

World Bank-financed Project

# Gansu Revitalization and Innovation Project Social Assessment Report

Gansu Project Management Office  
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## Abbreviations

FGD	-	Focus Group Discussion
M&E	-	Monitoring and Evaluation
MLS	-	Minimum Living Security
PMO	-	Project Management Office
RAP	-	Resettlement Action Plan
SA	-	Social Assessment

## Units

Currency unit	=	Renminbi (RMB)
US\$1.00	=	RMB6.33
1 hectare	=	15 mu

## Definitions of Key Terms

### **Stakeholders**

Stakeholders means individuals or groups that can affect or be affected by the realization of the project objectives, including local residents, store / guesthouse operators and other small and micro enterprise owners, intangible heritage inheritors, tourists, etc.

### **Small and micro enterprise owners**

Small and micro enterprise owners mean owners of stores, restaurants, guesthouses, farmhouses, and other small and micro enterprises in the project area.

**Intangible heritage inheritors** mean generally recognized representative, authoritative and influential inheritors responsible for intangible heritage at all levels.

**Intentional audiences of small-amount loans** mean local residents who are willing to apply for small-amount loans to develop small and micro enterprises, or household cultivation or stockbreeding for poverty alleviation.

### **Vulnerable groups**

For the purpose of OP4.12, vulnerable groups mean the disabled, five-guarantee households (targeting rural households with five guarantees including food, cloth, medical care, housing, and education), women-headed households, MLS households, etc., where attention should be paid to their appeals.

**Secondary stakeholders** include the owner, design agency, construction agency, supervising agency, government agencies concerned.

**Interviews with Institutions** were conducted with the local PMOs, IAs, HD management offices, land and resources bureaus, labor and social security bureaus, statistics bureaus, poverty alleviation offices, women's federations, civil affairs bureaus, ethnic and religious affairs bureaus, etc. to collect relevant literatures.

**Focused Group Discussions** were held to learn needs and suggestions of local APs (including women, the poor, vulnerable groups, intangible heritage inheritors, tourists, village officials, etc.).

**Key informant interview:** Key informant interviews were conducted at the county (district), township (sub-district) and village (community) levels to provide inputs into project design and implementation, including local residents, potential borrowers, small business owners, intangible heritage inheritors, tourists, etc.

**Questionnaire survey:** The task force conducted a questionnaire survey by probability proportionate to size sampling, with 384 samples at a confidence level of 95% and a maximum absolute error (d) of 5%. 410 copies were completed, and 401 valid copies recovered, accounting for 97.8%.

**Field investigation:** The task force conducted a field investigation on the proposed subproject areas for a more practical and objective understanding.

# 1. Introduction

## 1.1 Background

Gansu Province exemplifies the challenge of spatial inequality in China. Despite Gansu's rich natural, cultural, and historical resources, it is China's poorest province and significantly lags other provinces on most economic and social indicators. Gansu's per capita income is less than half the national average and a mere 23 percent of that in leading provinces. Measured by per capita disposable income and access to and quality of infrastructure, Gansu also ranks last among all the provinces. About 65 percent of Gansu's population belongs to the national bottom 40 percent group, compared with only 9.21 percent of Beijing's population. Agricultural development alone has proved inadequate to lift Gansu's poor out of poverty. The once-powerful heavy industries are declining. The province is turning to the service sectors to drive its economic growth but so far has had only limited success. Uneven development and significant disparities exist within Gansu Province—there are also striking disparities between rural and urban areas, and a wide gap between the capital city, Lanzhou, and secondary cities and towns.

MSEs in rural areas across China face a critical challenge in gaining access to credit. According to the 2017 China Financial Inclusion Report and the 2017 Global Findex, about 86 percent of micro-enterprises and 65 percent of small and medium enterprises in China lack unconstrained access to finance, resulting in an MSE financing gap of US\$1.9 trillion, equivalent to 17 percent of gross domestic product (GDP).

Access to formal credit in China's rural areas is only about 19 percent, compared to 44 percent in urban areas. The main barriers to access are the large physical distances to financial service providers, such as banks; limited credit records; lack of assets that can serve as collateral; short maturity of loans (12 months or less); and the informal nature of many MSEs, all of which render these businesses unable to meet banks' lending requirements. Prospective borrowers in rural areas and small towns also lack basic financial knowledge and business experience. For those eligible to borrow, going through cumbersome procedures and waiting through a lengthy approval period is discouraging. Many MSEs turn to family and friends rather than rely on the formal financial sector. In Gansu Province, these barriers are exacerbated by underdeveloped financial markets and institutions.

Gansu is one of the most underbanked provinces in China. As of 2016, Gansu, with a population of 26 million, had only about 470,000 MSEs. According to a market demand assessment survey of MSEs in the cultural, tourism, and creative industries conducted in the province in 2018 to underpin this project's design, 80.2 percent indicated immediate or mid-term needs for financing. Only 23.8 percent of them, however, had borrowed from banks, among which less than 7 percent of the borrowers were women, while 49.3 percent had their financing needs satisfied through informal channels, such as loans from relatives or friends. About 54 percent of the MSEs surveyed felt credit constrained. Among the MSEs in debt, about 30 percent revealed that bank loans obtained could not fully meet their financing needs, with an average credit gap of RMB 894,000. Although women-owned or managed MSEs only accounted for about 30 percent of the MSEs that participated in the survey, their immediate financing needs were greater than those of MSEs owned by men.

Financial institutions in Gansu lack the skills, methodologies, and tailored products to serve MSEs well. Operational costs of small and micro-loans are very high, and profitability is low. Internet penetration in rural areas and small towns is far lower than in big cities, which hinders the use of automated credit evaluation and approval based on big data. According to the market demand survey, the demand for credit by MSEs in Gansu concentrates on small but flexible loans, but current micro- and small-credit products are not diverse enough. To deal with MSEs profitably, financial institutions need to build capacity to use new approaches and develop new products.

Tourism is one of the four pillars of Gansu's poverty alleviation program. Known as the "golden section" of the ancient Silk Road, Gansu is ranked fifth among all provinces in China in terms of the richness and uniqueness of its natural, cultural, and historical resources. Globally, and in Gansu, the creative industries sector is growing, and it contributes increasingly to GDP and job creation,

employing more people between the ages of 18 and 29 than any other sector. The creative industries are defined as those which produce and distribute goods, services, or activities with intangible cultural content that conveys ideas, symbols, and ways of life, irrespective of their commercial value. Among Gansu's prefecture-level cities, too, the more dominant the tourism industry, the smaller the gap in income relative to the national average. As a result of past investments by the government in tangible cultural and natural endowments, the number of tourists visiting Gansu each year increased from 43 million in 2010 to 239 million in 2017. Gansu's revenues from tourism have also increased but are not yet commensurate with the increase in the number of visitors. Moreover, tourism remains concentrated in the big cities and, hence, does not yet contribute to reducing regional disparities.

Despite the potential of its natural, cultural and historical endowments, Gansu's institutional capacity for managing and promoting them is poor. Strategies, policies, and mechanisms to guide the development of the service sector, especially the cultural, tourism, and creative industries, are still weak. The provincial government is starting to gain experience in working with the private sector to leverage resources and manage public assets. These pilot experiences are important, as many municipal governments are unable to operate and maintain public facilities and services at many important attraction sites, which are, consequently, deteriorating.

The lack of adequate infrastructure is one constraint holding back the creative industries in Gansu. Most products of the creative industries in Gansu are traditional arts and crafts, such as Chinese calligraphy, ink painting, jade carving, folk performance, and puppet show production and presentation. Knowledge of and skills for generating these creative products are passed on from one generation to another through the teaching and mentoring of apprentices by masters. Many masters and their workshops are located in decaying towns and villages that lack basic infrastructure. The dilapidation of these areas not only makes the younger generation reluctant to live in them and learn the skills, but it also limits their attractiveness to tourists. Many businesses in the creative industries are micro to small in size and often family based. Their business skills are insufficient, and they lack easy access to finance. Finally, lack of physical spaces, such as training facilities, business incubators, production centers, and marketplaces, limits the modernization and scaling up of creative industries.

The proposed project strengthens institutions and private sector development in China's poorest province. The project will enhance the capacity of selected local commercial banks and newly set-up government financial institutions to better serve MSEs' growth. It will enhance the capacity of the local governments to provide business-enabling environments and strengthen the capacity of participating MSEs through startup advisory services to ensure business success and sustainability. The project intends to assist the least-developed province of China in mobilizing private sector financing and solutions for growth, easing financial pressure on the local governments, and reserving scarce public finance for vital needs.

The project provides a global model of how small towns along major infrastructure networks can leverage their existing local endowments to benefit from, and contribute to, economic growth. The project will bring in global, national, and local financial resources for the creation of a sustainable credit market to support MSE development in Gansu and to narrowing the gender gap of in access to finance. The project will demonstrate how pockets of poverty can be reduced through vital improvements to local infrastructure, and by enabling MSEs to connect to the growing service economy. Provinces across China with similar challenges, as well as other developing countries, will learn through knowledge transfer on how to address such challenges effectively.

The project contributes to reducing gender gaps. Currently, less than 7 percent of small loans in Gansu are to female entrepreneurs. The project has a minimum target of 10-14 percent of its micro- and small credits going to female borrowers. The project will have a special focus on women for business startup advisory services and workforce development. The project will reach out to prospective women entrepreneurs and provide targeted trainings on such topics as preparing a business plan and understanding the market and the application process to gain access to finance.

The project supports global public goods. Several project activities are designed to reduce risks from extreme weather events, especially flooding. This includes regulating water abstraction, protecting wastewater infrastructure from increased flooding, dredging rivers, and engaging in greening activities. On the mitigation side, project activities aim to reduce emissions by incorporating green design standards into new buildings and infrastructure; supporting non-motorized transportation; reducing heat loss in regenerated buildings; and installing more energy-efficient facilities, equipment, appliances, and street lights. Project investments will result in a significant percentage of climate co-benefits (Annex 2, Table 2.8), subject to verification by the Climate Co-Benefits Assessment Team of the Climate Change Group.

The project supports China's national policy priorities. It supports the 13th National Five-Year Plan (2016–20), the Development-Oriented Poverty Reduction Program for China's Rural Areas (2011–20), and the Views on Promoting Rural Poverty Alleviation through Innovative Mechanism. The project is also aligned with the solutions for reducing poverty and stimulating local economy proposed in the Development-Oriented Poverty Reduction Program for China's Rural Areas (2011–20). These include (a) expansion of the existing system of geographical poverty targeting national/provincial poverty counties and adoption of a broader regional development approach for investments; (b) investment by rural businesses in economic activities of comparative advantage in the poorest areas, conducive to environmental rehabilitation; (c) rural tourism; and (d) the complementary roles of the public and private sectors. This project is also in line with Gansu's provincial strategies and programs for economic and social development, poverty alleviation, and development and promotion of the service sector including tourism and creative industries.

The project aims to create employment and improve livelihoods for lower-income urban and rural residents in Gansu. It comprises three components: (i) providing increased access to financial services for MSEs in the cultural, tourism, and creative industries; (ii) urban-rural regeneration by targeted interventions in infrastructure and public services and support for the local creative industries; and (iii) institution building and transfer of knowledge globally.

The project will help build institutions and capacity for Gansu's development. Building on the success of completed and ongoing World Bank-supported projects in the province and on key lessons learned, as well as the Bank's accumulated knowledge of and expertise in leveraging competitive cities and urban regeneration for economic growth and job creation, the project will focus on strengthening the capacity of Gansu's institutions for economic and social development. It will take an integrated approach to creating economic opportunities for the poor and vulnerable through the regeneration of urban and rural settlements, bringing about essential improvements to local infrastructure, enabling MSEs to connect to the growing service economy, leveraging Gansu's rich cultural and historical assets, and addressing underlying institutional and market weaknesses.

The project focuses explicitly on learning and global knowledge transfer, as well as building replicable development models. The borrower has brought along international partners, such as the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations World Tourism Organization (UNWTO), and the China-supported World Tourism Alliance (WTA), to benefit from their experience in capacity building and their well-established global networks. The project will seek to develop models for other countries with similar endowments of creative industries and tourism that face difficulties in translating them into growth opportunities. It will support the establishment of a Gansu cultural and tourism knowledge hub, using existing underutilized facilities in Dunhuang Expo and Lanzhou to help share Gansu's experience nationally and globally. The project will also co-sponsor, with the provincial government, the well-established Annual Gansu Silk Road (Dunhuang) Expo to bring in and disseminate knowledge.

Project areas have been strategically selected on the basis of poverty levels, bottom 40 percent population, and underutilized endowments. Among all the fourteen prefectures in Gansu, specific counties, districts and towns in four prefectures along the Xi'an-Urumqi east-west corridor (the ancient Silk Road route) have been strategically selected to benefit from the project, based on the results of an economic geography and competitive cities analysis. These prefectures are Tianshui, Dingxi, Zhangye, and Jiuquan. The selection criteria used were (a) poverty level and size of the

bottom 40 percent of the population (that is, the portion of the population with per capita disposable income below the national poverty line and the national 40 percentile); (b) transformation from agriculture or manufacturing to a service-based economy; (c) having underutilized endowments with high potential for local economic development; (d) location (that is, located along or connected to Gansu's main tourism routes); and (e) not having previously received sufficient funds under various government and donor development programs to implement their development plans. Data reveal the extent to which counties, districts and towns of the project's prefectures lag compared to leading cities in China. Project counties, districts and towns where large investments are made have an average per capita GDP of RMB 21,000 which is significantly below the national average of RMB 59,660, and only a fraction of the per capita GDP in Beijing (RMB 118,198) or Shanghai (RMB 116,562). Similar trends exist for per capita household disposable income. Most project counties have high poverty rates. For example, Tongwei county has a poverty rate as high as 17.61 percent in comparison with the national average of 2.19 percent. Poverty rates in Tianshui and Dingxi prefectures, where most project investments are made, stand at 9.80 percent, and 14.30 percent respectively.

Please see Table 1-1 for detailed project activities.

Table 1-1 Summary of project cities (counties / districts)

City	County	Subproject	Scope of construction
Tianshui	Maiji District	Lacquer Ware Skills Inheritance and Development	Construction of Tianshui Lacquer Ware Cultural Industry Park
	Qin'an County	Dadiwan Site—Longcheng Famous Historical and Cultural Town—Shangguan Qing-Ming Ancient Street Improvement	Infrastructure construction and upgrading of Dadiwan, Longcheng Town and Shangguan Qing-Ming Ancient Street Scenic Zones
	Wushan County	Shandan Town Yuanyang jade origin characteristic cultural town project	Yuanyang Jade Culture Exhibition Experience Area, Shandan Town Street Renovation and Upgrading, Shandan River Town Street Regulation and Landscape Improvement
Dingxi	Lintao County	Majiyao Culture Exhibition Center and Majiyao Site Scenic Zone	Infrastructure construction of Majiyao Culture Exhibition Center and Majiyao Scenic Zone
	Tongwei County	Hanmo Culture and Art Center	Hanmo Pedestrian Street, Hanmo Square, and Hanmo Culture and Art Center
Zhangye	Ganzhou District	Cultural Heritage Protection, Inheritance and Development	Protection and utilization of existing cultural heritage
		Wulan Ancient Town Folklore Village	Ancient village renovation and infrastructure improvement
Jiuquan	Suzhou District	Jiuquan Silk Road Research Center and Library	Jiuquan Silk Road Research Center and Library
	Dunhuang City	Xuanquanzhi Site Protection and Demonstration	Two demonstration sites, and two experience footpaths

The Project consists of 8 subprojects, which have different social impacts, as summarized below:

Table 1-2 Impacts of subprojects and countermeasures

Subproject	Positive impacts	Negative impacts	Suggestions
1) Dadiwan Site	<p>1) This subproject will improve the local infrastructure, solve environmental problems, and protect the physical health and drinking water safety of downstream residents.</p> <p>2) This subproject will offer local jobs to women, so that they can work while taking care of the family, thereby increasing their participation rate in social labor, and improve their family status.</p> <p>3) This subproject will carry forward local culture and strengthen the cultural identity of the public.</p>	<p>In Wuying Town, it is stipulated that sewers should be excavated by not more than 30cm, which does not meet the national standard.</p>	<p>1) The Nuwa Temple is a very popular tourist destination. Local residents highly identify themselves with Nuwa culture, but the local government pays little attention to this. The government should be further involved to promote the successful implementation of this subproject.</p> <p>2) The Fuxi Temple, Dadiwan site and Nuwa Temple should be integrated on a realistic basis for a synergetic effect.</p>
2) Majiayao Culture Exhibition Center	<p>1) This subproject will improve the local infrastructure, provide a good living environment to local residents, and reduce the possibility of impoverishment due to diseases.</p> <p>2) This subproject will offer local jobs to women, so that they can work while taking care of the family, thereby increasing their participation rate in social labor, and improve their family status.</p> <p>3) This subproject will realize an economy of scale in rural tourism in Hekou Village.</p> <p>4) This subproject will promote the inheritance of intangible heritage and improve the economic efficiency of the cultural industry. This subproject will expand the existing painted pottery workshops in Hekou Village and attract more tourists.</p> <p>5) This subproject will help change local residents' minds and promote the integration of urban and rural areas.</p>	<p>1) Some residents will suffer losses due to LA. A dairy farm will be relocated for this subproject, thereby affecting the income of the AHs.</p> <p>2) The dairy farm has a strong smell, which may affect tourist experiences.</p> <p>3) This subproject will bring higher pedestrian and vehicular traffic, resulting in safety risks and exhaust pollution, especially for women, children and old people.</p> <p>4) The liberalization impact on daily life arising from this subproject will affect local residents' minds, and lead to family conflicts.</p>	<p>1) The local government should grant compensation to those affected by LA in strict conformity with the applicable policy, and provide development support to the APs, such as stockbreeding.</p> <p>2) The scenic zone environment should be monitored strictly and periodically to improve tourist experiences.</p> <p>3) The PMO should improve local traffic facilities and popularize traffic safety knowledge to improve local residents' awareness.</p> <p>4) Attention should be paid to the mental health of local residents to reduce mental impacts arising from this subproject. The PMO may organize expert workshops together with village committees.</p> <p>5) The rural infrastructure and environment should be improved.</p> <p>6) Rural tourism brands should be built to increase income.</p> <p>7) Attention should be paid to the resettlement of female laborers.</p> <p>8) More small amount loans should be granted to local residents to develop family stockbreeding, farmhouses, etc.</p> <p>9) Site selection: Site 1 involves the acquisition of over 10 mu of farmland, and the demolition of 6 residential houses (3 used as stores) with a total area of about</p>

			20,000 m <sup>2</sup> ; this site involves HD, LA and operating revenue losses. Site 2: 11.3 mu of land has been acquired, and the compensation paid; two residential houses used as stores are to be demolished; this site is located mostly in river flat, and floods should be considered.
3) Cultural Heritage Protection, Inheritance and Development	<p>1) This subproject will improve the awareness of the Ming granary and chief commander mansion and promote local tourism development and poverty reduction.</p> <p>2) This subproject will improve local residents' cultural heritage protection awareness.</p> <p>3) Small amount loans will improve the self-development capacity of local residents through financial support for business startup.</p>	<p>1) Construction will produce noise and dust pollution.</p> <p>2) The modern buildings in front of the chief commander mansion are incompatible in architectural style, and block the district library, and should be demolished.</p>	<p>1) A lending procedure should be developed under Bank guidance.</p> <p>2) The two scenic spots under this subproject should be combined with other famous local scenic spots for a synergetic effect.</p> <p>3) The repayment period of small amount loans should be extended, because the cultural industry has a long payback period.</p> <p>4) Loan uses should be controlled to maximize economic benefits. Loans should be used for the local cultural industry only.</p> <p>5) The government should give greater support to the cultural industry, and encourage more people to participate, thereby promoting the stable and sustainable development of this industry.</p>
4) Xuanquanzhi Site Protection and Demonstration	<p>1) This subproject will protect the Xuanquanzhi site as a witness of the Silk Road history since the Han dynasty.</p> <p>2) This subproject will give full play to the historical value of the site and promote the tourism development of the whole city. In the long run, this subproject will generate economic, social and historical benefits.</p>	<p>1) This subproject will have limited economic benefits for local residents.</p> <p>2) With the increase of tourists after completion, buried relics may be damaged.</p>	The coverage of this subproject should be expanded to benefit more local residents.
5) Jiuquan Silk Road Research Center and Library	<p>1) This subproject will build the first library of Jiuquan City.</p> <p>2) The library will be a good place for local residents (including children) to learn local culture.</p> <p>3) Small amount loans under this subproject will support intangible heritage inheritors and encourage more people to inherit and carry forward intangible heritage.</p>	<p>1) The subproject site is far away from the urban center, so that distant residents cannot benefit from it due to traffic inconvenience.</p> <p>2) Noise and dust pollution may affect residents in Feitianlu Community.</p>	<p>1) A special bus route should be set up for the convenience of the public.</p> <p>2) Noise and dust control measures should be taken during construction.</p>
6) Lacquer Ware Skills	1) This subproject will offer jobs to local residents to increase their income and inherit lacquer ware.	1) A provincial highway is being constructed out of the subproject area,	1) Noise and dust control measures should be taken during construction.

Inheritance and Development	<p>2) Small amount loans under this subproject will help poor households eliminate poverty through large-scale fruit tree cultivation.</p> <p>3) This subproject will transform the lacquer ware market to improve its economic efficiency.</p>	<p>producing much dust.</p> <p>2) The subproject area is too far away from the urban area, and inheritors have commuting difficulties.</p> <p>3) Lacquer will cause environmental pollution.</p>	<p>2) The PMO should arrange a shuttle bus for inheritors every day.</p> <p>3) Employment contracts should be entered into with local laborers to protect their labor rights and interests.</p>
7) Pingxiang Calligraphy and Painting Town	<p>1) This subproject will offer local jobs to women, so that they can work while taking care of the family, thereby increasing their participation rate in social labor, and improve their family status.</p> <p>2) This subproject will support traditional craftsmen to develop small businesses or train inheritors.</p> <p>3) Small amount loans under this subproject will help local residents increase income through family cultivation and stockbreeding.</p> <p>4) This subproject will help build correct values and social morals, because local residents pay more attention to the integrity of calligraphers and painters than to the quality of their works.</p>	<p>1) Such loans will give borrowers a mental pressure, because they will not necessarily make profits.</p>	<p>1) Loans should be free from interest, or the repayment period be extended.</p> <p>2) A brand should be established for Tongwei calligraphy and painting to expand its market. This applies to all tangible and intangible cultural heritage in Gansu Province.</p> <p>3) Calligraphy and painting brokers should be trained, and the e-commerce channel developed to promote its trading.</p>
8) Mandarin Duck Jade Origin Town in Shandan Town, Wushan County	<p>1) This subproject will promote mandarin duck jade culture, and solve such problems as backward techniques, small scale, serious resource waste and scattered industrial layout.</p> <p>2) This subproject will promote local economic development and employment.</p> <p>3) This subproject will promote local tourism development.</p>	<p>1) This subproject will generate noise and dust pollution.</p> <p>2) External tourists will impact local customs.</p> <p>3) The population influx will increase the local environmental capacity.</p>	<p>1) Noise and dust control measures should be taken during construction.</p> <p>2) Town construction should be combined with local culture.</p> <p>3) Supporting facilities should be suited to the local environmental capacity.</p>

## Project Development Objective

PDO Statement. The project development objectives are to increase income-generating opportunities, improve access to infrastructure and services, and strengthen the institutional capacity of participating entities.

PDO Level Indicators. These indicators include the following:

- Number of new jobs created by project-supported MSEs and new centers and facilities (disaggregated by the national bottom 40 percent and gender)
- Amount of co-financing leveraged by the Participating Financial Institutions (PFIs)
- Number of people benefiting from urban-rural regeneration, including improved access to infrastructure and services in the project areas (disaggregated by the national bottom 40 percent and gender)
- Number of PFIs that have completed and executed their institutional development plans with the project's support
- Number of integrated cultural and tourism strategies adopted and budgeted for in provincial and local plans
- Citizen engagement—percentage of beneficiaries satisfied with project results (disaggregated by gender)

## Project Components

Component 1: Increased Access to Financial Services for MSEs (total investment: US\$150 million; IBRD: US\$50 million equivalent; participating financial institutions (PFIs): US\$100 million equivalent). This component supports private sector development through the provision of financing for new or existing MSEs engaged in the cultural, tourism, and creative industries. The component also seeks to support the creation of a sustainable credit market for MSEs by demonstrating the financial viability of the cultural, tourism, and creative sectors and by supporting the recently established provincial holding company to serve as a wholesale vehicle for meeting the demands of the underbanked segments in Gansu and for spurring financial innovation.

IBRD financing will be on-lent to the Gansu Finance Holding Group (GFHG). Established in 2016, GFHG is the wholesale financial intermediary and the provincial project management office (PPMO) for this component. Through a subsidiary agreement, GFHG will extend to PFIs a line of credit to co-finance sub-loans to eligible MSEs in the cultural, tourism, or creative industries in Gansu Province. At this time, Bank of Gansu (BoG) has been qualified and selected as the first PFI after meeting compliance indicators with regulatory requirements reflective of capital adequacy and asset quality and following a call for expressions of interest. An allocation of US\$25 million is committed to BoG, which leveraged US\$50 million from BoG. The remaining IBRD unallocated amount (US\$25 million) will be used to partner with additional PFIs through subsequent expressions of interest using transparent selection criteria (Annex 1, Table 1.1). Success with the first PFI in terms of sub-loans co-financing is expected to generate interest among subsequent qualified PFIs, with the expectation that co-financing of MSE sub-loans would reach at a minimum ratio of 1 (IBRD):2 (PFI). GFHG will support interested PFIs through outreach and technical assistance and may contribute its own funds in subsequent rounds of allocations.

To ensure financing along the whole value chain, 40 percent of the financing under this component (that is, US\$60 million equivalent) will be targeted toward the micro sector with a single credit limit of US\$50,000. The remaining financing under the component will provide credits to small enterprises, with most credits around US\$120,000. The component will increase the tenor of the average maturity for the MSE sector from the present one year to two years, corresponding to the need for longer-term financing identified in the market demand survey. A minimum of 40 percent of the component will finance interventions in project areas of Tianshui, Dingxi, Zhangye, and Jiuquan, while the remaining 60 percent may be used to finance enterprises in other prefectures of Gansu. The component is expected to create a minimum of 3,300 permanent jobs (40–50 percent for

women) in newly established and growing MSEs. In addition, a minimum of 10 percent of the financing is targeted toward women borrowers. Currently, less than 7 percent of small loans in Gansu are to female entrepreneurs. To ensure sustainability, capacity building for GFHG and selected PFIs, as well as business startup advisory services for MSEs, will be provided under component 3.

