

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	People's Republic of China	Project Title:	Anhui Intermodal Sustainable Transport Project
Lending/Financing Modality:	Project	Department/ Division:	East Asia Department/ Transport Division

### I. POVERTY ANALYSIS AND STRATEGY

Targeting classification: GI

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

The project is consistent with the PRC Government's Twelfth Five-Year Plan, 2011–2015 of the PRC. It will contribute to inclusive and balanced regional development, bridging the rural–urban divide by facilitating urbanization, and narrowing income disparity. It also aligns with the Outlines for Development-oriented Poverty Reduction of China's Rural Areas (2011–2020) as well as with several provincial and local government policies for economic development. The project is consistent with ADB's 2011–2015 country partnership strategy for the PRC, which aims at achieving poverty reduction and social stability through balanced development, enhanced urban and rural infrastructure, and environmental protection. The project addresses road safety, which is one of the four areas identified for increased attention in ADB's Sustainable Transport Initiative Operational Plan.<sup>1</sup> Addressing climate change in transport is another key theme under the initiative, and the project will address both climate change mitigation and adaptation. The project will improve traffic conditions for local residents, promote local economic development, improve public transportation services, and generate employment opportunities.

#### B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

##### Key issues.

1. **Key poverty and social issues and beneficiaries.** A poverty and social analysis that included gender analysis was undertaken in accordance with ADB guidelines to assess the transport and economic development needs of the project beneficiaries and to make the project more pro-poor, socially inclusive, and sustainable. The analysis was also used to formulate measures to deal with issues related to poverty, economic development, public participation, gender, vulnerable groups, safety, and other social risks.

The project will directly benefit 4.5 million people, both urban and rural. The urban beneficiary population is about 880,000, or 20% of the total. About 44,500 or 5% of the urban beneficiaries are poor. The population of the rural poor is 481,200, accounting for 13.3% of the rural population in the project area, according to the latest national rural poverty standard (CNY2,300).

The transport network within the project area is currently inadequate for rapid economic and industrial development. Lack of infrastructure and economic opportunities are some of the main reasons for poverty. The share of farm-based income is decreasing, and more diversified livelihood options are required to improve the living standards of the people. Lack of transport facilities also diminishes a local farmer's ability to access better markets and get higher prices for farm products. Along the Shuiyang River, poor drainage and floods also result in income losses.

2. **Impact channels.** The direct contribution of the project to poverty alleviation will come from (i) improved road safety and traffic conditions, (ii) public transport improvements on highways, (iii) the generation of skilled and unskilled job opportunities during construction, (iv) the creation of start-up and job opportunities in agri-tourism, catering, and other service industries in rural areas, (v) reduced losses from floods due to the project flood control component, and (vi) facilitation of convenient and safe public transit to social services.

Benefits will be channeled indirectly through the greater and more diversified employment opportunities to be created by the development of secondary and tertiary industries in the Wanjiang Demonstration Zone that the project's road and inland waterway transport improvements will support. The project will promote investment inflow into the area and add value to local farm products, which will narrow the socioeconomic disparities between urban and rural areas.

3. **Other social and poverty issues.** The social and poverty issues in the project area include lack of employment and income-generating opportunities, as well as the impacts of flooding.

<sup>1</sup> ADB. 2010. *Sustainable Transport Initiative Operational Plan*. Manila.

4. **Design features.** The project design features that address key poverty and social issues focus on (i) improving the road network, (ii) including a nonmotorized transport component for all road segments passing through urban areas and close to population centers, (iii) providing safe and dedicated right of way to cyclists and pedestrians, (iv) Shuiyang River flood control and improved ferry docks with a user-friendly design, (v) road safety measures, and (vi) targeted employment opportunities.

**C. Poverty Impact Analysis for Policy-Based Lending—NA.**

**II. PARTICIPATION AND EMPOWERING THE POOR**

1. Summarize the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation. Extensive consultation was part of project design and has been documented in the resettlement plan and the poverty and social analysis report. A number of stakeholders, including women, the poor, and the elderly, took part in the consultations. During implementation, various plans, including the RP and the SDAP, will ensure that participation is built-in for such activities as resettlement implementation, road safety, and SDAP measures. Participation processes are reflected in the project's plans, loan assurances, and DMF. The project will also see formation of CCTATs, which will strengthen the participatory approach to designing safe and efficient road networks and transport services.

2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. CCTATs are to be set up to help manage road safety. This will help optimize the project design through community participation.

3. Explain how the project ensures adequate participation of civil society organizations in project implementation. The external monitor will be sourced from the research institutes or universities. CCTATs will be formed to manage and monitor road safety.

4. What forms of civil society organization participation is envisaged during project implementation? Indicate in each box the level of participation by marking high (H), medium (M), low (L), or not applicable (N) based on definitions in ADB's Guide to Participation.

Information gathering and sharing M     Consultation M     Collaboration M     Partnership

5. Will a project level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons particularly the poor and vulnerable?

Yes.     No.

No specific plan has been prepared, but measures on participation are included in the RP, the SDAP, and the EMP to ensure appropriate information dissemination, consultation, and public participation through all stages of the project. In addition, local residents, women, and the poor will participate extensively in the design, implementation, management, supervision, and maintenance of traffic safety activities.

