### SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

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<thead>
<tr>
<th>Country:</th>
<th>People’s Republic of China</th>
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<tr>
<td>Project Title:</td>
<td>Hubei Yichang Comprehensive Elderly Care Demonstration Project</td>
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<td>Lending/Financing Modality:</td>
<td>Project</td>
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<td>Department/Division:</td>
<td>East Asia Department/Urban and Social Sectors Division</td>
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## I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

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

In the People’s Republic of China (PRC), strengthening the provision of elderly care services is a key development priority. The PRC’s Twelfth Five-Year Plan, 2011–2015 presented the policy direction to develop a three-tiered elderly care system (ECS), which was strengthened in the Thirteenth Five-Year Plan, 2016–2020. The Hubei Provincial Government’s Twelfth Five-Year Plan, 2011–2015 focused on (i) improving elderly care service coverage, and the use of home, community, and residential services; (ii) stimulating investment in elderly care; and (iii) defining the roles and responsibilities of the government and the private sector regarding elderly care services. The project is aligned with the Asian Development Bank’s (ADB) (i) country partnership strategy for the PRC, 2016–2020, in particular the focus on inclusive growth; (ii) Operational Plan for Health, 2015–2020, which has elderly care as a focus area; and (iii) Strategy 2030, as improving the quality and coverage of elderly care services is key to address the operational priority of reducing poverty and inequality, particularly the areas of achieving better health for all and ensuring social protection for those in need.

The project will address challenges related to the PRC’s rapidly aging population and associated rising care needs. It will also make elderly care services accessible to elderly people who need care, and thereby contribute to inclusive economic growth of Yichang.

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

#### 1. Key poverty and social issues
Urbanization, internal migration, and the one-child policy have impacted traditional family values and practices. In 2017, the population of Yichang was 4.14 million, of which 0.92 million (22.2%) were elderly people (aged 60 years and above). The elderly ratio is projected to increase to 25% by 2020, and to 35% by 2030. In Yidu county and in Dianjun, Yiling, and Zhijiang districts, the average poverty rate is 5%, lower than that of Yichang (8.5%), while Zigui county has an average poverty rate of 15%. The lack of a steady income from land cultivation has kept average per capita income in Zigui county below the national poverty line (CNY3,000/person/year). Physical disabilities or long-term illnesses also contribute to the general poverty level. People living in urban Dianjun, Yidu, Yiling, and Zhijiang have multiple income sources, but unemployment, physical disability, lack of education and marketable skills, and frequent and long-term illnesses cause poverty in urban areas. Elderly care services are sometimes costly, and the poor elderly, especially those from rural areas, cannot access elderly care services with their current incomes, and need social assistance and family support.

#### 2. Beneficiaries
The project will benefit elderly in Yichang who need care. Target beneficiaries will be the majority of elderly people, mostly regular pensioners, who need elderly care, such as care for activities of daily living. The quality of current elderly care services is poor; moreover, many elderly care institutions do not accept elderly people with dementia or those with severe physical impairments. As a result, many elderly people need to stay at home, even if they need institutional care. In 2015, 57 elderly care facilities served Yichang: 17 were publicly owned and 40 privately owned. The project will increase the number of beneficiaries of home-care or day-care services by about 10%. A new dementia care center will look after at least 100 elderly people with dementia. Also, based on needs, another 500 elderly people will receive care from the improved geriatric section of a tertiary-level hospital or a secondary geriatric hospital. These expanded elderly care and geriatric care services will be ready by 2024.

#### 3. Impact channels
Direct impacts include (i) adequate and aging-friendly elderly care services based on needs; (ii) an increase in the number of elderly care facilities, in home-based care, and in community-based care services; and (iii) improved management capacity of Yichang Municipal Government to ensure the provision of adequate elderly care services to those in need.

#### 4. Other social and poverty issues
Yichang project management office (YPMO) will focus on elderly people over age 60 who live alone, as they are typically the most in need of elderly care but frequently have difficulty communicating their need for care. The project will support YPMO to develop an adequate care needs assessment system and set up the institutional arrangements required to implement the assessment. Furthermore, a monitoring system will be set up under the project. By developing and implementing those systems, YPMO will support those vulnerable elders to be included in the ECS in Yichang.

#### 5. Design features
Key design features include (i) improved community-based and home-based care services and facilities; (ii) improved systems to support elderly care service expansion and service delivery capacity; and (iii) establishment of facilities and services supporting the integration of health care and elderly care services.
II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Project planning information sources include three social surveys, three focus group discussions, and personal interviews with potential project beneficiaries. A survey to estimate the care needs of elderly people living in the communities interviewed 1,076 elderly persons. To assess the care needs of elderly people receiving residential care, 19 out of 31 residential centers were surveyed, with 519 residents participating. Among elderly care service providers, 47 (21 residential centers and 26 home-based and community-based services) out of 66 elderly care service providers were surveyed. Among the selected residential centers, 38% are public, 10% are publicly-funded and privately operated, and 52% are private facilities. Three focus group discussions were conducted in Yiling district, Yidu county, and in Wufeng county. The sites were selected based on the level of local economic development. In-depth interviews with 20 elderly care service receivers and potential care receivers were conducted to substantiate the sample survey findings.

2. The project will support Yichang Municipal Government to set up a standardized care needs assessment scheme to provide adequate elderly care services to those in need. To better understand the care needs of elderly people, elderly care-related local groups will be consulted during project implementation.

3. Civil society organizations. Consultations with local groups will help the executing and implementing agencies in delivering culturally appropriate elderly care services to all segments of the elderly population.

