

Final Study Report

On Exploring the Orientation for Cooperation In Integrated Poverty Alleviation Field



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Abstract

Over half a century, through the common effort of the developing countries and bilateral and multilateral international cooperation, enables hundreds of millions of people in the world to shake-off the poverty, disease and panic. The Chinese government launched a large-scale development-oriented poverty alleviation work from 1986 in a planned and organizational way, and obtained a remarkable achievement. As other developing countries in the world, with a reduction in number of the absolute poverty people, not only the difficulty extent of poverty alleviation to the remaining poor people increased, but also the gap in revenue, health, education and sanitation, and environment has been enlarged between the poor people and other people groups in society.

In 2004, the world poverty alleviation conference was held in Shanghai, China, the meeting summed up the main experiences from all developing countries and the international organizations. It absorbs and uses for reference the poverty alleviation concept and method in conformity with China's conditions, it facilitates China to speed up its pace in poverty alleviation work. From 2002 to 2005, Japan International Cooperative Agency (JICA) launched an integrated poverty alleviation project in Sandu Autonomous County of Shui Nationality in Guizhou Province, and won a better result by using the method of developing integrated poverty alleviation and extending participative poverty alleviation with the village as a unit. While by cleaning up and analyzing the experiences in China's poverty alleviation projects performed both by Chinese and foreign government, at the same time, earnestly summed up the experience in Sandu County poverty alleviation project by JICA and the places need to be improved, thereby to explore the orientation in integrated poverty alleviation work in a larger scale, it has an important significance for the further improvement of the poverty alleviation work in China.

Entrusted by and under the guidance of JICA, the report conducts an earnest research on the concept of international poverty alleviation work and the practice of poverty alleviation in China, and made a meticulous analysis on the experience of integrated poverty alleviation work carried out by JICA in Sandu County and the aspects needed to be improved. On the basis of poverty alleviation study performed in Shui Autonomous County of Sandu, Gelao-Miao Nationality Autonomous County of Daozhen and Leishan County in Guizhou Province, Huixian County and Zhangjiachuan Hui Nationality Autonomous County in Gansu Province, summed up the poverty alleviation work both in Guizhou and Gansu Provinces as well as the condition of implementation of poverty alleviation work both in China and abroad, the analysis has been made to other 4 counties except Sandu County on the aspects of social economic status, cause of poverty, typical ness, orientation and feasibility, and put forward a proposal to the necessity and orientation on performance of the integrated poverty alleviation work in a larger scale.

The result of survey and study are, upon accession to the 21 century, China's poverty alleviation work has entered into a new stage after the "the Seven-Year Priority Poverty Alleviation Program". The poverty alleviation work is a long-term and arduous task confronted by the Chinese government, and needs the assistance from the world, in which the capital and managerial experience are required. The advanced concept and managerial experience in poverty alleviation work are extremely important since China transferred from the system of planned economy to the system of market economy. The key poverty alleviation counties determined by Chinese government makes 46% of poor people who living in the areas

beyond the key poverty alleviation counties could not receive the significant support of poverty alleviation funds and policy. However, the non poverty population who living in the 592 determined poverty alleviation counties can enjoy the preferential policy in poverty alleviation, this measure needs to be further improved; Under the system of planned economy, the degree for farmers who participate in decision-making in poverty alleviation project is low, it's a must to extend the experience in poverty alleviation with farmers involving; On the aspect of project management, it's an important link to strengthen the capital control, intermediate evaluation and summary, however, the follow-up tracking service to the project is also very important. In the meantime of poverty alleviation development, attention should be paid to help the poor population make an improvement on environment, health, education and sanitation, and promote a common development and progress in society, economy and cultural undertakings.

Certainly, China is a developing country transferred from the system of planned economy to the system of market economy, either the leaders at different levels or the farmers will have a process to know and understand the experience of international poverty alleviation work. Viewing at a micro viewpoint, as for the participative poverty alleviation work, it is necessary to change the method that the poverty alleviation project completely determined by the government. But proceeding from a fact that the farmers and villagers in the poverty areas having poor educational and cultural background, the farmers participating must be under a guidance, the farmers' aspiration for well-off need to be activated, only in this, farmers' demand might be upgraded from perceptual to rational. We found in our survey that a certain number of old-aged farmers, they consider that the current social development and the benefits brought by the poverty alleviation project could not be dreamed compared with the past life, though they still remain in a state of poverty, they are quite satisfied with current living condition, and lack of demand for a higher level. Viewing at a macro- viewpoint, the reform and renovation to the mechanism of poverty alleviation in China, should be in conformity with the reform of the State managerial system.

JICA assist China to conduct the integrated poverty alleviation work and receive a warm welcome from the governments at all levels and farmers. We consider that it will be beneficial to enhance the cooperation between China and Japan, and deepen the friendly sentiment of Chinese people to the Japanese people, and it facilitates to strengthen and improve the relationship between two countries. Viewing from the content of *Kyoto Protocol*, help China to perform the integrated poverty alleviation cooperation that focuses on ecological environment protection also conforms to the interest of Japan.

The main orientation of integrated poverty alleviation cooperation in a larger scale is, to attach importance to the poverty areas which are not listed in the key areas for poverty alleviation work; stress shall be laid on the realm which is related with environment improvement and farmers' production and living standard; with the village as a unit, poverty alleviation work shall be conducted to the households; aims at the poor people, pays attention to poverty alleviation by opportunity, the accumulation of poor people depending on their own ability and sustainable development.

The following aspects shall be paid in implementation of the integrated poverty alleviation work:

·Taking poverty alleviation as main line, pay attention to fostering the dominant industry, properly handle the relationship between the systematization of content design of the project activity and the support to the leading pillar industry, prevent the neglect of the poverty shake-off target of each acceptance unit.

·The demand of poverty alleviation project shall be considered in an integrated way to the experience model for extending, and extending work shall be performed proceeding from the specific condition of the different area.

·In consideration of low quality in science and culture of the Chinese farmers, lay stress on scientific training and educating of relevant people reinforce the buildup of the capability, and improve the quality of the laborers.

·Attach importance to the full participating of farmers to the project, and prevent a tendency of being eager for quick success and instant benefit.

·Intensify project management, upgrade the investment efficiency, pay attention to the training work, do a good job in initial-stage argumentation, and carry out the medium-term evaluation and inspection & acceptance;

·Combine with all poverty alleviation projects performed by the governments at different levels of Chinese government, strive for the support in work and the relative capitals, it's able to expand the impact of the project, and better the result of poverty alleviation work.

Section One

Poverty Alleviation Concept and China's Practice

1.1 Concept of main poverty alleviation development in the world

Poverty mainly exists in the developing countries. Over half a century, through the common effort of the developing countries and bilateral and multilateral international cooperation, enables hundreds of millions of people in the world to shake-off the poverty, disease and panic. Though, at present the poverty status is still serious; in developing countries, over half the population still live in a standard less than two dollars per day, of which 1.2 billion people less than 1 dollar per day—starvation, isolation, changeable climate, warfare, as well as the market fluctuation let them more flimsiness; in contrast to the developed countries, the level of absolute poverty in the developing country is decreasing in a certain degree, but the gap on aspects of income, health, education and sanitation, environment, etc continue to be enlarged. However, we believe in a reason, through the effort of self-reliance of the developing countries and the assistance of other developed and international organization, shake-off poverty is not a matter afar.

Summing up the main concept in poverty alleviation of all developing countries and international organizations, absorb and study the methods which is suitable for the developing countries, it facilitates for the developing countries to speed up the pace of poverty reduction.

1.1.1 Endogenesis Development

1.1.1.1 Meanings

The endogenesis development means that the original power of development for any poverty community is from its interior, not from the external, that is to say, the farmers are the motive force of rural community development. All support from outside in form of information, technology and funds can only play an assistant function. The sustainable development of the community depends on internal motive force *rather than the assistance from outside*.

1.1.1.2 Summary of the successful experience

Shanghai poverty alleviation conference considers that, the following are 4 potential factors of success of all countries the worldwide:

- 1) Promise for transform and political & economical factors**
- 2) Renovation in system**
- 3) Progressive experimental reform and study in practice.**
- 4) Intermediate function of external environment and international organization (include the donators).**

All successful reforms in large scale have a characteristic, that is, the function played by development agency and foreign donation organization at the initial stage of the reform is very little. The reforms in China, India, Vietnam and Chile are basically self-promoted, i.e., the political leading body should decide to improve the State performance level, then seek for proposal and finance assistance from foreign agency (Shanghai poverty alleviation conference, 2004). In addition to the nationwide reform activity in large scale, the local reform in governing, infrastructure, education, sanitation and other fields are also countless. In numeral examples, the capital donation agency plays an important impetus function; for instance, eradication of river-blindness in Africa. But in other examples, the measure in policy and system reform of the donation agency is rigor; In a word, the external enforced condition cannot promote the long-term reform effectively. These experiences enable people to know that the “the sense of self-reliance” is very important whether to the State level renovators or to the renovators at local level.

At present, the key anti-poverty experience recommended to China includes the three aspects as follows:

1) The integrated poverty alleviation mode to be recommended by the World Bank.

The explanation in the *Completion Report of the Poverty alleviation Project in Southwest China Financed by the World Bank* is : through the integration of different poverty alleviation interference activities, to solve the root cause of poverty formation at multi perspectives, meanwhile, by use of the organic interrelation and mutual promotion of multi interference activities to expand the effect of single poverty alleviation activity, and establish the foundation of long term sustainable development in the community.

2) Rural Bank Mode in Bangladesh. It is mainly to extend the poverty alleviation mode by small amount of loan. The research on this mode indicates, at present, the condition is not available in China to extend this mode due to the finance control. This control mainly embodies that the operation cost to be solved not via the raising of the interest rate, moreover, if the operation fee to be provided by the finance institutes, it will be deemed that a new institute shall be established, and will confront more difficulties.

3) Participative poverty alleviation mode to be widely used by developing countries such as India.

Regard to this poverty alleviation mode, at present, the Chinese scholars have different understanding. Some international organization and scholars in China consider that the participative poverty alleviation fully respect the right of poverty groups in knowing, decision-making, supervision and management, highlight the position of the poverty groups as a main body in poverty alleviation work. It is the fundamental measure and important precondition for the poverty alleviation project to achieve the anticipated results, it has a great significance, and certified by a great number of facts. Some other scholars consider that, the connotation of Participative poverty alleviation mode is exactly the line of broad masses which is familiar to Chinese people, this is a traditional experience in China to govern the country; we should say that our experience and way of performance is more suitable for the condition in China.

1.1.1.3 Requirements on Assistant Activities

Any external assistance only accepted by farmers positively, and become the farmers' own promise for development, can start up the motive force of the community development, and promote a sustainable development of the community. The international organization through the target group's full process participating in poverty alleviation project and transfer the external assistance into the internal force, and initialize the farmers' internal motive force of development. Otherwise, the farmers have no sense of ownership, and consider that the development assistance is the matter of assistance agency itself; the

farmers do things for the development assistance agency not for themselves.

Over a long period of time, the government makes a uniform poverty alleviation plan and project, the farmers who received the assistance from the project consider that it is a matter of the government, and lack of the initiatives of maintenance to the result of implementation. For instance, if the road paved by virtue of the poverty alleviation project by the government is damaged; the villagers will report that the government road is damaged; if the water pipeline built by government for the farmers is cracked by frozen, the farmers will report that the government water pipe is damaged by frozen. The main reason for this phenomenon is that the government assistance has not become the farmers' internal motive force for development.

1.1.2 Attention to Infirm Groups

1.1.2.1 Meanings

The infirm group mainly refers to the poor population, especially the poor women, children, minority, disabled people, Aids infectors and Aids patients, etc. Care for infirm groups in poverty alleviation work, on one hand, care for the existence and development demand of infirm groups themselves; on the other hand, which is more important is to offer due rights to the infirm groups, including the right of participation, rights of ownership, utilization, decision-making, and benefit-receiving to all resources, etc. and enable them to meet their demand of shaking off poverty and developing themselves through the improvement of their ability and exertion of their rights.

1.1.2.2 Poverty Alleviation Practice

In the great majority projects of international organization assistance, all by means of participative planning, implementation, monitoring, promote the participation of poverty population in the decision of poverty alleviation project. A great number of credit in small amount paid particular concern for the poor women.

The shift of poverty alleviation strategy focusing on regional economy to the present strategy with the village as the basic unit, this substantial change shows more concern to the infirm group of poor population living in the rural areas. Because among the poor population, women, children, disabled people, and minority stay at weaker position, so the inclined policy is made to give assistance to them, and giving a priority to ensure the application of poverty alleviation funds.

1.1.3 Human – Oriented Principle

1.1.3.1 Meanings

Human-oriented principle, on one hand, it means the poverty alleviation activities shall meet the demand of the poor population themselves; on the other hand, to improve the people's quality fundamentally, to foster the ability of self-development of the poor population, bring into play their initiative to promote the sustainable development of poor population to shake-off poverty for It not only includes the demand in material and economic income, but also the demand on the aspects of spirit, society, culture, and ecological environment.

Human-oriented poverty alleviation aims to increase the knowledge, develop the skill and achieve an overall development of the poor population; the development-oriented poverty alleviation by means of raising self-development ability, by no means the assistant type poverty alleviation only aims to increase the economic income of the poor population.

1.1.3.2 United Nations Goal for Millenary Development

At the UN Conference for millenary development attended by the Heads of all States in September

2000, the leaders from all countries made a common proclamation, and worked out the 8 goals of development to be achieved by the end of 2015, i.e. the millenary goal of development. These goals include: lower the proportion of poor population whose income less than one dollar per day, the proportion of starvation, the proportion of people who are unable to obtain safe drinking water by 50% worldwide; ensure that the children in the world can complete the primary education, reduce the death rate of lying-in women by 3/4, make great effort to control the spreading of AIDS, and achieve the sustainable development, etc.

1.1.3.3 China Practice

Before the beginning of 1980s of 20th century, in addition to adopt the system reform mainly focusing on rural land system, market system, and employment system to eliminate the poverty in China, the form of financial relief was used for the people of extreme poverty to shake-off poverty. Since the mid-80s, China began to pay attention to the development-oriented poverty alleviation strategy focusing on poverty areas and poor population. Just as Liu Jian, the director of Poverty-relief Office under the State Council, has said "In poverty alleviation work, people may pay more attention to how much money will be increased, how many materials will be provided. But if we want to change the poverty state in a region, in certain extent, it's more important than money by changing the concept, improving the quality and attaching importance to the talented people".

1.1.4 With Power as its Basis

1.1.4.1 Meanings

The power based poverty alleviation means to give the poor population the power of participating in project activity, the power of decision-making, the power of occupancy to all resources, the power of utilization and power of benefit return, etc.

1.1.4.2 Practice in Poverty Alleviation Work

In development assistance offered by numerous international organizations, mainly give the power of decision-making to the poor population in poverty alleviation project via the method of participation. By a serial system of public announcement to let the poor population to know the inside story; by the system of yield an account of capital to realize the equal and fair benefit return for the poor population, etc. The practice of the international poverty alleviation work certify that empower to the poor population can not be achieved only by a single mode of system at present. But 4 critical elements is reflected by the successful experiences with different economy, political and social background, i.e. more opportunity to obtain the information, contain and participation, responsibility system at the level of grass roots and the organization ability of local unit. When the poverty people exert more impact, power and control to public resources and decision-making, the supplier will be easier to respond and bear the responsibility. If we expect that the strategy of empower play a role in a large range, and the policy should be changed and make an arrangement in system, so to provide a healthy environment of activation and a connection point attach important to the behavior among the main participators, poor people and other citizen, supplier, policy maker and politician (Shanghai Poverty-relief Conference, 2004).

1.1.5 Sustainable Development

Sustainable development in the poverty alleviation activity lay stress on the poverty community and poor population depending on their own effort and resource to satisfy their own demand and shake-off poverty under the condition without outside assistance (international, domestic). The sustainable

development refers to the sustainable development in many aspects, including economy, ecology, administration and organization, system.

