

**SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY**

Country and Project Title: BANGLADESH; Bangladesh-India Electrical Grid Interconnection Project

Lending/Financing  
Modality:

Project Loan

Department/  
Division:

SAEN/SARD

**I. POVERTY ANALYSIS AND STRATEGY****A. Link to the National Poverty Reduction Strategy and Country Partnership Strategy**

Bangladesh is the seventh most populous country in the world. It lies in the low lying Ganges-Brahmaputra Delta. The total population in 2009 was 156 million.<sup>1</sup> The mainstay of the economy is agriculture, which employs almost 60% of the labor force. The main products are rice and sugarcane. The other major sector is manufacturing, which has been slowly growing and contributed 17% of gross domestic product in 2007.<sup>2</sup>

The government has as its overarching goal and development vision, as articulated in its Poverty Reduction Strategy adopted in 2005, to reduce poverty substantially and invigorate social development in the shortest possible time. The strategy also commits the government to halving the proportion of the population living below the poverty line by 2015. The strategy stresses the links between investment, growth and job creation, and poverty reduction, and it identifies key areas where reforms are needed, public investments are required, and public policies can be improved.

As per the country strategy and program, 2006–2010, ADB has been playing a major role in supporting policy and institutional reforms in the energy, transport, education, urban health, and urban water supply and sanitation sectors. Building country capacity and ensuring community participation (especially by women and disadvantaged groups) in designing and implementing projects has also been a key feature of ADB's operations during period.

**B. Poverty Analysis Targeting Classification: General intervention (GI)****Key Issues**

Despite poor conditions at the time of independence and an extremely high vulnerability to natural disasters, Bangladesh has had considerable achievements in macroeconomic management and social development. During the 1990s, national poverty fell from 59% to 50%, one of the fastest rates of decline in the world.<sup>3</sup> Nevertheless, Bangladesh is still one of the poorest countries in the world. Only 47% of the population has access to electricity.<sup>4</sup> The current state of electricity supply and operations has serious adverse impacts on income earning activities for the poor. They are affected indirectly, through reduced employment opportunities and directly, through reduced household welfare. The absence or limited supply of power has been a bottleneck in the country's micro- and macroeconomic development.

The country at large will benefit from the project. A regular and adequate supply of electricity would increase the hours available to students to study and enhance access to information through visual and audio media. Women would have more time to pursue economic activities and political participation through community-based organizations. A regular supply of power would boost the local economy through the establishment of small enterprises and shops. Local people, especially the youth, will be employed in civil works, increasing sources of income for families. The project will boost the production capacity of existing industries and facilitate the initiation of new ones, especially in manufacturing.

**Design Features**

The project aims to increase the supply of power and thus raise incomes and living levels and reduce dependency on conventional sources of energy. The project, which includes construction of substations, will require both technical and nontechnical workers. It will create employment for poor people living near the proposed project area. Other livelihood opportunities, such as trade and small businesses, will be created in the project site.

**II. SOCIAL ANALYSIS AND STRATEGY****A. Findings of Social Analysis****Key Issues**

The project will need 45.84 hectares out of which only 0.22 acres (0.5%) will be acquired from private owners. The remaining land belongs to Bangladesh Railways and the government. The project will entail the physical displacement of twelve dwelling units, in addition to the 1,634 households that will lose their crops and trees. There will be a loss of livelihood and income for farmers in the substation area, a triple cropping area, mainly growing tobacco, jute, sugarcane, rice, banana, wheat, maize, chillies, and pulses. The main trees are mahogany, shishu, korai, and epil. Two shallow tube wells will also be affected. Agriculture is the main source of livelihood. To help mitigate the adverse impacts on the people who will lose assets in the project area, proper compensation will be paid, training will be given

<sup>1</sup><https://www.cia.gov/library/publications/the-world-factbook/geos/bg.html>

<sup>2</sup> <http://www.adb.org/Documents/Evaluation/CAPES/BAN/CAPE-BAN-App1.pdf>

<sup>3</sup> <http://www.adb.org/Documents/CSPs/BAN/2005/csp0100.asp?p=doccsps>

<sup>4</sup> <http://www.buet.ac.bd/ces/conventional-energy.htm>

for livelihood restoration, and employment will be created. The owners of the twelve houses that will be dismantled will be provided with better houses. According to the Electricity Act, 1910 no financial compensation is due for people who lose land under the transmission towers. However, crop compensation will be given to people displaced from the substation site as well as those on the right of way. During the stringing of conductors, the people who have been displaced from the right of way will be also paid for standing crop compensation. The project authorities will be responsible for the institutional arrangements required for construction of infrastructure as well as for training arrangements for displaced people. Construction of the transmission line and the substation requires technical and non technical workers and will create employment opportunities for poor people living near the proposed area.