In parallel, IFC will provide a senior loan of US\$50 million equivalent, with additional syndicated loans, to expand lending by the China Foundation for Poverty Alleviation–Microfinance Management Co., Ltd (CFPA MF) to micro and very small enterprises (MVSEs). IFC aims to expand CFPA MF's lending to women-owned/managed MVSEs in rural area in Gansu, and to support the growth of the tourism and service sector in Gansu. Working with CFPA MF, IFC will be targeting the micro and very small spectrum of the value chain with loan sizes ranging from below US\$5,000 for micro-loans and below US\$15,000 for very small-loans. Thus, collectively, the World Bank Group will cover the full range of enterprises that have expressed a need for credit.

Also, in parallel, GFHG plans to invest US\$50 million as paid-in capital. GFHG will use this investment to back up guarantees to be extended to financial institutions lending to MSEs, against the risk of payment default of such MSEs, up to an estimated amount equivalent to US\$200 million. Technical assistance to GFHG under the project will help build its capacity to administer a credit guarantee facility, which may, over time, contribute significantly to improving financial access to MSEs and sustain project impact beyond the closing date.

Component 2: Urban-Rural Regeneration (IBRD: US\$114 million equivalent). This component will make critical investments in small- and medium-scale infrastructure in project areas that will improve living conditions for residents and enable the creation of more income-generating opportunities in creative industries. One focus of the component is on the regeneration of urban areas and villages with cultural endowments. Another is to expand the cultural, tourism, and creative industries by constructing exhibition sites, spaces for MSE incubation and training, and creating marketplaces. The two sub-components will benefit local residents and visitors and create income-generating opportunities (Annex 2 provides details about the component).

(a) Regeneration of Historic Towns and Villages. The project will finance physical regeneration, including improved access to infrastructure and services and restoration of old houses and buildings, in four towns and nine villages located in four counties in Gansu. Each town or village is characterized by a distinct cultural or creative industry specialty, such as jade carving, calligraphy and ink painting, colored pottery, lacquerware, sculptures, or folk performance. Physical regeneration, together with the enablement of economic opportunities for MSE development provided under component 1, will stimulate social and economic regeneration of local communities and leverage private investments.

(b) Development of Creative Industries. The project will develop the creative industries in Gansu and provide clustered and conducive spaces for production, research, presentation, sales, and exchange of knowledge and experience. Based on market demand analysis and the comparative advantages of Gansu Province and project counties and towns, this subcomponent will finance the development of eight creative industry centers (including incubators and marketplaces) and three tourism facilities, including tourist information centers; physical and virtual display of the ancient Silk Road history, cultural, and creative industries; display and sales of cultural and creative products; and performance space for shows by local performers, using modern technologies.

Component 2 is expected to create 2,205 permanent jobs (40–50 percent of which will be for women) in newly constructed centers and facilities. All new centers and facilities will be connected to regenerated towns and villages by pedestrian pathways to enable visitors to engage with local cultures and experience the variety of performing arts, handicrafts, cuisines, and interpretations of local traditions. This, in turn, is expected to result in more tourism spending on local communities, as visitors buy handicrafts, dine, or stay overnight in homestays. All centers and facilities will be designed to use energy-efficient equipment and devices to reduce energy consumption and thus reduce operating cost. They will be leased out to professional operators to ensure sustainability of

operation and maintenance (O&M) and generation of net revenues to local governments.

Component 3: Institutional Strengthening and Global Knowledge Transfer (IBRD: US\$16.0 million equivalent). This component aims to strengthen the institutional capacity in Gansu to manage economic and social development, using cultural, tourism, and creative industries as a pillar for inclusive and sustainable economic growth and poverty alleviation.

## 1.2 SA tasks

This SA aims to learn different stakeholders' expectations and needs and identify the Project's positive and negative impacts through fieldwork, thereby helping the owner take a series of measures to ensure the extensive and fair participation of stakeholders and maximize the Project's benefits. Therefore, the main objectives of this SA are:

- 1) Identifying primary stakeholders, and learning their interests and needs through extensive participation;
- 2) Assessing the Project's potential social impacts, including positive and negative impacts, and potential social risks;
- 3) Identify attitudes of women, poor population, etc. to the Project, and identifying the Project's impacts on them;
- 4) Strengthening public participation, giving advice on optimizing the project design, and establishing information disclosure and grievance redress mechanisms;
- 5) Developing social and gender action plans to evade project risks and realize the project objectives.

In addition, project awareness among the public will be increased and public participation promoted through project information communication, experience sharing, etc. during public consultation.

## 1.3 SA methods

The task force conducted fieldwork in the 8 subproject areas in 8 counties (cities / districts) in 4 prefecture-level cities with the support of the Gansu PMO and local PMOs from January 18 to February 6, 2018; August 4 - 13, 2018 (Wushan County).

### 1.3.1 Organizational interview and literature collection

100 organizational interviews were conducted with the local PMOs, IAs, HD management offices, land and resources bureaus, labor and social security bureaus, statistics bureaus, poverty reduction offices, women's federations, civil affairs bureaus, ethnic and religious affairs bureaus, county annals offices, township governments, village committees, etc., and relevant basic data and literatures collected. See Table 1-3.

Table 1-3 Summary of organizational interviews

Area	Interviews	Details of organizations
Lintao County	13	PMO, culture, radio and television bureau, HD management office, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Majiayao and Hekou Village Committees
Tongwei County	12	PMO, culture, radio and television bureau, HD management office, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Songbao Village Committee
Maiji District	13	PMO, culture, radio and television bureau, HD management office, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Ganquan Town, Xizhi Village Committee
Wushan County	12	PMO, culture, radio and television bureau, HD management office, land and resources bureau, labor and social security bureau, statistics bureau, poverty

		reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Shandan Town, Hedian Village Committee
Qin'an County	15	PMO, culture bureau, HD management office, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Shaodian Village in Wuying Town, and Lueyang and Fengwei Villages in Longcheng Town
Ganzhou District	13	PMO, culture, radio and television bureau, HD management office, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Xilaisi Community Committee, Gucheng Village Committee
Suzhou District	11	PMO, culture, radio and television bureau, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Feitianlu Community Committee
Dunhuang City	11	PMO, cultural relic administration bureau, land and resources bureau, labor and social security bureau, statistics bureau, poverty reduction office, women's federation, civil affairs bureau, ethnic and religious affairs bureau, county annals office, Xindun Village Committee
Total	100	—

### 1.3.2 FGD

FGDs were held to learn local residents' needs for the Project, the Project's impacts on them, and their comments and suggestions, including women, the poor, vulnerable groups<sup>1</sup>, intangible heritage inheritors, tourists, village heads, etc.



Figure 1-1 FGDs (upper left: Maiji District; upper right: Qin'an County; lower left: Jiuquan City; lower right: Lintao County)

<sup>1</sup> Vulnerable groups for this project refer to people with disability, those who live in rural area with no working ability, no income source, no children, women headed households, and households on minimum living standards. Five guarantee includes food, cloth, medical care, housing and education.

94 FGDs were held in the 8 subproject areas, with 352 participants in total, including 97 women, accounting for 27.6%; 71 vulnerable people, accounting for 20.1%; 83 old people, accounting for 23.6%; 56 village officials and villager representatives, accounting for 15.9%; 29 intangible heritage inheritors, accounting for 8.2%; and 16 tourists, accounting for 4.5%. See Table 1-4.

Table 1-4 Summary of FGDs and participants

Area	Participants												Total	
	Women		Old people		Vulnerable people		Village officials and villager representatives		Intangible heritage inheritors		Tourists		Participants	FGDs
	/	FGDs	/	FGDs	/	FGDs	/	FGDs	/	FGDs	/	FGDs		
Lintao County	11	3	10	2	9	2	6	2	2	1	1	1	39	11
Tongwei County	12	2	11	2	10	2	8	2	3	1	2	1	46	10
Wushan County	11	3	9	2	11	2	7	3	3	1	3	1	44	12
Maiji District	10	3	9	2	7	2	8	2	3	1	2	1	39	11
Qin'an County	13	4	11	2	8	2	6	4	4	1	2	1	44	14
Ganzhou District	13	3	12	2	9	2	7	3	5	2	2	1	48	13
Jiuquan City	14	2	9	2	7	2	8	2	5	1	2	1	45	10
Dunhuang City	13	3	12	2	10	2	6	3	4	1	2	2	47	13
Total	97	23	83	16	71	16	56	21	29	9	16	9	352	94

### 1.3.3 Key informant interview

Key informant interviews were conducted at the eight counties (district), township (sub-district) and village (community) levels to provide inputs into project design and implementation, including local residents, potential borrowers, small business owners, intangible heritage inheritors<sup>2</sup>, tourists, etc.



<sup>2</sup> Intangible heritage inheritors mean generally recognized representative, authoritative and influential inheritors responsible for intangible heritage at all levels.



Figure 1-2 Key informant interviews

198 key informants were interviewed in total, including 19 in Lintao County, 24 in Tongwei County, 26 in Wushan County, 24 in Maiji District, 26 in Qin'an County, 27 in Ganzhou District, 26 in Suzhou District and 26 in Dunhuang City. See Table 1-5.

Table 1-5 Summary of key informant interviews

Area	Organization heads	Village officials	Borrowers	Small business owners	Intangible heritage inheritors	Tourists	Total
Lintao County	7	2	4	3	2	1	19
Tongwei County	9	3	4	3	3	2	24
Wushan County	9	4	4	3	4	2	26
Maiji District	9	3	4	3	3	2	24
Qin'an County	9	4	4	3	4	2	26
Ganzhou District	9	4	4	3	5	2	27
Suzhou District	9	3	4	3	5	2	26
Dunhuang City	9	4	4	3	4	2	26
Total	70	27	32	24	30	15	198

#### 1.3.4 Questionnaire survey

The task force conducted a questionnaire survey by probability proportionate to size sampling, with 384 samples at a confidence level of 95% and a maximum absolute error (d) of 5%. 410 copies were completed, and 401 valid copies recovered, accounting for 97.8%.



Figure 1-3 Questionnaire survey

See Table 1-6 for the distribution of the samples of the questionnaire survey.

Table 1-6 Distribution of questionnaire survey samples

Area	Number of copies	Percent (%)
Lintao County	80	19.95
Tongwei County	32	7.98
Wushan County	35	8.72
Maiji District	34	8.47
Qin'an County	93	23.2
Ganzhou District	61	15.2
Jiuquan City	32	7.98
Dunhuang City	34	8.47
Total	401	100

The questionnaire database was established and analyzed using the IBM SPSS software. See Table 1-7.

Table 1-7 Basic information of valid samples

Indicator	Values
Gender	Male, 48.1%; female, 51.9%
Age	18-24 years, 3.0%; 25-34 years, 8.5%; 35-44 years, 22.7%; 45-54 years, 39.7%; 55-64 years, 16.2%; 65 years or above 10%
Urban/rural	Rural, 78.1%; urban 20.9%
Educational level	Illiterate, 5.2%; primary school, 16.2%; junior high school, 47.4%; senior high school / secondary technical school, 22.4%; junior college or above, 8.7%
Occupation	Civil servant, 2.0%; worker of public institution, 4.5%; worker of enterprise, 2.5%; self-employer, 5.7%; freelancer, 8.0%; unemployed, 6.2%; student, 1.7%; retiree, 2.0%; farmer, 65.1%; other, 2.2%

### 1.3.5 Field investigation

The task force conducted a field investigation on the proposed subproject areas for a more practical and objective understanding of proposed sites, land, sensitive sites, influencing factors, practical conditions, local socioeconomic profile, etc. See Table 1-8.



Figure 1-4 Field investigation (upper left: Large Alley; upper right: Tongwei County; lower left: Majiayao Village; lower right: Longcheng Town)

Table 1-8 Information of field investigation

City	County / district	Townships	Villages / groups
Tianshui	Maiji District	Xizhi Village, Ganquan Town	Xizhi Village, Ganquan Town
	Qin'an County	Wohuang, Fengwei and Lueyang Villages, Longcheng Town Shaodian Village, Wuying Town	Wohuang Village; Groups 1-4 of Fengwei Village; Lueyang Village; Groups 1-6 of Shaodian Village
	Wushan County	Shandan Town, Hedian village, Shandan village, Chechuan Village	Group1-4 of Hedian village; Group3, 5 of Shandan village; Group1, 3 of Chechuan village.
Dingxi	Lintao County	Majiayao, Hekou, Qijiatan, Wangjiazui, Yangjiadian, Lijifan, Cheliujia and Yanwujia Villages, Taoyang Town	Hekou, Yaotou, Yaonan and Shilipu Groups of Hekou Village; Majiayao Group of Majiayao Village
	Tongwei County	Songbao Village, Pingxiang Town	Baijiazhuang, Ligou, Dongjiazhuang, Zhangzhuang and Chakou Groups
Zhangye City	Ganzhou District	Xilaisi and Donghu Communities	Xilaisi and Donghu Communities
			Gucheng Village Groups 1-6
Jiuquan City	Suzhou District	Feitianlu Community, Youtian Sub-district	Feitianlu Community
	Dunhuang City	Xindun Village, Mogao Town	Groups 1-4

#### 1.4 Key concerns of SA

This SA has the following key concerns:

- 1) Identifying primary stakeholders, and learning their attitudes to and needs for the Project;
- 2) Identifying the Project's potential social impacts;
- 3) Analyzing the Project's impacts on poor population, especially their willingness and ability to participate in intangible heritage protection and inheritance, cultural heritage protection and utilization, etc.;
- 4) Analyzing the Project's impacts on women and their needs for the Project;
- 5) Learning information disclosure and public participation, including the APs' awareness of, support for and participation in the Project;
- 6) Including social factors in the project design, and proposing measures to evade or reduce negative impacts; and
- 7) Developing a participation plan for beneficiaries, so that urban and rural residents are aware of and participate in the Project as much as possible.

## 2. Project Overview

### 2.1 Definition of project area

The Project will be implemented in Maiji District, Qin'an County and Wushan County in Tianshui City; Lintao and Tongwei Counties in Dingxi City; Ganzhou District in Zhangye City; Suzhou District and Dunhuang City, Jiuquan City. Based on agreed project design, project activities will cover the same counties and townships as the eight subprojects and one financial subproject.

Specifically, the project area includes Lacquer Ware Cultural Industry Park in Maiji District, Ming-Qing Ancient Street and Longcheng Ancient Town in Qin'an County, Shandan Town Yuanyang jade origin characteristic cultural town project in Wushan County; the Majiayao site in Lintao County, the calligraphy and painting town in Tongwei County, ancient streets and Wulan Ancient Town in Zhangye City, Silk Road Research Center in Jiuquan City, and the Xuanquanzhi site in Dunhuang City.

The subprojects are Lacquer Ware Skills Inheritance and Development, Dadiwan Site—Longcheng Famous Historical and Cultural Town—Shangguan Qing-Ming Ancient Street Improvement, Yuanyang Jade Culture Exhibition Experience Area, Shandan Town Street Renovation and Upgrading, Shandan River Town Street Regulation and Landscape Improvement; Majiayao Culture Exhibition Center and Majiayao Site Scenic Zone, Hanmo Culture and Art Center, Zhangye Cultural Heritage Protection, Inheritance and Wulan Ancient Town Folklore Village Development; Jiuquan Silk Road Research Center and Library, Xuanquanzhi Site Protection and Demonstration. See Figure 2-1.

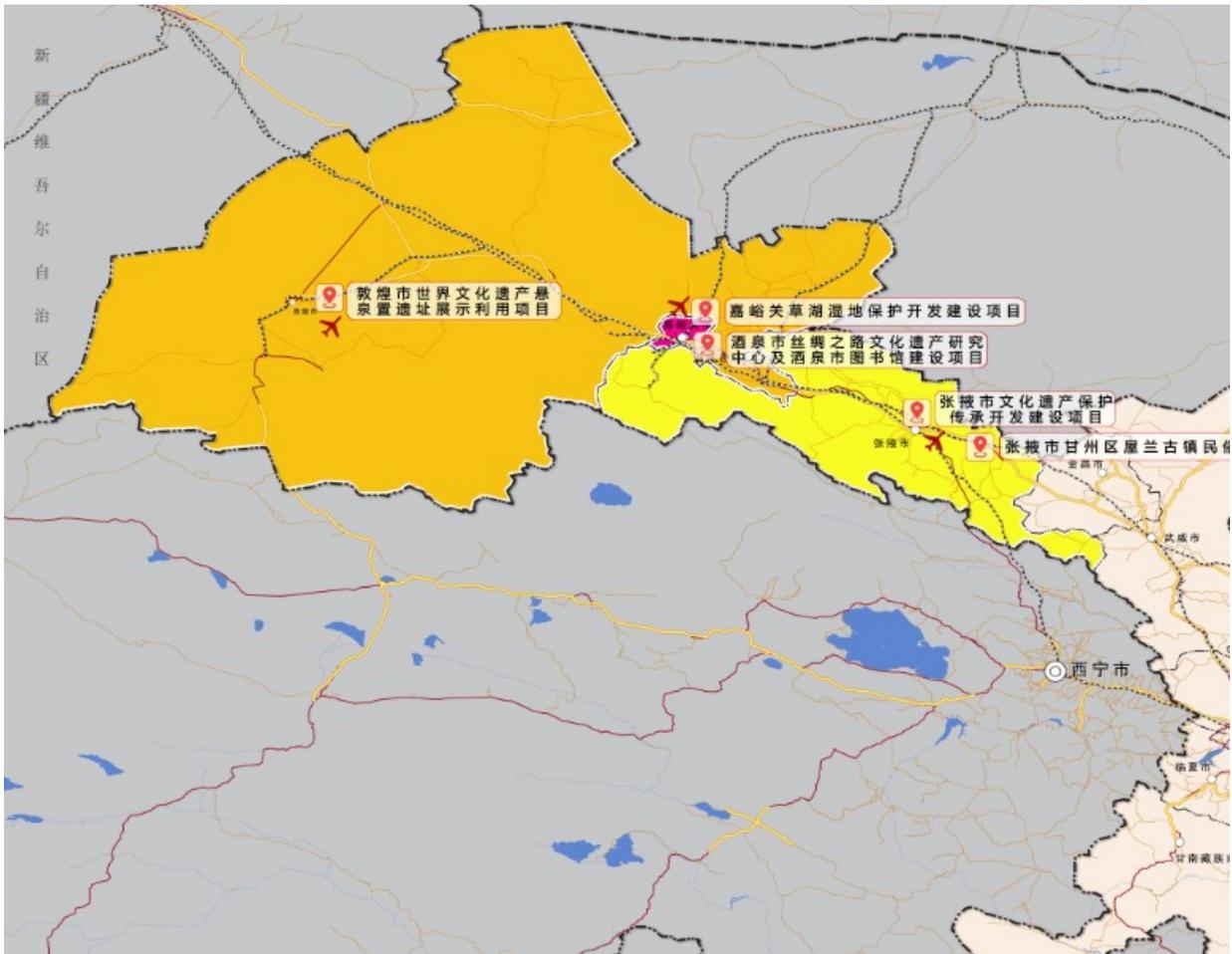


Figure 2-1 Distribution of subproject areas

The Project will create more development opportunities for low income population, and integrate community development, transport, natural and cultural tourism, environmental rehabilitation and capacity building. See Figure 2-2.

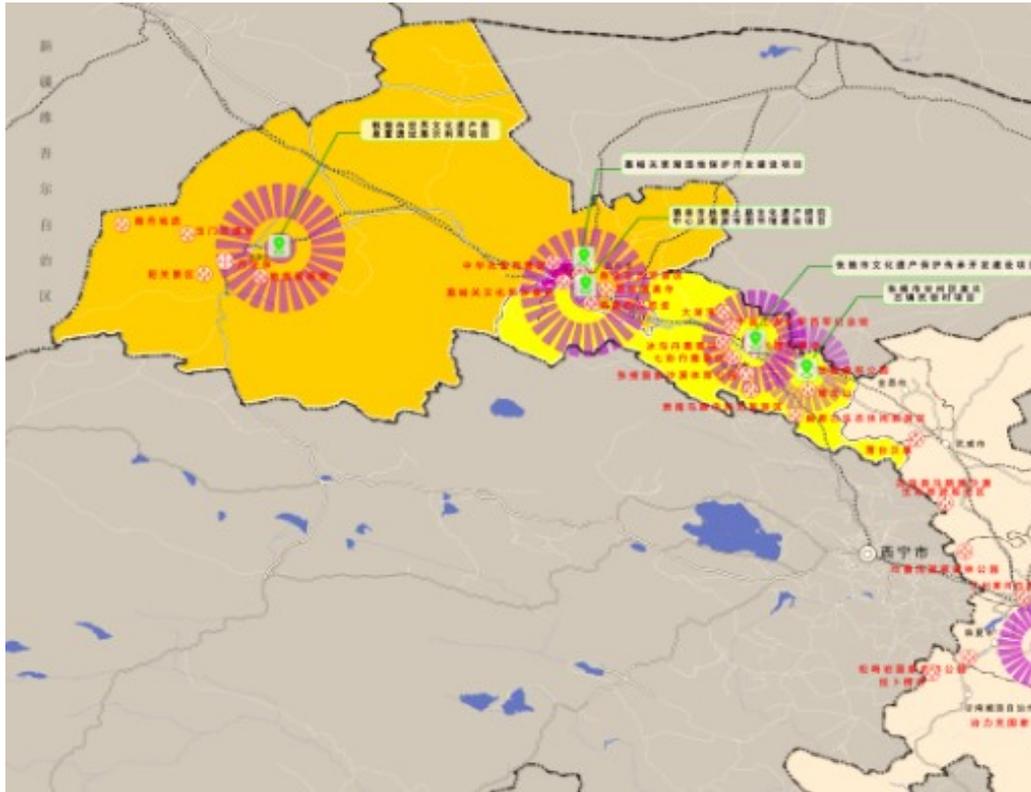


Figure 2-2 Radiation range of the Project

## 2.2 Local socioeconomic profile

### 2.2.1 Geographic location

Gansu Province, with Lanzhou being its capital, is located in northwestern China, between north latitude 32°31'-42°57' and east longitude 92°13'-108°46', and in the junction of the Loess, Qinghai-Tibet and Inner Mongolia Plateaus, bordered by Shaanxi on the east, Sichuan and Qinghai on the south, Xinjiang on the west, and Ningxia and Inner Mongolia on the north. Gansu is a cradle of the Chinese civilization and traditional Chinese medicine, and governs 12 prefecture-level cities and two autonomous prefectures, with a land area of 425,900 km<sup>2</sup>.

The Project will be implemented in Maiji District and Qin'an County in Tianshui City; Lintao and Tongwei Counties in Dingxi City; Ganzhou District in Zhangye City; Suzhou District and Dunhuang City, Jiuquan City.

Maiji District is affiliated to Tianshui City and located in southwestern Gansu, governing 14 towns, 3 townships and 3 sub-districts, with a land area of 3,480 km<sup>2</sup>.

Qin'an County is affiliated to Tianshui City and located in southwestern Gansu, with a land area of 1,601 km<sup>2</sup>, governing 12 towns and 5 townships.

Wushan County is affiliated to Tianshui City and located in southwestern Gansu, with a land area of 2,011 km<sup>2</sup>, governing 13 towns/townships and 343 villages.

Lintao County is affiliated to Dingxi City and located in central Gansu, with a land area of 2,851 km<sup>2</sup>, governing 12 towns and 6 townships.

Tongwei County is affiliated to Dingxi City and located in central Gansu.

Ganzhou District is affiliated to Zhangye City, located in the central Hexi Corridor and northwestern Gansu, and renowned as a land of fish and rice.

Suzhou District is affiliated to Jiuquan City and located in northwestern Gansu, with a land area of 3,353.74 km<sup>2</sup>.

Dunhuang City is affiliated to Jiuquan City, and located in the western Hexi Corridor, and the junction of Gansu, Qinghai and Xinjiang, with a land area of 31,200 km<sup>2</sup>. Dunhuang is an important

node on the Silk Road, and is known for the Mogao Grottoes and the Dunhuang Murals.

### 2.2.2 Economic status

Among the 8 project counties (cities / districts), Ganzhou District has the highest GDP of 16.877 billion yuan, while Tongwei County has the lowest of 3.848 billion yuan; Ganzhou District has the highest fiscal revenue of 2.46 billion yuan, while Tongwei County has the lowest of 324.88 million yuan.

The annual per capita income of urban residents of Jiuquan City (30,072 yuan) and Dunhuang City (29,467 yuan) is higher than the provincial average (25,693.5 yuan), while that of the other 6 project counties (cities / districts) is lower than the provincial average. The annual per capita income of urban residents of Ganzhou District (12,218 yuan), Suzhou District (14,226 yuan) and Dunhuang City (15,311 yuan) is higher than the provincial average (7,456.9 yuan), while that of the other 5 project counties (cities / districts) is much lower than the provincial average.

Generally, the 8 project counties (cities / districts) represent different economic levels of Gansu Province. See Table 2-1.

Table 2-1 Key social and economic development indicators of project counties / cities (2016)

Division	Land area (km <sup>2</sup> )	Disposable income of urban residents (yuan)	Disposable income of rural residents (yuan)	GDP (00m yuan)	Fiscal revenue (00m yuan)	Percent of fiscal revenue to provincial total (%)
Lintao County	2851	20923	6594	64.06	4.9288	0.9
Tongwei County	2908.5	19691	5696	38.48	3.2488	0.6
Maiji District	3480	23006	6503.7	163.74	9.755	1.8
Qin'an County	1604.07	22333.83	6584.18	54.78	1.0584	0.2
Wushan County	2011	23154	7320	58.1428	5.1762	1.1
Ganzhou District	3661	22067	12218	168.77	24.6	4.7
Suzhou District	3353.74	31742	14226	168.71	17.3278	3.2
Dunhuang City	267.18	29467	15311	106.4	14.01	2.6
Gansu Province	453700	25693.5	7456.9	7152.04	525.97	/

Source: statistical yearbooks or statistical bulletins on national economic and social development

### 2.2.3 Population

At the end of 2016, Gansu Province had 8,344,897 registered households with 26.0995 million persons, including 13.3186 million males, accounting for 51.03%; 12.7809 million females, accounting for 48.97% (male to female ratio 104.2:100), an agricultural population of 14.4356 million, accounting for 55.3%; a nonagricultural population of 11.6639 million, accounting for 44.7%, and a population density of 57.5 persons / km<sup>2</sup>.

At the end of 2016, Lintao County had 164,139 registered households with 551,730 persons, including 282,299 males, accounting for 51.1%; 269,474 females, accounting for 48.9% (male to female ratio 104.7:100), an agricultural population of 392,118, accounting for 88.3%; a nonagricultural population of 159,655, accounting for 11.7%, and a population density of 193.5 persons / km<sup>2</sup>.

