

## Making Infrastructure Serve the Poor Better

By Jet Damazo

ACCORDING TO A Chinese proverb, you should “build roads if you want to be rich.”

To a certain extent, this is true. By building new roads—and the same goes for dams, bridges, and power plants—developing countries pave the way for an influx of trade and investments, the impact of which will be reflected in their economic indicators. However, the proverb is not always true in terms of social and poverty reduction impacts.

In this interview, Monawar Sultana, an ADB Social Development Specialist working in the Infrastructure Division of ADB’s Southeast Asia Department, explains what it takes to make sure that infrastructure projects serve the poor better.



Monawar Sultana, ADB Social Development Specialist, SERD

### **Q: What does it mean to provide pro-poor infrastructure?**

Pro-poor infrastructure relates to planning and implementing infrastructure projects in a way that benefits are ensured to the poor. For example, it means that the infrastructure project provides the poor with access to market facilities, and at the same time allows them to receive different services, such as agricultural extension. If the infrastructure in a rural area is good, then extension services will come, bringing with them knowledge and information, such as on pricing and product demand.

It also means giving the poor access to health services and to education. If an infrastructure project is designed to provide access to these types of facilities to the poor, then we can say that the infrastructure is pro-poor.

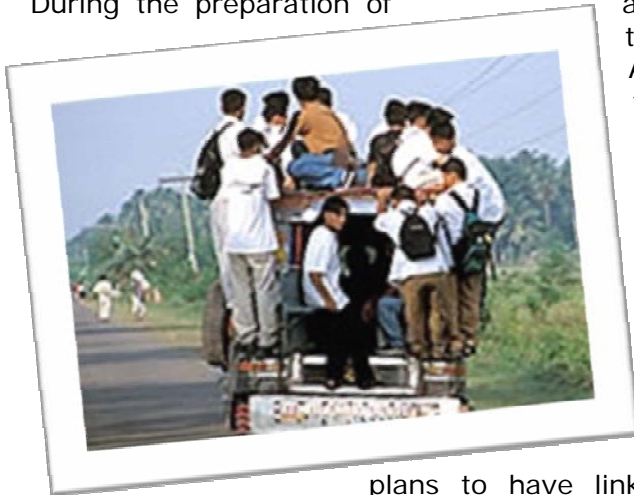
In rural areas, this may involve establishing access roads to new provincial roads or highways. In terms of urban infrastructure, new roads may reduce the cost of transportation for the urban poor, provide more frequent transport services, and increase the mobility of urban poor and access to income earning opportunities.

Providing affordable infrastructure services is another important element. The decisions on the tariff, user fees, and tolls for electricity, water, transport, and other essential infrastructure services need to be carefully made based on an extensive consultative process among key stakeholder groups, including representatives from the poor and low-income households. Building consensus on cash and in-kind contributions by the community members to the operation and maintenance of local-level infrastructure is another important dimension.

**Q: How do you ensure that an infrastructure project benefits the poor?**

First, we should coordinate with other players outside of the infrastructure sector to maximize the benefit of infrastructure projects for the poor.

During the preparation of



an ADB Country Partnership Strategy (CPS), there should be better coordination among the ADB Operations Divisions in a given country in terms of planning loans and technical assistance (TAs) for different sectors. For example, CPS preparation should look into whether the development of road projects will lead to an investment loan for agriculture, rural development projects, social sector projects, and TAs in the same project area.

When we build a highway or expressway, we should also look into other programs or projects in the area from the Government and other donors, to see whether there are

plans to have linked roads, or whether there are plans and programs for increasing agriculture productivity, rural development programs, rural industry, rural credit, social services, etc.

Second, we should do adequate social and poverty analysis of the project area to understand how the poor use the infrastructure provided, and how it affects them. We should look at the transportation costs and transportation time, because those have an impact on poor people's access to income earning opportunities and services. If roads are built, the price of produce may rise, however, the wages of laborers may not increase along with it, which means that the new road is not beneficial to increasing the income of poor laborers.

We should look into what kind of social capital can be built for the poor through TAs attached to loan projects. These TAs could facilitate social capital building for the poor, such as bargaining power for better wages, access to development project resources, access to services, etc. The social analysis built into projects should include measures to facilitate social capital for the poor and social inclusion, so that poor can benefit from infrastructure projects and are not marginalized in the process of development.

**Q: How do you reduce the potential adverse impacts of infrastructure projects, such as increasing the risk of human trafficking and spreading HIV/AIDS?**

In terms of negative impacts, the risk of spreading HIV/AIDS and human trafficking are often increased because of better access to roads. And often, the victims come from poor and rural families.

We usually have human trafficking and HIV/AIDS awareness programs built into ADB infrastructure projects. These awareness programs are usually carried out through construction contractors targeted at the construction workers. However, we should go beyond these. We should have more elaborate and comprehensive awareness programs involving communities at risk, and not leave up to the construction contractor the task of campaigning, which is often done in a short-term manner that provides little information both to communities and to workers.

**Q: Resettlement is often a problematic aspect of infrastructure projects. How should the poor be protected in this regard?**

ADB's Policy on Involuntary Resettlement has a strong pro-poor aspect. Infrastructure projects usually have resettlement plans built into them that address the vulnerable groups and the poor. But these have to be implemented well; if not, the poor and vulnerable become much more marginalized during the process.

From the resettlement planning stage, we should ensure that the poor have a voice. In local resettlement committees, there should be representatives from the poor affected households. We have to make sure that the consultation process during planning and implementation both involves the poor households and provides them with enough information on land acquisition, relocation, what compensation they will seek, when they will receive this compensation, grievance procedures, etc. We give a lot of attention to planning resettlements, but we need to give more emphasis on the implementation.

Since I came into this division, I have included in the resettlement plan the representation of affected poor households and ethnic minority groups in the commune or village-level resettlement committees. I introduced an adequate consultation process with the affected households, as well as mobilization and capacity building for these affected households so that they have enough information on their entitlements and compensation, on the whole planning and implementation process of resettlement, and on how to use their compensation money.

The inadequate or lack of information on resettlement activities given to the affected households during implementation process often results in the marginalization of the poor affected households. I think that a proper consultation process and adequate information can be empowering for affected households, allowing them to better negotiate their entitlement and compensation. These are some of the key elements of resettlement activities that should be built into projects.

Finally, building capacity among the central and local governments as well as resettlement committees is a crucial element in avoiding impoverishment risks of resettlement. I have been managing a TA<sup>i</sup> in Viet Nam that builds provincial government capacity in resettlement planning and implementation. It really shows that such an approach makes a difference in the attitudes towards and results of resettlement activities. More work is needed on this.

**Q: How else can ADB make its infrastructure projects more pro-poor?**

We need more comprehensive social analysis of infrastructure development projects. I don't think we are doing enough analysis, and also not paying enough attention to certain aspects of implementation. We incorporate some social protection and inclusion measures, but we have no way of knowing if these are effectively implemented because social development specialists often are not involved in project Review Missions. We should get social development specialists involved in Review Missions to look at the social and poverty aspects of infrastructure projects. #

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<sup>i</sup> ADB. November 2005. *Technical Assistance for the Socialist Republic of Viet Nam. Strengthening Institutional Capacity of Local Stakeholders for Implementation of Son La Livelihood and Resettlement Plan*. Manila (TA 4690, financed by the Poverty Reduction Cooperation Fund for \$1 million).