



Initial Poverty and Social Analysis

Project Number: 46050
August 2012

PRC: Hubei Huanggang Integrated Urban Environment Improvement Project

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	PRC	Project Title:	Hubei Huanggang Integrated Urban Environment Improvement Project
Lending/Financing Modality:	Project	Department/Division:	EARD/EASS

I. POVERTY ISSUES

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

The project seeks to improve urban lake environment, reduce flood risk, create more urban green space, and expand access to urban infrastructure services and clean environment in a newly expanded urban area. The project will contribute to poverty reduction by improving public health, sanitation and living conditions, and supporting direct and indirect employment opportunities with expanded tertiary industries and enabling investment environment.

The project is in line with the priorities of Huanggang city master plan on environmental improvement and urban development. The project supports economically and socially inclusive urbanization and rural-urban transition in Huanggang and contributes to balanced regional development in the People's Republic of China (PRC) as well as in Hubei Province, thereby supporting the PRC's Twelfth Five-Year Plan. The project also supports the PRC's national poverty reduction strategy for development in small- and medium-sized cities to decrease the income gap between urban and rural residents. The project aligns with the PRC's country partnership strategy (2011-2015) promoting sustainable and environment-friendly urban development. The project also supports the PRC Central Region Development Strategy in (i) improving infrastructural conditions and investment environment, and (ii) promoting socioeconomic development in the region.

B. Targeting Classification

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

The project will provide urban infrastructure and environment improvements that will benefit the population of the city at large.

C. Poverty Analysis

1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed?

2. What resources are allocated in the PPTA/due diligence?

The project preparatory technical assistance (PPTA) will provide 3 person-months of international and 3 person-months of national expert.

3. If GI, is there any opportunity for pro-poor design (e.g., social inclusion subcomponents, cross subsidy, pro-poor governance, and pro-poor growth)? Please explain.

A poverty and social analysis (PSA) will be carried out during PPTA implementation to analyze the impact of the project on the poor and identify pro-poor design opportunities. Issues to be investigated include: access by the poor to public utility services; community participation in project components such as solid waste management; targeted assistance and institutional support for socioeconomically inclusive rural-urban transition and integration of rural people into the new urban district development, including the poor; environmental and public health awareness programs; flood protection programs; targeting opportunities for employment and capacity building. Capacity building during PPTA will strengthen the awareness of the executing and implementing agencies for pro-poor interventions and the need for continuous monitoring of social issues.

II. SOCIAL DEVELOPMENT ISSUES

A. Initial Social Analysis

Based on existing information:

1. Who are the potential primary beneficiaries of the project? How do the poor and the socially excluded benefit from the project?

Huanggang Municipality has five nationally recognized poverty counties and six provincially listed poverty counties. Project direct beneficiaries are future residents in the East New District, such as: (i) the existing urban residents who will move to the new district; (ii) affected people who are current residents of the project area; (iii) migrants from rural area in Huanggang; and (iv) new migrants from other regions to come for jobs with expanded secondary and tertiary industries. Project indirect beneficiaries include all residents in Huanggang city who will benefit from improved environment and urban services, relieved stress from the existing urban area and social services, and increased job opportunities. Project's targeted assistance for socioeconomically inclusive rural-urban transition will largely benefit the vulnerable groups in the society.

The project is expected to create large number of job opportunities for the duration of the operation and maintenance as well as construction phase. These jobs are generally low-skilled, hence, will be directed to the

poor. It is expected that more than 30% of the permanent job posts will be filled by women. Employment targets will be discussed with Huanggang Municipal Government (HMG) during PPTA Implementation.

2. What are the potential needs of beneficiaries in relation to the proposed project?

Improved water quality, reduced health risks and associated medical expenditure, improved urban services, reduced risk of flooding, improved public amenity areas, improved mobility and access to cleaner lake environment, and increased employment opportunities.

3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them?

There is a need to identify all pollution source points to the lakes and rivers and their environmental and social impacts and this will be achieved through a detailed survey during PPTA implementation. Dredging of sediments from the lakes and rivers is vital for environment improvement and reestablishment of natural connection of water bodies. Detailed investigation of sediments and scientific assessment of objectives, locations, methods, performance standards and mitigation measures will minimize the risk of secondary pollution and adverse impact on the community. The project design is largely contingent on the development planning of the overall East New District. The PPTA consultants will conduct a peer review of the development plan, assist HMG in participatory urban land use planning, and refine the project scope to better support environmentally sustainable and socioeconomically inclusive urbanization in Huanggang. Targeting of employment opportunities, implementation of community solid waste management pilot project, and environment awareness campaign will all help to ensure that benefits accrue to the communities, especially to the poor.