Tongwei County had 122,900 registered households with 405,100 persons, including 206,723 males, accounting for 51.03%; 198,377 females, accounting for 48.97% (male to female ratio 104.2:100), an agricultural population of 316,900, accounting for 78.23%; a nonagricultural population of 88,200, accounting for 21.77%, and a population density of 139.2 persons / km<sup>2</sup>.

Maiji District had 178,377 registered households with 642,000 persons, including 333,840 males, accounting for 52%; 308,160 females, accounting for 48% (male to female ratio 108.3:100), an agricultural population of 308,000, accounting for 47.9%; a nonagricultural population of 334,000, accounting for 52.1%, and a population density of 184.4 persons / km<sup>2</sup>.

Qin'an County had 157,478 registered households with 625,539 persons, including 317,531 males, accounting for 50.7%; 308,008 females, accounting for 49.3% (male to female ratio 102.8:100), an agricultural population of 549,649, accounting for 87.9%; a nonagricultural population of 75,890, accounting for 12.1%, and a population density of 389.9 persons / km<sup>2</sup>.

Wushan County had 135,600 registered households with 438,700 persons, including 224,800 males, accounting for 51.2%; 213,900 females, accounting for 48.9% (male to female ratio 105.1:100), an agricultural population of 313,900, accounting for 71.6%; a nonagricultural population of 114,800, accounting for 28.4%, and a population density of 218.2 persons / km<sup>2</sup>.

Ganzhou District had 178,724 registered households with 512,928 persons, including 263,293 males, accounting for 51.3%; 249,635 females, accounting for 48.7% (male to female ratio 105.3:100), an agricultural population of 310,210, accounting for 60.4%; a nonagricultural population of 202,718, accounting for 39.6%, and a population density of 140.1 persons / km<sup>2</sup>.

Suzhou District had 136,360 registered households with 413,375 persons, including 206,311 males, accounting for 49.9%; 207,064 females, accounting for 50.1% (male to female ratio 99.6:100), an agricultural population of 193,240, accounting for 55.6%; a nonagricultural population of 220,135, accounting for 44.4, and a population density of 123.3 persons / km<sup>2</sup>.

Dunhuang City had 51,900 registered households with 189,400 persons, including 94,268 males, accounting for 49.7%; 95,132 females, accounting for 50.3% (male to female ratio 98.9:100), an agricultural population of 135,412, accounting for 71.4%; a nonagricultural population of 53,988, accounting for 28.6%, and a population density of 707.2 persons / km<sup>2</sup>.

See Table 2-2.

Table 2-2 Summary of population of project cities (counties / districts)  
Source: 2016 statistical yearbooks or statistical bulletins on national economic and social development

Indicator	Gansu Province	Lintao County	Tongwei County	Maiji District	Qin'an County	Wushan County	Ganzhou District	Suzhou District	Dunhuang City
Year-end households (0,000)	834.4897	16.4139	12.29	17.8377	15.7478	13.56	17.8724	13.636	5.19
Year-end population (0,000)	2609.95	55.1773	40.51	64.2	62.5539	43.87	51.2928	41.3375	18.94
Male population (0,000)	1331.86	28.2299	20.6723	33.384	31.7531	22.48	26.3293	20.6311	9.4268
Female population (0,000)	1278.09	26.9474	19.8377	30.816	30.8008	21.39	24.9635	20.7064	9.5132
Population density (persons / km <sup>2</sup> )	57.5	193.5	139.2	184.4	389.9	218.2	140.1	123.3	707.2
Agricultural population (0,000)	1443.56	39.2118	31.69	30.8	54.9649	31.39	31.0210	19.324	13.5412
Nonagricultural population (0,000)	1166.39	15.9655	8.82	33.4	7.589	12.48	20.2718	22.0135	5.3988

#### 2.2.4 Minority population

Gansu is a province in which minority residents are scattered in all counties, cities and districts. Gansu has a minority population of 2.199 million, accounting for 8.7% of gross population.

In the 8 project counties (cities / districts), there are scattered minority settlements (such as Sunan Yugur Autonomous County in Zhangye City). In view of this, the task force identified minority impacts in the 8 project counties (cities / districts) carefully with the assistance of the local PMOs and authorities.

The PMOs, and the SA task forces conducted fieldwork from December 2017 to March 2018 to learn each subproject area's population, ethnic composition, minority villages, minority habitats, etc. according to the 4 identification criteria.

- 1) Questionnaire survey: with 410 copies in total, including 401 valid copies and 0 minority copy;
- 2) FGD: 94 village-level FGDs were held to discuss topics related to the Project, with 352 participants in total, including 97 women, 83 old people and 5 minority residents;
- 3) Key informant interview: 198 key informant interviews were conducted at the village, town and city levels, including 52 men-times of in-depth interviews, including 5 minority residents and 31 women;
- 4) Stakeholder discussion: 4 stakeholder discussion meetings were held with different municipal and township departments on the Project's potential impacts, measures to reduce risks and suggested actions.
- 5) Literature collection and review: Literatures on local population, ethnic groups, culture, customs, etc., including statistical yearbooks, reports, annals, etc. were collected to learn local minority features, and differences from Han people in production and living.

The survey findings are as follows:

There is no minority population that triggers OP4.10 in the 8 subproject areas, so it is impossible to organize eligible minority population for project identification, public participation and analysis, and to analyze the Project's positive and negative impacts on minority residents, and the free, prior and informed consultation process does not apply.

Although there is a Yugur autonomous county (Sunan) in Zhangye City, OP4.10 does not apply to it because it is not within the project area, and there is no need to prepare an EMDP.

According to the survey:

- 1) The minority population in the project area of 531 is scattered, it accounts for 0.67% of the total population of the project directly affected area 78417. mostly being Hui, Mongolian, Zhuang and Yugur people entering the project area for marriage and work. However,
  - This minority population is very small, and have no fixed community
  - No common language
  - No common culture
  - Show no difference from the mainstream ethnic group of Han people in terms of social welfare, rights, protection, cultural customs and lifestyle.
  - In addition, local minority residents enjoy the same public services as the Han people.
- 2) Minority residents are scattered, and there is no fixed minority settlement or ancestral estate in the project area.
- 3) No minority population will be affected by LA and HD for the Project. Minority residents will benefit from the Project indirectly other than directly, and the Project will have almost no negative impact on them.

Therefore, no ethnic minority development plan will be developed for the Project. However, Gansu province has been known as having multiple ethnic minorities throughout China's long history, especially when the trade route was active for centuries. Even project counties have no ethnic minority concentration, project activities under microcredits component might involve taking advantage of ethnic minority cultural heritage. It is important to ensure this cultural heritage will be developed in a proper way acceptable to ethnic minorities. Even in the absence of ethnic minorities based on criteria set out by OP4.10, local commissions/authorities in charge of ethnic minority affairs will be consulted when certain cultural heritage has been regarded as from ethnic minority origin. If any centralized minority group is identified due to any change in the project area in future implementation, the Bank operational policy OP4.10 will be triggered, and an ethnic minority development plan will be developed to protect the rights and interests of minority residents. Please refer to the Ethnic Minority Development Framework (EMDF) prepared for this project.

Table 2-3 Screening of Minority Population Affected by the Project

Project district / county	Subproject	Township	Village / community	Minority population	Gross population	Hui	Salar	Dongxiang	Bao'an	Tibetan	Mongolian	Other	Minority population / gross population
Qin'an County	1) Dadiwan Site	Wuying Town	Shaodian Village	0	1847	0	0	0	0	0	0	0	0
		Longcheng Town	Wohuang Village	0	1624	0	0	0	0	0	0	0	0
			Fengwei Village	0	2447	0	0	0	0	0	0	0	0
			Lueyang Village	0	1636	0	0	0	0	0	0	0	0
Lintao County	2) Majiayao Culture Exhibition Center	Taoyang Town	Majiayao Village	0	1585	0	0	0	0	0	0	0	0
			Hekou Village	0	2264	0	0	0	0	0	0	0	0
			Qijiatan Village	0	1521	0	0	0	0	0	0	0	0
			Yangjiadian Village	0	1504	0	0	0	0	0	0	0	0
			Cheliujia Village	0	1810	0	0	0	0	0	0	0	0
			Lifanjia Village	0	1760	0	0	0	0	0	0	0	0
			Yanwujia Village	0	1715	0	0	0	0	0	0	0	0
			Wangjiazui Village	0	1946	0	0	0	0	0	0	0	0
Zhangye City	3) Cultural Heritage Protection, Inheritance and Development	Nanugan Sub-district	Donghu Community	137	7840	30	0	9	0	70	13	15	1.75%
			Xilaisi Community	57	12010	50	0	0	0	7	0	0	0.475%
		Jiantan Town	Gucheng Village	0	1753	0	0	0	0	0	0	0	0
Dunhuang City	4) Xuanquan	Mogao Town	Xindun Village	5	1894	0	0	0	0	5	0	0	0.26%

	zhi Site Protection and Demonstration													
Jiuquan City	5) Jiuquan Silk Road Research Center and Library		Feitian Road Community	319	24700	257	0	0	0	27	0	35	1.29%	
Tianshui City	6) Lacquer Ware Skills Inheritance and Development	Ganquan Town	Xizhi Village	0	1902	0	0	0	0	0	0	0	0	
Tongwei County	7) Hanmo Culture and Art Center	Pingxiang Town	Songbao Village	0	1636	0	0	0	0	0	0	0	0	
Wushan County	8) Mandarin Duck Jade Origin Town in Shandan Town, Wushan County	Shandan Town	Shandan, Chechuan and Hedian Villages	13	5023	13	0	0	0	0	0	0	0.25%	
Total				531	78417	350		0	9	0	1	13	50	0.67%

### 2.2.5 Current situation of local reserves, cultural relics and infrastructure

1. Local reserves and cultural relics: Cultural relic protection has always been a focus of the provincial government, with the main tasks of cultural relic protection, major site protection, and intangible cultural heritage protection and inheritance.

The current situation of some local reserves and cultural relics covered by the Project is as follows:

- 1) Majiayao Culture Exhibition Center and Majiayao Site Scenic Zone: Basic facilities of cultural relic protection (boundary markers, signs, etc.) are provided for this site, but there is still much farmland around it, and the scenic zone needs upgrading and improvement in function.
- 2) Wulan Ancient Town Folklore Village: The ancient gate tower and residences are well conserved, but the infrastructure is backward.
- 3) Xuanquanzhi Site Protection and Demonstration: The site is partly exposed due to wind and flood erosion in recent years. In 2013, the Dunhuang Municipal Cultural Relic Bureau took protective measures for the site, such as soil covering, fencing and flood protection.
- 4) Lacquer Ware Skills Inheritance and Development: The lacquer ware art that has continued for centuries is now on the verge of being lost.

See Table 2-4.

Table 2- 4 Statistics of local reserves and cultural relics

Indicator Subproject	Nature	Value	Level	Boundary	Protection requirements	Authority	Current situation
1) Dadiwan Site—Longcheng Famous Historical and Cultural Town—Shangguan Qing-Ming Ancient Street Improvement	Cultural relic	Culturally and historically diversified, extensive, and well conserved, good to cultural inheritance and economic development	National key protected cultural relic, state-level famous historical and cultural town; and provincial protected cultural relic	Wuying and Longcheng Towns, Qin'an County	No blasting, drilling or excavation, without damaging the historical outlook	Qin'an County Culture, Radio and Television Bureau	Under planning and construction
2) Majiayao Culture Exhibition Center and Majiayao Site Scenic Zone	Cultural relic	Scientific, historical, cultural and social value in studying the late Neolithic Age	national key protected cultural relic	Mayu Ditch, Qijia Ditch, west bank of the Taohe River, and Wajia Mountain, with a land area of 2.19km <sup>2</sup>	No pollution to the site and environment, and no activity that may affect safety	Lintao County Culture, Radio and Television Bureau	Basic facilities of cultural relic protection (boundary markers, signs, etc.) are provided for this site, but there is still much farmland around it, and the scenic zone needs upgrading and improvement in function.
3) Cultural Heritage Protection, Inheritance and Wulan Ancient Town Folklore Village Development	Cultural heritage	Generating economic and social benefits, and promoting cultural inheritance Promoting the effective protection and inheritance of intangible cultural heritage	Provincial protected cultural relic and Provincial intangible cultural heritage site	20m east of east wall, 30m south of south wall, 30m west of west wall, and 20m north of north wall	Intangible culture inheritance, scenic zone construction, and relic renovation	Zhangye Municipal Culture, Radio, Television and Journalism Bureau	Under planning and construction
				Gucheng Village, Jiantan Town,	Culture inheritance and protection, community development, and original state renovation	Ganzhou District Modern Agriculture Development & Investment Co., Ltd.	The ancient gate tower and residences are well conserved, but the infrastructure is backward.
4) Xuanquanzhi Site Protection and Demonstration	World cultural heritage	Only post house among the 33 heritage sites on the Silk Road	World cultural heritage, national key protected cultural relic	Desolate desert at the junction of Dunhuang City and Guazhou County in the western Hexi Corridor	Protection first, minimum intervention, and landscape maintenance	Dunhuang Municipal Cultural Relic Administration Bureau	The site is partly exposed due to wind and flood erosion in recent years. In 2013, the Dunhuang Municipal Cultural Relic Bureau took protective measures for the site, such as soil covering, fencing and flood protection.
5) Jiuquan Silk Road Research	New construction	Promoting cultural inheritance, and	—	Southeast of the junction of Zhengda	—	Jiuquan Municipal Culture, Radio,	Under planning and construction

Center		promoting economic development		Road and Yumen West Road in Jiuquan City, with a planned land area of 10 mu		Television and Journalism Bureau	
6) Lacquer Ware Skills Inheritance and Development	Intangible cultural heritage	Visual, use, cultural and historical value	National intangible cultural heritage site	Maiji District Xizhi Village, Ganquan Town	Lacquer ware technique collection, research and inheritance	Tianshui Municipal Culture, Radio and Television Bureau	The lacquer ware art that has continued for centuries is now on the verge of being lost.
7) Hanmo Culture and Art Center	Cultural incubation base	Generating ecological, social and economic benefits	National intangible cultural heritage (Tongwei opera and shadow puppet play)	Songbao Village, Pingxiang Town, Tongwei county, Dingxi City	Construction of the Chinese Civilization Inheritance and Innovation Demonstration Zone	Tongwei County Urban Construction Investment & Management Co., Ltd.	Under planning and construction
8) Shandan Town Yuanyang jade origin characteristic cultural town project	New featured town	It has economic benefits to drive cultural development.	—	Northwestern corner of Chechuan village residential area, Shandan Town, Wushan County	Transforming and upgrading ancient streets, integrating Yuanyang jade industry and creating characteristic towns	Shandan town government in Wushan County	The local mandarin jade industry was backward in technology, small in scale, low in technology, serious in waste of resources and scattered in industrial distribution.

Source: fieldwork data and cultural relic evaluation reports.

## 2. Current situation of local infrastructure

1) Dadiwan Site—Longcheng Famous Historical and Cultural Town—Shangguan Qing-Ming Ancient Street Improvement: The Dadiwan site became a national key protected cultural relic in 1988, Longcheng Town became a state-level famous historical and cultural town in 2008, and Shangguan Qing-Ming Ancient Street became a provincial protected cultural relic in 2016.

There is an urgent need for infrastructure improvement, such as water and power supply, and heating. The Dadiwan Palace site needs to be improved to attract tourists. Longcheng Town, located 40km northeast of the Qin'an county town and 8km away from the Dadiwan Site is a historic battlefield, and is short of tourist service facilities, resulting in poor tourist experiences and low market awareness. Therefore, its infrastructure needs improvement urgently.

Shangguan Qing-Ming Ancient Street is located in the south part of the county town and is suffering from ground subsidence and wall breakage. Over 90% of houses are dilapidated in the Wenchuan earthquake in 2008, and the existing infrastructure is inadequate, such as bad sanitation, shortage of drainage facilities, limited landscaping, inadequate building maintenance, uneven street pavements and disorderly wiring.

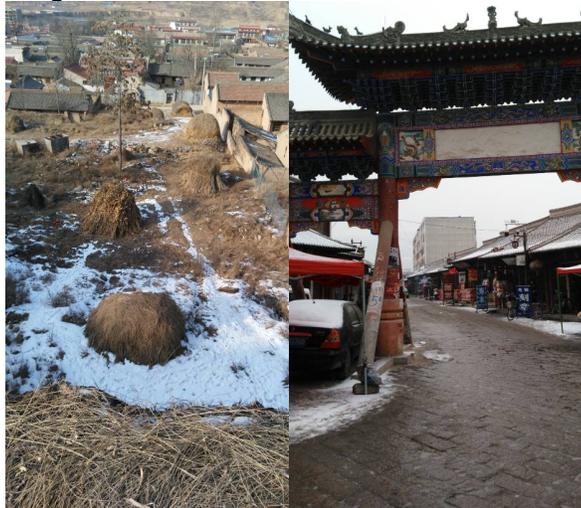


Figure 2- 3 Jieting ancient battlefield and Ming-Qing Ancient Street

2) Lacquer Ware Skills Inheritance and Development: Tianshui's lacquer ware is a time-honored local characteristic cultural element.

Although the lacquer ware technique in Tianshui City has been included in the list of national intangible cultural heritage, it is on the verge of being lost, because many old craftsmen have died, and young people are unwilling to study this technique. On the other hand, this technique has a limited target group, and compared to modern production, it is time-consuming and expensive, so many lacquer ware enterprises and workshops are forced to close down, and many craftsmen are unemployed and live in difficulty.

In the Project, this technique will be extended and developed based on Tianshui's rich tourism resources and good infrastructure to train more inheritors and provide job opportunities to the unemployed.

3) Majiayao Culture Exhibition Center and Majiayao Site Scenic Zone: The Majiayao site is located west of the Taohe River, 12km south of the Lintao County town, and became a national key protected cultural relic in 1988.

Since its discovery in 1924, it has not been formally excavated, but has been stolen and robbed extensively, reflecting that it has not been well protected. Although basic facilities of cultural relic protection (boundary markers, signs, etc.) are provided for this site according to the applicable regulations, these facilities are seriously damaged and are not fully operational, especially the

boundary markers on the south.

In the 8 villages in Taoyang Town where this subproject is located, the infrastructure is inadequate, such as public service facilities, streetlamps, signs and public toilets, and should be constructed under unified planning.



Figure 2-4 Village infrastructure and houses

#### 4) Hanmo Culture and Art Center

The cultural influence of calligraphy and painting is limited to the locality, and there is no brand effect yet. This subproject is the core of the Pingxiang Calligraphy and Painting Town Project, and aims to build the 4 tourism brands of calligraphy and painting tour, red sacred land tour, central Gansu customs tour and hot spring vacation tour. However, local cultural tourism resources are scattered and fragmented, and have not been fully explored and utilized. No effective mechanism has been established to integrate calligraphy and painting, tourism, and targeted poverty reduction.

The Project will promote the aggregation of cultural tourism resources, local economic restructuring and industry development, and improve local residents' living standard.



Figure 2-5 Proposed land and attachments in Tongwei County

5) Cultural Heritage Protection, Inheritance and Development, involving two provincial protected cultural relics – Ming granary and chief commander mansion (2003).

The Ming granary is located in the northeast corner of Zhangye City and has been well renovated. It will be further planned, renovated and decorated to become an operational tourist destination. In addition, supporting infrastructure will be constructed as necessary.

The chief commander mansion is a large ancient building complex on Minzhu West Street and is now in good condition. There is an unused library north of the mansion, which will be exteriorly renovated and interiorly decorated to be put into operation.



Figure 2-6 Ming granary and chief commander mansion

Wulan Ancient Town Folklore Village: Wulan Ancient Town is an ancient town along the Silk Road, with a well conserved ancient gate tower. There are 207 residences in the town, mostly in earth timber structure, built since the 1950s. These residences mostly have traditional appearances, but the supporting infrastructure is backward, and there is no gas supply. These residences will be reinforced, renovated and reconstructed to be put into operation.

The Folklore Village will attract 500,000-800,000 tourists per annum, and have nearly 200 restaurants, workshops, guesthouses, farmhouses and small businesses. Tertiary industries based on tourism will be developed here to improve villagers' living standard.



Figure 2-7 Residences and gate tower in ancient town



Figure 2-8 Proposed construction land for Jiuquan Silk Road Research Center

6) Jiuquan Silk Road Research Center: Jiuquan City is an important node on the Silk Road, and is known for its rich cultural heritage, such as grottos, temples, passes and fortresses.

In addition, Jiuquan City is a major city in northwestern China with a population of 1.11 million but has no cultural research center suited to its status as a prefecture-level city.

7) Xuanquanzhi Site Protection and Demonstration: The Xuanquanzhi site was first discovered in 1987, and became a national key protected cultural relic in 2001, and a world cultural

heritage in 2014.

The site is partly exposed due to wind and flood erosion in recent years. In 2013, the Dunhuang Municipal Cultural Relic Bureau took protective measures for the site, such as soil covering, fencing and flood protection. Due to traffic restrictions, this site has not been opened to the public yet. The Dunhuang Municipal Cultural Relic Bureau has set up signs, trash bins and other tourist service facilities in and around the site. This site needs further improvement to be opened as a culturally meaningful site.

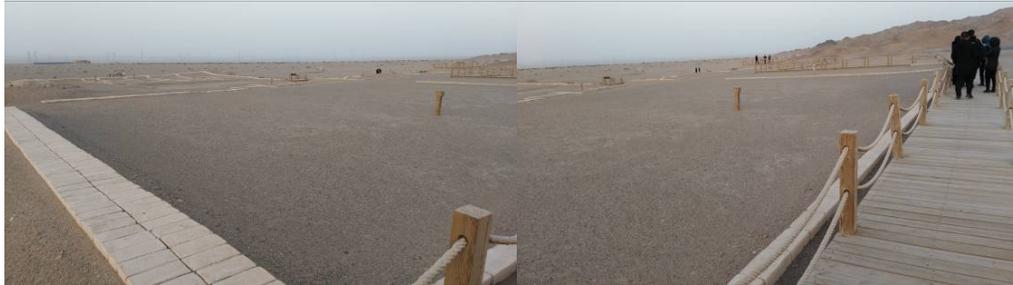


Figure 2- 9 Proposed construction land for Jiuquan Silk Road Research Center

8) Wushan County Shandan Town Yuanyang jade Origin Culture Town Project, including Yuanyang jade Culture Exhibition Experience Area Project, Shandan Town Street Renovation and Promotion Project and Shandan River Town Street Management and Landscape Promotion Project. Shandan Town is one of the famous ancient towns in the northwest of China. In recent years, it is famous for producing serpentine as the raw material of luminous cup. It is the most important origin of luminous cup on the market at present.

But in Shandan Town, the technology level of Mandarin jade industry is backward, the scale of industry is small, the technology level is low, the waste of resources is serious, and the industrial distribution is scattered. In addition, Wushan County, where the project is located, is rich in tourism resources and has a high potential for tourism industry development. However, the historic streets in Shandan Town are lack of overall planning, the supporting facilities are not perfect, and the river course is poorly regulated, and the water body regulation, waterfront treatment and greening still need to be improved.

## 2.2.6 Baseline socioeconomic data

Table 2-5 Baseline socioeconomic data of the project area

No.	Indicator	Qin'an County	Maiji District	Wushan County	Tongwei County	Lintao County	Ganzhou District	Suzhou District	Dunhuang City	Total
1	Gross population (0,000)	62.5539	64.2	43.87	40.51	55.1773	51.2928	41.3375	18.94	377.8815
2	Female population (0,000)	30.8008	30.816	21.39	19.8377	26.9474	24.9639	20.7064	7.22	182.6822
3	Direct beneficiary population	70439	139753	26504	37189	103764	88471	36875	14230	517225
4	Female beneficiary population	35987	72123	14123	18902	53899	45345	18812	7321	266512
5	Poor population	102500	56700	10495	87500	90000	40800	12100	23	400118
6	Expected poor population to be reduced (0,000)	6.48	4.4	0.53	5.45	8	3.99	1.16	/	30.01
7	Per capita disposable income (yuan)	22683.8	23006	6035.1	19691	7434	22067	31742	29467	162125.9
8	Number of jobs generated	391	457	343	370	260	674	220	135	2850
9	Number of jobs for women generated	213	241	254	192	144	389	121	70	1624
10	Number of tangible cultural heritage sites protected	3	0	0	0	1	3	0	1	8
11	Number of intangible heritage sites protected and upgraded	22	6	1	69	44	18	71	53	284
12	Number of scenic spots upgraded	3	1	3		1	3	1	1	13
13	Number of relic management plans prepared and implemented for sustainable development under the Project	1	1	1	1	1	1	1	1	8
Economy	GDP (00m yuan)	54.78	163.74	58.1428	38.48	64.06	0.46	168.71	106.39	654.7628
	Agriculture (0,000 yuan)	158649	130622	22.0766	93932	148640	51.38	279071	145870	956857.46
	Industry (0,000 yuan)	120578	703135	9.232	50895	182650	169.35	411741	270600	1739777.6
	Services (0,000 yuan)	268528	803635	27.043	239922	309340	193.19	996319	647565	3265529.2

Energy	Coal (0,000 tons)		9.29				132.80	150.36		
	Petroleum (0,000 liters)		291.64				121.72	28.53		
	Natural gas (00m m <sup>3</sup> )							0.12		
	Nuclear energy (Mew)	/	/		/	/	/	/	/	/
	Generated electricity (00m kWh)		1.40				4.73	19.59		
	Renewable energy (wind, solar, biomass, etc.) (00m kWh)						Solar: 1.27; wind: 14.16			

Source: feasibility study reports, and basic data provided by local governments, Research methods and coverage see the project feasibility report.

### 2.2.7 Local organizations and IAs

The Gansu PMO has been established at the provincial department of culture under the Gansu Project Leading Group to take charge of the leadership, implementation and supervision of the Project.

Subproject leading groups have been established by the local governments of the 8 project counties (cities / districts) for project coordination.

PMOs have been established in the 8 subproject areas, composed of relevant government officials, responsible for subproject construction under the unified coordination and direction of the Gansu PMO. See Table 2-6.

