SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Bangladesh	Project Title:	Irrigation Management Improvement Project – Additional Financing
Lending/Financing Modality:	Project loan	Department/ Division:	South Asia Department; Environment, Natural Resources and Agriculture 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

Bangladesh is implementing its Eighth Five-Year Plan (FYP) (fiscal year [FY] 2020–FY2025) which centers on three themes: (i) gross domestic product growth acceleration, employment generation, and rapid poverty reduction; (ii) a broad-based strategy of inclusiveness with a view to empowering every citizen to participate in full and benefit from the development process; and (iii) a sustainable development path that is resilient to disaster and climate change, entails sustainable use of natural resources, and successfully manages the inevitable urbanization transition. The Asian Development Bank (ADB) has adopted a broad-based approach to respond flexibly to the needs and demands of the country over the country partnership strategy period (2016–2020).[a] ADB assistance is strongly aligned with the government's Vision 2021 and its Eighth FYP. The overall project will address the two major constraints on sustainable performance of major water management schemes in Bangladesh: (i) limited capacity of public agencies to carry out effective operation and maintenance (O&M), and (ii) chronic system deterioration as a result of inadequate O&M planning and financing mechanisms. The National Water Policy[b] specifies that "larger schemes will be placed under private management or joint management by the implementing agency along with local government and community organizations." ADB support will be within the objectives of its Strategy 2030[c] to assist the government to promote rural development and food security and tackle climate change, build climate and disaster resilience, and enhance environmental sustainability. The National Water Management Plan recognizes that an additional area of up to 1 million hectares (ha) can be irrigated by groundwater in the future, thereby contributing an additional 5 million tons to food production. At current consumption rates, this would feed an additional 25 million–30 million people, the estimated increase in population over a 15-year period. However, increasing food production can also be achieved by improving surface irrigation performance. The problems of low irrigation intensities and productivity in the existing major surface water schemes can be addressed through infrastructure modernization and enhanced O&M. This will improve system performance and contribute to increased agricultural outputs and rural incomes and poverty reduction. Institutional strengthening of the irrigation management function of the Bangladesh Water Development Board will further improve O&M and reduce chronic system deterioration. The additional financing will fund cost increases experienced because of (i) higher award price for four works contracts compared to the cost estimates and (ii) increase in quantities. The additional financing will also cover the amount lost in the ongoing loan because of depreciation of the special drawing right against the dollar.

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

1. **Key poverty and social issues**. Some 70% of poor people in Bangladesh live in rural areas with low agricultural productivity and unreliable food supplies. Therefore, promoting agricultural growth is a critical element of the government's strategy aimed at food security and poverty alleviation. Efficient and sustainable irrigation systems are central to boosting agricultural productivity and encouraging livelihood diversification. Failure to rehabilitate infrastructure and properly manage and maintain the large surface water schemes has direct negative impacts on farm production, household incomes, and poverty through deterioration of infrastructure leading to reduction in the irrigated area, an increase in inundation, and insufficient supply of irrigation water. These factors result in lower yields, reduced farm production, and reduced demand for labor. Successful rehabilitation would bring substantial social benefits as a result of increased farm and rural incomes. Adverse social and environmental impacts would be minimal, especially as very limited land acquisition is necessary under the ongoing project.

2. **Sector link to poverty reduction**: The benefits of ensuring efficient O&M are well-established and indicate the high costs to communities and the country as a whole of failing to properly implement O&M. At present, the severe deterioration of many of the major irrigation and water management systems in Bangladesh poses an obstacle to achieving more productive and efficient agriculture and reducing poverty. Therefore, there is a pressing need to improve existing scheme performance through innovative management approaches and institutional frameworks providing a platform for designing and implementing a new generation of more effective large surface water schemes that can contribute to national food security and poverty alleviation.

