

## UPDATED SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Bangladesh	Project Title:	South Asia Subregional Economic Cooperation Dhaka–Northwest Corridor Road Project, Phase 2 (Tranche 2)
Lending/Financing Modality:	Multitranche Financing Facility	Department/ Division:	South Asia Department/ Transport and Communications Division

### I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

**Poverty targeting:** General intervention

#### A. Links to the National Poverty Reduction and Inclusive Growth Strategy, and Country Partnership Strategy

The deteriorated conditions of road infrastructure and constant congestion in Bangladesh have become a major hindrance in the development of trade and a hardship for daily users. This is further constrained by the mixture of slow and fast-moving traffic. To rectify this issue, the Asian Development Bank (ADB) supports the improvement of the Dhaka–Northwest international trade corridor through the approval of a \$1.2 billion loan using the multitranche financing facility (MFF) modality. The key activities being financed are (i) expanding the Dhaka–Northwest international trade corridor, Phase 2, a 190-kilometer (km) corridor from Elenga through Hatikamrul to Rangpur;<sup>a</sup> (ii) improving the capacity of the Roads and Highways Department (RHD) for road operation and management; and (iii) bridging the \$150 million cost overrun incurred under Phase 1 of the project (i.e., the Joydepur–Chandra–Tangail–Elenga section).<sup>b</sup>

The Dhaka–Northwest international trade corridor is upgraded to a four-lane highway with separate lanes for slow-moving vehicles. The corridor is currently congested, carrying a traffic volume of 15,000 to 20,000 vehicles per day (excluding two- and three-wheelers), making it the second-busiest artery in the country after the Dhaka–Chittagong road. The project improves the connectivity between Dhaka and the northern region of Bangladesh as well as with India. Tranche 2 will provide the financing for the second slice of expenditures in relation to works for the trade corridor (Elenga–Hatikamrul–Rangpur), project management and institutional strengthening, and financing for the additional works to build a slow-moving traffic lane along the Joydeypur–Chandra–Tangail–Elenga section. The project is strongly aligned with the government’s Vision 2021 and the Seventh Five-Year Plan, Fiscal Year (FY)2016–FY2020, which aims to remove major infrastructure constraints. It is also in line with the latest ADB country partnership strategy, 2016–2020 for Bangladesh, which promotes investments in transport and urban development.<sup>c</sup> The project is implemented by RHD.

#### B. Results from the Poverty and Social Analysis during Due Diligence

**1. Key poverty and social issues.** The direct area of influence includes five districts covering a population of over 15,000,000.<sup>d</sup> Overall, the poverty rate in the districts ranges from 19% to 47%, compared to the national average of 24.3%.<sup>e</sup> According to the poverty and social analysis, the main sources of income in the project area are business (40%), day labor (26%), and agriculture and crop selling (20%). Nearly 89% of the district residents have access to electricity, 73% use tube well water for drinking (lower than the national average of 85%), and 93% use wood as the main source of fuel for cooking. The main means of transportation are bicycles (17%), rickshaws (15%), and buses (14%), and walking remains important too (19%).

**2. Beneficiaries.** The estimated 12.4 million residents living in the project’s direct area of influence are the project’s primary beneficiaries, as well as businesses and service industries along the corridor and those working in the trade sector.

**3. Impact channels.** The project is expected to decrease the travel time from Elenga to Rangpur while reducing road accidents and fatalities. The project will broaden the access to markets in the northwestern region of Bangladesh and improve trade with neighboring countries, particularly with India. This in turn will contribute to economic growth and poverty reduction.

**4. Other social and poverty issues.** No other social and poverty issues were identified.

**5. Design features.** The Phase 2 design includes 380 km (total for both sides) of lanes dedicated to slow-moving vehicles (i.e., primarily rickshaws, bicycles, motorcycles, and tractors) that are properly separated from the main highway corridor, 25 pedestrian overpasses, and 37.5 km of footpaths. The additional scope for Phase 1 includes 58 km of footpaths.

### II. PARTICIPATION AND EMPOWERING THE POOR

**1. Participatory approaches and project activities.** From 2014 to 2016, consultations were conducted along the road corridor, reaching out to 1,140 people. In addition, upon the commissioning of the implementing nongovernment organization (NGO), additional 20 consultations were undertaken, involving 1,860 people. All in all, 50 public consultation meetings, 29 focus groups discussions, and special consultations in sensitive areas were conducted until early 2019. Moreover, more than 7,000 households were individually surveyed and informed about project impacts. The participatory process (i) helped inform directly-affected people and the residents at large about the project, its benefits, and impacts; (ii) allowed for extensive feedback; and (iii) ensured that concerns were taken into account in the final design. Overall, people in the project area demonstrated a high level of support for the project.



<p>Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>2. Strategy to address the impacts.</b> An indigenous peoples framework was prepared to comply with MFF requirements.</p> <p><b>3. Plan or other actions.</b></p> <p><input checked="" type="checkbox"/> Indigenous peoples planning framework</p>
<b>V. ADDRESSING OTHER SOCIAL RISKS</b>
<p><b>A. Risks in the Labor Market</b></p> <p><b>1. Relevance of the project for the country's or region's or sector's labor market.</b>  L unemployment L underemployment L retrenchment M core labor standards  All civil works contracts under the project include provisions to ensure compliance with core labor standards (e.g., no child labor; no bonded labor; no work discrimination regardless of gender, race, and ethnicity; and freedom of association and collective bargaining).</p> <p><b>2. Labor market impact.</b> The project does not have any impact on the labor market.</p>
<p><b>B. Affordability.</b> The project will not affect the affordability of travel by road.</p>
<p><b>C. Communicable Diseases and Other Social Risks</b></p> <p><b>1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA):</b>  M Communicable diseases M Human trafficking M Others: Road safety</p> <p><b>2. Risks to people in project area.</b></p> <p><b>STD and HIV/AIDS:</b> Overall, Bangladesh is considered to have a low prevalence of HIV/AIDS with a rate of 0.7% reported among high-risk groups.<sup>h</sup> The project is on an existing corridor and as such is not expected to contribute to an increase in HIV/AIDS and STD. However, the contractors received an HIV/AIDS awareness program via an approved service provider to reduce the risk of HIV transmission between and among the civil works personnel and the local community, and to promote early diagnosis and assist affected individuals.</p> <p><b>Human trafficking:</b> Bangladesh is a source of internal and cross-border human trafficking. Most trafficking routes are by boat in the south or by road in the west toward West Bengal in India. The majority of victims are men who are lured by traffickers with the prospect of getting a job overseas but are then exploited into forced labor. Although it was not possible to obtain official data, local news and print media show that international and rural to urban trafficking is on the rise. However, given that the project corridor is on an existing highway, it is not expected to contribute to an increase in human trafficking. Nevertheless, community awareness campaigns on human trafficking are conducted along the corridor.</p> <p><b>Road safety:</b> The Bangladesh Passenger Welfare Association reported 7,221 deaths in road accidents in 2018. Over 80% of fatalities are vulnerable road users, e.g., pedestrians, cyclists, and motorcyclists. In addition to its safety design features, the project includes a comprehensive community road safety awareness campaign and targets residents along the corridor, schools, and gas stations, as well as professional drivers.</p>
<b>VI. MONITORING AND EVALUATION</b>
<p><b>1. Targets and indicators.</b> These are included in the resettlement plan and GAP.</p> <p><b>2. Required human resources.</b> RHD has recruited an NGO for support to implement the resettlement plan with around 10 key experts and 20 field staff. The PIC has one international and two national resettlement specialists as well as one international and one social development specialist. To review the implementation progress and compliance with the resettlement plan, an external monitor has been hired by ADB under the associated technical assistance.</p> <p><b>3. Information in project administration manual.</b> The manual provides more details on implementation arrangements.</p> <p><b>4. Monitoring tools.</b> The resettlement plan and GAP indicators are the basis for the development of a monitoring system to be developed by the NGO, project implementation unit, and PIC resettlement experts.</p>

<sup>a</sup> This includes the Hatikamrul Interchange.

<sup>b</sup> The 110-km section was approved by ADB in 2012 as part of the South Asia Subregional Economic Cooperation (SASEC) Road Connectivity Project, which is still ongoing. The earlier project is now considered phase 1 of the proposed project. For more information: <http://www.adb.org/projects/40540-014/main#project-pds>.

<sup>c</sup> Government of Bangladesh, Center for Policy Dialog. 2007. *Bangladesh Vision 2021*. Dhaka; Government of Bangladesh, Planning Commission, General Economics Division. 2015. *Seventh Five Year Plan, FY2016–FY2020: Accelerating Growth, Empowering Citizens*. Dhaka; ADB. 2016. *Country Partnership Strategy: Bangladesh, 2016–2020*. Manila.

<sup>d</sup> Bogra, Gaibandha, Rangpur, Siranjanj, and Tangail. These estimates are based on the Bangladesh 1991 population census, taking into account population growth.

<sup>e</sup> Bangladesh Bureau of Statistics' 2016 Household Income and Expenditures Survey.

<sup>f</sup> Over half of the vulnerable households are headed by men and are living below the poverty line.

<sup>g</sup> Resettlement Plans (accessible from the list of linked documents in Appendix 2 of the PFRR).

<sup>h</sup> World Health Organization. 2014. *Bangladesh Country Cooperation Strategy 2014–2017*. Dhaka.

Source: Asian Development Bank.