Gansu Beneficiary Participation Manual

under

World Bank Financed
Integrated Stockbreeding Development
Project of China

Gansu Provincial Project Office

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FOREWORD

The Integrated Stockbreeding Development Project (the ISDP) aims to improve the living standard of herdsmen in Gansu Province and Xinjiang Uigur Autonomous Region by building up the competitiveness of the Chinese stockbreeding and improving the production and management system of stockbreeding while maintaining the sustainable utilization of natural resources. The Project will be executed with an integrated methodology, where the improvement in capacity of animal production will be related to the sustainable management on grasslands, the establishment of a reliable supply system of forages, the improvement of animal production by hybridization and breeding, the establishment and enhancement of local associations of herdsmen, the improvement of livestock marketing network and the setup of an effective legal system and organizational system.

This proposed project will be so designed to address the problems prevalent in some areas of West China, including rural poverty, serious grassland deterioration, unsustainability in the mode of stockbreeding production. Accordingly, the proposed project will be a trilogy: i) grassland management and improvement; ii) stockbreeding production, and iii) marketing of animal products. In addition, the Project management, supervision and evaluation shall be a separate integral part thereunder.

Under the Project, the extensive participation of beneficiaries in its preparation, design, implementation and evaluation thereof is a fundamental objective for its development and an active measure for its ultimate success, which will be based on the initiative participation of beneficiaries (peasants and herdsmen mainly). Consequently, it is necessary to increase their initiative of participation in the ongoing Project. This "Beneficiary Participation Manual" formalizes and normalizes the course of consultation to the affected groups into a controlled mechanism to make sure all the interest parties are involved in decision making. This is also a strategy that allows the affected to dominate and share their control power with respect to the Project and resources, minimizing the social costs of the ongoing Project, eliminating whatever negative influence that may arise therefrom and reducing the disparity related to wealth, nationality and social gender.

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1 This Manual is drafted by the Cross-cultural Consulting Center at Zhongshan University. See the “Social Assessment Report under the Integrated Gansu Stockbreeding Development Project” for related data.
I. Analysis of Benefits under the Project

1. Analysis of Benefited Groups

1.1 Distribution Characteristics of Benefited Groups

(1) Distribution of Benefited Groups

So far, there are 14 counties (cities) in Gansu Province that have applied for the ISDP, including Jiuquan City in Jiuquan District; Zhangye City, Sunan Yugur Autonomous County, Yongchang County under Jinchang City in Zhangye District; Weiwu City, Tianzhu Tibetan Autonomous County, Linxia County and Kangle County under Linxia Hui Autonomous Prefecture, Lintan County and Zhong County under Ganlan Tibetan Autonomous Prefecture, Jingyuan County under Baiyin City in Weiwu District, Lintao County and Dingxi County; Yuzhong County under Lanzhou City in Dingxi District, which all belong to the directly benefited areas. In addition, the Huangcheng sheep farm of Gansu, the fine poultry and livestock breed farm of Gansu and the Haoweier Dairy Products Group Company are also involved in this Project as direct beneficiaries. According to the statistical data in 1999, the above 14 counties have a total rural population of 6,322,800, accounting for 31.30% that of the whole province and 24.87% of the total population of the Province. If residents around the above participating counties are counted in, the number would be greater, who are also beneficiaries under the Project.

Among the 9 directly affected districts, prefectures and cities, Jiuquan, Jinchang, Zhangye and Wuwei fall into the Yellow-River-West Irrigated Farming Zone and the Qilian Mountain Pastoral Zone; Linxia and Gannan are minority regions, or the Southern High, Cold and Dank Zone in terms of industries, where the agricultural foundation is week but stockbreeding developed with a tradition of sheep herding; Dingxi, Baiyin and Lanzhou belong to the Midland Dry Agricultural Zone. Particularly, Sunan and Tianzhu are purely pastoral counties, while the others are semi-agricultural and semi-pastoral ones. The Project has essentially covered the major pastoral and semi-agricultural/semi-pastoral areas in Gansu Province.

(2) Anticipated Number and Distribution of Beneficiaries Related to Each Subproject

Under the subproject of grassland management and improvement, it is estimated that herdsman on a pastureland area of 543,300 ha will become beneficiaries. Under the subproject of sheep breed improvement, a population of about 4,800,500 out of 960,100 families in the affected counties will be benefited; under the other subproject—the construction of marketplace, in addition to peasants, herdsmen and town dwellers trading on the marketplace, residents around the participant counties and those in the coverage of the marketplace for livestock products are also included in the benefited population, which is estimated to be not less than 10,000,000 in Gansu Province only, nearly 50% of the total population of the Province.

The benefits arising from the Project shall vary with the correlation with the Project. From the perspective of zoning, core area and fringe areas might be formed. Core areas refer to such small communities as townships, towns, bazaars and villages, where the loan under the Project is mainly allocated and direct beneficiaries gather. Fringe areas refer to communities around the aforesaid communities, where indirect beneficiaries are distributed. Since the implementation of the Project may produce a staged outward diffusive effect, fringe areas may be differentiated into several fringe sub-areas with different degrees of benefit, which will be benefited more directly if closer to anywhere the Project is implemented, vice versa.
The benefiting duration resulting from the Project shall be: 3 years as the construction period, 2 years as the commissioning period, output on the 6th year of implementation and 15 years as the estimated period before profiting. According to herdsmen, any livestock breed would deteriorate after 3 years of continuous use, therefore the benefiting period from breed improvement will be the shortest. Moreover, the benefiting period from grassland management and improvement is no longer than 20 years, because both the natural environment and technology are always changing at a shorter and shorter cycle averagely, but the ecological benefits arising from the grassland management and improvement will be long dated for the residents in the affected areas. It may take a longer period to benefit from the construction of marketing system. If well managed, the Project will offer long-term social benefits.

