;
- (b) Development of working schedule and scheme as well as job distribution among the planning team;
- (c) Strategic analysis of community development;
- (d) Analysis and development of VDP objective framework;
- (e) Assessment of current village development;
- (f) Resource analysis of village development;
- (g) SWOT Analysis of village development;
- (h) Selection and development of village development project activities
- (i) Establishment of indicator system for VDP

Following factors need to be specially considered for they will be crucial for both designing and implementing the VDP:

- Availability of resources for the VDP;
- Current capacities and requirements on capacity building;

⁵ In most cases, VDP that mainly developed by local authorities are more just written and difficult to get implemented. However, the success of this project in a long-run rely more on positive interactions with local communities and people and, feasible and practical VDP will help better connections to be built between the natural reserves and local communities.

- Participation of all groups including the vulnerable ones in the process;
- Diversified interests and expectations of different groups in and out the village;
- Transparency of designing and implementation;
- Possibilities for the VDPs to be modified and updated;

Currently, NRs involved in the project basically have no effective community co-management plan, traditional government division and management model has led to the existing co-management in a primitive state, it means just the NR management department promoting limited times to the community ,giving out a small amount of leaflets, establishing formal or informal co-management / supervision agreement with village cadres ,etc. In most cases, reserves rely on their individual informal relationship with the surrounding communities to carry out protection work.

Creation of the Co-management plan depends on good and sufficient interaction and communication between the NRs and local communities / people and, the plan is also highly connected with the formation and implementation of VDP. The NRs of the project share some general features⁶ including: unclear boundaries and unsolved land issues between the NRs and local communities; low capacity in community work in the management of NRs; competition on exploitation of natural resources between the NRs and local communities; lack of practical social impact assessment and participation of community representatives in NR proposing; lack of reasonable compensation especially alternative livelihood / livelihood restoration to local communities and people; lack of government support on NR management not only alternative livelihood for communities but also capacity building for the NR management. Giving the fact that no RWP and VDP is in preparation which is also the base for Co-management plan, this process framework will not give specific suggestions to the development of Co-management plan, still, it is recommended to: first, close incorporate VDP planning with the Co-management plan; second, select successful NRs⁷ on co-management and community development in China for study tours of related local authorities.

3) Socio-Economic assessment

The current EIA and SIA (also including some rough governmental planning on income promotion and industrial structure adjustment) mentioned that mushroom and fungus as the major target for alternative livelihood. Mushroom and fungus are the most conventional NTFPs from the project area with relatively even financial return, however, once large amount of producers being re-oriented to the business, market demand of the products may become an issue. Hence, serious alternative livelihood and Income restoration planning will require local economic assessment – analyses of patterns of growth in the local economy and demand for labor, products and services, which provide income-generating opportunities for affected villages and people. The economic assessment will require review of available economic

⁶ As also common in most NRs cross China.

⁷ Possible targets can be: Suojia of Qinghai Province, Caohai of Guizhou Province, Taibaishan of Shannxi Province, West Dongting Lake of Hunan Province, Simao of Yunnan Province, etc., with different features on co-management and community development in various perspectives.

data and understanding of government economic planning; economic trends and forecasts; sectoral development; local businesses' market opportunities and constraints; and the Project's economic contribution, local content and employment strategies. Essential information that required include:

- The goods and services that PAPs have the capacity and/or experience to market successfully (either because they have experiences on running small businesses or have other useful skills / features on management of small business.
- Market potential for the selected goods and services – is the current and future demand for these goods and services greater than the current supply.
- Likely financial return from these goods and services currently and over the next five years (current prices less production costs; inflated prices less inflated production costs annually for five years).
- Prediction on social, financial and economic benefit that operation of the project may bring to the local circumstance.

4) Alignment

The development of the Projects' livelihood restoration and alternative livelihood planning, consistent with this process framework, the Banks' OP 4.12, Chinese policies and legislation, and the needs and priorities of Project affected villages / people, will require consultation between Project partners, government and communities, to ensure alignment on strategic goals; responsibilities and resources.

