

Performance Evaluation of Special Funds for the Conservation of Traditional Villages in the Ethnic Region from the Perspective of Local Knowledge: A Case Study of Zhonggu Village

Niyan Wu*

School of Economics and Management, Sichuan Minzu College, Ganzi, Sichuan, China

**Corresponding Author*

Abstract: Current performance evaluations of special funds for the conservation of traditional villages focus on observable indicators such as fund management procedures and engineering outputs, while overlook dimensions of living heritage conservation, such as local knowledge transmission and community cultural identity cultivation. Such evaluations fail to fully reflect the actual effectiveness of conservation for traditional villages in the ethnic regions. Introducing local knowledge theory into fiscal project performance evaluation standards, this study constructs an analytical framework of "knowledge extraction, element identification, performance measurement and model optimization". Taking the ethnic minority characteristic village construction project in Zhonggu Village as a case study, the research indicates that the engineering construction tasks of the Zhonggu Village conservation have been largely completed, several issues persist. These include insufficient excavation and transformation of local knowledge, delays in fund execution, misalignment between cultural conservation and industrial operations, and inadequate mechanisms for villagers' participatory engagement. Moreover, the existing fiscal performance evaluation system lacks indicators related to local knowledge, making it difficult to quantitatively assess the effectiveness of cultural conservation in ethnic villages. In response, this study proposes incorporating local knowledge into the performance indicator pool for special funds, establishing a knowledge-oriented implementation pathway structured as "point - chain - cluster," constructing a multi-stakeholder collaborative governance loop, and improving post-project evaluation and follow-up mechanisms. These recommendations aim to provide references

for fiscal policy implementation regarding special funds for traditional village conservation in the similar ethnic regions.

Keywords: Local Knowledge; Traditional Villages; Special Funds; Performance Evaluation; Living Heritage Conservation

1. Introduction

Traditional villages serve as vital carriers of regional ethnic cultural memory. To support this, central and local governments have continuously allocated special funds for the improvement of infrastructure and cultural conservation in ethnic minority characteristic villages and traditional villages. As a core instrument for managing the efficiency of these funds, fiscal performance evaluation currently adheres to a generic paradigm of "decision-making, process, output and benefit". Such evaluation emphasizes construction over culture, and prioritizes hardware over living heritage. All of this may lead to results, where physical spaces are renovated at expense of local cultural connotations, leaving conservation projects sustainable. For traditional villages, the site selection, construction, livelihood practices, and religious beliefs and architectural techniques form a rich system of local knowledge. This constitutes the core value of the cultural landscape of local ethnic minorities, and also represents the underlying objective that special funds for conservation and utilization ought to achieve.

Domestic researches have already applied local knowledge to the conservation of traditional villages. Meanwhile, researches on the performance evaluation of traditional villages fall into two categories, and the relevant contents are shown in Figure 1.

In 2023, Zhonggu Village implemented an ethnic minority characteristic village construction project, and obtained 5 million yuan from central

fiscal linkage funds for infrastructure upgrading. This project has produced a complete third-party performance evaluation report, and practical implementations of asset revitalization and cultural tourism operations. It serves as a typical sample for studying the performance evaluation of special funds from the perspective of local knowledge. This study aims to address three questions: how to incorporate the dimension of local knowledge into the performance evaluation

framework for special funds for traditional villages conservation in ethnic regions; what achievements and shortcomings existing fiscal projects have demonstrated towards the conservation and transmission of local knowledge, and how to optimize the implementation, performance evaluation, and follow-up maintenance mechanisms of special funds projects from the perspective of local knowledge.

