

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China	Project Title:	Hunan Xiangjiang River Watershed Existing Solid Waste Comprehensive Treatment Project
Lending/Financing Modality:	Project	Department/ Division:	East Asia Department/ Urban and Social Sectors Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy <p>The project seeks to reduce accumulated environmental pollution in selected cities of Xiangjiang River Basin and improve urban environment. The expected outputs of the project are (i) cleanup of uncontrolled landfills through on-site closure, landfill mining, and pollution control; (ii) contaminated lands treatment for redevelopment; and (iii) purchase of waste handling equipment and construction of municipal solid waste management facilities including, transfer stations, sorting and recycling facilities, and waste-to-energy (WTE) plants in selected cities. The project supports the Twelfth Five-Year Plan of the People's Republic of China (PRC), 2011–2015, and these urbanization policies and priorities will continue during the PRC's Thirteenth Five-Year Plan. The project is (i) aligned with the country partnership strategy, 2011–2015 of the Asian Development Bank (ADB) for the PRC and a paper for a new partnership with middle income countries; (ii) included in the country operations business plan, 2015–2017 for the PRC; and (iii) consistent with ADB's urban and water operational plans which focus on inclusive and environmentally sustainable growth, improved quality of life for developing livable city, and expanded wastewater management and reuse for cleanup and rehabilitation of polluted freshwater resources.^a</p>
B. Poverty Targeting <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>The impact of the project will be improved environment in Xiangjiang River basin in Hunan province. Capacity building during the project preparatory technical assistance (PPTA) will strengthen the awareness of the executing agency and implementing agencies for pro-poor interventions.</p>
C. Poverty and Social Analysis <ol style="list-style-type: none"> 1. Key issues and potential beneficiaries. The direct beneficiaries of the project are approximately 24,000 residents in about 55 villages/communities. Broadly, the project will benefit the Xiangjiang River basin including eight key municipalities and 67 counties/districts with a total population of 39.8 million. Treatment of proposed 23 uncontrolled landfills will benefit 22 counties/districts of six municipalities (Chenzhou, Hengyang, Loudi, Yongzhou, Yueyang, and Zhuzhou). It will benefit 30.6 million local permanent residents of which urban residents are 14.7 million (48 %) and rural residents are 15.9 million (52%). 2. Impact channels and expected systemic changes. The living conditions of the beneficiaries and overall urban environment are expected to improve. The cleaning up of the proposed uncontrolled landfills will directly reduce flies and mice in the landfill, eliminate foul odor, and stop pollution on surface and ground water resources. This will have significant impact on public health through ensured safe drinking water, and reduced access and exposure to contaminated sites, and prevention of skin and water-borne diseases. The improved environment will benefit residents in neighborhood communities/villages, particularly women, children, and the elderly through reduced health care and medicine costs, thereby increasing work productivity. It will also avoid unfavorable impacts on downstream fishpond and vegetable farming that will minimize farmers' potential income loss. Further, the treatment will prevent the risk of landfill explosion and secure the safety of nearby villages/communities. Reduction of pollution from surface water and treatment of contaminated land will benefit farmers by increasing agricultural yields and ensure food security. Through improvement on the whole solid waste management system, the project will benefit both urban and rural residents, particularly women, elderly, and children. 3. Focus of (and resources allocated in) the PPTA or due diligence. The PPTA will (i) collect social and poverty data to assess the current needs of project beneficiaries and affected people, including local and/or non-local waste pickers whose livelihood will be adversely affected; (ii) assess the affordability for solid waste management; (iii) assess types of employment opportunities, and identify effective measures to improve employment opportunities for local people, including the poor and women; (iv) assess the negative impact and compensation mechanisms for those affected by land acquisition and resettlement during project implementation; and (v) identify effective mechanisms for community-based awareness activities (environmental, water, and sanitation) and participation in project monitoring activities.

