SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country: People’s Republic of China
Project Title: Jiangxi Ji’an Sustainable Urban Transport Project

Lending/Financing Modality:

| Project Loan |
| Division: East Asia Department/Transport 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 project is directly linked to the national and local policies for economic development and poverty alleviation in the People’s Republic of China (PRC). As envisaged in the 12th Five-Year Plan (2011–2015) the project will contribute to inclusive and balanced regional development, bridging the rural–urban divide by facilitating increasing urbanization and reducing income disparity. The project also aligns with the PRC’s ongoing efforts to reduce poverty as envisaged in the Outline for Development-oriented Poverty Reduction of China’s Rural Areas (2011–2020). Additionally, the project complies with the provincial and local policies for economic development. The project also supports the Sustainable Transport Initiative of the Asian Development Bank (ADB) by focusing on developing a safe, accessible, environmentally friendly, socially inclusive urban public transport system. Urban transport in Ji’an suffers from lack of infrastructure, poor traffic management and low-quality public transport. The proposed bus rapid transit (BRT) component will meet travel demand and help establish a modern, sustainable, efficient, safe, and integrated urban transport system. The inclusive aspects of the project are further enhanced by facilities for nonmotorized transport (NMT). The network of proposed roads will help integrate the new development area and planned high-speed rail station with the existing urban area and will improve urban accessibility. The Yudai River improvement will reduce flood incidents, provide a corridor for NMT, and will help develop a better living environment.

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. Key poverty and social issues. A poverty and social analysis (PSA) was undertaken. In Ji’an, per capita gross domestic product is about 52.7% of the national average, and 14% of rural inhabitants and 9% of urban inhabitants are classified as poor. The poverty incidence within the project area is 7.8%. There are no poverty villages or townships within the project area. Limited labor market skills and lack of stable sources of income are the main causes of urban poverty. Lack of resources, illness, and lack of education are some of the causes of rural poverty. Though a large section (59%) of the population is still engaged in farming, it contributes only a small portion (13.2%) of total income. Migrant and part-time labor are the main income contributors (62%), hence the need to strengthen nonfarm employment by creating economic and employment opportunities. Skill enhancement and social security programs are some other needs of the poor and vulnerable groups.

2. Beneficiaries. The project will benefit inhabitants of the Ji’an central urban area, including the new development area. The project beneficiary population is 468,177, out of which 62% is urban. The urban transport system greatly relies on motorcycles and electric bicycles, which together account for 62% of all trips. With rapid urbanization, bus travel is growing in importance. However, it is marred by an aging bus fleet, poorly maintained bus stops, an incomplete road network, and lack of transport integration, leaving some areas isolated and inaccessible.

3. Impact channels—direct. The direct contribution of the project to poverty alleviation will largely be the result of (i) improved and accessible public transit services for the poor, women, the elderly, and other vulnerable groups; (ii) creation of skilled and unskilled jobs during construction and operation; and (iii) measures to reduce greenhouse gas emissions. The Yudai River improvement will help prevent flooding.

Impact channels—indirect. Benefit channels relate to better and diversified employment opportunities created by developing secondary and tertiary industries; promoting investment inflows in the area; narrowing the disparity between urban and rural areas; and adding value to local farm and animal products.

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2 Under this initiative, the PRC government has incorporated development-oriented poverty reduction into its overall plan for national economic and social development, has formulated and implemented policies and measures conducive to the development of poverty-stricken rural areas, has made poverty reduction a priority in public finance budgeting, and has targeted poor areas as key recipients of public finance support.
3 Some of these policies are the Jiangxi Province Poverty Alleviation Plan (2011–2020) and Ji’an Municipal Poverty Alleviation Plan (2011–2020).
4. Other social and poverty issues. The social and poverty issues in Ji’an include lack of employment and income-generating opportunities, illness, and disability.

5. **Design features.** The project design focuses on improving public transport services—a bus rapid transit (BRT) system, along the main corridor of the city, will provide a convenient and affordable travel option. Other inclusive design features are NMT facilities, sidewalks, safe crossings, user-friendly buses and bus stops. The Yudai River improvement includes measures for flood prevention, NMT facilities, parks, and recreation facilities.

## II. PARTICIPATION AND EMPOWERING THE POOR

1. Extensive consultations with focus groups, as well as surveys, were part of the project design and are documented in the resettlement plan and PSA reports. The stakeholders involved in the consultation process included women, the poor, and the elderly. Stakeholder participation has also been built into project activities in accordance with various plans, such as the resettlement plan and gender action plan (GAP).

2. The All China Women Federation (ACWF) has regularly participated during project preparatory technical assistance to outline the issues related to women.

3. ACWF will participate in GAP implementation. The external monitor, and social safeguard and gender capacity specialists, will be sourced from research institutes or universities.

4. What forms of civil society organization participation is envisaged during project implementation? Indicate in each box the level of participation by marking high (H), medium (M), low (L), or not applicable (N) based on definitions in ADB’s Guide to Participation.

<table>
<thead>
<tr>
<th>Information gathering and sharing (H)</th>
<th>Consultation (H)</th>
<th>Collaboration</th>
<th>Partnership</th>
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</table>

5. Will a project-level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons particularly the poor and vulnerable?

| Yes | No separate plan has been prepared. A number of measures on participation are included in various plans to ensure appropriate information dissemination, consultation, and public participation throughout all stages of the project cycle. |

## III. GENDER AND DEVELOPMENT

**Gender mainstreaming category: effective gender mainstreaming (EGM)**

**A. Key issues.** The project is categorized as EGM. The PSA indicates that most women support the project. Women use public transport for economic and social purposes. Lack of adequate and reliable public transport and pedestrian facilities impairs their mobility. Traffic congestion, a crowded and slow public transport service, and inconvenient designs for buses and bus stops also restrict women's mobility, safety, and comfort. For women in the new development area, lack of adequate transport infrastructure, public transport facilities, and nonfarm employment are the key issues.

