

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China (PRC)	Project Title:	Gansu Internet-Plus Based Socialized Agricultural Service System Development Project
Lending/Financing Modality:	Project	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 is consistent with the PRC's Thirteenth Five-Year Plan (2016–2020) goals of poverty alleviation and building a prosperous society through regionally balanced and environmentally sustainable growth particularly in rural areas of the poorer provinces. Catching-up of regions left behind by the rapid economic development of the last decades is one of the priorities of the PRC government under the Western Regions Development Strategy, and the Gansu provincial government. The ADB country partnership strategy for PRC 2016-2020 identifies inclusive growth as one of the three pillars which will be supported, among others, by boosting rural livelihoods and improving access to finance and markets for small and medium enterprises. The project will promote social and economic inclusion and sustainable livelihoods of the poor and vulnerable groups by providing agriculture service system, information technology (IT) for value chain, and information support to areas where rural poverty is still endemic.

B. Targeting Classification

General Intervention Individual or Household (TI-H) Geographic (TI-G) SDG (Goal 2)

Gansu is overall a relatively poor province compared to other provinces in PRC. In 2015, its GDP was per capita of CNY26,210 (equivalent to about \$3,770). 58 of the total 87 counties in the province are designated as national poverty counties. The selected cities have high levels of poverty. For example, 21%–28% of the rural population in Wuwei, Lanzhou, Dingxi, Tianshui, and Pingliang cities are living below the national income poverty line of CNY 2,300 per capita per year (at 2010 price equivalent). The project will contribute towards achieving the SDG (Goal 2) through enhancing agriculture productivity (or value chains) and improvement of farmers' livelihoods. The technical assistance (TA) will confirm the targeting classification based on updated poverty data and final project components.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. Currently, the transition of the agricultural sector in Gansu from small-holders with no marketing strategy to small and medium-sized enterprises and cooperatives is ongoing, but hampered by less developed IT-based agricultural service system and information. The main beneficiaries of the project will be members of cooperatives and small and medium-sized enterprises in the project area of seven cities named Jiuquan, Zhangye, Wuwei, Lanzhou, Dingxi, Tianshui, and Pingliang. For farmers' enterprises and cooperatives, the lack of IT-based agricultural service and information are the main needs and constraints to be addressed by the project. The TA will collect detailed information on key issues and beneficiary data.
2. Impact channels and expected systemic changes. It is intended that farmers, including the poor and vulnerable households will benefit from the project directly as participants in services provided under the project, in particular the IT-based agricultural service and information system, or as employees of enterprises and members of cooperatives. The TA will assess the needs of farmers including the poor and vulnerable households regarding relevant services, and propose design solutions together with potential beneficiaries.
3. Focus of (and resources allocated in) the TA or due diligence. The TA social development specialists will focus on establishing IT-based agriculture service systems that favor inclusion of rural farmers particularly poor and vulnerable households in accessing the project benefits and services and to ensure those households can also become beneficiaries or members of cooperatives.

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?

Women may lack necessary capacities, and financial and social capital, to become full members of cooperatives, or form part of management in participating cooperatives. Women have a higher workload than men, especially due to the fact that many male members of families are migrating and women are left behind to care for agriculture, the children, and the elderly. The TA will identify specific gender issues that need to be addressed under the project.

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 contain design features that improve access to IT-based agriculture service system for women, and provide capacity building to them. This will empower women socially and economically so they can play stronger roles in participating cooperatives and project-supported activities. Availability of local employment will reduce need for out-migration of men and therefore reduce the work-load of left-behind women. Women's organizations will participate in the provision of such services to female beneficiaries. The TA will undertake gender assessment and prepare a gender action plan. The TA will collect and analyze relevant data or information for the gender analysis, including: (i) identifying potential project beneficiaries, particularly women; (ii) collecting their baseline data (demography, agricultural and non-agricultural livelihood activities, jobs, income, etc.) and identifying their needs in a participatory manner; (iii) consulting with women groups on project components and developing specific measures for them in the project design; and (iv) identifying capacity development needs for women groups as well as project implementing agencies' staff.

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

Yes No Please explain

No adverse gender impacts are expected under the project. Instead, limitations in access to agricultural services for women are expected to be reduced and gender equality enhanced. The project design will ensure that women can access the services without gender discrimination.

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.

Farmers and cooperatives will be among the main beneficiaries of the project. Village communities represented by their village committees as well as farmer cooperatives will participate in project design. Local women's organizations and other community-based organizations will participate in consultations and design process. The TA will identify relevant stakeholders and prepare a consultation and participation plan to engage key stakeholders.

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 project will include design features to ensure that farmers including poor and vulnerable households will be encouraged to become members of cooperatives and participate in project activities. The consolidation of production base will be done in a way that farmers particularly poor and vulnerable households do not lose access to livelihood. The services to be provided under the project will ensure that farmers, including the poor and vulnerable households can benefit. Project induced changes in farming systems with new target standards will require provision of practical compliance solutions to farmers. A communication strategy and farmer training will ensure all farmers are enabled to participate and meet new target standards.

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 (H) Consultation (H) Collaboration (M) Partnership (L)

Women's Federation and farmers' cooperatives will participate in project design and implementation, and benefit from the project.

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

During project design, farmers, the poor and vulnerable households will be consulted and their needs assessed to ensure services designed are accessible to them and correspond to their needs.

V. 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 Project activities will occur on lands owned by cooperatives (or implementing agencies) that are already used for agriculture or other activities, or on lands leased from farmers through voluntary land use rights transfer (LURT). The TA will (i) screen potential LAR impacts to reconfirm the impact category; (ii) undertake due diligence on LURT contracts; and (iii) prepare necessary plans based on the screening and due diligence.

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

Resettlement plan Resettlement framework Social impact matrix

Environmental and social management system arrangement Land Use Rights Transfer Due Diligence Report

<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 type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Known Project cities include ethnic minority population. However, whether project activities will impact the ethnic minority communities triggering ADB requirements on IPs can be ascertained only after the project locations and beneficiary communities are determined during the project design. Category B is proposed as a precaution similar to the ongoing featured agriculture project in Gansu. The TA will screen potential impacts on the ethnic minorities to confirm the IP category; and prepare the ethnic minority develop plan, if needed, based on social assessments.</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>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No No activities under the project demand broad community support under the SPS.</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the TA or due diligence process? <input checked="" type="checkbox"/> Indigenous peoples plan (if needed) <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>V. OTHER SOCIAL ISSUES AND RISKS</p> <p>1. What other social issues and risks should be considered in the project design? <input checked="" type="checkbox"/> Creating decent jobs and employment (M) <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 type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design? Under the TA, social assessment will be undertaken and social and gender action plan will be developed to ensure employment opportunities created are targeting local population and poor and vulnerable households, and that applicable national and international core labor standards are applied. Affordability of services to be created and/or strengthened under the project will be assessed and necessary measures for poor and vulnerable households will be incorporated into the project design.</p>
<p>VI. TA OR DUE DILIGENCE RESOURCE REQUIREMENT</p> <p>1. Do the terms of reference for the TA (or other due diligence) contain key information needed to be gathered during TA 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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>3. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis, and participation plan during the TA or due diligence? One international and one national social development specialists, a social safeguards specialist, and budget for surveys.</p>

ADB = Asian Development Bank, GDP = gross domestic product, IT = information technology, LURT = land use rights transfer, PRC = People's Republic of China, SDG = Sustainable Development Goal, TA = technical assistance.