(3) Distribution of Disadvantaged Benefited Groups

Minority counties account for 75% of the participant counties in this social appraisal. At the 4 counties investigated, large numbers of nationality populations are found in belief of Islam, such as the Hui, Dongxiang, Baoan and Salar people, as well as those in belief of Tibet-introduced Buddhism, including the Tibetans, Tu and Yugur people, were they inhabit are core areas under the Project. Additionally, a considerable number of poor families exist at the affected areas, particularly at Linxia, Kangle, Lintan, Jingyuan, Dingxi and Lintao Counties, which themselves are poor counties in Gansu Province and areas that poor populations of the Province are the most concentrated. Lending to them to help them develop production is of greater significance than to non-poor counties whether for these poor populations or for the poor counties.

1.2 Composition of Benefited Groups

The basic benefited public is composed of all the peasants and herdsmen (inclusive of women, the elderly and children, workers out of home, believers of different religions, the poor) in the affected areas, both those from surrounding areas and townsmen who purchase their livestock products, enterprises and individuals engaged in product circulation and processing, technicians and other personnel at county/township farms and stations, all levels of governments in the Province involved in Project management, civil servants, institutes involved in technical consultation and research in relation to the Project and staff of schools.

(1) Peasants and herdsmen are a benefited group, to whom the Project is directly relative, because the loan is mostly directly lent to them and partially indirectly also to them otherwise to produce benefits. Not only peasants and herdsmen at the affected counties, but those from other counties/cities will be involved in the rolling benefits under the Project. For instance, the construction good strain breeding farms and introduction of fine livestock breeds will also be oriented to peasants and herdsmen in the non-affected areas while serving those in the affected areas, so as to increase their household income by improving their breeds. Peasants and herdsmen with varied class status will be benefited at different degrees. When an economically able person is granted a loan, he shall bring along the poor who are unskilled and unable to manage to develop business projects, while disadvantaged groups, such as the poor, may obtain funds to develop products in the most urgent need.

(2) Women are a directly benefited group. Since many men labors in the affected rural areas are working out of home or engaged in nonagricultural businesses, women serve as the main undertaker of household stockbreeding productions. Accordingly, the Project will help improve their living conditions and degree of involvement in labor, reduce any inequality caused by sexual disparity and turn women into important participants and beneficiaries. In
rural families at the locations of investigation, the labor-capable elderly are also main participants of household fish breeding and poultry raising, which requires a smaller labor intensity than crop cultivation and is more suitable for the healthy elderly. Consequently, the Project will also directly benefit the elderly in the affected areas.

(3) Children and the labor-incapable elderly are an indirectly benefited group. The Project shall be implemented to improve the living standard and household income of peasants, herdsmen and townsmen, further benefiting those disabled or labor-incapable. The elderly will be better supported, children will be educated under better conditions with their necessary nutritional standard during their growth and development period increased correspondingly; particularly, the educated period for the next generation will be prolonged. For example, the son of Wang Xinwen—a peasant at Humagou Village, was admitted to a technical school in Weiwu after graduation from a junior high school, but he finally gave it up failing to pay the tuition and incidentals amounting to RMB5,000. Owing to poverty, children of large numbers of families had to discontinue their study at the stages of primary school or junior high school, or became qualified for but unable to enter a school. When their household income increases with the continuation of the Project, these problems will be effectively come to a relief.

(4) The poor is a directly benefited group. In the sequencing of causes to poverty made by residents at the locations of investigation, "low literacy and absence of a professional skill" is the principal cause to poverty. In their opinion, low literacy inevitably gives rise to informational obstruction, low competitiveness and inability to develop, fund shortage necessary for production is a more direct cause to further poverty of the poor. The loan under the Project aiming at peasants and herdsmen will directly improve their conditions to develop production.

(5) Various livestock farms and stations at county/city, township/town and village levels are also a directly benefited group, which is the major technical support system to the Project and also the direct undertaker thereof, and will be directly benefited from direct loans and technical services oriented to peasants and herdsmen without question.

(6) Specialized transporters, commercial corporations and small retailers are also a benefited group. With the market development and enlargement, the demand for transportation and marketing will increase correspondingly. Commercial firms engaged in processing of livestock products, such as Haoweier Dairy Products Group Company, not only may acquire raw materials of better quality when their surrounding affected areas become benefited, but also serve as direct executives of the Project, creating new channels to make money for individual retailers of the Hui nationality purchasing, trafficking and processing cattle, sheep and pelt.

(7) Townsmen are another benefited group. The Project is surely to carry the productivity of stockbreeding onto a higher level, offering townsmen livestock products with good quality for money.

(8) The Gansu Provincial Government, all levels of governments at participant counties (cities) and townships (towns) are also a benefited group, because the Project will be implemented under the organization and leadership of the government to engender sustained benefits. For example, the increased local fiscal revenue arising from added taxes will somewhat improve the office facilities of local governments in Gansu Province and finance more funds for local development.
(9) Managers of the affected areas are direct beneficiaries. Thanks to the advanced management approaches employed in the Project, such as the full-course involvement of those benefiting from the Project, managers of the affected areas will be able to continually receive training on participative managerial techniques at each stage of the Project as required for its implementation, when their level of management will be elevated.

(10) World Bank, the most important beneficiary, will win favorable economic and social benefits by helping Gansu Province and the Uigur Autonomous Region of Xinjiang develop the industry of stockbreeding through lending. Investing in China—a country featuring rapidly developing economy, social stability and prosperous market—is in great prospect of profiting at low risks. Accordingly, at the maturity of the loan, World Bank will undoubtedly recover the principal and interest in full, securing a tangible asset, also build a nice image before the Chinese and the World, winning a precious intangible asset.

(11) Splitting of direct and indirect beneficiaries: Among the integral groups of all the beneficiaries, those engaged in the production and circulation of stockbreeding belong to direct beneficiaries, those not or only indirectly engaged in such activities are indirect ones. In this way, peasants, herdsmen, county/township (town)-level farms and stations, specialized transporter, commercial firms and smaller retailers are direct beneficiaries, while the government, townspeople, the elderly and children in rural areas (when they aren’t engaged in the production and circulation of stockbreeding) belong to the latter type.
2. Expectations of Beneficiary Participation

The degree of involvement of peasants and herdsmen is a measurement of their sense of mastery and the manner and durability they care about their own interests. Under ideal conditions, the degree of involvement of Project participants, embodied in beneficiaries' enthusiasm to scramble for a loan, purposefulness to utilize it and meticulousness of planning thereabout, is proportional to their degree of being benefited.

