ADB

Initial Poverty and Social Analysis

People's Republic of China: Public-Private Partnerships Program to Transform Local Government Delivery of Elderly Care Services

Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China (PRC)	Program Title:	Public-Private Partnerships Program to Transform Local Government Delivery of Elderly Care Services

Lending/Financing Modality:	Hybrid	Department/ Division:	East Asia Department/Urban and Social Sectors Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The program will support Yichang Municipal Government's (YMG) efforts to develop systems to deliver quality and affordable home-based, community-based, and institutional elderly care (EC). The program will contribute to improving the quality of life for older persons, and directly address the demographic and economic challenges posed by the increasing care needs of Yichang rapidly aging population.

The program will support the People's Republic of China's (PRC) Thirteenth Five-Year Plan, 2016–2020, and the Yichang 13th Five-Year Plan (2016–2020); which will prioritize developing EC and expanding the three-tiered system (institutional, community-based, and home-based) of services. It is directly responsive to the State Council Opinions on Promoting the Development of Senior Care Service Industry issued in 2013, which seeks to stimulate investment in the sector and define roles and responsibilities for government and the private sector in the provision of EC services. The reform agenda of the Third Plenary Session of the 18th Central Committee of the Chinese Communist Party in November 2013 calls for an acceleration of reforms to improve and expand the provision of social services, such as education, health, EC, and social protection. The program is aligned with the Asian Development Bank's (ADB) country partnership strategy's (2016–2020) pillar on inclusive growth, the focus in the midterm review of Strategy 2020 on supporting social protection and health, and concurs with ADB's Health Operational Plan for 2020, which has development of elderly care systems (ECSs) and services as a focus area.

B. Poverty Targeting

☒General Intervention ☐Individual or Household (TI-H) ☐Geographic (TI-G) ☐Non-Income MDGs (TI-M1, M2, etc.)

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The PRC's population is aging rapidly at a time when the per capita income remains modest. Social security systems cover a broad portion of the population, but are still insufficient to meet the financial needs of retired senior citizens. Yichang Municipality had a total population of over 4.15 million, and an urban population of 1.53 million; there were 652,100 senior citizens over 60 years of age, representing about 16.06% of the overall population, and above the national average of 13.70%. In 2015, the number of people aged 65 and above in the urban districts was an estimated 103,000 (6.7%). Among these urban elderly, there is great diversity in care needs and their circumstances (income sources and level, assets, and family support). The significant increase of the elderly population will produce wide impacts on economy and society, and is creating a huge pressure to rapidly develop an ECS that can serve both rural and urban populations especially at lower income levels.

2. Impact channels and expected systemic changes. Impact channels include development of the ECS quality and service standards for YMG and improvements to the coverage, affordability, and quality of ECS.

3. Focus of (and resources allocated in) the TA or due diligence. Issues to be reviewed during the project design include the (i) affordability of ECS and care inclusiveness, (ii) capacity of government and private sector service providers to deliver quality three-tiered care; and (iii) needs and concerns of elderly Tujias (ethnic minority group).

4. Specific analysis for policy-based lending. Not applicable.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program? The gender dimensions of aging are in many ways the results of a lifetime of accumulation of vulnerabilities. Issues include disparities in lifespans for men and women, and in men's and women's financial assets to pay for care services, existing multigenerational care provider roles of women, and differential health care needs of men and women. One special area of concern is also regarding dementia and accompanying care needs since more women than men internationally are affected. A potential benefit is in the human resources development for the sector and the large employment impacts it can make for women.

2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making?