1.1.6 Participatory Development

1.1.6.1 Meanings

The development route of farmers participation refers to the target group participating in the process of planning, implementing, monitoring and evaluation of the development project and activities in an all-round way.

In poverty alleviation assistance, the international organization stress in particular the target group is the women and poor people involved with the whole process of the poverty –relief activities including planning, implementing, monitoring and evaluation, i.e. participating-type of planning, of implementation, of monitoring and evaluation.

1.1.6.2 Core and Stress

The core of participating-type development is the power authorization. Moreover, the core of authorization is the power re-distribution in the whole process of participation and development assistance activity, i.e. authorize the power of voice and power of decision making to the community, the poor and women in the process of development activity.

The process of the route of participation-type development is the actual process of power authorization; it's also a process of study and negotiation. On the one hand, through the positive participation of the community in planning, implementation, monitoring and evaluation in the development and assistant activity, the members both inside and outside the community can learn from each other in knowledge, skill and exchange information; on the other hand, this process of study also exist among members inside the community.

International Organizations stress the participation of whole process of development by the target group, it is not only show in the meeting, as the person to be inquired to provide a low level participation of local community, the core is to participate in the decision-making process and decision-making activity of the poverty alleviation project. The target group shall decide the specific areas, contents and actual details of activity based on the facts of the community jointly and equally; participating in the actual implementation of the project, the project activity and capital management, determine the index of monitoring and evaluation, and organize the specific work in monitoring and evaluation. Whether or not the target group will receive the benefit shall be taken as the criterion to evaluate the project, rather than the evaluation of success or not by the suppliers or outsiders.

1.1.6.3 Important Base

One important base of the route of participation-type development lies in a fair and afresh recognition to the knowledge, skill and ability of the target group, especially the women and poor people the so-called “social infirm group”, and a complete diagnosis to the cause of poverty and under-development in economy, society, politics, culture and environment, and full consideration shall be given to the target group, i.e. the point of view and attitude of women and poor people.

The development of participation-type is established on the basis of “equally consultation”, is the power authorization to the target group, community and the traditional social infirm group who participating in the process of development; enable the community and the target group to set up a sense of master naturally to the development project, this is a fundamental precondition to the realization of sustainable development. The negotiation in an equal way and mutual learning in form of consultation

boost the social intercourse and contact among the members in the community, and create a social base to set up the community organization, enhance the foster of social capital of the community, thereby further promote the build up of capability to community construction for sustainable development.

At present, the key point of concern to the target group given by the numerous international organizations lies in the raising of knowledge, technical skill and ability, moreover, consider that the specific project activity is the carrier to increase the knowledge of the target group, to improve their technical skill and ability. The route of participation-type development is the means and process to achieve one concept of “participation – power authorization – self development”.

1.1.7 Integrated Poverty Alleviation

1.1.7.1 Meanings

Integrated poverty alleviation means proceeding from the current state of community development, a complete and overall consideration shall be given to a short and long term demand of the community to shake-off poverty, a complete and overall consideration to the demand of community shake-off poverty in economy, society, culture, ecology, sanitary, health, and education, etc .

1.1.7.2 Poverty Alleviation Practice

At present, the integrated poverty alleviation are widely adopted in many international organizations' poverty alleviation activities. In 1995, Chinese government and the World Bank implemented the poverty alleviation development project of integrated, span industries and cross the departments in southwest China, Sichuan province and the poorest region in West China—— World Bank South west China Poverty –Relief Development Project, and starts an attempt of integrated poverty alleviation. Since 2001, the beginning of a new century, the Chinese government conducts the integrated poverty alleviation work in a large scale. Since the year of 2001, 148,000 key villages of poverty alleviation have conducted integrated poverty alleviation plan at village level. At present, there is a considerable portion to implement the poverty alleviation plan which worked out by the villagers themselves.

The integrated poverty alleviation request that, especially at county level, all kinds of poverty alleviation funds, include the government finance capital for poverty alleviation, funds for relief via labor, credit funds for poverty alleviation, as well as the poverty alleviation funds provided by all functional sectors at county level, shall be used in a binding way, to be put into the determined key villages of poverty alleviation, and enable the poverty alleviation at village level to change from the single project of poverty alleviation to an all –round integrated poverty alleviation including water conservancy, animal husbandry, planting and breeding, communication, transportation, medical treatment, sanitation, and education.

1.2 Poverty Alleviation Practice in China's Rural Areas

Since the implementation of the policy of Opening and Reform at the end of 70s in 20th century, in the process of all-round development of society and economy, the Chinese government carry out the poverty alleviation development in a large scale mainly aims to solve the food and clothing problem in rural poverty population in a planned and an organizational way. From 1978 to 2004, the Chinese government has adopted a forceful measure to reduce the number of poor population still with a problem in food and clothing from 250 million to 26 million, reduced the proportion of total rural population from 30.7% to 3%; and exerts an broad and far-reaching impact to the development of society, economy and culture in China,

and also received an extensive praising from international community. The World Bank considers that the achievement obtained in past 20 years in poverty alleviation development exerts a deep influence to the international community". UNDP also considers that, "the achievement in China provides a mode to the developing countries and even the whole world". The Asia Development Bank considers that, "China has many experiences in poverty alleviation and worthy to be learned by other countries; the achievements made by China in poverty alleviation work is second to none in Asia, the Chinese government can be proud of it".

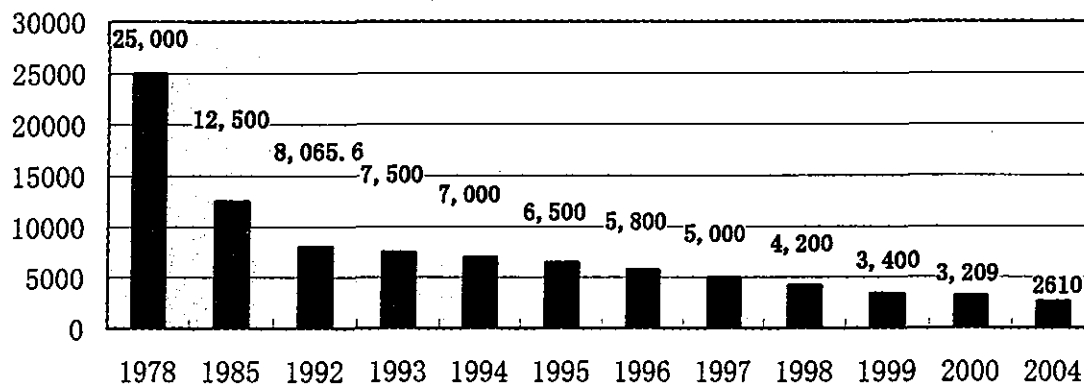
1.2.1 Historic Course of Poverty Alleviation Development in China's Rural Areas

After Opening and Reform, the poverty alleviation in China has passed 4 stages roughly, namely the boosting stage of the system restructure(1978-1985), the development-oriented poverty alleviation stage in a large scale (1986-1993), problem tackling stage (1994-2000) and poverty alleviation development stage in a new century (2001 up to now). A great achievement has been obtained in China's poverty alleviation development via multi-efforts by many sectors.

1) The food and clothing problem of over 200 million rural population has been settled.

The rural population still with food and clothing problem being reduced from 250 million in 1978 to 26.10 million in 2004 (Fig. 1-1), the rate of poverty occurrence is lowered about 3%.

Fig. 1-1 Chart of Poverty Population Change in China
(unit: in 10000)



■ 贫困人口数量 (万人)

number of poverty population (in 10,000)

2) Visible improvement in conditions of living and production.

During 15 years from 1986 to 2000, the basic farmland constructed in the rural poverty areas was up to 6.61 million hectares, and solve the problems of drinking water for 77.25 million people and 83.98 million drafting animals. By the end of 2000, the administrative villages in the poverty alleviation areas have electricity, highways, post and telecom, telephone are reached 95.5%、89%、69% and 67.7% respectively.

3) The speed of economy development is visibly accelerated.

During the period of implementation of the Seven-Year Priority Poverty Alleviation Program, the agriculture added value at the key poverty alleviation counties supported by the State increased by 54%, an annual increase of 7.5%; the industry added value increased by 99.3%, an annual increase of 12.2%; the

increase of local finance revenue is doubled, an annual increase of 12.9%; the increase of grain output is 12.3%, an annual increase of 1.9%; the farmer's per capita net income is from RMB648 Yuan to RMB1,337 Yuan, an annual increase of 12.8%.

4) The development of all social understandings is fast.

The trend of rapid development of population in poverty region is under initial control, the natural growth rate of population is reduced considerably; the school running condition has been improved, 318 out of 592 key poverty alleviation counties have basically popularized the nine years compulsory education and basically eliminate the illiteracy of young and mid-aged people. The development in vocational and adult education is rapid, and effectively improved the quality of the laborers; the hospitals at the towns and township level in most poverty regions have been renovated or reconstruction, the status of insufficient medicine and hospitals have been relaxed; a great number of agriculture practical technique have been popularized, the farmers' level in scientific farming is obviously upgraded; the culture life of the farmers has been improved, their mental outlook changes greatly.

5) The problem in food and clothing in some centralized areas have been settled.

The food and clothing problem of farmers in old revolutionary bases as Mt. Yimengshan Area, Mt. Jinggangshan Area, Mt. Dabieshan Area, and southwest of Fujian have been basically solved. The outlook of some marginal regions and minority regions changed greatly. The Dingxi region in Gansu Province and Xihaigu region in Ningxia known as "famous for their barren" in Chinese history, after development and construction in many years, the infrastructure and basic production condition have been visibly improved, the poverty status has been relaxed greatly.

1.2.2 Overall Framework and Policy on Poverty alleviation Development in China's Rural Areas

With the anticipated implementation of "the Seven-Year Priority Poverty Alleviation Program", the food and clothing problem of the poor population in China's rural areas have been basically settled. On the background of entering into construction of a better-off society, aims at the new task of rural poverty status and poverty alleviation development work, the Chinese government formulated and promulgated *the Poverty Alleviation Development Program in China's Rural Areas (2001 ~2010)*, (hereinafter refers to as the Program), put forward explicitly the goal to be achieved, the basic policy, target and stress as well as the principal policy and measures.

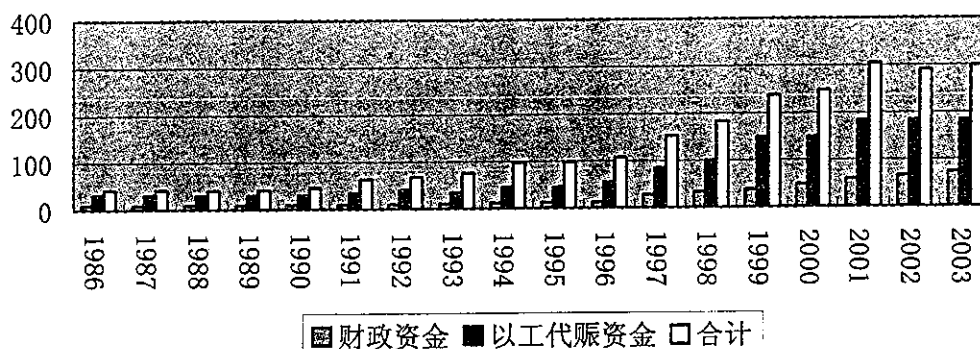
1.2.2.1 Over all Framework

In the practice of poverty alleviation development, the Chinese government explored a poverty alleviation road in conformity with China's specific State conditions, namely, the government taking a leading role, society participation, self-reliance, poverty alleviation via development, and in an all-round coordination and development.

1) Government Taking a leading role

The Chinese government has brought the poverty alleviation development into the economic and social overall plan of the government at all levels, work out the policy of assistance, strengthen the organizational leadership, and increase the input to poverty alleviation. The special poverty alleviation fund allocated by the Central finance is increased from One billion Yuan in 1980 up to RMB12.2 billion Yuan in 2004, and up to RMB114.78 billion Yuan in aggregate (show as Fig. 1-2). Under the

Fig.1-2: Capital Input to the Poverty- Relief Projects in China (in 100 million Yuan)



Finance capital □Relief in form of provided job □ total

leadership of the Central Government, the local governments at all levels carry out earnestly the responsibility system of local leaders in poverty alleviation work, according to the principle of “the province leader takes a full responsibility, the county leader perform to put the work into practice, work to the village, and poverty alleviation to the household”, define the target, put the task into effect, and intensify the duty.

2) Social Participation

Play the advantage of the socialist system, since 1994, the State Organ of the Central government, the enterprise and understanding units have donated RMB5.4 billion Yuan in capital or thing converted into money to the poverty alleviation areas; the provinces and cities at the east coast region, according to the principle of mutual compensation of each others' advantages, mutual benefits, long term cooperation, and achieve a common development, positively carry out the assistance in poverty alleviation work which geared to each other's requirements with western provinces and cities in China, the social donation in capital is up to RMB 740 million Yuan, RMB840 million Yuan of material converted into money, and made their contribution for the development of the poverty region in west China. All democratic parties, social groups, civil organization, private enterprises, and individual volunteers positively participate in the poverty alleviation development in poverty regions.

3) Self-reliance

Encourage and support the poor farmers to be hard work, relying on their own efforts to improve the conditions in production and living, change the backward outlook. A great number of exciting and inspiring models who do not waiting for and depending on the assistance from outside, would like hard working instead of bitter suffering have emerged in the poverty region. The poverty alleviation work in a new stage shall respect the leading position of poor farmers in poverty alleviation work, bring their subjective initiatives into full play, and participating in the whole process in formulation and implementation of poverty alleviation plan.

4) Poverty Alleviation via development

Persist in the principle of the development-oriented poverty alleviation work, focus on the economic construction, mobilize and organize the poor farmers to develop economy and increase the revenue, enhance the ability in self-accumulation and self-development. Proceeding from the reality of rural poverty

area, attach importance to support the extension of the advanced agricultural practical techniques, and assist the poor farmers to develop the feature farming, especially lay stress on the extension of “food and clothing project” focus on the farmland film covering technique, and plays an important role for the settlement of the food and clothing problem in poverty region. Making a great effort to organize the skill training to the laborers in the poor region, and support the transfer of poor farmers to the non-farming industry, and increase their cash income. For the poor farmers where the place they living is not available in condition for production and living, on the basis of volunteer, all local governments may organize the development in other place in a proper way. According to statistics, from 1983 to 2003, there are nearly 4 million poor people have shaken –off poverty and better –off through development in other places.

5) All-Round Coordination and Development

Poverty is a kind of complicated social phenomenon caused by many reasons. The settlement of the poverty problem should be done on multi-aspects. Adhere to integrate the economy development with the development of science & technology, cultural and educational undertakings in poverty region, and improve the integrated quality of poor population, change the situation in which poverty caused by lower cultural quality or caused by insufficiency medicine and hospitals; adhere to integrate the poverty alleviation development with the construction of organization at grassroots level. Attach importance to raise the ability of cadres in poverty region to lead the farmers to shake-off poverty and become rich; Adhere to combine the poverty alleviation development with family planning, and encourage the farmers in poverty region have less children and rapid better-off; adhere to integrate the poverty alleviation development with the implementation of the strategy of large scale development in West China, further improve the infrastructure facilities and ecological environment. Boost an all-round development of the broad masses in poverty areas through integrated governing, and created a condition for shake-off the poverty and better-off.

1.2.2.2 Policy Guarantee

Based on the grasping of the State condition, especially the knowledge to the real condition in poverty region and to the poor population, the Chinese government has formulated the policy in poverty alleviation development in line with China’s State condition, the center task of poverty alleviation and basic target shall be laid to settle the food and clothing problem of the rural poor population, start with the most urgent problem and do things according to their own abilities, ensure the keystone, and progress in different stages.

1) Work out the poverty standard in Conformity with China’s situation

The initial standard of poor population in China has been obtained based on the family expenses which investigated by the relevant sectors of Chinese government over 67000 farmer households in 1986, i.e. the average net income in rural area in 1985 was RMB206 Yuan, by the year of 2000, this standard was equal to RMB625. This is a minimum standard of expense to maintain the basic existence, and it’s in conformity with China’s reality.