Table 2-6 Local organizations and IAs

Province level	City level	Subproject	County (district) leading group	IA
Gansu Project Leading Group	Tianshui Subproject Leading Group	Lacquer Ware Skills Inheritance and Development	Maiji District PMO	Tianshui Municipal Culture, Radio and Television Bureau
		Dadiwan Site—Longcheng Famous Historical and Cultural Town—Shangguan Qing-Ming Ancient Street Improvement	Qin'an County PMO	Qin'an County Culture, Radio and Television Bureau
		Shandan Town Yuanyang jade origin characteristic cultural town project	Wushan County PMO	Shandan town government in Wushan County
	Dingxi Subproject Leading Group	Majiyao Culture Exhibition Center and Majiyao Site Scenic Zone	Lintao County PMO	Lintao County Culture, Radio and Television Bureau
		Hanmo Culture and Art Center	Tongwei County PMO	Tongwei County Urban Construction Investment & Management Co., Ltd.
	Zhangye Subproject Leading Group	Cultural Heritage Protection, Inheritance and Wulan Ancient Town Folklore Village Development	Ganzhou District PMO	Zhangye Municipal Culture, Radio, Television and Journalism Bureau Ganzhou District Modern Agriculture Development & Investment Co., Ltd.
	Jiuquan Subproject Leading Group	Jiuquan Silk Road Research Center and Library	Jiuquan Subproject Leading Group	Jiuquan Municipal Culture, Radio, Television and Journalism Bureau
		Xuanquanzhi Site Protection and Demonstration	Xuanquanzhi Site Protection and Demonstration Leading Group	Dunhuang Municipal Cultural Relic Administration Bureau

### 2.2.8 List of social sensitive sites

Noise, dust, tail gases, domestic wastewater, domestic waste, etc. produced during project construction may affect nearby residents and schools to some extent. Appropriate measures should be taken to reduce such impacts.

The Project will also involve road expansion, and bring higher pedestrian and vehicular traffic, thereby posing potential threats to the personal safety of local residents, especially school students. Safety education should be given to ensure personal safety.

The Project will affect one school – Tongwei County Wenquan Road Primary School. See Table 2-7.

Table 2- 7 List of social sensitive sites

District / county	Social sensitive sites		
	Residential area	School	Hospital
Maiji District	Xizhi Village, Ganquan Town	—	—
Qin'an County	Fengwei, Wohuang and Lueyang Villages, Longcheng Town; Shaodian Village, Wuying Town	—	
Wushan County	Shandan town Chechuan village, Hedian village, Shandan Village	—	
Tongwei County	Songbao Village, Pingxiang Town	Wenquan Road Primary School	
Lintao County	Majiayao, Hekou, Qijiatan, Wangjiazui, Yangjiadian, Lijiafan, Cheliujia and Yanwujia Villages, Taoyang Town	—	
Ganzhou District	Xilaisi Community, Nanijie Sub-district; Donghu Community, Beijie Sub-district	—	
Wulan Ancient Town	Gucheng Village, Jiantan Town	—	
Jiuquan City	Feitianlu Community, Youtian Sub-district	—	
Dunhuang City	Xindun Village, Mogao Town	—	

Source: fieldwork

### 3. Public Participation Process

#### 3.1 Stakeholder identification

Stakeholders refer to individuals or groups that can affect or be affected by the realization of the project objectives. Stakeholders can be divided into primary and secondary stakeholders.

Primary stakeholders of the Project include local residents, small business owners, intangible heritage inheritors, vulnerable groups, tourists, persons affected by LA and HD, etc., and secondary stakeholders include the owners, design agency, construction agencies, supervising agencies and government agencies concerned.

##### 3.1.1 Primary stakeholders

Primary stakeholders of the Project include direct beneficiaries and those affected negatively by the Project.

1. Direct beneficiaries: Direct beneficiaries of the Project are 78,417 persons in 23 villages in the 13 project townships in the 8 subproject areas (mainly including local residents, small business owners, intangible heritage inheritors, potential borrowers, beneficiaries and managers of cultural heritage protection, women, the poor, and local and non-local tourists). In addition, 517,225 residents in the 13 project townships will benefit from the Project, including 266,512 females, accounting for about 51.5%. See Table 3-1.

1) Local residents: 517,225 local residents in the 8 subproject areas will benefit from the Project through infrastructure improvement, the development of cultural tourism and related industries, and financial support.

2) Small business owners: Local small businesses, such as stores, restaurants, guesthouses and farmhouses, will also benefit directly from the Project. Infrastructure improvement and cultural tourism development will attract more tourists to the project area, thereby promoting the development of relevant local industries.

3) Intangible heritage inheritors: Intangible heritage inheritors are inheritors of state-level intangible cultural heritage generally recognized to be representative, authoritative and influential as identified by the State Council. The Project will involve as many as 284 intangible heritage items, such as lacquer ware in Tianshui, Shehuo in Ganzhou District, Zhangye City, and paper cutting and straw patchworks in Tongwei County. In the Project, intangible heritage inheritors can make handicrafts with small amount loans for sale to tourists to generate income.

4) Potential borrowers: Potential borrowers are local residents with the intention of applying for small amount loans. They will use loans to develop small businesses, family cultivation or stockbreeding to alleviate poverty.

5) Vulnerable groups: Vulnerable groups for this project refers to people with disability, those who live in rural area with no working ability, no income source, no children, women headed households, and households on minimum living standards. Five guarantee includes food, cloth, medical care, housing and education. Cultural tourism development and small amount loans under the Project will undoubtedly provide them with extensive development opportunities by bringing in more customers. However, they are exposed to the risk of bankruptcy due to limited financial strength.

6) Tourists: After the completion of the Project, more and more tourists will be attracted to the project area to experience the silk road in person. How successfully the Project is implemented will determine how many tourists will be attracted.

Table 3-1 Summary of direct beneficiary population

District / county	Township / sub-district	Population	Beneficiary female population	Percent of female beneficiaries	Village	Population
Qin'an County	Longcheng Town	32221	16433	51%	Wohuang Village	1624
					Fengwei Village	2447
					Lueyang Village	1636
	Wuying Town	38218	19554	51%	Shaodian Village	1847
Maiji District	Ganquan Town	45660	23900	52%	Xizhi Village	1902
	Huanu Town	56824	28980	51%	/	/

	Zaojiao Town	37269	19243	52%		
Wushan County	Shandan Town	26504	14123	53%	Shandan Village	1917
					Chechuan Village	1919
					Hedian Village	1187
Tongwei County	Pingxiang Town	37189	18902	51%	Songbao Village	1636
Lintao County	Taoyang Town	103764	53899	52%	Majiayao Village	1585
					Hekou Village	2264
					Qijiatan Village	1521
					Wangjiazui Village	1946
					Yangjiadian Village	1504
					Lijiafan Village	1760
					Cheliujia Village	1810
Ganzhou District	Jiantan Town	20281	45345	51%	Gucheng Village	1753
	Nanijie Sub-district	37439			Xilaisi Community	12010
	Beijie Sub-district	30751			Donghu Community	7840
Suzhou District	Youtian Sub-district	36875	18812	51%	Feitianlu Community	24700
Dunhuang City	Mogao Town	14230	7321	51%	Xindun Village	1894
Total	13 townships	517225	266512	51.5%	22 villages	78417

Source: feasibility study reports, and basic data provided by local governments

2. Indirect beneficiary population: Indirect beneficiary population refers to the beneficiary population in accessible surrounding areas indirectly covered by the Project. The Project has an indirect beneficiary population of 1,889,409, including a female population of 956,612, a poor population of 413,535, an urban population of 709,680 and a rural population of 1,179,679. See Table 3-2.

Table 3-2 Summary of indirect beneficiary population

Indicator	Qin'an County	Maiji District	Wushan County	Tongwei County	Lintao County	Ganzhou District	Suzhou District	Dunhuang City	Total
Beneficiary population	312770	321000	219350	202550	275887	256464	206688	94700	1889409
Female population	156541	161578	106950	112354	138243	129578	103689	47679	956612
Poor population	102500	56700	23912	87500	90000	40800	12100	23	413535
Urban population	63551	167000	68064	44100	79827	101359	110068	75711	709680
Rural population	249219	154000	151286	158450	196010	155105	96620	18989	1179679

Source: feasibility study reports, and basic data provided by local governments

The Project with all eight subprojects involves the acquisition of 70.2 mu of collective land, affecting 34 households with 168 persons, the allocation of 12,362.9 mu of state-owned land, and the temporary occupation of 63.74 mu of land, affecting 14 households with 42 persons.

Rural residential houses of 4,070 m<sup>2</sup> will be demolished for the Project, affecting 12 households with 48 persons, and entities and stores of 330 m<sup>2</sup>, affecting 6 households with 10 persons, and an abandoned schoolhouse of 500 m<sup>2</sup>. See Tables 4-3 and 4-4.

3. Those affected negatively by the Project: including residents, enterprises and stores affected adversely by construction, LA and HD, as well as vulnerable groups

40 households with 184 persons will be affected by permanent LA (333.7 mu of collective land), and 31 households with 94 persons affected by temporary land occupation (6 mu of state-owned land and 25 mu of collective land).

27 households with 116 persons affected by the demolition of residential houses (8,484 m<sup>2</sup>), and 9 households with 22 persons affected by the demolition of non-residential properties (994.4 m<sup>2</sup>).

### 3.1.2 Secondary stakeholders

Secondary stakeholders include the owners, design agency, construction agencies, supervising agencies and government agencies concerned.

1) PMOs: The Gansu PMO have been established at the provincial department of culture under the Gansu Project Leading Group to take charge of the leadership, implementation and supervision of the Project. Subproject leading groups have been established by the local governments of the 8 project counties (cities / districts) for project coordination. PMOs have been established in the 8 subproject areas, composed of relevant government officials, responsible for subproject construction under the unified coordination and direction of the Gansu PMO.

2) Owners: responsible for project construction, operation, maintenance, coordination and management

3) Government agencies concerned: including local culture, radio and television bureaus, tourism bureaus, land and resources bureaus, development and reform bureaus, women's federations, civil affairs bureaus, poverty reduction offices, township governments, village committees, etc. See Table 2-6.

In addition, secondary stakeholders also include the design agency, construction agencies, etc.

### 3.2 Public participation process

Since the beginning of project preparation in 2017, the Gansu and local PMOs have organized a series of public participation and consultation activities. At the preparation stage, the feasibility study agency, SA agency and environmental impact assessment agency conducted information disclosure, public participation and consultation.

#### 3.2.1 Project information disclosure

1) From the pre-identification stage in 2017, the local PMOs, township governments and village committees have disclosed the scope of construction, site selection criteria and small amount loan policy, and conducted a need and willingness survey by means of village meeting, village congress, meeting of household heads, interview, notice, brochure, banner, WeChat, etc.

2) From December 2017, the local PMOs have disclosed project information to local residents and collected their attitudes and comments.

3) From December 2017 to March 2018, the task force conducted a field investigation, and collected comments and suggestions on the Project from local residents by means of questionnaire survey, FGD, organizational interview and personal interview, including local production and living conditions, socioeconomic profile, willingness to borrow loans, potential project impacts, scope of construction, LA compensation and restoration measures, etc. These results will be incorporated into the RAP.

From 2017 to date, the Gansu and local PMOs have released the Project's latest information online many times. See Figure 3-1.



Figure 3-1 Project information disclosure

### 3.2.2 Field investigation

The task force conducted a field investigation on the proposed subproject areas for a more practical and objective understanding of the Project's impacts, including LA and HD impacts, local residents' socioeconomic conditions, their expectations for loan application or small business development, main concerns, etc.



Figure 3-2 Field investigation

### 3.2.3 FGD

In order to learn needs, suggestions, expectations and concerns of local residents (including urban and rural residents, women, and vulnerable groups), 94 FGDs were held in the 8 subproject areas, with 352 participants in total, including 97 women, accounting for 27.6%; 71 vulnerable people, accounting for 20.1%; 83 old people, accounting for 23.6%; 56 village officials and villager representatives, accounting for 15.9%; 29 intangible heritage inheritors, accounting for 8.2%; and 16 tourists, accounting for 4.5%.





Figure 3-3 FGDs

### 3.2.4 Key informant interview

Key informant interviews were conducted at the county (district), township (sub-district) and village (community) levels to provide inputs into project design and implementation, including heads of county (district) agencies concerned, such as culture, radio and television bureaus, tourism bureaus, land and resources bureaus, women's federations, poverty reduction offices, statistics bureaus, civil affairs bureaus and poverty reduction offices, township (sub-district) and village (community) officials, potential borrowers, small business owners, intangible heritage inheritors, and tourists.

198 key informants were interviewed in total, including 70 heads of county (district) agencies concerned, accounting for 35.3%; 27 village (community) officials, accounting for 13.6%; 32 potential borrowers, accounting for 16.2%; 24 small business owners, accounting for 12.1%; 30 intangible heritage inheritors, accounting for 15.1%; and 15 tourists, accounting for 7.6%. See Table 1-4.



Figure 3-4 Key informant interview

### 3.2.5 Questionnaire survey

The task force also conducted a questionnaire survey and personal interviews in the 8 subproject areas.



Figure 3-5 Questionnaire survey

In this 3-month survey, 410 copies were completed, and 401 valid copies recovered, accounting for 97.8%, including 80 copies in Lintao County, 32 in Tongwei County, 93 in Qin'an County, 35 in Wushan City, 61 in Zhangye City, 32 in Jiuquan City, 34 in Dunhuang City, 34 in Maiji District.

Table 3- 3Summary of public participation activities

Type	Date	Venue	Key points	Participants
Project information disclosure	First half of 2017	Affected villages	Information disclosure Willingness survey on small amount loans	PMOs, township governments, village committees, APs
	Nov. 2017	Affected villages	Information disclosure, and collection of attitudes and comments	PMOs, owners, township and village officials, APs, feasibility study agency
	Dec. 2017	Websites	Latest project information	PMOs, APs
Field investigation	Dec. 26, 2017 – Jan. 7, 2018, Jan. – Mar. 2018	Affected villages	Sampling socioeconomic survey	PMOs, owners, RAP preparation agency
	Dec. 26, 2017 – Jan. 7, 2018, Jan. – Mar. 2018	Affected villages	Collecting local residents' comments and suggestions by field investigation, questionnaire, interview, etc.	PMOs, owners, SA agency
	Dec. 26, 2017 – Jan. 7, 2018, Jan. – Mar. 2018	Proposed sites	Consultation on project preparation, and collection of suggestions on project optimization	SA agency
Questionnaire survey	Jan. 18 – Feb. 4, 2018, Jan. – Mar. 2018	Affected villages, homes	410 copies distributed and 401 valid copies recovered (48.1 % male and 51.9 % female)	APs, SA agency
FGD	Jan. 18 – Feb. 4, 2018	Affected villages	94 FGDs were held, with 352 participants in total, including 97 women, 71 vulnerable people, 83 old people, 56 village officials and villager representatives, 29 intangible heritage inheritors and 16 tourists.	APs, SA agency

Key informant interview	Jan. 18 – Feb. 4, 2018, Jan. – Mar. 2018	Agencies concerned, affected villages	198 key informants were interviewed in total, including 70 heads of county (district) agencies concerned, 27 village (community) officials, 32 potential borrowers, 24 small business owners, 30 intangible heritage inheritors, and 15 tourists.	Government officials, APs, intangible heritage inheritors, tourists, SA agency
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### 3.3 Stakeholder demand analysis

#### 3.3.1 Needs for the Project

1) Local residents have an urgent need for improving infrastructure and public service facilities.

The local infrastructure is backward, and the living environment is bad, such as unsound water supply and drainage systems, waste collection and treatment facilities, roads and public toilets, so residents have an urgent need for improving infrastructure and public service facilities.

① Unsound supply and drainage systems: Part household's domestic wastewater cannot be drained properly; 12 villages around the Majiayao site in Lintao County do not have wastewater treatment facility.

② Shortage of waste collection and treatment facilities: In Wuying and Longcheng Towns, Qin'an County, waste is usually filled in nearby mountains, and wastewater would be produced on rainy days, polluting groundwater, affecting the village appearance, villagers' physical health and tourist experiences, so villagers strongly expect the solid treatment problem to be solved through the Project.



Figure 3-6 Randomly dumped waste and waste collection point

③ Incomplete local road facilities, resulting in potential traffic safety risks: 1) Roads near Majiayao Culture Exhibition Center have no deceleration strip; with the increase of vehicle traffic after project completion, deceleration strips and traffic signs should be set up on roads in the 8 nearby villages to prevent traffic accidents. 2) The road from Qinan City to Longcheng town runs through three Villages where children often play on the road. Villagers expect this road to be reconstructed to ensure safety. 3) Shandan Town old street traffic is inconvenient, the existing narrow roads, poor River management, lack of corresponding road facilities, the need for landscape upgrading.

④ Unsound bus routing: 1) Jiuquan Silk Road Research Center is not easily accessible for those living far away from it, affecting its influence and coverage directly, so special bus routes should be set up. 2) Tianshui Lacquer Ware Cultural Industry Park is far away from Qinzhou District, so lacquer ware inheritors and local residents expect a direct access bus route to be set up after its completion.

2) Intangible heritage operators expect to improve the awareness and economy of intangible heritage through the Project.

① Tongwei County is a land of calligraphy and painting, but its influence is not extensive

enough, so operators expect to build a brand of calligraphy and painting through the Project. ② Tianshui lacquer ware is locally well known, but is rarely known out of Gansu Province, and is sold on the domestic market mainly, and rarely exported, so lacquer ware operators expect to build a brand of lacquer ware to expand its market and train lacquer ware inheritors through the Project. ③ Majiayao is known for its painted pottery culture, and there are many painted pottery operators there. For them, the Project will bring direct economic benefits to them by attracting tourists, and also promote the development of this culture.

3) Intangible heritage inheritors expect opportunities of intangible heritage inheritance, demonstration and lending.

Local cultural heritage inheritance and protection is not only the responsibility of the government, but also the expectation of local residents. Intangible heritage inheritors are the core force of intangible culture inheritance and protection and are generally willing to contribute to intangible heritage inheritance and protection. They expect opportunities of intangible heritage inheritance, demonstration and lending to inherit intangible heritage and make profits.

① Zhangye ditty and Majiayao painted pottery inheritors expect terms of small amount loans for intangible heritage to be extended, because it will take a long time for these forms of intangible heritage to generate economic benefits.

Interview 3-1: Mr. Zhang, intangible heritage inheritor, Xilaisi Community, Ganzhou District, Zhangye City (46 years)

“I play ditty, and run a company of my own. I’m willing to raise a small amount loan to deal with handicrafts. As you know, the cultural industry has a long payback period. I will probably begin to repay the loan before making a profit. For this reason, the term of the loan should be longer.”

② Intangible heritage in dynamic forms should be kept by video. Shehuo in Wulan Ancient Town is a rural worship ceremony in the Hexi Corridor and bears local people’s expectation for favorable weathers and a good harvest. However, it has lost its worship and symbolic significance gradually in modern society and evolved into a mode of daily entertainment. Since Shehuo inheritors have low income, and its development potential is limited, its inheritors expect this intangible heritage to be kept by video for better communication. Inheritors of intangible heritage in Tongwei County (paper cutting, calligraphy, painting and straw patchworks) expect to increase the influence and awareness of such intangible heritage through the annual Tongwei Calligraphy and Painting Festival, and attract more people for visits or exchanges, thereby generating more economic benefits.

4) Tourists expect one-stop cultural tourism experiences in the project area.

Tourists (especially non-local tourists) visit Gansu mostly to experience traditional Chinese culture and the Silk Road. They wish to experience more vivid elements related to the ancient silk road, and expect that different scenic zones in the project area be connected to gain one-stop cultural tourism experiences.

For example, according to tourist interviews, tourists think that the Ming granary and chief commander mansion in Zhangye City are not as famous as the Big Buddha Temple, and should be bundled with the temple for publicity, exhibition and brand building to attract more tourists, and improve their cultural tourism value.

Interview 3-2: Zhong Weiwen, tourist from Guangdong Province in Zhangye City (26 years)

“From the perspective of appreciation, there is nothing to see here at the Big Buddha Temple, chief commander mansion and Ming granary. I come here simply to experience the Silk Road and its culture.....”

Tourists to the Fuxi Temple in Qinzhou District think that the story of ancestor Fuxi presented at the Fuxi Temple is too simple and dull and should be associated with the Dadiwan site and the Wohuang Temple for a more vivid presentation.

Interview 3-3: Mr. Liu, tourist of Fuxi Temple, Qinzhou District (39 years)  
 “I think that the Fuxi Temple is not interesting at all and there is too little explanation, so I spent less than an hour visiting it. I hope to learn more about Fuxi, but feel very disappointed!”

### 3.3.2 Strong demand of local residents for small amount loans

All local residents have a strong demand for and a strong interest in small amount loans, including ordinary residents, low income population, women and intangible heritage inheritors.

1) Local residents have strong demand for small amount loans.

89.5% of the respondents are aware of small amount loans, 71.6% need small amount loans, and 89.3% would apply for small amount loans when necessary.

Table 3-4 Demand analysis of small-amount loans

Question	“Yes”	Percent	“No”	Percent
Are you aware of small amount loans?	359	89.5%	42	10.5%
Do you need a small amount loan now?	287	71.6%	114	28.4
Will you apply for a small amount loan when necessary?	256	89.3%	31	10.7%

Residents in Tongwei County have a strong demand for small amount loans, because they want to develop farmhouses, guesthouses and other small businesses, and those far away from the subproject site want to develop cultivation or stockbreeding. Residents near project also need small amount loans strongly to develop farmhouses, restaurants and other small businesses, or even deal with transport.

2) Past borrowers have strong demand for small amount loans.

In Majiayao and Hekou Villages where the Majiayao site is located, past borrowers of small amount loans have a strong demand for loans, because most rich families in Hekou Village have become rich by dealing with family stockbreeding (cows, pigs, sheep, etc.) or running farmhouses, thereby setting an example for other villagers. In Songbao Village, Tongwei County, farmhouses with local characteristics have been built under unified planning and run well, making nearby villagers highly willing to borrow loans to build similar farmhouses to generate income.

3) Local women also have strong demand for small amount loans.

Local women also have a strong demand for small amount loans, and 66.8% of the female respondents need small amount loans, which will be used for family cultivation, stockbreeding, restaurant, guesthouse, etc. See Table 3-5.

Table 3-5 Do you need a small amount loan now?

Gender		Indicator	Do you need a small amount loan now?			Total
			Don't know	Yes	No	
Gender	Female	N	2	139	67	208
		%	1.0%	66.8%	32.2%	100.0%
	Male	N	3	148	42	193
		%	1.6%	76.7%	21.8%	100.0%
Total		N	5	287	109	401
		%	1.2%	71.6%	27.2%	100.0%

83.2% of the female respondents who need small amount loans will apply for loans when necessary. Although this proportion is lower than that of the males, it reflects that local women expect personal and family development by participating in the Project. This will in turn improve their social status. See Table 3-6.

Table 3-6 Statistical analysis of demand for small amount loans by gender

Gender		Indicator	Will you apply for a small amount loan when necessary?					Total
			Other	Yes	No	Don't know	Don't care	
Gender	Male	N	4	185	4	0	0	193
		%	2.1%	95.9%	2.1%	.0%	.0%	100.0%

	Female	N	2	173	28	4	1	208
		%	1.0%	83.2%	13.5%	1.9%	.5%	100.0%
Total		N	6	358	32	4	1	401
		%	1.5%	89.3%	8.0%	1.0%	.2%	100.0%

#### 4) Low income population

Among the 401 respondents, 118 are covered by MLS. 58.5% of the MLS respondents need small amount loans, and 80.5% of those who need small amount loans will apply for loans when necessary.

These proportions are much lower than those of the sample population, because low income population worries more about loan repayment, and their risk resistance is low due to lower educational levels. However, their willingness is consistent with the purpose of alleviating poverty and supporting low income population of the Project. Therefore, their needs should be fully considered in project implementation. See Table 3-7.

Table 3-7 Demand of low income population for small amount loans

Question	Indicator		Yes		No		Don't know		Total	
	N	Percent	N	Percent	N	Percent	N	Percent	N	Percent
Do you need a small amount loan now?	69	58.5%	46	39%	3	2.5%	118	100%		
Will you apply for a small amount loan when necessary?	1	1.43%	57	80.5%	12	18.1%	70	100%		

#### 5) Willingness level and purpose varying with distance

Residents in Village near Dunhuang project have a stronger demand for small amount loans, because they want to develop farmhouses, restaurants and other small businesses, or even deal with transport. However, in Changcheng Village farther away from the park, residents have a weaker demand, and they want to use such loans to purchase personal items such as private cars, other than to do business.

#### 6) Microfinance demand analysis and support for project activities

According to the field investigation, the overall situation of the small and micro-economic development of the cultural tourism industry in Gansu Province is better, the demand for enterprise credit is stronger, and there is stillroom for improvement in enterprise credit satisfaction.

- From the industry point of view, the catering industry, wholesale and retail industry, accommodation industry and tourism commodity processing industry have higher credit demand; the proportion is 57.7%, 48.3%, 46.4% and 47.6% respectively. The largest demand for credit in accommodation industry was 865 thousand yuan, followed by 396 thousand yuan in the catering industry.
- From the regional distribution of credit demand, the demand for credit in Zhangye is higher, accounting for 60.5%, followed by Tianshui, Dingxi and Jiuquan. For the detailed distribution of small and micro credit projects, this will refer to the feasibility study report that will be prepared for financial subprojects.
- The credit demand of start-ups reached 60%, and the ratio of corporate credit demand to 50-100 thousand yuan was 62.2%.

Therefore, it is necessary to further develop the micro-credit market and increase the credit support for basic tourism industries, start-ups and small-scale enterprises to better promote the development of small and micro-enterprises in cultural and tourism industry from the perspective of financial support.

#### 3.3.3 High activity and willingness of low income population for the Project

Local low-income population generally supports the Project, with a support rate of up to 88%. If possible, they are willing to input labor at the construction and operation stages to increase their income.

Most MLS and poor households are willing to participate in the Project. For them, the Project is a good opportunity to increase income and eliminate poverty. They can either participate directly in the Project by labor input, or receive small amount loans or skills training to run small businesses,

such as calligraphy and painting, paper cutting, lacquer ware processing, and straw patchwork shops, restaurants, family guesthouses, etc.

### 3.3.4 Strong participation willingness of women

98.6% of the 208 female respondents in the 8 subproject areas are willing to participate in the Project. See Table 3-8.

Table 3-8 Willingness of women to participate in the Project after completion

Option	Indicator	Frequency	Percent	Valid percent	Cumulative percent
Valid	Willing	205	98.6	98.6	98.6
	Unwilling	3	1.4	1.4	100.0
	Total	208	100.0	100.0	

Although local women are willing to participate in the Project, their possibility of participation may be limited. It is found that there is an obvious division of labor by gender in the project area, where males deal with external affairs, while females with internal affairs (e.g., doing housework, taking care of children and old people) mainly. For example, a young woman in Qin'an County has never worked outside. It can be seen that most local women are still affected by the traditional division of labor, and if they can participate in the Project effectively and actively is not decided by themselves, but by their husbands and parents in law.

Interview 3-4: Ms Zhang, Wohuang Village, Longcheng Town, Qin'an County (26 years)  
 "I have been married for 3 years and have never worked outside. I don't know what to do outside. I have to take care of my child and parents in law, cook, and wash clothes every day. I want to work outside, but that must be approved by my husband and parents in law. In my leisure time, I would visit the neighborhood."

