

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Thailand	Project Title:	Mass Rapid Transit Project (Pink and Yellow Lines)
Lending/Financing Modality:	Project finance (A loan)	Department/Division:	Private Sector Operations Department Infrastructure Finance Division 2
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			
Asian Development Bank (ADB) support for the project is also in line with its country partnership strategy for Thailand, 2013–2016, ^a and its country operations business plan, 2018–2020. ^b The project also supports the Government of Thailand's Twelfth Economic and Social Development Plan, ^c 2017–2021 which includes the advancement of infrastructure as one of its strategies, and logistics with urban public transport as one of the components. This component is seen as essential to effectively spread prosperity from urban areas to the countryside.			
B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistant or Due Diligence			
<p>1. Key poverty and social issues. The Bangkok metropolitan region has 22.0% of the country's population but produces 44.2% of the gross national product. While the metropolitan region has an average household income that is 52.3% higher than the national average, its poverty incidence is minimal. As the country's main hub, it is seen as the investment area for measures to reduce poverty. The socio-economic survey conducted in 2017 covering 500 households within a 500-meter radius of the right of way of the Pink Line alignment reported that none live below the poverty line.</p> <p>2. Beneficiaries. In terms of project-related employment benefits, low-income households will likely benefit the most from the 1,400 low-skilled jobs created during the project construction. Around B10 million per month will be paid as wages for such work. Demand for low-skilled workers will be much less during operation. The proposed rail system follows a universal design which will enable everyone, including pregnant women, the elderly, disabled people, and the uneducated, to use it with ease.</p> <p>3. Impact channels. The project will contribute to (i) increased alternative modes of public transport and diversification of transport modes of the city through the addition of two mass rapid transit (MRT) lines in Bangkok, while addressing heavy traffic congestion; and (ii) improved mobility and accessibility through enhanced MRT network connectivity.</p> <p>4. Other social and poverty issues. The quality of urban infrastructure and the efficiency of its logistics dictate the access to its services and opportunities from the outside. This access allows development benefits to filter down, reducing poverty on a broader scale. Transportation is a main component in making this access possible because physical mobility is the single strongest factor in escaping poverty, as identified in a large continuing study on upward mobility.^d On the other hand, improved transportation normally raises the prices of housing and land in these areas, hence housing affordability tends to become an issue.^e Nevertheless, even in areas where the poorer people choose buses because of better affordability, they still indirectly benefit from the MRT system because of higher incomes resulting from increased efficiency.</p> <p>5. Design features. The proposed project has a universal design to serve everyone. Such design aims for equitable usability of its facilities without the need for any adaptation from any user or group of users. It can be used by anybody regardless of gender, age, and level of literacy. It can easily accommodate people with physical disabilities and those using mobility support (e.g., wheelchairs) as well as pregnant women and women with babies. These design features include communication facilities, areas for mobility (ramps, walkways, staircases, lifts, gates, and floors), facilities for personal use, content and media information for tasks of station staff. Areas for mobility and personal use will be constructed for the comfortable use of people with different physical abilities and impairment, including those with visual disability. Station staff are on standby for those who need assisted use of the facilities to ensure that the trains and stations deliver a safe and easy ride to all users. These features make this project fully compliant with the 2005 Ministerial Regulations on Accessible Facilities in Buildings for Disabled Persons and the Elderly.</p>			
II. PARTICIPATION AND EMPOWERING THE POOR			
<p>1. Participatory approaches and project activities. Information disclosure and numerous consultation activities were conducted as part of the environmental impact assessment (EIA) preparation. Information was disclosed in TV, radio, print media, leaflets, brochures, video, exhibition boards, and a dedicated website. Consultation meetings were held with communities along the route, local government officials, business operators, and private service providers. Multi-stakeholder assemblies were held where concerns were raised. These concerns include (i) the need for more public information, (ii) land acquisition, (iii) the need to consult with households with affected property, (iv) construction impact on structures, (v) traffic generation, (vi) space and ventilation of the stations, and (vii) provision of emergency procedures. After the EIA preparation and its amendment, the government continued to disclose information through conventional and social media, including the project websites. For the affected</p>			