2) Determine the poverty alleviation counties which needs critical support

In order to use the poverty alleviation capital in a concentrated way and assist the poor population in an effective way, the poverty county in China in the list of the Seven-Year Priority Poverty Alleviation Program which needs the critical support by the State are 592 in total, and scattered over 27 provinces, autonomous region, municipalities directly under the central government, and contains over 72% of poor population in the rural areas. The Central government adopted a serial of policy and measures with pertinence, through the centralized and effective support to the poverty counties, boost the settlement of the

poverty problem in China's rural areas.

3) The stress of poverty alleviation tilts to the poverty regions in mid-west China

The regional feature of China's economic development is very visible, great majority of rural poor population is concentrated in mid-west region, the west region in particular. In 592 poverty counties determined by Chinese government need the critical support in 1994, the 82% of them is located in mid-west region.

4) Increase the input edge of the poverty alleviation development

Since the past 20 years, the input for special items arranged by the Chinese government is continuously increasing, only in the period of implementation of "August 7 Plan", the Central Government has invested the capital of RMB112.7 billion Yuan in aggregate, equals to the 3-folds of the total input amount in 8 years from 1986 -1993.

5) Put into practice the system of responsibility in poverty alleviation work

The economy development leading group of the State Council in poverty region was established in June 1986 (1993, renamed as State Council Poverty Alleviation development leading group), taking special responsibility for organization, leadership, coordination, supervision, inspection in poverty alleviation development work. The corresponding organizational institutes in the relevant provinces, prefectures (cities), counties governments are also established to take charge of the local poverty alleviation work respectively.

1.2.3 Main tasks of poverty alleviation development in a new stage

《The Program》points out, "The general goal in poverty alleviation development between 2001-2010 is: to solve the food and clothing problem of a tiny number of poor population as quickly as possible, further improve the basic condition in living and production in the poverty regions, consolidate the result of food and clothing, upgrade the living quality and integrated quality of the poor population, reinforce the construction of infrastructure in poverty region, improve the ecological environment, gradually change the backward status of the poverty regions in society, economy and culture, and create the condition to reach the living standard of better-off".

Based on this goal, there are three main tasks in poverty alleviation development for next 10 years:

1) Assist the poor population who still having food and clothing problem to settle this problem as soon as possible.

2) Assist the poor population who just shake-off the problem of food and clothing initially further improve the living and production condition, consolidate the result of food and clothing, raise the living quality and integrated quality.

3) Reinforce the construction of infrastructure in the poverty townships and villages, improve the ecological environment, gradually transform the backward status of the poverty region in society, economy, and culture, and create favorable condition to the better-off.

1.2.4 Basic Principle in Poverty Alleviation Development in New Stage

1.2.4.1 Persist in the development-oriented poverty alleviation work

The development-oriented poverty alleviation is a reform and adjustment to the past traditional scattered relief, it's a fundamental experience of poverty alleviation development in many years in China, it's also a basic principle of poverty alleviation development in a new stage, it's the core and base for the formulation of poverty alleviation policy. Adhere to the principle of the development-oriented poverty

alleviation, it means to focus on economic construction, support and encourage the cadres and masses in poor region to improve the condition of production, exploit the local resources, to develop the commodity production, increase ability in the self-accumulation and self-development. This is the fundamental way out for the poverty region to solve the problem of food and clothing, shaking-off poverty and to be better-off.

1.2.4.2 Persist in integrated development and all-round development

In the means time to strengthen the infrastructure construction in water conservancy, traffics, power industry, communication, develop production and increase farmers revenue, attach importance to the development of science and technology, education, sanitation, and cultural undertakings, improve the environment of the community, improve the living quality, boost a coordinative development and all-round progress in economy and society.

1.2.4.3 Adhere to sustainable development

The unbalance in population, resource and environment is the root cause of poverty in rural areas, therefore poverty alleviation development must be integrated with resource protection and ecological construction, and integrated with the family planning, control the swift growth of population in the poverty region; by means of return farming to forest, voluntary immigration, to mitigate the pressure of poverty region against the ecology and resources, and achieve a favorable circle of resources, population and environment, and change the predatory production in expense of destroying the ecological environment to transform the poverty area, and raise the ability in sustainable development in the poverty region.

1.2.4.4 Adhere to self-reliance and hard struggle

The cadres and the masses in the poverty region are not only the beneficiary but also the main force in poverty alleviation development. Only the broad cadres and masses in poverty region to play fully their own initiatives, creativity, constantly strive to become stronger, no waiting, hard working they can be able to change the backward outlook of the poverty region.

1.2.4.5 Perform the cooperative poverty alleviation between east and west regions

Integrate the large scale development in west region with poverty alleviation development. Adopt the measures in which the considerable developed provinces, cities in east region to support the provinces, autonomous regions in west China that geared in demands. Accelerate the pace in shake-off poverty in west poverty regions. The actual condition in execution is: Beijing helps Inner Mongolia, Tianjin supports Gansu, Shanghai assists Yunnan, Guangdong assists Guangxi, Jiangsu helps Shaanxi, Zhejiang helps Sichuan, Shandong assists Xinjiang, Liaoning to Qinghai, Fujian to Ningxia, Dalian, Qingdao, Shenzhen and Ningbo support Guizhou, Zhuhai and Xiamen support Chongqing. In recent years, the governments of 13 provinces and cities and all fields in society in east region donated money and materials value at RMB2.14 billion Yuan, the project agreements signed is up to 5745, the negotiated investment is over RMB28.00 billion Yuan, the actual investment is more than RMB4.00 billion Yuan; the labor force exported from the poverty region are 517,000 people. In addition, the cooperation also being conducted on the aspects such as cadres exchange, talents training, school construction, capital construction in farmland, build highways, settle the problem in people and domestic animals drinking water, etc.

1.2.5 Target and Stress of Poverty alleviation Development in a New Stage

1.2.5.1 The Key Target

《The Program》 requests, the people in the poverty region who still having the food and clothing problem shall be listed as chief target; at the same time, continue to help the people who just solved the food & clothing problem to increase their revenue, further improve the production and living condition, and

consolidate the result achieved in poverty alleviation work.

Attach importance to the poverty alleviation development to the special poverty groups. The Chinese government laid stress on the poverty alleviation development to the special poverty groups such as minority, disabled person, etc. From 1994 to 2000, the State has invested a poverty alleviation fund of RMB43.253 billion Yuan in total to Inner Mongolia, Guangxi, Tibet, Ningxia, Xinjiang Autonomous Regions and three provinces of Guizhou, Yunnan, and Qinghai having more minority population, and account for 38.4% of the total investment in the whole country. There are now over 60 million disabled people, account about 5% of China's total population, of which 80% live in the rural areas, among them, a considerable amount of number live in poverty state. By the end of 2000, the number of disabled people is 9.79 million.

The State extensively mobilizes the social force to show concern to the poor women, and support all kinds of relief activities to assist the women in poverty areas. For instance, the "Happiness Project" to support the poor mothers, the "Spring Shoots Program" giving a special assistance to the female children who unable to go to school, the "Mother Water Tank Project" to assist the women in west region shortage in water, etc, playing a positive role to speed up shake-off poverty of the women in rural areas. Up to May, 2000, RMB145 million Yuan have been invested to the "Happiness Project", and helped 107,472 mothers; the beneficiary was up to 483,000 people; By July 2000, totally 330 million Yuan has been accumulated to help 1.05 million female children return to school.

1.2.5.2 Stress of poverty –relief work

According to the distribution status and characteristics of rural poverty population in China, the key places for State poverty alleviation work shall be laid at the mid and west regions concentrated in poor population of minority nationalities, old revolutionary base, border region and some extreme poverty areas. Based on the principle of concentration and link each other, give a overall consideration to the level of revenue of the farmers in the whole county, number of population, the basic living and production conditions, and determined 592 key counties for State poverty alleviation work in 21 provinces (autonomous region, cities) in mid-west regions, the Central government will give vital support to them. Of which, the proportion of support to the old revolutionary bases, to minority region, to the marginal and remote district and counties is 17%、45%、7.3% respectively. The poverty population (annual net income less than 625 Yuan) covered by the key counties makes up 54% of the whole country, the population of low income (annual net income less than 865 Yuan) account for 57% in the whole country. The Central government poverty alleviation fund are mainly used to assist the poverty villages in key counties, and at the same time, giving a proper assistance to the other poverty villages of above-mentioned 4 kinds of poverty regions in mid-west regions. Consider that the overall level of economic development in east China is rather high; Some poverty areas in east provinces shall be solved mainly by the province itself. Continue to take the undertaking of planting and breeding and improve the basic living and production condition as the main measures in poverty alleviation development, enhance the edge in poverty alleviation via science and technology, boost the voluntary immigration resettlement and export of labor service, continue to conduct the social poverty alleviation work, and develop the international exchange and cooperation in the field of poverty alleviation, put into practice of responsibility system in poverty alleviation work, implement the policy and measures in poverty alleviation to the poverty villages and poor households.

1.2.6 Difficulties and Problems Existing in China's Poverty alleviation Development

1.2.6.1 There are still a considerable number of poverty populations

In 80s of the 20th century, average 13.7 million poverty population decrease each year; to 90s the poverty population will decrease at a speed of 6.2 million each year in average. By the end of 2000, there were 32 million poverty populations; but by the end of 2004, there were 26.1 million poverty population still having problem in food and clothing, and account for 2.8% of the rural population; 49.97 million of low income population, account for 5.3% of the rural population, the poverty population is still in a big number. If progress according to a speed of decrease by 1.5 million each year in recent 4 years, the task of solving the food and clothing problem of the remaining poverty population will be hard to completed by the year of 2010 (Fig. 1 -1)

Fig. 1-1 Poverty Population Change State from 2000 to Present

Year	Poverty Population			Population with low income		
	Revenue standard	Amount	Proportion	Revenue standard	Amount	Proportion
2000	625	3,209	3.40%	865	6,213	6.69%
2001	630	2,927	3.20%	872	6,102	6.60%
2002	627	2,820	3.00%	869	5,825	6.20%
2003	637	2,900	3.00%	882	5,617	6.00%

1.2.6.2 It will be more difficulty to solve the food and clothing problem for the remaining poverty population

Viewing from the distribution of the area of the poverty population, the rate of occurrence in west region is relatively high. 76% of the poverty farmer households live in the hilly region, 46% farmer households have the cultivated farmland less than 0.07 hectare, also the quality is rather poor, the unit output of grain is only 180 kg, the rate of illiteracy of the laborers in the poverty household is as high as 28%. The revenue of the poverty population who just solved the food and clothing problem is very unstable, in recent years, the population who return to poverty each year is more than 10 million, for instance, the population who return to poverty in 2003 was 15.4 million, and account for 53.1% of the total poverty population of that year, therefore it's more difficulty to solve the food and clothing problem for these people.

1.2.6.3 Poverty population in a trend of scattered type

In the period of "the Seven-Year Priority Poverty Alleviation Program", 592 state determined poverty counties may cover over 70% of the rural poverty population in the whole country, the rate of occurrence of poverty in the county is 30%; Currently, these 592 key counties for poverty alleviation only cover 54% of the poverty population in the whole country, the rate of poverty occurrence is 9%. The scattered poverty populations add more difficulty to the managerial work of poverty alleviation.

1.2.6.4 Lack of experience on how to carry out poverty alleviation development under the condition of market economy

For a long period of time, China practice the system of planned economy, the planned mode in

management guided by government was also implemented in poverty alleviation work. It's lack of experience on how to do a good job by use of the market economy rules. On the aspect of project management, capital control, and farmer participation, there are still some shortcomings; In some places, the leaders make image project, the performance project, and neglect the real result of the poverty alleviation work. Lack of the follow-up management after the project weakened the display of the result of poverty alleviation project. Such as the road constructed in the townships and villages financed by poverty alleviation funds, due to lack of the follow up funds for management and the proper arrangement in system, caused a large amount of funds being invested to it but it has been seriously damaged in less one year. All these problems need to be improved.

1.2.6.5 some obstacles still exist to reform the traditional way in poverty alleviation

A certain amount of people considers that poverty alleviation means to give money, to give living materials, and help the poor people to solve the difficulty, they are lack of a complete idea to the development-oriented poverty alleviation. Especially the cadres at the grass root level and the villagers to the loan for poverty alleviation lack of the sense of payment. These concepts directly affect the implementation and result of the poverty alleviation project.

1.2.6.6 some people slacken their work in poverty alleviation

With a progressive reduction in number of poverty population, some local cadres generate the idea of relaxation. Since the poverty alleviation office is only an office, which not listed into the government sector, some staff has worry on their future life, and worries the continuity of poverty alleviation work.

1.2.7 New Measures on Poverty alleviation Development in a New Stage

After the poverty alleviation development work enter into a new stage, the poverty region in the whole country earnestly implement 《The Program》, compare with past poverty alleviation development work, there are several new measures.

1.2.7.1 Implement the strategy of “whole village progress”

There are 148,000 poverty villages totally in the whole country, an overall plan shall be worked out in each key poverty village, and give what they really need, making an integrated design, adjust measures to local conditions, give guidance based on classification, uniform evaluation and uniform argumentation, approval in one time, implementation in different years, input in separate phase, implementation based on the plan in different year, and push forward in whole village.

1.2.7.2 increase the transfer and training to the rural surplus laborers

Unfold a large-scale training for the poor farmers; boost the transfer of surplus laborers in poverty regions. Start from 2004, the State practice the training work to the rural surplus laborers – the sunshine project, the Poverty alleviation Office of the State Council has recognized 11 pilot bases of training for the transfer of the laborers in the whole country.

1.2.7.3 Implement the boosting of industrialization

Early in 2005, the Poverty alleviation Office of the State Council has recognized 200 flagship enterprises in poverty alleviation development, relying on the strength of the enterprise and the society, and boosts the poverty alleviation development work by industrialization. The State has increased the input of the poverty alleviation funds, by the end of 2004, the total amount of poverty alleviation funds was up to RMB30.7 billion Yuan, of which 12.2 billion Yuan of finance poverty alleviation funds (include 4.0 billion Yuan of funds arranged by the finance sector in form of relief via providing jobs), and RMB18.5 billion Yuan of the credit fund for poverty alleviation.

1.2.7.4 Continue to enhance the poverty alleviation work geared by needs

The State Council re-arranges the fixed spot poverty alleviation work by the Central government organs for a new circle. The units which participating in this work is increased from original 138 to 272, the target counties to be assisted by the State is up to 481, account for 80% of the total number of the key counties to be supported. Further boost the cooperation between the west and the east regions in poverty alleviation work, on the basis of former 13 provinces and cities in east regions to assist 10 provinces and regions in west China, and added Xiamen city in Fujian Province and Zhuhai city in Guangdong Province shall assist Chongqing municipality.

1.2.7.5 enhance the Strength of the Cooperation of International Poverty alleviation

In May 2004, the Chinese government has organized and successfully convened the World Poverty Alleviation Conference in Shanghai. In this Conference, an Agreement has been signed jointly by UNDP, Poverty alleviation Office of the State Council and the Ministry of Commerce, the "China International Poverty Alleviation Center" shall be established jointly by UNDP and the Poverty alleviation Office, and construct a platform the worldwide for research, exchange and training in poverty alleviation work.

