



## Initial Poverty and Social Assessment

---

Project Number: 43112  
May 2009

# UZB: Modernization and Improved Performance of the Amu Bukhara Irrigation System

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country/Project Title: UZB: Modernization and Improved Performance of the Amu Bukhara Irrigation System

Lending/Financing  
Modality:

Multitranches Financing Facility

Department/  
Division:

CWRD/CWEN

### I. POVERTY ISSUES

#### A. Linkages to the National Poverty Reduction Strategy and Country Partnership Strategy

In 2007 in Uzbekistan 25.8% of the population live below the poverty line.<sup>1</sup> Nationally, approximately one third or 2.3 million people were classified as extremely poor. Around 70% of the poor population lives in rural areas. While the data indicates some year on year change in levels, the trend is variable. To provide a perspective, in 2001, the poverty rate in rural areas of Uzbekistan was 30.5% (30% in 2005) versus 22.5% in urban areas. It declined in 2002 to 27.8% but went up slightly in 2003 to 28.7% while the overall poverty rate went down to 26.1% in 2004 and 25.8% in 2007. Poverty in the country has regional aspects. The highest concentration of poor households is in Karakalpakstan (44%) and the lowest one is in Tashkent city (6.7%) The poverty rate in Bukhara region is 20.8%.<sup>2</sup>

Poverty is predetermined by the differences in the levels of development of the regions. In the per capita production of gross regional product (GRP), the gap between the most and the least developed regions increased from 2.1 to 4.2 times in the 1991–2003 periods. Poverty in Uzbekistan also has demographic features—first, the category of the poor frequently includes families with many children and with lower labor force participation rates.<sup>3</sup> In 2005 the average size of poor families was 6.5 people, and in non-poor families 4.76 people. Thus the average dependence rate in poor families was 0.81 in comparison with 0.73 in non-poor families. In poor families there are more family members of a working age (3.6) in comparison with non-poor families (2.7). Poverty risk remains high for the population living in small towns where the poverty situation is aggravated by more limited access to land resources than in rural areas. As a result of the “small privatization” in the initial years of reforms, almost all families (96%) obtained property rights to housing, which previously had been municipal property.<sup>4</sup>

The agricultural sector is a sphere in which there is a high risk of poverty as a result of the unemployment of the working age population. The decrease in employment was caused by the overall process of restructuring the farms. The large private farms employ on average 25% less workers than shirkats, and only a small part of workers are employed officially while others are employed as temporary or seasonal workers. The restructuring in combination with the growth of the working age population has resulted in an increase in the numbers of people involved in low-paid and seasonal work in agriculture, which has a negative impact on living standards in rural areas.

Poverty is linked to deprivation from water in sufficient quantity and quality for normal domestic and irrigation uses. Deprivation from access to water for productive uses is a real obstacle that prevents poor people from fulfilling their basic income needs and escaping income poverty. Existing irrigation systems in the country are in a poor condition and some regions face water scarcity. In many regions drinking water is used for irrigating homestead plots in addition to drinking and sanitary purposes. The project will potentially increase the farm and households' incomes by providing reliable water supplies and improving water resource management at system and on-farm levels.

#### B. Targeting Classification

1. Select the targeting classification of the project:

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

2. Explain the basis for the targeting classification:

The project will reduce poverty in an indirect manner and include interventions to the irrigation and water resource management that generally improve the enabling environment for pro-poor growth and social development.

#### C. Poverty Analysis

1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed?

2. What resources are allocated in the TA/due diligence?

<sup>1</sup> Source: WB, estimation for the I-WISP-2005 and WISP-2007, LSA, 2003. According to these documents, energy consumption per capita per day below 2100 kcal was taken as a poverty line (and below 1500 kcal as extreme poverty line). This methodology is approved by the Government and the further monitoring living standards will be based on this methodology.

<sup>2</sup> Poverty rate data are unavailable at the level of some oblasts

<sup>3</sup> Household Budget Survey [HBS] 2001

<sup>4</sup> Research studies did not show any significant differences in housing size between poor and well-off families

3. If GI, is there any opportunity for pro-poor design (e.g., social inclusion subcomponents, cross subsidy, pro-poor governance, and pro-poor growth)?

