

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	People's Republic of China	Project Title:	Multimodal Passenger Hub and Railway Maintenance Project
Lending/Financing Modality:	Project loan	Department/Division:	East Asia Department/Sustainable Infrastructure Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: general intervention

A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy

The proposed project is consistent with the Thirteenth Five-Year Plan, 2016–2020 of the Government of the People's Republic of China (PRC) and with the country partnership strategy for the PRC, 2016–2020 of the Asian Development Bank (ADB), which seeks to help the PRC develop sustainable, efficient, and safe transport systems. The transport sector contributes to poverty reduction through better access to markets, employment, and social services, and by promoting trade and stimulating economic development. In the PRC, the majority of the poor live in inland regions, especially in the western part of the country. As a poverty alleviation measure, the PRC has implemented the Western Development Policy. According to official data of the Liangshan prefecture, in 2016 11.9% of the prefecture's population, or over 88,500 people, were living below the national poverty line (defined as annual per capita net income of CNY2,736, or \$415). The project is consistent with the PRC's pro-poor economic development policy, which includes reducing regional development imbalances. ADB's country partnership strategy for the PRC also aims to enhance pro-poor economic growth through transport infrastructure development, and the project will augment safety through safe and reliable technologies in the railway network system.

B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence

1. Key poverty and social issues. The causes of poverty include (i) low profits from local products because of lack of market access and local processing of agricultural products, (ii) lack of local nonfarm employment opportunities; (iii) insufficient access to health care, (iv) vulnerability of fragile ecosystems, and (v) lack of access to credit and other social services. The project will improve safety of higher-speed railway operations that provide access to regional markets, thereby increasing profit margins and raising rural incomes.

2. Beneficiaries. The beneficiaries can be classified as direct and indirect beneficiaries. Direct beneficiaries are existing rail users and road users, including women, who may increase the use of rail because it saves time and costs (freight carriers and bus passengers). Indirect beneficiaries include general goods and service providers, suppliers of agricultural products and services, people engaged in marketing (producers and consumers), and stakeholder agencies.

3. Impact channels. Within the larger railway line development between Chengdu and Kunming, ADB's financing will support the construction of one large railway station, the Xichang west station multimodal hub, and the acquisition of railway maintenance equipment. The project will directly contribute to poverty reduction by providing employment during construction and operation of the multimodal hub. Indirect contributions to poverty reduction will come from generating economic and employment opportunities through an environmentally friendly and energy-efficient transport system. The project will indirectly contribute to poverty reduction by (i) integrating the project area with the wider network of trade and commerce in Southwestern China, (ii) creating better accessibility for tourism, and (iii) facilitating overall economic development of the region.

4. Other social and poverty issues. There are no other specific social and poverty issues.

5. Design features. The project will help develop modern, energy-efficient, and sustainable transport solutions in the southwestern PRC by developing a demonstration multimodal hub in Xichang and improving railway maintenance by procuring new railway maintenance equipment. It will also strengthen institutional capacity to manage railway maintenance. The impact of the project is development of a sustainable railway system in the southwestern PRC. Lack of efficient transport links is one of the key constraints to inclusive growth and poverty reduction in the Southwestern PRC. This project aims to support inclusive economic development by enhancing mobility and regional connectivity.

