

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Islamic Republic of Pakistan	Project Title:	Sindh Provincial Road Improvement Project
Lending/ Financing Modality:	Project Loan	Department/ Division:	CWRD/CWTC

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

The project is in line with pillar vii of the Government of Pakistan's Poverty Reduction Strategy (PRSP)–II,¹ which addresses the removal of infrastructure bottlenecks through public–private partnerships. It recognizes that economic growth and service delivery are crucial for poverty reduction. The project's focus on road improvement and rehabilitation is in line with Pakistan's country partnership strategy, 2015–2019² and ADB's Sustainable Transport Initiative.³

Improved connectivity through infrastructure development accelerates economic growth by exposing local markets to larger regional markets. Better provincial roads augment socioeconomic activities by reducing travel time, providing better access to health and education services, and enabling safer roads. The project will create jobs for local villagers.

The rural areas of Sindh are served by poorly maintained district roads and unpaved tracks. More than half of the provincial road network is in fair to poor condition, and one-third is in very poor condition. The project loan aims to improve the provincial road network in Sindh, the second-most populated province in Pakistan. More than 60% of the population of Pakistan lives below the poverty line (\$2.00 a day). Increasing poverty is mainly attributed to slowing economic growth, the persistence of severe macroeconomic imbalances, a lack of social safety nets, and poor governance. In Sindh, more than 50% of the population lives in rural areas, where the incidence of poverty is high. Rural areas are characterized by restricted income-earning opportunities; poor housing; inconsistent levels of agricultural production; inadequate road networks, water, sanitation, and health facilities; and lower educational levels. A number of factors have contributed to poverty including (i) highly unequal land ownership distribution; (ii) inability to provide adequate social services; (iii) rising agricultural input prices, low productivity, and poor marketing and distribution facilities; and (iv) lack of adequate human capital development programs.

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

1. Key poverty and social issues. Pakistan's per capita GDP is \$1,296.3 and grew by 4.0% in 2014.⁴ The national poverty rate is 33%, marked by urban-rural disparity (18% urban and 46% rural poverty incidence), while 21% of the population is below the extreme poverty line. The Sindh poverty rate is 26.5% averagely and its poverty incidence for urban and rural disparity is 38% to 32% of headcounts respectively; 31% of the population below lives below the extreme poverty line, e.g. earning below the international poverty line of \$1.25/day (in 2005 prices). Poverty is unequally distributed across provinces and across rural–urban population within each province. Within the province, poverty levels are unequally distributed as half of population faces high incidence of poverty.⁵
2. Beneficiaries. The potential beneficiaries of the project will be the road users and residential communities and commercial entities in the vicinity of the project area.
3. Impact channels. The project will benefit the poor indirectly by lowering transport costs, increasing employment opportunities and improving communication with other areas, promoting the expansion of the private sector and labor markets, providing safer roads, and reducing air pollution.
4. Other social and poverty issues. Not applicable.
5. Design features. Road rehabilitation construction work is expected to create jobs. Adherence to core labor standards and awareness campaigns on HIV/AIDs will be included in the construction contracts, and monitoring will be undertaken through the project management consultants.

¹ Government of Pakistan, Ministry of Finance. 2009. *Poverty Reduction Strategy Paper (PRSP)–II*. Islamabad.

² ADB. 2015. *Pakistan: Country Partnership Strategy (2015–2019)*. Manila.

³ ADB. 2010. *Sustainable Transport Initiative–Operation Plan*. Manila

⁴ Country Economic Indicators (accessible from the list of linked documents in Appendix 2).

⁵ Sustainable Policy Development Institute. 2012. *Clustered Deprivation: District Profile of Poverty in Pakistan*. Islamabad.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Public consultation. Stakeholder consultations were conducted during the social impact assessment and during the preparation of the land acquisition and resettlement plan (LARP). From June to August, 16 focus group discussions were held with local residents, commercial entities, and vulnerable groups, including women and minorities, for all the six roads. The team discussed the project objectives with the local residents and gathered the community's perspectives on road improvements and their potential impacts. The team ensured the choice of socially acceptable focus group discussion venues, such as roadside hotels and local meeting areas, to maximize participation. Several focus group discussions were conducted exclusively with the local women in their homes.

During the preparation of the LARP, consultation meetings were held with potentially affected persons along the six roads: 24–27 November 2014 for four roads in lower Sindh; 31 November–1 December 2014 for two roads in upper Sindh. During the meetings, the potentially affected persons were apprised of the relocation and resettlement aspects for further confidence-building and to gather their acceptability to the proposed LARP.

2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. Because of their knowledge of the local issues, civil society organizations (CSOs), such as the Sindh Rural Support Program, will provide input. They will service as external monitoring and evaluation agents.

3. Explain how the project ensures adequate participation of civil society organizations in project implementation. Consultation and information disclosure, as well as a grievance redress mechanism, will ensure CSOs' participation in project implementation. CSOs will be represented on the steering committee for the project.

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

M Information gathering and sharing M Consultation L Collaboration NA 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

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: no gender elements (NGE)

A. Key Issues. What are the key gender issues in the sector/sub-sector that are likely to relevant to this project/program?

