

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Bangladesh	Project Title:	SASEC Bangladesh–India Electrical Grid Interconnection Project – Additional Financing
Lending/Financing Modality:	Project – additional financing	Department/ Division:	South Asia Regional Department / South Asia Energy Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY¹

Targeting classification: General intervention

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

Bangladesh is the seventh most populous country in the world. It is situated in the low-lying Ganges–Brahmaputra delta. The total population in 2010 was about 150 million.¹ The agriculture sector employs almost 45% of the labor force. The main products are rice, jute, and sugarcane. The services sector has grown significantly and contributed nearly 54% of gross domestic product in 2012.²

For the 5-year period from fiscal year (FY) 2011 to FY2015, the government has set itself the goals of attaining average real gross domestic product (GDP) growth of 7.3%, boosting gross domestic investment to 32.5% of GDP, tripling investment in infrastructure to 6% of GDP, and reducing the poverty head count ratio by 10 percentage points from 31.5% in 2010. The plan stresses the links between investment, growth and job creation, and poverty reduction. The Asian Development Bank (ADB), as per its country strategy and program, 2011–2015 for Bangladesh, has supported policy and institutional reforms in energy, transport, education, urban health, and urban water supply and sanitation. For the energy sector, targets include expanded access to electricity from less than 50% in 2010 to 65% in 2015, and an increase in per capita power consumption from 170 kilowatt-hours (kWh) in 2010 to 390 kWh in 2015. An increase in electricity supply over the cross-border interconnection will support both these goals.

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

1. Key poverty and social issues. Despite poor conditions at the time of independence and an extremely high vulnerability to natural disasters, Bangladesh has made 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.³ Nevertheless, Bangladesh is still one of the poorest countries in the world. Less than 50% of the population has access to electricity.⁴ The current state of electricity supply and operations seriously limits the income-earning activities of 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.

2. Beneficiaries. The country at large will benefit from the timely implementation of the project and flow of electricity. Regular and adequate power supply will increase the hours available to students to study and their access to information through visual and audio media. Women will have more time to pursue economic activities and political participation through community-based organizations. A regular supply of power will boost the local economy through the establishment of small enterprises and shops. Local people will be employed in civil works, thus 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.

3. Impact channels. The project is generating jobs for the local community during the construction phase as a direct benefit. Macro impacts of the project include more production capacity of existing industries and facilitation of new ones. More reliable power supply will create employment in different sectors such as agriculture, industries, garments, and other businesses dependent on regular power supply. Hence, it is expected that this project will indirectly help generate significant employment opportunities.

4. Other social and poverty issues. All social and poverty issues were adequately dealt with by the project and as stipulated in the resettlement plan.

5. Design features. The project aims to increase the supply of power and thus raise incomes and living standards, and reduce dependency on conventional sources of energy. The project, which includes sub-station and transmission line construction, required both technical and nontechnical workers. It is creating employment for poor people living near the project area. Other livelihood opportunities, such as trade and small businesses, are created on the project site.

1. Summarize the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation.

2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. – Civil society was consulted during resettlement planning.

3. Explain how the project ensures adequate participation of civil society organizations in project implementation. – Consultations were and are held with civil society organizations during project implementation.

☒ Information gathering and sharing ☒ Consultation ☐ Collaboration ☐ Partnership

5. Will a project-level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons, particularly the poor and vulnerable?

☐ Yes. ☒ No.

Gender mainstreaming category: No gender elements

A. Key issues. According to the 2001 census, women constitute 48.5% of the total population. The literacy rate for women is 34.3%, compared with 41% for men. 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 make up 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 education, but their numbers have remained very small. Efforts were made to ensure the representation and participation of women in all meaningful consultations and decision-making bodies (including the Grievance Redress Committee) and procedures. Under the project, the Power Grid Company of Bangladesh (PGCB) supports income-generating activities within the framework of the resettlement plan.

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

A. Involuntary Resettlement Safeguard Category: ☒ A ☐ B ☐ C ☐ FI

1. Key impacts. –The project required 113.4 acres, of which only 0.5 acres (0.5%) was acquired from private owners. The remaining land belonged to Bangladesh Railways and the government. The project entailed the physical displacement of 12 dwelling units, in addition to the 1,634 households that lost some crops and trees. No additional land acquisition is proposed under the additional financing, which covers cost overruns. Under the original project, the impact on the substation site and transmission line is being dealt with. The safeguard categorization is retained.

2. Strategy to address the impacts. –To help mitigate the adverse impacts on the people who stood to lose assets in the project area, compensation was paid and employment was provided. According to the Electricity Act 1910, no financial compensation is due for people who lose land under the transmission towers. However, crop compensation was given to people displaced from the substation site as well as those on the right of way. The people displaced from the right of way were paid compensation for standing crop compensation. The project authorities made operational a grievance redress mechanism that is functional. Construction of the transmission line and the substation provided employment opportunities for poor people living near the proposed area.

☒ Resettlement plan
☐ Resettlement framework
☐ Environmental and social management system arrangement
☐ No action

☐ Combined resettlement and indigenous peoples plan
☐ Combined resettlement framework and indigenous peoples planning framework
☐ Social impact matrix

B. Indigenous Peoples		Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI	
1. Key impacts. – No tribes or minorities or indigenous communities were observed in the project area. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
2. Strategy to address the impacts. – No indigenous people will be negatively impacted. No specific action has been foreseen. The project is categorized “C” for impact on indigenous peoples.			
3. Plan or other actions.			
<input type="checkbox"/> Indigenous peoples plan		<input 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. <input checked="" type="checkbox"/> M unemployment <input checked="" type="checkbox"/> M underemployment <input type="checkbox"/> retrenchment <input type="checkbox"/> core labor standards	
2. Labor market impact. – The project had some impact on the local labor market. It has gainfully employed some people from the local communities.	
B. Affordability	
There were no such issues in the project, and therefore did not require any measures to solve them.	
C. Communicable Diseases and Other Social Risks	
1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> L Communicable diseases <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) _____	
2. Describe the related risks of the project on people in project area. – Information dissemination campaigns were carried out under the original project.	
VI. MONITORING AND EVALUATION	
1. Targets and indicators: The implementation targets prescribed in the resettlement plan are being achieved under implementation. The executing agency monitored the implementation of the plan and ensured that there was no course correction required. The additional financing covers only cost overruns; there are no additional resettlement impacts.	
2. Required human resources: Not applicable.	
3. Information in the project administration manual: The social and environmental unit of PGCB is coordinating and implementing the entire social, environmental, and resettlement activities. The unit has a dedicated resettlement officer to monitor all activities enumerated in the resettlement plan. At the second tier, an external expert was engaged by ADB to monitor the progress in implementing the plan. The external monitor does so using the specific indicators developed in line with the resettlement objectives and activities, and to verify the claims of the internal monitoring reports. The external monitor submits reports to the executing agency, which in turn submits them to ADB.	
4. Monitoring tools: Internal and external monitoring.	

¹ International Fund for Agricultural Development. 2010.

² <http://www.ruralpovertyportal.org/web/guest/country/statistics/tags/bangladesh>

³ <http://www.adb.org/Documents/Evaluation/CAPE/BAN/CAPE-BAN-App1.pdf>

⁴ <http://www.adb.org/Documents/CSPs/BAN/2005/csp0100.asp?p=doccsp>

⁵ <http://www.buet.ac.bd/ces/conventional-energy.htm>

⁶ http://www.bbs.gov.bd/dataindex/census/bang_atg.pdf