4. 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):
- Information gathering and sharing (L)
- Consultation (M)
- Collaboration (NA)
- Partnership (NA)

5. Participation plan. □ □ Yes □ No

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Effective gender mainstreaming

A. Key issues. Aging poses different health and social challenges for women and men. In the project areas, the distribution of elderly people by age and gender shows an imbalance in the gender ratio, with the proportion of women increasing with advancing age. Among those aged 80–90, there are 5% more women than men, and this pattern also holds for those aged 70–74 and 75–79. However, among those aged 65–69, there are 4% more men than women. Although women live longer than men on average, elderly women are more likely than men to have cognitive impairment. In addition, because of low incomes, poor assets, and small savings, women tend to have a low level of willingness to pay for the needed elderly care services. The majority of professional and family caregivers are women, and they are poorly paid, with limited social benefits. This has an adverse impact on their socioeconomic, physiological, and health status. Given the gender inequality in the workforce, including the gender gap in wages, female family caregivers are more likely than men to cut back on work hours or quit their jobs because of their family caregiving duties, and are left with low incomes, small savings, and reduced pensions. The project will benefit them, as it will target elderly people who need care, and strengthen caregiver training capacity.

B. Key actions. 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.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

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1. Key impacts. 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. The total area of demolished houses is 15,313 square meters (m²), of which 5,433 m² are residential houses, and about 9,880 m² are non-residential buildings owned by three enterprises. The project will affect 269 persons, including 170 persons in 44 households, 51 employees in three enterprises, and 4 renters with 48 persons. Three households with 10 persons will lose residential houses because of the demolition or the conversion to community-based elderly care centers. Land acquisition will affect 23 households with 88 persons. Eighteen households with 72 persons will be affected by land acquisition and demolition. Agricultural income losses arising from land acquisition accounts for less than 10% of the total household income of the affected households. Moreover, they depend more on non-agricultural employment for their household income than on land cultivation. Employees from the enterprises and businesses may be affected if businesses discontinue operations or move to other areas.

2. Strategy to address the impacts. Affected persons and communities have been consulted and land acquisition and compensation arrangements were discussed with individuals and community groups. A resettlement plan has been prepared that details the importance of consultation and participation, compensation, and assistance and income restoration arrangements; and the institutional setup, grievance mechanism, budget, and monitoring system.

3. Plan or other Actions.

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<tr>
<th>Plan or other Action</th>
<th>No action</th>
<th>Combined resettlement and indigenous peoples plan</th>
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<td>Combined resettlement framework and indigenous peoples planning framework</td>
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<td>Arrangement</td>
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<td>Social impact matrix</td>
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ADB’s indigenous peoples safeguard policy requirement. The project does not directly or indirectly affect the dignity, human rights, livelihood systems, and cultural uniqueness of ethnic minorities. Also, they do not claim any specific region, land, and territories as their own or occupy them as their ancestral domain. The Tuja ethnic minority who live in the project area comprise less than 1% of the project population. They are mostly urban and share the same institutions as others. The project is designed to cater to all elderly persons without preference or discrimination against ethnic minorities or households. One ethnic minority household will be affected by land acquisition. The impacts are not significant and have been addressed in the resettlement plan.

Is broad community support triggered? ☐ Yes ☒ No

2. **Strategy to address the impacts.** Improved availability, and accessibility of elderly care services will benefit ethnic minorities.

3. **Plan or other actions.**

   - ☐ Indigenous peoples plan
   - ☐ Environmental and social management system arrangement
   - ☐ Social impact matrix
   - ☒ Combined resettlement plan and indigenous peoples planning framework
   - ☐ 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).
   - ☒ Unemployment (L) ☐ underemployment ☐ retrenchment ☐ core labor standards

2. **Labor market impact.** The project will have a positive impact on the labor market as it would generate 3,268 jobs (1,032 skilled; 2,059 unskilled; and 177 managerial) during project implementation, most of which would be occupied by women.

B. **Affordability.** The project focuses on improving the coverage and utilization of home-based, community-based, and residential-based elderly care services, and will enable elderly people to avail of strengthened elderly care services.

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):
   - ☐ Communicable diseases (NA)
   - ☐ Human trafficking (NA)

2. **Risks to people in project area.** There are no risks to the people in the project area.

**VI. MONITORING AND EVALUATION**

1. **Targets and indicators.** Targets and indicators include (i) 3,268 jobs generated; (ii) skills training on information and communication technology delivered; (iii) in-service training to elderly care staff presented; (iv) gender-sensitive community feedback mechanism established; (v) geriatric medicine to 500 elderly people provided; (vi) rehabilitation and nursing services provided to 100 elderly people with dementia; (vii) gender-sensitive self-support groups established; (viii) culturally sensitive facilities for ethnic minority elderly people provided; and (ix) public communication between service providers and service recipients improved.

2. **Required human resources.** YPMO will recruit social safeguards specialists and a gender specialist. The All China Women’s Federation will work with YPMO, the gender specialist, and the implementing agency to ensure that enhanced elderly care will reach both elderly men and women who need care.

3. **Information in the project administration manual.** Social and gender indicators and targets are included in the project’s design and monitoring framework and in the project administration manual.

4. **Monitoring tools.** The social safeguards specialists and gender specialist will develop social and resettlement indicators and monitor their application. They will prepare monitoring reports and submit them to YPMO, the implementing agency, and ADB semiannually. Updated and revised project information, and social and gender action plan implementation information will also be included in the project progress reports. Social safeguard specialists and gender specialists engaged under the project will participate in project review missions.

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Sources: