

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Maldives	Project Title:	Kulhudhuffushi Harbor Expansion Project
Lending/Financing Modality:	Project	Department/ Division:	South Asia Department Transport and Communications Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Targeting classification: general intervention
A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy
<p>Over one-third of the Maldives' population resides in and around the capital Malé, making it one of the most densely populated cities in the world. In stark contrast to Malé, the population on other islands of the Maldives is widely dispersed. Of the country's 1,190 islands, only three have a population in excess of 5,000 inhabitants, and one-third each have a population of fewer than 500 inhabitants. There are a large number of people who live on other islands and seek work in Malé. This has put great pressure on the city's resources. To relieve pressure on Malé, the Government of the Maldives seeks to increase employment opportunities in the atolls, including by increasing transport connectivity. Goal 3 of the Seventh National Development Plan is "to invest in strategic and state of the art infrastructure, to enable ease of movement, enhanced access to services, and build competitive advantage."¹ The plan includes regional development goals: "increase the range of economic and employment opportunities in the atolls; make the atolls more prosperous, livable and sustainable; and make the population living in the atolls healthier, more educated and more resilient." Further, the Seventh National Plan's transport strategy is to "establish ports and logistics clusters to facilitate the movement of goods, including food and consumer products to all the inhabited islands, and strategically locate regional ports and storage facilities for easy access and prompt distribution." The need for development outside Malé was recognized with the establishment of regional development centers in Hithadhoo in the south and Kulhudhuffushi in the north, complete with regional offices and ports capable of berthing moderate-sized overseas vessels.</p>
B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence
<p>1. Key poverty and social issues. The island of Kulhudhuffushi, one of the biggest and most populated islands in the north of the Maldives, is the capital of the Haa Dhaalu Atoll administrative division. The island has a population of over 8,000 people living in four wards. The region's population has grown by 1.68% between 2006 and 2012, and exhibits the highest growth rate in the Maldives outside of Malé.² The economy of the northern region is mainly based on fishing, agriculture, transport, and trading activities. The expanded harbor will allow residents of the outer islands to access services and amenities provided on Kulhudhuffushi such as housing, secondary education, quality health facilities, and financial services.</p> <p>Kulhudhuffushi is one of the few islands where higher secondary and tertiary education is offered in the Maldives. As of November 2015, there were 2,808 students and 245 teachers in one secondary and higher secondary school, two primary schools, and two preschools. Since 2012, the Maldives National University campus in Kulhudhuffushi has offered degree courses that allow students who complete their secondary and higher secondary education on the island to pursue higher education. The island is also the location of one of the few hospitals in the Maldives. The hospital operates daily for 24 hours with two general practitioners, four specialists, one radiographer, and 36 nurses. Medical tests like blood tests and urine tests can be done in the hospital. The island has stable electricity, telecommunications, and utilities.</p> <p>There is no absolute poverty on the island, but there are underprivileged residents, including single mothers and persons with disability. For all residents of Kulhudhuffushi, the project will generate employment-supporting construction activities and increase opportunities in the commercial sector. The project will lead to inclusive socioeconomic benefits for the inhabitants of Kulhudhuffushi and the northern region as a whole through improving the island's connectivity to regional and national markets, and promoting local and visiting populations' access to key services.</p>
<p>2. Beneficiaries. Beneficiaries include residents of Kulhudhuffushi and those living on nearby islands (especially women seeking specialized health services, students seeking higher education, and traders and fisherfolk seeking better markets), transport providers, businesses supporting construction and harbor operations, and various</p>

¹ Government of the Maldives, Ministry of Planning and National Development. 2007. *Seventh National Development Plan, 2006-2010*. Malé.

² Government of the Maldives, National Bureau of Statistics. 2014. *Population and Housing Census*. Malé.

government agencies.

3. **Impact channels.** The poor and vulnerable will benefit from the project, which will increase economic and employment opportunities by improving linkages between Kulhudhuffushi and outer islands. Improved connectivity will help island populations transport their produce faster and obtain goods and supplies more easily. There will also be improved access to public and social service facilities such as government agencies, health centers, and schools. There are provisions in the bidding documents for the civil works contract to comply with core labor standards.

4. **Other social and poverty issues.** No other social and poverty issues are anticipated.

5. **Design features.** The design of the expanded harbor will integrate features friendly to the elderly, women, children, and the disabled, including separate toilets and ablution and prayer facilities for male and female passengers, lighted waiting rooms, and disability-friendly access.

II. PARTICIPATION AND EMPOWERING THE POOR

1. **Participatory approaches and project activities.** Relevant stakeholders were consulted during project preparation. This was also done to increase awareness about the project, find out needs and concerns, and obtain suggestions for enhancing benefits and mitigating negative impacts. Continued consultation will take place throughout the implementation period. A grievance redress mechanism will be set up in all project areas.

2. Civil society will be continually consulted during project implementation. Civil society members will be part of the grievance redressal committee.

3. **Civil society organizations.** Civil society organizations will be consulted during project implementation.

4. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):

H Information gathering and sharing H Consultation L Collaboration L Partnership

5. **Participation plan.**

Yes. No.

