

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	People's Republic of China	Project Title:	Jilin Urban Development Project
Lending/Financing Modality:	Project	Department/Division:	East Asia Department/ Urban and Social Sectors 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 development of Jilin Province reflects the urbanization challenges faced by the PRC. The Jilin provincial government has established an overall provincial strategy to boost the subregional hubs located along the development corridor. Baishan and Baicheng cities are located in the poor and remote southeast and northwest regions of Jilin that suffer from a lack of infrastructure investment; this restricts their urban development, and reduces their attractiveness as destinations for economic activities. Promoting growth of the cities in a sustainable manner is a key challenge to (i) balancing development within the province; (ii) providing improved livelihood opportunities to the growing population; (iii) boosting the local economy; and (iv) creating jobs and thereby helping to reduce the poverty rate in Baishan, Baicheng and surrounding areas. The project will contribute to poverty reduction by removing infrastructure constraints, addressing environmental concerns, promoting sustainable economic growth, helping to ensure public health, and supporting capacity building in Baishan and Baicheng. The project is consistent with ADB's PRC country partnership strategy, 2011–2015.^a The project focuses on urbanization and is in line with the PRC's rural poverty reduction strategy for 2011–2020,^b which recognizes urbanization as an important poverty reduction intervention and aligns with the poverty reduction strategy for the urban poor, as it will facilitate urbanization and generate employment opportunities.

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

1. **Key poverty and social issues.** In 2012, the official urban poverty incidence in Jilin Province was about 6.0%, placing it 6th out of the PRC's 31 provinces, municipalities and/or autonomous regions; in 2012 the rural poverty incidence was 6.2%, with a ranking of 19th nationally. Although Jilin Province is not the poorest in the PRC, development in Jilin's cities is uneven. Eight counties in Jilin are designated as poverty-stricken, including four counties administrated by Baishan and Baicheng.^c In Baishan City, the urban poverty incidence was about 12.5% (2nd among the nine prefecture cities in Jilin Province); the rural poverty incidence was 10.9% (1st among the prefecture cities). In Baicheng City, the urban poverty incidence was 10.2% and the rural poverty incidence 8.0%; both rank 3rd in Jilin Province as a whole. The high poverty rates in Baishan, Baicheng and the surrounding rural areas result mainly from unemployment and a lack of job opportunities. The urbanization rate in Baishan is 68.9%, but only 38.9% in Baicheng, well below the national average of almost 50%. Urban per capita income in Baishan is a little above the average for Jilin Province, but in Baicheng it is below the provincial average. The annual per capita disposable incomes of Baishan and Baicheng residents are below the average for the PRC.^d

2. **Beneficiaries.** The project will benefit a total of 786,000 people directly, including about 86,500 poor people and 39,000 women in Baishan and Baicheng. Demonstration of a community-based "3R" system to sort waste at the source will directly benefit about 52,000 inhabitants of targeted communities in Hunjiang District of Baishan, and 35,000 inhabitants in Taobei District of Baicheng. Improved solid waste management will directly benefit about 26,000 inhabitants in Hunjiang and 29,000 inhabitants in Taobei. Improving water supply management will directly benefit about 36,000 inhabitants in the Hunjiang and Jianguan districts of Baishan. Improving urban infrastructure and municipal services will directly benefit about 50,000 inhabitants in Taobei District. In addition, the project will indirectly benefit about 364,000 rural residents in three project districts by promoting urbanization through resolution of infrastructure bottlenecks and improved municipal services.

3. **Impact channels.** The project will contribute to poverty reduction in the project areas by (i) establishing a community-based 3R system to sort waste at the source, improving solid waste management and the supply of safe drinking water, and constructing a road network and related urban public facility services; (ii) providing direct employment opportunities to the urban and rural poor during construction and operation; and (iii) reducing environment-related diseases through sanitation and drinking water improvements. The project will indirectly generate economic and employment opportunities for the urban and rural poor through urban expansion and secondary and tertiary industrial development.

4. **Other social and poverty issues.** The project will improve urban infrastructure and promote urbanization. The Baishan improved water supply management will ensure sufficient water to meet the needs of the current and future urban population, including increased population resulting from migration of forestry workers. The Baicheng municipal services component will promote the development of the northwest industrial zone and attract more enterprises, and help absorb rural laborers to work in those enterprises and for municipal services.

