



## Initial Poverty and Social Analysis

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### People's Republic of China: Henan Xichuan Integrated Ecological Protection and Environmental Improvement Project

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## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China	Project Title:	Henan Xichuan Integrated Ecological Protection and Environmental Improvement Project
Lending/Financing Modality:	Project Loan	Department/Division:	East Asia Department/Environment, Natural Resources and Agriculture Division

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The project will improve water resource management, ecological restoration, and environment protection in Xichuan County, Henan Province. The project will help preserve the natural environment and improve local livelihoods. The project is aligned with the (i) Thirteenth Five-Year Plan of the People's Republic of China, 2016–2020;<sup>a</sup> and (ii) Five-year Rural Vitalization Plan (2018–2022) issued by the State Council of the PRC in 2018.<sup>b</sup> The project is also aligned with (i) Asian Development Bank's (ADB) country partnership strategy for the People's Republic of China, 2016–2020;<sup>c</sup> and (ii) ADB's Strategy 2030.<sup>d</sup>

#### B. Targeting Classification

General Intervention  Individual or Household (TI-H)  Geographic (TI-G)  SDGs (Goals 1, 6, & 13)

The project is proposed as general intervention. About 6.6% of beneficiaries are estimated to be the poor. The project will improve the overall living conditions of local residents.

#### C. Poverty and Social Analysis

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

Poor agriculture irrigation and drainage conditions, environmental pollution, and ecological degradation are key issues for residents. Improving agriculture infrastructure, water quality, and ecological environment are priority needs of project beneficiaries.

Of the 724,600 total population of Xichuan County, about 621,800 population in the project area will benefit directly from the project. The remaining 102,800 population would benefit indirectly. The beneficiaries will benefit from improved irrigation and drainage conditions, river rehabilitation, ecological restoration, and environment protection.

The transaction technical assistance (TA) will further identify the project's beneficiaries, undertake beneficiary analysis, and confirm their needs to be addressed by the project.

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

The project will have positive impacts through both structural and nonstructural measures. The beneficiaries will benefit directly through improved irrigation and drainage conditions, wastewater and garbage management, river ecological restoration, wetland construction, and afforestation for water and soil conservation. Local socioeconomic conditions are expected to improve after the improvement of water and ecological conditions, bringing further indirect benefits to residents of Xichuan County.

The TA will undertake social impact analysis and identify the project's impacts among different groups of beneficiaries, including the poor.

##### 3. Focus of (and resources allocated in) the TrTA or due diligence.

The TA consultant team will include an international social development and resettlement specialist, a national social development specialist, and a national resettlement specialist. Budgets will be included in the TA to conduct necessary studies on social aspects. The TA consultants will (i) conduct the poverty and social analysis focusing on gender, poverty, and participation issues; (ii) conduct social safeguard due diligences; and (iii) prepare necessary action plans on resettlement, social development, gender, and participation.

### 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?

The poor agriculture irrigation and drainage conditions, and deteriorated water quality and living environment adversely affect living conditions of women and men. The lack of reliable agriculture irrigation, as well as wastewater and solid waste collection impact women more seriously than men, since women take more responsibility in agriculture activities

and household chores. Xichuan County also lacks adequate skills and employment opportunities for women, who are under increased stress due to rapid urbanization and rural–urban migration.

The TA will assess gender issues through conducting social and gender analysis as well as consultations with women groups in the project area.

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 Please explain.

The project will improve irrigation and drainage conditions, water quality, living environment, and livelihood conditions benefiting women. The TA consultants will assess women's needs and develop measures to ensure that women in the project area benefit equitably. A gender action plan will be prepared focusing on employment generation, capacity building, and other relevant measures for women. Women will be empowered through their participation in project activities.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes  No Please explain

The project is not expected to widen gender inequality.

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? Identify how they will participate in the project design.