<p>households the following information disclosure activities have been done: (i) posting of royal decree and property price appraisal results in public places; (ii) written notice to owners and renters for site inspection, compensation contract, availability and deposit of compensation, appeal process, requirement to vacate the property and appeal decision in case of complaint; and (iii) public disclosure of minutes of the meeting of the compensation committee. Consultations on affected assets have been conducted in the neighborhood and at the household level. With the affected households, consultations and exchange of information with the MRTA are a continuous process.</p> <p>2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. Community leaders, a religious organization (the management of Wat Phra Si Maha That Woramahawihan Temple), local council representatives, along with private citizens participated in the consultations.</p> <p>3. Civil society organizations. An environmental compliance monitoring and supervision committee will be appointed with representation from nongovernment organizations.</p> <p>4. The following forms of civil society organization (CSO) participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> Information gathering and sharing (M) <input checked="" type="checkbox"/> Consultation (M) <input type="checkbox"/> Collaboration (L) <input type="checkbox"/> Partnership (L)</p> <p>5. Participation plan. <input checked="" type="checkbox"/> Yes. A participation plan is prepared as part of the EMP.</p>	
III. GENDER AND DEVELOPMENT	
Gender mainstreaming category: Some gender elements	
<p>A. Key issues. Women's concerns about using the MRT include the need for frequent off-work trips associated with household and caretaking responsibilities, comfort and safety on trips with children and the elderly, and availability of women staff. Potential health impacts from the construction and operation of the project affecting women living or traveling along the project route may be caused by increased particulates, noise vibration, standing water, and accidents during construction. However, the risk of these impacts is rated low or moderate. During operation, such impacts will either cease or be downgraded to low risk. The project will benefit women as there are more female commuters than male in Bangkok. Assuming a 50:50 ridership among men and women, the project's maximum capacity of 44,000 people per hour per direction implies the inclusion of 22,000 women.</p>	
<p>B. Key actions. <input checked="" type="checkbox"/> Other actions/measures Women's concerns are addressed in the project for ensuring their access and use. The project includes establishment of stations where services important to women can be located close by and will enable them to make off-work trips more efficiently, and also to combine these with work trips. The park and ride facilities will have provisions such as special toilets with floor area large enough to accommodate a baby carriage and wheelchair. In the train coach, special seats are allocated for women with a child, disabled people, and the elderly. In terms of the availability of women staff, currently about half of the operations staff are women and the security force also include women personnel. Safety from sexual harassment is being addressed by adequate lighting in all areas, cameras and alarm systems, and presence of security personnel. Briefing sessions for female and male station staff on security-related issues are also conducted regularly. The gender-related targets include the following: (i) integrate specific gender in the project design such as mobility, safety, and security facilities and services for persons with disability, the elderly, women (especially expectant mothers), and children such as dedicated parking slots and toilets in the park-and-ride facilities; adequate security, lighting and elevators in stations and dedicated seats in carriages; and (ii) adopting a gender/diversity policy by 2020.</p>	
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES	
A. Involuntary Resettlement	Safeguard Category: <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
<p>1. Key impacts. The project will affect private assets, mainly land and structures which are being acquired following Thai laws. Based on the latest data from the MRTA, the 30.4 km Yellow Line will require 21.85 hectares of land and affect 338 property owners and 44 tenants. There are 207 affected structures occupying a total of 2.83 hectares. Around 50.7% of the structures are commercial, only 23 structures are residences, and only four structures will be demolished entirely. There are 156 business owners who will be affected but only 55 are required to relocate their business. The total impact on various assets is valued at \$174 million. Based on the 2015 EIA, the 34.5 km Pink Line will require 47.72 hectares of land, of which 94.6% are privately owned, and will affect 185 structures. As of March 2018, changes to alignments and location continue to be considered.</p>	
<p>2. Strategy to address the impacts. Land acquisition and resettlement activities being undertaken by the MRTA commenced with the issuance of the royal decree designating the area for acquisition on 16 December 2014 (Pink Line) and on 28 September 2015 (Yellow Line) prior to ADB's involvement in June 2017. When land acquisition is ongoing or completed, ADB considers the project facilities existing. For existing project facilities, the ADB Safeguard Policy Statement (2009) (SPS) Safeguard Requirements 2 involuntary resettlement requirements apply to resettlement actions in anticipation of ADB support. In this project land acquisition and resettlement actions were not undertaken in anticipation of ADB financing and therefore do not fall within the ambit of SPS Safeguard Requirements 2 para. 4. Bangkok Bank originally committed the financing of the project to satisfy the tender requirement, with syndication with other Thai banks in mind. As of February 2018, agreements were signed and compensation paid for 59.77% of land being acquired for the Yellow Line. For the Pink Line, 61.5% of compensation agreements and contracts are being processed with 11.5% paid. An audit of the land acquisition process was undertaken to determine if there are risks associated with MRTA-led land acquisition and resettlement. The audit found that the MRTA is fully compliant with Thai expropriation laws, has followed the Ministry of Transport Manual on Compensation, and adopted</p>	

