



Initial Poverty and Social Analysis

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People's Republic of China: Hebei Elderly Care Development Project

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China	Project Title:	Hebei Elderly Care Development Project
Lending/Financing Modality:	Project	Department/ Division:	East Asia Department/ Urban and Social Sectors Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>The project will support Hebei Province's efforts to develop systems to deliver quality and affordable home-based, community, and institutional elderly care (EC). The project supports the People's Republic of China's (PRC) Twelfth Five-Year Plan, 2011–2015, and the Hebei Provincial Twelfth Five-Year Plan (2011–2015); which prioritize developing EC and expanding the three-tiered system of services.¹ It is directly responsive to the State Council Opinions on Promoting the Development of Senior Care Service Industry issued in 2013, which seeks to stimulate investment in the sector and define roles and responsibilities for government and the private sector in the provision of EC services. The reform agenda of the Third Plenary Session of the 18th Central Committee of the Chinese Communist Party in November 2013 calls for an acceleration of reforms to improve and expand the provision of social services, such as education, health, EC, and social protection. The project will contribute to improving the quality of life for older persons, promoting inclusive growth in the economic development of Hebei and directly address the demographic and economic challenges posed by the increasing care needs of its rapidly aging population. The project is aligned with the Asian Development Bank's (ADB) country partnership strategy's (2011–2015) pillar on inclusive growth, the focus in the midterm review of Strategy 2020 on supporting social protection and health, and concurs with ADB's Health Operational Plan for 2020, which has development of elderly care systems (ECSs) and services as a focus area.²</p>
<p>B. Poverty Targeting</p> <p><input type="checkbox"/> General Intervention <input checked="" type="checkbox"/> Individual or Household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>In 2014, Hebei had a population of 73.3 million over half of which live in rural areas. There are 39 designated poverty counties with much of rural part of the province forming a ring of poverty around the adjacent urban conglomerations of Tianjin and Beijing. Pro-poor and inclusive design features anticipated in the project include (i) assessment of affordability and ability to pay for services for the elderly under the project preparatory technical assistance (PPTA); (ii) inclusion of human resources development as one component, which will improve quality of services and address barriers to skilled employment for unskilled workers in the sector; (iii) emphasis on home and community care services, which are more affordable and accessible; and (iv) attention to EC needs in rural areas (where the majority of elderly live in PRC) through renovation of communal care homes.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries. Expected beneficiaries of the project include elderly in the subproject areas and across the province, service providers (government, private, and non-profit), and local government officials responsible for providing and monitoring EC services. Hebei province entered into an "aging society" status in 1999 when it passed the 10% threshold of population over the age of 60. By the end of 2013, this had risen to 14.46% and is projected to be 15% in 2015 and then rise by 3% annually. Within the province, there is great diversity in the percentages of aged population and their circumstances due to phenomena, such as outmigration of youth from rural areas leaving elderly behind. The significant increase of the elderly population will produce wide impacts on economy and society, and is creating a huge pressure to rapidly develop an ECS that can serve both rural and urban populations especially at lower income levels. At the institutional level, only 50% (210,000) of the projected need for beds and nursing care is currently available. Government facilities, which target and subsidize the poorer older population, are limited and affordable quality private sector institutional care has not yet been developed. Home and community care services are not well-developed and can offer little in the way of support. There is an urgent need to develop the EC industry with the private sector to ensure that the comprehensive care needs of the elderly can be met and that the needs of lower income elderly are addressed. There is an opportunity to develop the sector into a financially sustainable system that provides quality care and creates significant employment given the big needs locally and the potential market of additional elderly in the adjacent cities of Beijing and Tianjin who will be seeking affordable care.</p> <p>2. Impact channels and expected systemic changes. Impact channels include improvements to the coverage, affordability, and quality of EC services. Expected systemic changes include (i) creation of an ECS in the province that provides home, community, and institutional levels of care; (ii) improvement to quality of services; and (iii)</p>

¹ National People's Congress. 2011. *Twelfth Five-Year Plan for National Economic and Social Development, 2011–2015*. Beijing.