### 3.3.5 Improved awareness of the Project among local officials and residents

87.5% of the respondents are aware of the Project. 32.6% of those aware of the Project hear of the Project by means of television, broadcast, newspaper, Web, etc., 31.0% by means of village / community committee, and 25.8% by means of the government.

Local government officials are more aware of details of the Project, but ordinary residents know little about the Project. Therefore, publicity on the Project should be strengthened to involve the public in the Project.

### 3.3.6 High support level of local residents for the Project

87.3% of the respondents are optimistic about the future prospect of the Project, 84.8% think that the Project is important for their families, 88.0% think that local residents will benefit from the Project after its completion, 98.5% are very willing to participate in the Project, and 97.5% think that the Project will generate considerable economic benefits.

Table 3-9 Willingness of local residents to participate in project operation

Option	Indicator	Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	395	98.5	98.5	98.5
	No	6	1.5	1.5	100.0
	Total	401	100.0	100.0	

88.3% of the respondents are willing to participate in the Project by borrowing small amount loans, and only 11.7% will participate by raising funds themselves.

Table 3-10 Modes of participation in project operation

Option	Indicator	Frequency	Percent	Valid percent	Cumulative percent
Valid	Small amount loan	354	88.3	88.3	88.3
	Self-raised funds	47	11.7	11.7	100.0
	Total	401	100.0	100.0	

Residents near the project sites generally support the Project after learning more about it.

Interview 3-5: Ms Zhou, Feitianlu Community, Suzhou District, Jiuquan city (32 years)

“It is good to build a library. As you see, all people, whether adults or children, would use mobile phones in leisure time. In particular, mobile phones would affect children’s vision and academic performance. This is a great concern of parents.”

“The library will be a good reading place for the public. At weekends or in vacations, we can read there together with our children to learn knowledge.”

## 4. Social Impact Analysis

### 4.1 Positive impacts

According to the questionnaire survey, local residents think that the Project will have the following positive impacts: 1) 17.7% of the respondents the Project will create job opportunities; 2) 16.6% think that the Project will promote local tourism development; 3) 16.45% think that the Project will promote local economic development; 4) 13.6% think that the Project will promote cultural heritage inheritance and protection; 5) 13.4% think that the Project will increase the income of poor population; 6) 8.7% think that the Project will improve the living environment; 7) 8.2% think that the Project will improve infrastructure; and 8) 4.9% think that the Project will improve the ecological environment.

Table 4-1 Perceived positive impacts of the Project

Option	Indicator	Potential positive impacts of the Project									
		Promoting cultural heritage inheritance and protection	Promoting local tourism development	Creating job opportunities	Increasing the income of poor population	Promoting local economic development	Improving the living environment	Improving infrastructure	Improving the ecological environment	No impact	Other
Sample size		209	255	272	205	252	133	126	75	5	2
Percent (%)		13.6	16.6	17.7	13.4	16.4	8.7	8.2	4.9	0.3	0.1

#### 4.1.1 Promoting local economic development and creating more jobs

17.7% of the respondents think that the Project will create job opportunities, and 16.45% think that the Project will promote local economic development. It can be seen that local residents are optimistic about the economic and social benefits of the Project, such as improving local infrastructure and scenic zones, attracting more investors and tourists, promoting local cultural tourism development, reducing poverty, and more importantly, promoting the inheritance and protection of cultural heritage. For example, Tianshui Lacquer Ware Cultural Industry Park will attract a large number of lacquer ware craftsmen, and train local residents on the lacquer ware technique, thereby increasing the income of craftsmen, and promoting the inheritance and development of this technique.

In addition, some unskilled jobs will be generated at the construction and operation stages, such as material transport, construction and catering at the construction stage, small businesses supported by small amount loans, and scenic zone management and service jobs at the operation stage. These jobs will be first made available to surplus laborers in the project area and surrounding areas, especially old people, women, the poor and other vulnerable groups to help them eliminate poverty as soon as possible.

Interview 4-1: head of Xizhi Village, Ganquan Town, Maiji District, Tianshui City (43 years)

Jobs at the lacquer ware factory include skilled and unskilled jobs. Skilled jobs (such as painting) have to be done by specialized craftsmen. Since such craftsmen can hardly be recruited, we plan to train some local villagers on lacquer ware. They are willing to get trained, because this can make money.



#### 4.1.2 Improving infrastructure and living quality

22.1% of the respondents think that the Project will improve the living environment and

infrastructure. The task force has found that the existing infrastructure (water, electricity, roads, etc.) in the project area is inadequate.

1) Roads: In Lintao County, Qin'an County, Tongwei County, Ganzhou District and Wushan County, roads vary in width, are rugged and rough, and have no streetlamps and traffic signs, posing potential risks. In Longcheng Town, Qin'an County, some rural roads are earth roads, which are dusty on sunny days and muddy on rainy days.

2) Drainage facilities: Local residents complain much about drainage. In Qin'an County, domestic wastewater is not drained via a sewer, but poured out, often directly at the gate or on the road, resulting in water logging or icing. There is ice in front of the gate in winter, threatening the personal safety of pedestrians and polluting the living environment.

3) Electricity: In some alleys to be renovated in Qinzhou District, power supply lines are disorderly, and posing potential risks.

4) Heating: In Tongwei County and Qin'an County, local residents heat with small coal stoves in winter, resulting in bad indoor air quality, unsmooth breath and environmental pollution, and threatening physical health.

It can be seen that infrastructure is unsound in most parts of the project area. The Project will improve the local infrastructure greatly, provide better public services to the public, improve their living quality and well-being, and give tourists a good impression.



Figure 4-1 Local road and drainage port



Figure 4-2 Electric meters and heating coal stove

Interview 4-2: Ms Li, Fengwei Village, Longcheng Town, Qin'an County (41 years)  
Domestic wastewater is not drained via a sewer, but poured out, often directly at the gate. There is ice in front of the gate in winter, so we have to take care when going out.

#### 4.1.3 Tapping local cultural tourism resources to promote poverty reduction

Poverty reduction by cultural tourism is an integral part of industry and targeted poverty reduction in the 13<sup>th</sup> Five-year Poverty Reduction Plan of Gansu Province. The project area has rich cultural, tourism and natural resources, so cultural tourism development is an effective way of poverty reduction. 16.6% of the respondents think that the Project will promote local tourism development. In recent years, local governments have taken measures actively to promote the integrated development of local culture and tourism and made some achievements. For example,

the Maiji District Government in Tianshui City is building an ancestral worship place based on Fuxi culture, integrating grotto culture with tourism, improving the rural environment based on new countryside building, constructing rural public service facilities, and developing characteristic cultural tourism products with the aim of turning cultural tourism into a strategic pillar industry of the district.

The Project will promote the integrated development of local culture and tourism to improve the service level and promote poverty reduction on the basis of “diversified mix, industrial development and normative management”.

Table 4-2 List of local cultural tourism resources

Subproject area	Cultural tourism resources
Lintao County	Xiyao Temple, Majiayao site, painted pottery culture, Sanyi Flower Garden, West Lake Park, Fogui Temple Ecological Park, Nanping Mountain, etc.
Maiji District	Maiji Mountain Grottoes, Maiji Mountain, Chongfu Temple, Guatai Mountain, Buddha's Birthday Festival, etc.
Tongwei County	Yuexin International Calligraphy and Painting Village, Bangluo Conference Memorial Hall, Tongwei Hot Spring Resort, Xujiao Park, etc.
Zhangye City	Yugur Folklore Resort, Big Buddha Temple, Danxia Geological Park, Biandukou Scenic Zone, Zhangye National Wetland Park, etc.
Qin'an County	Fengshan Mountain, Yuntai Mountain, Dadiwan site, Kequan Temple, Nuwa Hall, Shangguan Qing-Ming Ancient Street, etc.
Wushan County	Watercurtain cave, Muti temple, Longtai Ciyun temple, Woniu Mountain, Laojunshan Forest Park, Wolf Call Lang Site, Luban Mountain Geopark, etc.
Jiuquan City	Jiuquan Satellite Launch Center, Yadan Geological Park, Guazhou Suoyang City, Wang Jingxi's Former Residence, Chijin Canyon, etc.
Dunhuang City	Mogao Grottoes, Shaming Mountain – Yueya Spring Scenic Zone, Yangguan Scenic Zone, Movie and Television Town, Leiyin Temple, etc.

#### 4.1.4 Improving residents' awareness of cultural heritage protection

Some project sites, such as the Majiayao site in Lintao County, the Dadiwan site in Qin'an County, the Ming granary and chief commander mansion in Zhangye City, and the Xuanquanzhi site in Dunhuang City, are important relics of the Chinese civilization, and witness the evolution of Chinese culture, handicrafts, architecture, etc. However, pitifully, these sites are rarely known to the public, and may have been damaged inadvertently to some extent. Current practices of intangible cultural heritage protection, such as Maiji lacquer ware, Zhangye ditty, and Tongwei calligraphy and painting, are far from meeting the statutory requirements.

In addition, some courtyards in the project area have a history of hundreds of years and are out of repair due to long-term weathering. Some residents have erected illegal buildings in these courtyards and caused some damages. In the Project, such hidden heritage will be uncovered and renovated to show their historical and cultural value and share traditional Chinese architectural culture with worldwide scholars. In this process, the heritage protection awareness of residents will also be improved.

Interview 4-3: Mr. Zhang, Xilaisi Community, Ganzhou District, Zhangye City (53 years)  
 Many locals don't know the chief commander mansion as a historical scenic spot, let alone tourists. This is due to insufficient publicity by the government. In fact, this mansion can be used as a valuable base of patriotic education.



Figure 4-3 Xuanquanzhi site in Dunhuang and chief commander mansion in Zhangye

#### 4.1.5 Improving women’s participation in social labor and family status

Local women usually do housework and farm work and take care of the family in daily life. Few women work at local restaurants and guesthouses. Their overall social participation rate is low. Men mostly work outside to earn money. Due to the division of labor by gender in the project area, where males deal with external affairs, while females with internal affairs, women have to stay at home as housewives, and their social status is low.

The Project will help women get employed locally by offering jobs and improve their social status by increasing their income. For example, in Gucheng Village, Wulan Ancient Town, the time-honored folklore cultural activity “Yellow River Lamp Festival” is held around January 15 in the lunar calendar and lasts 10 days. During the festival, numerous non-local tourists (about 100,000) would come here for celebration. An application for world intangible cultural heritage has been filed for this cultural event. The Project will further expand its influence and bring more tourists. Local women can do business to make money during the festival, such as selling local snacks and souvenirs.

Interview 4-4: Ms Yang, Taoyang Town, Lintao County (35 years)

I also want to work outside to earn money and share the burden of my husband. However, I have to stay home to take care of my child and old people.



#### 4.1.6 Changing farmers’ mind to promote urban-rural interaction and integration

In the project area, rural tourism and tertiary industries (farmhouse, accommodation, catering, etc.) are developed energetically to help local farmers get rich, such as in Qin’an County, Lintao County, Maiji District, Tongwei County and Wushan County. However, these businesses are mostly run by villagers independently, and are small in number and scale, and scattered, so their social and economic benefits are limited.

Local residents will receive financial support under the Project to develop small businesses, such as farmhouse, accommodation and catering, thereby attracting more tourists into the project area. For example, scattered farmhouses in Hekou Village, Lintao County will be developed rapidly, and with brands and local characteristics. In this process, local residents will change their minds to eliminate poverty and purpose higher quality of life, and local rural areas will become more civilized. This will eventually realize the integrated development of urban and rural areas and promote urbanization.

Interview 4-5: Mr. Li, Hekou Village, Taoyang Town, Lintao County (46 years)

There are 7 or 8 farmhouses in our village, but they are scattered and small. They should join forces to operate on a larger scale and better. A loan is preferred.



#### 4.1.7 Promoting cultural inheritance and innovation

The project area has a long history and a cradle of geniuses, and boasts a brilliant traditional culture created by the working people, including consummate folklore handicrafts and colorful folklore customs. However, pitifully, due to the marginal status and long payback period of the cultural industry, many traditional handicrafts are on the verge of being lost.

In the Project, financial support will be provided for cultural inheritance and innovation. Specifically, special funds will be used to establish special research and training agencies, and support academic exchanges, and small amount loans will be granted to support intangible heritage inheritors and small businesses, such as calligraphy and painting in Tongwei County, lacquer ware in Maiji District, and paper cutting in Zhangye City. The Project will support intangible heritage inheritors to pass down traditional handicrafts to later generations and expand the domestic international influence of local culture.

Interview 4-6: Mr. Li, Songbao Village, Tongwei County (33 years)

In our county, there are calligraphy and painting works in every house, whether a family is rich or literate or not. The annual calligraphy and painting festival is the most important festival for the Tongwei people, where people would buy and sell calligraphy and painting works.

In addition, our county has some members of China Calligrapher and Painter Association, who serve local people all the year round, and carry calligraphy and painting culture forward.

#### 4.1.8 Protecting the ecological environment to promote human-nature harmony

4.9% of the respondents think that the Project will improve the ecological environment. In particular, residents in Jiayuguan City generally think that the Project will promote wetland and biodiversity conservation greatly. In the context of ecological development, wetland conservation and rehabilitation is a major measure, especially for dry and ecologically vulnerable inland provinces like Gansu, which has a total wetland area of over 1.7 million hectares, accounting for 4% of its land area. The ecological significance of wetlands determines the great environmental value of Caohu National Wetland Park, which has a unique bio-diverse ecosystem of grassland, swamps and ponds, and provides an ideal habitat for birds migrating from central Asia to India.

In addition, Caohu National Wetland Park has important ecological and other functions, such as sandstorm protection, desertification prevention, water storage, irrigation, and climate improvement. The park is an integral part of the green ecological barrier of the Hexi Corridor. Its conservation and rehabilitation will protect and improve its habitat and give full play to its ecological functions.

There is no minority population that triggers OP4.10 in the 8 subproject areas, so it is impossible to organize eligible minority population for project identification, public participation and analysis, and to analyze the Project's positive and negative impacts on minority residents, and the free, prior and informed consultation process does not apply.

Although there is a Yugur autonomous county (Sunan) in Zhangye City, OP4.10 does not apply to it because it is not within the project area, and there is no need to prepare an EMDP.

## 4.2 Negative impacts

### 4.2.1 Potential LA and HD impacts

LA impacts: Hanmo Culture and Art Center, Majiayao Culture Exhibition Center, Dadiwan site, some car parks, some tourist service centers, etc. will involve the acquisition of collective land and the occupation of state-owned land. 333.7 mu of collective land will be acquired permanently, affecting 40 households with 184 persons; 12,753.5 mu of state-owned land will be allocated; 31 mu of land will be occupied temporarily, affecting 31 households with 94 persons. LA will reduce land-based income and affect some local residents' livelihoods.

In view of this, the households affected by permanent LA and temporary land occupation, and their impacts should be identified as early as possible, such impacts notified to the APs in advance, and compensation paid to them in full according to the prevailing policies.

Table 4-3 Impacts of permanent LA and temporary land occupation

No.	Item	Unit	Tongwei County		Lintao County		Zhangye City		jiayuguan City	Dunhuang City	Tianshui			Total	Grand total
			Hanmo Culture and Art Center		Majiyao Culture Exhibition Center	Majiyao Site Scenic Zone	Heritage Protection, Village	Mulan Ancient Town Folklore	Jiuquan Silk Road Research Center	Xuanquanzhi site	Qinzhou District	Qin'an County	Majiji District		
1	Acquisition of collective land	mu	/	/	/	/	/	/	/	62.1	/	8.1	70.2	12433.1	
2	Occupation of state- owned land	mu	/	/	/	/	2	100, acquired in 2014	12258.9 Desert	2	/	/	12362.9		
3	Temporary land occupation	mu	/	/	/	/	/	/	/	11 (collective)	/	52.74	63.74	63.74	
4	Directly affected population	Permanent LA	HH	/	/	/	/	/	/	/	34	/	34	34	
			Person	/	/	/	/	/	/	/	168	/	168	168	
	Temporarily affected population	Temporary land occupation	HH	/	/	/	/	/	/	/	14	/	14	14	
			Person	/	/	/	/	/	/	/	42	/	42	42	

Demolition of residential houses: This is caused by Hanmo Culture and Art Center in Tongwei County, and Cultural Heritage Protection, Inheritance and Development in Ganzhou District, Zhangye City. Rural residential houses of 4,070 m<sup>2</sup> will be demolished, including 3,470 m<sup>2</sup> in masonry concrete structure, 730 m<sup>2</sup> in masonry timber structure and 250 m<sup>2</sup> in earth timber structure, affecting 12 households with 48 persons.

Demolition of non-residential properties: This is caused by Cultural Heritage Protection, Inheritance and Development in Ganzhou District, Zhangye City, and Mandarin Duck Jade Origin Town in Shandan Town, Wushan County. Non-residential properties of 330 m<sup>2</sup> will be demolished for Cultural Heritage Protection, Inheritance and Development in Ganzhou District, Zhangye City, all in masonry concrete structure, affecting one public house and 6 stores with 10 persons. An abandoned schoolhouse of 500 m<sup>2</sup> in earth timber structure will be demolished for Mandarin Duck Jade Origin Town in Shandan Town, Wushan County, affecting no one. See the table below for details:

Table 4-4 Summary of HD impacts

No.	Item	Unit	Tongwei County	Lintao County		Zhangye City		Jiayuguan City	Dunhuang City	Tianshui			Total
			Hanmo Culture and Art Center	Majiyao Culture Exhibition Center	Majiyao Scenic Zone	Majiyao Site	Cultural Heritage Protection, Inheritance and Development	Wulan Ancient Town Folklore Village	Caohu National Wetland Park	Xuanquanzhi site	Qinzhou District	Qin'an County	
1	Rural residential houses	HH	6	/	/	/	6	/	/	/	/	/	12
		Person	24	/	/	/	24	/	/	/	/	/	48
		m <sup>2</sup>	2630	/	/	/	1440	/	/	/	/	/	4070
2	Urban residential houses	HH	/	/	/	/	/	/	/	/	/	/	/
		Person	/	/	/	/	/	/	/	/	/	/	/
		m <sup>2</sup>	/	/	/	/	/	/	/	/	/	/	/
3	Non-residential properties	HH	/	/	/	6	/	/	/	/	/	/	6
		Person	/	/	/	10	/	/	/	/	/	/	10
		m <sup>2</sup>	/	/	/	330	/	/	/	/	/	500	830

#### 4.2.2 Potential increase of living costs and disintegration of social networks

While promoting local economic development, the Project will also drive up living costs of local residents. In most parts of the project area, rural residents heat with small coal stoves in winter, and would spend 1,000-2,000 yuan on heating per winter. After the completion of the Project, the heating cost of a winter will rise to about 3,000 yuan in the centralized heating mode. In addition, local economic development will also result in inflation.

After the completion of ancient residence renovation, with the improvement of housing and infrastructure, rental rates will rise, thereby increasing the financial burden of tenants, and forcing some tenants to move. Some tenants have lived here for over 20 years and have established close relations with house owners and other tenants. It will take time for them to reestablish social networks.

#### 4.2.3 Potential traffic safety risks due to road construction or broadening

With the completion of the Project, more scenic zones will be open, and roads will be broadened, resulting in much higher pedestrian and vehicular traffic. The large vehicular traffic will pose threats to the personal safety of local residents who still lack traffic safety knowledge and awareness, especially children and old people, and increase the incidence of traffic accidents.

Interview 4-7: head of Shaodian Village, Wuying Town, Qinan County (42 years)

Children are allowed to run and play everywhere, and there are few vehicles on the road. Parents hardly worry about them. When there are more vehicles on the roads after project completion, children will be at risk.



Table 4-5 Local rural roads

#### 4.2.4 Potential increase of the mental pressure and affordability of borrowers

In the Project, small amount loans will be offered to help local residents develop small businesses, family cultivation or stockbreeding. Even though the interest rate of such loans is much lower than that of commercial loans, they are still debts for residents. Since there are great uncertainties in business operations, especially for some poorly educated and ill-informed villagers who deal mainly with purely physical labor in Chechuan Wushan County, Hekou and Majiayao Villages, Lintao County, and Shaodian Village, Qin'an County, there is a concern about loan repayment.

Interview 4-8: Villager of Chechuan Village, Wushan City (39 years)

We would like to have the funds to expand the processing of Yuanyang jade, but we have been running a small workshop in the village these years. We do not know much about the changes in the external market and small loans, for fear of what happens after the loan.

Therefore, for local residents, if they are not 100% certain about making profits, such loans will not make them rich; on the contrary, such loans will give them a mental pressure.

#### 4.2.5 Potential impacts of external labor influx during construction

The Project will involve extensive construction, which will be conducted by specialized teams. These teams will introduce labor from other provinces, cities or counties to meet qualification or construction requirements. It is expected about 676 non-local laborers and 836 local laborers will be recruited. The influx of non-local laborers will lead to some social and health risks, including disseminating epidemic and infectious diseases (AIDS, influenza, etc.), and causing conflicts with local residents due to the lack of understanding of local customs (religions, festivals, etc.).

Table 4-6 Summary of expected labor inputs in project construction

Indicator Subproject	Non- local laborers	Main types of work	Local laborers	Main types of work	Total
1. Dadiwan Site	121	Archeology, project management, financial management, contract management, machinery	132	Construction, material transport, cooking, cleaning, etc.	253

		operation, etc.			
2. Majiayao Culture Exhibition Center	45	Archeology, project management, financial management, contract management, machinery operation, etc.	80	Earth transport, material transport, construction, cooking, cleaning, etc.	125
3. Cultural Heritage Protection, Inheritance and Wulan Ancient Town Folklore Village Development	35	Project management, financial management, contract management, machinery operation, etc.	75	Earth transport, material transport, construction, material transport, cooking, cleaning, etc.	110
	100	Project management, financial management, contract management, machinery operation, handicrafts, etc.	100	Earth transport, material transport, construction, material transport, cooking, cleaning, etc.	200
4. Xuanquanzhi Site Protection and Demonstration	43	Archeology, project management, financial management, contract management, machinery operation, etc.	47	Earth transport, material transport, construction, material transport, cooking, cleaning, etc.	90
5. Jiuquan Silk Road Research Center and Library	51	Project management, financial management, contract management, machinery operation, etc.	96	Earth transport, material transport, construction, material transport, cooking, cleaning, etc.	147
6. Lacquer Ware Skills Inheritance and Development	112	Project management, financial management, contract management, machinery operation, lacquer ware, etc.	120	Lacquer ware, earth transport, material transport, construction, material transport, cooking, cleaning, etc.	232
7. Pingxiang Calligraphy and Painting Town	42	Calligraphy and painting, project management, financial management, contract management, machinery operation, etc.	79	Calligraphy and painting, earth transport, material transport, construction, material transport, cooking, cleaning, etc.	121
8. Shandan Town Yuanyang jade origin characteristic cultural town project	127	Project management, financial management, contract management, Yuanyang jade processing personnel, large machinery operation, etc.	107	Yuanyang jade processing, earthwork transportation, material transportation, construction workers, cooks, cleaning staff, etc.	234
Total	676	/	836	/	1512

#### 4.2.6 Potential natural and social impacts of construction

Noise, dust, tail gases, domestic wastewater, domestic waste, etc. produced during project construction may affect nearby residents and schools to some extent. Construction may also damage cultural relics to some extent, especially those buried in the ground at the Majiayao and Dadiwan sites.

This is reflected in the questionnaire survey. Potential negative impacts of the Project perceived by local residents mainly include: ①22.4% of the respondents think that construction will produce noise; ②21.4% think that construction will produce dust; ③14.2% think that construction will produce construction and domestic waste; ④9.7% think that construction will affect nearby infrastructure (water, electricity, roads, etc.); ⑤8.8% think that construction will affect cultural relics or historical buildings; ⑥7.6% think that construction will affect nearby stores' operations.

Table 4-7 Perceived negative impacts of the Project

Indicator Item	Potential negative impact during project construction									
	Affecting nearby stores' operations	Affecting nearby institutions' operations	Affecting cultural relics or historical buildings	Affecting nearby infrastructure	Noise	Dust	Water pollution and loss, and soil erosion	Construction and domestic waste	None	Other
Sample size	70	44	81	89	205	196	53	130	47	2
Percent (%)	7.6	4.8	8.8	9.7	22.4	21.4	5.8	14.2	5.1	0.2

Other potential negative impacts of the Project perceived by local residents include: exhaust emission (17.9%), producing domestic waste in scenic zones (17.4%), loss of land (12%), and increased expenditure (10.7%). In addition, with the influx of non-local laborers and tourists, some local residents (8.9% of the respondents) worry about conflicts with them. Besides, since the Project is demonstrative other than generally applicable in nature, and not all areas will benefit from it, there may be conflicts between villages covered and not covered by it. The survey shows that 5% of the respondents have this concern.

