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

Ordinary capital resources US$ 150.00 million

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**Strategic Agendas**
- Environmentally sustainable growth
- Inclusive economic growth

**Drivers of Change**
- Gender Equity and Mainstreaming
- Governance and capacity development
- Knowledge solutions

**Gender**
- Effective gender mainstreaming

**Sector / Subsector**
- Education / Technical and vocational education and training
- Health / Health sector development and reform - Health system development

**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) 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.

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

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**Project Outcome**

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

**Progress Toward Outcome**
Being achieved. As of August 2022, the overall project implementation progress is about 51% as compared with the elapsed loan period of 61%. The cumulative contract commitments were $40.85 million accounting for 27% of the loan amount; total disbursement reached $27 million accounting for 18% 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
Under output 1, 16 CECCs will be newly constructed or rehabilitated for home-based and community-based service provision. The overall progress of output 1 is 60%. A total of 9 civil works contracts and one equipment contract were awarded, and packages to be awarded include 5 civil works contracts and 5 goods contracts. Ten CECCs are being constructed following the original design. The overall progress of output 2 is 25%. The contract for the civil works package of a dementia care center (YC-DC-C04a) is signed. The other one civil works package (YC-DC-C04b) and one good package (YC-DC-E07) are scheduled for procurement in Q3 and Q4 2023 respectively. The ICT consulting firm (YC-ICT-S01) has been mobilized in the first quarter of 2022 and completed the design framework for the intelligent elderly care service information platform. The Three Gorges Vocational College has developed elderly care-related courses and will continue to conduct trainings for trainers for elderly care services. Two goods packages for the wellness and care training center of the Three Gorges Vocational College: (i) package YC-TC-E20 has been awarded and the equipment has been supplied; and (ii) package YC-TC-E21 will be signed by September 2022. The Caregiver and Manager Training and Career Center (CMTCC) component hasn’t started. The detailed design of CMTCC will be completed for procurement. The overall progress of output 3 is 40%. The civil works package (YC-ZH-C01) for People’s Second Hospital expansion has been awarded and the construction is ongoing at about 50% progress. The package of YC-ZH-C02 will start soon. The detailed design of the geriatric hospital and elderly care nursing home will be completed. The civil works package for mail building of the Geriatric hospital (YC-GH-C05a) is being designed. The overall progress of output 4 is 45%. A total of 13 consulting services contracts have been awarded, including 10 individual consultants and 3 consulting firm contracts. All the consultants engaged for strengthen the management capacity of the Yichang Civil Affairs Bureau and for elderly care technical support, and for project management support as well are in place.

Geographical Location: Yichang

Safeguard Categories

| Environment | B |
| Involuntary Resettlement | B |
| Indigenous Peoples | C |

Summary of Environmental and Social Aspects

Environmental Aspects

An initial environmental examination (IEE), including an environmental management plan (EMP), was prepared and disclosed on the ADB website on 19 July 2018. The EMP identified potential environmental impacts and risks for the pre-construction, construction, and operational phases; and proposed mitigation measures. The IEE concluded that the anticipated environmental impacts are insignificant and temporary, and can be mitigated through EMP implementation. Construction of 2 proposed geriatric hospitals, an elderly care nursing home, a dementia care center, and 16 CECCs is expected to have minor impacts on air and water quality, solid waste management, and soil and groundwater contamination during construction and operational stages; which can be adequately mitigated through EMP implementation and monitoring. Medical waste management due diligence/dressing storage, transportation, treatment, and associated facilities found safeguards procedures and operations to be adequate and strictly followed, and in compliance with both PRC and international regulations. YMG confirmed its commitment and capacity to implement the EMP. Further capacity-building measures were proposed in the EMP and agreed by YMG. A grievance redress mechanism will be established. The procedures, reporting timelines, and roles and responsibilities of all agencies are described in the EMP. YMG has full responsibility for safeguards oversight and EMP implementation and compliance.

Involuntary Resettlement

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 9,880 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 16 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.

Indigenous Peoples

The People’s Republic of China (PRC) has preferential policies for ethnic minorities, to ensure they participate in service administration and development programs, and manage their internal affairs. Ethnic minorities account for less than 1% of the population in the project impact areas. Most of the ethnic minorities in project impact areas (87%) are from the Tujia ethnic minority group, who share similar economic opportunities and social recognition with the PRC’s dominant Han population. 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.

Stakeholder Communication, Participation, and Consultation

During Project Design

The project will (i) ensure that 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.

During Project Implementation

Business Opportunities

Consulting Services

- QCBS (project implementation support) - 156 person-months
- QCBS (external monitoring) - 72 person-months
- Individual consultants selection (start-up) - 57 person-months
- QCBS (elderly care technical support) - 49 person-months
- Individual consultants selection (elder care system development) - 60 person-months
- CDSS (elderly care-ICT platform preparation) - 27 person-months
- QCBS (elderly care-ICT software development) - 200 person-months

Procurement

- National competitive bidding - 26 contracts
- Shopping - 2 contracts

Timetable

- Concept Clearance: 23 Nov 2016
- Fact Finding: 23 May 2018 to 31 May 2018
- MRM: 06 Aug 2018
Loan 3767-PRC

Milestones

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