II. PARTICIPATION AND EMPOWERING THE POOR	
<p>1. Participatory approaches and project activities. From April to May 2018, in coordination with Chengdu–Kunming Railway Company Limited (CKRC), extensive consultations were carried out with stakeholders, which included (i) county and township executives; (ii) department heads of railway support offices; (iii) All-China Women's Federation units and local government offices for poverty reduction, transportation, agriculture, land resources and administration, economic planning, education, health, and statistics; and (iv) farmers and other beneficiaries.</p> <p>2. Civil society organizations. Focus group discussions were conducted with township committees and the mosque management committee in Xichang.</p> <p>3. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> Information gathering and sharing (H) <input checked="" type="checkbox"/> Consultation (H) <input type="checkbox"/> Collaboration <input type="checkbox"/> Partnership</p> <p>4. Participation plan. No specific plan is required. However, publicity and information dissemination related to the project's general and environmental aspects began during the feasibility study and was continued throughout the technical assistance implementation. This process of information dissemination and feedback will be continued by CKRC. These activities aim to provide timely information to all people living in the villages and to promote their participation in the project's implementation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
III. GENDER AND DEVELOPMENT	
Gender mainstreaming category: some gender elements	
<p>A. Key issues. Women will be equal beneficiaries of the project. The project will promote a hub design that takes into consideration the specific needs of women, particularly features to increase personal safety, and to facilitate the mobility of people taking care of others including children and the elderly. This is expected to benefit women and facilitate their travel, as they tend to take higher responsibility for these tasks. Increased mobility is expected to in turn increase accessibility to labor markets and as such increase women's economic participation, net income and savings, improving overall family welfare. The project will promote job opportunities for women created during construction and operation through set targets. The transport sector in the PRC provides a high percentage of employment opportunities to women. To further support this positive trend, the project has set targets for women participation in training to increase their technical skills in railway maintenance and in this way promote their participation in less-traditional fields of work for women.</p>	
<p>B. Key actions. <input checked="" type="checkbox"/> Gender action plan <input type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p>	
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES	
<p>A. Involuntary Resettlement Safeguard Category: <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. For output 1, a total of 530 <i>mu</i> of collective land was acquired for the construction of the Xichang multimodal hub, affecting 45 households with 187 persons.^a The total cost of land acquisition and resettlement was CNY38.7 million. A social compliance audit report was prepared in accordance with ADB's Safeguard Policy Statement.^b Furthermore, a Resettlement Due Diligence Report for associated facilities (the E'mei–Miyi Main Rail Line from E'meishan City to Miyi County) was prepared.^c The two reports include a corrective actions plan with time-bound actions to address the remaining resettlement issues. The implementing agency is committed to monitor and work closely with the relevant government agencies to manage resettlement issues. The executing agency will engage an external monitor for semiannual monitoring and reporting. Public consultations were undertaken during project preparation and will continue throughout the project cycle. A grievance redress mechanism has been established to address affected peoples' concerns and suggestions. Output 2 involves the procurement of maintenance equipment and therefore has no land acquisition and resettlement issues.</p> <p>2. Strategy to address the impacts. Not applicable.</p> <p>3. Plan or other actions. <input checked="" type="checkbox"/> Resettlement plan (and due diligence report and social compliance audit report) <input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix <input type="checkbox"/> No action</p>	
<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. The project does not anticipate any impacts that would trigger the policy on indigenous peoples under the Safeguard Policy Statement. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Strategy to address the impacts. Not applicable.</p> <p>3. Plan or other actions.</p>	

<input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix <input checked="" type="checkbox"/> No action	<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
V. ADDRESSING OTHER SOCIAL RISKS	
A. Risks in the Labor Market 1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L). <input checked="" type="checkbox"/> unemployment (L) <input checked="" type="checkbox"/> underemployment (M) <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> core labor standards (M) 2. Labor market impact. No significant adverse labor issues are associated with the project. The project will support local employment and ensure that all labor laws and regulations are adhered to by contractors. The project will support recruitment of local people for construction and operations. CKRC will supervise contractors to ensure labor standards are followed. Civil works contracts will stipulate priorities to (i) employ local people for works; (ii) ensure equal opportunities for women and men; (iii) pay equal wages for work of equal value, and pay women's wages directly to them; and (iv) not employ child or forced labor. Employment provisions are included in the gender action plan, which will be monitored during project implementation.	
B. Affordability Not applicable.	
C. Communicable Diseases and Other Social Risks 1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> Communicable diseases (L) <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) _____ 2. Risks to people in project area. An increase in labor movement could potentially lead to an increase in communicable diseases.	
VI. MONITORING AND EVALUATION	
1. Targets and indicators. The performance targets include jobs created for residents and members of officially poor and designated poverty households through the construction of the railway line in general, and not exclusively through the provision of safety and tunneling equipment. 2. Required human resources. Adequate resources will be made available. 3. Information in the project administration manual. The executing agency, implementing agency, and ADB will review the project semiannually to assess implementation progress and carry out a comprehensive midterm review 3 years after the project starts. Indicators will be integrated into the project performance monitoring system. 4. Monitoring tools. Internal monitoring will be part of project progress reports.	

^a A *mu* is a Chinese unit of measurement (1 *mu* = 666.67 square meters).

^b Social Compliance Audit Report (accessible from the list of linked documents in Appendix 2 of the report and recommendation of the President).

^c Resettlement Due Diligence Report (accessible from the list of linked documents in Appendix 2 of the report and recommendation of the President).