2.1 Involvement Degree of Peasants and Herdsmen

(1) It is understood by every peasant and herdsman that enrichment comes only from diligence and no fund, no development. Anyone, whether senior, intermediate or junior in terms of economic status, has a desire of borrowing and realizes the importance of repayment. They are pleased to participate in any meeting and discussion with respect to the loan, answer any question raised by the Appraisal Group and cooperate in its work by expressing the willingness to input property or any other things for the Project if necessary.

(2) The degree of involvement may be affected by age, literacy, ideology, experience, knowledge, household income, state of operation, etc. Peasants well possessing such factors are more active to borrow more funds for their already planned long-term programs of economic development, which shows a higher durability and degree of involvement among these peasants and herdsmen. On the contrary, those without or partially with such factors are either afraid or unwilling to borrow much for fear of insolvency, indicating a lower activity and durability of participation.

2.2 Involvement Degree of Disadvantaged Groups

(1) Among disadvantaged groups, except for those utterly destitute, residents at the locations of investigation showed no significant difference in nationality or religious faith as to the behavior of participation.

(2) At Sunan County, herdsmen hope to develop double-purpose sheep for both fleece and mutton, peasant advocate developing mutton sheep, especially hybrid varieties between small-tailed cold-resistant sheep and high-mountain fine-wool sheep or native sheep in Gansu, which may breed and grow fast. Tibetan herdsmen at Tianzhu County desire to develop white yaks, fluffy goats and double-purpose sheep, while the Hui people at Kangle County favor cattle and sheep fattening.

(3) The poor are low in the degree of involvement mostly with common causes, such as low wisdom, less grassland or tilled land, many children, few labors, family member suffering from diseases, lack of funds or appropriate projects, being illiterate and unskillful. These factors are reciprocally causal each other to lead the poor to a circumstance unable to lift themselves out of poverty. Poverty gives rise to a desire for change, which is the desire in the mind of everyone poor, but they are too weak to break away from poverty relying only upon the strength of a family even though provided with a loan. Since they are fully aware of this, it is impossible for them to be very high in degree of involvement or durability. Provided, however, that some poor families could borrow the loan in a united manner in the greater hope of success, their zest and persistency of participation may be enhanced.
2.3 Involvement Degree of Village-level Organizations

At the villages investigated, every villagers' committee represented a very good level of involvement by offering zealous support to the Appraisal Group, including participating in the spot survey of the Appraisal Group, organizing villagers to participate actively, being cooperative in investigation, drawing maps, making introductions, organizing discussions and calculating basic data for the Group.

2.4 Involvement Degree of County (Municipal), Township (Town) Governments

(1) Special organizations have been set up at the affected counties/cities each answered for by a major county (city) leader. In fact, leading groups at most counties (cities) are very concerned about the Project by active coordination and communication. Governments at the participant townships (towns) play an important role in communicating up and down, helping World Bank and the Provincial Government establish the Project and assisting the Appraisal Group, so as to prepare for the Project implementation. However, competent authorities at very few participant counties, such as the Agricultural Bureau of Yongchang County, failed to cooperate the Appraisal Group in work very well and seemed very unwilling to take part in the appraisal work without giving a prior notice to township and town governments concerned when informed thereof, briefing the Group about the Project planning at relevant counties very seriously, nor cooperating necessarily on the forum held by organizations under the Appraisal Group with county authorities concerned. Such behaviors in participation have caused many adverse effects on the work conducted by the Appraisal Group. Some township governments were less participative, where public servants failed to provide pertinent data for the precinct thereunder timely and accurately, such as Shuiyuan Town under Yongchang County, Minglu Township under Kangle County, etc.
3. Lending Organizations Available to Beneficiaries

3.1 Consanguinity Based Organizations—Family

The implementation of the Integrated Sheep Development Project focuses on an organizational chain, where family serves as the terminal link by borrowing, utilizing funds, creating values and repaying. In the unit of family, peasants and herdsmen are connected to secondary organizations, which, in the unit of itself each, combine with other units of the like and get further connected to tertiary organizations, and so on so forth until the chain is extended to World Bank. Family is both the end point and start point of this chain, because a sum of fund is firstly distributed down this chain originally from World Bank, then the interest and principal will be transmitted up also along this organizational chain finally to World Bank.

3.2 Geographic Relationship Based Organizations

(1) Villagers' committee: organization of an administrative village (composed of a few natural villages) consisting of 4-5 natives, mainly responsible the management of major events of the whole village, e.g., fulfilling any task assigned by the township/town (family planning, collecting public grains, profit deductions and reserving, etc.); settling civil disputes in the village; allocating resources therein; negotiating and communicating with governmental agencies on behalf of villagers.

(2) Other village organizations: Party branches, Youth League branches and militia battalions are dedicated to the administration on Party and political major events, organizing youthful activities, maintaining the public security in the village; social management councils are village-level economically intermediary organs operated by peasants and herdsmen that coordinate the cooperation between peasants and companies under the operating pattern of “company + peasant family”. Women's federations are village-level organizations on behalf of women under the Women’s Federation of China and in connection with all levels of like organizations in work coaching with a view to mobilize and organize rural women groups to develop. The women's federations at the locations of investigation are very experienced in organizing women to participate in various rural support-the-poor projects for many times, especially women-oriented small grant projects, so they are competent for such activities under this Project. In addition, there are some other dedicated mass organizations, including family planning associations, village grassland management teams in pastoral areas, civil mediation committees and public security commissions, which serve as capable assistants for the villagers’ committee. These mass organizations commonly feature a greater part of staff shared with other organizations, who are elitis in the village with higher prestige and promise of success. Villagers’ teams are organizations in natural villages and also secondary ones dependent to villagers’ committees with the function to manage daily affairs of the village. Schools, primary schools mainly, also including junior high school at villages with bazaars, have the primary function to train and educate children.