## **B. Consultation and Participation<sup>i</sup>**

1. ADB's Safeguard Policy Statement, 2009 stresses that meaningful consultations are critical to all projects that involve resettlement planning. Consultations have been held with the affected peoples through all stages of project planning and will continue throughout the implementation period. During the project preparation stage, CEGIS, an agency hired by the Power Grid Company of Bangladesh (PGCB), held consultations at the substation location and in the transmission corridor. Once the resettlement plan is endorsed, the summary, which will include the entitlement matrix, will be disclosed to the affected people in a manner and language relevant to them. Reports of disclosure workshops will also be sent to ADB. Prior to resettlement plan implementation, all key stakeholders including the affected people, especially women and other vulnerable groups and members of local government, will be consulted during the preparation of a detailed implementation strategy for the resettlement plan. During implementation of the plan, a national NGO will be hired to ensure that the affected people receive the benefits identified in the resettlement plan. All other key stakeholders will be consulted regularly. It will be imperative for a PGCB representative to be present during all consultations. A mechanism for redressing grievances will be in place to address any complaints.

2. What level of C&P is envisaged during the project implementation and monitoring?

☐ Information sharing ☒ Consultation ☐ Collaborative decision making ☐ Empowerment<sup>ii</sup>

3. Was a C&P plan prepared? ☐ Yes ☒ No

## **C. Gender and Development<sup>iii</sup>**

### **Key Issues.**

According to the 2001 census, women constitute 48.5% of the total population.<sup>5</sup> The literacy rate for women is 34.3%, compared with 41% for men.<sup>6</sup> Agriculture is the main economic activity in which women are involved. Although almost two thirds of the laborers in Bangladesh work in agriculture, according to the Bangladeshi Labour Force Survey 2000, women comprise roughly half the total labor force. There is no minimum pay, no regulated access to health care, and no policy of equal pay for male and female workers. The economic contribution of women has been substantial but has been largely unacknowledged. Women in rural areas are responsible for most of the post-harvest work, and for maintaining livestock, poultry, and small gardens. Women in cities generally perform domestic and traditional jobs, although their participation in manufacturing, especially in the readymade garment industry, has increased. Women with more education work in government, health care, and teaching, but their numbers have remained very small.

Women who will be significantly affected by the project will be given special assistance, such as income-generating activities. Efforts will be made to ensure the representation and participation of women in all meaningful consultations and decision-making bodies and procedures. For training, special attention will be paid to assessing the skill base and to providing capacity building support for their preferred economic activity. This will be done either through existing self-help groups or through the formation of new self-help groups that will be mobilised to start income-generating activities. All activities will be implemented within the framework of the resettlement plan to be implemented by PGCB with the help of national NGOs.

**Key Actions.** Measures included in the design to promote gender equality and women's empowerment—access to and use of relevant services, resources, assets, or opportunities and participation in decision-making process:

☐ Gender plan ☐ Other actions or measures ☒ No action or measure

<sup>5</sup> [http://www.bbs.gov.bd/dataindex/census/bang\\_atg.pdf](http://www.bbs.gov.bd/dataindex/census/bang_atg.pdf)

<sup>6</sup> [http://www.bbs.gov.bd/dataindex/census/bang\\_atg.pdf](http://www.bbs.gov.bd/dataindex/census/bang_atg.pdf)

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS			
Issue	Significant/Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
Involuntary Resettlement	Yes, the project will have significant impacts. The Project will require 45.84 hectares, of which only 0.22 acres (0.5%) will be acquired from private owners. The remaining land belongs to Bangladesh Railways and the government. The project will also entail the loss of twelve houses and one shop.	A resettlement plan has been prepared based on the consultations with all the affected people, which includes measures to mitigate the adverse impact on affected persons as well as the entitlement matrix.	<input checked="" type="checkbox"/> Resettlement Plan <input type="checkbox"/> Resettlement Framework <input type="checkbox"/> Environment and Social Management System <input type="checkbox"/> No Action
Indigenous Peoples	No tribes or minorities or indigenous communities have been observed.	NA	<input type="checkbox"/> Indigenous Peoples Plan <input type="checkbox"/> Indigenous Peoples Framework <input type="checkbox"/> Environment and Social Management System <input checked="" type="checkbox"/> No Action
<b>Labor</b> <input checked="" type="checkbox"/> Employment opportunities <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Core labor standards	Yes, since the project will entail construction of substations and stringing of transmission lines, both technical and non technical labor will be required.		<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
<b>Affordability</b>	No direct impact by any of the project activities.		<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action
<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.)	At this stage, no threats of HIV/AIDS or human trafficking have been identified.	If there are potential threats during the course of project implementation, steps will be taken to carry out information dissemination campaigns in the project areas	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
IV. MONITORING AND EVALUATION			
Are social indicators included in the design and monitoring framework to facilitate monitoring of social development activities and/or social impacts during project implementation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			