Section Two

Analysis on Status of Poverty alleviation in Guizhou and Gansu Province

2.1 Analysis on Status of Poverty alleviation in Guizhou Province

2.1.1 Natural Environment of Guizhou Province

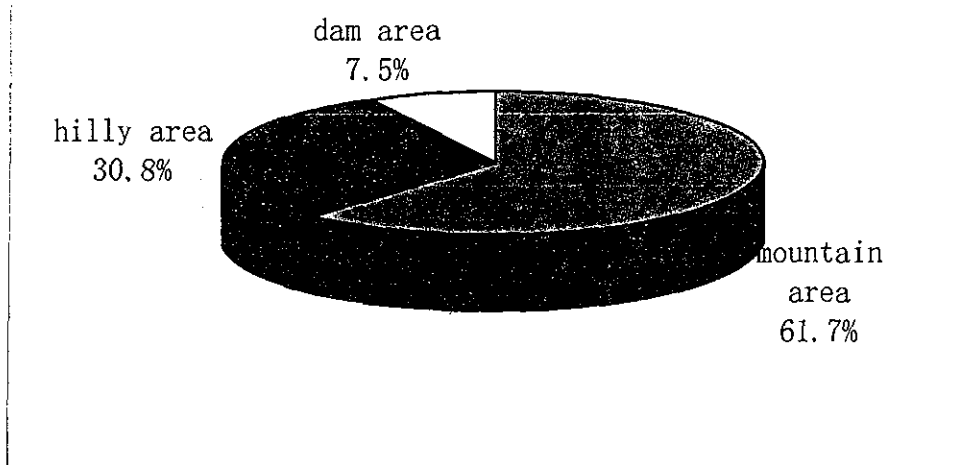
Guizhou Province, which is referred to as “Qian” or “Gui” for short, lies in Yungui Plateau, neighboring Hunan Province, Guangxi Province, Yunnan Province and Sichuan and Chongqing respectively in the east, south, west and north of it. It is 595 kilometers long from east to west and 509 kilometers from north to south. With its sub-tropical warm and humid monsoon climate, Guizhou Province enjoys little temperature changes, warmer winter and cooler summer. The average temperature of coldest month (January) is mostly between 3°C-6°C, and that of the hottest month (July) is between 22°C-25°C. The province can satisfy the requirement of two harvests a year, with its annual rainfall averaging 1,100mm, annually relative humidity more than 70%, 1300 annual sunshine hours, 270 frog-free days and about 150 overcast days. However, due to the impact of atmospheric circulation and geography, diversity features in the climate, with more disaster weather, larger frequency of autumn wind, frost and hailstone, which do serious harm to agricultural production.

The area of Guizhou Province is 176,167 kilometers, accounting for 1.8% of the territory of China, slightly smaller than Japanese island of Honshu (227, 414 kilometers). Mountain areas and hills are the dominant land resources and flatland is less. The mountain area is 108,740 km. accounting for 61.7% of the land area of Guizhou Province, hill area is 54,197 km, accounting for 30.8%, and flatland area among mountains is 13,230 km, only accounting for 7.5% (see figure2-1).

In recent years, due to the increase of non-agricultural use of land, the cultivated area has been decreasing. By the end of 2003, the cultivated area of Guizhou Province is 1.7505 million hectare, the cultivated area per capita is 0.046 hectare, far less than the average level of 0.07 hectare in China and slightly higher than that of 0.041 hectare in Japan (1995, evaluated by Japanese Agriculture Annals).

The forest coverage of Guizhou Province is 30.8%, with more than 3800 kinds of wild plant resources, including more than 3700 kinds of medicinal plant resources, which account for 80% of the varieties of Chinese herbs. Guizhou Province is one of the four Chinese herb production areas in China. The province boasts more than 2500 kinds of good pasture resources, provided with good conditions for animal husbandry development.

Figure 2-1: Distribution map of land type in Guizhou



2.1.2 the social economic conditions of Guizhou Province

2.1.2.1 the population of Guizhou Province

By the end of 2003, the total population of Guizhou Province is 38.6966 million, accounting for 2.99% of that of China within the same period. Its administrative divisions comprise of 9 prefecture-level cities (state and zone) and 88 counties (city and district). Guizhou Province comprises of 46 nationalities, including 48 minorities. There are 46 counties in the autonomous region of minority nationalities, with a land area of about 100,000 km, accounting for 39.9% of the total area of Guizhou Province. The population of minority nationalities totals 13.3396 million, accounting for 37.85% of the total population of Guizhou province in current year, according to the information from the fifth population census (population census conducted at the zero hour of Nov.1, 2000).

2.1.2.2 the economic status of Guizhou Province

Guizhou Province is one of the most underdeveloped provinces in China. In 2003, the Gross National Product of Guizhou Province is 135.611 billion Yuan, 10.1% more than previous year, accounting for 1.16% of the GNP of China in current year and ranking 26th in the 31 provincial administrative regions. The GNP per capita is RMB 3,603 Yuan, which ranks 31st. The pure income per capita of farmers is 1,564.66 Yuan, an actual rise of 5.0%, which also ranks 31st in China (see attached figure 1).

The poverty population, which hadn't been provided with adequate food and clothing by 1985, is 15 million, and the growth rate of poverty people in the same period is 57.5%. Since the "Seven-year Priority Poverty alleviation Program", the poverty population has been declined to 2.898 million in 2003 and the growth rate of poverty people is 8.74%, due to the sustainable development of national economy and large scaled aid-the-poor activities. The effect of aid-the-poor development is remarkable. However, this achievement only shows that the poverty problem still exists and is still serious, though the poverty problem in Guizhou has been relieved rapidly. Guizhou province, the population of which accounts for less than 3% of that of China, covers 10% of the poverty population in China; 50 of the 88 counties (city and districts) of Guizhou are national key poverty alleviation counties and 83 counties have the task of poverty alleviation. Guizhou is one of the key provinces for poverty alleviation of China.

2.1.3 the policy and planning of poverty alleviation in Guizhou province

Since 2001, Guizhou Province, based upon the development-oriented poverty alleviation work, has issued “Guizhou Province Audit Ordinance for Poverty alleviation Fund”, “The decision of the provincial committee and the people’s government of Guizhou Province on carrying out the poverty alleviation work in new period” and “The decision of the provincial committee of Guizhou Province on strengthening the poverty alleviation work in new period”. Other authorities concerned in succession issued “Notice on further strengthening credit for poverty alleviation”, “opinions on strengthening poverty alleviation efforts in 100 key towns”, “Tentative procedures of Guizhou Province for the examination and management of poverty alleviation work”, “Tentative procedures of Guizhou Province for poverty alleviation fund project”, “Tentative procedures of Guizhou Province for management of credit for poverty alleviation project” and “Tentative procedures of Guizhou Province for management of small amount poverty alleviation loan to households”. These laws and documents define the target, major tasks, principle of implementation and policies and measures of Guizhou Province during 2001-2010 (table 2-1).

Table 2-1 the target, principle and Stress of poverty alleviation in Guizhou

Job objective and task	1) For 1.567 million poverty populations whose basic living and production is in a bad condition and whose self-development ability is weak, but can achieve adequate food and clothing with help, development-oriented poverty alleviation is the leading measure. Help these people achieve adequate food and clothing as soon as possible by using such measures as projects driving or poverty alleviation to household.
	2) For 460,000poverty populations who live in very bad natural conditions, move them to other places, providing them with relevant production and living conditions, such as land and house, and making efforts to build substantial foundation for permanent poverty elimination.
	3) For those special poverty populations who have no kin and cannot support themselves and those who are incapacitated due to disease or disability, provide them with social assistance by implementing relief system for people whose living condition is especially hard.
	4) For low-income rural poverty people who have just achieved adequate food and clothing, focus on helping them improve basic production and living condition, broaden ways to increase income and make efforts to prevent them from going back to poverty.
Work principle	1) Persist in poverty alleviation through development projects. Improve the self-accumulation and self-development ability of poverty farmers.
	2)Persist in integrated poverty alleviation. Improve community environment, improve quality of life and facilitate the harmonious development of economy and society.
	3) Persist in sustainable development. Achieve a sound cycle of population, resources and environment.
	4) Persist in self-reliance and hard efforts. Strive for self-improvement without waiting or relying on others and change poverty and backward state through one’s own efforts.
	5) Persist in the mode of government-oriented and whole society-participated.
	6) Persist in the integration of whole progress with key breakouts.

continued

Stress	1) Develop plant production, fish breeding and poultry industry according to local conditions and make more efforts to introduce applicable agricultural techniques.
	2) Initiatively accelerate industrialized operation of agriculture. Establish some industrial and agricultural products trading market and agricultural products wholesale market.
	3) Further strengthen the construction of infrastructures such as irrigation works, fundamental farmland, transportation and communication and ecologic environment such as firedamp projects.
	4) Accelerate the common development of multi-economic sectors.
	5) Initially and steadily advance export of labor service and encourage and support the development of tourism.
	6) Make great efforts to develop education and health cause and strictly control rapid population growth of.
	7) Steadily accelerate resettlement poverty alleviation.
	8) Further expand the opening up both internally and externally.

2.1.4 Implementation of major poverty alleviation projects in Guizhou Province

2.1.4.1 Implementation of major domestic poverty alleviation projects

The poverty alleviation work in Guizhou Province generally consists of three periods: First period: from 1986 to 1993, alleviate poverty through social assistance, by which the poverty population of the whole province was reduced from 15 million to 10 million. The second period: from 1994 to 2000, during which the even-year Priority Poverty alleviation Program was implemented, the poverty population of the whole province was reduced from 10 million to 3.13 million. The third period: since 2001, alleviate poverty through development projects, define the Three Tasks: whole village progress, labor transfer and industrialized development.

From 2001 to 2004, the state and Guizhou province invested 2.179 billion Yuan of financial poverty alleviation fund, 1.06 billion Yuan of work-relief fund, 6.33 billion Yuan of credit fund for poverty alleviation and 1.638 billion of other relief funds. The poverty alleviation projects include plant production and aquaculture industry, irrigation and water conservancy, country road, water supply for human beings and livestock, power infrastructure, education, medical treatment and health, broadcast and television etc.

In order to facilitate the analysis of poverty alleviation with financial and credit fund in Guizhou, we have made a statistics of financial and credit fund projects for poverty alleviation of Guizhou in 2003 (table 2-2, table 2-3).

Table 2-2 Statistics of poverty alleviation projects using financial fund of Guizhou in 2003

Classification of projects	Number of projects			Scale of the project (10 thousand)		
	Total number	Including		Total investment	Including	
		Approved by the province	Approved by the city		Financial fund	Self-raised fund*
Total	4,462	3,367	1,095	64,544.13	46,440.66	18,103.47
Plant production	569	369	200	10,160.96	6,192.19	3,968.77
Aquaculture industry	996	609	387	14,574.95	9,730.43	4844.52
Water supply for human beings and livestock	454	385	69	4,090.70	3,171.18	919.52
Transportation	1,125	945	180	15,788.23	10,129.59	5,658.64
Education	191	135	56	2,213.20	1,767.48	445.72
Medical treatment and health	166	113	53	835.98	654.70	181.28
Family planning	25	22	3	287.56	184.50	103.06
Culture	42	29	13	171.95	135.80	36.15
Broadcast and television	60	50	10	610.17	474.28	135.89
Telecommunication	73	70	3	405.28	264.72	140.56
Market construction	21	16	5	431.86	336.40	95.46
Training	140	129	11	1,960.97	1,895.00	65.97
Irrigation and water conservancy and reformation of low-yielding land	213	192	21	9,104.97	8,453.32	651.65
Construction of power infrastructure for agriculture	12	7	5	114.10	71.50	42.60
Firedamp	74	63	11	566.25	404.44	161.81
Other	301	233	68	3,227.00	2,575.13	651.87

* Note: Financial fund is specialized funds allocated by the government; self-raised funds are investment made by units and individuals.

Table 2-3 Statistics of poverty alleviation projects using credit fund of Guizhou in 2003

	Size of projects (10 thousand Yuan)			Details of project
	Total investment	Including		
		Self-raised fund	Loan	
Total	230,830.09	61,420.00	184,731.50	
Construction of cities and towns	9,672.50	2,944.50	6,728.00	Five sub-projects in 5 counties (cities), including water supply extension (reconstruction) engineering, pipe networks reconstruction of water supply and sewage treatment works etc.
Construction of power networks	39,682.33	10,089.90	79,547.00	16 sub-projects in 14 counties (cities), including power station (power plant) and power dispatch engineering.
Medical treatment and health	10,993.74	4,429.74	6,575.00	20 sub-projects in 17 counties (cities), including hospitals, mother and child health care station, medical equipment (facilities), center of rehabilitation people with disabilities, first-aid station, technical reformation of pharmacy.
Education	33,078.39	11,303.39	19,975.00	30 sub-projects in 21 counties (cities), including the facilities of middle school, technical secondary school, junior college, kindergartens and libraries etc.
Industry	34,204.50	13,507.50	20,697.00	30 sub-projects in 17 counties (cities), including pharmacy, quarry, livestock product process, refrigerated warehouse, bamboo wares, fertilizer, oil, agriculture product process, cement, electro analysis and construction material etc.
Tourism	8,436.86	4,542.36	3,894.50	2 sub-projects in 2 counties (cities), including exploration of valley tourism and forest park construction etc.
Market construction	6,980.23	3,180.23	3,800.00	9 sub-projects in 9 counties (cities), including shopping centers, trading market, wholesale markets etc.
Transportation	84,169.54	10,100.54	41,225.00	8 sub-projects in 7 counties (cities), including bridges, roads etc.
Broadcast and television	2,540.00	922.00	1,618.00	5 sub-projects in 5 counties (cities), including broadcast networks, television broadband networks etc.
Others	1,072.00	400.00	672.00	The reservoir irrigation works of Danzai county.

2.1.4.2 Implementation of international poverty alleviation projects (attached table 2)

2.1.4.3 Effect of poverty alleviation through development projects

26,200 poverty villages (times), 3.4579 million farmers (times) and 13.06 million persons (times) within 82 counties of this province have been supported through the implementation of poverty alleviation projects, which improved the living and production condition of people living in poverty region and boosted momentum of development and the double income growth of farmers.

1) The problem of food and clothing of part of the poverty people has been solved. The number of absolutely poverty population has been reduced from 15 million in 1985 to 2 million in 2004, and the growth rate of poverty population has been reduced from 57.5% to 8.7%.

2) The construction of infrastructures such as transportation, irrigation and water conservancy, power, fundamental farm and fire-damp works has been enhanced, which accelerated the improvement of production and living condition in poverty area.

3) Breakthrough in livestock breeding, special agricultural products, vegetables, dominant economic crops has been made, which accelerated the adjustment of economy structure in poverty area and drove the income growth of poverty people.

4) The training in education, health, family planning and techniques for farmers has been enhanced and the service level of education and health care within the project area has been improved, which facilitated the rapid development of social undertakings and the improvement of the general quality of leaders and the masses.

5) Prevent the environment from deteriorating and improve the quality of environment. The construction of projects, such as transforming slope into terrace, water supply for human beings and livestock, irrigation, improvement of agricultural soil, economic crops and forestry and orchard etc. had positive impact on the ecologic environment within the project area.

2.1.4.4 Primary experience in development-oriented poverty alleviation

1) **Formulate poverty alleviation plan and aid the poverty people according to classification.** Based on different objectives, each level of the province, county and town has planned the poverty alleviation through development projects, defining its scope, objects and key points. By establishing database for poverty alleviation through development projects, poverty alleviation project database and management system for registration of poverty people in “book, manual and card”, support poverty people based on their classification.

2) **Accelerate the improvement and innovation of poverty alleviation mechanism by using internationally advanced project management method.** Participation-based poverty alleviation is worth popularizing, for it fully respects villagers, encourages villagers to participate and improves their self-management ability. The introduction and establishment of poverty monitoring system have played an important role in improving the ability to monitor poverty.

3) **Strengthen the management of development-oriented poverty alleviation and establish incentive mechanism.** Based on the practice in poverty alleviation, Guizhou province has established several development-oriented poverty alleviation systems, including “the leading principal of the party and the government takes general responsibility”, “governmental organs take the responsibility of poverty alleviation of designated area”, “Poverty alleviation contact station for leaders”, “Three integration” between poverty alleviation and family planning” and “general examination of target management” etc. The province examines and appraises the poverty alleviation task and objective every year by quartering them into certain score. It also allocates RMB 10 million of financial poverty alleviation funds as award for

projects, to encourage outstanding counties. Improve the returns on poverty alleviation fund by examination.