(3) Branches down passed from functional departments of the county government to townships /towns and further stretching to villages

Grassland administrative stations, mainly in charge of the guardianship on local grasslands, publicizing the Grassland Law and managerial, maintenance techniques of grasslands, also assisting herdsmen in harnessing the problem of grassland deterioration; pastoral veterinary
stations, offering compensated services on epidemic prevention and treatment of livestock, conducting periodic monitoring on epidemic situations; agrotechnical stations, dealing with agrotechnical services; village breeding stations, providing livestock breed improvement and breeding services to villagers; and rural credit cooperatives, granting short-term small-sum agricultural and pastoral loans to peasants and herdsmen, also absorbing their deposits.

(4) Interrelationships among Organizations

Among various organizations, consanguinity based and geographic relationship based ones are the closest, which coexist in a same environment and interpenetrate each other. When the Project is executed at this level, the sphere of functionality becomes rather ambiguous between the two types of organizations. Among geographic relationship based organizations, villagers' committees are the crucial medium to connect grassroots governments with peasants, through which it is very easy to get aware of the interaction between peasants and the government, as well as the basics and trends of the rural society, economy and people's life. Branches stationed at villages dispatched by higher authorities are channels extending downward, very distinct from the former two types of organizations in terms of relationship of administrative subordination, authorities and responsibilities.

3.3 Significance of Existing Organizations to Beneficiaries

(1) Having undergone 52 years' organizational construction, a sophisticated, effectively acting organizational network is available in rural areas. The Integrated Sheep Development Project may avail itself of some existing organizations without the necessity to completely set up its own new ones.

(2) It's very costly to set up and run new organizations: (1) the existence of old ones shows their continued ability to play. To replace them with new ones might cause unnecessary conflicts in functionality, then new ones have to spare some effort to cope with disputes before being able to rationalize their interrelations; (2) it would take some time for a new organization to debug its organizational structure and train its staff; (3) a new organization, for a long period, may not necessarily get any support from other counterparts in the social environment; and (4) in the view of most peasants and herdsmen, even if new organizations—associations of herdsmen—are set up, they should be based on village cadres mainly, because they can not function without the support and cooperation of villagers' committees or human resources of existing organizations.
II. Beneficiary Participation Program

1. Set up Associations of Herdsmen

An association of herdsmen (abbreviated as ‘AH’) is an organization joined and managed by peasants and herdsmen engaged in animal production themselves under the government’s support in a village. An AH is long-standing and may initiate activities on an irregular basis. When the Project is closed, AHs will remain as a non-governmental economic organization. However, any functional and organizational conflict must be avoid between an AH and the local township and village government.

Functions of AH:

1. To ensure that the power of participation of peasants and herdsmen can be exerted and embodied by supervising and controlling the granting and use of village-level loans.

2. To convene and help organize technical training and services related to stockbreeding in the village, e.g., asking an exemplary villager to conduct training, convening members of the AH to attend technical training and advisory activities organized governmentally, organizing villagers to utilize stud rams on hand or buying the same through funding, offering breeding services at reasonable charges, which may both benefit villagers and give a continuous play of the AH’s functions.

3. Providing marketing services, such as offering market information, organizing group selling, etc.

4. Grassland management. To assist the villagers’ committee or grassland regulatory body in supervising the amount of livestock on hand (there are generally definite criteria for the stock-carrying capacity of grassland everywhere) at affected villages with natural grasslands, for those exceeding the criteria, either persuade them to feed in a pen or sell; to supervise the government or grassroots management organizations on the utilization and management of grasslands, and to appeal via an appropriate channel if problematic; to stop whatever act to seize grassland resources by any outsider in conjunction with the militia or joint-defense personnel in the village. Grassland managerial departments (the county/township grassland station) shall specially assign someone to assist the AH by teaching the knowledge on laws, grassland protection and improvement, establishing a legal channel for compliant, coordinating grassroots village organizations with the AH.

5. To make suggestions to competent governmental authorities on protection of grassland, construction of forage fields, management of market, disease prevention and curing for livestock and other issues with relation to the development of stockbreeding.

6. To elect or dismiss a member of the Project executing team. When a proposal is tabled by 10 or more members in an AH jointly to dismiss an incompetent member of the team, it shall be referred to the general meeting of AH for discussion, the member in question shall be dismissed upon a resolution passed by a simple majority of the AH members.

Setup of AH:

Step 1: An affected county shall select 3 villages thereunder where the animal production is relatively developed and grassroots organizations are more active for the experiment work of an AH.
Step 2: At the experimental villages, the county Project working team shall hold a village duly convened by village leaders to discuss the necessity to found an AH, its function and possible benefits to the animal production.

Step 3: After a preparatory period of 1–2 weeks, the articles of association of the AH shall be discussed formally, including its mission, role and target, the rights and obligations of a member, the formalities for entry into the AH, its relationship with the villagers' committee, then its leaders shall be elected.

Step 4: Delegates from the county/township Project offices and competent authorities shall summarize the experiences and lessons during the foundation of the AH at the experimental villages for the purpose of popularization. Whoever willing to set up an AH voluntarily may, with the consent of competent authorities, organize by themselves.
2. Suggestions to Ensure Beneficiaries’ Full Participation

During the course of Project design and implementation, with a view to guarantee all types of Project beneficiaries can be timely informed of the Project and have an equal opportunity to propose their own suggestions for pertinent problems, also to enable the Project management organizations to be well informed of dynamics of implementation and make scientific decisions based on practical situations, Project management organizations at all levels may arrange their work with reference to the following suggestions:

1.1 Project working teams: Project implementing teams shall be set up at the township/town level consisting of village representatives (1–2, elected by each administrative village), township government delegates, professionals at rural credit cooperatives, personnel from township/town stockbreeding stations, grassland management stations and county Project offices, amounting to some 20–30 persons. The team shall held a meeting quarterly to discuss any problem with the Project implementation.

