

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China	Project Title:	Heilongjiang Coal-Rich Cities Redevelopment Project
Lending/Financing Modality:	Project	Department/Division:	East Asia Department/Urban and Social Sectors Division

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

#### A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

The project will contribute to economic revitalization, non-coal industrial transformation, and socially inclusive, environmentally safe, and sustainable development of the cities of Hegang, Jixi, Qitaihe, and Shuangyashan in Heilongjiang Province, People's Republic of China (PRC). Therefore, the project will contribute to poverty reduction by (i) improving public health, sanitation, and living conditions; and (ii) supporting direct and indirect employment opportunities with expanded industries and an enabling investment environment. The project takes an integrated and inclusive approach to development and provision of urban services and infrastructure. It will support improved access to basic services, safety, and environmental sustainability through components including tentatively mining remediation, expanded and improved water supply, wastewater treatment, solid waste management, district heating, river rehabilitation and flood risk management, improved transport, technical and vocational education and training, and institutional coordination and capacity development. The proposed project will support the (i) PRC's National New Type Urbanization Plan (2014–2020), by supporting environmentally sustainable urban development with focus on people and improving urban services of small cities and towns, (ii) 13th five-year plans of Heilongjiang and the project cities, (iii) Heilongjiang Provincial Government Master Plan for Economic Development (2014–2020), and (iv) respective urban and economic development master plans of the four project cities (2020–2030, as applicable). The proposed project will be aligned with the Asian Development Bank (i) Strategy 2020 Midterm Review; (ii) upcoming country partnership strategy for the PRC, 2016–2020, supporting socially inclusive, environmentally sustainable, and economically competitive urban development; and (iii) urban and water operational plans and environment operational directions.<sup>a</sup>

#### B. Targeting Classification

General Intervention  Individual or Household (TI-H)  Geographic (TI-G)  Non-Income MDGs (TI-M7C.)

The project will provide (i) improved safety from mining impact, i.e., environmental pollution; (ii) urban and urban environmental infrastructure, including water supply, wastewater management, solid waste management, district heating, and river and lake environment improvements; and (iii) urban transport that will benefit the population of the four cities at large.

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

Primary beneficiaries are urban residents in the project cities, including the poor and socially vulnerable. Provision of basic municipal services, such as water supply, wastewater management, solid waste management, flood risk management and river rehabilitation, district heating, urban transport and increased safety from mining remediation will directly benefit the poor and socially vulnerable through improved access, quantity, and quality.

##### 2. Impact channels and expected systemic changes.

The project is expected to improve the living conditions of the beneficiaries through improved access to municipal services including water supply, wastewater management, district heating, and improved roads and public transport; and access to urban services, markets, and employment opportunities. The project will assess barriers to access for residents to the improved environmental infrastructures and social services. It will target employment opportunities and environmental awareness campaigns to benefit the communities including the poor.

##### 3. Focus of (and resources allocated in) the project preparatory technical assistance (PPTA) or due diligence.

A poverty and social analysis will be carried out during PPTA implementation to analyze the impact of the project on the poor and identify pro-poor design features. Issues to be investigated include (i) access by the poor to public utility services; (ii) affordability of public utility tariff by the poor and low-income families; (iii) community participation in project components such as solid waste and flood risks management; (iv) targeted assistance and institutional support for socially inclusive urban development, including environmental and public health awareness programs; and (v) targeted opportunities for employment, capacity building, and technical and vocational education and training. Capacity building during the PPTA will strengthen the awareness of the executing and implementing agencies for pro-poor interventions and need for continuous monitoring of social issues. Two to four duly qualified national experts with expertise in social development, poverty, gender, (indigenous peoples,) and involuntary resettlement will be engaged for a total of 11 person-months as part of the PPTA to carry out work covering social, poverty, gender, (indigenous peoples,) and land acquisition and resettlement planning.

## II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?  
 Women are generally burdened with household and family responsibilities and are employed in low-paying jobs. Therefore, improving the basic public services such as water supply and wastewater collection, solid waste and heating systems, urban environment, and living condition will especially affect women. New job opportunities created by the project will increase women's income and help to enhance women's economic status in the family. The PPTA will explore the possibilities to increase women's participation in decision making in project design, implementation, and monitoring. The project will also help to improve the capacity of all female staff in various entities related to the project (e.g., the executing and implementing agencies).
2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making?  
 Yes     No  
 Gender analysis will be conducted as part of the poverty and social analysis (PSA), and gender concerns and needs will be incorporated in the design and implementation of the project. A gender action plan (GAP) will be developed, which will incorporate strategies, mechanisms, and actions to address gender concerns. Opportunities will be explored to collaborate with All China Women's Federation on women's employment, training, public consultation, and awareness raising issues.
3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?  
 Yes     No  
 All residents will benefit from improved living conditions and access to urban services including women. The project will benefit women by inclusion in consultation and participation of women during the project design.
4. Indicate the intended gender mainstreaming category:  
 GEN (gender equity theme)     EGM (effective gender mainstreaming)  
 SGE (some gender elements)     NGE (no gender elements)

