



Initial Poverty and Social Assessment

Project Number: 36455
April 2006

PRC: Preparing the Central Yunnan Roads Development Project

INITIAL POVERTY AND SOCIAL ASSESSMENT

A. Linkages to the Country Poverty Analysis

Is the sector identified as a national priority in country poverty analysis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Is the sector identified as a national priority in country poverty partnership agreement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Contribution of the sector or subsector to reduce poverty in the People's Republic of China:</p> <p>The transport sector helps reduce poverty (i) directly by improving access to markets, jobs, and social services; and (ii) indirectly by stimulating economic development. Poverty in the project area is mainly caused by the poor environment in this mountainous area and by lack of good transportation. The project road will link Wuding county to Kunming, the capital of Yunnan. The expressway will be an important transport link in the Kunming–Lanzhou corridor, one of the PRC's eight western development corridors and a missing link of the Beijing–Kunming section, one of the seven radiating expressways from Beijing in the PRC's National Expressway Network approved in 2005. The Project will (i) reduce travel distance, time, and cost for passenger trips and freight transport; and (ii) improve trade between western PRC and the GMS countries, thereby developing the economy, creating jobs, and improving access to social services.</p>			

B. Poverty Analysis

Targeting Classification: General intervention

<p>The Project will directly reduce poverty by creating construction jobs in the short term; improving access to markets for cash crops such as medicinal herbs, tobacco, sugar cane, and tea leaves; and attracting tourists. The Project will help develop the economy and thereby indirectly provide jobs and income-generating opportunities for local people.</p> <p>The Project will improve access to social services in the county centers and larger cities. Transportation is inconvenient and education and medical facilities are basic. Per capita GDP in Luquan County, a major project-affected area, was only CNY2,600 in 2003, 46% of the provincial and 26% of the national average. The project area (three counties and four urban districts) has two nationally designated poverty counties. Many of the poor are members of ethnic minorities living in remote mountainous areas.</p> <p>A detailed poverty analysis will identify the causes of poverty in the project area and demonstrate how the Project will help reduce poverty by incorporating specific measures in its scope. The analysis will be based on the <i>Handbook on Poverty and Social Analysis</i>.</p>
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C. Participation Process

Is there a stakeholder analysis?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>Major stakeholders include YPCD, local government, transport companies, local businesses, and local residents. Consultation began during the preparation of the preliminary feasibility study, which focused on the alternatives for the expressway alignment. Further consultation will be carried out for the EIA, resettlement planning, poverty and social analysis, and ethnic minorities development plan.</p>		
Is there a participation strategy?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>Local people will be consulted during the feasibility study, TA implementation, and preliminary design to (i) determine the expressway alignment; (ii) prepare village resettlement plans; (iii) formulate poverty reduction measures, including local roads and public transport services; (iv) identify special measures for ethnic minorities; and (v) prepare for construction jobs.</p>		

D. Gender Issue

<p>Strategy to maximize impacts on women:</p> <p>The TA will investigate opportunities to enhance the benefits to women through (i) improved public transport service, (ii) local road improvement, and (iii) rural business development, all of which lead to better access to education, health care, and markets. Focus will be on remote villages, where females tend to drop out of school and have limited skills for outside work. The ethnic minorities development plan and the resettlement plan will also include special measures to improve conditions for women.</p>

Has an output been prepared?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No. This will be prepared during the TA.
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E. Social Safeguards and other Social Risks

	Significant/ Nonsignificant/ None	Strategy to Address Issues	Plan Required
Resettlement	<input checked="" type="checkbox"/> Significant <input type="checkbox"/> Not significant <input type="checkbox"/> None	A resettlement plan will be prepared in accordance with Government regulations and ADB's policy on involuntary resettlement. ¹ The plan will be disclosed to the public and project-affected people. Internal and external monitoring arrangements will be put in place.	Full RP to be prepared
Affordability	<input type="checkbox"/> Significant <input checked="" type="checkbox"/> Not significant <input type="checkbox"/> None	The Project will reduce the cost of transportation and goods purchased from outside. Tolls are already charged on the existing highway.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Labor	<input type="checkbox"/> Significant <input checked="" type="checkbox"/> Not significant <input type="checkbox"/> None	In the short term, the Project will create construction jobs; in the long term, it will create jobs through economic multiplier effects. The Project will not have adverse impact on labor issues.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Indigenous Peoples	<input checked="" type="checkbox"/> Significant <input type="checkbox"/> Not significant <input type="checkbox"/> None	The EMDP will be prepared in accordance with ADB's policy on indigenous peoples. ² The plan will be disclosed to the public and project-affected people. Monitoring arrangements will be put in place.	EMDP to be prepared
Other Risks/ Vulnerabilities	<input type="checkbox"/> Significant <input checked="" type="checkbox"/> Not significant <input type="checkbox"/> None	The risk of HIV/AIDS and other STDs will be assessed during the TA. Prevention measures will be prepared.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

ADB = Asian Development Bank, EIA = environmental impact assessment, EMDP = ethnic minorities development plan, GMS = Greater Mekong Subregion, GDP = gross domestic product, HIV/AIDS = human immunodeficiency virus/acquired immunodeficiency syndrome, PRC = People's Republic of China, RP = resettlement plan, STD = sexually transmitted disease, TA = technical assistance, YPCD = Yunnan Provincial Communications Department.

¹ ADB.1995. *ADB's Policy on Involuntary Resettlement*. Manila.

² ADB. 1998. *ADB's Policy on Indigenous Peoples*. Manila.