China, People's Republic of: Hubei Yichang Comprehensive Elderly Care Demonstration Project

**Project Name**: Hubei Yichang Comprehensive Elderly Care Demonstration Project

**Project Number**: 49309-002

**Country / Economy**: China, People's Republic of

**Project Status**: Active

**Project Type / Modality of Assistance**: Loan

**Source of Funding / Amount**: Loan 3767-PRC: Hubei Yichang Comprehensive Elderly Care Demonstration Project

**Strategic Agenda**: Environmentally sustainable growth

**Drivers of Change**: Gender Equity and Mainstreaming

**Sector / Subsector**: Education / Technical and vocational education and training

**Gender**: Effective gender mainstreaming

**Description**: The project aims to support the development of a three-tiered elderly care system (ECS) in Yichang Municipality, Hubei Province by improving the coverage and utilization of home-based, community-based, and residential-based elderly care services. The project is aligned with the following impact: a three-tiered ECS (home-based, community-based, and residential-based care services) established. The project will have the following outcome: coverage and utilization of elderly care services in Yichang increased. Outputs include (i) home-based and community-based care services and facilities improved, (ii) elderly care service capacity increased and its support system improved, (iii) facilities and services supporting the integration of healthcare and elderly care established, and (iv) capacity of elderly care management and project management support developed.

**Project Rationale and Linkage to Country/Regional Strategy**: The People's Republic of China (PRC) has the largest elderly population in the world. Rapid urbanization, internal migration of youth from rural areas, and the previous one-child policy have affected traditional family support systems, which are currently unable to meet elderly care needs. The population is aging rapidly, while per capita income remains modest and social security systems are still developing. The growing demand to create a sustainable elderly care system (ECS) and develop adequate elderly care services exceeds current supply. Developing adequate elderly care is a major government priority. The PRC's Twelfth Five-Year Plan, 2011-2015 sought to create a three-tiered ECS. The Thirteenth Five-Year Plan, 2016-2020 continues to support the development of elderly care by further defining the roles of the government, private sector, and civil society organizations; and promoting better integration of health care and elderly care services. Yichang is one of 42 pilot cities jointly chosen in 2014 by the Ministry of Civil Affairs and National Development and Reform Commission to comprehensively develop its ECS, expand coverage, and ensure adequate service provision. The Asian Development Bank (ADB) began working with the Yichang Municipal Government (YMG) in 2014 to support its program of comprehensive reform by creating the Yichang elderly care strategic plan. In 2017, 22% of Yichang Municipality's population of 4.14 million was above the age of 60, well above the 2017 national average of 14.3%. Within the municipality, there is great diversity in the distribution of elderly and their care needs. Developing an ECS to address such complexity and demand is a significant challenge and one that is faced by many municipalities in the PRC.

**Impact**: A three-tiered elderly care system (home-based, community-based, and residential-based care services) established

**Project Outcome**

**Description of Outcome**: Coverage and utilization of elderly care services in Yichang increased

**Progress Toward Outcome**: The project progress is behind the schedule. The overall project implementation progress is about 60% as compared with the elapsed loan period of 80%. The cumulative contract commitments were $53.90 million accounting for 36% of the loan amount; total disbursement reached $42.00 million accounting for 28% of the loan amount.

**Implementation Progress**

**Description of Project Outputs**

1. Home-based and community-based care services and facilities improved
2. Elderly care service capacity increased and its support system improved
3. Facilities and services supporting the integration of healthcare and elderly care established
4. Capacity of elderly care management and project management support developed

**Status of Implementation Progress (Outputs, Activities, and Issues)**

Construction of 10 CECCs, SPH and Dementia Care Center is ongoing; Procurement of the geriatric hospital, CMTCC and ICT platform is under preparation, expected to start in Q3 2023. The ICT consulting firm (YC-ICT-S01) has been in place in Q2 2022 to prepare TOR for the software development consulting firm (YC-ICT-S02), which will be recruited soon. Training programs are developed and trainings are ongoing.

**Geographical Location**: Yichang

**Safeguard Categories**
The People's Republic of China (PRC) has preferential policies for ethnic minorities, to ensure they participate in service administration and development. Ethnic minorities associate well with other communities and will equally benefit from the project. Therefore, an ethnic minority development plan is not needed. The project will ensure elderly men and women participate equally in project-related public consultations; (ii) incorporate gender-responsive features in the project design, if any; (iii) promote increased employment opportunities for women; and (iv) build the executing and implementing agencies’ institutional capacity for gender mainstreaming by engaging the All China Women’s Federation to undertake employment training and public awareness creation. The project will acquire 6.28 hectares (ha) of land, 4.19 ha of collectively owned land, and 2.09 ha of state-owned land. A total of 15,313 square meters (m²) of houses will be demolished, including residential houses (5,433 m²) and nonresidential buildings of three enterprises (about 9,885 m²). The 269 affected persons include (i) 170 persons in 44 households, (ii) 51 employees in three enterprises, and (iii) 4 renters with 48 persons. Three households with 10 persons will lose their residential houses because of the demolition or the conversion to CECCs. Land acquisition will affect 23 households with 88 persons, and 18 households with 72 persons will be affected by land acquisition and demolition. The YMG will be responsible for compensation and provision of support and assistance prior to land acquisition and relocation activities. Affected persons do not rely on agriculture for their livelihoods, and the area of land lost is too small to impact household incomes. Land compensation payments will be considerable. Those who lose houses will be offered cash compensation at replacement cost or resettlement housing from the local government, and building compensation will enable them to purchase houses equal in size to their original houses. The three affected enterprises will receive negotiated prices before project implementation. The four affected renters with 48 persons will be compensated according to their contractual arrangements. The project team has informed the affected business owners and their employees when the properties will be acquired, and the local government will help them find new locations to continue their business activities. The project will provide skilled and unskilled job opportunities on a priority basis for all project-affected persons during construction and operation. The project will ensure elderly people, regardless of ethnicity, gain equal access to elderly care services based on care needs, and that their cultural and religious sensitivities are recognized and elderly care providers accommodate any special dietary requirements. Ethnic minorities associate well with other communities and will equally benefit from the project. Therefore, an ethnic minority development plan is not needed. The project will acquire 6.28 hectares (ha) of land, 4.19 ha of collectively owned land, and 2.09 ha of state-owned land. A total of 15,313 square meters (m²) of houses will be demolished, including residential houses (5,433 m²) and nonresidential buildings of three enterprises (about 9,885 m²). The 269 affected persons include (i) 170 persons in 44 households, (ii) 51 employees in three enterprises, and (iii) 4 renters with 48 persons. Three households with 10 persons will lose their residential houses because of the demolition or the conversion to CECCs. 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