3. **Beneficiaries**. Tenure in the project areas includes ownership, share cropping, renting, mortgaging, and leasing. Some households cultivate land with a mixture of tenure arrangements, while some own land but do not cultivate it. Of the total sample under the ongoing project, 73% of people cultivate land and are classified as farming households. The proportion of farming households was highest in the Muhuri Irrigation Project area (96%), proposed to be modernized under the Irrigation Management Improvement Project. Share cropping is high in the Muhuri Irrigation Project area, being applicable to more than 50% of the households surveyed. About 75% of the farming households cultivate less than 0.8 ha of land, with 25% cultivating more than that. Only 5% of the total sample prospective project areas are comparatively large

cultivators, cultivating more than 2.02 ha of land. Thus, the primary beneficiaries will be irrigation farming households. About 75% of these cultivate less than 0.8 ha, while more than 50% of these households are sharecroppers. The key problems faced by these farmers are unreliable irrigation supplies and inundation of crops during monsoons caused by silted-up canals that also serve as drains and which do not function. Approximately 50% of the extreme poor and more than 50% of the poor rely on agriculture for wages and subsistence, while a further 25% of the extreme poor depend solely on seasonal agricultural labor for their livelihood. Damaged crops from flooding and unreliable irrigation water supplies diminish the labor opportunities for the poor, while reliable and productive agriculture increases the demand for their work and reduces the uncertainty in their livelihood and food security.

4. **Impact channels**. Improved water pumping and conveyance systems will lead to savings for the small farmers and increase their ability to pay pumping costs and improve budgets for other necessary inputs, including employing labor.

5. **Other social and poverty issues**. There is a dearth of employment opportunities, particularly in poor households that are headed or managed by women (widows or women with husbands who are sick) and have no male members that can contribute to household income. Civil society organizations, funded by donor organizations, organize female labor gangs and secure contracts for them on government infrastructure projects such as roads.

6. **Design features**. The project design incorporates technology-based elements and mechanisms that institute transparency and equity in pumped water acquisition, distribution, and delivery; eliminate elite capture; and benefit all farmers, including small farmers.

II. PARTICIPATION AND EMPOWERING THE POOR

1. **Participatory approaches and project activities**. A review of participatory irrigation management systems of selected schemes throughout Asia concluded that there was a need to move beyond the participation paradigm and involve the private sector in private–public partnership. Output 1 of the overall project design and monitoring framework states that self-sustaining private irrigation management operators (IMOs) are to be established. The approach views individual farmers as consumers of water supplies through prepaid cards that will ensure transparency in the use of water. The overall project, however, supports strategic emphasis on beneficiary participation with due attention to the diversity of their interests and possible vulnerability. The strategy includes (i) enforcement of policy measures to equalize opportunities and access and support equal representation of the irrigation system farmers, and increased participation of vulnerable groups including women and minority groups; (ii) specific actions and programs targeting vulnerable groups including women to establish links to the existing poverty reduction programs; (iii) compliance with social safeguards measures; and (iv) enhancement of extension service delivery. The project agreement incorporates clauses that ensure government subsidies for O&M and government endorsement and support for cost recovery by the IMOs.

2. Under the ongoing project, consultations and focus group discussions have equitable representation and participation of women and disadvantaged groups. The project team will consult with the public, especially the affected households, local governments, and beneficiaries, to solicit their opinions and participation in preparing, updating, and implementing the resettlement plan.

3. **Civil society organizations**. The project team will consult with civil society organizations and communities during project implementation as required. Water users' association representatives will attend the Implementation Coordination Committee and will be consulted to prepare the agricultural support services plans and on training and awareness plans.

4. The following forms of civil society organization participation are envisaged during project implementation, rated as:

(H) Information gathering and sharing, (H) Consultation, (H) Collaboration, (NA) Partnership

5. **Participation plan**. The overall project has reflected consultative and participatory approaches in the gender action plan and relevant sections of the social and environmental safeguard documents. Separate documentation will not be required. Yes. ☐ ☒ No.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: effective gender mainstreaming