4) **Persist in human-based principle and improve the capacity of the units that implement the projects.** By organizing and implementing projects, train a group of management talents, introduce some new techniques and improve the sense of science and technology and technological skills of people within the project area, which provide talents support of sustainable development. It plays a positive role especially in overcoming the ideas of "Content is happiness" and establishing confidence in casting off poverty and setting out on a road to prosperity by themselves.

2.1.4.5 Existing problems in poverty alleviation and opinions on improvement

According to the implementation of poverty alleviation projects both externally and internally, we can see that great achievements have been made in the poverty alleviation work. Meanwhile, there are some problems existing in both the poverty alleviation work and projects, which need to be improved in the future.

1) **Poverty alleviation fund is managed by multi departments, and consideration should be given to general benefits.** From table 2-2, we can see that there are 4462 poverty alleviation projects supported by domestic finance in Guizhou in 2003, which were organized and implemented respectively by different departments (table 2-4).

Table 2-4 Implementation of poverty alleviation projects supported by financial fund

Poverty alleviation projects	Implemented by
Agriculture infrastructure construction, such as irrigation, transportation and fundamental farmland through work-relief program etc.	Development planning commission
Poverty alleviation fund, support designated area	Department of civil administration
Development-oriented poverty alleviation, plant production and aquaculture industry	Poverty alleviation office, Department of agriculture
Firedamp projects, training on applicable technologies for farmers	Department of agriculture
Poverty alleviation by means of technology, plant production and aquaculture industry	Department of technology
"Mother health express", "Love of the land. Water cellar for mothers", "two studies and two contests"	The women's federation
Compulsory education, reconstruction of dilapidated houses and deduction of tuition fee in poverty area	Department of education
Health care, reconstruct water and lavatory	Department of health
Population control, examination of illness of women	Family planning department
"Extend radio and TV coverage to every village".	Bureau of broadcast and television

Except for the departments mentioned above, there are also poverty alleviation projects organized by banks, credit cooperatives, departments of communication, and departments of power and poster offices as well as international organization. Since the poverty alleviation funds is contributed and managed respectively by multi-departments, it is hard to be used in a unified way. Since the whole society is encouraged to care and support poverty alleviation, the problem that projects are decentralized managed is

hard to solve. The key is to strengthen the planning of poverty alleviation and pay attention to the ordination among projects so as to improve the use efficiency of funds.

2) The force for development-oriented poverty alleviation is relatively weak, and the managements need to be strengthened. Not only the poverty alleviation office is not listed in the governmental organs, but also leading position is hold concurrently by the leaders of governmental department, therefore, the difficulty in routine work ordination is very great. After the using of participation-based method, a lot of people, materials and funds are required by the management work, so the existing force is hard to satisfy the requirement. According to investigation, departments implement many poverty alleviation projects independently or units concerned, for the poverty alleviation office is too busy to attend to them, much less play an ordination role. Poverty alleviation office should change from focusing on project to focusing on management.

3) The financial funds used for poverty alleviation is not sufficient and the leading role of government is not outstanding. In 2003, the financial fund used for poverty alleviation is 464 million Yuan, credit investment is 184.7 million Yuan, and self-raised fund by local authorities is 795 million Yuan. Financial fund used for poverty alleviation only accounts for 16.0%. Most of the financial funds are offered free, therefore, they plays limited support role in the Social-Charitable projects such as education training and life etc. due to their limited amount.

4) The management cost of foreign projects is higher. According to local leaders, the management system of foreign projects is more normative, however, the management process of projects is complex, for there are too much formalities; lack of flexibility during the implementation of plans; cost is higher due to frequent project examination; the requirement on project is high, but they lack of ability to implement. Sufficient consideration should be given to this when preparing budgets of projects. Certainly, it is also because local leaders understand the management mode foreign poverty alleviation project (international NGO poverty alleviation) in a different way and can't adapt themselves with strict project management.

In addition, according to some local leaders, since invoice-based reimbursement system requires the units and farmers concerned to invest in advance before the project is fully funded, therefore, they feel great pressure in terms of fund raising when starting up the projects.

5) Local government prefer acquiring projects to managing project. Since local government pays more attention to achievements, they attach more importance to acquiring projects. However, some local governments don't attach enough importance to project management, moreover, they lack experience in management of foreign projects. On one hand, they haven't inwardly paid enough attention to this, on the other hand, they lack experience in management of foreign investment projects. To solve the problems arising from project management, the local government needs to enhance training for project manager and establish strict project management system in the same time.

6) Attention paid to subsequent management of project is not enough.

No consideration was given to subsequent management in the planning of project. After the completion of some projects, due to lack of management fund and experience, the sustained role of project is not clear, therefore, it is difficult to fundamentally improve the production and living condition of communities. For example, due to lack of maintenance, village road is hard for traffic only two years after its completion.

2.2 Analysis on the implementation of poverty alleviation in Gansu Province

2.2.1 Natural Environment of Gansu Province

Gansu province lies in northwest inland of China, the upriver of the Yellow River, located at the intersection of the Loess Plateau, the Inner Mongolian Plateau and the Qinghai-Tibetan Plateau. Gansu belongs respectively to three basins including Yangtze River, the Yellow River and Continental River. The total area of Gansu is 425,800 km (the total area of Japan is 375,000 km). It is 1,655 kilometers long from east to west and 530 kilometers from north to south. 70% of the total area is mountain area and plateau. Rainfall is successively decreasing from southeast to northwest. The climate of most area is dry, and the annual average rainfall is about 281mm. Arid, semi-arid and extreme arid area accounts for 75% of total area. Gansu is one of the provinces suffering arid and most serious disasters.

The annual average temperature in Gansu Province is 4°C to 14°C, frog-free period is 48-228 days, and sunshine time in the whole year is 1,700 to 3,000 hours. The sunshine time in over 75% of the province is over 2,500 hours and the temperature gap between nights and days considerable, which is favorable for protein synthesis and sugar accumulation and suitable for the growth of excellent fruits and vegetables.

Gansu has comparatively abundant natural resources, with 155 kinds of minerals already discovered. Proven mineral resources is 94 kinds, including 6 kinds, the reserves of which ranks first in the whole country, and 29 kinds, the reserves of which ranks the top five in the whole country. The water resources, unclear industry material and wind resources in Guizhou have great development potential. Gansu is the second largest producing area of herbs in China, including 1270 wild herbs. The herbs such as angelica, liquorices, rhubarb, radix codonopsis pilosulae and radix astragal are famous for its mass production and excellent quality. There is 16 million hectare grassland, which is one of the five grassland bases of livestock industry.

2.2.2 the social economic conditions of Gansu Province

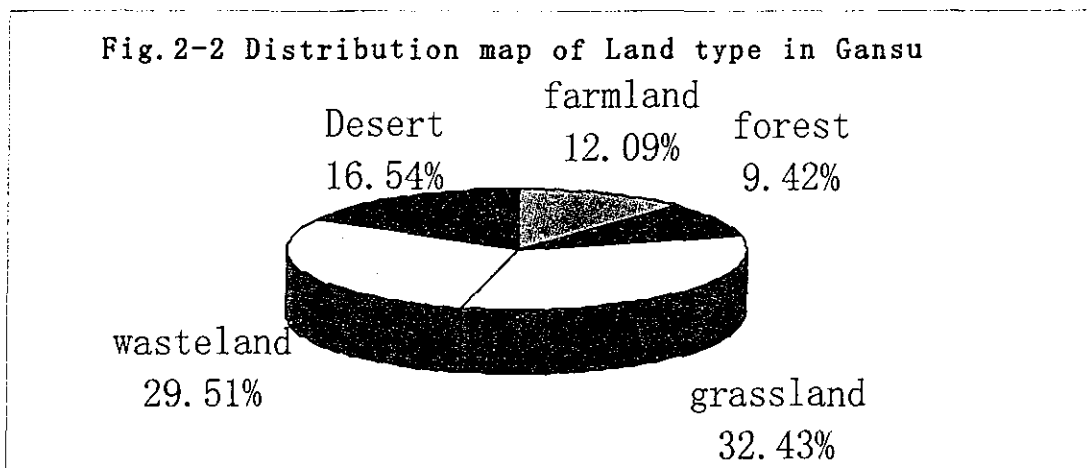
2.2.2.1 the population of Guizhou Province

Gansu province comprises of 14 zone (state, city), 87 counties (city, district), 1536 towns and 17,818 villages. The total population is 26.0343 million, accounting for 2.01% of the total population of China. The population of minority nationalities in Gansu Provinces is 2.2779 million, accounting for 8.75% of the total population. Minority nationalities mainly consist of the Hui nationality, Tibetan, the Bao'an nationality and the Mongolian nationality. Rural population in Gansu is 18.9054 million, accounting for 72.62% of the total population. In 2000, the rate of illiterate and semiliterate at or above 15 years old is 26%. 3 million of the 10 million-labor force of the country is surplus.

2.2.2.2 the economic status of Gansu province

Gansu is one of the poorest provinces in China. In 2003, the GNP of Gansu Province is RMB 130.1 billion, ranking 27th in the whole country. The pure income per capita of farmers is RMB 1,673, ranking 30th in the whole country (see attached table 1). The area of cultivated land is 4.972 million hectare, accounting 12.9%; woodland is 3.872 million hectare, accounting for 9.42%; grassland is 13.333 million hectare, accounting for 32.4%; Wasteland is 12.133 million hectare, accounting for 29.51%; desert is 6.8 million hectare, accounting for 16.54% (figure 2-2). The quality of cultivated land is bad, including 30% of

paddy field and 70% of mountainous area and dry land. 10.8% of the dry land is hillside cultivated, the grade of slope of which is more than 25.



By the end of 2003, there are 1.69 million poverty people that haven't been provided with adequate food and clothing, accounting for 6% of the poverty population of China, and 442 million poverty people yet to steadily resolve the problem of adequate food and clothing. Presently, there are 51 key poverty alleviation counties in the whole province, accounting for 58.62%, including 43 national key poverty alleviation counties, accounting for 7.3% of national key poverty alleviation counties of China; 919 towns have been identified as key poverty alleviation towns, covering 59.95% of the total number of administrative towns of Gansu; 8790 key poverty alleviation, covering 49.29% of the total number of administrative villages of the province.

2.2.3 the policy and planning of poverty alleviation in Gansu province

Table 2-5 the target, principle and key points of poverty alleviation in Gansu

Job objective and task	1) Enhance the construction of rural infrastructure, improve production and living conditions, implement projects of returning farmland to forest and grass.
	2) Adjust industry structure, develop and expand dominant industry.
	3) Intensify efforts to alleviate poverty through technology, improve the quality of poverty population. Introduce and popularize applicable agricultural technique; enhance training on technology culture, market economy, operating management and information knowledge etc.
	4) Get done with export of labor service and resettlement of immigrants in a planned and organized way. Enhance the training of labors on skills, encourage and direct farmers to transfer to the third and second industry and widen the employment channel for farmers.
	5) Change way of assistance step by step, help the poverty area develop in a whole based on the units of town, village and communities.
Work principle	1) Dominated by government. Intensify the planning, organization and service function of the government in poverty alleviation work.
	2) The masses as the main body. Fully depend on the leaders and the masses of poverty area, and inspire internal energy starting from improving quality.

Work principle	3) Participated by the society. Mobilize and organize all the social circles to establish support responsibility system and conduct poverty alleviation activities by means of various forms.
	4) Driven by technology. Introduce good seeds and new technology, and develop rural economy relying on technology.
	5) Market operation. Oriented by the market, encourage and support farmer agents to link production with market.
	6) General development. Persist in development-oriented poverty alleviation, and try to achieve the harmonious development of economy, society, politics and ecology.
Key points	1) Persist in the construction of terrace; Attach importance to the construction of fundamental farmland, small-scaled irrigation works, country road, agriculture power and water supply for human beings and livestock etc.
	2) Build some small dykes, small reservoirs, drive some motor-pumped well and power operated well.
	3) Intensify the construction of infrastructure such as power supply and road.
	4) Develop grass and livestock industry, which focuses on plant production and livestock breeding; Get done with the construction of stockade grassland and tame grassland; enhance the improvement of natural grassland and livestock; get going livestock breeding in warm shed and livestock product processing industry. Develop the industries such as herbs, processed and fresh fruit, edible fungus and potatoes, vegetables and fruits etc.
	5) Alleviate poverty with science & technology. Establish and complete four-level (county, town, village and community) network of poverty alleviation with technology and strengthen basic education.
	6) Implement responsibility system of leaders and widely get going social assistance.

In order to get done with poverty alleviation in the new period, Gansu province formulated "Gansu Province rural development-oriented poverty alleviation outline in 2001-2010" and "Opinions on further getting done with the support on rural development-oriented poverty alleviation" in 2002. The authorities concerned of Gansu promulgated some documents, including "Implementation method of financial interest subsidies of loan for pilot projects of basic international poverty alleviation project of Gansu", "Management method of special account of financial fund used for poverty alleviation of Gansu", "Notice of Province Poverty alleviation Office about further getting done with participation-based whole village-targeted poverty alleviation through development projects", "Management method of participation-based whole village-targeted poverty alleviation in Gansu" and "Examination and appraisal method in key development-oriented poverty alleviation counties in Gansu", defining the objective, task and policies, which effectively facilitate poverty alleviation.

2.2.4 Fundamental state of development-oriented poverty alleviation projects in Gansu Province

The development-oriented poverty alleviation in Gansu started from the beginning to 1980s. Gansu is where the earliest development-oriented poverty alleviation project was implemented in China. Some successful practice not only provided valuable experience for development-oriented poverty alleviation in China, but also attracted worldwide attention and research. In 1983, China had 20 counties in the central arid area and 19 counties in Hexi area of Gansu, which were represented by Dingxi, included into national

“Three Xi” (Dingxi, Hexi, Xihai) development-oriented plan, establishing the strategic policy of “Alleviate the poverty of the central with the recourses of Hexi”, which started the regional development-oriented poverty alleviation in China.

In 1986, using the experience from “Three Xi” construction, Gansu province, with special forces, special funds and preferential policy, started development-oriented poverty alleviation in 30 counties, including old east Gansu, the cold and humid area in south Gansu and poverty area of Minority nationalities. In 1994, the state “Seven-year Priority Poverty alleviation Program” and Gansu “Four-year Priority Poverty alleviation Program” started implementation. The whole province, focusing on 41 national poverty alleviation counties, 12 provincial poverty alleviation counties and 4.277 million poverty populations, initiated mass priority poverty alleviation. In the new century, there are 43 poverty counties included into key national development-oriented poverty alleviation counties, starting development-oriented poverty alleviation in the new period. These counties are where the earliest research on participation-based development-oriented poverty alleviation started.

In 2004, as the representative of “dominated by government, participated by society, self-dependence, poverty alleviation through development projects”, Gansu Province was selected as one of the three key investigation areas in China by “Global poverty alleviation meeting”. “During the poverty alleviation, Gansu Province has used multi method based on local situations, which effectively improved the production and living conditions of the masses.” said Gobind Nankani, head of the investigation team and vice president of World Bank, after the investigation, “Especially in water conservation and usage, resettlement of immigrants and the development of dominant industries such as potatoes, these methods are highly effective, which is deeply impressed us and worth learning by other countries”.

2.2.5 Implementation of major poverty alleviation projects in Gansu Province

2.2.5.1 Implementation of major domestic poverty alleviation projects

During the implementation of “Seven-year Priority Poverty alleviation Program (1994-2000)”, Gansu Province has invested RMB 5.243 billion of various financial funds, averagely RMB 750 million each year (RMB 175 per capita for poverty population). In addition, there were non-special fund invested in poverty alleviation. For 20 years, poverty alleviation projects with domestic investment generally include: soil improvement and irrigation projects, agriculture structure adjustment project, poverty alleviation with technology, comprehensive treatment project, support designated area etc. Here we brief the implementation status based on classification and expatiate with examples:

1) Soil improvement and irrigation projects

With the treatment of small river basin, return the cultivated land with a slope above 25° to forest, otherwise build terrace. Make unified planning for mountains, water, land, forest and roads and control them in a comprehensive way. Considering draught is the major cause of poverty, make investment in some irrigation works in places in a suitable condition. The fund invested in irrigation works during 1994 -2000 is 2.536 billion Yuan. Implement large scale “121”(one family two water cellars, one afflux field, one courtyard economy) rain using project, from courtyard to farmland, from solving the problem of water supply for human beings and livestock to rained drying farming, from one water cellar per field to multi ways of rain water harvest, including several water cellars for one field, road rain water harvest and farmland rain water harvest, and introduce in time the experience in water-saving rain water harvest irrigation.