5. **Design features.** The project design and investment directly respond to issues raised by the poverty and social assessment related to water services, solid waste management, and road and public transport. Key design features include (i) establishing a community-based 3R system to sort at waste at the source; (ii) targeting employment for women and poor people; and (iii) strengthening public participation and consultation in decision making related to public hearings, solid waste management, water conservation, and transport safety. The SAP and GAP outlined actions to ensure mitigation of adverse impacts and increase positive impacts of the project.

C. Poverty Impact Analysis for Policy-Based Lending: NA
II. PARTICIPATION AND EMPOWERING THE POOR
<p>1. Summarize the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation. More than 900 participants were consulted during the PPTA, including surveys of 500 urban and rural households, 18 consultation meetings with government agencies, six community FGDs, and six key informant interviews (case studies). The opinions and suggestions of participants are reflected in the poverty and social assessment, SAP, and GAP. About 2,700 people were consulted during preparation of the resettlement and environmental monitoring plans.</p> <p>2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. ACWF participated in consultations on women's employment, water services, road safety, and public transport; a school also participated in road safety and public transport consultations. ACWF will support the project's aims with regards to women's employment by providing information, small loans, public awareness campaigns, and training activities targeting women. Schools and drivers will be engaged in road safety and public transport awareness activities.</p> <p>3. Explain how the project ensures adequate participation of civil society organizations in project implementation. FGDs and key informant interviews conducted during project preparation included ACWF, schools, and community committees. During implementation civil society organizations such as ACWF will participate in public awareness programs on water conservation, 3R waste sorting at source, and road safety.</p> <p>4. What forms of civil society organization participation is envisaged during project implementation? <input checked="" type="checkbox"/> Information gathering and sharing (high) <input checked="" type="checkbox"/> Consultation (high) <input type="checkbox"/> Collaboration <input type="checkbox"/> Partnership</p> <p>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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Participation by the local ACWF, communities, schools and residents in public environmental protection and sanitation awareness activities, project construction, and tariff reform hearings is addressed in the SAP; participation by female residents is addressed in the GAP.</p>
III. GENDER AND DEVELOPMENT
Gender mainstreaming category: effective gender mainstreaming
<p>A. Key issues. Extensive consultation and gender analysis were conducted during the poverty and social assessment. The assessment indicated that women strongly support the project and are affected by unsatisfactory water and solid waste collection services, and poor mobility and access. Women are generally burdened with family and household responsibilities, and are employed in low-paying jobs. Improving water services by providing sufficient and safe drinking water and establishing new facilities will benefit women by reducing the time women spend collecting water. Improving community waste collection through community-based waste sorting that emphasizes waste reduction, reuse and recycling will benefit women by reducing illness and associated time and cost burdens. Improving transportation by improving the road network, public transport, pedestrian facilities and NMT will benefit women by increasing access, mobility, and safety; reducing time and cost burdens; and increasing the efficiency of daily life for families. Women will benefit by receiving priority for employment during project implementation and operation. Women's participation in public hearings, the waste sorting program design, the public transport services and road safety program, and relevant public awareness activities will strengthen project implementation and sustainable development.</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> <p>The GAP includes specific actions with targets for employment, participation, community-based waste management, public awareness of water conservation, road safety and public traffic services, and capacity-building opportunities. A national social (gender and public awareness) development consultant will provide 10 person-months of input will be engaged to support the PMOs and PIUs with implementation and monitoring. The GAP is supported by a loan assurance. The DMF, PPMS, SAP, and GAP include sex-disaggregated data and indicators.</p>
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES
<p>A. Involuntary Resettlement Safeguard Category: <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. The total permanent land acquisition will involve 2,425 mu, including 796 mu of stated-owned land and 1,629 mu of collective land. The total area of houses and/or buildings to be demolished is 59,715 m², including residential houses (54,446 m²), rural sheds (2,261 m²), and small shops and/or institutional buildings (1,117 m²). A total of 1,914 persons from 701 households are affected, including 364 households that are affected only by land acquisition, 293 households by house demolition, and 44 households by both.</p> <p>2. Strategy to address the impacts. Three resettlement plans were prepared in accordance with ADB's Safeguard Policy Statement (2009) and relevant laws and regulations of the PRC. It was disclosed to affected people in the local language. Compensation for all acquired and occupied lands, demolished houses, and any assets, and relocation allowances will provide to affected people at full replacement cost; livelihood measures in resettlement plants will be arranged before commencing relevant civil works. PMOs and PIUs will assume responsibility for planning, financing, implementing, and reporting land acquisition and resettlement. A GRM was established. PMOs will submit semi-annual internal monitoring reports. In addition, PMOs will recruit an external monitoring institute to conduct external monitoring and evaluation, and submit external monitoring reports to the PMOs, which will submit them to ADB on a semi-annual basis during resettlement implementation, and annually for 2 years after resettlement completion.</p>
<p>3. Plan or other Actions <input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Combined resettlement and indigenous peoples plan</p>