7.3 Develop VDP and the Co-management plan with participatory method

The project activities, particularly the land and forest use zoning and management as well as their enforcement, may result in the restriction of ethnic communities' access to natural resources: temporary farm land (either cultivated by the neighboring communities and / or by the natural reserves themselves), forest and NTFPs, which they heavily depend on for their livelihood. As part of project components, a series of planning consultations and feasibility studies with the affected villages will be undertaken in all concerned villages to raise conservation awareness, agree on conservation regulations and alternative livelihood priorities aiming at conservation and sustainable natural resource management at the beginning of the project implementation and outcomes from the consultations should be incorporated with the formulation of VDP and the Co-management plan in respected NRs and related communities. The VDPs and Co-management plans should be presented to local authorities for consideration on alternative livelihood / livelihood restoration and to allocate governmental resources on public development projects⁸.

To enhance ethnic community participation and their receiving benefits from the project in a culturally appropriate manner, more participatory planning process is encouraged to be applied in related VDP and co-management planning. Cultural and linguistic features

⁸ So far, according to information provided by project owners, there is no governmental projects concerning public services, public infrastructures, social development, etc. in the respected project areas.

of ethnic minorities will be carefully considered on organizing (language translation, visualized tools on community meetings / consultations / discussions, etc.) the creation of VDP and co-management plan in related communities. Through participation of ethnic minority representatives in the planning process, livelihood and cultural characters of ethnic minorities and especially the elders and women should be reflected by the VDPs and alternative livelihood activities to be developed.

7.4 Alternative livelihood

Alternative livelihood and livelihood restoration programs will be developed based on and incorporated with the VDP, Co-management plan, institutional analysis and economic assessment.

Although not specifically pointed out in general planning, the project has the intention to compensate villages that will be adversely affected by increased enforcement of access restrictions to natural resources, this project will develop alternative community livelihoods so as to mitigate negative impacts on their livelihood. And in fact, successful implementation of the project in a long-run heavily rely on the cooperation with local communities, not only on VDP and Co-management plan as described above but more on designing and organizing of alternative livelihood measures and as a result, the livelihood restoration of local people. Measures to develop alternative community and individual livelihood will be identified with the participation of the affected communities, which will center on establishing alternative livelihood and livelihood restoration activities that are environmentally sustainable and culturally appropriate.

Objectives of alternative livelihood pilots

- Through capacity building on patrolling, monitoring, researching, training and publicizing, to encourage NRs to develop and pilot the eco-friendly production modes and activities in the surrounding communities and the experimental zones, so that to further enhance NRs' capacity on co-management;
- To promote the managerial capacities of NRs;
- To promote protection and rational utilization of the natural resources which are closely related to bio-diversity and inhabitant, in particular those inside the NRs. And by localized VDP and Co-management Plan, to develop and establish the sustainable alternative livelihood (both production and living) benefiting both protection and economic development;

Principles on designing, implementation and completion of the pilots

- Protection as priority: all the designing and implementations should be good for bio-diversity and protection of the endangered species;
- Highlight integrity: to clearly reflect the main tasks and contents of the Landscape Approach to Wildlife Conservation in Northeast Project and guarantee the support to the project implementation;
- Feasibility of the designing: techniques and methods of the proposed pilots should be feasible and workable within the orientation and administration of national and

local policies, laws, planning, and socio-economic conditions;

- Potentials for replication: the experiences, modes, and techniques that to be acquired from the pilots should be replicable for other projects and institutions;
- Sustainability: completion of the pilots should be able to have resources, financial, market and development sustainabilities;

Local authorities and other donor-assisted projects will be consulted as needed to provide mitigation measures. No restrictions of access will take place without a prior commitment of providing timely and adequate alternative livelihood sources from a series of pre-identified sources. It is the obligation of the VDP and Co-management plan to clearly spell out the sources of funds to implement mitigation measures.