[Case: project solving the problem of water supply for human beings. The counterpart investment of 1st phase by the state and the province in 2000-2002 was 1 billion Yuan, used for 212,600 projects solving the problem of water supply to human beings and livestock, which practically solved the problem of water supply for 2.789 million rural populations. The investment of 2nd phase was 0.76 billion Yuan, which had solved the problem of water supply for 1.185 million rural population.]

2) Agriculture structure adjustment project

Considering Gansu has an advantage of special industry, based on the principle “conforming to the law of nature reflected by order of nature; conforming to the economic law reflected by market; conforming to the scientific law reflected by time”, the province adjusted agricultural structure during development-oriented poverty alleviation using the following methods: reduce summer crops, expand autumn crops and change open field crops to underground crops. Intensify comparative advantage, effectively boost forest and fruit industry. Combining with the project of turning breed-lands into grassland, effectively enhance the grass planting & livestock breeding-focused family livestock breeding industry. Enhance special and advantageous plantation and develop some pillar industries based on local conditions.

3) Poverty alleviation with technology

Considering that poverty area is remote, information is not available, transportation is inconvenient, culture and technology is backward, treat technology development of poverty area as strategic measures of development-oriented poverty alleviation, focus on the establishment and completion of four-level (county, town, village and community) network of poverty alleviation with technology and the popularization of applicable agricultural technology. Make great efforts to get going livestock breeding in warm shed

4) Resettlement poverty alleviation

For the poverty area that can't provide enough food and clothing, resettlement poverty alleviation is performed aiming at “settle down within 1 year, achieve adequate food and clothing within 2 years and permanently eliminate poverty in 3~5 years”. Organize the masses to leave the mountain area and create more job opportunities and move using provincial resources.

5) Comprehensive treatment project

Focusing on improvement of infrastructure and social cause, change the backward state of poverty area. Combining with the development of the west regions, implement the projects of returning farmlands to forest (grass). Make more non-special fund investment, focusing on fundamental farmland, small irrigation works, country road, construction of agricultural power, water supply to human beings and livestock, making nine-year compulsory education basically universal, construction of township health centers and improvement of production and living conditions in poverty area.

6) Social assistance project

The first is 29 units including central government departments, state-owned enterprises and institution and social associations help 34 counties; The second is Tianjin helps Gansu Province and organizes 14 districts to help 13 counties of Gansu; The third is more than 40 deputy provincial leaders contact with 45 counties; The fourth is 196 provincial departments concerned help 45 counties; 5. Leaders of areas and counties contact with towns, villages and family.

2.2.5.2 Implementation of international poverty alleviation projects

By 2003, international poverty alleviation projects, with the cooperation of World Bank, foreign government, organizations concerned of UN, Asian Development Bank, Japan Bank for international cooperation and non-governmental organizations, are more than 100, with a contract amount nearly 1.7 billion dollars.

The contents of projects include agriculture and forest, irrigation, cultural education, health, industry and transportation, communication, power and environment protection etc. There are 24 projects with a foreign loan and contributions of over 10 million, in which, 11 projects obtaining loan from World Bank, including general poverty alleviation projects in Gansu, the 1st and 2nd phases of soil and water conservation projects on Loess Plateau, Hexi corridor project, rural water supply, project of basic education in poverty province, rural health project, project of loan from World Bank for poverty alleviation in the west of China.

Take for example the poverty alleviation project with loan from World Bank: this project was initiated at the end of Dec.1999 and will be completed on Dec.31, 2005, with a construction period of 6 years. The total investment of this project is 1.423 billion Yuan, in which, the loan from World Bank is 84.78 million US dollars (equivalent to RMB 704 million Yuan), domestic investment 719 million Yuan.

The implementation content of the project includes seven sub items: development of land and farmer, rural infrastructures, irrigation and terrace, rural enterprises, institution construction and project management, export of labor service and health etc. These sub items comprise of more than 50 detailed items. The project area covers 19 counties (area), 242 towns, 2,547 villages, 0.23 million-poverty farmers and 1.08 million poverty populations of South Gansu, Tianshui, Dingxi and Pingliang area (cities).

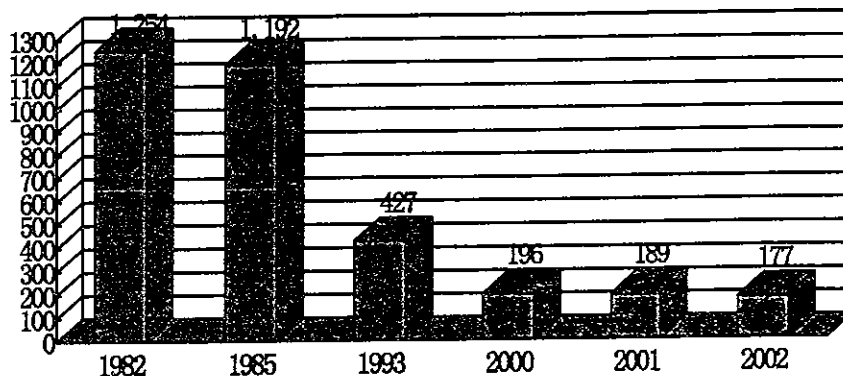
For four years, the food stuff per capita of farmers who participated in the activities of the project have increased by 80 kg, pure income per capita has increased by 147 Yuan, new terraces has increased by 210,000 Mu (a unit of area), irrigation area has increased by 25000 Mu(a unit of area), new rural water supply works have increased by 16000, which solved the problem of water supply for 130,000 people. 140,000 farmers within the project area have been trained on techniques at least one time.

2.2.5.3 Effect of development-oriented poverty alleviation

The implementation of development-oriented poverty alleviation has significantly improved the fundamental production and living conditions in poverty area. The technology cultural quality of the leaders and the masses and the level of production operations have been significantly improved. The implementation has improved the output and quality of agricultural products, resulting in an increase of income of the masses, obvious improvement of production and living conditions and the relief of poverty, therefore, the economic benefits, ecologic benefits and social benefits of the project are significant.

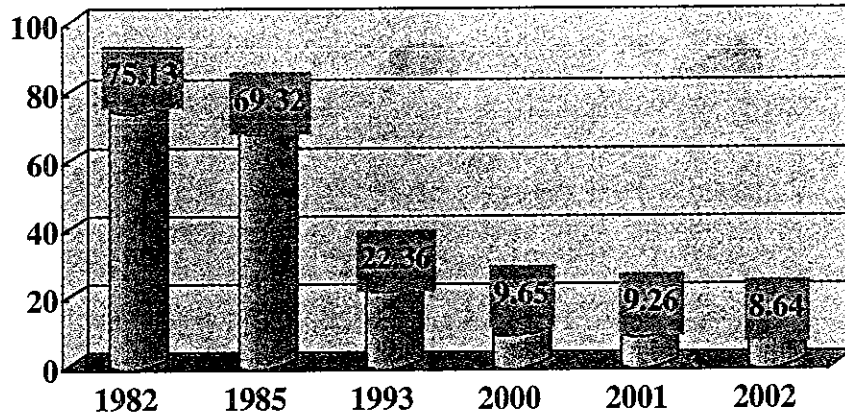
1) **The quantity of absolutely poverty population decreased significantly** (figure2-3) Decrease from the 12.54 million in 1982 to the 1.77 million in 2002.

Fig2-3: Absolute poverty population change map in Gansu (in 10 thousand)



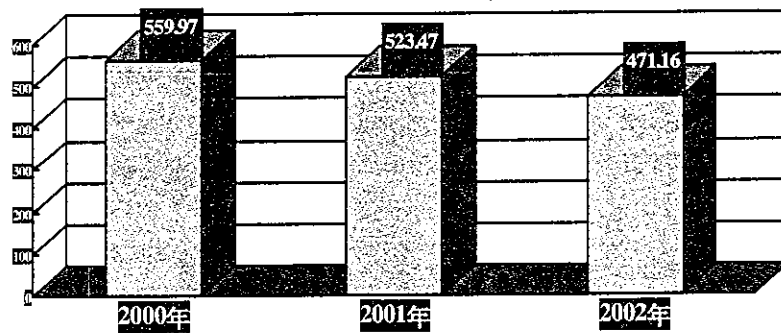
2) The growth rate of absolutely poverty rural population decreased significantly (Figure2-4). In 1982, more than three fourth of the rural population in Gansu were absolutely poverty people. The end of 2002 has reduced the growth rate of poverty rural people reduced to less than one twelfth.

Fig 2-4: Growth rate of absolutely poverty rural population in Gansu (%)

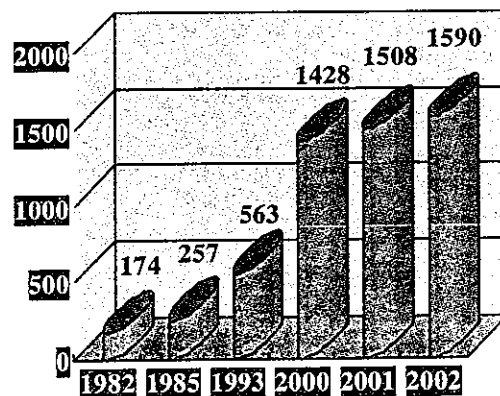


3) During the 20 years from 1982 to 2002, the pure income per capita of farmers has grown nearly 10 times (figure 2-5), and the low-paid population tends to decrease continuously (figure 2-6).

(Table 2-5: Change of quantities of low-income population in Gansu since 2003)



(Figure 2-6: Change of pure income per capita of farmers in gansu)



4) Made more efforts to implement development-oriented poverty alleviation in poverty area.

The implementation of poverty alleviation projects in the west region brought valuable poverty alleviation fund to the poverty area of Gansu, increasing the total investment in the situation that the investment for poverty alleviation was far enough to meet the demand.

5) Organized a management team implementing projects of poverty alleviation with foreign investment. Through the initial preparation work, the province accumulated experience in the application, negotiation, and initial preparation, feasibility study of projects of poverty alleviation with foreign investment.

6) Learned advanced management philosophy and management method. The methods, such as selection of participation-based projects, implementation of management and investment of counterpart funding, have effectively aroused the enthusiasm of the masses in the project area for participation in poverty alleviation; Advanced management mechanism and methods, such as procurement system, invoice-based reimbursement, examination and supervision, monitoring and appraising and follow-up management, have significantly impact on poverty alleviation work and have been gradually absorbed and widely used according to the actual conditions of project area. The idea of the leaders and the masses has been changed a lot and the quality and benefits of the implementation of projects have been improved constantly.

7) The poverty alleviation method that purely depends on government and financial fund has been changed, and a new development-oriented pattern that integrates domestic poverty alleviation organization with international organization domestic poverty alleviation fund with assistance of international organization was initiated.

2.2.5.4 Current status of poverty

Though remarkable achievements in development-oriented poverty alleviation in Gansu have been made, the status quo of poverty still can't be ignored. Presently, 16% of the poverty village of the province has no transport service, 16.6% haven't accessed to power, 10.7% have on primary school, 40.6% have no health centers, only 33% of the village has wire broadcasting and 6% have safe drinking water. Most fuels of the residents are firewood, accounting for 61%, next is coal, accounting for 37%. Main vehicles are bicycles and bus, in which, half are bicycles, and 35% are buses. There are still 9% of the farmers go out on foot. Buses are available 10 km away for 45% of the rural residents and it is very inconvenient for farmer to go out or transport products.

2.2.5.5 Primary experience in development-oriented poverty alleviation

The poverty alleviation through development project in Gansu not only provides valuable experience for development-oriented poverty alleviation in China, but also attracts worldwide attention and research.

1) Persist in five combinations, i.e. Combine the solution of food problem of absolutely poverty population with the solution of income growth of low-income population; Combine the development of plant production and livestock breeding industry with the adjustment and optimization of agricultural structure and enhancement of the economic strength of poverty area; combine the improvement of fundamental production and living conditions with the improvement of convenience, development of education, health and technology cultural causes and the all-around progress of the society; Combine assistance to villages and families with the masses participation-based whole village progress; combine the assistance of government and society with market mechanism.

2) Focus on three key points. I.e., persist in making efforts to improve production and living condition, enabling the masses to achieve food without depending on weather; enhance poverty alleviation

with technology and capacity construction, improving the ability of farmers to eliminate poverty independently; Make more efforts to adjust structures and increase income of farmers.

3) Participation-based whole village progress. Allow the masses to widely participate in the choice, demonstrability, implementation, supervision and management of projects and realize political democracy and economic democracy, so as to significantly arouse the enthusiasm of poverty people for poverty alleviation independently. Make unified planning for the economic and social development of poverty villages and achieve general development and whole village progress; the project should be led by government, participated by the masses and operated based on market.

4) Element allocation method of poverty alleviation fund. The number of key poverty alleviation counties and poverty towns, villages and population as well as the performance of poverty alleviation work is treated as key elements, indexed and publicized to society. Then calculate and allocate poverty alleviation fund based on the percentage of index covered by each key county. Increase the transparency of fund allocation, publicizing by various means the amount of fund allocated to counties, projects approved by the province, whole village progress project and key project so as to fully reflect the principle of openness, justice, fairness and transparency.

2.2.5.6 Existing problems in poverty alleviation project and opinions on improvement

1) Attach importance to the non-poverty assistance of poverty alleviation fund. Since poverty alleviation fund is allocated to counties, the non-impovertised population in the key poverty alleviation counties and project area can also enjoy the benefits brought by poverty alleviation, while a large quantities of poverty population outside poverty counties can't receive the support of poverty alleviation, which seriously affects the benefits of poverty alleviation fund. It is proposed that poverty alleviation be implemented based on village and directly allocate poverty alleviation fund to poverty families, which can increase the investment of projects and shall be considered during the planning of projects. However, compared with the poverty alleviation project organized based on counties, the utilization benefits of poverty alleviation fund is surely to be improved.

2) Strengthen training of people while focusing on improving basic conditions. The emphasis of "Seven-year Priority Poverty alleviation Program" is to provide adequate food and water for poverty people, while the emphasis of development-oriented poverty alleviation in the new century is supporting the development of pillar industry and increasing the income of poverty people. Less investment is made in general poverty alleviation projects such as education, health and cultural cause. Main evidence includes: on one hand, the training projects available for poverty people, such as science, education, culture and health training, are less; on the other hand, the poverty alleviation projects lack enough contents of training. In order to actually attach importance to training, one is to train the organizers and managers of projects so as to ensure the smooth implementation; the other is to train the receiver of projects to improve the effect.

3) Pay regard to the participation effect of villagers in the decision of projects.

For example, the effect of returning farmland to forest in the arid and semiarid area unsuitable for the growth of forest is not acceptable, however, the local leaders and masses can't obtain money if they don't do like this. The leading way to change this phenomenon is to formulate scientific poverty alleviation project plan and fully respect the opinions of local people (i.e. empower) in order to prevent the projects from alienates from reality during their implementation.

4) Strengthen the harmonious management of poverty alleviation fund.

Domestic poverty alleviation fund comprises of three big parts: financial poverty alleviation fund, work-relief fund and credit poverty alleviation fund. Though the state requires that various poverty

alleviation fund be coordinated and arranged in a unified way by provincial development-oriented poverty alleviation leaders team so as to gain the best benefits with limited fund, it is hard to give an overall consideration, for the channel of fund management is different, so are the provision and requirement of related government organs. As the whole society is encouraged to participate in poverty alleviation, this phenomenon is acceptable. Instead of using a method of unified management to solve the problem, the government should give guidance through planning and policies.