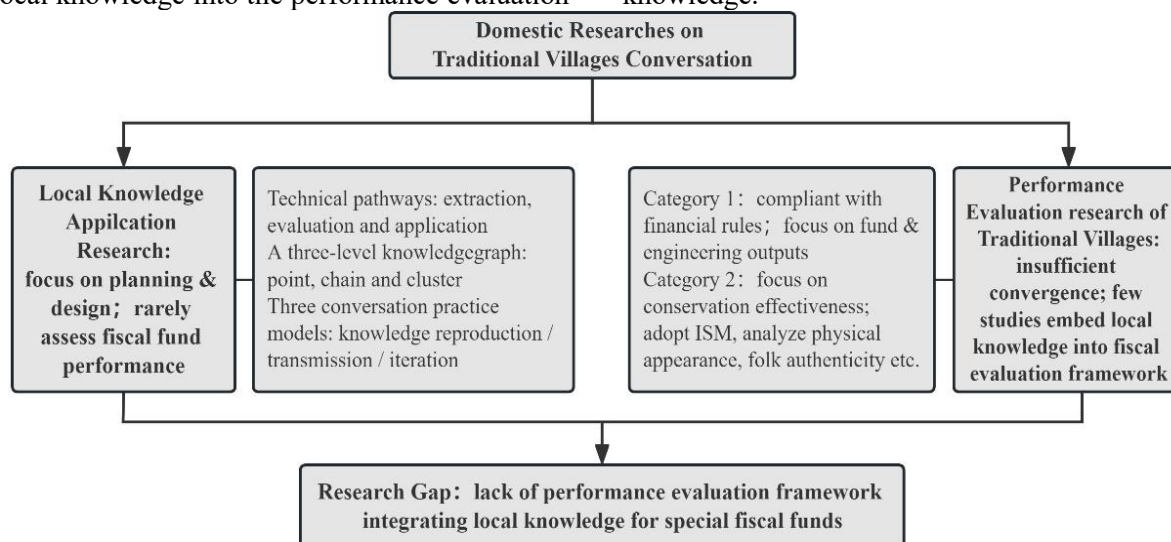


Figure 1. Classification of Domestic Researches on Traditional Villages Conservation [1-5]

2. Theoretical Basis and Analytical Framework

2.1 Definition of Core Concepts

2.1.1 Local knowledge

Geertz defines local knowledge as "regionally knowledge with cultural characteristics" [6]. In the context of traditional villages, local knowledge refers to a comprehensive system of knowledge that local residents have accumulated through generations of production and living

practices within specific natural environments. This system encompasses ecological site selection, settlement construction, architectural techniques, agro-pastoral production, religious rituals, and livelihood customs. In term of internal correction, local knowledge forms the intrinsic value of the cultural landscape in traditional village, and the landscape serves as its carrier; the two mutually represent and shape each other [1]. The relevant contents of classifications for local knowledge are shown in Figure 2.



Figure 2. Classifications of Local Knowledge

2.1.2 Performance evaluation of special funds for traditional villages conservation
Special funds for traditional villages conservation

constitute a category of fiscal special funds, primarily utilized for infrastructure renovation, environmental improvement, and cultural

conservation projects in traditional villages and ethnic minority characteristic villages. The

relevant contents of indicators for fiscal performance are shown in Table 1.

Table 1. Contents and Existing Problems of Indicators for Fiscal Performance

Names	Contents	Existing Problems
Project Decision-Making	capital investment	to obscure living heritage goals such as the transmission of local knowledge, the authenticity of cultural landscapes, and villagers' cultural identity
Project Management	process control	
Project Outputs	engineering outputs	
Project Benefits	economic and social benefits sustainable impact satisfaction levels	

Nevertheless, special funds for traditional villages conservation in ethnic regions differ from ordinary infrastructure projects, as they carry the dual objectives of public engineering construction and the living preservation of cultural heritage. Therefore, it is necessary to supplement the evaluation framework with dimensions related to local knowledge, thereby achieving a comprehensive measurement of both engineering construction effectiveness and cultural conservation outcomes.

2.1.3 Characteristics of local knowledge in traditional villages of the ethnic region

The local knowledge of traditional villages in the ethnic region is rooted in the plateau mountain environment and the irreplaceable distinctive traditional culture. Observable knowledge is manifested in village site selection adapted to mountainous terrain, the architectural form of blockhouses, prayer circulation spaces, and the spatial patterns of sacred mountains and waters. Unobservable knowledge includes agro-pastoral rotation production knowledge, religious sacrificial festivals, folk handicrafts, local dietary customs, and community collective mutual aid systems. Such knowledge constitutes not only the daily life practices of villagers but also the soul of the village cultural landscape. The conservation and utilization of special funds should achieve a dual unity: the repair of observable carriers and the living heritage conservation of unobservable

knowledge.

2.2 Construction of a Performance Analysis Framework for Special Funds Integrating Local Knowledge

Combining fiscal performance evaluation standards with the technical pathway of local knowledge "extraction - evaluation - application," this paper constructs a performance analysis framework for special funds suitable for ethnic traditional villages. The framework consists of five dimensions, and the relevant contents about dimensions are shown in Table 2. Subsequent case analysis will conduct an empirical assessment of the Zhonggu Village project based on these five dimensions.

3. Overview of the Case Site and Data Sources

3.1 Overview of the Case Site

Zhonggu Village, administered by Yala Township in Sichuan Province, constitutes an ethnic minority village. This village is rich in hot spring resources and time-honored local folk culture, and the construction project of the ethnic minority characteristic village here was listed in Sichuan's 2023 provincial program for such villages. This project spanned seven months, starting on November 22, 2023, and final acceptance completed on June 30, 2024. Its main construction components are shown in Table 3.