## II. SOCIAL DEVELOPMENT ISSUES

### A. Initial Social Analysis

The key component of socio-economic wellbeing of the population is agriculture. The quality, efficiency and capacity of irrigation network and drainage facilities directly influence land quality. The deficiencies in the overall infrastructure, coupled with unsatisfactory drainage conditions have led to a vicious circle of land degradation and decrease of agricultural output in the project area. Majority of leasehold farms became unprofitable due to adverse conditions of irrigation and drainage systems. This situation is also aggravated by power cutoffs and worn-out pumping equipment. The shortage of irrigation water is another reason for the deterioration of land quality. This problem is so considerable that farmers use drainage water for irrigation, resulting in further deterioration of land. One of the reasons of irrigation water shortage is the technical conditions of the irrigation network. At the same time, farmers could not carry out the necessary cleaning and repair of irrigation canals, which sometime raises tension or potential conflict in rural communities and cooperatives

In some places the irrigation water from rivers and canals is being used for domestic purposes and drinking. Traditionally, people boil water before drinking. However, many rural people can't do it due to the limited access to gas and electricity, so they use traditional cheaper fuel, like dry dung, dry culms (collected and dried during autumn) for cooking. Under these circumstances women and children are at the risk to suffer from water born diseases. The most common water-related diseases are diarrhea, dysentery, gastrointestinal and kidney diseases and hepatitis. In addition, women and girls have limited access to hygiene and sanitary facilities compare to men and boys who can use rivers and canals. There are following problems in water sector and management: irrigation water scarcity; low salary and irregular payment to the sector's employees; equal access to irrigation and drainage system, irregular gas and electricity supply, lack of hygiene facilities/bath houses; morbidity growth (anemia, infection illnesses).

### B. Consultation and Participation

1. Indicate the potential initial stakeholders. Key initial stakeholders are: (i) poor families and their members, who spend a lot of time and effort on delivering water and housework; (ii) local government and Mahallas (self-governance bodies); (iii) Uzbekistan Communal Services Agency (UCSA); (vi) project management unit (PMU); (vii) Water Users Associations (WUAs); (viii) relevant nongovernmental Organizations (NGOs). A focus on data collection and analysis should be undertaken on vulnerable population groups (poor and women).
2. What type of consultation and participation (C&P) is required during the PPTA or project processing (e.g., workshops, community mobilization, involvement of nongovernmental organizations and community-based organizations, etc.)? *Involvement of NGOs and community-based organizations (Mahallas)*
3. What level of participation is envisaged for project design?  
 Information sharing    Consultation    Collaborative decision making    Empowerment
4. Will a C&P plan be prepared?  Yes    No Please explain.

### C. Gender and Development

1. What are the key gender issues in the sector:

In Uzbekistan the nation-wide reform process in the agriculture sector has resulted in reduced public sector employment. Men and women constitute different percentages of the overall labor surplus that occurred after reorganizations, women (32% of total number of able-bodied population employed in agriculture) are facing greater difficulty getting new employment and women's potential has not been sufficiently used. In rural areas usually men perform largely skilled and mechanized work and women are employed mostly for performing low-skilled manual work. In view of transition to contract-based labor, in the agricultural sector women have been pushed out from official employment and have only seasonal work opportunities. From the beginning of the reforms there has been a decline in women's employment in rural areas, largely due to the decreasing job opportunities in the formal sector. In Uzbekistan there were 212,500 leasehold farms in 2007. However, the number of leasehold farms led by women makes up only 8% of the total (or 17000 farms).<sup>5</sup> These numbers certify that the process of reform in rural areas did not contribute to the wider role of women in rural areas.

Agriculture sector reforms have led to a reduction of employment opportunities for rural women largely also due to the disappearance of many administrative and clerical jobs associated with the former state farming structure. The

<sup>5</sup> In accordance with the information provided by the Association of Dehkan and Leasehold Farms

transition to family operated leasehold farms has placed more emphasis on women working as part of the family enterprise rather than as formal employees of a farming enterprise. The burden of unpaid housework on women at home and in household plots has increased, especially in rural areas, because the size of rural family is notably bigger than that of urban family; urban/rural family size gap are becoming ever-increasingly significant. Rural women are responsible for farming their grade (household) plots and care of household livestock, a factor that makes unpaid work burden on women even heavier. The available data suggests that women represent only 4.8% of private farmers with the highest rate of women in Khorezm region (13, 1%) and the lowest - in Surkhandarya (1, 3%) region, in Bukhara region – 2, 0% accordingly. Farm and water management appears to have become a male occupation (only 6-8 % of woman). This implies that women are being excluded not only from key employment opportunities in the restructuring process, but also from positions of authority that could help empower them in local communities. The following factors are strengthening the vulnerability of rural women: the lack of proper conditions of life (running and irrigation water, power cut, irregular gas supply); women have to spend more time on their garden plots to supply foodstuff and to be involved in producing non-market agricultural output; low representation of women in local governments and management of water sector.

