



# Initial Poverty and Social Analysis

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## REG: Livestock Production Support and Food Security Project

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## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Regional	Project Title:	Livestock Production Support and Food Security Project
Lending/Financing Modality:	General Corporate Finance	Department/Division:	Private Sector Operations Department/Office of the Director General

<b>I. POVERTY IMPACT AND SOCIAL DIMENSIONS</b>
<p><b>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</b></p> <p>The project is consistent with ADB Strategy 2030 which calls for scaling up financing for agribusiness and promoting gender equality in at least 75% of the number of ADB's committed operations by 2030.<sup>a</sup> The project is aligned with ADB's country partnership strategy, 2016–2020 for the PRC, which pushes for (i) promoting rural development and food security by improving market connectivity and agricultural value chain linkages; (ii) increasing agricultural productivity; (iii) improving food safety; and (iv) promoting innovative technology.<sup>b</sup> The project is included in ADB's Comprehensive Response to the COVID-19 Pandemic, which provides about \$1.8 billion funding for nonsovereign facilities to enable ADB to scale up its support for private entities impacted by the COVID-19 pandemic.<sup>c</sup></p>
<p><b>B. Poverty Targeting</b></p> <p><input checked="" type="checkbox"/> General intervention   <input 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>Agricultural development is vital to eradicating poverty and creating conditions for sustainable and equitable growth in Asia and the Pacific. Many people in the region rely on agriculture for their livelihoods, particularly the poor who live in rural areas. With the onslaught of the COVID-19 pandemic, however, these livelihoods are threatened and the poor and vulnerable are at risk of falling deeper into destitution if they lose their incomes during the crisis. The project will support New Hope Singapore (NHS) in its COVID-19 corporate response for operating expenses and increased working capital needs in nine countries in South and Southeast Asia during the COVID-19 outbreak.</p>
<p><b>C. Poverty and Social Analysis</b></p> <p>1. Key issues and potential beneficiaries. The intended beneficiaries of the project are NHS' workers and contract farmers whose livelihoods are threatened due to the COVID-19 pandemic.</p> <p>2. Impact channels and expected systemic changes. The project will support NHS in ensuring that (i) production at its feed mills, livestock farms, and contract farmers in South and Southeast Asia are continued during the COVID-19 crisis; (ii) employment of NHS workers and contracts with farmers are maintained; and (iii) workers' and contract farmers' livelihoods and incomes are sustained.</p> <p>3. Focus of (and resources allocated in) the transaction TA or due diligence. The due diligence will examine the potential social safeguards impacts and other social risks of the project and determine the capacity NHS to identify and manage them.</p>
<b>II. GENDER AND DEVELOPMENT</b>
<p>1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program? A UN Policy Brief on the impact of COVID-19<sup>d</sup> outlines that the impacts of the COVID-19 crisis are made worse for women and girls simply by virtue of their sex. Compounded economic impacts are felt by women and girls who are generally earning less, saving less, and holding insecure jobs – often working on the frontline – or living close to poverty. The health of women generally is adversely impacted through the reallocation of resources and priorities, including away from sexual and reproductive health services. Unpaid care work has increased, with children out-of-school, heightened care needs of older persons and overwhelmed health services. With restricted movement and social isolation measures, gender-based violence is increasing exponentially.</p> <p>2. Does the proposed project or program have the potential to contribute 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</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</p> <p>4. Indicate the intended gender mainstreaming category:</p> <p><input type="checkbox"/> GEN (gender equity)                      <input type="checkbox"/> EGM (effective gender mainstreaming)</p> <p><input checked="" type="checkbox"/> SGE (some gender elements)           <input type="checkbox"/> NGE (no gender elements)</p>
<b>III. PARTICIPATION AND EMPOWERMENT</b>
<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. The main stakeholders of the project are NHS' workers and partner farmers. NHS has been directly engaged with these stakeholders and have considered their needs in its COVID-19 corporate response.</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</p>

the poor and excluded? The project will help ensure that the livelihoods and incomes of NHS' workers and partners farmers are sustained.
3. What are the key, active, and relevant civil society organizations (CSOs) in the project area? What is the level of civil society organization participation in the project design? <input type="checkbox"/> Information generation and sharing (NA) <input type="checkbox"/> Consultation (NA) <input type="checkbox"/> Collaboration (NA) <input type="checkbox"/> Partnership(NA) As NHS are engaging directly with their workers and partner farmers, the scope for CSO engagement is limited.
4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how should they be addressed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>IV. SOCIAL SAFEGUARDS</b>
<b>A. Involuntary Resettlement Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Land acquisition will not be required as the project's purpose is to support NHS in its operational expenses and working capital needs. No new facility will be developed, and no existing facilities will be expanded. 2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process? <input checked="" type="checkbox"/> None
<b>B. Indigenous Peoples Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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 The project will focus on supporting NHS in its operational expenses and working capital needs. No new facility will be developed, and no existing facilities will be expanded. The project will not directly or indirectly affect Indigenous Peoples or their territories or natural or cultural resources. 3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process? <input checked="" type="checkbox"/> None
<b>V. OTHER SOCIAL ISSUES AND RISKS</b>
1. What other social issues and risks should be considered in the project design? <input type="checkbox"/> Creating decent jobs and employment <input checked="" type="checkbox"/> Adhering to core labor standards (L) <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 (L) <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 checked="" type="checkbox"/> Others: <u>Sustaining livelihoods (L)</u> 2. How are these additional social issues and risks going to be addressed in the project design? The project will help ensure that no workers will be laid off during the COVID-19 crisis and that their average annual incomes are sustained. NHS will be required to take measures to comply with internationally recognized core labor standards. The continuation of NHS's production will ensure a stable local supply of affordable animal proteins.
<b>VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT</b>
1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction TA 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 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? The project team will conduct the due diligence in accordance with ADB requirements.

<sup>a</sup> ADB. 2019. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

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

<sup>c</sup> ADB. 2020. *ADB's Comprehensive Response to the COVID-19 Pandemic*. Manila.

<sup>d</sup> United Nations. 2020. *Policy Brief: The Impact of COVID-19 on Women*. New York.