² ADB. 2012. *People's Republic of China: Country Partnership Strategy (2011–2015)*. Manila; ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila; ADB. 2015. *Operational Plan for Health, 2015–2020*. Manila.

improvements to standards and quality assurance monitoring at the provincial level.
<p>3. Focus of (and resources allocated in) the PPTA or due diligence. Issues to be reviewed during the project design include (i) affordability and ability to pay for services by the elderly, (ii) assessment of the health and social care needs of the elderly population, (iii) assessment of the existing family-based care system and challenges for informal caregivers, (iv) capacity of government and private sector service providers to deliver three-tiered care; and (v) communication and information and communications technology needs and gaps to expanding care coverage.</p> <p>4. Specific analysis for policy-based lending. Not applicable.</p>
II. GENDER AND DEVELOPMENT
<p>1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program? The gender dimensions of aging are in many ways the results of a lifetime of accumulation of vulnerabilities. Issues include disparities in lifespans for men and women, and in men's and women's financial assets to pay for care services, existing multigenerational care provider roles of women, and differential health care needs of men and women. One area of concern is also regarding dementia and accompanying care needs since more women than men internationally are affected. Another important area is in the human resources development for the sector and the large employment impacts it can make for women.</p> <p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No It will improve women's access to services and opportunities for employment in the sector.</p> <p>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The project will support gender equality.</p> <p>4. Indicate the intended gender mainstreaming category: <input type="checkbox"/> GEN (gender equity) <input checked="" type="checkbox"/> EGM (effective gender mainstreaming) <input type="checkbox"/> SGE (some gender elements) <input type="checkbox"/> NGE (no gender elements)</p>
III. PARTICIPATION AND EMPOWERMENT
<p>1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. Main stakeholders are the elderly, EC service providers (government, private sector, and nongovernment organizations), health and social care providers and local government officials (health, civil affairs, labor, social security, education, construction, finance bureau, etc.). Extensive consultation will be conducted with all groups during project design to ensure that their needs and perspectives are addressed in the project.</p> <p>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? The assessment on affordability, ability to pay, and need for and use of care services will all require consultation of the elderly and care workers. A key issue under the component of information and communications technology development will be ensuring adequate communication with and capacity building of all stakeholders including the elderly as users of the services. Rural and community centers will be improved, and universal design principles employed to ensure access.</p> <p>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? Older persons associations and volunteer networks to support elderly have been and are being created across the PRC. It will be important for the PPTA to engage with them for their views and seek ways to include them in the project activities. <input checked="" type="checkbox"/> Information generation and sharing <input checked="" type="checkbox"/> Consultation <input type="checkbox"/> Collaboration <input type="checkbox"/> Partnership</p> <p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Elderly will be consulted during the PPTA on issues such as, but not limited to, their needs, views on quality and availability of services, design of facilities, affordability and ability to pay.</p>
IV. SOCIAL SAFEGUARDS
<p>A. Involuntary Resettlement Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p>
<p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Much of the proposed civil works in the subprojects would take place on land already owned by the institutions or by government. Some land acquisition may be necessary but no house demolition is anticipated. This will be clarified during the due diligence and necessary documentation created to support the categorization.</p>
<p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <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 It is not anticipated that there are any ethnic minority communities or lands in the project scope.</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>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None Due diligence will be conducted during the PPTA to confirm that there are no impacts.</p>
<p>V. OTHER SOCIAL ISSUES AND RISKS</p>
<p>1. What other social issues and risks should be considered in the project design? <input checked="" type="checkbox"/> Creating decent jobs and employment M <input checked="" type="checkbox"/> Adhering to core labor standards M <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input checked="" type="checkbox"/> Affordability H <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p>
<p>2. How are these additional social issues and risks going to be addressed in the project design? They will be assessed during the poverty and social analysis and due diligence of the PPTA and addressed in design of the project components. The proposal from government has a focus on providing EC for the low and middle income groups of elderly.</p>
<p>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</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 (v) other social risks. Are the relevant specialists identified? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2. 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? 2 person-months international and 4 person-months of national consulting services are budgeted for the poverty, social, and gender assessments. 3 person-months are provided for the national involuntary resettlement safeguard specialist. This will also include extensive survey and qualitative work for which \$45,000 has been budgeted.</p>