According to what's proposed by the SIA so far, possible fields of alternative livelihood and livelihood restoration are concentrated in the following:

- Agroforestry and NTFP Interventions, providing investments in agroforestry (intercropping) and NTFPs to the affected forest farms (including staff and their families) and the local villagers to increase income-earning opportunities for them whose farming activities may be curtailed;
- Village Development Planning and Practice, providing non-cash compensation to villages affected by the reversion of farmland to NRs, including support for "eco-friendly" livelihood enterprises or village development based on resettlement and village development plans; and
- Sustainable Ecotourism Planning and Development, including master planning for NRs, preparation of tourism guidelines, and implementation of pilot projects (e.g., household based tourism services).

Possible detailed requirements / guidelines for planning of alternative livelihood and livelihood restoration already presented in section 7.2, however, major category of activities could include:

- Evaluation of local economic and social conditions, to understand the existing and potential development of local affected communities and societies at various levels of county, state farm, forest farm, township and village;
- Evaluation of poverty, to identify and analyze the situation of local poverty and its impacts on NRs sustainable development;
- Identification of eco-business opportunities, to analyze the obstacles existing in promoting eco-friendly industries;
- Recommendations of measures to overcome the obstacles with supporting for "eco-friendly" livelihood activities and business opportunities, including master planning for eco-friendly business guidelines and implementation of pilot projects;
- Cooperation of NRs and neighboring communities, to establish a relationship and mechanism in creating the harmonized society and promote public participation in

mutual management of NRs and local communities; and

- Build pilot (demonstrative) projects of alternative livelihood and village development activities with direct input from the project and / or local authorities in relate with ecotourism and other environmental friendly business and pay attention of replicability;

7.5 Implementation of VDP and the Co-management plan

According to the Social Assessment, in total 14 neighboring communities to the NRs will be more or less affected by the implementation of the Project. By considering the objectives and budgeting of the project designing, rational implementation of VDPs and the Co-management plans as proposed by this process framework should not cover all the affected communities. Based on the objectives and expectations of their functions, designing and implementation of VDPs and the Co-management plans should be organized in selected communities, therefore, this process framework recommend to select 4 communities (1 each from Hunchun County, Wangqing County, Dongning County and Muling County⁹) out of the 14 ones for designing and implementation of VDPs and the Co-management plans. It is also expected that implementation of the VDPs and the Co-management plans could integrate and coordinate local resources. The piloting in the 4 communities will be under direction and support from the WB safeguard staff, short-term consultants, NRs, PMOs and external and internal monitoring institutes, process of the piloting should be recorded and documented for further extension and replication.

Implementation of the VDPs and the Co-management plans in the 4 communities will not affect the alternative livelihood activities to be organized in other project affected communities and forest farms. Key contents of the VDPs will include those alternative livelihood activities which fitting local natural endowments, benefiting eco-protection and restoration, positive for increase local living standard and conforming development planning of local government. Therefore expertise and professional institutes should be introduced and to integrate with local resources on development planning and development of infrastructures in particular. The Co-management plan will mainly be implemented with focus on the sustainable protection of the NRs, designing and implementation of its contents should follow the principles including benefiting species conservation, decreasing potential conflicts between communities and NRs, rational utilizing natural resources, and adapting to capacities of NRs and local communities. As concluded by the Social Assessment, contents of the possible co-management so far include:

- The NRs to promote publicizing in local communities by different means and modes¹⁰;
- Encourage the active involvement of local people (farmers) in protection of natural resources by both material and spiritual means;
- Through certain capacity building, recruit qualified villagers to join daily patrolling

⁹To select on ethnical minority communities in Jilin Province.

¹⁰Including: training course, dissemination of leaflets, billboards, cooperation with local primary / secondary schools on trainings / small scale researches tailored for students.

and eventually entrust patrolling of particular sections to the villagers or villager groups;

- By negotiation, follow-up monitoring and self-monitoring, allow local villagers to have access to the surrounding forest farms and the experimental zones of the NRs for certain activities, include herd, collection of animal feeds and timbers, collection of NTFPs, etc.;
- Establish the liaison mechanism between the village committees / natural villages and the NRs / protection stations;
- Invite villagers from the surrounding communities on discussing development of alternative livelihood and the rational utilization of natural resources within the experimental zones, including cooperative plantation and management of herbs, plantation and fostering of mushrooms for replace fungus production.