Table 4-8 Perceived impacts after project completion

Perception	Potential negative impact after project completion									
	Loss of land	Increased expenditure	Exhaust emission	Exhaust pollution at car parks	Producing domestic waste in scenic zones	Conflicts between floating population and local residents	Conflicts among local residents	Affecting cultural relics	None	Other
Sample size	105	94	157	136	152	78	44	67	37	6
Percent (%)	12	10.7	17.9	15.5	17.4	8.9	5.0	7.6	4.2	0.7

The Project consists of 8 subprojects, which have different social impacts, as summarized below:

Table 4-9 Impacts of subprojects and countermeasures

Subproject	Positive impacts	Negative impacts	Suggestions
1) Dadiwan Site	<p>1) This subproject will improve the local infrastructure, solve environmental problems, and protect the physical health and drinking water safety of downstream residents.</p> <p>2) This subproject will offer local jobs to women, so that they can work while taking care of the family, thereby increasing their participation rate in social labor, and improve their family status.</p> <p>3) This subproject will carry forward local culture and strengthen the cultural identity of the public.</p>	<p>In Wuying Town, it is stipulated that sewers should be excavated by not more than 30cm, which does not meet the national standard.</p>	<p>1) The Nuwa Temple is a very popular tourist destination. Local residents highly identify themselves with Nuwa culture, but the local government pays little attention to this. The government should be further involved to promote the successful implementation of this subproject.</p> <p>2) The Fuxi Temple, Dadiwan site and Nuwa Temple should be integrated on a realistic basis for a synergetic effect.</p>
2) Majiayao Culture Exhibition Center	<p>1) This subproject will improve the local infrastructure, provide a good living environment to local residents, and reduce the possibility of impoverishment due to diseases.</p> <p>2) This subproject will offer local jobs to women, so that they can work while taking care of the family, thereby increasing their participation rate in social labor, and improve their family status.</p> <p>3) This subproject will realize an economy of scale in rural tourism in Hekou Village.</p> <p>4) This subproject will promote the inheritance of intangible heritage, and improve the economic efficiency of the cultural industry. This subproject will expand the existing painted pottery workshops in Hekou Village, and attract more tourists.</p> <p>5) This subproject will help change local residents' minds, and promote the integration of urban and rural areas.</p>	<p>1) Some residents will suffer losses due to LA. A dairy farm will be relocated for this subproject, thereby affecting the income of the AHs.</p> <p>2) The dairy farm has a strong smell, which may affect tourist experiences.</p> <p>3) This subproject will bring higher pedestrian and vehicular traffic, resulting in safety risks and exhaust pollution, especially for women, children and old people.</p> <p>4) The liberalization impact on daily life arising from this subproject will affect local residents' minds, and lead to family conflicts.</p>	<p>1) The local government should grant compensation to those affected by LA in strict conformity with the applicable policy, and provide development support to the APs, such as stockbreeding.</p> <p>2) The scenic zone environment should be monitored strictly and periodically to improve tourist experiences.</p> <p>3) The PMO should improve local traffic facilities, and popularize traffic safety knowledge to improve local residents' awareness.</p> <p>4) Attention should be paid to the mental health of local residents to reduce mental impacts arising from this subproject. The PMO may organize expert workshops together with village committees.</p> <p>5) The rural infrastructure and environment should be improved.</p> <p>6) Rural tourism brands should be built to increase income.</p> <p>7) Attention should be paid to the resettlement of female laborers.</p> <p>8) More small amount loans should be granted to local residents to develop family stockbreeding, farmhouses, etc.</p> <p>9) Site selection: Site 1 involves the acquisition of over 10 mu of farmland, and the demolition of 6 residential houses (3 used as stores) with a total area of about 20,000 m<sup>2</sup>; this site involves HD, LA and operating revenue losses. Site 2: 11.3 mu of land has been acquired, and the compensation paid; two residential houses used as stores are to be demolished; this site is located mostly in river flat, and floods should be considered.</p>

<p>3) Cultural Heritage Protection, Inheritance and Wulan Ancient Town Folklore Village Development</p>	<p>1) This subproject will improve the awareness of the Ming granary and chief commander mansion, and promote local tourism development and poverty reduction.  2) This subproject will improve local residents' cultural heritage protection awareness.  3) Small amount loans will improve the self-development capacity of local residents through financial support for business startup.  4) This subproject will encourage more people to learn folklore culture, such as stilt walking and lion dancing, thereby promoting culture inheritance and local economic development.  5) This subproject will improve the local infrastructure and local residents' living quality.  6) This subproject will offer jobs to surplus laborers to increase their income.</p>	<p>1) Construction will produce noise and dust pollution.  2) The modern buildings in front of the chief commander mansion are incompatible in architectural style, and block the district library, and should be demolished.  3) The Project may affect the traditional ceremonial custom of the ancient town, which is held in January in the lunar calendar. Once it is commercialized, its piety, holiness and sense of ceremony will disappear.</p>	<p>1) A lending procedure should be developed under Bank guidance.  2) The two scenic spots under this subproject should be combined with other famous local scenic spots for a synergetic effect.  3) The repayment period of small amount loans should be extended, because the cultural industry has a long payback period.  4) Loan uses should be controlled to maximize economic benefits. Loans should be used for the local cultural industry only.  5) The government should give greater support to the cultural industry, and encourage more people to participate, thereby promoting the stable and sustainable development of this industry.  6) The folklore village should be developed with characteristics of northwestern China and the ancient Silk Road without following suit.  7) Option selection for road expansion (from 6m to 12m): Option 1: The existing road is renovated without expansion, involving the acquisition of 2 mu of river flat and young crop compensation. Option 2: A bridge is erected across the banks without LA.</p>
<p>4) Xuanquanzhi Site Protection and Demonstration</p>	<p>1) This subproject will protect the Xuanquanzhi site as a witness of the Silk Road history since the Han dynasty.  2) This subproject will give full play to the historical value of the site, and promote the tourism development of the whole city. In the long run, this subproject will generate economic, social and historical benefits.</p>	<p>1) This subproject will have limited economic benefits for local residents.  2) With the increase of tourists after completion, buried relics may be damaged.</p>	<p>The coverage of this subproject should be expanded to benefit more local residents.</p>
<p>5) Jiuquan Silk Road Research Center and Library</p>	<p>1) This subproject will build the first library of Jiuquan City.  2) The library will be a good place for local residents (including children) to learn local culture.  3) Small amount loans under this subproject will support intangible heritage inheritors, and encourage more people to inherit and carry forward intangible heritage.</p>	<p>1) The subproject site is far away from the urban center, so that distant residents cannot benefit from it due to traffic inconvenience.  2) Noise and dust pollution may affect residents in Feitianlu Community.</p>	<p>1) A special bus route should be set up for the convenience of the public.  2) Noise and dust control measures should be taken during construction.</p>
<p>6) Lacquer Ware Skills Inheritance and Development</p>	<p>1) This subproject will offer jobs to local residents to increase their income, and inherit lacquer ware.  2) Small amount loans under this subproject will help poor households eliminate poverty through large-scale fruit tree cultivation.  3) This subproject will transform the lacquer ware</p>	<p>1) A provincial highway is being constructed out of the subproject area, producing much dust.  2) The subproject area is too far away from the urban area, and inheritors have commuting difficulties.</p>	<p>1) Noise and dust control measures should be taken during construction.  2) The PMO should arrange a shuttle bus for inheritors every day.  3) Employment contracts should be entered into with local laborers to protect their labor rights and interests.</p>

	market to improve its economic efficiency.	3) Lacquer will cause environmental pollution.	
7) Pingxiang Calligraphy and Painting Town	<p>1) This subproject will offer local jobs to women, so that they can work while taking care of the family, thereby increasing their participation rate in social labor, and improve their family status.</p> <p>2) This subproject will support traditional craftsmen to develop small businesses or train inheritors.</p> <p>3) Small amount loans under this subproject will help local residents increase income through family cultivation and stockbreeding.</p> <p>4) This subproject will help build correct values and social morals, because local residents pay more attention to the integrity of calligraphers and painters than to the quality of their works.</p>	<p>1) In winter (off-season) there is a little number of shops idle on the second floor, small and micro-enterprise loans, fear of small returns, greater psychological pressure.</p> <p>2) The painting and calligraphy market has obvious seasonality. In the peak season (August) held in each year's painting and calligraphy festival, the market purchases large quantities, easy to make money. The off-season passenger traffic is small in the winter, and more depends on export. Training for export business skills is needed for practitioners.</p>	<p>1) Loans should be free from interest, or the repayment period be extended.</p> <p>2) A brand should be established for Tongwei calligraphy and painting to expand its market. This applies to all tangible and intangible cultural heritage in Gansu Province.</p> <p>3) Calligraphy and painting brokers should be trained, and the e-commerce channel developed to promote its trading.</p>
8) Shandan Town Yuanyang jade origin characteristic cultural town project	<p>1) It is conducive to inheriting and developing the culture of Mandarin jade, solving the problems of backward technical level, small industrial scale, low technical level, serious waste of resources and scattered industrial distribution of the local mandarin jade industry, and promoting the transformation and upgrading of the industry.</p> <p>2) Drive the local economic development, provide more jobs for the local residents, and promote the local anti-poverty work.</p> <p>3) Promote the sustainable and healthy development of the local tourism industry, further integrate the tourism resources and form the agglomeration advantage.</p>	<p>1) Project construction will bring noise and dust pollution, affecting the lives of the surrounding residents.</p> <p>2) The increase of foreign tourists will bring impact to the local living habits and folk customs.</p> <p>3) With the construction of characteristic cultural towns, the increase of floating population will increase the burden of local environment.</p>	<p>1) During construction, dust prevention and noise reduction should be well prepared to minimize negative effects.</p> <p>2) The construction of characteristic towns should be combined with local culture. Avoid blindly follow suit and protect local culture.</p> <p>3) During the construction process, the supporting facilities should be combined with the local environmental carrying capacity, and avoid excessive exploitation.</p>

## 5. Current Situation of Local Cultural and Intangible Heritage Inheritance, Protection and Utilization

### 5.1 Current situation of local cultural heritage inheritance, protection and utilization

#### 5.1.1 Varying levels of willingness for cultural heritage protection among local residents

Gansu Province has rich tourism resources and many world cultural heritage sites, and is a cradle of the Chinese civilization and the Chinese nation, and an important place of exchanges between China and the West in ancient times. The Project involves a wide range of cultural heritage, including 5 national key protected cultural relics, and some intangible heritage techniques on the verge of being lost, such as Tianshui lacquer ware.

Most of the respondents are willing to contribute to local intangible heritage inheritance, and those in Tongwei County have the highest willingness level, which is attributed to the strong local calligraphy and painting atmosphere. The respondents in Maiji Districts have the highest unwillingness level, because such techniques are mostly mastered by the old generation, while young people have no patience and time to learn.

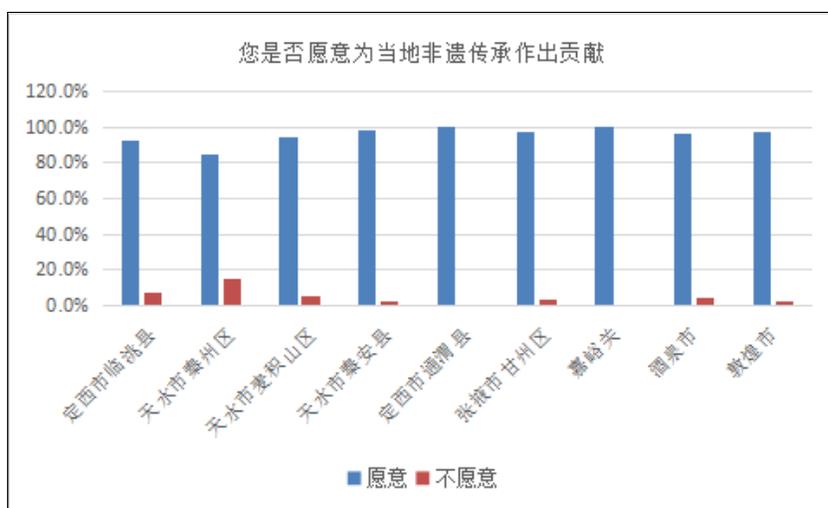


Figure 5-1 Differences in willingness for cultural heritage protection among subproject area

Interview 5-1: Mr. Zhao, Maiji District, Tianshui City (42 years)

Lacquer ware is our unique technique, and we take pride in it. However, we have not mastered it, and those old lacquer ware craftsmen are leading a hard life.

#### 5.1.2 Differences in cultural heritage protection and utilization among local residents

75.3% of the respondents think that cultural heritage protection is the responsibility of individuals, where the respondents in Ganzhou District have the strongest awareness of public protection.

Many respondents don't know how to protect and utilize cultural heritage. 22.4% of the respondents think that cultural heritage protection is the responsibility of the government, and that policy support is very important. See Table 5-1.

Table 5-1 Protection and utilization awareness of local residents

County / district	Who is responsible for cultural heritage?						Total
	Individuals	Percent	Government	Percent	Experts	Percent	
Lintao County, Dingxi City	54	65.9%	22	26.8%	4	7.3%	80
Maiji District, Tianshui City	28	78.6%	6	21.4%	0	0%	34
Qin'an County, Tianshui City	67	72%	23	24.8%	3	3.2%	93

Tongwei County, Dingxi City	18	56.2%	14	43.8%	0	0%	32
Ganzhou District, Zhangye City	56	91.8%	5	8.2%	0	0%	61
Wushan County, Tianshui City	26	74.3%	9	25.7%	0	0%	35
Jiuquan City	24	75%	8	25%	0	0%	32
Dunhuang City	26	76.5%	8	23.5%	0	0%	34
Total	299	74.5%	95	23.7%	7	1.7%	401

### 5.1.3 Difficulties in cultural heritage protection and utilization

#### 1) Lack of financial support and backward basic facilities

Cultural heritage protection and utilization in the project area is still at a low level, especially in terms of basic protection facilities, safety management and heritage site functioning. The protection of the Majiayao site has been affected by the shortage of protective facilities. For the heritage sites applied for successfully recently, such as the Xuanquanzhi and Dadiwan sites, only boundary markers, signs and fences are available, and there is no footpath, reception center or exhibition center. The shortage of protection facilities will reduce the value of these sites greatly, and endanger their future safety.

Interview 5-2: Mr. Wang Majiayao Village, Lintao County (38 years)

All villagers are aware of the Majiayao site, but the government has not taken any protective measure in the past, so it has been damaged to some extent.

#### 2) Residents have strong protection awareness but are unable to take any effective action.

Local residents can do nothing to protect cultural heritage, though they know the importance of protection. For example, some buildings at the Dadiwan site have been damaged due to landslides and improper protection. Some nongovernmental research organizations have taken away some cultural relics in the name of research.

Interview 5-3: Mr. Wu, Fengwei Village, Longcheng Town, Qin'an County (56 years)

Our Nuwa culture has a long history, and a worship activity would be held every year. Since the site is on the mountain, we don't know how to protect it. In recent years, some buildings have been damaged by landslides, and some non-locals have taken away many cultural relics.

3) In some areas, residents have poor protection and inheritance awareness due to the lack of publicity. Although Gansu has rich cultural heritage resources, some remote heritage sites are rarely known, such as the Xuanquanzhi site in Dunhuang City.

Interview 5-4: Ms Yang, Mogao Town, Dunhuang City (47 years)

I seem to have heard of the Xuanquanzhi site from others, but it has nothing to do with us, because it is very remote and not managed.

4) There is no financial support for protection and inheritance. Gansu is one of the most underdeveloped provinces and the second poorest of China. Due to the shortage of funds, some cultural relics are seriously damaged and cannot be properly protected. There is an urgent need for external financial support for cultural heritage protection and inheritance, especially the Dadiwan site in Qin'an County.

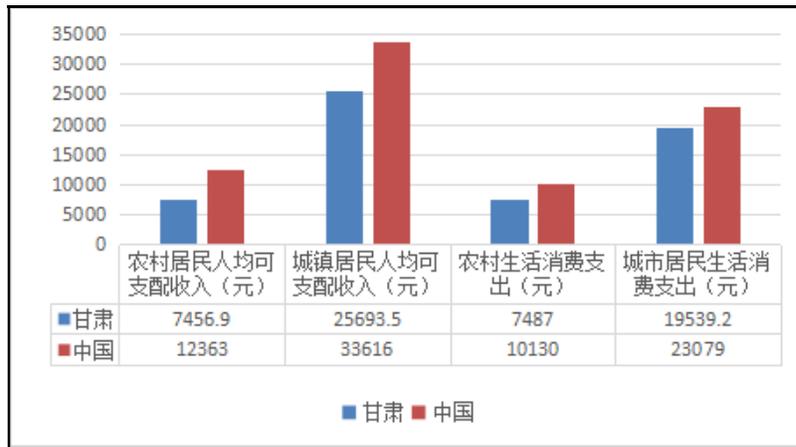


Figure 5-2 Urban and rural per capita income and consumption levels of Gansu and China (2016)

#### 5.1.4 Perception conflicts in cultural heritage protection and utilization among residents

1) There are sharp conflicts in cultural heritage protection and utilization. The most critical factor is the unclear land ownership of world cultural heritage sites. Some residences are owned jointly by the government and residents, resulting in conflicts during renovation. Many residents expect demolition in view of monetary compensation, but the government wants to renovate and protect these residences.

2) Development and utilization remain at a superficial level. Many heritage sites in the project area witness the history of the Silk Road and east-west cultural exchanges. However, cultural heritage development and utilization remains at a superficial level. Some heritage sites have undergone road renovation but are not organically integrated with nearby villages and scenic zones, resulting in deficiencies in cultural heritage exhibition, tourist experience, and shopping and accommodation facilities, so that diversified tourist needs cannot be fully met. For example, the city walls of Wulan Ancient Town are well conserved, but are incompatible with surrounding residential buildings, resulting in short tourist stays; the infrastructure of the villages near the Majiayao site is poor, so that it can hardly attract tourists; the Dadiwan site is affected by inconvenient local traffic.

Interview 5-5: Mr. Wang, tourist in Wulan Ancient Town (36 years)

I have come here by self-driving. However, the tourist experience and supporting facilities are not good. If it is not well developed, I will not come here a second time.

3) The exploration of the historical value of cultural heritage is superficial. This is a weakness in local cultural development. Due to the lack of continuous research and investment, the research on heritage sites is confined to these sites themselves, while extended historical, social, economic, military, folklore, ecological and other research is very limited, so that these sites cannot generate considerable economic benefits, such as the Dadiwan and Xuanquanzhi sites.

4) Cultural heritage development is not adequately integrated with economic and social development. Local cultural relic authorities conduct cultural heritage development and utilization alone, and cross-channel and cross-industry cooperation has not been realized, so that cultural heritage development and utilization has not been truly combined with local customs, cultivation, stockbreeding and tourism, and public participation level is low. Although different authorities share the same goal, they can hardly be coordinated effectively in practice.

## 5.2 Current situation of local intangible heritage inheritance, protection and utilization

### 5.2.1 Existing local intangible heritage

1) A cultural census has been conducted in all subproject areas, and the lists of protected heritage have been expanding. With the deepening of the cultural census, some intangible cultural heritage items with high social, historical, cultural and artistic value have been further uncovered.

Interview 5-6: Mr. Li, Lintao County Culture Bureau (43 years)  
In recent years, the government has attached great importance to intangible cultural heritage. Our bureau would conduct a cultural census every year and revise the intangible heritage list timely.

2) Demonstration and exhibition is conducted to expand social influence. In recent years, all local governments have organized intangible heritage demonstration, exhibition and communication actively to expand its influence. The Zhangye Municipal Government has organized staff to uncover traditional literature, music, fine art, traditional dancing and other folklore skills, and their inheritors in rural and pastoral areas, and compiled literatures on this basis. In other subproject areas, the local governments would organize heritage exhibition, demonstration and performance on traditional festivals and major events. Such activities have been reported by mass media to improve the awareness and influence of local intangible cultural heritage.

3) There is an obvious gap in inheritors and target groups of intangible cultural heritage. Due to the deterioration of the cultural environment, most intangible cultural heritage items have no regular exhibition platform and are not adapted to modern society and the market economy, so their target groups are shrinking. Such heritage is still influential among middle-aged and old people but is not familiar to the young generation.

Interview 5-7: Mr. Yang, intangible heritage inheritor of lacquer ware (46 years)  
In recent years, the number of lacquer ware craftsmen has been declining, because lacquer ware is a time- and effort-consuming technique, and has been less profitable in recent years, so that many craftsmen no longer deal with it due to living pressure. Young people are unwilling to learn it. Therefore, this technique will have no inheritor in the future.

#### 5.2.2 Difficulties in intangible heritage inheritance

1) Shortage of inheritors for intangible cultural heritage: Due to the impact of modern technology, some characteristic folklore forms are shrinking or even disappearing, and their living space is smaller and smaller. Due to the lack of a scientific and effective industrial operation mechanism, intangible cultural heritage has been unsustainable, and craftsmen have been forced to switch to other industries due to low income.

2) Shortage of special funds: Although the value of intangible cultural heritage is highlighted, it is faced with the awkward situation of insufficient investment. As a result, much fundamental work is affected. In Tianshui City, lacquer and Wushan Yuanyang jade ware cannot be inherited actively and effectively due to the shortage of investment in census, inheritance, exploration, protection, base construction, publishing, exhibition, demonstration and training. According to a report of the Jiayuguan Municipal Culture, Radio and Television Bureau, the lack of financial support for intangible heritage video production, achievement protection, exhibition and training has affected the protection and inheritance of intangible cultural heritage seriously.

Interview 5-8: Mr. Ling, intangible heritage inheritor of Wushan Yuanyang jade (47 years)  
Our Wushan Mandarin jade industry has a great potential for development. In recent years, we have set up a Yuanyang jade association, which brings us together, including the processing side and the sales side. However, due to the lack of funds, it is difficult to play a major role, especially in the training of Yuanyang jade processing technology, funds have limited our development.

3) Excessive development and distortion in local intangible heritage utilization: During the development of the economic value of intangible cultural heritage, more stress is laid on development than protection. It is found that many snacks and handicrafts are also included in the list of intangible heritage, reflecting that some local governments have developed some cultural heritage items excessively for utilitarian purposes. In Zhangye City, the government has extended the paper cutting technique in rural areas to promote poverty reduction. Although this has expanded the influence of this technique to some extent, some farmers have not mastered its essence.

### 5.2.3 Suggestions on intangible heritage development and utilization

1) Improve public protection awareness. In order to inherit intangible heritage, we should build up a scientific protection concept, improve public protection awareness, and define the role of the government in intangible heritage protection. 3 relationships should be handled properly – the relationship between protection and development, where rational development should be conducted on the basis of scientific protection to reflect the value of heritage; the relationship between immediate interests and long-term interests, where intangible cultural heritage should be so protected and developed to meet current appreciation and education needs, and ensure the right of future generations to share such heritage; and the relationship between cultural heritage protection and livelihood restoration, where particular attention should be paid to if heritage protection utilization can bring realistic benefits to local residents, such as poverty reduction, employment promotion and livelihood improvement.

2) Strengthen legal restraints to provide legal support for cultural heritage protection and utilization. Local regulations on intangible cultural heritage protection and utilization should be promulgated based on the provincial poverty reduction plan. Publicity on the Cultural Relics Protection Law, Administrative Measures for the Protection of World Cultural Heritage, and other regulations should be strengthened, inspections on law enforcement conducted regularly, and identified problems handled timely. In addition, local governments should develop special world cultural heritage protection and utilization plans to improve protection and utilization level.

3) Increase investment to provide financial support for cultural heritage protection and utilization. In future intangible heritage work, special protection funds should be included in financial budgets, and used specifically for heritage census, inheritance, protection, video production, achievement protection, exhibition and training. Foreign experience in raising funds for world cultural heritage protection should be drawn on, such as the Heritage Lottery Fund in Britain.

4) Pay attention to talent training to provide intellectual support for cultural heritage protection and utilization. The key to poverty reduction is intellectual support. Professional training should be strengthened, especially intangible heritage inheritors, archeologists, and inter-disciplinary professionals who are proficient in both cultural heritage protection and tourism. All local governments should promulgate policies and measures to attract high-end talent, train specialized technicians, and conduct research together with relevant experts and institutes.

## 6. Poverty Analysis

### 6.1 Current situation of poverty

#### 6.1.1 Gansu Province

During the 12<sup>th</sup> Five-year Plan period, Gansu's poor population dropped from 8.42 million at the end of 2011 to 2.95 million at the end of 2015 by 5.47 million, and poverty incidence dropped from 40.5% to 14.2%. In the meantime, farmers' income in poor areas rose from 2,599 yuan in 2011 to 5,436 yuan in 2015.

At the end of 2017, Gansu had 17 key counties, 6,220 key poor villages, and a poor population of 4.17 million. In the project area, Qin'an County, Tongwei County, Lintao County, Maiji District and Qinzhou District are destitute counties / districts.

Gansu's poor population has the following features: First, it remains large, and has a high proportion of MLS households; second, causes of poverty are diversified, especially illness, education and disability; third, the poor population is scattered yet relatively centralized; and fourth, county economies are weak, and infrastructure is backward.

#### 6.1.2 Project area (county, township and village levels)

The 8 project counties (cities / districts) have 802 poor villages, 72,700 poor households with 390,587 persons, and a poverty incidence of 6.11%. The two project counties (cities / districts) with the highest poverty incidences are Maiji District and Qin'an County (12.41% and 10.72% respectively); while Jiayuguan and Dunhuang Cities have the lowest poverty incidences.

1) Maiji District: This district is a key county / district for development-oriented poverty reduction, and one of the 23 deeply poor counties / districts of Gansu. In 2017, this district had 170 poor villages, including 106 deeply poor villages, 10,971 registered poor households with 56,700 persons, and a poverty incidence of 12.41%.

2) Qin'an County: This county is a key county for development-oriented poverty reduction, a destitute county in the Liupan Mountain region, and one of the 23 deeply poor counties / districts of Gansu. In 2017, this county had two deeply poor towns, 91 deeply poor villages, 177 poor villages, 19,800 registered poor households with 102,500 persons, and a poverty incidence of 10.72%.

3) Lintao County: This county is a key county for development-oriented poverty reduction, and a destitute county in the Liupan Mountain region. In 2017, this county had 47 key poor villages, 14,928 registered poor households with 90,000 persons, and a poverty incidence of 9.2%.

4) Tongwei County: In 2017, this county had 198 poor villages, including 43 destitute villages, 15,000 registered poor households with 87,500 persons, with a poverty incidence of 8%.

5) Zhangye City: In 2017, this city had 65 poor villages, 6,162 registered poor households with 17,852 persons, and a poverty incidence of 1.9%.

6) Jiuquan City: In 2017, this city had 24 poor villages, 142 registered poor households with 12,100 persons, and a poverty incidence of 0.18%. Based on the poverty reduction target of a poverty incidence of not more than 1%, this city has realized poverty reduction.

7) Dunhuang City: In 2017, this city had 9 poor households with 23 persons, with a poverty incidence of 0.02%.

8) Wushan County: In 2017, the county totally reduced poverty by 21,400 households and 98,100 people. At the end of 2017, the remaining poverty-stricken population was 5,688 households and 23,912 people, the incidence of poverty dropped to 6.44%; 35 poverty-stricken villages and 121 remaining poverty-stricken villages were withdrawn.

Table 6-1 Distribution of local poor population

Division	Poor villages	Poor households	Poor population	Poverty incidence
Maiji District	170	10971	56700	12.41%
Qin'an County	177	19800	102500	10.72%
Lintao County	47	14928	90000	9.2%
Tongwei County	198	15000	87500	8%
Zhangye City	65	6162	17852	1.9%

Jiuquan City	24	142	12100	0.18%
Dunhuang City	0	9	23	0.02%
Wushan County	121	5688	23912	6.44%
Total (project area)	802	72700	390587	6.11%
Gansu Province	6220	1 million	4.17 million	9.6%

### 6.1.3 Local low-income population and distribution (below 40% of per capita income)

#### 1) Causes of low income:

① Bad natural conditions (e.g., Majiayao Village, Taoyang Town, Lintao County): Villages far away from towns have bad natural conditions and infrastructure, and are relatively economically underdeveloped. In such villages, villagers lack market and business startup awareness, and rely heavily on external support.

② Shortage of labor: Low income households are generally short of labor and have no fixed income source. Such households can only rely on direct assistance from the government and society, such as MLS benefits.