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?	<p>Women are generally burdened with household and family responsibilities and are employed in low-paying jobs. Therefore, improving the waste collection system, urban environment, and living condition will especially affect women. Particularly, improving community waste collection system and cleaning up of the proposed uncontrolled landfill will significantly decrease family members' illness and associated time and cost burdens. New job opportunities created by the project will increase women's income and help to enhance women's economic status in the family. The PPTA will explore the possibilities to increase women's participation in decision making in the project design, implementation, and monitoring. The project will also help to improve the capacity of all female staff in various entities related to the project (e.g., the executing and implementing agencies).</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?	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please explain. Gender analysis will be conducted as part of the poverty and social assessment (PSA), and gender concerns and needs will be incorporated in the design and implementation of the project. Gender action plan will be developed, which will incorporate strategies, mechanisms, and actions to address gender concerns. Opportunities will be explored to collaborate with All China Women's Federation on women's employment, training, public consultation, and awareness raising issues.</p>
3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain.</p>
4. Indicate the intended gender mainstreaming category:	<p><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	
1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.	<p>The main stakeholders of the project include the project management office under Hunan Provincial Housing and Urban-Rural Development Department (HURD), implementing agencies (i.e., project municipal governments), and county governments, village/community committees, WTE plant operators, and contractors. Local residents in the project area are the direct beneficiaries, particularly those living in nearby uncontrolled landfills. During the PPTA implementation, HURD and implementing agencies will undertake public consultation activities focusing on design, implementation, and monitoring.</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?	<p>Accessibility and affordability of solid waste management will be assessed during the PPTA through the PSA.</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?	<p><input checked="" type="checkbox"/> Information generation and sharing (H) <input checked="" type="checkbox"/> Consultation (M) <input type="checkbox"/> Collaboration <input type="checkbox"/> Partnership The PPTA will identify relevant civil society organizations in the project area and suggest ways of their involvement.</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?	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The beneficiaries will be consulted during the PPTA implementation through social surveys, stakeholders' workshops, focus group discussions, and key informant interviews. Key documents, such as the resettlement plans, environmental management plan, social development action plan, and gender action plan will outline consultation and participation for implementation. Loan assurances will address implementation and monitoring of the plans.</p>
IV. SOCIAL SAFEGUARDS	
A. Involuntary Resettlement Category <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input 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?	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The proposed sorting, recycling, biogas, WTE facilities, and garbage transfer stations might cause involuntary land acquisition. Formal land acquisition procedure will be implemented on some landfills that are rented to villages by the government. In such cases, villages and villagers will be compensated for losing the land ownership. Considering public and environmental safety, households living within the 500 meter radius from the landfill border might have to be relocated. For the proposed six cities, it is estimated that over 200 affected people will lose 10% of their land, thus involuntary resettlement is categorized as A. HURD and six project municipal governments will be required to prepare resettlement plans in compliance with PRC regulations and ADB's Safeguard Policy Statement (2009) before the project due diligence consultant team is mobilized in January 2016. The resettlement plans will include due diligence report of involuntary resettlement.</p>

<p>caused by associated projects, e.g., WTE facilities.</p> <p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</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>As a multiethnic province, Hunan has 56 recognized ethnic groups. There are 665,000 ethnic minorities in Xiangjiang River basin, accounting for 1.0% of the total population. Yongzhou municipality is an important ethnic minority inhabited area with 532,000 ethnic minorities, accounting for 10% of the total population and 81.3% of ethnic minorities in the Xiangjiang river basin. In Yongzhou, 95.9% of the total ethnic minorities is Yao. However, the project does not include Jianghua and Jiangyong counties, where 78% of ethnic minorities of Yongzhou reside. The remaining ethnic minorities are scattered throughout the province. The preliminary assessment shows that except for land acquisition and resettlement, ethnic minorities will not be negatively affected. The PSA will help to quantify the ethnic minority beneficiaries and assess the project impacts. Measures will be developed to ensure that ethnic minorities will benefit from the project in a culturally appropriate way, and that adverse effects, should any be identified, are avoided or mitigated.</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?</p> <p><input checked="" type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p align="center">V. OTHER SOCIAL ISSUES AND RISKS</p>
<p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> Creating decent jobs and employment (L) <input checked="" type="checkbox"/> Adhering to core labor standards (L) <input type="checkbox"/> Labor retrenchment</p> <p><input checked="" type="checkbox"/> Spread of communicable diseases, including HIV/AIDS (L) <input type="checkbox"/> Increase in human trafficking <input checked="" type="checkbox"/> Affordability (M)</p> <p><input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability</p> <p><input type="checkbox"/> Creating internal social conflicts <input checked="" type="checkbox"/> Others, please specify: Impacts on informal waste pickers (M)</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>Solid waste tariffs are not fully introduced in many municipalities in Hunan. Applicability of solid waste tariff collection and their impacts to poor and vulnerable people will be assessed during the PPTA. If necessary, mitigation measures, such as subsidies or exemptions, will be considered and developed. The project will create employment opportunities during construction and operation. The use of core labor standards will be included in the loan assurances. HIV/AIDS clauses will be included in the bidding documents, and awareness and prevention activities will be held during the project implementation and included in the assurances.</p>
<p align="center">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?</p> <p><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?</p> <p>The PPTA will be implemented in two phases. The first phase will be conducted by a team of individual experts to work on the project design including appropriate schemes for public-private partnership. Based on the scope, a project due diligence team with 10 person-months of international experts and 13 person-months of national experts will be mobilized in the second phase. The composition of the project due diligence team including social and resettlement specialists will be finalized based on the outputs of the project design team. Expected inputs are (i) 2 person-months for the international resettlement and social specialist, (ii) 3 person-months for the national resettlement specialist, and (iii) 3 person-months for the national social development specialist.</p>

^a ADB. 2012. *Country Partnership Strategy: People's Republic of China, 2011–2015*. Manila; ADB. 2015. *Country Operations Business Plan: People's Republic of China, 2015–2017*. Manila; ADB. 2012. *Water Operational Plan, 2011–2020*. Manila; ADB. 2013. *Urban Operational Plan, 2012–2015*. Manila.