8. Social Assessment

8.1 Key findings of SIA

During project preparation, consultation meetings as well as the questionnaire based social investigation were conducted in 10 villages (6 in Jilin and 4 in Heilongjiang and covered in total 346 local households of which 71% with forest farm staff and 29% with civilian farmers, 16% of the interviewees are women).

During the consultation meetings, which were organized in the community's local language and based on an participatory methodology, the project objectives and activities, as well as expected project benefits and potential negative impacts especially due to restrictions on access to natural resources, were explained and the views of participants collected. These consultations allowed the project owners and planners to learn more about the community's needs and views regarding the access to natural resources, livelihood development, and ways in which the communities can benefit from the project. These assessments and consultations conducted before and during the project preparation confirmed the broad community support by the local communities (including the ethnic minorities). So far, the SIA and EIA have the following findings which should be enhanced and / or taken into considerations on further project activities, they are:

- Through adjustment of planning, the project concerns only state-owned forest farms (for construction of conservation stations) no physical relocation of local households and no land acquisition;
- The project plans to build certain number (3 in numbers) of conservation stations and enhance capacities of up to 47 existing stations, therefore, traditional zoning (core, buffer and experimental) will only be happened in the 1 new NRs to be established and 2 existed NRs to be expanded;
- In general, the restrictions of access to natural resources are to be happened in mostly the state-owned forest farms which are already under natural forest program and / or closure. Most of the livelihood activities performed by local people are

theoretically banned by state policy and law. The project is aimed to help and enhance the implementation of the restrictions through the exploring of measures including alternative livelihood, co-management planning, etc.;

- So far, the 3 NRs (including 2 for expansion and 1 for new establishment) to be established, proposing and designing are still undergoing and possibilities for further adjustment is expected, hence exact zoning and the related social impact is not defined as well;
- The project designing in general fits into the policy and legal framework of China with appropriate economic, social and ecological adaptabilities;
- Construction of the project will have clear positive impacts on the friendly environment for tigers and other wild animals;
- Project design already took into consideration on mitigating negative impacts and disruptions to local community and people's livelihood. Co-management became options of project components;
- Local people's reliance on natural resources for livelihood is keeping decreasing due to policy orientation on shifting from logging to NTFPs in the project areas;
- The project requires to put in total 87711 ha of state-owned ecological forest land into natural reserves under the highest level of protection. The nature of the concerned forest land has no change and concerning no physical relocation of local residents;
- The project implementation will have more or less impact on livelihood of local people (including villagers and families of the forest farm staff) in NTFP production, hence a resettlement plan is required;
- There are certain amount of ethnic minorities (in total 446 households with 1291 people, of which about 90% are Korean, the rest include Manchu and Hui)¹¹ in project sites in Jilin Province, though not directly affected by construction of the project, their livelihood which more rely on conventional NTFPs will be somehow affected by more strict restrictions on natural resources, hence an EMDP is required;
- The project is building mechanism for promoting public participation in project designing, operation, M&E;
- Monitoring on livelihood of staff of the forest farms and their families, neighboring villagers and poor people is necessary especially those who may fall back to rely on exploitation of natural resources;
- The current co-management mechanism with neighboring communities is more heard than actually happened and more unilaterally controlled by the natural reserves, therefore a more active and participation of local community oriented co-management plan is necessary for the purpose of the project;

¹¹ Calculation by SIA, according to the rough geographical distribution of the planned NRs.

- Transparency of the project including designing, implementation, compensation and benefits to local communities should be further enhanced;
- Applicable alternative livelihood and livelihood restoration activities as well as related technical trainings and services in general is in shortage;
- There is still a lack of feasible alternatives to the conventional NTFP production, for instance, the current fungus and mushroom production which rely more on logged wood.
- It is found that the current project planning didn't place VDP and Co-management as core activities and gave equivalent attentions. As analyzed in previous sections, this may have negative impact on project implementation¹².