**III. GENDER AND DEVELOPMENT**

Gender mainstreaming category: some gender elements

**A. Key issues.** The project is categorized as some gender elements. During public consultations, women said that improved road conditions will make it easier for them to go to work, go shopping, and buy daily necessities. They said it would also make it safer for children to go to school. Women in the Shuiyang River IWT subproject area said the channel needs to be improved because residents on both sides of the river take ferries to buy daily necessities, send children to school, and go to work.

**B. Key actions.**

Gender plan     Other actions or measures - SDAP     No action or measure

Measures to address gender issues have been incorporated in the project design and the SDAP and will be carried out during implementation. The design's gender-sensitive features include (i) user-friendly bus stops with seating arrangements for women, and ramp facilities for the physically challenged and mothers with prams or shopping trollies; (ii) safety features designed to cater to the needs of people with slow mobility, such as pregnant women, the elderly, and people with disabilities; and (iii) seven docks for public ferries along the Shuiyang River designed with ramps, seating facilities, and shelters that consider the needs of women, people with disabilities, and the elderly. In addition, (i) 40% of the unskilled jobs generated by the project will be given to women and the poor, (ii) 50% of the participants in training for livelihood improvement and diversification will be women, and (iii) women will make up one-half of the participants in the project's public consultations. The SDAP monitoring will include sex disaggregated information.

**IV. ADDRESSING SOCIAL SAFEGUARD ISSUES**

**A. Involuntary Resettlement**

**Safeguard Category:**  A     B     C     FI

1. **Key impacts.** The project is category A for involuntary resettlement. It will acquire 285.1 hectares of land that include 251.7 hectares of collective land and 33.5 hectares of state-owned land. Land acquisition and house demolition will affect 17,342 people in 4,408 households. This includes 877 households with 3,605 people who will be affected by house demolition. The project will also result in relocation of 33 enterprises, affecting 111 persons. The project will significantly affect 2,496 households of 9,584 people through physical displacement or the loss of more than 10% of their land and other productive assets.

<p>2. <b>Strategy to address the impacts.</b> Five RPs have been prepared in line with ADB's Safeguard Policy Statement (2009) and the relevant laws and regulations of Anhui Province and the PRC. The strategy includes minimizing land acquisition and house demolition in project design and implementation; providing full compensation based on replacement cost to the affected persons; providing relocation to housing plots or apartments, in consultation with the affected persons; undertaking measure to restore income and livelihoods; providing special assistance to vulnerable groups; and relocating affected enterprises. The RPs have been disclosed to the affected people and on the ADB website. Implementation of the RPs will be internally monitored by the respective IAs. Each IA will also appoint an independent external monitor to verify and monitor RP implementation and provide semiannual reports to the EA and ADB.</p>											
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<p><b>B. Indigenous Peoples</b> <span style="float: right;"><b>Safeguard Category:</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</span></p>											
<p>1. <b>Key impacts.</b> The population in the project area is predominantly Han, which is the majority ethnic group in PRC. No IPP is required. There are no ethnic minority communities impacted by the project. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>											
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<p><b>V. ADDRESSING OTHER SOCIAL RISKS</b></p>											
<p><b>A. Risks in the Labor Market</b></p>											
<p>1. Relevance of the project for the country's or region's or sector's labor market. <input checked="" type="checkbox"/> unemployment <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> core labor standards</p>											
<p>2. Labor market impact. An estimated 5,283 temporary and permanent skilled and unskilled jobs will be created during construction and operation of project components. The project will also help stimulate the development of secondary and tertiary industries, creating additional jobs. PMO will collaborate with the Labor and Social Security Bureau to ensure that the contractors employ local labor, especially the poor and women. The contractors will be required to ensure that workers received their entitlements, as outlined in national, provincial, and municipal laws and regulations and specified in project assurances.</p>											
<p><b>B. Affordability.</b> None of the project roads are tolled and are accessible to all.</p>											
<p><b>C. Communicable Diseases and Other Social Risks</b></p>											
<p>1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> Communicable diseases L <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) _____</p>											
<p>2. Describe the related risks of the project on people in project area. Project assurances will require the PMO to ensure that the contactors disseminate training on transmission of HIV/AIDS and other communicable diseases and take up preventive measures on construction sites for all new employees at time of their mobilization. Local CDC will disseminate similar information to the local communities within the project area.</p>											
<p><b>VI. MONITORING AND EVALUATION</b></p>											
<p>1. <b>Targets and indicators:</b> Indicators are provided in the SDAP. These monitoring indicators were fully discussed with the EA, IA, and the relevant agencies during formulation and finalization of the SDAP.</p>											
<p>2. <b>Required human resources:</b> During project implementation, the PMO will assign staff or a contract consultant, to collect baseline and progress data at the requisite time intervals for reporting, including annual reporting. The PMO and external monitor will be responsible for analyzing and consolidating reported data through its management information system and for reporting outcomes to ADB through quarterly progress reports.</p>											
<p>3. <b>Information in PAM and monitoring tools:</b> The PAM outlines the main poverty, social, and gender issues, and includes the RPs and the SDAP.</p>											

ADB = Asian Development Bank, CCTAT = community civil traffic action team, CDC = Center for Disease Control, DMF = design and monitoring framework, EMP = environment management plan, EA = executing agency, IA = implementing agency, IPP = indigenous people's plan, IWT = inland waterway transport, PMO = project management office, PRC = People's Republic of China, PPTA = project preparatory technical assistance, RP = resettlement plan, SDAP = social development action plan.

Source: Asian Development Bank.