1.2 Process of Project decision-making: It is suggested county Project offices and township implementing teams propose a preliminary plan, which is communicated to meetings of administrative villages by village representatives for villagers to widely discuss and give feedback on revision. These suggestions are finally fed back to the Project administrative authorities, which will come to a final decision balancing the interests of parties concerned based on full consideration.

1.3 Loan granting: Peasants and herdsmen may enter into a debtor-creditor relationship with World Bank through loan implementing teams. It is suggested that loan implementing teams set up at the township/town level on the basis of rural credit cooperatives to collect problems and peasants’ suggestions arising from the Project and feed them back to World Bank. At the same time, such teams shall also be responsible evaluating and determining the prospective borrowers and line of credit at each village.

1.4 About information: Project management organizations shall provide charge-free and public information to peasants at the affected areas on a regular or irregular basis covering such items as loan interest, term, loan management and repayment, market quotations of animal products, applications of new technologies on stockbreeding, etc. Moreover, the activity regulations and dynamics of those organizations set up as required for this Project, such as associations of peasants and herdsmen, should also be released to peasants publicly and freely via many channels, such as posting a notice at an administrative village, broadcasting at a bazaar or holding a village meeting, so that all the beneficiaries may capture relevant messages and give feedback therefor.

1.5 About monitoring: Project monitoring and participative rural appraisals shall be employed to widely collect suggestions from beneficiaries to facilitate their communication with the Project management organizations, which will then make more practical amendments based on timely mastery of Project dynamics.

1.6 About women’s practical needs of benefit: It should be prescribed that women account for a proportion of some 30% inside all levels of organizations for Project management and implementation, and a one-vote veto system shall apply to any scheme in breach of the sexual equality. Furthermore, all levels of women’s federations shall be fully taken advantage to guarantee women’s title to equal participation and increase their ability of participation.
1.7 About the practical benefits of minorities: Since minorities mostly inhabit the affected areas in a centralized manner, where the State Law of National Autonomy applies fundamentally at the county, township and village levels and the status of national autonomy is well established, thereby Project management at these levels shall be pursuant to this law without any special design. For minorities living in a scattered way, favorable measures may be taken with reference to existing ethnic policies of the government. During the Project implementation, cultures and customs of minorities should be fully respected, avoiding any act roughly severing the synchronous development between their economy and culture. In practice, this may be coordinated or controlled by existing regulatory agencies of minorities—minority committees—to realize a properly sequential development of national economy.
3. Beneficiary Participation During Project Implementation

3.1 Operations of Small-sum Loan

Since the Project is large in coverage and situations vary from place to place, petty loans oriented to peasants and herdsmen individually will be granted in the unit of county with the operating procedures tailored to each county.

Peasants and herdsmen at the affected areas are very eager for such loans but have varying expectations to the term of loan due to the difference in household circumstance, ability and demand. Within the allowable term of loan, individuals are encouraged to decide on the term as their own demands may be under a flexible mechanism. Moreover, when the principal and interest are recovered, the loan may be granted to others to increase the number of turnover of funds and help more people.

Step 1: During the course of Project design, the Project executing team shall hold village meetings (at least once) and small scale seminars (at least twice) in the unit of village, visit delegates (at least 5) of authoritative persons and disadvantaged groups (women, the poor, etc.) in the village to take counsel with villagers extensively on the limit and term of credit, procedure of application, channel of granting (the course that the loan is passed to peasants and herdsmen from World Bank), intent to use, mode of repayment, etc., and feed them back to the township Project workstation, where suggestions from villages shall be summarized and submitted to the county Project working team for design. When the design gets accepted by the county Project office, it shall be filed to the Project Office of the Autonomous Region for approval.

Step 2: Full publicity shall be given before the loan is granted through expedite channels of information, such as TV, broadcast, conference; issue of “bulletin of Project information”, so that every peasant and herdsman will be fully aware of the objective, interest rate, term, amount, procedure of application of the loan. However, it should also be communicated that they are at the risk of paying the principal and interest on time.

Step 3: Every loan applicant shall submit a borrowing proposal detailing his development plan, the feasibility and necessity of which shall be discussed among villagers in a villagers’ team (this is also an opportunity for villagers to learn from each other and participate in the Project). Finally, it’s up to the Project team to determine the list of borrowers and their sums, and to further discuss the practicability of development of those probably having difficulty in repaying and settle on a detailed plan. The names, line and term of credit of all borrowers will be registered for submission to the county Project office.

Step 4: The loan shall be directly granted to borrowers with the organization of the county Project working team, which may retain an intermediary agency for supervision thereon or a rural credit cooperative for granting. After that, a loan inspection team shall be composed of delegates of the county Project office, loan granter and local peasants. The team shall check whether the loan fund is in place by spot-checking a certain number of borrowers in different villages and then report the results to World Bank.

Step 5: In every January-February within the Project period, the village Project executing team shall preside meetings of villagers’ teams, on which borrowers shall explain how is the loan being utilized, benefits therefrom, experiences and lessons for other villagers to discuss. Then outstanding borrowers shall be elected as exemplars for publicity.
A considerable number of affected communities are cross-inhabited by many nationalities, which is evident in North Xinjiang. Although an equal and united inter-national relationship is the social mainstream, nationalities with a smaller population may be disadvantaged due to the relative shortage of social resources, for whom institutional measures are necessary to ensure their equal opportunity.

At villages with a simpler composition of nationalities, it is practical to allocate the loan in proportion to the number of families of each nationality, where the Project team shall decide on the final list of borrowers according to villagers’ appraisal of applicants.

At villages with a relatively complex composition of and great population disparity among nationalities, a certain amount of loan may be set aside for eligible borrowers belonging to the ethnic groups with a smaller population.

### 3.2 Training

The training shall cover modern stockbreeding technology and marketing knowledge.

Peasants and herdsmen at the affected areas are low in literacy, relatively short of scientific knowledge on animal production. Under the condition barely enough for subsistence, most of them dare not take the risk of trying new breeds and would rather deal with the traditional aspects in animal production steadily. Furthermore, the lack of marketing knowledge among producers narrows the sales coverage of their products, the production derails with channels of distribution, which are all important factors restricting the benefit maximization under the Project. Consequently, it will a crucial aspect thereunder to strengthen the training on in this regard and improve and quality of human resources.