③ Illness, disability or education: Some low-income households have a sick or disabled person, or a student. Once a rural household suffers great losses due to a major disaster, or has a seriously or chronically sick or disabled member, it is likely to become poor due to high medical expenses. In addition, high educational expenses may also impoverish some households.

④ Shortage of techniques and funds: This is a major cause of low income, and restricts self-development capacity. As a result, these households fall into the vicious circle of low income – low input – low output – low income. These households may be supported through reemployment, funds, information, etc. to help them eliminate poverty.

⑤ Low overall labor quality: The overall quality of local laborers is generally low, making it more difficult for many rural low-income households to eliminate poverty. In such households, most people have not been well educated, are short of knowledge and skills, and can only do poorly paid unskilled jobs or simply do simple farm work at home.

#### 2) Distribution of low income population in the project area:

Among the 8 project counties (cities / districts), Qin'an and Tongwei Counties have high proportions of low income population, being 27.43% and 27.05% respectively; while Dunhuang City have low proportions of low income population, being 19.1% respectively. See Table 6-2.

Table 6-2 Statistics of local poor population

Division	Poor county / district?	HHs	Population	Per capita income	Population below 40% of per capita income	Percentage of low income population
Majji District	Yes	178377	642000	6503.7	154080	24.01%
Qin'an County	Yes	157478	591245	6584.18	162179	27.43%
Lintao County	Yes	164139	551773	6594	146606	26.57%
Tongwei County	Yes	122900	441000	5696	119291	27.05%
Ganzhou District	No	178724	512928	12218	105971	20.66%
Suzhou District	No	136360	413375	14226	82675	20%
Dunhuang City	No	87350	143800	15311	27466	19.1%
Wushan County	Yes	135600	438700	6035.1	101515	23.14%
Total (project area)	6 poor counties	1160928	3734821	9145.9	899783	24.09%
Gansu Province	/	6498875	25995500	14670	6101144	23.47%

### 6.1.4 MLS

At the end of 2016, Gansu had 4.1313 million registered MLS subjects, including 762,000 urban ones and 3.369 million rural ones, and MLS benefits totaling 2.513 billion yuan were paid to urban MLS subjects, and MLS benefits totaling 5.503 billion yuan were paid to rural MLS subjects.

The project area has 126,140 MLS households with 404,604 persons in total, accounting for 11.6% of Gansu's MLS population, including 99,265 rural MLS households with 338,529 persons,

and 26, 875 urban MLS households with 66,075 persons. Among the 8 project counties (cities / districts), the proportions of low income rural population to agricultural population of Tongwei County, Wushan County, Lintao County are greater than 15%, much higher than those of Ganzhou District and Dunhuang City. Among the 8 project counties (cities / districts), except Lintao County, Wushan County, Suzhou District and Dunhuang City, the proportions of low income urban population to nonagricultural population of the other counties / cities are higher than the provincial average of 6.79%. See Table 6-3.

Table 6-3 Local MLS population

Division	Rural MLS			Urban MLS		
	HHs	Population	Percentage to agricultural population (%)	HHs	Population	Percentage to nonagricultural population (%)
Maiji District	9655	28964	14.03%	1787	3574	8.57%
Qin'an County	17352	69407	12.63%	3397	6794	16.33%
Lintao County	21704	73017	18.62%	1709	3676	2.30%
Tongwei County	22996	68952	21.76%	5182	10364	11.75%
Ganzhou District	6638	19916	6.42%	6704	20114	9.92%
Suzhou District	5142	20567	10.64%	4534	13601	6.18%
Dunhuang City	3116	9348	9.09%	1249	2498	6.09%
Wushan County	12662	48358	15.4%	2313	5454	4.8%
Total (project area)	99265	338529	13.57%	26875	66075	8.24%
Gansu Province	1123074	3369222	22.81%	254017	762050	6.79%

Source: Statistical Bulletin 2016 on National Economic and Social Development of Gansu Province, county / district statistics

## 6.2 Causes of poverty

Although the 8 project counties (cities / districts) are widespread, their causes of poverty are similar.

1) The project area is underdeveloped for historical and geographic reasons. Gansu is one of the most underdeveloped provinces, and has harsh natural conditions, such as serious drought, and mountains, deserts and plateaus unsuitable for human existence. For example, in 2017, Lintao County's per capita disposable income of urban residents was 22,618 yuan, and that of rural residents 7,187 yuan, lower than the provincial and national (23,821 yuan) averages, and the rural living environment was backward.

2) Rural infrastructure is backward, affecting rural productivity and farmers' income. This is reflected in backward transport, such as poor conditions of national and provincial trunk highways, the absence of high-speed railway, poor pavements of village roads, insufficient power supply capacity, low farmland irrigation rate, and low resistance of agriculture to natural disasters.

3) Most rural households have low self-development capacity and weak risk resistance. This is reflected in impoverishment due to illness, disasters, fund shortage, labor shortage and skill shortage. For example, among 10,971 poor households in Maiji District, Tianshui City, 8,180 households with 33,514 persons are impoverished due to illness, accounting for 32.5%; 1,232 households with 4,869 persons due to disability, accounting for 4.7%; 2,456 households with 11,260 persons due to education, accounting for 10.9%; 170 households with 688 persons due to disasters, accounting for 0.6%; 27 households with 120 persons due to land shortage, accounting for 0.12%; 8,031 households with 34,530 persons due to technique shortage, accounting for 33.5%; 1,140 households with 3,838 persons due to labor shortage, accounting for 3.7%; 2,840 households with 12,101 persons due to fund shortage, accounting for 11.7%; 2 households with 12 persons due to water shortage, accounting for 0.01%; 385 households with 1,540 persons due to low self-development capacity, accounting for 1.5%; 36 households with 157 persons due to backward transport conditions, accounting for 0.15%; and 89 households with 371 persons due to other

factors, accounting for 0.36%.

4) Basic public services are insufficient. General high and primary schools are short of teaching staff, medical conditions are poor, and the agricultural technique extension system is unsound. The infrastructure in the poor villages of Maiji District is still very weak, where village roads of 179 kilometers, village group roads of 251 kilometers, village alleys of 83 kilometers and courtyards of 950,000 m<sup>2</sup> are to be hardened, and 1,761 households with 7,383 persons are to be relocated for poverty reduction.

5) Financial support is insufficient. According to the 13<sup>th</sup> Five-year Plan, the poverty reduction fund for each poor village is 130,000 yuan per annum only, which is very limited.

6) Industry driving is insufficient. Although there are some fruit tree farms, dairy farms and farmhouses in the project, such as Lintao and Qin'an Counties, they are small and scattered, and lack characteristics, and no competitive industry chain or industry cluster has been established.

7) Re-improvement after poverty reduction is serious. Some households that have eliminated poverty successfully would be re-improverished due to major disasters, diseases and educational expenses. In Maiji District, 449 households with 1,839 persons were re-improverished in 2015, and 508 households with 1,928 persons re-improverished in 2016, and the causes included fund shortage (32.09%), technique shortage (27.76%), sickness (6.1%), disability (1.77%), education (2.56%) and other (4.72%).

### 6.3 Local poverty reduction measures

In general, local poverty reduction measures mainly include the following:

1) Industrial development: Industries suited to local conditions should be developed to promote local poverty reduction. Great support should be offered to poor villages and households for industrial development, employment and business startup to increase income. Poor households should be supported to develop characteristic crop cultivation, stockbreeding, etc. In Suzhou District, Jiuquan City, the development of advantaged and characteristic industries, such as stockbreeding, forest and fruit cultivation, and seed production, is supported greatly. In the district, 28 sunlight greenhouses of over 50 mu and 30 steel frame greenhouses of over 100 mu have been built, vegetable cultivation area has reached 200,000 mu, seed production area 285,000 mu, and high efficiency farmland area 280,000 mu. In addition, 2,372 rural households have introduced 13,000 heads of cattle and sheep, and constructed or reconstructed 851 standard stables, 15 sunlight greenhouses and 65 steel frame greenhouses under supporting policies.

2) Tourism: Tourism will be developed based on local conditions, and tourism infrastructure constructed to promote poverty reduction. For example, Lintao County sticks to the integrated development of culture and tourism, has built 11 key tourist destinations with a total investment of 690 million yuan, and has organized some cultural and tourism events, such as the First Majiayao Cultural Festival and the Second Ziban Peony Tourism Festival.

3) Health: This measure aims to reduce impoverishment or re-improverishment due to illness, and improve medical service capacity and level. In 2016, infirmaries were built in 2,965 poor villages in Gansu Province.

4) Poverty reduction based on culture: In Tianshui City, the culture industry is being built into a pillar industry based on the city's rich cultural resources to promote poverty reduction. In addition, calligraphy and painting is supported greatly in Tongwei County to help poor households get rich.

5) Social assistance: The benefit level for rural MLS households is increased year by year, and subsidies granted to rural five-guarantee and MLS subjects in new-type rural cooperative medical insurance to expand the coverage of medical insurance and assistance, and prevent poor rural households from being impoverished due to illness. For example, in Dunhuang City in 2017, medical subsidies of 50,580 yuan were granted to 4 poor households with 11 persons, living

subsidies of 1.9044 million yuan granted to 1,556 disabled persons, and temporary subsidies (for accidental injuries, sudden major diseases, etc.) of 51,574 yuan to 21 poor households with 37 persons.

6) Small amount loans: Small amount loans are granted to poor households with government subsidized discount interests to realize targeted poverty reduction. For example, in Ganzhou District, Zhangye City, 9.6 million yuan was raised to grant an industrial subsidy of 5,000 yuan per household, and a security-free loan of 50,000 yuan was granted to each eligible poor household with 3-year government subsidized discount interests in 2017, with a total amount of small amount loans of 38 million yuan for 1,347 households.

7) Labor training: Vocational skills, rural business startup and diploma training is strengthened in the project area to cover all laborers in poor areas. For example, in Dunhuang City in 2017, the government subscribed 807 copies of *Gansu Farmers' Science and Technology News* for poor households, and offered labor skills training to 2,379 men-times, and agricultural technology training to 9,461 men-times to improve poor residents' self-development capacity.

#### 6.4 Needs of the poor for the Project

It can be seen that the Project will affect and serve a large poor population. Only if the special needs of poor people are met, their suggestions accepted, and the Project's potential negative impacts on them evaded can they truly benefit from the Project. The task force identified their needs during the fieldwork, and has proposed suggestions accordingly.

1) Demand for employment: 87% of the poor respondents are willing to get employed under the Project. Unskilled jobs generated at the construction and operation stages of the Project will be first made available to them.

Interview 6-1: Mr. Shen, Majiayao Village, Taoyang Town, Lintao County (43 years)

We just expect jobs to be offered to poor households during project construction, so that we can earn money without having to resort to the government.



2) Demand for small amount loans, preferably interest free or extended: The task force has found that poor households are very interested in small amount loans, and hope to use them to develop small businesses, family cultivation or stockbreeding to alleviate poverty. The questionnaire survey shows that 16% of the respondents do not dare to borrow money for fear of high interests, and 48.4% do not dare to borrow money for fear of future profitability, because interests on small amount loans are a great burden for poor households. Therefore, interests should be reduced or exempted, and the repayment period of small amount loans should be extended for poor households.

Interview 6-2: Ms Han, Shandan Community, Wushan County (53 years)

I of course want a small amount loan, but it is a debt that has to be repaid some day. If I could not earn money, I would be unable to repay it, so I do not dare to borrow it.



3) Demand for technical and management support for small businesses: Even if poor residents have received small amount loans to run small businesses, business management is still a big problem for them, because they have limited knowledge about the market and management

skills. Therefore, small amount loans will not necessarily realize the goal of poverty reduction, and some borrowers may become poorer due to improper management.

In the interview with a poor person in Qin'an County, she said that a farmer could not necessarily run a store or small enterprise even with money, because knowledge and skills were needed. Therefore, technical and management support should be provided to poor residents through skills training in addition to financial support. In particular at the early stage of business startup, professionals should be assigned to help poor residents run small enterprises until such enterprises are on the right track. In addition, it is critical that such enterprises are followed up, and assisted in solving practical problems.

Interview 6-3: Ms Wang, Shaodian Village Longcheng Town, Qin'an County (37 years)  
It is not so simple to run a store or farmhouse. I am illiterate and have no knowledge about business management. Even if I have money, I don't know how to do business. Someone has to teach me in advance.

4) Demand for giving priority to poor population in intangible heritage inheritance training: Many subprojects involve intangible cultural heritage research and inheritance training, such as Tianshui lacquer ware, Tongwei calligraphy and painting, and Zhangye ditty. In the Project, intangible heritage inheritors will be trained, in which priority should be given to poor population to increase their income.

## 6.5 Impacts of the Project on the poor

The Project will involve LA, where relatively poor villages and people are often disadvantaged in using compensation, benefiting from the Project and adapting to new lifestyle, so their poverty may be aggravated. House rental during ancient residence renovation in Ganzhou District, and increased heating costs after the completion of renovation will increase living costs of poor households, and the debt of microfinance causes psychological stress to poor households.

In view of this, the following measures have been planned to avoid further impoverishment and ensure that poor population benefits equally from the Project:

### 1) Offering direct and indirect job opportunities to increase income

Job opportunities generated directly by the Project: Some temporary or permanent jobs will be generated at the construction and operation stages, such as material transport, bricklaying and cooking, which will be first made available to local poor people and other vulnerable groups to increase their income.

Job opportunities generated indirectly by the Project: Rural cultural tourism development is an effective way of poverty reduction in Gansu, promoting the development of secondary and tertiary industries. The Project will create a good environment for tourism development, and attract more tourists to the project area, thereby generating more job opportunities indirectly, such as catering, accommodation and cleaning.

### 2) Improving the living environment to reduce medical expenses

Poor people are often likely to get ill due to poor living conditions and backward infrastructure and be impoverished by medical expenses. The Project will improve local water supply and drainage facilities, and reduce domestic wastewater pollution, thereby reducing the incidence of waterborne diseases and poor households' medical expenses.

### 3) Promoting local economic development

The Project will improve the environment of the project area greatly, attract investment, and promote local economic development, thereby offering more job opportunities to local residents. This will promote cultural tourism development in the 8 project counties (cities / districts), thereby promoting the development of associated industries, such as catering, hotel and tour guidance, and the employment of local residents, such as hotel and restaurant service, cleaning, cooking, and driving. This will bring more job opportunities to local residents, especially vulnerable groups, and

increase their income.

#### 4) Promoting social fairness

The Project will improve rural water supply in the 8 project counties (cities / districts) practically and allow local residents to share economic and social development. The project will not only benefit a poor population of about 483,000 in the project area, and but also benefit a larger poor population in nearby areas. The Project will not only improve the local living environment and infrastructure, but also bring more development opportunities to poor population. It can be said that the Project will benefit local residents, including a large poor population, and enable them to share social development achievements.

## 7. Gender Analysis

### 7.1 Local female population

At the end of 2016, Gansu had a resident population of 26.0995 million, an increase of 104,000 from 2015, including 13.3186 million males and 12.7809 million females, with a gender ration of 104.2.

The 8 project counties (cities / districts) have a population of 3,778,815, including 1, 849, 75 Ofemales, accounting for 48.9%, with a gender ratio of 104.3, higher than the provincial average by 0.1. Among the 8 project counties (cities / districts), Dunhuang City has the highest proportion of female population of 50.3%, and Maiji District has the lowest proportion of 48%; Maiji District has the highest gender ratio of 108.3, and Dunhuang City has the lowest ratio of 98.9. See Table 7-1.

Table 7-1 Local female population

Division	HHs (0,000)	Population (0,000)	Males (0,000)	Females (0,000)	Percentage of females	Gender ratio (female = 100)
Gansu Province	834. 4897	2609. 95	1331. 86	1278. 09	48. 97%	104. 2
Project area	112. 5478	377. 8815	192. 9065	184. 975	48. 95%	104. 3
Maiji District	17. 8377	64. 2	33. 384	30. 816	48%	108. 3
Wushan County	13. 56	43. 87	22. 48	21. 39	48. 7%	105
Qin'an County	15. 7478	62. 5539	31. 7531	30. 8008	49. 3%	102. 8
Lintao County	16. 4139	55. 1773	28. 2299	26. 9474	48. 9%	104. 7
Tongwei County	12. 29	40. 51	20. 6723	19. 8377	48. 97%	104. 2
Ganzhou District	17. 8724	51. 2928	26. 3293	24. 9635	48. 7%	105. 3
Suzhou District	13. 636	41. 3375	20. 6311	20. 7064	50. 1%	99. 6
Dunhuang City	5. 19	18. 94	9. 4268	9. 5132	50. 3%	98. 9

Source: 2017 statistical yearbooks of Gansu Province, Lintao County, Tongwei County, Qinzhou District, Maiji District, Qin'an County, Ganzhou District, Jiayuguan City, Jiuquan City and Dunhuang City

### 7.2 Current situation of local women

To learn local women's development, the task force conducted a questionnaire survey, with 208 female respondents, accounting for 51.9% of all samples.

#### 7.2.1 Age composition

Among the respondents, those aged 45-54 years account for 39.6%, being 45.6% and 34.1% for males and females respectively. Among the females, those aged 45-54 years are the most, followed by those aged 35-44 years, and those aged 18-24 years are the least. See Figure 7-1.

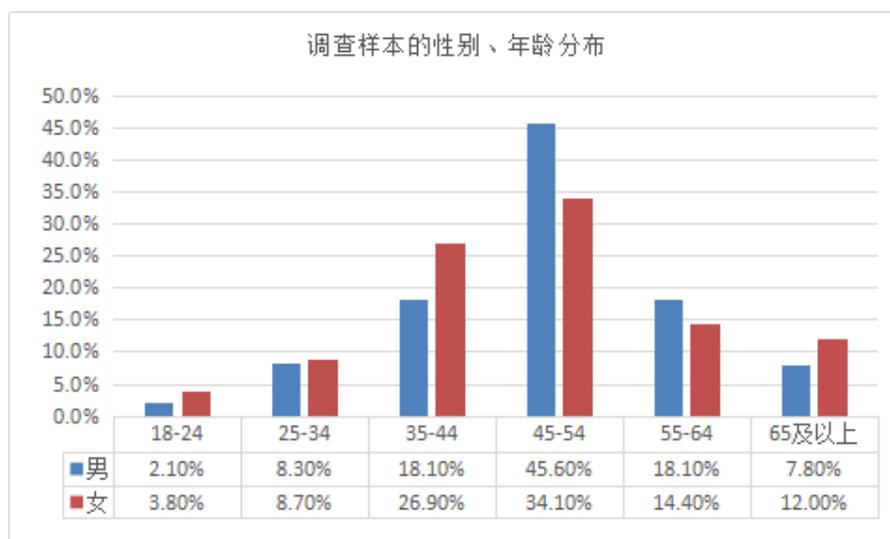


Figure 7-1 Age and gender distribution of samples (Blue: Male, Red: Female)

### 7.2.2 Educational level

62% and 78.3% of the female and male respondents have received senior or junior high school education respectively. 8.7% of the females have received junior college or above education, slightly lower than that of the males of 8.8%; 20.7% of the males have received primary school education, higher than that of the females of 11.4%; 8.7% of the females are illiterate, higher than that of the males of 1.6%. It can be seen that there are significant differences in educational level between the males and females, and the overall educational level of the females is lower than that of the males. See Table 7-2.

Table 7-2 Educational levels of samples by gender

Educational level	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Junior college or above	17	8.8%	18	8.7%	35	8.7%
Senior high school / secondary technical school	47	24.4%	43	20.7%	90	22.4%
Junior high school	104	53.9%	86	41.3%	190	47.4%
Primary school	22	11.4%	43	20.7%	65	16.2%
Illiterate	3	1.6%	18	8.7%	21	5.2%
Total	193	100%	208	100%	401	100%

### 7.2.3 Occupation composition

More than half of the male and female respondents are farmers, showing no significant gender difference. Among the females, the proportions of civil servants, workers of public institutions and employees of are lower than those of the males, showing an obvious division of labor by gender, where males deal with external affairs, while females with internal affairs mainly. According to interviews, women do farm work and housework mainly, and even those employed work at nearby enterprises or in the slack season. Men usually enjoy higher family status than women.

Table 7-3 Occupations of samples by gender

Occupation	Male		Female		Total	
	N	Percent	N	Percent	N	Percent
Civil servant	3	1.6%	2	0.9%	5	1.2%
Worker of public institution	6	3.1%	4	1.9%	10	2.5%
Employee of enterprise	5	2.6%	5	2.4%	10	2.5%
Self-employer	14	7.3%	9	4.3%	23	5.7%
Freelancer	12	6.2%	20	9.6%	32	8.0%
Unemployed	7	3.6%	18	8.7%	25	6.2%
Student	4	2.1%	3	1.4%	7	1.7%
Retiree	4	2.1%	4	1.9%	8	2.0%
Farmer	135	69.9%	126	60.6%	261	65.1%
Other	3	1.6%	17	8.2%	20	4.9%
Total	198	100%	208	100%	401	100%

### 7.2.4 Social status

1) The traditional gender-based division of labor remains.

When asked "Which member of your family will attend meetings related to the Project?", 47.1% of the respondents choose man, only 22.9% choose woman, and 29.9% choose whoever is free, showing that local women's level of participation in public affairs is much lower than that of men. See Figure 7-2.

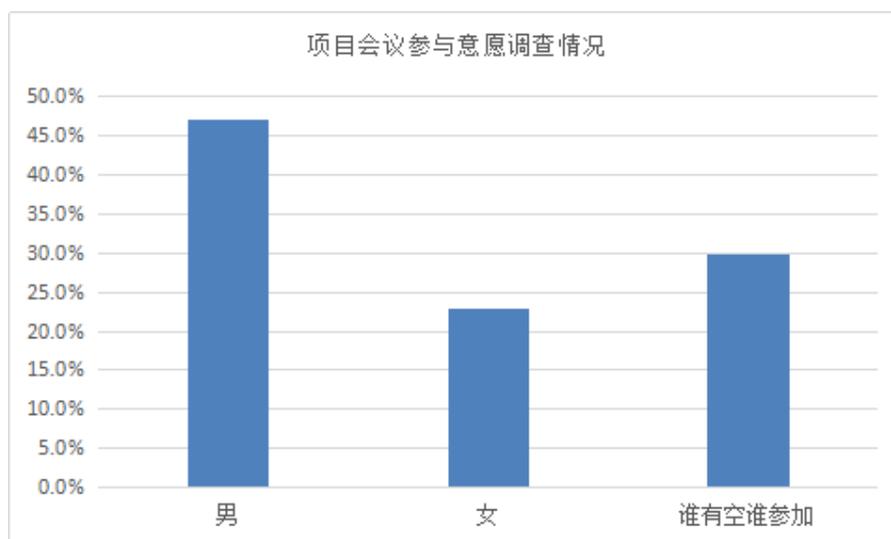


Figure 7-2 Willingness to attend project meetings

Interview 7-1: Mr. Zhang, Majiayao Village, Lintao County, Dingxi City (46 years)  
 Village committee meetings are mostly attended by my husband. I have never been there, and don't want to be there, because all attendees are men.

It can be seen that:

- Local women's social status is lower than that of men;
- Women's overall educational level is low and lower than that of men;
- Women's participation level in and influence over public affairs are weaker than those of men.

2) Local women's social status has improved, and the proportion of women participating in political affairs is increasing.

However, in recent years, through active efforts of government agencies, women's federations and public welfare organizations (or international organizations), local women have more opportunities to participate in public affairs, and enjoy public services and supporting policies.

In the 8 project counties (cities / districts), women's social status is improving gradually, and the number of women participating in political affairs is increasing. To promote women's participation in decision-making and management, local women's federations have enacted and improved relevant policies. Measures have been taken to increase the percentage of women in people's congress and political consultative conference members at all levels. There is at least one female official in the leadership of each government at or above the county level, and the number of female officials in leadership of the departments under township governments is increasing gradually. The percentage of female members in corporate boards of directors and supervisors, and management levels, and female deputies in workers' and teachers' congresses is increasing gradually. All village committees have female members, over 5% of village heads are women, and about 50% of staff members of community committees are women.

Women's economic participation has been activated. Local governments and social organizations have created favorable conditions for women's employment, offered public welfare jobs to women, and taken such measures as policy support, tax exemption, loan discounting, social insurance subsidization, training subsidization, small-amount loan and follow-up guidance to support women's business startup and reemployment. In addition, local women's federations motivate women to excel in building morals and creating wealth.

More and more public activities oriented to women in the project area will certainly provide women with more opportunities to participate in public affairs, improve their ability to participate in social activities, increase their technical, social and material capital, and make it possible to increase their income, and elevate their family and social status.

### 7.3 Analysis of gender differences needs in project

At the preparation stage, the Gansu and local PMOs, design agency, and task force learned local women's needs and suggestions by means of FGD, interview, etc.

#### 7.3.1 Women have a higher demand for cultural inheritance and innovation.

There is a clear gender-based division of labor in the project area. Since women are responsible for housework mainly, they have much leisure time. Many women are interested in such intangible heritage techniques as paper cutting, straw patchwork, Yuanyang jade processing, lacquer ware and painting. In addition, since local young women have to take care of the family and cannot work outside, they expect to serve as waitresses or do casual jobs locally to earn some money.

In the questionnaire survey, 350 respondents are willing to receive training on intangible cultural heritage skills, including 178 female respondents, accounting for 51%, showing that women are very willing to participate in the Project by means of training for employment. See Table 7-4.

Table 7-4 Willingness to receive cultural tourism skills training

Willingness Gender	Willing	Not clear	Unwilling	Total
Male	172	15	6	193
Female	178	23	7	208
Total	350	38	13	401

#### 7.3.2 Women support the Project more strongly and are more confident in the Project.

Women are very interested in intangible heritage techniques covered by the Project, and the Project will improve the local living environment and infrastructure, promote local economic development, ecological building, industry upgrading and poverty reduction, so most women support the Project.

44.2% of the female respondents are very confident in the Project, and 47.6% confident, totaling 91.8%, higher than that of males of 86%. See Table 7-5.

Table 7-5 Attitude to the future prospect of the Project

Support Gender	Very confident		Confident		Not clear		Unconfident		Very unconfident		Total
	N	Percent	N	Percent	N	Percent	N	Percent	N	Percent	
Male	78	40.4%	88	45.6%	24	12.4%	3	1.6%	0	0%	193
Female	92	44.2%	99	47.6%	14	6.7%	2	0.9%	1	0.5%	208
Total	170	42.4%	187	46.6%	38	9.5%	5	1.2%	1	0.2%	401

#### 7.3.3 Women expect more employment and income increasing opportunities from the Project.

Some unskilled jobs will be generated at the construction and operation stages. Such jobs are mostly close to living areas, and are therefore expected by local women. 51.1% of the female respondents are willing to get employed under the Project. See Figure 7-3.