A. Key issues. Like elsewhere in Bangladesh, the division of labor between men and women is spatial. Except in the poorest households, the role of women is very limited and is similar throughout most rural areas. Women observe the traditional *purdah* and stay within the household compound (except when going to fetch water, firewood, or other fuel or to visit a nongovernment organization for a loan or attend a health center). Culturally, women's participation in public gatherings, such as consultation meetings and in any skill development training programs where men also participate, is very limited. Only 4% participation of women was recorded in consultations in the ongoing project. Except in the poorest households, women are generally not involved in farming, wage labor, trading, skilled crafts, or running businesses and market stalls. So far, women encompass only 3% of labor in the project construction. Women perform household chores, care for elders and children, and help with post-harvest processing such as threshing, cleaning, boiling, and drying of crops (men also take part in post-harvest processing). If the opportunity exists, women also make handicrafts for sale or home use, although a lot of skilled home-based craft work such as weaving cloth and pottery is done by men. Women from the poorest households and communities, including women from low-caste Hindu communities, take laboring work, particularly seasonal agricultural labor, when it is available. Wages paid to women are substantially lower than those paid to men, although for most agricultural labor there is little difference in the productivity of men and women. In this segregated society women do not share the public domain with the men, including interaction for irrigation water. Despite these limitations, the project intended to include women in some of the project activities to involve them in earning activities as pump operators and water unit vendors. Considering such social constraints because of conservatism, seclusion, and the *purdah* system, some of the gender targets have been reduced.[d]

B. Key actions. The following measures are taken to increase the inclusion of women and contribute to improving women's access to the project's benefits: (i) creating one staff position within the IMO to look after the vulnerable groups and support the deployment of female staff at the field level; (ii) developing training programs for project-based staff to enhance gender participation; (iii) increasing women's participation in the field implementation teams; (iv) reserving 5% of employment from civil works, 5% of employment related to smart card recharge vending, and 2% of employment of pump operators for women; (v) undertaking sex-disaggregated surveying, monitoring, and reporting; and (vi) conducting an evaluation of challenges encountered during the gender action plan implementation at project completion.

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

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

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

1. **Key impacts**. The additional financing will finance cost increases experienced under the ongoing project without change in scope, therefore the additional financing is category is C for involuntary resettlement.
2. **Strategy to address the impacts**. NA
3. Plan or other actions.

☐ Resettlement plan
☐ Resettlement framework
☐ Environmental and social management system arrangement
☐ Combined resettlement and indigenous peoples plan
☐ Combined resettlement framework and indigenous peoples planning framework
☐ Social impact matrix
☒ No action

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

1. **Key impacts**. The additional financing will cover cost overruns without change in scope, and is categorized C for indigenous peoples. Is broad community support triggered? ☐ Yes ☒ No
2. **Strategy to address the impacts**. NA
3. Plan or other actions.

☐ Indigenous peoples plan
☐ Indigenous peoples planning framework
☐ Environmental and social management system arrangement
☐ Social impact matrix
☒ No action
☐ Combined resettlement plan and indigenous peoples plan
☐ Combined resettlement framework and indigenous peoples planning framework
☐ Indigenous peoples plan elements integrated in project with a summary

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): (M) unemployment, (M) underemployment, (L) retrenchment, (M) core labor standards
2. Labor market impact. Significant positive impact. Employment in off-farm activities will be created in the construction of the irrigation infrastructure while contractors will undergo orientation for following core labor standards.

B. Affordability

There is a possibility that small farmers who now pay for their pumping charges at the harvest may find it difficult to afford prepaid arrangements foreseen for water delivery under the project. An evaluation will be conducted during the first year of operations and appropriate measures proposed if small farmers are struggling with the prepaid arrangement.

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, (NA) Others (please specify)
2. Risks to people in project area. NA

VI. MONITORING AND EVALUATION

1. **Targets and indicators**. Overall project: increased irrigation area (30%), cropping intensity (20%) including high-value crops (20%), increased crop production 30%, improved efficiency in water use (area [30%] and production [50%] per unit of water). Average yield of irrigated winter paddy (boro rice) increases from 2.4 tons/ha in 2011 to 4.1 tons/ha.
2. **Required human resources**. A safeguard focal point will be dedicated in the project management unit for reporting and coordination of resettlement plan implementation progress for the ongoing project.
3. **Information in the project administration manual**. The manual will set out the key requirements for social and poverty safeguards and requirements for monitoring.
4. **Monitoring tools**. The IMO is required to monitor the project performance including poverty and social indicators. The gender focal person will be responsible for gender action plan monitoring and reporting with sex-disaggregated data.

Source: Asian Development Bank.

[a] ADB. 2016. *Country Partnership Strategy: Bangladesh, 2016–2020.* Manila.
[b] Ministry of Water Resources. 1999. *National Water Policy*. Dhaka.
[c] ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.
[d] *Purdah* is a system of seclusion of women from public observation among Muslims by wearing veils.