5) The problem that credit fund for poverty alleviation is hard to be raised needs to be solved.

Credit fund for poverty alleviation has played an important role in basically solving the food and clothing problem of poverty people during the implementation of “Seven-year Priority Poverty alleviation Program”. However, as the commercialization operation of Agricultural Bank comes into conflict with the policy role of loan for poverty alleviation, in addition, the branches of agricultural bank in rural area is limited and its business scope shrinks, it is difficult to raise credit fund for poverty alleviation. Credit fund for poverty alleviation should be managed separately.

6) Strengthen the supervisory management of use of poverty alleviation fund.

In terms of its management and use, financial poverty alleviation fund is subject to withholding, occupation and embezzlement due to the financial difficulties of local government. Considering this situation, Gansu province initiated special account management in 2002, opening special account with the financial departments of the province, regions and counties and providing the working days for each level to remit funds, which makes certain achievements. However, the work-relief be founded to be occupied and embezzled.

7) Attach important to the solution of conflict between governmental behavior and market economy.

Poverty area gets the worst of markets due to its backward infrastructure, inconvenient transportation, unavailable information, high transaction cost and weak competitiveness. Same investment can produce more benefits in other places than in poverty area, where it can produce nothing or little economic benefits. Therefore, it is required to integrate the governmental behavior with market economy activities during development-oriented poverty alleviation, which should not only prevent the government from undertaking the whole thing, but also change the unfavorable position of vulnerable groups in the market competition so as to avoid polarization.

2.3 Analysis of JICA Integrated Poverty Alleviation Project in Sandu County, Guizhou Province

2.3.1 Project Background

The town of the Sandu Autonomous County of Shui nationality (hereinafter referred to as Sandu County) is 246 kilometers away from the provincial capital, Guiyang City. The whole area is 2,400 square kilometers, with only 9.4% cultivated area, 55.6% forest land area, 29.7% grassland area and 1.3% rock hill area which bearing the name of “mountainous region with little water and land”. The population of the whole county is 311,600, comprising 301,700 minority groups like Shui group, Miao group, and Buyi group, accounting 50% of the whole population. And it is the only one Shui Autonomous County.

Since the state implemented the Seven-Year Priority Poverty Alleviation Program in 1994, Sandu

County's poverty-stricken population has shrunk from 182,000 at the end of 1993 to 70,000 in 2000, which makes the periodical achievement. The remained impoverished populations scattered disperse in remote areas like remote mountainous area, rock mountainous area and arctic-alpine mountainous area with adverse circumstance. And it is very difficult to solve the problem of food and clothing. In 2002, the net income of the peasants per capita in the county is only 1050 Yuan. The low-income population is 119,700 comprising the population of 47,200 with unsolved food and clothing problem. It is a typical mountainous agricultural county and a poverty ethnic minority county.

Since March 2002, Sandu County has been utilized the financial aid of Japan International Cooperation Agency (JICA) to China in developing the project of welfare support and implemented the "The Countywide Participation Integrated Poverty alleviation Test Project of Sandu County, Guizhou Province". It strived to implement poverty alleviation participation through integrated poverty alleviation development in community, seeking an efficient way of self-development in poverty community, so as to raise the investment in poverty alleviation and improve efficiency and sustainability in community development. The project should be concluded in February 2005 and the enforcement period is three years.

2.3.2 The Main Content of the Project

"The Countywide Participation Integrated Poverty alleviation Test Project of Sandu County, Guizhou Province" includes living improvement, family health care and eco-farming integrated anti-poverty; these three subsidiary projects are respectively organized and implemented by County Family Planning Association, County Family Planning Bureau and County Poverty alleviation Office.

1) The Sub-Project of Living Improvement

Living Improvement Project is mainly carried out in Yangwu Village, Puan Town and Zhonghua Village, Tangzhou Township. The project includes financing small-volume money in production and extra money creation of impoverishes farmers and practical skill training. It assists in returning the expired capital and executes rolling support.

2) The Sub-Project of Family Health Care

Family Health Care Project is integrated carried out in Puan Town and Tangzhou County. The program includes medical personnel training, public health and hygienic knowledge publicity, inspecting and curing the parasite in students, health emanation on fertile woman.

3) The Sub-Project of Eco-farming Integrated Poverty Alleviation Development

Eco-farming Integrated Poverty alleviation Project is mainly carried out in Dingzhai Village, Tangzhou Township and Xinhua Village, Puan Town. The program includes training (management training, rural practical skill training), transform the biogas generating pit into lavatory and pen, eco-farming (raise grain production, plant cash corps, raise pig, rice field and raise fish), basic construction (coat the cement on the walk roads in these two villages, repair and reconstruct the roads in Dingzhai Village, drinking water and irrigation in these two villages), farm tool manufacture in Dingzhai Village etc.

2.3.3 Analysis of the Project Effect and Influence

We pay a visit to and discuss with the personnel that related to the project from the level of province, county, township and village, taking a survey of changes in Dingzhai Village, Xinhua Village and farmer households through the way of questionnaires and interviews. In these two villages, we choose 20 farmer households according to the ratio 3:4:3 of the rich households, moderate households and impoverish households and get the effective questionnaires of 17 farmer households. According to the survey of farmer

household, the analyses of the project effects are as follow:

1) The Improvement of the Farmer Household's Participation and Participation Awareness

In the survey, all the farmer households participate in different projects and are willing to take part in all kinds of projects. 100% of the farmer households participate in various projects including biogas generating pit construction, pig rising, road construction, pond construction etc.

2) The Obvious Raise of average Per Capita Grain

According to the data analysis of the survey in Dingzhai Village and Xinhua Village, the per capita grain of the two villages rose from 206 kilograms before the project implemented to 240 kilograms at present.

[Case: The family of 52 years old Wang Guoding has 5 people, 4 labors, 0.18 hectares irrigated field and 0.025 hectares dry land. Before the project was implemented, the family had to eat corn because of lacking rice. After carrying out the project, 2,000 kilograms grain could be yielded including over 1500 kilograms rice and 500-plus kilograms corn. The corn is for feeding pig now; 200 kilograms rice could be sold each year. Wang considers that the growth of grain production is benefit from the improvement of plant and the skill training: (1) In the past, planting rice seedlings was completed in one time, but now it is divided into three stages: First, raise seedlings in the family's simply greenhouse; second, transplant and raise seedlings in the field; last, plant seedlings in the field. (2) In the past, plant rice seedlings casually, now use rope to pull the seedlings when planting, so as to make a line in horizontal and vertical. (3) In the past, prevented and controlled plant disease and eliminated pests on feeling, now according to the kind of pest in the season, the project would provide the training for prevent and control.]

3) The new method of pig -raising has more benefits; Less eat and grow faster.

The new strain pig with the new feeding method could eat less and grow faster. Each pig could sell 800-900 Yuan, which increases the cash income of the farmer. Pig raising industry is one the main resources of farmer's cash income. The resources of farmer's cash income are mainly in two ways: pig raising and work outside. In the 17 effective farmer questionnaires, 16 households that is 94% of the questioned farmer; one of their main cash income resources is breeding industry.

Table2-6 The Comparison of Traditional Method with New Feed Method

	Traditional Method	Project Training Method
Character	Eat more, grow slower	Eat less, grow faster
The Weight of Buying (kilogram)	15	15
The Needed Time for Achieving 90 kilograms (month)	10	4
Fodder Quantity (kilogram/day)	5	4.5
Fodder Composition	Corn 、 rice shell	Fine fodder、 Corn 、 rice shell
The Method of feeding	Cooked feed	Uncooked feed

Materials resources: The survey of farmer households in Sandu County Integrated project experimental village

Pig raising could solve the materials needed in biogas, providing fertilizer for crops, increasing the economic income of the farmer household and realize the sound cycle of "grain-pig-biogas". Biogas becomes the main resources of all farmer households; all the inquiry households say the biogas has changed to the main resources of life. Generally using biogas in the whole summer, only during the 3 to 4 months in winter, because the production quantity of biogas generating pit is low, there is still need some coal and firewood.

4) Convenient for drinking water, the quality of water is also improved

In the past, most of the farmer household use well water or pond water etc. Now, 100% of the inquiry farmer households use the tap water. Except for using well water in dry time, the tap water which resource is fountain has water for 24 hours. It is convenient for the villagers to get water, the water quality is improved and drinking is hygiene.

5) Convenient in Transportation

70% of the inquiry farmer households consider the transportation becomes convenient; it is mainly because of road construction project etc. Some farmer households think the reason of inconvenient is the under construction bridge, it is inconvenient for the bridge is unfinished.

6) The project publicity and the technical staff of the project is the information channel of most farmer households.

The main channel of 65% farmer households is technical staff or project publicity; others gain the information from the market or acquaintance. It shows that the project provides more support in the information for most farmer households.

7) The project increases woman's sense of achievement and income

Woman mainly deals with plant and raise business and they are benefit a lot from the plant and raise skill training that provided by the project. On average, the annual incomes of the inquiry farmer household reach 622 Yuan.

[Case: The 35 years old XuDalan' family in Xinhua Village has 4 people, her husband works for 10 months in Zhejiang, her 2 children go to school, she all has 0.14 hectares irrigated land and 0.21 hectares dry land. Before implementing project, the annual production is 500 kilograms corn and rice; it is not enough for eating. After implementing the project and adopting the new planting skill, now, the production is over 1000 kilograms corn and over 500 kilograms rice. After adopting the new pig raising skill, she sells 5 pigs on market, for each about 900 Yuan].

8) The hygiene of the family and community is improved a lot.

In the interview of the farmers, they reach a consensus that the sidewalk and three-in-one biogas generating pit-pig pen-transformed lavatory change the hygiene condition of the village greatly and also change the mental attitude of the villager. The below picture is the sidewalk of the village constructed under the project. Though the day we inquired happened to be the second day after a big snow, the villagers couldn't sweep the road, it is still fairly clean. The villagers say that in the days of no snow, the village is always swept clean.

Through the popularizing, publicizing and training have the health care and hygiene knowledge; the woman's health care awareness is improved. For the time of survey is short, the effect of this field could hardly express in figure.

9) The villager's awareness of loan development has increased

In the 9 farmer households which lack of capital and wish for the support from the government, there are 6 household that is 67% of that wish for the loan of the government rather than the free economic aid.

The villagers that we meet in the survey all have prepared to repay the expired loan. It prove that the phenomenon of “wait, lean against on others and ask for” that widespread in poverty region has changed, the villagers’ s awareness of depending on themselves has raised rapidly.



Picture 2-7 the easy road constructed under the poverty alleviation project of JICA

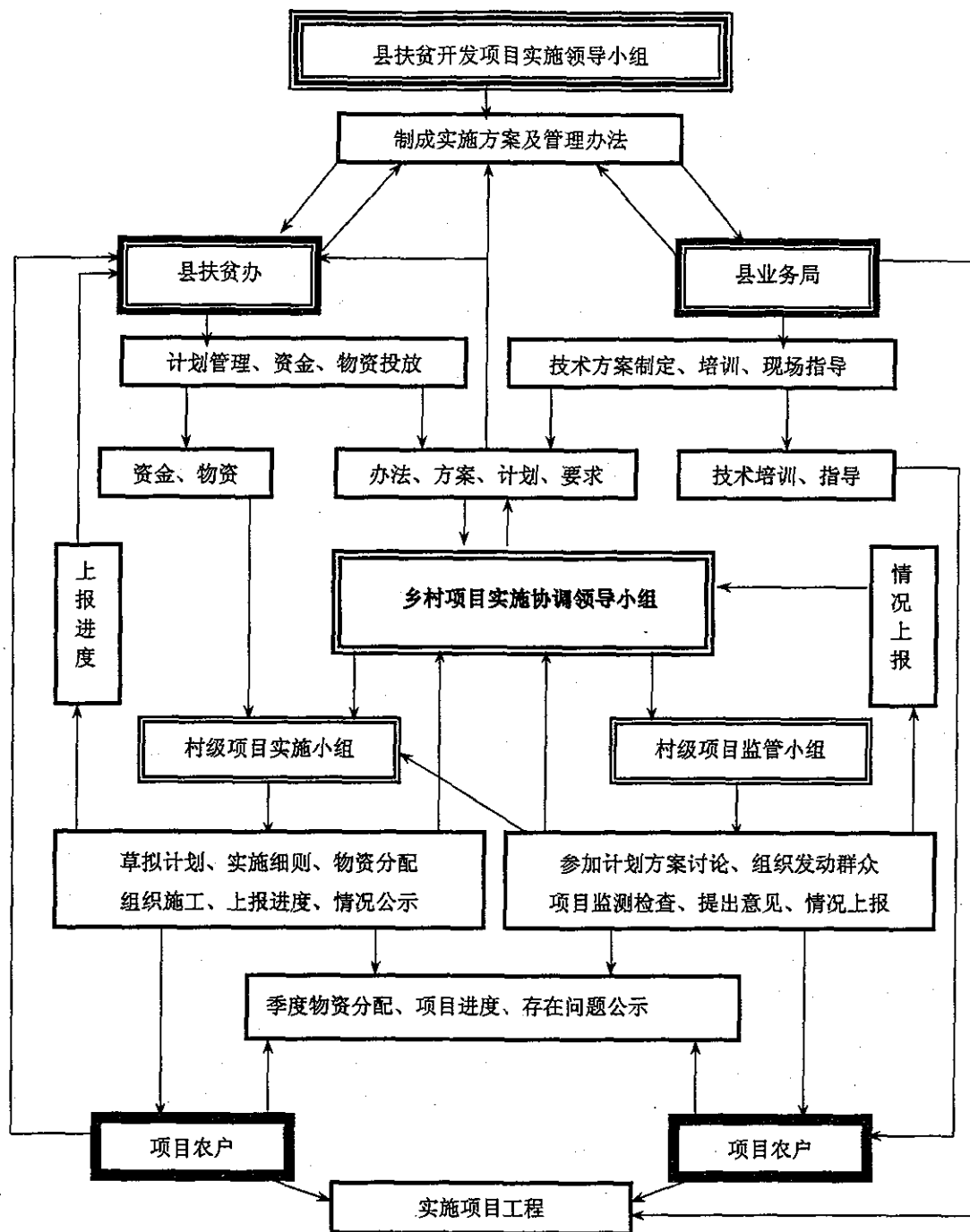
10) The progressive spirit of the villagers has improved

When asking the confident degree of the present living standard, nearly a half of the households in survey consider the degree of satisfaction of the present living standard is on average, the other feel content. The reason of considering average is the great change which is brought by the project, the living standard improved greatly than before. But in generally, their life is still backward. Comparatively, their life is far behind the living standard of the people in the economically advanced region, so they still need to make endeavor. That represents the improvement of the villager’s self-strive and enterprising spirit and determination.

Picture 2-8 The Relations Chart of Work Duty of Development Implementation Management Institutions of the Community Project

1. 县扶贫开发项目实施领导小组- Project implementation leading group of the county;
2. 制成实施方案及管理办法- work out the plan of implementation and method of management;
3. 县扶贫办- County poverty alleviation Office
4. 县业务局- County Business Bureau;
5. 计划管理、资金、物资投放- Plan management, capital and material arrangement;
6. 技术方案制定、培训、现场指- works out technical plan, training, site guidance;
7. 资金、物资- Capital, material
8. 办法、方案、计划、要求- Method, program, plan, requirements;
9. 技术培训、指导- Technical training, guidance;
10. 上报进度- Report the progress to the upper level;
11. 乡村项目实施协调领导小组- The Coordination group for project implementation at township level;
12. 情况上报- Report the information to the upper level;
13. 村级项目实施小组- Project implementation leading group at village level;
14. 村级项目监管小组- Project supervision group at village level;

图 2-8 社区项目开发实施管理机构工作职责关系图



15. 草拟计划、实施细则、物资分配、组织施工、上报进度、情况公示 -Draft a plan and details in implementation, material allocation, organize the construction, report the progress to upper level, make public announcement;

16. 参加计划方案讨论、组织发动群众、项目监测检查、提出意见、情况上报
Join the discussion to the plan, mobilize the farmers, project monitoring and inspection, put forward the proposal, and report to the upper level;

17. 季度物资分配、项目进度、存在问题公示

Material allocation quarterly, project progress, existing problem announcement;

18. 项目农户 Project farmer households;

19. 项目农户 Project farmer households;
20. 实施项目工程 Implement the work of the project;

2.3.4 The Experience of Project Success

The most differences between the project and the traditional government project are as follows: sound management institution, participating regulation, execution, monitoring and evaluation, technical service of contract system and strengthen capability training.