Table 2. Specific Contents and Tasks for Each Stage Corresponding to the Five Dimensions [4]

Name	Specific Contents	Task
Project Decision-Making	Examines the necessity and feasibility of project initiation, with a key emphasis on the extent of preliminary local knowledge excavation. Specifically, it assesses whether local knowledge surveys were conducted during the preliminary feasibility study and design phases, and whether local knowledge—such as the site selection, architecture, and folk customs—was integrated into project design. It also evaluates whether performance goal setting balances engineering targets with cultural living heritage conservation goals.	Conduct Local knowledge extraction
Fund and Process Management	Examines fund availability, budget execution, contract management, and project institutional construction. Simultaneously, it assesses whether mechanisms for villager and local knowledge holder participation in consultation and scheme negotiation were established during project implementation.	Perform knowledge element identification
Material Cultural	Compares against approved construction content to assess the quality of completed infrastructure, architectural styles, and public spaces. From the	Assess hardware engineering and

Landscape Outputs	perspective of local knowledge, it evaluates whether renovation projects respect local construction knowledge and whether material carriers preserve the spatial expression of local knowledge.	observable knowledge carrier protection
Living Heritage Conservation of Local Knowledge	Serves as a supplement to the existing fiscal performance system. It evaluates whether the project has completed the identification of observable-unobservable local knowledge elements; whether knowledge chains have been formed and knowledge clusters constructed through project implementation; whether unobservable knowledge such as folk customs and production techniques has obtained display and inheritance scenarios; and whether knowledge reproduction, transmission, and even iterative upgrading have been achieved.	Measure the effectiveness of unobservable local knowledge living heritage conservation
Community Governance and Comprehensive Sustainable Benefits	Includes economic benefits, social benefits, and villager satisfaction. It also examines the subjectivity of village collectives and villagers, as well as subsequent asset maintenance and operation mechanisms. It assesses whether the project has formed a win-win governance model, alleviated contradictions between policies and local knowledge, and achieved synergy among culture, industry, and community. It distinguishes between publicly verifiable outcomes and internal management rectification content.	Achieve sustainable community governance

The project aimed to enhance the village's tourism service capabilities, improve local production and living conditions, and foster the development of characteristic industries. After the completion of engineering works, local authorities continued to promote the revitalization of project assets. Specifically, ownership of assets at the Reshuitang resettlement site was confirmed to the village collective, and the Yagu Linka Tourism Complex was introduced to implement lease-based operations. This arrangement allows the village collective to secure stable rental income and facilitates employment for villagers in proximity to their homes. Meanwhile, the construction of homestay and tourism service teams has been improved, and ethnic cultural display activities are conducted on a regular basis. As a result, the

project has transitioned from the engineering construction phase to the industrial operation phase.

Table 3. Main Construction Components of the Project

Construction Components	Description
Characteristic village gate	New construction
Ecological restrooms	New construction
Sewage pipe networks	Installation
Integrated sewage treatment equipment	Configuration
Water pools	Renovation
Tourist reception center	Refurbishment
Temporary parking areas	Development

3.2 Data Sources

The categories and contents of the data sources for this study are presented in Figure 3.

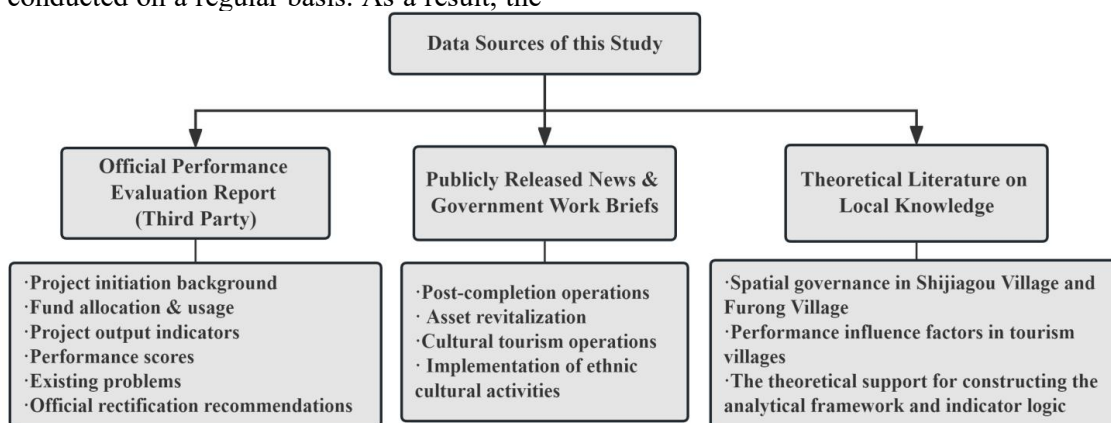


Figure 3. Categories and Contents of Data Sources

Note: The complete rectification ledger is internal non-public material. Government public news reports tend to focus on achievement publicity, making it difficult to fully correspond to the implementation details of performance rectification recommendations. Furthermore, the effectiveness of rectifications related to internal

project management systems is difficult to verify through public channels. This represents a common data limitation encountered in research on the performance of fiscal special funds in ethnic regions.