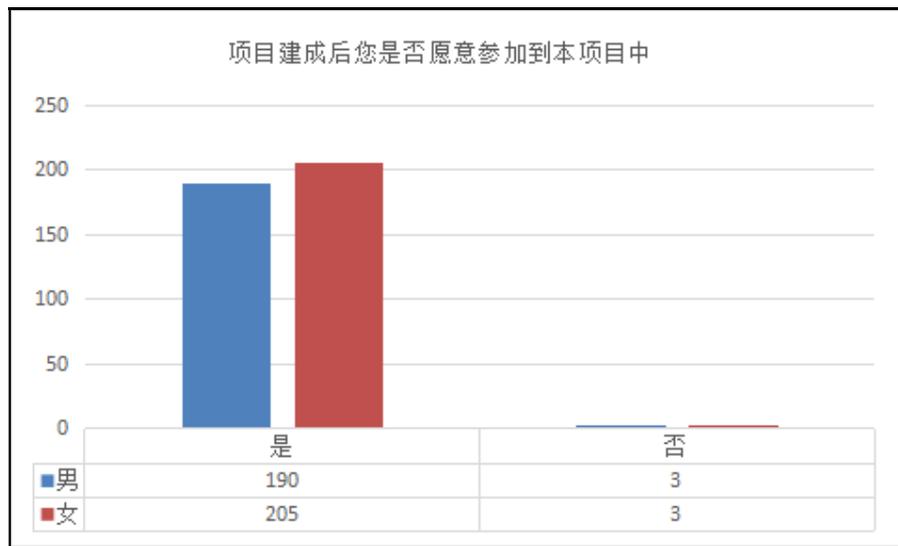


Figure 7-3 Are you willing to participate in the Project after completion?

In addition, women who will run family businesses want to use small amount loans to run farmhouses, restaurants and guesthouses. They also expect business startup training from the government at the operation stage to earn more money. In particular, women in Hekou Village show a strong interest in running farmhouses, which is attributed to the good foundation of rural tourism there. Some women expect to serve as waitresses or do casual jobs locally to earn some money.

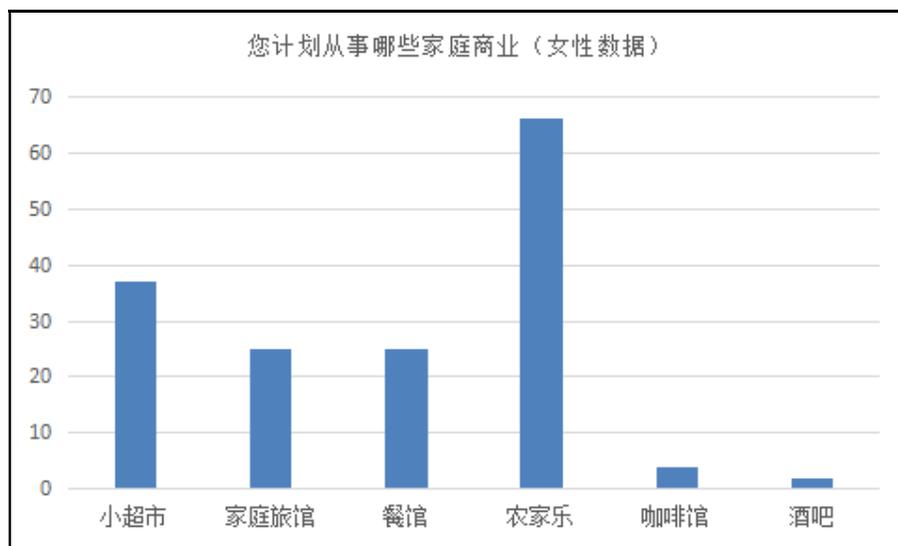


Figure 7-4 What kind of family business do you plan to do?

#### 7.3.4 Women have a strong demand for public participation.

It can be seen from above that local women's social status is still lower than that of men, and participate in such public activities as compensation receipt, major decision-making, intangible heritage publicity, intangible heritage training, and community meetings at a low level. Local women are generally willing to participate in such activities, and expect that greater attention be paid to their needs and interests in such activities, especially those of middle-aged and old women (their educational levels are lower).

Interview 7-2: Ms Wang, women's FGD in Longcheng Town, Qin'an County (38 years)  
 I usually do housework and take care of children at home, and my husband does not want me to work outside. I also want to attend village meetings to express my opinion and expect the government to provide women with more opportunities.

## 7.4 Project impacts on women

### 7.4.1 Positive impacts

#### 1) Increasing women's job opportunities and income

Some unskilled jobs generated at the construction and operation stages will be first made available to women, poor people and other vulnerable groups. In addition, the Project will improve the rural living environment, thereby promoting local tourism development and generating related jobs, such as hotel and restaurant service, and cleaning.

In addition, the Project will integrate local resources, improve infrastructure, and promote local industry upgrading and development, and investment, thereby increasing women's income.

#### 2) Encouraging women's participation, and promoting women's development

The Bank always encourages the participation of women and pays attention to the protection of women's rights and interests. During project implementation, an incentive mechanism for women to participate in public affairs will be established in each affected village, thereby further involving women in the Project, and creating more development opportunities to them. In addition, special cultural tourism and intangible cultural heritage skills training will be offered to women to improve their participation awareness and promote their long-term development. The survey shows that the female respondents are highly willing to participate in such public activities.

#### 3) Reducing women's labor intensity

The Project will improve the local infrastructure. In particular, the construction or improvement of water supply, drainage and wastewater treatment facilities in Wuying and Longcheng Towns, and Large and Small Alleys will reduce the labor intensity of women. On the other hand, with the improvement of roads, rural women will spend less time taking children to and from school.

#### 4) Improving women's cultural heritage protection awareness

There are many valuable cultural relics in the project area. However, pitifully, these sites are rarely known to the public, and may have been damaged inadvertently to some extent. Current practices of intangible cultural heritage protection, such as Maiji lacquer ware, Zhangye ditty, and Tongwei calligraphy and painting, are far from meeting the statutory requirements. The Project will improve women's cultural heritage protection awareness.

### 7.4.2 Negative impacts

Although the Project will benefit women in some respects, if social gender sensitivity is insufficient at the design, construction and operation stages, women's needs may be neglected or their benefits from the Project reduced. The main risks include:

#### 1) Women's participation level in the Project is low, and their needs are likely to be ignored.

Local women's social status is still lower than that of men. Most major family decisions are made by men, and most participants in public affairs are still men. Thus, women's needs, and suggestions are likely to be ignored at the design, construction and operation stages.

#### 2) Women's rights in receiving compensation and getting employed can hardly be protected.

In compensation distribution, some women cannot sign to receive compensation because they are not household heads. Therefore, they are likely to be passive in using compensation.

At the construction and operation stages, female laborers are likely to be treated unfairly, such as recruitment, reward and labor protection.

Interview 7-3: Ms Li, Hekou Village, Dingxi City (48 years)

In our rural areas, family affairs are mostly decided by men, and village meetings are mostly attended by men, because women cannot make decisions, and usually stay at home.

3) Women's agricultural income is reduced due to LA.

LA under the Project may affect women's living standard directly because land-based income will be reduced, and farm products have to be bought from the market. If land-appropriated women cannot find suitable jobs, their income will be reduced, and their financial burden increased.

4) Increased living expenses will increase women's financial burden.

After project completion, rural residents will be faced with increased living expenses, including water and electricity charges, wastewater treatment charges, and house rental, especially in Wuying Town, Longcheng Town. This will affect existing tenants directly and increase the financial burden of women.

In addition, some jobs offered by the Project are temporary, and female laborers will have to find other jobs after project completion, resulting in short-term income fluctuation.

The Gender Action Plan and Social Action Plan of the Project have been developed in consultation with the PMOs, IAs, local women's federations and other agencies concerned. See Table 8-1.

## 8 Social Action Plan and Implementation

### 8.1 Social Action Plan

For the potential negative impacts of the Project, the task force has developed the Social Action Plan based on the fieldwork and through consultation with stakeholders.

#### 8.1.1 Reducing LA and HD risks

a) Develop a detailed RAP; b) Pay special attention to the income restoration of vulnerable groups in the RAP.

#### 8.1.2 Offering temporary residences and reducing relevant charges during the transition period

a) Offer low rent housing to affected residents during the transition period. b) Rental costs during the transition period should be borne by the government and residents jointly through consultation; c) Assist tenants in renting former houses and restoring social networks where possible. d) For extra living costs during construction and transition, the government should offer some subsidies through consultation with the public.

#### 8.1.3 Improving traffic safety measures and awareness

The large vehicular traffic arising from project implementation will pose threats to the personal safety of local residents, and increase the incidence of traffic accidents. Therefore, appropriate measures must be taken to reduce traffic safety risks: a) Set up deceleration strips at key positions, such as hospitals, schools and road junctions; b) Install traffic signals and monitors; c) Set up warning and traffic signs on roads; d) The local PMOs and transport bureaus should organize traffic safety workshops to improve the safety awareness of local residents.

#### 8.1.4 Establishing files, and reducing loan interests to reduce the financial pressure of the poor

Even though the interest rate of such loans is much lower than that of commercial loans, they are still debts for residents. The following suggestions are proposed: a) Develop interest exemption or repayment period extension policies for poor population; b) Track uses of small amount loans to ensure that they are used specifically for poverty reduction; c) The repayment period of small amount loans should be extended, because the cultural industry has a long payback period.

#### 8.1.5 Making jobs first available to local female labor

a) Pay more attention to the employment of surplus female laborers during project construction; b) Make some jobs first available to women to involve more women in the Project.

#### 8.1.6 Strengthening the management of external laborers to reduce social risks

During project construction, labor will be introduced from other provinces, cities or counties. The influx of non-local laborers will lead to some social and health risks, including disseminating epidemic and infectious diseases (AIDS, influenza, etc.), and causing conflicts with local residents due to the lack of understanding of local customs (religions, festivals, etc.). Construction staff management should be strengthened to prevent social risks.

- Strengthen publicity and education on public health and AIDS prevention, and include education on public health and AIDS prevention in construction contracts for effective performance;
- Educate construction staff on AIDS and other infectious diseases, and basic communication skills;
- Establish a physical checkup mechanism for construction staff (i.e., setting up temporary infirmaries and utilizing local medical resources);
- Conduct diversified publicity on AIDS prevention (brochure, poster, album, etc.);
- Conduct publicity on local social and cultural customs to reduce potential conflicts.

In addition, in order that beneficiaries participate extensively in project construction and supervision, local laborers (including women) will be recruited during construction.

- Ensure that not less than 35% of construction laborers are local laborers;

- Make unskilled jobs first available to women and other vulnerable groups;
- Ensure equal pay to equal work.

#### 8.1.7 Taking appropriate measures to reduce construction impacts

a) Take appropriate measures to ensure construction safety; b) Screen cultural relics before construction to avoid damages; c) Conduct publicity before construction, and carry out construction in segments to minimize impacts on nearby stores; d) Take measures to control noise; e) Sprinkle access roads regularly to prevent flying dust; f) Set up non-horning signs in densely populated areas, and avoid overnight construction where possible.

The Gender Action Plan and Social Action Plan of the Project have been developed in consultation with the PMOs, IAs, local women's federations and other agencies concerned. See Table 8-1.

#### 8.2 Public participation plan

The following information disclosure and public participation plan has been developed on the basis of the fieldwork through participatory observation. See Table 8-2.

#### 8.3 M&E

M&E is an important way to ensure that the Project is implemented as planned, and the Social Action Plan is implemented properly. M&E is also an important error-correcting and participation mechanism for the Project. In view of this, an M&E mechanism has been established for the Project, including internal supervision and external M&E.

Internal supervision is conducted by the PMO on project implementation progress, the implementation of the Social Action Plan, progress of information disclosure and public participation, fund use, the implementation of rules and regulations, etc.

The PMO will appoint an independent M&E agency to conduct external M&E on the implementation of the Social Action Plan. The external M&E agency will conduct regular M&E, give advice, and submit M&E reports to the Bank.

Table 8-1 Social Action Plan and Gender Action Plan

Risk	Measures or actions	Actors	Time	Funding	Monitoring indicators
1) LA and HD risks	a) Develop a detailed RAP; b) Pay special attention to the income restoration of vulnerable groups in the RAP; c) Offer temporary residences to affected during the transition period.	PMOs, owner, RAP preparation agency, external M&E agency	Preparation, construction	Project budget	a) RAP
2) Traffic safety risks	a) Set up deceleration strips at key positions; b) Install traffic signals and monitors; c) Set up warning and traffic signs on roads; d) Organize traffic safety workshops to improve the safety awareness of local residents. e) Set up a special bus route to the library.	PMOs, design agency, contractor, traffic police, transport bureau	Construction, operation	Project budget, government finance	a) Distribution and positions traffic safety facilities; b) Positions of warning and traffic signs; c) Time, location and frequency of traffic safety publicity
3) Repayment ability of poor population	a) Develop interest exemption or repayment period extension policies for poor population; b) Track uses of small amount loans c) Extend the repayment period of small amount loans; d) Hold a public hearing on the application procedure, interest rate and repayment period small amount loans e. Pay attention to the mental health of residents, and reduce mental impacts of project operation. f. Build rural tourism brands and increase income. g. Increase the amount of small-amount loans. h. Expand the influence of the Project to benefit more local residents..	PMOs, finance bureau, poverty reduction office, civil affairs bureau	Operation	Project budget, government finance	a) Population covered by preferential policies, and amount of exemption; b) Uses of small amount loans; c) Time, venue and number of attendees of public hearing
4) Job opportunities for vulnerable groups	a) Recruit some female members for PMOs for the convenience of women-related work; b) Employ a certain number of female workers for small enterprises, such as waitresses and cleaners; c) Offer training for women's recruitment and employment. d) Make unskilled jobs first available to women and other vulnerable groups; e) Ensure equal pay to equal work.	PMOs, contractor, labor and social security bureau, village committees, local women	Construction	Contractor budget	a) Number of vulnerable people doing unskilled jobs at the construction stage; b) Number of vulnerable people doing public welfare jobs at the operation stage; c) Location, scope and frequency of female employees

5) Women's participation	<p>a) Not less than 50% of participants in public participation activities at the preparation stage should be women;  b) Compensation should be received after signature by a couple;  c) Each project agency (PMOs, contractors, etc.) should have at least one female member;  d) Conduct project publicity at times and locations, and in forms suitable for women;  f) Tailor publicity to women's cognition;  g) Give publicity and training on small business management intangible heritage inheritance to women.</p>	Design agency, contractor, owner, PMOs, county / district agencies concerned, township governments, village committees, local women, poor people	Construction, operation	Project budget, government finance	<p>a) Number of public participation activities, number of female participants, and minutes;  b) Number and proportion of female members, feedback and suggestions;  c) Signature of women;  d) Number of female members in project agencies;  e) Time, location and mode of publicity and training  f) Number of women trained</p>
6) Social risks	<p>a) Strengthen publicity and education on public health and AIDS prevention;  b) Include education on public health and AIDS prevention in construction contracts for effective performance;  c) Establish a physical checkup mechanism for construction staff (i.e., setting up temporary infirmaries and utilizing local medical resources);  d) Conduct diversified publicity on AIDS prevention (brochure, poster, album, etc.);  e) Conduct publicity on local social and cultural customs to reduce potential conflicts.  f) Reflect characteristics of northwestern China in the Project.  g). Enter into employment agreements with temporary workers to protect their interests.  h). Train painting and calligraphy brokers to develop the market through e-commerce.  i). Construct the town in conjunction with local culture conservation.</p>	Contractor, local agencies concerned, owners, enterprises, township governments, village committees	Construction	Project budget, budgets of local agencies concerned	<p>a) Provisions of construction contract, and implementation;  b) Number of participants in training on public health and AIDS prevention;  c) Number of health centers;  d) Quantities of publicity materials on AIDS prevention at the construction stage;  e) Quantities of publicity materials on local social and cultural customs at the construction stage</p>
7) Construction risks	<p>a) Avoid construction vehicles from affecting surrounding crops and threatening personal safety;  b) Minimize the impact of construction on nearby scenic spots;  c) Take measures to control noise;  d) Sprinkle access roads regularly to prevent flying dust;  e) Set up non-horning signs in densely populated areas, and avoid overnight construction where possible.</p>	PMOs, contractor	Preparation, construction	EMP budget	<p>a) Deceleration strips and warning signs;  b) Number of tourists per day;  c) Grievances about environmental pollution and handling;  d) Inclusion of construction safety management in construction contracts, and safety awareness publicity and education;  e) Number of signs and repaired public facilities</p>

Table 8-2 Public participation plan of the Project

Stage	Item	Modes	Actors	Participants	Proposed topics	Funding
Preparation	Project information disclosure	TV, broadcast, poster, leaflet, village congress, village meeting, Internet	PMOs, township governments, village committees	Local residents, township officials, PMOs	Disclosing basic project information; Collecting comments and suggestions from local residents; Answering questions of local residents	Project budget
	Willingness survey on site selection	Village congress, questionnaire survey	PMOs, consulting agency	Villagers, PMOs, consulting agency	Conducting a willingness survey on site selection; A site is selected only if it is approved by over 80% households in the village.	Project budget
	Participation in project design	Interview, FGD, disclosure	PMOs, consulting agency	Villagers, PMOs, consulting agency, village committees	Encouraging local residents to give comments and suggestions on project design Disclosing the preliminary design in project villages for comments and suggestions	Project budget
	Willingness for small amount loans	Baseline survey, questionnaire survey, interview, and FGD	PMOs, design agency, township governments, village committees, local residents	PMOs, design agency, consulting agency, township governments, village committees, local residents	Learning local residents' attitudes to small amount loans; Identifying potential problems, and proposing solutions accordingly	Project budget
	LA	Consultation	Village committees, PMOs	Villagers, village committees, PMOs, land and resources bureau	Confirming land occupation; Determining the mode of compensation through consultation Entering into compensation agreements	Project budget
	Construction information disclosure	Villager congress, bulletin board, poster, broadcast	PMOs, contractor, village committees	Villagers, PMOs, contractor, village committees	Construction schedule; Construction site distribution; Main construction impacts; Safety concerns for local residents Contact information of contractor	/
Construction	Reduction of construction impacts	Improving relevant programs, and developing effective mitigation measures	PMOs Construction agency Village supervision committees	PMOs, contractor Transport bureau, traffic police, environmental protection bureau Village supervision committees, villager reps.	Allowing for the passage of local residents during road excavation; Taking dust and noise reduction measures; Keeping away from residential areas where possible; Identifying impacts of temporary land occupation	Project budget
	Participation in construction	Village meet, village congress	PMOs, contractor, Village committees	Villagers, PMOs, contractor, village committees	Determining jobs generated by the Project; Determining the selection criteria of construction staff; Determining the remuneration system, and skills and safety training for construction staff	Internal budget of contractor

	Management of migrant workers	Expanding safety and health publicity, regulating worker education and management	PMOs Contractor Health bureau Village supervision committees Local residents	PMOs, contractor Health bureau, township and community hospitals Village committees, village supervision committees Migrant workers, residents	Conducting education on public health and AIDS prevention, and including this in construction contracts; Conducting physical checkups for construction workers; Strengthen publicity on local social and cultural customs for non-local workers to reduce potential conflicts	Project budget
Operation	Traffic safety education	Workshop	PMOs, transport bureau, village committees	Villagers, village committees, transport bureau	Improving the traffic safety awareness of local residents through safety education	Special funds of agencies concerned
	Grievance redress	TV, broadcast, poster, leaflet, village congress, village meeting, Internet	PMOs, government agencies concerned, village committees	PMOs, government agencies concerned, village committees	Disclosing grievance redress information at appropriate locations; Handling grievances and appeals on site, by letter or by telephone; Collect comments from women, the poor and other vulnerable groups, and ensuring fair and open project implementation	/

### Appendix 1: Summary of FGDs with Residents

Survey date	Subject	Hour	Venue	Survey mode and scope	Remarks
January 19	Project communities in Lintao County	14:30	Majiyao Village	1) FGDs with women, old people, minority residents, poor residents and disabled residents, totaling 16, including 4 women (< 30 years: 1, 30-55 years: 2, > 55 years: 1), and 12 middle-aged and old men, including 3 poor persons and 3 disabled persons 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
January 20	Project communities in Lintao County	9:00	Hekou Village	1) FGDs with women, old people, minority residents, poor residents and disabled residents, totaling 24, including 12 women (< 30 years: 2, 30-55 years: 6, > 55 years: 4), and 12 middle-aged and old men, including 16 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
January 23	Project communities in Maiji District	9: 30	Xizhi Community, Ganquan Sub-district	1) FGDs with women, old people, minority residents, poor residents, disabled residents and cultural inheritors, totaling 15, including 5 women (< 30 years: 1, 30-55 years: 1, > 55 years: 3), and 10 middle-aged and old men, including 2 poor persons, 2 disabled persons and 1 intangible heritage inheritor 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
January 24	Project communities in Qin'an County	14:30	Shaodian Village, Wuying Town	1) FGDs with women, old people, minority residents, poor residents and disabled residents, totaling 22, including 6 women (< 30 years: 1, 30-55 years: 1, > 55 years: 1), and 16 middle-aged and old men, including 2 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 6, including 3 village officials and 3 group heads	
January 24	Project communities in Qin'an County	16: 30	Wohuang, Fengwei and Lueyang Villages, Longcheng Town	1) FGDs with women, old people, minority residents, poor residents and disabled residents, totaling 36, including 16 women (< 30 years: 3, 30-55 years: 8, > 55 years: 5), and 20 middle-aged and old men, including 6 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 6, including 3 village officials and 3 group heads	
January 26	Project communities in Tongwei County	9:30	Songbao Village, Pingxiang Town	1) FGDs with women, old people, minority residents, poor residents, disabled residents, cultural inheritors and tourists, totaling 15, including 9 women (< 30 years: 2, 30-55 years: 5, > 55 years: 2), and 6 middle-aged and old men, including 2 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
January 28	Project communities in Zhangye City	9:30	Xilaisi Community, Nanijie Sub-district	1) FGDs with women, old people, minority residents, poor residents, disabled residents, cultural inheritors and tourists, totaling 25, including 9 women (< 30 years: 2, 30-55 years: 5, > 55 years: 2), and 16 middle-aged and old men, including 5 poor persons, 2 disabled persons, 3 intangible heritage inheritors and 2 tourists 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	

		14:30	Wulan Ancient Town	1) FGDs with women, old people, minority residents, poor residents and disabled residents, totaling 21, including 10 women (< 30 years: 2, 30-55 years: 5, > 55 years: 3), and 11 middle-aged and old men, including 4 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
January 29	Project communities in Zhangye City	9: 30	Donghu Community	1) FGDs with women, old people, minority residents, poor residents, disabled residents and tourists, totaling 20, including 7 women (< 30 years: 2, 30-55 years: 3, > 55 years: 2), and 13 middle-aged and old men, including 2 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 6, including 2 village officials and 4 group heads	
February 1	Project communities in Jiuquan City	14:30	Feitian Road, Youtian Sub-district	1) FGDs with women, old people, minority residents, poor residents, disabled residents, cultural inheritors and tourists, totaling 28, including 16 women (< 30 years: 5, 30-55 years: 8, > 55 years: 3), and 12 middle-aged and old men, including 8 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
February 2	Project communities in Dunhuang City	9:30	Xindun Village, Mogao Town	1) FGDs with women, old people, minority residents, poor residents, disabled residents, cultural inheritors and tourists, totaling 20, including 8 women (< 30 years: 2, 30-55 years: 4, > 55 years: 2), and 12 middle-aged and old men, including 3 poor persons and 1 disabled person 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	
August 13	Project communities in Wushan County	9:30 14:30	Chechuan Village and Hedian Village, Shandan Town	1) FGDs with women, old people, minority residents, poor residents, disabled residents, cultural inheritors and tourists, totaling 23, including 6 women (< 30 years: 2, 30-55 years: 4, > 55 years: 2), and 17 middle-aged and old men, including 6 poor persons and 2 disabled persons 2) FGDs with village officials and group heads, totaling 4, including 2 village officials and 2 group heads	

## Appendix 2: Summary of Interviewees

Chapter	Details of interviewees
3	Interview 3-1: Mr. Zhang, intangible heritage inheritor, Xilaisi Community, Ganzhou District, Zhangye City (46 years)
	Interview 3-2: Zhong Weiwen, tourist from Guangdong Province in Zhangye City (26 years)
	Interview 3-3: Mr. Liu, tourist of Fuxi Temple, Qinzhou District (39 years)
	Interview 3-4: Ms Zhang, Wohuang Village, Longcheng Town, Qin'an County (26 years)
	Interview 3-5: Ms Zhou, Feitianlu Community, Suzhou District, Jiuquan city (32 years)
4	Interview 4-1: head of Xizhi Village, Ganquan Town, Maiji District, Tianshui City (43 years)
	Interview 4-2: Ms Li, Fengwei Village, Longcheng Town, Qin'an County (41 years)
	Interview 4-3: Mr. Zhang, Xilaisi Community, Ganzhou District, Zhangye City (53 years)
	Interview 4-4: Ms Yang, Taoyang Town, Lintao County (35 years)
	Interview 4-5: Mr. Li, Hekou Village, Taoyang Town, Lintao County (46 years)
	Interview 4-6: Mr. Li, Songbao Village, Tongwei County (33 years)
	Interview 4-7: head of Shaodian Village, Wuying Town, Qinan County (42 years)
	Interview 4-8: Villager of Chechuan Village, Wushan City (39 years)
5	Interview 5-1: Mr. Zhao, Maiji District, Tianshui City (42 years)
	Interview 5-2: Mr. Wang Majiayao Village, Lintao County (38 years)
	Interview 5-3: Mr. Wu, Fengwei Village, Longcheng Town, Qin'an County (56 years)
	Interview 5-4: Ms Yang, Mogao Town, Dunhuang City (47 years)
	Interview 5-5: Mr. Wang, tourist in Wulan Ancient Town (36 years)
	Interview 5-6: Mr. Li, Lintao County Culture Bureau (43 years)
	Interview 5-7: Mr. Yang, intangible heritage inheritor of lacquer ware (46 years)
6	Interview 5-8: Mr. Ling, intangible heritage inheritor of Wushan Yuanyang jade (47 years)
	Interview 6-1: Mr. Shen, Majiayao Village, Taoyang Town, Lintao County (43 years)
	Interview 6-2: Ms Han, Shandan Community, Wushan County (53 years)
7	Interview 6-3: Ms Wang, Shaodian Village Longcheng Town, Qin'an County (37 years)
	Interview 7-1: Mr. Zhang, Majiayao Village, Lintao County, Dingxi City (46 years)
	Interview 7-2: Ms Wang, women's FGD in Longcheng Town, Qin'an County (38 years)
	Interview 7-3: Ms Li, Hekou Village, Dingxi City (48 years)