The project executing and implementing agencies, local villages/communities and beneficiaries, and affected people in the project area are the main stakeholders. The executing and implementing agencies are the Xichuan County Government and its bureaus, respectively. The stakeholders will be consulted during the project preparation to ensure that the project design corresponds to their needs. Particularly, affected people will be consulted to ensure their voices are heard.

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 TA will prepare and implement a consultation and participation plan during the project preparation. Local communities will be engaged in the design of the project components, including environment management, agriculture irrigation, and water quality improvement. The project affected people will be engaged in the assessment of impacts and preparation of safeguard plans.

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 (M)  Collaboration (L)  Partnership (N/A)

Village and community representatives, women's federation, and community-based groups will participate in consultations for the project design.

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 design of structural and nonstructural measures will need participation of local residents, including the poor and vulnerable groups. Preparation of resettlement plan and other mitigation plans need participation of affected people. The TA will ensure that all relevant stakeholders are adequately consulted during the project design and preparation of social safeguard plans.

### 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

The civil works for various project components, such as river training, irrigation, and other physical works will involve land acquisition or land leasing. It is estimated that less than 200 persons will be affected by the land acquisition under

each subproject, and no one will be physically displaced. The activities such as terracing and bio-engineering will involve land leasing through land use right transfer (LURT). The TA team will include a resettlement specialist to assist the borrower in assessing land acquisition and resettlement impacts and preparing a resettlement plan; and undertaking necessary due diligence for existing land leases and preparing a LURT framework for future land leases under the project.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?

- Resettlement plan                       Resettlement framework                       Social impact matrix  
 Environmental and social management system arrangement                       None

**B. Indigenous Peoples Category**  A  B  C  FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples?  Yes  No

The project area population mainly comprises mainstream Han population. There are a few ethnic minority groups of Mongolian, Man, and Hui in the project area, and they are not identified as being vulnerable due to their ethnic background; and the project is not expected to have any differential impacts to them. The TA team will include a social specialist to assist the borrower in undertaking further due diligence during the project preparation stage.

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain?  Yes  No

3. Will the project require broad community support of affected indigenous communities?  Yes  No

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

- Indigenous peoples plan                       Indigenous peoples planning framework                       Social Impact matrix  
 Environmental and social management system arrangement                       None

#### V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

- Creating decent jobs and employment (L)                       Adhering to core labor standards (M)                       Labor retrenchment  
 Spread of communicable diseases, including HIV/AIDS (L)                       Increase in human trafficking  Affordability  
 Increase in unplanned migration                       Increase in vulnerability to natural disasters                       Creating political instability  
 Creating internal social conflicts                       Others, please specify \_\_\_\_\_

2. How are these additional social issues and risks going to be addressed in the project design?

Affordability of any increased irrigation water tariffs for the poor and vulnerable households will be assessed; and necessary mitigation measures will be developed. Employment opportunities during the project construction and operation will be assessed. Requirements of compliance with labor regulations and core labor standards will be included in the project assurances.

#### VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the TRTA (or other due diligence) contain key information needed to be gathered during TRTA 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?

- Yes                       No

The TA consultants' terms of reference include relevant activities, including (i) conducting the poverty and social analysis; and (ii) preparation of relevant planning documents, including a resettlement plan, a social development action plan, and a gender action plan.

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 transaction TA or due diligence?

An international resettlement and social development specialist, a national resettlement specialist, and a national social development specialist are included in the TA team. Necessary budget for survey, workshops, etc. is also included in the TA.

<sup>a</sup> Government of the PRC. 2015. *Outline of the Thirteenth Five-Year Plan for National Economic and Social Development, 2015–2020*. Beijing.

<sup>b</sup> State Council of the People's Republic of China. Policies: [Latest Releases](#).

<sup>c</sup> ADB. 2016. *Country Partnership Strategy: Transforming Partnership—People's Republic of China and Asian Development Bank, 2016–2020*. Manila.

<sup>d</sup> ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.