<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	
B. Indigenous Peoples	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
1. Key impacts. NA. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The project components are all focused on urban areas of Jilin province. There are no specific communities of ethnic minorities or groups that live separately and no adverse impacts are expected.	
2. Strategy to address the impacts. No specific measures are prepared for ethnic minority peoples for the project.	
3. Plan or other actions.	
<input type="checkbox"/> Indigenous peoples plan	<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan
<input type="checkbox"/> Indigenous peoples planning framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
<input type="checkbox"/> Social impact matrix	
<input checked="" type="checkbox"/> 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. Contractors will comply with national regulations. <input type="checkbox"/> unemployment <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> core labor standards (low)	
2. Labor market impact. During the project construction, a total of about 3,370 jobs will be created directly, including about 337 technical and management positions, 846 skilled laborer positions, and 2,187 positions for unskilled laborers. During operation, a total of about 321 jobs will be created directly, including 19 technical and management positions, 107 positions for skilled laborers, and 195 positions for unskilled laborers.	
B. Affordability No subsidies for water and solid waste are currently provided in the project cities for low-income households. A willingness-to-pay and affordability analysis indicates that average monthly expenditures for water account for 2.6% of the income of poor households, with home waste services accounting for less than 1%. Measures to ensure affordability for low-income households include (i) at least 15% of participants in the public hearing process on tariff increases will be urban low-income residents; and (ii) water and solid waste subsidies will be provided, or tariffs exempted, for low-income households if tariffs are increased above the current levels.	
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): <input checked="" type="checkbox"/> Communicable diseases (L) <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) NA	
2. Describe the related risks of the project on people in project area. Loan assurances and the SAP, GAP, and EMP require that information on HIV/AIDS/STI and communicable diseases be disseminated in construction sites for all new employees at mobilization. This will be conducted in collaboration with the local CDC. HIV/AIDS/STI and other communicable disease clauses will be included in contractor bidding documents.	
VI. MONITORING AND EVALUATION	
1. Targets and indicators. Skilled and unskilled laborers during implementation and operation: 15% poor and 30% female; female representatives: 30%; poor households in public hearings for water and solid waste management tariff reform: 15%; participants in 3R solid waste management, water conservation and road safety awareness: 15% poor and 50% female. PMOs will collect monthly employment records from contractors as part of SAP monitoring.	
2. Required human resources. Two national consultants with social (gender and public awareness) development and community solid waste management experience will provide 18 person-months of services. PMOs will appoint staff to monitor SAP and GAP implementation; PIUs will appoint staff responsible for implementation.	
3. Information in PAM. The main poverty, social, and gender issues are outlined, and the SAP and GAP are included, in the PAM.	
4. Monitoring tools. Internal monitoring results of SAP and GAP shall be a part of project progress reports.	

ADB = Asian Development Bank, ACWF = All-China Women's Federation, CDC = Center of Disease Control, PRC = People's Republic of China, DMF = design and monitoring framework, EMP = ethnic minority plan, FGD = focus group discussion, GAP = gender action plan, GRM = grievance redress mechanism, mu = Chinese measurement equivalent to 0.0666 hectare per 1 mu, N/A = not applicable, NMT = non-motorized transport, PIU = project implementation unit, PMO = project management office, PPMS = project performance management system, PPTA = project preparatory technical assistance, SAP = social action plan, STI = sexually-transmitted infection, 3R = waste reduction, reuse, and recycling.

^a ADB. 2012. People's Republic of China: Country Partnership Strategy (2011-2015). Manila.

^b State Council of the PRC. 2011. Development-oriented Poverty Reduction for China's Rural Areas (2011-2020). Beijing

^c Jingyu County of Baishan; and Zhenlai County, Tongyu County, and Da'an City of Baicheng.

^b In 2012, annual per capita disposable income of urban residents was as follows: Baishan: CNY21,282; Baicheng: CNY20,154; Jilin Province: 20,208; and the PRC: CNY24,565.