B. Consultation and Participation

1. Indicate the potential initial stakeholders.

The main stakeholders include national and provincial governments, HMG's development and reform commission, finance bureau, construction bureau, forestation bureau, water resources bureau, land resources bureau, environmental protection bureau, real estate administration, planning bureau, transportation bureau, public utilities bureau, municipal management bureau, public health bureau, civil affairs bureau, poverty alleviation bureau, Huangzhou District Government, women's federation, industrial development complexes, private companies providing work forces, design institutes, project affected people, and project beneficiaries including service customers, residents living near impacted lakes and rivers, and neighborhoods.

2. What type of consultation and participation (C&P) is required during the PPTA or project processing (e.g., workshops, community mobilization, involvement of nongovernment organizations and community-based organizations, etc.)?

The PPTA will conduct PSA and address social safeguards. Socioeconomic survey, stakeholder workshops, focus group discussions and informant interviews will be conducted during PPTA implementation. This will be complemented by survey and consultations under the resettlement and environment safeguards.

3. What level of participation is envisaged for project design?

Information sharing Consultation Collaborative decision making Empowerment

4. Will a C&P plan be prepared during the project design for project implementation? Yes No Please explain.

Key documents such as the social action plan (SAP), gender action plan (GAP), resettlement plans, and environmental assessments, including environmental management plan (EMP) will outline consultation and participation for implementation. Loan assurances will address implementation and monitoring of the plans.

C. Gender and Development Proposed Gender Mainstreaming Category: Effective Gender Mainstreaming

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project/program?

Women are disproportionately affected by health impacts of poor urban environment and they are primarily responsible for taking care of ill members of the family. It is envisaged that improvements in the lake and river side areas and public green amenity would greatly benefit women; providing cleaner, safer, and more pleasant environment. The project will provide significant employment opportunities directly and indirectly which can benefit women. Particularly, a number of green jobs will be created relating to landscaping of the public and wetland areas, which will provide long term employment opportunities to women. Public consultations and awareness programs on lake ecosystem, solid waste sorting and recycling, public health and safety, flood preparedness will also have important positive impacts.

2. Does the proposed project/program have the potential to promote gender equality and/or women's empowerment by improving women's access to and use of opportunities, services, resources, assets, and participation in decision making?

Yes No Please explain.

Gender analysis will be conducted as part of social assessment and gender actions will be incorporated in the design and implementation of the proposed project components, particularly in relation to the activities under lake enhancement, solid waste management, rural-urban transition, public awareness campaign, employment opportunities and resettlement plan. The GAP will identify strategies, mechanisms, and components for addressing gender concerns. Opportunities will be explored to collaborate with the women's federation in Huanggang to extend the project-related employment opportunities, trainings, public consultations and awareness campaigns during PPTA and outcome will be incorporated in the project design.

3. Could the proposed project have an adverse impact on women and/or girls or to widen gender inequality?
 Yes No Please explain

All beneficiaries will benefit from improved living conditions and access to services without widening gender inequality.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Nature of Social Issue	Significant/Limited/No Impact/Not Known	Plan or Other Action Required
Involuntary Resettlement	The project will involve land acquisition and physical and economic displacement. Detailed assessment will be conducted during PPTA implementation.	Significant (to be verified and confirmed during PPTA implementation)	<input checked="" type="checkbox"/> Resettlement Plan
Indigenous Peoples	Preliminary investigation indicates that there are few ethnic minorities in the urban area and none in the project areas. Ethnic minorities currently making up 0.05% of total population are socially and economically integrated in Huanggang Municipality. IP assessment will be confirmed during PPTA implementation.	No impact (to be verified and confirmed during PPTA implementation)	<input checked="" type="checkbox"/> None
Labor <input checked="" type="checkbox"/> Employment Opportunities <input checked="" type="checkbox"/> Labor Retrenchment <input checked="" type="checkbox"/> Core Labor Standards	The project will generate employment opportunities both directly and indirectly. Core labor standards will be used and included in the assurances. PSA will investigate the potential for labor retrenchment and, if found necessary, will prepare a labor reemployment plan.	Not known	<input checked="" type="checkbox"/> Uncertain
Affordability	Cost of the project works will be largely borne by HMG as a general good. The PPTA will conduct affordability analysis relating to potential introduction of solid waste tariff, along with subsidies to the poor.	Limited	<input checked="" type="checkbox"/> Uncertain
Other Risks and/or Vulnerabilities <input checked="" type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others (conflict, political instability, etc.), please specify	HIV/AIDS awareness and prevention activities will be included in the assurances and the contract documents.	Limited	<input checked="" type="checkbox"/> Other Action

IV. PPTA/DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the TOR for the PPTA (or other due diligence) include poverty, social and gender analysis and the relevant specialist/s?
 Yes No

2. Are resources (consultants, survey budget, and workshop) allocated for conducting poverty, social and/or gender analysis, and C&P during the PPTA/due diligence? Yes No

Consultants (6 person-months of international and national experts), socioeconomic survey (about \$20,000), and social development workshop and trainings (about \$3,000) are allocated under the PPTA.