8.2 Recommended mitigations for local livelihood

Impact of the project on local livelihood of firmer farms and villages mainly focus on NTFP, logging, herding, materials for fungus, etc. on the other hand, the affected people are more interested in alternative livelihood plans that the project will provide. Through the SIA and RP organized by the designing institute, the possible alternatives/mitigations at present mainly include:

- Mitigations for forest farm staff facing job changing:
 - Organize trainings on wild animal protection and management and arrange certain job opportunities;
 - Organize trainings on forest nurturing and arrange certain job opportunities;
 - Organize trainings on plantation / gardening and animal raising;
 - Financial subsidies for affected forest farms on restriction of logging.
- Mitigations for restriction of neighboring farmer's access to exploit resources of the forest farms:
 - Trainings for the neighboring households on wild animal protection and arrange certain job opportunities;
 - Organize trainings on forest nurturing and arrange certain job opportunities;
 - Organize trainings on plantation / gardening and animal raising;
 - Pilot of VDPs and the Co-management plans.
- Mitigations for restriction of neighboring farmers' access to NTFP products:
 - Establish the co-management with the neighboring communities through which a

¹² And could not help the project as well as local authorities and NR management to place sufficient and necessary resources to deal with local communities / people thus cause further pressures on NR management.

- benefit sharing mechanism with local communities and local farmers;
- Allow partial access of local people to the neighboring forest farms and the experimental zones of the NRs for collecting NTFPs;
- Provide trainings for neighboring communities on under forest plantation for increasing farmers income;
- Mitigation for decreased supply of materials (wood logs) for fungus production
 - Provide trainings on mushroom and herb plantation;
 - Recruit farms from neighboring communities for construction of the NRs and protection stations.
- Other alternative income generation activities
 - With the pre-condition on give no negative impacts to the operations of the NRs, neighboring farms and forest farm staff should allowed to sell NTFPs and other under forest products;
 - Cooperate with local schools / colleges on establishing experimental and research bases for students as well as increasing social impact of the NRs;
 - Once the eco-tourism of the NRs initiated, using the edging areas of the buffer zones for receiving tourists, establishing co-management with surrounding communities on developing eco-tourism and related services;
 - Under co-management, develop projects on community development and NR protection, for instance, to integrate collection of NTFP and herding with patrolling of the NRs, so that farmers can be encouraged to participate in animal monitoring and protection;
 - The forest farms to promote the development of herb plantation in cooperate with neighboring communities and organize contracted production.

9. Public Consultations and Grievance Redress

9.1 Public consultation and participation

General

As stated in previous chapters, transparent and participatory process will be crucial for effective designing and implementation of VDP, Co-management and alternative livelihood planning. In order to ensure that meaningful consultation and participation would continue to be carried out during implementation, several mechanisms will be put in place. These include:

- Information dissemination will be, as needed, in the local languages and/or will be based on visual, oral and other appropriate means of communication in communities

with limited literacy and language skills;

- Information dissemination methods should be diversified including big posters in community center (store, school, village committee, major buildings, etc.), leaflets and single page to individual households, loudspeaker, broadcastings, etc.;
- Acknowledged ethnic minority leaders and organizations will be consulted;
- As far as needed ethnic minority communities and their leaders will receive additional support and training to enable them to participate fully in decision making processes further disseminate to members in their communities and neighboring;
- Culturally appropriate participatory processes and a sufficient time frame will be established to allow adequate gender and generational representation to express their views and preferences.

Customary rights or values

There may be a potential for resource use restrictions to infringe on customary rights such as access to spirit forests or other cultural or religious values. The following guiding principles will be used by the project to minimize conflicts of land use concerning such customary rights or values. This will also be done in participatory manner with the communities potentially affected by any such restrictions.

Guiding principles

- Existing local use practices will be used as the platform for developing the VDP and Co-management plan, therefore protecting any customary rights as allowable by law and regulations and the Bank policy;
- Spirit forest will be viewed by the project as a land use that should be identified and mapped as one of the physical cultural resources protected by the community
- Wildlife as cultural totems (if any) will be viewed by the project as a legitimate wildlife value and respected to the point that threatened and endangered species are not harmed for cultural practices.

