

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	People's Republic of China	Project Title:	Shaanxi Green Intelligent Transport and Logistics Management Demonstration Project
Lending/Financing Modality:	Project Loan	Department/Division:	East Asia Department/ Sustainable Infrastructure Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Poverty targeting: general intervention
A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy Shaanxi faces development challenges because of increased industrial activities, pollution from traffic congestion, and inefficiencies in supply chain management. The project is in line with the national Thirteenth Five-Year Plan, 2016–2020. ^a The project is also aligned with Asian Development Bank (ADB) country partnership strategy for the People's Republic of China (PRC), 2016–2020, ^b and will focus on two of the seven operational priorities of ADB's Strategy 2030: operational priority 3 (tackling climate change, building resilience, and enhancing environmental sustainability); and operational priority 4 (making cities more livable).
B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence
<p>1. Key poverty and social issues. The most recent data show that in 2018, the population of Shaanxi was 38.64 million, and the total population of Xi'an, Ankang, and Yan'an was 14.93 million.^c The term "poor people" refers to the population eligible for a minimum living subsidy in Shaanxi Province; in 2019 there were 0.22 million poor people in urban areas and 0.98 million poor people in rural areas, together accounting for 3.10% of the total provincial population. In the three project cities, Ankang had the highest percentage (6.14%) of poor people in 2019, followed by Yan'an (5.21%) and Xi'an (0.97%). According to the poverty, gender, and social analysis,^d the main causes of poverty include the following: (i) unemployment and underemployment because of the single-industry structure in the project areas and insufficient new job opportunities; and (ii) lack of qualified a labor force because of low education and skill levels.</p> <p>2. Beneficiaries. In total, 14.93 million people will benefit from the project, including 7.32 million women (49.02%), 5.33 million rural residents (35.71%), 0.38 million poor people (2.54%), and 0.13 million ethnic minority people (0.90%). The project beneficiaries will have direct and indirect benefits from increased entrepreneurial and employment opportunities, improved and sustainable logistics services, less local traffic congestion, and an overall improved living environment.</p> <p>3. Impact channels. The project will bring direct impacts to beneficiaries by (i) reducing freight logistics costs and transportation time through upgrading of transport logistics infrastructure in the project area; (ii) adding to the value of agriculture products, improving food safety and security, strengthening agriculture producers' and sellers' resilience to climate change through increased capacity and more efficient and reliable urban and rural warehousing and cold storage facilities; (iii) generating direct employment opportunities during project construction and operation; (iv) driving the development of local industry and promoting its upgrading, and creating more jobs and business opportunities for local people; (v) improving local air quality and providing health benefits to local residents through reductions in annual emissions of carbon dioxide (69,967 tons per year), nitrogen oxide (383.9 tons per year), and particulate matter 2.5 micrometers or less in diameter (8.8 tons per year); (vi) developing more climate-resilient facilities; and (vii) promoting public awareness of green and low-carbon logistics and techniques through awareness campaigns. Local industries that contribute to poverty alleviation such as the apple industry in Yan'an and the plush toys and selenium industries in Ankang will benefit from the project. Implementation of a financial intermediation loan (FIL) through Bank of Communications branch in Shaanxi will encourage inclusive development and job creation by supporting small and medium-sized enterprises (SMEs) and women.</p> <p>4. Other social and poverty issues. There are no other specific social and poverty issues.</p> <p>5. Design features. The project design responds to issues raised by the poverty, gender, and social analysis. Key design features include (i) targeting employment and business opportunities to women and vulnerable groups; (ii) building accessible facilities for women and the disabled in the facilities constructed, such as accessible parking lots, toilets, and childcare centers; (iii) promoting public consultation and participation in decision-making by providing awareness-raising activities for green and low-carbon logistics; and (iv) providing access to improved logistics services to both end users and business users.</p>
II. PARTICIPATION AND EMPOWERING THE POOR
1. Participatory approaches and project activities. The project teams carried intensive consultations with local government agencies during feasibility studies preparation. The project team conducted focus group discussions and key informant interviews, including with the All China Women's Federation (ACWF); village committees and township governments; civil affairs, poverty alleviation, agriculture, ethnic and religious affairs, and human resource