4. Performance Case Analysis of the Zhonggu

Village Project from the Perspective of Local Knowledge

The third-party fiscal performance evaluation awarded the project an overall score of 77.57, corresponding to a "qualified" rating. The original fiscal evaluation indicator system consisted of four modules: project decision-making, project management, project outputs, and project benefits. On this basis, this study incorporates an analytical framework of local knowledge and re-assesses project performance across five dimensions: project decision-making, fund and process management, material cultural landscape outputs, living heritage conservation of local knowledge, and community governance with comprehensive

sustainable benefits.

4.1 Analysis of the Project Decision-Making Dimension

The project scored 18 out of 20 in the original decision-making evaluation, representing a 90% achievement rate. The project initiation complied with policy requirements to effectively connect the consolidation of poverty alleviation achievements with rural revitalization, and feasibility was adequately demonstrated. Nevertheless, from the perspective of local knowledge, there remains key deficiencies, that are shown in Table 4, in this dimension.

Table 4. Key Deficiencies in the Decision-Making Stage: Absence of Local-Knowledge Integration

Stages	Core Problems	Details	Consequences
Feasibility study & scheme design	Lacked systematic extraction of local knowledge	Proposal focused primarily on engineering components (parking lots, sewage networks, and tourist reception centers). No systematic survey or organization of Zhonggu Village's distinctive local knowledge; no knowledge graph local site-selection wisdom, local architectural construction, sacred mountain & hot spring folk beliefs, and agro-pastoral livelihood customs. Local knowledge was merely mentioned as a background concept.	Local knowledge failed to be translated into design constraints - it "remains at the level of textual description without deep integration into the design process".
Performance objectives & evaluation	Performance objectives were insufficiently comprehensive	Weak scientific rigor in performance goal formulation and no sustainability-related indicators. Performance objectives were almost exclusively about engineering quantity, quality, and timeliness. Missing indicators: cultural landscape protection, revitalization of local knowledge, folk-custom transmission, local cultural display. "Developing the tourism industry" was listed, but living heritage conservation of local culture was not set as an independent performance objective.	Assessment of cultural-conservation effectiveness lacked tangible leverage during evaluation. The decision-making stage met policy-compliance requirements, yet local knowledge extraction was absent, and local knowledge was not embedded upfront into project objectives and scheme design [6].

4.2 Analysis of the Fund and Process Management Dimension

The project scored 37.9 out of 45 in the original project management evaluation, representing an 84.22% achievement rate. The ethnic and religious affairs department led this project, and

relevant matters such as survey, design, and construction entities were selected through public bidding. Overall, the workflow and procedures were implemented in compliance with regulations. However, from the perspective of local knowledge, there remains key deficiencies, that are shown in Table 5.

Table 5. Key Deficiencies in the Fund and Process Management Stage: Absence of Local-Knowledge Integration

Stages	Core Problems	Details	Consequences
Budget & Fund Execution	Low budget execution rate; non-compliant supervision fee disbursement	At the time of evaluation, although 5 million yuan in funds had been allocated, actual expenditures amounted to only 1.6667 million yuan, yielding an execution rate of merely 33.33%. Supervision fees were not disbursed strictly in accordance with contractual milestones.	No direct negative consequences specified in the original text for this item.
Project Management	Lack of specialized project management	The competent department failed to establish specialized project management regulations.	No direct negative consequences specified

& Regulation Establishment	regulations		in the original text for this item.
Project Implementation & Local Knowledge Integration	Lack of normalized consultation/negotiation mechanisms with local knowledge holders; lack of channels to incorporate local stakeholders into scheme assessment	The entire project implementation process lacked normalized consultation and negotiation mechanisms involving local knowledge holders and villager representatives. While engineering processes were compliant, the implementation phase did not establish normalized channels to incorporate local ethnic minority elders, folk artists, and village seniors into scheme assessment.	A disconnect may arise between macro-policy intentions and local cognition, posing risks to governance legitimacy.
Fund Allocation & Cultural Activation	Unreasonable budget allocation; lack of dedicated funds for cultural activation work	All existing budget items were allocated to hardware engineering, survey, design, and supervision. No special funds were designated for local knowledge excavation, folk material organization, local cultural training, or folk activity organization.	Cultural activation work could only be supplemented through other resource channels at a later stage.

4.3 Analysis of the Material Cultural Landscape Outputs Dimension (Observable Local Knowledge Carriers)

All approved physical engineering works have been completed and passed final acceptance. From a local-knowledge perspective, the village gate, reception center, and public spaces are

observable carriers of ethnic local knowledge. However, Figure 4 illustrates the gap between what the technical pathway requires and what the project delivered. In short, although outputs improved the physical environment, the protection and restoration of observable local-knowledge carriers were not core project outputs.

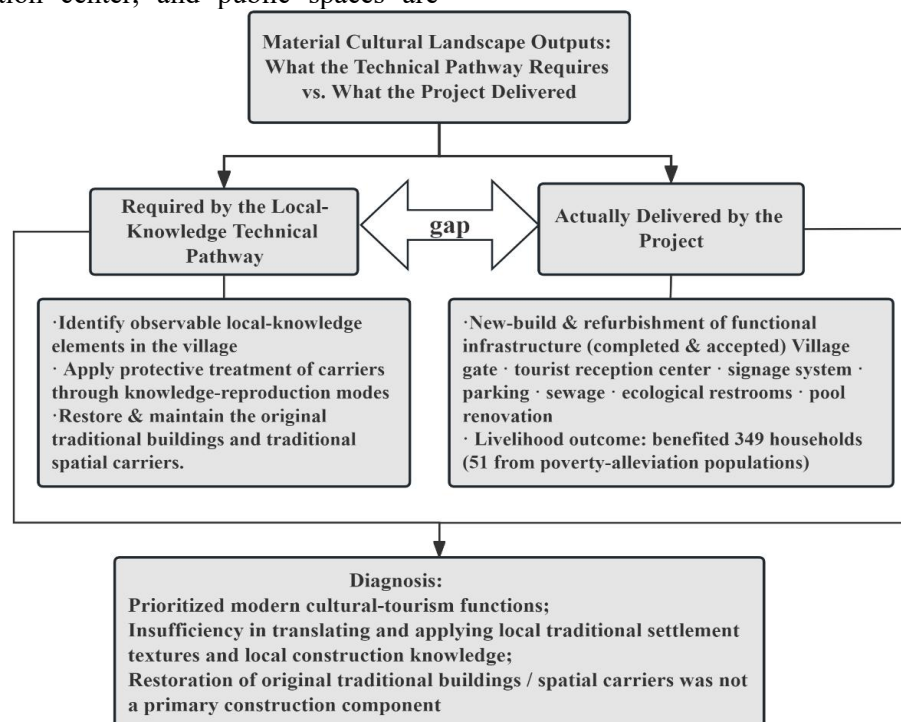


Figure 4. Comparison between the Technical-Pathway Requirement and the Project's Material Landscape Outputs [7]

4.4 Analysis of the Living Heritage Conservation for Local Knowledge Dimension (Observable Local Knowledge)

The original fiscal performance report did not specifically assessed local knowledge or intangible cultural transmission. The analysis has

to be drawn on project documents and publicly available practice. Initially, the project did not systematically organize the "point-chain-cluster" local knowledge graph of Zhonggu Village. The observable and unobservable knowledge points, missing chains, and absent graph are summarized in Table 6.

Table 6. Identification of Local Knowledge Elements in Zhonggu Village

Category	Contents	Systematically Identified & Classified (Y/N)
Observable Knowledge Point	Plateau river-valley site-selection knowledge, local residential construction, hot-spring spatial patterns	No
Unobservable Knowledge Point	Hot-spring belief customs; festival rituals; agro-pastoral production techniques; local handicrafts; collective community customs	No
Knowledge Chains	Links across agricultural production - daily life - belief rituals	Not constructed
Complete Knowledge Graph	A systematic "point-chain-cluster" local knowledge graph	Not formed

Beyond the theory of knowledge elements, the project can be interpreted from the three levels of knowledge — reproduction, transmission, and iteration. The relevant contents are shown in Table 7.

Table 7. Gaps between Intended and Actual Implementation across the Three Levels of Knowledge

Mode (intended Function)	What it Should Achieve	What the Project actually Built	Key Gap
Case Study — Knowledge reproduction	Protective restoration of knowledge-point carriers	Newly built cultural-tourism support facilities	Traditional residences and public spaces out of scope; restoration of material carriers virtually absent
Theme Extraction — Knowledge Transmission	Knowledge chains linking spatial nodes into cultural-narrative paths	Village gate, reception center, parking lot	No narrative paths designed between nodes; material spaces do not transmit knowledge
Environment Creation — Knowledge Iteration	Living knowledge clusters adapted to modern tourism	Hardware spaces only	Folk-custom experience and craft-display scenarios not embedded; iteration not achieved

Cultural activation was supplemented only during the post-completion operational phase. Ethnic festivals and handicraft displays were introduced after a cultural-tourism complex took over operations. However, these activities were not outputs within the special-funds contract, they were just driven by separate post-completion initiatives. Within the project's implementation cycle, the objective of living local-heritage conservation was therefore not systematically realized. The project lacked corresponding tasks, budgets, and performance indicators, relying instead on external post-hoc supplementation; this is a structural shortcoming, common to fiscal cultural-conservation projects in ethnic regions.

4.5 Analysis of the Community Governance and Comprehensive Sustainable Benefits Dimension

The project scored only 5 out of 15 in the original project management evaluation, representing an 33.33% achievement rate. The primary reason was that the project had just completed final acceptance and had not yet entered the industrial operation cycle. Economic benefit indicators, such as consumption growth and value-added growth rate could not collect data, resulting in a score of zero. Questionnaire surveys indicated a

100% satisfaction rate among beneficiary masses. Combining publicly available tracking materials allows for distinguishing between the status at the point of immediate post-completion and the subsequent rectification and revitalization phase. At the point of Performance evaluation immediately following final acceptance, although hardware facilities were completed, assets had not been revitalized. The Reshuitang resettlement site faced risks of asset idleness, stable collective economic income had not been formed, and the cultural tourism industry was not yet operational. The project's social benefits were limited to improvements in the living environment, while cultural and social benefits related to local knowledge had not yet manifested.

During the subsequent rectification implementation phase, local authorities conducted internal rectifications in accordance with fiscal Performance evaluation recommendations and established a rectification ledger that is internal materials not fully disclosed to the public. Outcomes that can be verified via public records cover the transfer of resettlement site asset ownership to the village collective, and these assets are then leased to a cultural tourism complex. This arrangement yields an annual rent of 300,000 yuan for a 15-year lease term. Of the

collective income, 15% is retained by the collective, while 85% is distributed as dividends to villagers. Facilities such as parking lots, restrooms, sewage treatment, and reception centers have been put into actual operation. More than 20 households have developed homestays and formed tourism service teams. Concurrently, ethnic cultural festivals and handicraft display activities have been conducted, promoting the integration of forging a strong sense of community for the Chinese nation into village construction, thereby revitalizing idle assets and driving local employment.

Nevertheless, public materials cannot verify whether all internal management recommendations were fully implemented, such as improving internal project management regulations, archives management, and performance indicator optimization. No public reports corroborate these specific contents. From the perspective of governance legitimacy, the

later-stage asset leasing and village collective dividends constitute win-win governance measures. These coordinated the interests of the government, enterprises, the village collective, and villagers, thereby enhancing project governance legitimacy. However, this win-win outcome was not directly achieved during the project construction phase; rather, it was realized after completion through additional institutional reforms and investment attraction efforts. This indicates a disconnection between the special funds' construction phase and subsequent sustainable operations.

4.6 Summary of Comprehensive Case Issues

Synthesizing the analysis across the five dimensions above, common issues exposed by the Zhonggu Village project regarding special funds for ethnic traditional villages conservation can be summarized in Table 8.

Table 8. Summary of Issues Exposed across the Five Dimensions

Dimensions	Exposed Issues
Project Decision-Making	Local knowledge was not incorporated from the outset. The feasibility study and design failed to systematically extract local knowledge or build its knowledge graph. Fiscal performance targets only contained engineering indicators, without metrics for local knowledge transmission and living heritage conservation of cultural landscapes. As a result, cultural conservation goals became vague.
Implementation & Management	No budget items were reserved for cultural conservation or community participation. All funds went to hardware engineering, leaving no funding for surveys of local knowledge or folk cultural activation. In addition, local knowledge holders lacked regular consultation channels, which easily caused mismatches between projects and local cultural demands.
Output	Material hardware construction was prioritized over cultural knowledge carriers. Despite completed infrastructure, tangible carriers of local knowledge (traditional buildings, public spaces) received inadequate protection and restoration. Project spatial nodes failed to form cultural narrative knowledge chains, hindering knowledge transmission.
Benefit	Living heritage conservation was delayed, separating construction from operation. Such conservation mostly depended on follow-up external work and could not be finished within the project cycle. No industrial economic benefits were available upon initial acceptance, while cultural benefits appeared with delay. Performance assessment was conducted right after project completion and thus could not capture long-term cultural and operational gains.
Performance Evaluation Institutional	The existing fiscal assessment system has no local knowledge evaluation module tailored for ethnic villages. Its indicator framework focuses on general infrastructure targets and cannot differentiate ordinary infrastructure projects from cultural heritage conservation projects. The benefits of intangible cultural conservation are hard to quantify. Meanwhile, project correction records remain internal documents, limiting access to full data for external review and academic research.