☒ Yes ☐ No

It will improve women's access to services and increase opportunities for employment in the sector.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

☐ Yes ☒ No

4. Indicate the intended gender mainstreaming category:

☐ GEN (gender equity) ☒ EGM (effective gender mainstreaming)
☐ SGE (some gender elements) ☐ NGE (no gender elements)

III.	PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. Main stakeholders are the elderly, EC service providers (government, private sector, and nongovernment organizations), health and social care providers and local government officials (health, civil affairs, labor, social security, education, construction, finance bureau, etc.). Extensive consultation will be conducted with all groups during project design to ensure that their needs and perspectives are addressed in the project.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded? The assessment on affordability, ability to pay, and the need for and use of care services will all require consultation with the elderly care workers and elderly care volunteers.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design? Older persons associations and volunteer networks to support elderly have been and are being created across the PRC. It will be very important for the project team to engage with them for their views and seek ways to include them in the project activities.

☒ Information generation and sharing (H) ☒ Consultation (H) ☐ Collaboration ☐ Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed? ☒ Yes ☐ No

Elderly will be consulted during the project design on issues such as, but not limited to, their needs, views on type, quality, availability and targeting mechanisms of services, location and design of facilities, affordability and ability and willingness to pay.

IV.	SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category	☐ A ☒ B ☐ C ☐ FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? ☒ Yes ☐ No
There may be some land acquisition caused by new facilities or previously acquired sites.

2. What action plan is required to address involuntary resettlement as part of the TA or due diligence process?
☒ Resettlement plan ☒ Resettlement framework ☐ Social impact matrix
☐ Environmental and social management system arrangement ☐ None

B. Indigenous Peoples Category ☐ A ☒ B ☐ C ☐ FI

Yichang is a multiethnic area with two *Tujia* ethnic autonomy counties, one minority town, and three minority villages (which are actually located in *Dianjun* District). According to the 6th National Census, the population of minority group in Yichang is about 472,000, accounting for 11.37% of the total population of the municipality. Among them, Tujia ethnic minority counts for the most. Overall, the project impacts are anticipated to be positive. Increased quality, availability, and accessibility of ECS as a result of the project will benefit all beneficiaries, including Tujia.

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? ☒ Yes ☐ No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? ☐ Yes ☒ No

3. Will the project require broad community support of affected indigenous communities? ☐ Yes ☒ No

4. What action plan is required to address risks to indigenous peoples as part of the TA or due diligence process? ☒ Indigenous peoples plan ☐ Indigenous peoples planning framework ☐ Social Impact matrix
☐ Environmental and social management system arrangement ☐ None

Due diligence will be conducted during the project design process to confirm the impacts. Measures to enhance program benefits for Tujia people will be developed and included in the social development action plan.

V.	OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?
☒ Creating decent jobs and employment (M) ☒ Adhering to core labor standards (M) ☐ Labor retrenchment
☒ Spread of communicable diseases, including HIV/AIDS (M) ☐ Increase in human trafficking ☒ Affordability (H)
☐ Increase in unplanned migration ☐ Increase in vulnerability to natural disasters ☐ Creating political instability
☐ Creating internal social conflicts ☐ Others, please specify _____

2. How are these additional social issues and risks going to be addressed in the project design? All these issues will be assessed during the poverty and social analysis (and due diligence of the TA) and addressed in design of the project components. The proposal from government has a focus on providing EC for the low and middle income groups of elderly.

VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT
1. Do the terms of reference for the TA (or other due diligence) contain key information needed to be gathered during TA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (v) other social risks. Are the relevant specialists identified? ☒ Yes ☐ No
2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis, and participation plan during the TA or due diligence? 1 person-month of international, and 2 person-months of national consulting services are budgeted for the poverty, social, and gender analysis.

ADB = Asian Development Bank, EC = elderly care, ECS = elderly care service, PRC = People's Republic of China, TA = project preparatory technical assistance, YMG = Yichang Municipal Government.
[a] ADB. 2016. *People's Republic of China: Country Partnership Strategy (2016–2020)*. Manila; ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila; ADB. 2015. *Operational Plan for Health, 2015–2020*. Manila. ADB. 2012. *Public-Private Partnership Operational Plan, 2012–2020*. Manila. The 2016–2020 CPS prioritizes development of ECS.