9.2 Conflict resolution and grievance redress

It is possible that problems, complaints, and/or conflicts may arise with implementation of the project, and village development as well as livelihood restoration activities in particular. For various reasons, those (including the bottom level villagers, women, etc.) who were not encouraged (sufficiently) to speak during the preparation of the project may learn more from the project and come up with questions as detailed measures conducted in and near their communities including trainings for alternative income generation, community development activities, public service improvement activities.

This grievance procedure is intended to provide a process for the prompt resolution of grievances raised by persons who are to be affected by the Project. The intent is for the Grievance Procedure to be fair, equitable and transparent and consistent with the laws of China and the regarded provinces. It is also intended to encourage the provision of

feedback to the project, to enable it to appropriately recognize and address any individual grievances related to the resettlement and alternative livelihood, and to improve overall project performance in accordance with World Bank OP 4.12. The resettlement grievance procedure is also designed so that entitlements are effectively transferred to their intended beneficiaries, and to provide a recourse mechanism to resolve disputes in an impartial manner.

Establishment of the Grievance Procedure

Prior to the actual implementing of the resettlement and alternative livelihood activities, the project implementing agency in each of the related natural reserve will:

- (a) Assign one or two Resettlement Grievance Staff (RGSs, better including one female, also can be local community leader) who:
 - Are able to speak Mandarin Chinese;
 - Have received training in conflict resolution;
 - Familiar with surrounding communities and local people;
 - Are either personally or through their family members not likely to obtain any material benefit from the successful completion of the Project; and,
- (b) Publicize this grievance procedure to affected communities / people through various forms including: oral presentations, distributing and posting in a public place and identifying persons who are vulnerable and to inform them of their entitlements and options.
- (c) RGSs should be readily approachable and / or contactable by affected people throughout the Resettlement;

Grievance Procedure

RGSs will be responsible for receiving, investigating and addressing all grievances raised by affected people arising out of or in connection with the Resettlement. All grievances will be documented upon pre-designed form. A copy of the form will be provided to the Complainant at the time the complaint is raised. Where a Complainant requests or requires the assistance of an interpreter (e.g. between Mandarin and Korean) or other aide for the purposes of the Grievance Procedure, such assistance shall be provided to the Complainant by the Project. Where a complainant has difficulty understanding his/her entitlements or the obligations of the project, the related RGS must make a reasonable effort to assist. The grievance procedure should consist steps of negotiation, mediation, and advisory opinion. Detailed grievance procedure should be further developed under guidance of the Bank team after initiation.

Vulnerable Complainants

Where the RGS identifies or the complainant states that him/herself as in a vulnerable position, then the RGS shall adapt this grievance procedure so that the interests of the vulnerable complainant are protected. Examples of vulnerable complainants are suggested to include: persons with disabilities, single female as household head, ethnic or indigenous people, illiterate, homeless or lacking formal legal status.

10. Project Monitoring and Evaluation

10.1 Objectives of the M&E

This section describes the monitoring and evaluation (M&E) framework to be established to assess the performance and overall success of the project resettlement process and alternative livelihood development. Detailed M&E framework to be further developed should include:

- The identification of suitable indicators.
- Data collection to measure performance at appropriate intervals.
- Survey to track changes in the socio-economic environment against baseline conditions.
- A system to regularly respond to M&E results by adapting resettlement program design where necessary and/or modifying implementation arrangements.
- External monitoring to verify internal M&E outcomes and assess performance against the project and the World Banks OP 4.12

The M&E process will have three major functions:

- To monitor the execution of resettlement related activities, to measure progress and verify that resettlement is implemented in compliance with stated commitments (entitlements, activities, resourcing, budget etc.) and schedule.
- To assess whether the RAP and associated programs are achieving their stated goals and objectives; and to identify any problems/issues in implementation which require the Project to adapt program design and implementation. Internal monitoring carried out by the Project and surveys conducted by the external monitor will ensure both that development actions specified in the RWP are implemented.
- To assess development outcomes: whether livelihoods, living standards and incomes of affected households are maintained or improved relative to pre-displacement and land acquisition conditions. The Project will track resettlement outcomes against the baseline conditions of the affected population prior to economic and physical displacement. The external monitor will evaluate development outcomes through review of internal monitoring and consultation with Project staff, affected persons and other key informants.

10.2 Internal monitoring

The internal monitoring and evaluation should involve the following activities:

- Verify delivery of entitlements in accordance with the RAP.
- Verify that agreed measures to restore or enhance livelihoods are being implemented.

- Verify that RAP inputs and activities are delivered to schedule.
- Identify any problems, issues, or cases of hardship resulting from resettlement.
- Assess project affected peoples' satisfaction with resettlement progress.
- Assess numbers, types and significance of grievances; and response to grievances.
- Measure change in socio-economic status against baseline conditions.
- Ensure that that appropriate corrective actions are undertaken and that outcomes are satisfactory.

The results of the internal M&E will be reported on a semi-annual base include qualitative assessment and quantitative data with emphasis on progress towards achieving the objectives of the resettlement and associated activities including skills and vocational training and small business development. Annual reports will summarize progress in implementation of the RAP and present an annual implementation plan for the following year.

10.3 External monitoring

The external monitor will conduct M&E activities on a six-month base include:

- Review of internal monitoring procedures to verify whether they are being undertaken in compliance with the RAP.
- Review internal monitoring records to identify any areas of non-compliance, recurrent problems, or potentially disadvantaged groups or households.
- Review grievance records for evidence of significant non-compliance or recurrent poor performance in resettlement implementation;
- Interview resettlement staff, a cross section of affected households, community leaders and other key informants, to ascertain the effectiveness of resettlement-related activities and the extent to which living standards and livelihoods are restored or enhanced as result of the resettlement process.
- Assess overall compliance with the project and the World Bank OP 4.12 standards.

10.4 Key indicators

Key performance and impact indicators are to be further developed with the detailed socio-economic baseline survey which should be organized upon initiation of the project.

10.5 Budgeting of VDP and the Co-management plan

Based on previous analysis, this process framework recommends implementing VDP and the Co-management plan within the project. The overall project designing failed to pay enough attention to the co-management and community development and in the project overall budgeting, only section 3.4 on “to pilot the eco-friendly operation and management which will benefit tiger population and livelihood of farmers” allocated certain matching fund for fewer activities and mostly focused on operation with staff of forest farms. The project designing also reflected the actual situation in China: the NRs are more capable on administrative management concerning protection, patrolling, research and publicizing in a professional way, meanwhile they are lacking of capacities on communicate, coordinate, cooperate and develop new alternatives together with local communities. For dealing with the picture, this process framework doesn't call for implementation of VDP and the Co-management plan in all the 14 affected villages but to select 4 communities (including one ethnic minority village) for demonstrative and piloting implementations.

VDP of the 4 pilot villages is aimed to promote the comprehensive livelihood development as well as living circumstances for both the villagers and the communities as a whole. Therefore, the proposed budgeting line as proposed in below is not limited to satisfy the purpose of ‘getting villagers physically out of the boundaries of the NRs’, instead, it focuses on exploring a long-term and sustainable cooperation and interaction between the NRs and the neighboring communities.

Budget for piloting of VDPs and the Co-management Plan¹³

Contents	Description	Budget (10,000 RMB)
1. Designing of the pilot plan		
1) Domestic study tour	Study tours to successful project sites / NRs, participants may include: representatives from the pilot villages, staff from the concerned forest farms / NRs and PMO, the external experts;	8
2) Planning	Looking for qualified domestic institutes / experts (2-3) on community development and co-management with participatory approach on field investigation, community discussion, workshop, etc.;	8
2. Implementation of the pilot		
1) Capacity building of the NRs	For NRs concerned with the pilot, provide trainings (investigation, development planning, monitoring, communication, etc.); office facilities (computers, printers, digital cameras, etc.) and e-business related items (website establishment, operation and management);	20
2) Capacity buildings for the 4 communities	Trainings for communities on planning and implementation (participatory planning, community capacity planning, etc.), office facilities (computers, printers, digital cameras,	20