5. Optimization Paths for the Performance of Special Funds for Traditional Villages Conservation Guided by Local Knowledge

Based on the shortcomings exposed by the Zhonggu Village case and integrating the "extraction-evaluation-application" technical pathway of local knowledge, this paper proposes optimization paths for special funds dedicated to the conservation of traditional villages in the ethnic minority areas. These paths address four

levels: optimization of the performance indicator system, preliminary project decision-making, implementation process control, and post-operation with post-evaluation mechanisms.

5.1 Embedding the Local Knowledge Dimension into the Special Funds Performance Indicator Library to Refine the Differentiated Performance Evaluation System for Ethnic Villages

For conservation projects targeting ethnic

minority traditional villages, it is inappropriate to directly apply all indicators used for ordinary infrastructure projects. A performance module related to local knowledge must be added, distinguishing between qualitative and semi-quantitative indicators, and incorporated into both the performance objective declaration forms and performance evaluation tables.

In the decision-making phase, indicators should be added to assess whether local knowledge surveys and element identification were conducted during the preliminary stage, whether local cultural knowledge was integrated into the implementation scheme design, and whether performance objectives include targets related to cultural landscape protection and the activation of local knowledge.

In the output phase, indicators should track the completion status of restoration and protection for observable local knowledge carriers, such as traditional buildings, traditional public spaces, and local landscape nodes. Additional indicators should assess whether cultural narrative spatial paths have been constructed to achieve spatial transmission of knowledge chains, and whether physical venues for folk custom display and local craftsmanship transmission have been supplementarily constructed [8].

In the benefit phase, indicators should monitor the

status of living heritage conservation of local knowledge (including the frequency of folk activities and the display and transmission of local craftsmanship), the recognition of cultural conservation effectiveness by local villagers and knowledge holders, and the preservation of the authenticity of cultural landscapes.

Furthermore, a distinction must be made between "construction-phase Performance evaluation" and "operational-phase post-evaluation." The immediate post-completion stage should focus on assessing engineering quality, fund processes, and the protection of observable carriers. An operational-phase post-evaluation should be scheduled one to two years after project completion. The follow-up evaluation should prioritize the key considerations raised above but not addressed in the previous evaluation report. This can avoid drawing comprehensive performance conclusions solely from completion-acceptance data.

5.2 A Two-Phase Framework for Integrating Local Knowledge into Project Performance Management

This section develops a two-phase framework covering the project decision-making and implementation phases, as illustrated in Figure 5. [9].

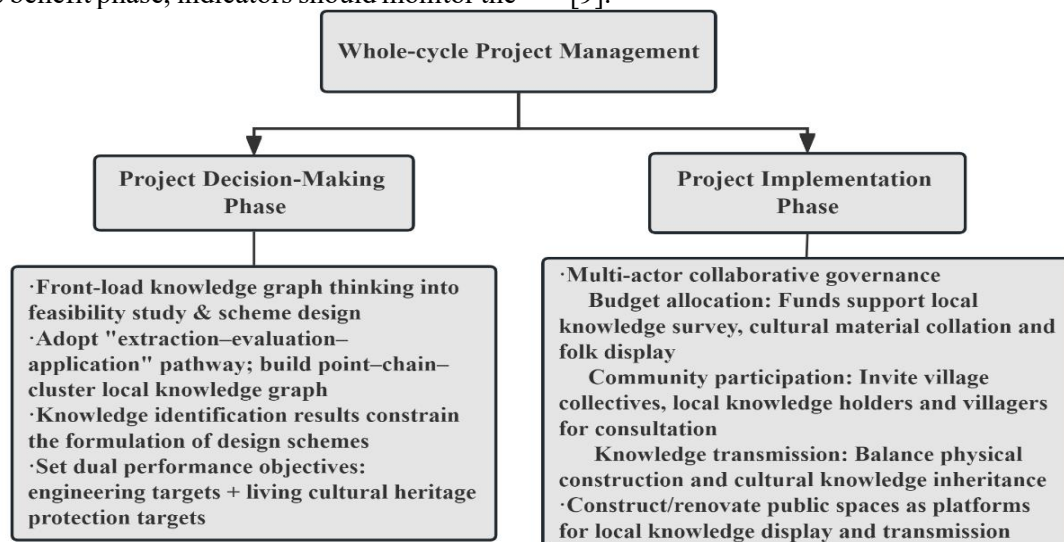


Figure 5. Two-phase Framework for Integrating Local Knowledge into Performance Management of Traditional Village Protection Special Fund Projects

5.3 Improving Project Operation, Maintenance, and Closed-Loop Post-Evaluation Tracking Mechanisms to Achieve Knowledge Iteration and Updating

The completion of construction for special funds projects marks only the starting point for

protection and utilization; the value of living heritage conservation is more prominently reflected in later-stage operations. To achieve continuous iteration and updating of local knowledge, three mechanisms covering project operation, maintenance and closed-loop post-evaluation are proposed, as shown in Table 9.

[10].