2.3.4.1 A Sound Management Mechanism

In order to ensure the smooth implementation of the project, the county, township and village establish and strengthen the coordinated institution at each level for the implementation and management of the project. So that when villagers encounter difficulties and problems, they could have a place to apply for and ask which improve the villager's initiative of participation greatly. (Picture 2-8)

2.3.4.2 Plan of Participation-Style, Implementation and Monitoring and Evaluation

The participating style includes the participation of both the villagers and related department of county and township. The style of participating raises the feeling of possession and responsibility, as far as increase the success rate of the project.

1) The Participating Plan of Multi-level and Multi-department

The participating plan refers to multi-level and multi-department participation including villagers; officers of township, town and related departments of the county all together to formulate the village poverty alleviation project in place of the project participated unilaterally by villager or government.

The function of all levels government in the participating project is: the departments of county government take part in the project survey and propose the initial plan. The township (town) government and related departments are in charge of organizing, assisting, publicizing and mobilizing and etc. for the community project; moreover, participating in survey and proposing suggestions for the initial regulation project. The commission of the village is responsible for organizing the whole villagers to participate and fully express their will.

On one side, the participating plan of multi-level and multi-department gives opportunities to the impoverish people to express their need, so as to better meet the real demand of the impoverish population. On the other side, taking consideration of both the technical experience and development anticipation of all business departments and the possibility of the technology, economic, market and etc. which are demanded by the impoverish population. The participating plan makes the project to meet the villagers 's practical demand at the largest extend.

2) Implement the Project in Participating Style

The implementing project in participating style is letting the villagers fully participate in the implementation of the project. The business that the villagers could deal with would not be contracted with other people. Many poverty alleviation projects of the government, especially the collective projects are contract with the outside engineer group to implement. The villagers have no opportunity and right to participate in the implementation of the project that causes the villagers lacking of the sense of possession and responsibility. It leads to no one-pay attention to the follow-up management of the project and couldn't be sustained used. "The Countywide Participation Integrated Poverty alleviation Test Project of Sandu County" assisted by JICA especially pays attention to the implementation process of villager's participation. Such as the construction of biogas generating pit is generally contracted with engineering group from the outside, while the Sandu Project emphasis the villagers to put labor in the construction and the procedure of

learning. Through constant field learning, some villagers could master the basic skill of constructing biogas generating pit, achieving independent and realizing the goal of sustained growth gradually. The other case is the villager putting labor completes the roads of the village. It could not only increase villager's sense of possession and responsibility but also strengthen the follow-up maintenance and management of the road.

3) Monitoring and evaluation of the project in participating style

In order to impersonal assess the community's degree of satisfaction toward the project and the effect of the project implementation in 2 years, finding the problem in project implementation and solving it, realizing the ultimate goal of the project, in February and March in 2004, the related responsible organizations and institutions conduct the mid-term monitoring and evaluation mainly in Dingzhai Village and Xinhua Village.

The main body of the monitoring and evaluation is village, adopting the way of participating, evaluating the possibility of the project, the effectiveness of the project management, the time efficiency of the materials investment, the rationality of the purchasing price, the equitableness of the materials distribution and the project, the time efficiency and reliability of the technical service, the construction capability and etc. Meanwhile, set special monitoring index of influence of the hygiene environment and the change of villager's hygiene awareness.

Monitoring and evaluation in participating style could find the experience and the exiting problem in the project; the activity of the project could be adjusted and improved in time, so as to better meet the demand of the local people.

2.3.4.3 Technical Service in Contract

The project adopts the form of contracting with Country Poverty alleviation Office, County Business Bureau, township and town, villager to ensure the time efficiency and effectiveness of providing the technical service. The form of the contract should accord to the situation. Adopting the contract between livestock bureau and farmer household in plant and raise business. The contract system clarifies the project responsibility and ensures the quality and use expiration of the project activity.

The cooperation of technology and capital could provide the success rate to the project. Combing the improved strains of the rice with the management method could raise the production of the rice substantially. If only provide the improved strains without coordinated advanced method, the result could be far inferior to the present. In Sandu County, the success rate of government poverty alleviation credit loan is low; one of its main reasons is lacking of necessary technical service. Although the villagers have the developing capital, it couldn't develop economic successfully without technology.

2.3.4.4 Capability Construction

The project implementation attaches great important to the construction in county, township, especially the construction the villager's ability. In the project implementation, through the training for the villager, the villager could improve the mastering of the production knowledge and acquiring the knowledge of project management. Through the production skill training, the villagers could learn the necessary production technology, after the project concluded, without the support of the project activity; the villagers could still develop by themselves.

2.3.5 the problems in project and Suggestion for Improvement

Drawing the experience from the Countywide Participation Integrated Poverty alleviation Project of Sandu County, we should also put forward some suggestions on problems need to be paid attention and improved, so as to create more successful and sustainable development in the future's projects.

1) Strengthen the cultivation of pillar industry in the project region

Pillar industry is the key of the economic development in anywhere. It is not only the main resource of the local income. But more importantly, relying on the involvement of pillar industry, multi-industry in the region could develop in the region, so as to raise the income and living standard of the local people. Although poverty is represented in many ways, such as economic poverty, eco poverty and culture poverty, without the raise of economic income and the basis of economic income, there is no sustainability and basis for the alleviation in other poverties.

The Countywide Participation Integrated Poverty alleviation Test Project of Sandu County attaches great importance to the physical health of the villager, hygiene environment of the family and community, meanwhile, it also concerns about the channel of raising villager's income, such as the raising industry of pig raising, poultry raising etc. the plant industry of raising grain production etc. and the processing industry of hand-woven processing. Due to various reasons, there is no pillar industry in the channel of increasing income. That is to say, there is not forming an industry that could develop in large-scale, bring more economic income for the farmer and promote the development of other industries. The growth of the rice production basically solves the problem of eat, pig raising, poultry raising and rice field fish culture are basically at the stage of self-sufficient, the hand-woven processing is still worked piecemeal. If pay attention to the cultivation of the pillar industry when develop other projects the achievement of the project could be greater.

2) Consider the feasibility of the project in a systemic way

Any activity of the project couldn't exit without the support of other activities; otherwise it couldn't continue and stop halfway; all the previous efforts are wasted. For example, the three-in-one" biogas generating pit-transformed lavatory-transformed pen" could greatly change the hygiene environment of the family and community, save the living resources and meet the convenience of the villager's life, especially alleviate the working intensity of woman. But the problem is to bring the biogas-generating pit into full play; there must be enough organic fertilizer. In other word, there must raise enough pig and cow or other livestock. But these villages under Sandu Project has small field, many farmer households have not enough grain ration. How to solve the fodder problem? Use money to buy? Many families still impoverish have not enough capital to buy fodder. How to synchronize the large-scale construction of biogas generating pit with raising pig and cow industry is the problem that must be taken in to consideration. It is necessary to consider the feasibility of each project activity.

Some farmers say that the project requires them to raise at least 5 pigs each household, because the feces of 5 pigs could ensure the normal operation of the biogas-generating pit. They consider this requirement is not well, because 5 pigs need much capital investment, including fodder purchasing, the charge of preventing epidemics and other expenses. Although the project provides fodder by loan, it is far from enough and still need to purchase. If the household has enough grain, they are not worried of the fodder is not enough. However, if the household doesn't have enough fodder, they have to buy the fodder. It is not easy for the impoverish household which lacking of money and grain.

3) Suit Training method to Local Specific Conditions

The mid-term monitoring and evaluation of the project reflect the existing problem is that quite a part of the villagers couldn't well understand the practical skill in the training. Some women say that if without their husbands' explanation they couldn't understand many contents of the skill training. It shows that the local people, especially the woman, do not easy understand the training method and language, which is adopted by the invited professor. So the training should adopt the way and language that is easy acceptance

by the villagers and choose the local people as teacher.

The female villagers are interested in the training of family health care knowledge, increasing their health care knowledge and promoting the physical health of their children and themselves. These diseases should give priority to improve the self-precaution awareness and capability rather than illustration and training from others. If some aid group for villagers and children could be organized, the member of the group could take the advantage of familiar, near dwell, having common language, culture and customs to exchange experience and learn from each other usually.

The theory of "farmer study" could show us the best and the most effective way of study is based on the practical need and the mutual learning of the farmers, and the most effective learning time is when they facing the difficulties, the most effective learning place is field study, the biggest impetus is direct harm to the self-interest when the problem couldn't be solved. These all represent the necessity and effectiveness of the mutual study.

4) Moderate flexible of the project activity

The contents of the project activity are planed in detail; such as the number of the pig raising household and the poultry-raising household is planed. The villagers are required to raise at least 5 pigs in some villages; there will be no loan when less than 5 pigs. These plans may be the will of the villagers when formulating. But when the plan is fulfillment it needs to make specific adjustment. Some villager says that in former he deals with large-scale pig raising, but in recent raising pig is not profitable, he wants to change cow rising. Because there is no activity of raising cow when formulating the plan, so he couldn't get the loan. He suggests that the specific content of the project could be more flexible, when the funds in place, the villagers could decide what to raise, yet not be controlled completely by the inflexible project plan.

Naturedly, the over-flexible project would bring opportunity for seizing every chance to gain advantage by trickery and bring about complexity for the project management. That requires the moderate flexible of the project but not over-flexible.

5) The term of compensation loan shall be determined in farmer participating style

The term of the loan is 1 year, which is decided by the project. But only one year couldn't meet the villager's time need for developing the project of increasing income. According to the count of the villager, raising 1 pig a year could earn 100 Yuan; if a lacking grain household raise 3 pigs it could earn 300 Yuan a year. If returning the money after one year the remittance of the income is only 300 Yuan. Although the family's consumption is 100 Yuan, the remained 200 Yuan is far from the need for developing pig raising industry. In terms of the technology, raising pig in the fist year is a constant learning process, adapting the feeding method of the new strains of the pig. In the second year, after learning of some technology and raising pig better, it couldn't raise pig because of lacking capital after return. It still couldn't go out of poverty. If in the second year plus the loan with the money earned in the previous, it could enlarge the scale of pig raising, earn more money and it is easy to get out of poverty. That requires the loan expiration should be decided by the villager participation.

6) Pay attention to villager, especially the poverty population and women's full participation

The fully participation of the villager, on one hand it admire the villager's right to know, to speak and to decide, entrusting the power with villager. On the other hand, it takes full use of villager's advantage of best know the existing problem in the village development and their abundant practical knowledge and wise which accumulated in the years' practical experiences, to solve the problem in the most efficient way. Sandu County pays attention to the villager, especially the disadvantaged group including impoverish

population, woman etc. to take part in the formulation and implementation of the project. But the participation of the project is mainly in the formulation of the of big project's content; the impoverish population still couldn't participate in the decision of the details.

In the implementation of the project in Sandu County, there are some existing problems includes over-short loan expiration, lacking flexibility in the project and the way of training is hard to understand etc. If only the villager fully participate in, these problems could be solved at last. Have a full discussion with villagers on the loan development project rather than decide according to the experiences and lessons of the management department in advance. The villagers would decide to raise cow or pig to earn money according to their own experiences and lessons. Only if the management institution could solve the series problems of materials, market, and transportation tool etc. which villagers in developing feeding industry face. Otherwise, the unilateral decision of the management institute wouldn't completely fit for the practical situation of the village.

7) Pay attention to the hygiene condition of the poverty population

According to the "Evaluation and Survey Report of Late Stage" in November 2004, there is still 51.7% households haven't changed the lavatory. The reason of 73.3% households not changing the lavatory is lacking money or having no condition. No condition mainly refers to no proper field to construct lavatory. Because of Shui Group and Miao Group Village generally constructing in the mountainous region, no family has courtyard. The first floor of the Diaojiao tower is used for raising pig, cow, horse and other livestock; it couldn't be used for establishing lavatory, the lavatory could only construct in outside. The Diaojiao tower is built next to the other; the density is great. It is not easy to find a place to build lavatory on the uneven field. (JICA, "Evaluation and Survey Report of Late Stage" 2004) The problem is no matter how arduous and no permitting the condition is, people have to go to lavatory. So the project shouldn't exclude the poverty household of lavatory transformation. It should analysis how to solve the lavatory transformation of the impoverish household and how to solve the household without the condition to transform the lavatory. Not limited in the "three-in-one" plan of the project and create a flexible way to improve the hygiene conditions of the poverty population.

8) Exempt and reduce the requirements on associated funds of the impoverished households

From the survey of many international institution poverty alleviation work and Chinese government poverty alleviation work, we find that in order to expand the range of free-charge assist and enhance the cherish and attention of the under-assist population; many project activity ask for the farmer household to provide coordinate capital, such as biogas generating pit construction, lavatory transformation, water cellar construction, solar kitchen stove purchasing etc. The practical problem is that the poverty households are excluded of the aid project; because they could hardly provide the coordinate capital. So it should take into consideration of how to formulate rationally and how to solve the coordinate capital of the poverty household in the project activity.

9) Use flexibly the system of submit expenses at the level of household

At present, the system of submits expenses are a basic requirement in the international and domestic poverty alleviation project. The system of submit expenses requires the theme of the project to pay advanced money for the project activity, after the superior checking upon the activity is up to standard, then paying back the advanced money. The system of submit expenses could avoid the irrational phenomenon of misappropriating fund at a large extend. But there is still some problems existed. In practice, the common situation is that the poverty household is refused from the project activity because of lacking the economic capability of paying advance money. In this circumstance, how to implement the system of submit expenses

on the level of farmer household should be given attention highly.

2.3.6 the follow-up suggestion of the project

The survey suggests the experiences that acquired in the Countywide Participation Integrated Poverty alleviation Test Project of Sandu County is worthy of popularizing to implement in the projects of other counties. Popularizing and using for reference in the whole Sandu County could better improve the concept and method of the poverty alleviation work of local government, improving the practice and effect in the work poverty alleviation of local government. The main channel to popularize and use for reference in Sandu County is the further training work.

2.3.6.1 the basic training method of the project

1) Establishing community development fund as the main direction for the community sustained development training of Xinhua Village, Puan Town, Dingzhai Village, and Tangzhou Township.

2) Developing related training for the county's 184 villages which are the focus of work at the new stage of anti-poverty, popularizing the poverty alleviation method and concept to be accepted and used in all the focal point villages of the county. The training objects includes the cadre of village, group and the related departments in county, township and town, one labor of 100 household in a village (woman account 50%) and the whole labor villagers of Xinhua Village and Dingzhai Village.

2.3.6.2 the sustained popularization of family health care

According to the survey of related institutes in Sandu County, the present basic hygiene institution is poor, the quality of the hygiene technical staff is comparatively low and the phenomenon of poverty for illness and retuning to poverty because of illness is common, the awareness of self-health protection is fairly low. For these reasons, if continue to carry out the sustained popularize work for family health care, the villager could benefit a lot from that.

1) Combine the work of family planning, reorganization of the resources of women and children and the construction of the family planning services building to establish the health care services center of Sandu County. Provide skill training, popularization training and management training for the technical staff of the family planning, staff for hygienic women and children health care at the basic level.

2) Improve the health care net service of the whole county, township and village and develop the work of health popularization and health check in the whole county.

3) Set the primary student of the whole county as the key point to develop the work of prevention of intestinal parasite.

2.3.6.3 the sustained popularization of the living improvement project

1) The training of management method in participating style

2) The training of practical skill. The farmer household that have specific idea and suggestion for shaking poverty in the future all consider themselves still need training for application skill, especially the training for breeding industry.

3) The training for community sustained development

4) The training for self-development construction