## III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people?  
 The main stakeholders include the four city governments and their concerned agencies, development and reform commissions, finance bureaus, water affairs bureaus, women's federations, poverty reduction bureaus, land resource bureaus, civil affairs bureaus, planning bureaus, and housing and urban-rural construction bureaus and other bureaus concerned. The stakeholders include all urban residents of the four cities in particular project beneficiaries and affected people.
2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?  
 A PSA and consultation meetings will be conducted during the PPTA to identify views and concerns of beneficiaries, especially vulnerable groups, to inform the project design and develop measures for effective implementation of the project. Mechanisms of local communities' engagement will also be studied to improve water and wastewater management, solid waste management, and district heating service delivery process. Accessibility and affordability of water supply and sanitation and heating services will be assessed, and awareness raising campaigns will be carried out during the PPTA.
3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?  
 Information generation and sharing (M)     Consultation (H)     Collaboration     Partnership
4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed?  Yes     No  
 The beneficiaries will be consulted during the PPTA implementation through social surveys, stakeholders' workshops, focus group discussions, and key informant interviews. Documents prepared during the PPTA including the environmental management plan, GAP, resettlement plans, and social development action plan will outline the program for consultation and participation of beneficiaries in the design and implementation of the project. Loan assurances will address implementation and monitoring of these plans. As the poor are the most vulnerable, therefore, they should benefit more from project improvements so long as project activities are socially inclusive.

## IV. SOCIAL SAFEGUARDS

- A. Involuntary Resettlement Category**  A     B     C     FI
1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement?  Yes     No  
 Road rehabilitation and construction, water supply, sewer, and district heating pipes will require significant land acquisition and involuntary resettlement. In the proposed four cities, it is estimated that over 200 affected people will lose 10% of their land, thus involuntary resettlement is categorized as A. A land acquisition and resettlement assessment and resettlement plans will be prepared during the PPTA.

<p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan      <input type="checkbox"/> Resettlement framework      <input type="checkbox"/> Social impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement      <input type="checkbox"/> None</p>
<p><b>B. Indigenous Peoples Category</b>   <input type="checkbox"/> A   <input type="checkbox"/> B   <input checked="" type="checkbox"/> C   <input type="checkbox"/> FI</p> <p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples?   <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p> <p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain?   <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p> <p>The population ratio of the ethnic minorities in the cities of Hegang, Jixi, Qitaihe, and Shuangyashan are 3.64%, 6.2%, 4.8%, and 2.7%, respectively. There are about 10 ethnic minority groups, of which three, i.e., Manchurian, Korean, and Hui are main groups in the urban and rural areas in the project cities and are socially integrated in the urban areas. None of the ethnic minorities are expected to be affected by the project. This will need to be confirmed during the PPTA.</p> <p>3. Will the project require broad community support of affected indigenous communities?   <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No No indigenous communities will be affected by land acquisition and resettlement.</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?</p> <p><input type="checkbox"/> Indigenous peoples plan   <input type="checkbox"/> Indigenous peoples planning framework   <input type="checkbox"/> Social Impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement      <input checked="" type="checkbox"/> None</p> <p>Due diligence will be conducted to confirm the categorization during PPTA phase.</p>
<p style="text-align: center;"><b>V. OTHER SOCIAL ISSUES AND RISKS</b></p> <p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> Creating decent jobs and employment (H)   <input checked="" type="checkbox"/> Adhering to core labor standards (M)   <input type="checkbox"/> Labor retrenchment</p> <p><input checked="" type="checkbox"/> Spread of communicable diseases, including HIV/AIDS (L)   <input type="checkbox"/> Increase in human trafficking   <input checked="" type="checkbox"/> Affordability (M)</p> <p><input type="checkbox"/> Increase in unplanned migration   <input type="checkbox"/> Increase in vulnerability to natural disasters   <input type="checkbox"/> Creating political instability</p> <p><input type="checkbox"/> Creating internal social conflicts   <input checked="" type="checkbox"/> Others, please specify: Community disturbance and resistance (M) - related to the mining remediation, road, drainage pipe and heating pipe rehabilitation which needs in-depth consultation and participation, and careful assessment and evaluation during the PPTA implementation.</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>Increased tariffs to poor and other vulnerable people will be assessed during the PPTA, including subsidies or exemptions. The project will create employment opportunities during construction and operation. The use of core labor standards will be included in the loan assurances. HIV/AIDS clauses will be included in the bidding documents, and awareness and prevention activities will be held during the project implementation and included in the assurances.</p>
<p style="text-align: center;"><b>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</b></p> <p>1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified?</p> <p><input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p>3. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis, and participation plan during the PPTA or due diligence?</p> <p>A total of 11 person-months of national resettlement and social development specialists are included in the PPTA to conduct PSA and preparation of GAP, social development action plan, and land acquisition and resettlement plans. The project management office will engage qualified institutes to conduct survey for PSA, and land acquisition and resettlement. Resources will cover consultation, participation, quantitative, and qualitative surveys.</p>

<sup>a</sup> ADB. 2013. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila; ADB. 2013. *Urban Operational Plan, 2012–2020*. Manila; ADB. 2011. *Water Operational Plan, 2011–2020*. Manila; ADB. 2013. *Environment Operational Directions, 2013–2020*.

Source: Asian Development Bank.