**B. Key actions.** Measures to address gender issues both in project implementation and in design have been incorporated in the GAP. The project design is highly gender sensitive, as BRT and NMT outputs will cater to urban women’s transport needs. Measures include: (i) gender-sensitive design; (ii) public participation involving at least 40% women with project promotion, training, and other activities conducted in times and at places convenient for women; (iii) safety measures for urban roads and the Yudai River segment; (iv) employment of at least 20% local women in unskilled construction jobs, at least 20% as drivers, and 50% for ticketing, fare collection, and administration work; and (v) gender-sensitive institutional strengthening and capacity building.

<table>
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<tr>
<th>Gender action plan</th>
<th>Other actions or measures</th>
<th>No action or measure</th>
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The GAP targets are supported by loan assurances and specialist support for implementation and monitoring. The design and monitoring framework, the project performance management system, and the GAP include sex-disaggregated indicators.

## IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

**A. Involuntary Resettlement**

**Safeguard Category:** A  B  C  FI

1. **Key impacts.** The project will involve land acquisition and resettlement (LAR). A total of 199 hectares (2,991 mu) of land will be acquired, including 162.2 hectares (2,434 mu) of rural land areas and 37.2 hectares (577 mu) of state-owned land. The acquisition will affect 1,742 households and 6,789 persons from 48 village groups in 4 towns. 70,682 square meters acquired of rural houses will be demolished, causing relocation of 184 households with 806 persons. In addition, 9,178 m² of urban housing will be demolished, affecting 90 households with 360 persons. State-owned land acquisition includes 14 work units with 30.5 hectares (458 mu) of land, and demolition of 14,795 m² of buildings, affecting 188 employees in these work units but without impacting their regular work.

2. **Strategy to manage the impacts.** A resettlement plan is prepared in line with ADB’s Safeguard Policy Statement (2009) (SPS) and related laws and regulations of Jiangxi Province and the PRC. LAR impacts are minimized in the project design. Full compensation will be paid to the affected people, and resettlement sites and resettlement

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5 A mu is a Chinese unit of measurement (1 mu = 666.67 m²).
programs will be developed in consultation with the affected people. Income and livelihoods will be restored. Temporarily occupied land will be compensated, and special assistance will be provided to vulnerable groups. A grievance procedure has been established. The project management office (PMO) will submit quarterly internal monitoring reports and will engage an independent external monitor who will submit semiannual monitoring reports to ADB during resettlement implementation.

3. Plan or other Actions.

☐ Resettlement plan  ☐ Combined resettlement and indigenous peoples plan
☐ Resettlement framework  ☐ Combined resettlement framework and indigenous peoples planning framework
☐ Environmental and social management system arrangement  ☐ Social impact matrix
☐ No action

B. Indigenous Peoples

Safeguard Category: ☐ A  ☐ B  ☒ C  ☐ F1

1. Key impacts. – Not applicable. ☐ Yes  ☐ No

2. Strategy to address the impacts. – Not applicable.

3. Plan or other actions.

☐ Indigenous peoples plan  ☐ Combined resettlement plan and indigenous peoples plan
☐ Indigenous peoples planning framework  ☐ Combined resettlement framework and indigenous peoples planning framework
☐ Environmental and social management system arrangement  ☐ Indigenous peoples plan elements integrated in project with a summary
☐ Social impact matrix  ☐ No action

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.
☐ unemployment  ☐ underemployment  ☐ retrenchment  ☒ core labor standards

2. Labor market impact. The project is estimated to generate about 4,673 jobs during construction, of which 3,271 (70%) would be unskilled jobs and 1,402 (30%) would be skilled jobs. These new jobs will contribute to higher incomes for local people, particularly for women and the poor and those affected by LAR.

B. Affordability

The fare rates are regulated and unlikely to increase. In case of an increase, representatives of the poor will be consulted and the project owner will ensure that they are able to afford public transport services.

C. Communicable Diseases and Other Social Risks

1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA):
☒ Communicable diseases L  ☐ Human trafficking
☐ Others (please specify) ________________

2. Describe the related risks of the project on people in project area.

Project assurances will require Ji’an Municipal Government to ensure that the contactors disseminate training on HIV/AIDS transmission and other communicable diseases, and take up preventive measures on construction sites for all new employees at the time of their mobilization. Local Community Disease Center will implement similar programs for local communities.

VI. MONITORING AND EVALUATION

1. Targets and indicators. To ensure that PMO will implement the social development action plan (SDAP) and the GAP, targets and monitoring indicators included in the plans were discussed and agreed with the executing and implementing agencies, and related agencies, at the time of formulating and finalizing SDAP and GAP.

2. Required human resources. During project implementation, the PMO will assign staff such as a gender focal person. The project provides for a gender specialist and a social safeguard specialist to help the PMO implement the GAP, resettlement plan, and SDAP. The external monitor will collect baseline data with follow-up tracer surveys and an end-line survey, and will report outcomes to ADB.

3. Information in the project administration manual. The transport division of East Asia department of ADB will review the periodic monitoring reports submitted by the borrower and will carry out regular review missions that will include safeguards specialists. The operations department will review the project completion report submitted by the borrower and will undertake a project completion review mission to ensure and verify that the project is compliant with the covenanted social safeguards and social development requirements.

4. Monitoring tools. The terms of reference for the external monitor are part of the project administration manual, which outlines monitoring tools such as surveys, sample size, and other qualitative methods.