Table 9. Mechanisms for Project Operation, Maintenance and Closed-Loop Post-Evaluation

Categories	Core Measures
Post-operation Planning	Coordinate planning with design phase; clarify asset ownership, participation and maintenance subjects; realize transition from “engineering delivery” to “living cultural scene creation”; promote local knowledge iteration
Performance Rectification Information Disclosure	Publicize key rectification results (within secrecy limits); accept social supervision; make rectification records available via official disclosure channels
Closed-loop Management Chain	Build the chain “fiscal funds - planning and design - community operation”; link evaluation results with subsequent fund allocation; set risk warning for projects lacking cultural protection

6. Conclusion

The current performance evaluation system for special funds dedicated to traditional villages conversation prioritizes fund processes and engineering outputs, often overlooking the core objective of ethnic village protection “the living inheritance of local knowledge”. Hence, its practice in ethnic minority regions has limitations. This study introduces local-knowledge theory into performance evaluation and forms an analytical framework of “project decision-making—fund process management—physical landscape output—living inheritance of local knowledge—sustainable community governance benefits.” A case study is conducted on the characteristic village project in Zhonggu Village, Yala Township.

The research finds that while the project was completed on schedule and fund procedures were compliant, significant deficiencies remain. During the decision-making phase, there was a lack of systematic extraction of local knowledge, and cultural protection indicators were not incorporated into performance goals. During the implementation phase, mechanisms for the participation of local cultural holders were absent; the budget was biased towards civil engineering; the implementation of cultural inheritance during the construction period was insufficient; and cultural activation relied on external supporting facilities completed after construction. Completion acceptance fails to reflect long-term benefits, necessitating post-operational evaluation. Although the project generated comprehensive benefits in the later stage through asset ownership confirmation, cultural tourism leasing, and collective dividends, these do not constitute direct outputs of the construction period.

Targeting similar projects in the ethnic minority region, this paper proposes: embedding local knowledge upfront into feasibility studies and

scheme designs; optimizing performance indicators by adding qualitative and quantitative assessment metrics for local knowledge; establishing a multi-party consultation mechanism for local groups; distinguishing between construction-phase evaluation and operational-phase assessment; and building a closed-loop mechanism where performance feedback informs project applications. These measures aim to promote the dual goals of special funds: improving physical facilities and protecting the living heritage of ethnic local cultures.

Acknowledgements

This work supported the Project of Kangba Culture Research Center “Research on the Conservation and Development of Traditional Villages in the Kangba Region from the Perspective of Local Knowledge” (KBYJ2023B014).

References

- [1] Zhang Y, Zhou R, Wang C, et al. Conservation and utilization of cultural landscapes in traditional villages from the perspective of local knowledge: A case study of Majiagou Village in Xianfeng County, Enshi Prefecture. *New Architecture*, 2025(2): 122-127.
- [2] Qiu M. Research on the influencing factors of Performance evaluation for the conservation and development of tourism-oriented traditional villages: A case study of Tangdong Village in Guilin. *Modern Economic Information*, 2019(10): 479-481.
- [3] Zhang Z. The composition and application of “local knowledge” in the landscape of traditional rural settlements: A case study of Shaanxi Province. *Social Scientist*, 2017(7): 112-117.
- [4] Li Y, Zhang Y, Liu H. Performance assessment and influencing factors of human

- settlement improvement in traditional villages based on Balanced Scorecard theory: A case study of Jiaozuo, China. *Frontiers in Sustainable Food Systems*, 2024, 8: 1538029.
- [5] Geertz C. *Local knowledge: Further Essays in Interpretive Anthropology*. Translated by Wang H, Zhang J. Beijing: Central Compilation & Translation Press, 2004.
- [6] Li Y, Zhang Y, Liu H. Performance assessment and influencing factors of human settlement improvement in traditional villages based on Balanced Scorecard theory: A case study of Jiaozuo, China. *Frontiers in Sustainable Food Systems*, 2024, 8: 1538029.
- [7] Colavitti A M, Usai A. Applying the HUL approach to walled towns of Mediterranean seaport cities: Lessons and guidelines through the experience of four UNESCO walled towns. *Sustainability*, 2019, 11(17): 4747.
- [8] Wang X, Chen L. Spatial morphological characteristics of ethnic villages in the Dadu River Basin, Sichuan, China. *Land*, 2023, 12(9): 1662.
- [9] Weng S, Lu J. Community practice and legitimacy construction in spatial governance: A case study of traditional villages conservation in Furong Village, Yongjia County, Zhejiang Province. *Geographical Research*, 2019, 38(6): 1322-1332.
- [10] González-Martínez P. Multi-layered authenticity in heritage-led urban regeneration. *Journal of Heritage Tourism*, 2017, 12(5): 449-464.