The Project offices shall provide necessary appropriations in support of such training.

The training may be multiform:

**Method 1:** List the training in the technological training programs of all levels of councils for science and technology, so that existing resources may be taken advantage of to conduct training with relation to the Project.

**Method 2:** Found a technical support organization.

The Project Office of the Autonomous Region shall retain some stockbreeding experts and organize them into an association of technical support to hold seminars on TV, write popular articles, news letters and press releases (multilingual) on scientific stockbreeding, or conduct technical publicity and demonstration at affected counties, townships on an irregular basis.

Local zootechnicians and veterinarians in an affected county shall conduct technical training at agricultural and pastoral areas as a technical support team.

**Step 1:** Based on an full understanding of the Project design, experts and technicians shall conduct training with focus on techniques suitable to the local stockbreeding. At the same time, they must have received the participative training with a view to increase the sense of participation and initiative of learning of peasants or herdsmen being trained and solve their practical challenges in production. During training, experts should also understand villagers’ requirements on content and form of technical training comprehensively and feed them back to the association of technical support, so as to optimize the training.

**Step 2:** Such training shall be conducted in slack seasons (winter). Several days before the
commencement of training courses, experts shall inform villagers of the technical title of the planned training and tell them to prepare their problems with production for discussion on the seminar through the township radio station and villagers' committee.

Step 3: Organize training courses of different types:

(1) Ordinary training for villagers, to popularize basic techniques and knowledge by explaining;

(2) Advanced training, mainly for specialized major cultivators with certain skills and experiences of stockbreeding in the form of forum, where experts shall exchange with trainees.

The technical training shall give special consideration to disadvantaged groups (women, the poor, minorities with a smaller population, the elderly engaged in production, etc.). Since they are less confident of their personal capability and knowledge with a weaker initiative, the villagers' committee and Project working team shall try best to mobilize them in participating the training courses.

Method 3: Disseminate technological knowledge by means of mass media.

Provide charge-free or low-cost booklets (mainly in Uigur, Kazakh, Mongolian and Chinese) on the Project and techniques of stockbreeding to grassroots cadres, peasants and herdsmen at the affected areas. The county TV station organize more intelligible programs on popular sciences, etc.

Method 4: Set breeding exemplars of each family.

At affected villages, under the organization of the Project executing team, 2–4 exemplars who are experienced and skilled in stockbreeding, making money by their own labor, glad to help others and willing to participate in the Project shall be elected by the AH for villagers to follow. A certain support shall be offered thereto in relation to loan granting and livestock shed construction. The annual appraisal of exemplars' role of demonstration shall be taken charge of by the village Project working team and conducted by the AH. Any exemplar who has not played its role of demonstration shall be disqualified and replaced with a new one.

3.3 Grassland Protection

Currently, the prevalent deterioration of natural grasslands has drawn the attention from the government and all circles of the society. Many factors account for this, of which, however, the human factor matters most. For example, partial outside groups or units snatch resources of minerals and medicinal materials on grasslands, or farm thereon, which are not prevented by some shortsighted local governments or grassroots organizations. The absence of rational planning and development has caused the ecological maladjustment and tight water resource. The excess of livestock of peasants and herdsmen on hand overloads grassland and render it irreclaimable. It's advised to involve peasants and herdsmen—direct users and beneficiaries of grassland—in the grassland management, i.e., preventing any forced damage by outsiders, supervising on the behavior of the government or grassroots organs, controlling the grazing load.

Method 1: Set up an AH to build the sense of self-management of peasants and herdsmen as aforesaid.
**Method 2:** The government or the AH shall organize compensated reciprocity at pastoral and agricultural areas, where agricultural areas may provide crop stalk to pastoral areas and the latter may provide fattened sheep to the former. In this way, the load on grassland will be mitigated through the participation of peasants and herdsmen.

**Method 3:** Teach knowledge on grassland protection and improvement for vast peasants and herdsmen, such as how to construct artificially sown pastures, grow quality forage grass, control the amount of livestock on hand, utilize crop stalk and to reduce the loan of livestock on grassland.

### 3.4 Enhance Women’s Sense of Participation

Women at the affected areas have all shown a great interest in the Project and are eager for participation, so as to alter the household financial status. However, women shall participate as neither an individual or a group but a member of family, an assistant of husband or father, because they are apparently disadvantaged as to the right to dispose household loans, design of family plans and affairs of the village. At the same time, they are partially entitled to the decision-making of the family as the mainstay in the household production and labor, which appears as their factual participation in the Project. To enhance their sense of participation and offer them greater chance of participation will be advantageous to not only the increase of their status but also the implementation of the Project.

**Method 1:** To increase women’s right to make decision on household loans and enhance their sense of responsibility in using such loans. If necessary, some technical measures shall be taken to guarantee their rights, e.g., borrowing upon the negotiation and joint signature of a couple, involving all key herdsmen of a family in training, etc.

**Method 2:** The loan shall granted in consideration of single-parent families where women act as householders. Although small in quantity, such families generally lead a harder life, to which equal opportunities of lending shall be provided.

**Method 3:** The technical training must involve women at a percentage greater than 30%, giving consideration to the characteristics of labor division between genders, technical and mental characteristics of women, as well as their acceptability of knowledge. Such training may be participative, aiming to increase women’s interest of learning and the practicability of techniques. It is preferred that the training for minority women be conducted by a woman technician of the same nationality or proficient in the language thereof.
4. Supervision and Evaluation

Establish three independent but closely cooperative supervisory mechanisms, including that by the government of the affected area (county, township and village committees); that under a supervisory mechanism (village Project executing team, AH, etc.) established by peasants and herdsmen affected; and that by supervisors assigned by World Bank. The Xinjiang Regional Project Office and county Project offices shall be responsible for the coordination among the 3 mechanisms and organization of supervisory activities.