Consultation and participation will take place. Although no separate project-level participation plan was prepared, the project management consultant's terms of reference clearly define the role for conducting continued meaningful consultation throughout project implementation.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: some gender elements

A. Key issues. Women residing on Kulhudhuffushi have direct access to health and education facilities and are active in the civil service and other sectors. However, social surveys and focus group discussions that were part of the project preparatory TA found that in the commercial sector, women's wages are typically lower than those of men. However, women can secure jobs more easily than men. The expanded harbor will give women from the outer islands better access to higher education and specialized health services, especially prenatal and postnatal support. The expanded harbor will also create more opportunities for women entrepreneurs. During focus group discussions, local women's groups indicated that the Asian Development Bank's Inclusive Micro, Small, and Medium-Sized Enterprise Development Project has provided relevant training to local women, and they look forward to having additional opportunities after the completion of the Kulhudhuffushi Harbor Expansion Project.³

B. Key actions.

Gender action plan Other actions or measures No action or measure

Findings from meaningful consultations with women that were part of the project preparatory TA guided the incorporation of practical and implementable gender-inclusive features that include (i) integrating features friendly to the elderly, women, children, and the disabled in the designs of the harbor, including separate toilets and ablution and prayer facilities for male and female passengers, lighted waiting rooms, and disability-friendly access; (ii) mandating that two of the five members of the grievance redressal committee are women; and (iii) including a provision in the civil works contract to promote compliance with all applicable labor laws, including setting equal wages for men and women for work of equal value, and encouraging increased employment of women and the local poor. The project management consultant's social development specialist will conduct semiannual monitoring of the implementation gender-inclusive features.

³ ADB. 2012. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant: Republic of the Maldives: Inclusive Micro, Small, and Medium-Sized Enterprise Development Project*. Manila (Loan 2867-MLD, Grant 0290-MLD, \$10,300,000, approved on 25 May).

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement **Safeguard Category:** A B C FI

1. **Key impacts.** Due diligence confirmed that the project will be implemented on reclaimed land that has been zoned for the harbor. The government owns the project site and there are no titleholders or non-titleholders occupying the area. No structures are being affected.

2. **Strategy to address the impacts.** The project management consultant's social development specialist will conduct semiannual monitoring to verify that there are no impacts during implementation.

3. Plan or other Actions.

<input type="checkbox"/> Resettlement plan	<input type="checkbox"/> Combined resettlement and indigenous peoples plan
<input type="checkbox"/> Resettlement framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Social impact matrix
<input checked="" type="checkbox"/> No action	

B. Indigenous Peoples **Safeguard Category:** A B C FI

1. **Key impacts.** There are no indigenous peoples in the project area as confirmed by the due diligence report. The population of the Maldives is ethnically homogenous with no recognized subcategories.

2. **Strategy to address the impacts.** The project management consultant's social development specialist will conduct semiannual monitoring to verify there are no impacts during implementation.

3. Plan or other actions.

<input type="checkbox"/> Indigenous peoples plan	<input checked="" type="checkbox"/> Combined resettlement plan and indigenous peoples plan
<input type="checkbox"/> Indigenous peoples planning framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
<input type="checkbox"/> Social impact matrix	
<input checked="" type="checkbox"/> No action	

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L).
L unemployment **L** underemployment **L** retrenchment **L** core labor standards

2. **Labor market impact.** Civil works will mostly require specialized laborers operating complicated machinery. Laborers will likely be migrant laborers. The contractor will comply with national labor regulations and core labor standards. The local population will benefit from job creation during construction as well as during harbor operations.

B. Affordability
 The project will reduce transport costs and increase the mobility of local population in the areas around the project.

C. Communicable Diseases and Other Social Risks

1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA):
L Communicable diseases **L** Human trafficking

2. **Risks to people in project area.** Based on findings from public consultations during the project preparatory stage, there is a high level of HIV/AIDS and sexually transmitted infection awareness among all segments of the population in Kulhudhuffushi. This is due to the high number of targeted HIV/AIDS awareness campaigns that have been conducted by government agencies in Kulhudhuffushi. Ongoing awareness campaigns organized by the government's Women's Development Committee together with a national-level nongovernment organization have included (i) forming of an alliance, and educating and building the capacity of parent stakeholder groups; (ii) training young people as peer educators for drugs and HIV prevention on the island; and (iii) conducting a widespread door-to-door outreach and information disseminating program. The civil works contractor will conduct semiannual awareness building sessions for all workers in a form and language(s) understandable to them. Awareness-raising materials will also be displayed in strategic areas of the new harbor.

VI. MONITORING AND EVALUATION

1. **Targets and indicators.** Relevant performance targets and indicators, and their data sources, will be established by the project management consultant's social development specialist.

2. **Required human resources.** The project management unit's project director will oversee project implementation. The social development specialist will be part of the project management consultant team. A social development specialist from the Asian Development Bank will oversee the administration of social aspects.

3. **Information in project administration manual.** The project administration manual will include frequency of project reviews, monitoring, and timing of completion reports.

4. **Monitoring tools.** The project management consultant will undertake semiannual monitoring. The project implementation unit will undertake monthly monitoring.

Source: Asian Development Bank estimates.