The project is gender neutral. However the needs of women often vary considerably from those of men. Women typically are responsible for transporting their children to school and accessing social services, such as primary health care. Women depend on reliable road transport for access to reproductive and maternal health services. In many rural communities, women play an essential role in contributing to household incomes through marketing of household farm products and participation in informal sector activities, such as small businesses and casual labor. All of these are affected significantly by the quality of the roads. Therefore, improved roads are likely to significantly contribute to women's health and to their capacity to contribute to household incomes. Improved roads will reduce the time burden in managing both livelihood and family management roles.

Limited jobs for women will offered during construction and will be encouraged. Improved and safer rural roads will facilitate women's mobility and will enhance their access to better education, health, and economic opportunities. The project will provide access for women to participate and obtain benefits during project implementation, including participating in the consultation meetings under the LARP.

B. Key actions. Gender action plan Other actions or measures No action or measure

Although the project does not include a gender action, the project team will make efforts to (i) ensure women's participation in the consultation and awareness-raising activities; (ii) increase income-earning opportunities for women and encourage them to engage in some construction activities, such as roadside plantation; (iii) address women's concerns in the road reconstruction works by providing safe walkways, safety signs, waiting sheds, and other amenities; and (iv) improve women's representation in project coordination units.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. Key impacts. The LARP is based on a 100% census of affected persons, which in turn is based on the social impact assessments of the six roads covering the project area. These assessments were conducted through a series of site visits and focus group discussions with the affected persons and other stakeholders. The survey shows that no land acquisition requirements are needed as the right-of-way of the 7.3 meter carriageway and 2.5 meter shoulders are owned by the Works and Services Department (the project executing agency). The survey, which was conducted for all six roads, found that the right-of-way of the six roads has 181 structures. These include commercial structures (shops, hotels,

<p>huts), religious and cultural sites (mosques, imambargah,⁶ tombs), and government properties (bus stops, police check posts). Of the 181 structures, 172 have been protected through an appropriate engineering solution and have been accommodated within the shoulders. One additional structure was avoided during the Asian Development Bank mission's site visit. Now only eight structures—four commercial and four mosques—will be affected partly or fully because of their siting on the main carriageway area required for the project. The structures are entitled to compensation at full replacement costs, as outlined in the Safeguard Policy Statement (2009).</p> <p>2. Strategy to address the impacts. The LARP covers the aspects of consultation and information disclosure, grievance redress mechanisms and compensation, entitlements, and benefits. Planned institutional arrangements include hiring a resettlement specialist and independent monitoring consultants.</p> <p>3. Plan or other Actions</p> <p><input checked="" type="checkbox"/> Resettlement Plan <input type="checkbox"/> Combined resettlement and indigenous people plan</p> <p><input type="checkbox"/> Resettlement framework <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</p> <p><input type="checkbox"/> Environmental & social Management system arrangement <input type="checkbox"/> Indigenous people plan eliminates integrated in project with a summary</p> <p><input type="checkbox"/> No action</p>	
<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p>	
<p>1. Key impacts. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>2. Strategy to address the impacts: N/A</p>	
<p>3. Plan or other Actions</p> <p><input type="checkbox"/> Indigenous people plan <input type="checkbox"/> Combined resettlement and indigenous people plan</p> <p><input type="checkbox"/> indigenous peoples planning framework <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</p> <p><input type="checkbox"/> Environmental & social Management system arrangement <input type="checkbox"/> Indigenous people plan eliminates integrated in project with a summary</p> <p><input type="checkbox"/> Social Impacts Matrix</p> <p><input checked="" type="checkbox"/> No action</p>	
<p>V. ADDRESSING OTHER SOCIAL RISKS</p>	
<p>A. Risks in the Labor Market</p>	
<p>1. Relevance of the project for the country's or region's or sector's labor market</p> <p><input checked="" type="checkbox"/> unemployment <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input type="checkbox"/> core labor standards</p>	
<p>2. Labor market impacts:</p> <p>The project construction phase is expected to generate jobs for local communities. Core labor standards will be fully adhered to and the executing agency will ensure that all civil works comply with all applicable labor laws and will not employ child labor for construction and maintenance works.</p>	
<p>B. Affordability: Affordability is taken into account as the road improvements will reduce transport cost and accident risk, and increase the mobility of the local population. The proposed tolls are significantly less than the projected operating cost savings.</p>	
<p>C Communicable Diseases and Other Social Risks</p> <p>1. Indicate the respective risks, if any, and rate the impacts as high (H), medium (M), low (L), or note applicable (NA)</p> <p>Communicable Diseases: (L) Human Trafficking: (L)</p> <p>2. Describe the related risks of the project on the people in the project area:</p> <p>For other social risks and vulnerabilities such as HIV/AIDs and human trafficking, the project will develop mechanisms to address the social issues identified during the social and poverty assessment. However, no significant negative impacts are anticipated.</p>	
<p>VI. MONITORING AND EVALUATION</p>	
<p>1. Targets and Indicators: In line with ADB's Safeguard Policy Statement.</p> <p>2. Required human resources: (i) social project officer in the project management unit, (ii) assistant safeguards officer in the project management unit, (iii) resettlement specialist as an external consultant, and (iv) Asian Development Bank social safeguards team.</p> <p>3. Information in PAM. Essential administrative and management requirements covered in LARP (Chapters 6, 11 and 12).</p> <p>4. Monitoring Tools: Performance data sheets at sub-project level, monthly progress reports at project management unit level, internal monthly monitoring reports, and resettlement database.</p>	

Source: Asian Development Bank estimates.

⁶ Congregation hall for Shia commemoration ceremonies.