The expert assessment organized by World Bank shall be provisional, where the expert panel shall involve a considerable proportion of minority experts.

Peasants and herdsmen's assessment shall be continuous, whose opinions of assessment will be reflected in the following way: AH→village Project executing team→township Project workstation→county Project office, or villager committee→township government→county government, or village veterinarian→township veterinary/grassland/stockbreeding station→county stockbreeding bureau. World Bank and the Project office highly value the results of folk assessment.

The assessment results shall be released in Chinese and languages of major local minorities.

Establish a channel of compliant for beneficiaries so that their ideas and suggestions may be reflected and adopted. County and township Project offices shall formulate the measures for disposal of such complaints, stipulating the handling time and procedures.

**Approach 1:** Complain through the existing organizational system, such as AH→village Project executing team→township Project workstation→county Project office, or villagers' committee→township government→county government, or village veterinarian→township veterinary/grassland/stockbreeding station→county stockbreeding bureau.

**Approach 2:** Issue a “complaint and suggestion table for Project implementation” to village Project executing teams for villagers to lodge complaints in a timely fashion.
### 5. List of Participative Activities

<table>
<thead>
<tr>
<th>Subproject</th>
<th>Participative Activities</th>
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<tr>
<td><strong>Grassland management and improvement</strong></td>
<td>Establishing associations of herdsmen and formulating the regulations thereof</td>
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<tr>
<td></td>
<td>Formulating the management programs for local pasture resources</td>
</tr>
<tr>
<td></td>
<td>Constructing grassland fencing, sown pastures and water facilities</td>
</tr>
<tr>
<td></td>
<td>Discussion about grassland deterioration, formulating harnessing plans therefor</td>
</tr>
<tr>
<td></td>
<td>Technical training on technical grassland management and construction of sown pastures, special training dedicated for women</td>
</tr>
<tr>
<td></td>
<td>Formulating the package credit program by associations of herdsmen</td>
</tr>
<tr>
<td><strong>Stockbreeding production system (sheep, cow, beef cattle, goat)</strong></td>
<td>Training of package program on livestock production</td>
</tr>
<tr>
<td></td>
<td>Women’s participation in training of package program on livestock production</td>
</tr>
<tr>
<td></td>
<td>Discussing the selection of animal strains for improvement</td>
</tr>
<tr>
<td></td>
<td>Wool production, shearing and processing</td>
</tr>
<tr>
<td></td>
<td>Technical training and popularization about mutton production</td>
</tr>
<tr>
<td><strong>Marketing of stockbreeding products</strong></td>
<td>Design of regulations for associations of herdsmen and marketing teams</td>
</tr>
<tr>
<td></td>
<td>Formulating programs to improve the market competitiveness of wool and mutton</td>
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<tr>
<td></td>
<td>Establishment of product quality standards</td>
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<tr>
<td></td>
<td>Discussing and formulating a communication mechanism of market information to peasants and herdsmen</td>
</tr>
<tr>
<td><strong>Project management, monitoring and evaluation</strong></td>
<td>Technical training on participative appraisal (by managerial staff and assessors at Project offices)</td>
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<td></td>
<td>Discussion of county-level Project planning (by depts. concerned at affected counties)</td>
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<tr>
<td></td>
<td>1st round of participative social appraisal to understand the demand of participation among villagers and rural cadres</td>
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<tr>
<td></td>
<td>Training for the 2nd round of social appraisal (by managerial staff and assessors at provincial and county-level project offices)</td>
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<td></td>
<td>The panel of social appraisal experts conducting the 2nd round of quick PRA</td>
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<td></td>
<td>The panel of social appraisal experts conducting the midterm quick PRA</td>
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<tr>
<td></td>
<td>Creation of list and program of participative activities</td>
</tr>
<tr>
<td></td>
<td>Project monitoring</td>
</tr>
<tr>
<td>Period</td>
<td>Activity</td>
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<td>-----------------------------</td>
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<tr>
<td>Preparation stage</td>
<td>Set up channels for information sharing</td>
</tr>
<tr>
<td>Draft, issue bulletin on Project information</td>
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<tr>
<td>Set up county Project working team</td>
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<tr>
<td>Set up township Project workstation</td>
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<tr>
<td>Set up AH</td>
<td>Grant loan to villagers, elect and dismiss members of executing team, help organize technical training, marketing service, grassland control</td>
</tr>
<tr>
<td>Set up village executing team</td>
<td></td>
</tr>
<tr>
<td>Execution stage</td>
<td>Granting personal loan as fair and rational as possible with repayment ensured</td>
</tr>
<tr>
<td>Training</td>
<td>On modern zootechny and marketing knowledge, increase the skillfulness and benefits of peasants and herdsmen</td>
</tr>
<tr>
<td>Winter every year</td>
<td>Collect and compile local knowledge</td>
</tr>
</tbody>
</table>
6. Schedule for Beneficiary Participation

**Abbreviations:**
- VC: Villagers' Committee
- WF: Women's Federation
- VM: Village Meeting
- MGGM: Meeting of group of grassland managers
- GGM: Group of grassland managers
- PO: Project office
- PPO: Provincial Project office
- CPO: County Project office
- TPO: Township Project office
- IGMT: Institution for grassland management techniques
- MTG: Meeting of technical group
- GMS: Grassland management station
- AH: Association of herdsmen
- MAH: Meeting of association of herdsmen
- AG: Appraisal group
- TG: Township government
- SB: Stockbreeding bureau
- SS: Stockbreeding station
- AT: Appraisal team
- TTQC: Technical team of quality certification