¹³ For the 4 local communities (including one ethnic minority village) to be further identified.

	etc.), trainings on management and operation of e-business;	
3) Infrastructures for the 4 communities		
- Production	For alternative income generations, including: greenhouse, drop irrigation and spray facilities, bee farming facilities, production facilities and primary process equipments for mushroom, herbs, etc.	60
- Public services	Facilities and equipments for piloting the eco-friendly and sustainable living, including: timber saving stoves / heating, solar lightening, sanitary drinking water, bio-energy, etc.	60
- Infrastructures¹⁴	Tapping water, road improvement, etc.	—
3. M&E and external technical support		
1) Technical support	Hiring qualified domestic institutes / individuals on community development, co-management for providing supervision, consultation, technical support to the pilot and organize documentation, possibly on the semi-annual base and could be jointly organized with M&E;	10
2) External M&E	Hiring qualified institutes / individuals for the external M&E and for documentation of the pilot process, possibly on the semi-annual base and could be overlapped with M&E for RP;	8
Total		194

Elaboration of the budgeting

This budgeting includes 1.94 million RMB and covering planning, implementation and M&E / technical support.

1. Development of the VDPs and the Co-management Plans, 160,000 RMB. Mainly for:
 - 1) Hiring qualified domestic institutes and / or individual experts (2-3) who are capable to develop the plans through participatory approach;
 - 2) Organizing domestic study tours to successful NRs running co-management, participants will include: representatives (2-4 each village) of the 4 pilot communities and the related staff from the concerned NRs responsible for livelihood development, communication, trainings publicizing in local communities;
2. Reserved fund for implementation of the VDPs and the Co-management plans,

¹⁴ In general, this section concerns large investment and needs to cooperate and coordinate with governmental planning, on the other hand, basic infrastructures may not be that necessary for the piloting. Anyway, it is recommended that try to look for cooperation with local governmental planning on development of basic infrastructures while developing the VDPs and the Co-management plan.

1,600,000 RMB¹⁵. Mainly for:

- 1) Capacity building of the NRs, mainly focus on the long-term cooperation and interaction with the neighboring communities on resource / benefit sharing, species protection, alternative livelihood development and etc.. Certain office facilities / equipments will be provided to the NRs, trainings concerning community work, livelihood development and monitoring, communication and e-business for supporting alternative community livelihood will be organized;
 - 2) Capacity building of the pilot communities, mainly include trainings on planning, project implementation and management, productive techniques and e-business; necessary facilities and equipments will be provided to the 4 villages;
 - 3) Constructions in the 4 pilot communities mainly concerning production, living and basic infrastructures:
 - For production: mainly facilities and equipments for piloting and demonstrating alternative livelihood activities including greenhouse, drop-irrigation, spray, bee-farming, mushroom, herbs, etc.; certain facilities for primary processing of local products may also be provided;
 - For living conditions: mainly refers to inputs (facilities, equipments, technologies, trainings) for demonstrating and piloting the sustainable and eco-friendly living style include timber-saving stove and heating, solar lightening, sanitary drinking-water, bio-mass energy, etc.;
 - Basic infrastructures: because of the high cost and the fact that basic infrastructures in China is mainly under planning of local government, the project should seek for opportunities to collaborate with local government so that some official supported pilots on integrated community development might be allocated to the 4 communities and / or concerned townships;
3. External M&E and technical support, 180,000 RMB. Mainly for:
- 1) External technical support, mainly for providing on-site technical support, consultation and supervision for the organization, management and impact assessment of the pilot activities in a semi-annual base;
 - 2) External M&E, mainly for safeguarding the implementation of the designed pilot activities under VDP / the Co-management plans and the allocation of necessary resources. The external M&E will also help to keep full documentation of the process, impacts, problems occurred and countermeasures taken during the implementation.

¹⁵ 不包括可能的基础设施建设预算。