



Initial Poverty and Social Analysis

November 2018

People's Republic of China: Chongqing Innovation and Human Capital Development Project

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 12 October 2018)

Currency unit	–	yuan (CNY)
CNY1.00	=	\$0.1451
\$1.00	=	CNY6.8899

ABBREVIATIONS

ADB	–	Asian Development Bank
PRC	–	People's Republic of China

NOTE

In this report, "\$" refers to United States dollars.

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	People's Republic of China	Project Title:	Chongqing Innovation and Human Capital Development Project
Lending/Financing Modality:	Project	Department/Division:	EARD/EASS

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The Chongqing Innovation and Human Capital Development Project will contribute to socially inclusive, environmentally safe, and sustainable development of the Changshou, Dianjiang, Jiangjin, Nan'an, and Yongchuan districts of Chongqing Municipality. The project will provide improved access to employment opportunities, high-quality labor force education and labor market, and low-carbon and energy-saving construction and buildings.

The project will support the People's Republic of China (PRC) National New Type Urbanization Plan, 2014–2020 through supporting economically and environmentally sustainable urban development with focus on people;^a and the Thirteenth Five-Year plans of Chongqing and the project districts as well as urban and economic development master plans of the five project districts.^b The proposed project is aligned with ADB's Strategy 2030 and country partnership strategy for the PRC, 2016–2020, by supporting socially inclusive, environmentally sustainable, and economically competitive urban development.^c

B. Poverty Targeting

General intervention Individual or household (TI-H) Geographic (TI-G) Non-income MDGs (TI-M1, M2, etc.)

The project is aligned with Sustainable Development Goals (SDG) 8 (Decent work and economic growth), 9 (Industry, innovation, and infrastructure), and 11 (Sustainable cities and communities). It will provide (i) increased employment opportunities generated from the enabling environment for innovation and entrepreneurship; (ii) enhanced quality labor force from the improved mindset and attitude towards innovation and entrepreneurship at higher education institutions and the close link between the higher education institutions and enterprises in the project districts; and (iii) city-industry integration.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The project's primary beneficiaries include (i) students in the project university/institute, including girls, the poor, and the disabled; (ii) teachers in the project university/institute; (iii) relevant workers who will receive trainings from the project university/institute; and (iv) rural and urban residents in the project districts, including the poor and socially vulnerable. Improved teaching facilities and tools, training and practical bases, and entrepreneurial platform in the project university/institute will directly benefit the girls, the poor, and socially vulnerable. Provision of employment opportunities from the industrial parks will directly benefit the rural and urban laborers in the project districts, including women and the poor.

2. Impact channels and expected systemic changes. The project is expected to (i) improve the living conditions of the local residents through improved access to quality jobs; (ii) improve students' capacity through access to quality teaching, practice, and training in the university/institute supported by the project; (iii) match the teaching contents with demand of the enterprises in the project districts, and facilitate employment of the graduates; (iv) create a number of employment opportunities to the local laborers; and (v) make the project districts prosperous through thriving and diversified producer and consumer services.

3. Focus of (and resources allocated in) the transaction TA or due diligence. A poverty and social analysis (PSA) will be carried out during project preparation to analyze the impact of the project on the poor and identify pro-poor design features. Issues to be investigated include (i) access to improved teaching and practical/training facilities and tools, especially for female, poor, and other vulnerable students; (ii) access of women laborers and laborers from poor households to the project-created employment opportunities; and (iii) community participation in project components. Capacity building during the project preparation will strengthen the awareness of the executing and implementing agencies for pro-poor and gender equality promotion interventions.

4. Specific analysis for policy-based lending. N/A.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program?

About half of the project direct beneficiaries are women, including students and teachers in the university/institute supported by the project. New job opportunities created by the project will increase women's income and help to enhance their economic status in the family, especially for rural women who are generally employed in low-paid jobs. The technical assistance will explore the possibilities to increase girl students' and women's participation in

decision making in project design, implementation, and monitoring. The project will also help to improve the capacity of all female staff in various entities related to the project (e.g., the executing and implementing agencies).

2. Does the proposed project or program have the potential to contribute 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

Gender analysis will be conducted as part of the PSA, and gender concerns and needs will be incorporated in the design and implementation of the project. A gender action plan (GAP) will be developed, which will incorporate strategies, mechanisms, and actions to address gender needs and concerns.

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

Yes No

All residents will benefit from improved living conditions, access to urban, education and employment services including women. The project will benefit women by inclusion in consultation and participation of women during the project design.

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.

The project stakeholders include the districts governments and the concerned agencies, development and reform commissions, finance bureaus, women's federations, poverty reduction bureaus, land resource bureaus, civil affairs bureaus, planning bureaus, industrial park management committees, and other relevant bureaus. The stakeholders also include all urban and rural residents, including university students and teachers.

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?

A PSA and consultations will be conducted during the project preparation to identify views and concerns of beneficiaries, especially vulnerable groups, to inform the project design and develop measures for effective implementation of the project. Mechanisms of students', girls and boys, engagement will also be studied to improve the project design. Women and the poor will be included in consultation and participation during the project design, implementation, and monitoring.

3. What are the key, active, and relevant civil society organizations (CSOs) in the project area? What is the level of civil society organization participation in the project design?

Information generation and sharing Consultation Collaboration Partnership

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

The beneficiaries will be identified and consulted during the project preparation and implementation through social surveys, stakeholders' workshops, focus group discussions, and key informant interviews. Documents prepared during the project preparation including the environmental management plan, GAP, resettlement plans, and social development action plan will outline the program for consultation and participation of beneficiaries in the design and implementation of the project. Loan assurances will address implementation and monitoring of these plans. As the poor are the most vulnerable, they should benefit more from project improvements because the project activities will be socially inclusive.

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

For the subproject in Dianjiang, 60 mu of land is required. Land acquisition is being commenced and transferring farmland to construction land has been initiated. Houses and ground attachments have been demolished, and the relocation of households affected by house demolition has been completed.

2. What action plan is required to address involuntary resettlement as part of the transaction 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

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 The project will be implemented in the five urban districts where the population ratio of the ethnic minorities is less than 1%. They are socially and economically integrated in society and will not be differentially affected. All residents, students, and teachers, including ethnic minorities will benefit from the project. No adverse impact is expected on the ethnic minorities, and this will be confirmed during the project preparation.

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 transaction TA or due diligence process?

- Indigenous peoples plan Indigenous peoples planning framework Social impact matrix
 Environmental and social management system arrangement None

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 (L) Increase in human trafficking Affordability
 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? The project will create employment opportunities during construction and operation. The use of core labor standards will be included in the loan assurances. HIV/AIDS clauses will be included in the bidding documents, and awareness and prevention activities will be held during the project implementation and included in the assurances.

VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction 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 transaction TA or due diligence? A total of 7.5 person-months of international and national social development specialists and international and national social safeguards specialists are included in the technical assistance to conduct PSA and prepare the GAP, social development action plan, and land acquisition and resettlement plans. The project management office will engage qualified institutes to conduct survey for PSA, and land acquisition and resettlement. Resources will cover consultation, participation, quantitative, and qualitative surveys.

^a Government of the PRC, State Council. 2014. *National New-Type Urbanization Plan, 2014–2020*. Beijing.

^b Chongqing Municipal Government. 2016. *The Thirteenth Five-Year Plan Outline for Chongqing's Economic and Social Development*. Chongqing.

^c ADB. 2018. *Strategy 2030. Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.; and ADB. 2016. *Transforming Partnership: People's Republic of China and Asian Development Bank, 2016–2020*. Manila.