<table>
<thead>
<tr>
<th>Sub-project</th>
<th>Project activities</th>
<th>Participative activities</th>
<th>Parties concerned</th>
<th>Manner of counsel</th>
<th>Org. In charge</th>
<th>Duration of activity</th>
</tr>
</thead>
</table>
| Grassland management and improvement | Establishing associations of herdsmen and formulating the regulations thereof | • Staffing for team of managers under association  
• Formulating regulations for team | • All Project participants, women  
• VC  
• WF | • VM  
• MGGM | • VC  
• PO | Long term |
| | Formulating the management programs for local pasture resources | • Finalizing fencing construction program  
• Finalizing of sown pasture planning  
• Financial budgeting | • PO  
• IGMT  
• GGM | • PO  
• IGMT  
• GGM | • PO  
• GMS | Project activity period |
| | Constructing grassland fencing, sown pastures and water facilities | • Materials budgeting and purchasing  
• Construction of fencing project  
• Construction of sown pasture  
• Project acceptance | • PO  
• GMS  
• GGM | • PO  
• GMS  
• GGM | • PO  
• GMS  
• GGM | Project construction period |
| | Discussion about grassland deterioration, formulating harnessing plans therefor | • Defining scheme for dryness harnessing  
• Defining scheme for control of rat and pest damage  
• Defining scheme for control of poisonous weeds | • PO  
• GMS  
• GGM | • PO  
• GMS  
• GGM | • PO  
• GMS  
• GGM | Project construction period |
| Technical training on technical grassland management and construction of sown pastures, special training dedicated for women | • Training on the Grassland Law  
• Training on participative rural appraisal  
• Compiling teaching materials and courses oriented to peasants and herdsmen  
• Compiling teaching materials and courses oriented to women | • PO  
• GGM  
• GMS | • MTG  
• VM  
• MGGM | • PO  
• GGM  
• GMS | Repayment period |
| Formulating the package credit program by associations of herdsmen | • Discussing credit programs for construction of grassland and sown pastures  
• Formulating detailed rules for credit agreement | • AH  
• WF | • MTG  
• VM  
• AH meeting | • AH | After completion |
| Training of package program on livestock production | • Training on feeding techniques (by peasants/herdsmen)  
• Formulating of comprehensive animal health-care program (by technical team)  
• Livestock barn reconstruction projects (by peasants and herdsmen) | • SB  
• SS  
• AH  
• WF | • MTG  
• Joint meeting of SS and AH | • AH  
• SS | Long term |
| Discussing the selection of animal strains for improvement | • Formulating plan about local livestock breed and quality resources  
• Application of new animal breeds | • TG  
• VC  
• Villagers  
• Women  
• County SS | • MTG  
• VM | • VC  
• TG  
• WF | Execution period of breed improving |
| Wool production, shearing and processing | • Technical conditions to set up or improve a shearing station  
• Construction and re-construction of basic facilities for wool production  
• Training on new techniques for wool production  
• Publicizing applications of new shearing techniques to peasants/herdsmen | • PO  
• VC  
• Technical personnel at shearing stations  
• Villagers  
• Women  
• SS | • MTG  
• VM | • PO  
• VC | Construction period |
| Technical training and popularization about mutton production | • Establishing fattening system by peasants  
• Laying strategy to maximize revenue from mutton production and its popularization plan  
• Mutton production popularizing activities | • TG  
• VC  
• Villagers  
• Women  
• SS | • MTG  
• VM | • TG  
• VC  
• WF | Long term |
<table>
<thead>
<tr>
<th>Marketing of animal products</th>
<th>Design of regulations for associations of herdsmen and marketing teams</th>
<th>Formulating programs to improve the market competitiveness of wool and mutton</th>
<th>Establishing product quality standards</th>
<th>Discussing and formulating a communication mechanism of market information to peasants and herdsmen</th>
<th>Technical training on participative appraisal (by managerial staff and assessors at Project offices)</th>
<th>Discussion of county-level Project planning (by departments concerned at the affected counties)</th>
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<tbody>
<tr>
<td></td>
<td>● Team staffing&lt;br&gt;● Detailing regulations for team activity</td>
<td>● Fixing “separate sales” pattern accepted by peasants, herdsmen and operators and giving publicity&lt;br&gt;● Constructing storage network&lt;br&gt;● Technical training on wool and livestock trading&lt;br&gt;● Laying program and detailed rules of agreement for wool and livestock traders</td>
<td>● Enacting product quality standards &amp; hierarchical system&lt;br&gt;● Providing materials on quality standards to wool and mutton traders, peasants and herdsmen</td>
<td>● Formulating legal and commercial regulations for information providers of animal product market&lt;br&gt;● Discussing and establishing market information collecting, analyzing and spreading system.</td>
<td>● Training of appraisal methods&lt;br&gt;● Social appraisal experts&lt;br&gt;● PO managerial staff&lt;br&gt;● AG members</td>
<td>● Understanding general situations of affected counties&lt;br&gt;● AT members&lt;br&gt;● Members of CPO and functional depts. concerned</td>
</tr>
<tr>
<td>Activity</td>
<td>Description</td>
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</tbody>
</table>
| **1st round of PRA to understand the participation demand of villagers and rural cadres** | - Participative social appraisal  
- AT members  
- Villagers  
- Forum  
- Focus group  
- DTD interview |
| **Training for the 2nd round of PRA (by managerial staff and assessors at provincial and county-level project offices)** | - Theoretical and methodological training on participative social appraisal  
- Social appraisal experts  
- PO managerial staff  
- AG members  
- Seminar  
- Forum  
- Focus group  
- Simulation |
| **The panel of social appraisal experts conducting the 2nd round of quick PRA** | - Understanding situations of affected counties in depth  
- Quick PRA  
- AT  
- Project managerial staff  
- Villagers  
- Forum  
- Focus group  
- DTD interview |
| **The panel of social appraisal experts conducting the midterm quick PRA** | - Understanding situations of affected counties in depth  
- Quick PRA  
- AT  
- Project managerial staff  
- Villagers  
- Forum  
- Focus group  
- DTD interview |
| **Creation of list and program of participative activities** | - Activity plan for Project organizations and beneficiary involved projects  
- AG  
- PO  
- Villagers  
- Forum  
- Focus group  
- AG  
- PO  
- Appraisal period |
| **Project monitoring** | - Establishing interactive network between AT and affected counties, townships, villages  
- AG  
- PO  
- Villagers  
- MTG  
- Forum  
- VM  
- AG  
- PO  
- Entities with relation to Project  
- Project period |