With the rising out-migration of the male rural/agriculture-based labour force to Russia and other CIS economies for better job and income opportunities, women are being forced by these economic circumstances to take over the agriculture work roles and responsibilities that have been traditionally reserved to their male counterparts, and become the dominant workforce in the sector. These women are being involved into irrigation activities due to the men's labor migration, but lacking professional skills and knowledge of water management. As long as women occupy leading management positions in agriculture, they have less organizational skills, but they are more active than men in introducing a new practices and principles of self-organization. Unfortunately, women do not have sufficient technical and financial skills to enable them to become effective and efficient farmers in the reorganized farms. Further, women are disadvantaged in performing these new agriculture responsibilities as they do not have access to nor are they legally/technically equipped to have a say on land and water use tenure rights, the two major factors of production which form the core of their agro-based assets, and credit. Women have also hardly any access to rural non-farm job opportunities because of their lack of experience on agribusiness ventures and other non-farm livelihood activities, limited understanding of domestic and international markets, and their overall lack of voice in their respective communities. The recent rise in global food and fuel prices coupled with the adverse impacts of climate change on agricultural production resulted in additional burden on rural women of Uzbekistan.

The priority gender issues in the agriculture sector are: (i) lack of access to legal information on land use rights for leaseholds; (ii) lack of access to water resources and ineffective water supply distribution; (iii) women's limited involvement in and power over decision-making processes and structures, particularly within Farmers' and Water Users Associations as well as other important value chain-based organizations; (iv) different opportunities for women and men in access to and control over water resources, costs and benefits of production; (v) lack of qualification and knowledge among women in water resources management issues; low qualification of mirabs (water suppliers/irrigators) who cannot provide the effective service to rural population.

Endowing poor women with irrigation assets and water for their own farm businesses especially in rural areas is an effective way to alleviate poverty. Women who are de jure and de facto heads of households and women who manage their own farm businesses alongside those of their male kin need direct access to irrigation water<sup>6</sup>. There is a need to identify the conditions under which women's irrigation businesses can be promoted and under which women can effectively participate in water management institutions at all levels.

2. Does the proposed project/program have the potential to promote gender equality and/or women's empowerment by improving women's access to and use of opportunities, services, resources, assets, and participation in decision making?<sup>9</sup>  Yes  No Please explain.

There is a need to promote women's decision-making roles in the planning and management of water supply and irrigation systems. Specific steps to enhance women's participation include: (i) identifying women's groups in the community; (ii) training women's community groups to participate in project-related activities, such as health/hygiene education and gender issues; (iii) training women's organizations (NGOs), including those representing poor women, in the decision making process including irrigation facilities (water-meters, mirab's activities); and (iv) providing employment opportunities for women in water sector. These activities will be elaborated further to develop the Gender Action Plan (GAP).

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

Yes  No Please explain. The proposed Project is unlikely to have any negative impacts on women. To ensure gender equality, a gender development plan will be prepared.

---

<sup>6</sup> Traditionally, irrigation agencies have tended to limit access to water to women

**III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS**

Issue	Nature of Social Issue	Significant/Limited/No Impact/Not Known	Plan or Other Action Required
<b>Involuntary Resettlement</b>		Not known. A provision has been made in the PPTA budget to investigate the need for a plan or other actions	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
<b>Indigenous Peoples</b>		Not known. A provision has been made in the PPTA budget to investigate the need for a plan or other actions	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> Indigenous Peoples Framework <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
<b>Labor</b> <input type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards	The project will not have any negative impact on water sector employees		<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
<b>Affordability</b>			<input type="checkbox"/> Action <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
<b>Other Risks and/or Vulnerabilities</b> <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others (conflict, political instability, etc.), please specify	No such risk or vulnerabilities are envisaged in the Project		<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain

**IV. PPTA/DUE DILIGENCE RESOURCE REQUIREMENT**

1. Do the TOR for the PPTA (or other due diligence) include poverty, social and gender analysis and the relevant specialist/s?  
 Yes     No If no, please explain why.
  
2. Are resources (consultants, survey budget, and workshop) allocated for conducting poverty, social and/or gender analysis, and C&P during the PPTA/due diligence?  Yes     No If no, please explain why.