practices which are consistent with the SPS principles. The MRTA has conducted a census and full asset inventory; disclosed information on impacts, compensation, and entitlements to affected people; and paid compensation for land, structures, and lost income due to business disruption at replacement cost. Where the audit found sufficient information to compare the market prices for the land being acquired, the audit finds that compensation offers issued by the MRTA are equivalent to or above the market rate and therefore adheres to Thai legal requirements. In addition to compensation rates at market rates, the MRTA also covers administrative or transaction costs, among other assistance which aligns MRTA practices with the SPS requirements for compensation at replacement cost. The MRTA has also taken due care to listen to concerns of affected people and is implementing a robust grievance mechanism where requests for changes in design are being implemented to minimize impacts on assets.	
3. Plan or other Actions. <input checked="" type="checkbox"/> Social Compliance Audit Report and Corrective Action Plan The Corrective Action Plan for both projects require continuous monitoring of land acquisition and compensation activities until completion to ensure that it adheres to Thai laws and the Ministry of Transport and MRTA established practices. Such monitoring will be undertaken by an external monitor reporting directly to ADB.	
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. The project is located in the heart of the Bangkok metropolitan region and will not affect indigenous peoples communities as defined in ADB's SPS SR3 on indigenous peoples. Is broad community support triggered? <input checked="" type="checkbox"/> No	
2. Strategy to address the impacts. None.	
3. Plan or other actions. <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. high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> unemployment(L) <input checked="" type="checkbox"/> underemployment(L) <input checked="" type="checkbox"/> retrenchment (L) <input checked="" type="checkbox"/> core labor standards (L)	
2. Labor market impact. The project will impact the labor market in three ways: (i) increased deficit of construction workers in Thailand who are in full employment; (ii) employment of surplus labor from the Greater Mekong Subregion area, particularly Cambodia, the Lao People's Democratic Republic, and Myanmar; and (iii) poverty reduction in remittance recipient households. Risks from the project's use of migrant construction workers will be mitigated by the existing government measures and specific project measures.	
B. Affordability. Zonal ticket prices are predetermined in the concession agreement.	
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): <input checked="" type="checkbox"/> Communicable diseases (L) <input checked="" type="checkbox"/> Human trafficking (L)	
2. Risks to people in project area. The contractor will be required to ensure compliance with health and safety standards, and in the event that foreign labor will be contracted that this will be done in compliance with national labor laws and internationally recognized core labor standards. For the spread of communicable diseases, the more significant measures are as follows: (i) free and accessible testing; (iii) 100% condom-use program; (iv) working with 168 civil society organizations; and (v) use of a surveillance system.	
VI. MONITORING AND EVALUATION	
1. Targets and indicators. Measures implemented by the contractor to manage impacts to the community of construction activities will be monitored against the environmental management plan.	
2. Required human resources. An auditor has been contracted by the borrower to monitor environmental and social measures in the EMP. In addition, ADB will engage an external social monitor to undertake supplemental social monitoring of (i) progress of land acquisition up to completion of compensation payments, (ii) compliance with national labor laws and core labor standards, and (iii) implementation of gender and development commitments.	
3. Information in the project administration manual. Not applicable.	
4. Monitoring tools. Semiannual external monitoring reports.	

^a ADB. 2013. *Country Partnership Strategy: Thailand, 2013–2016*. Manila.

^b ADB. 2017. *Country Operation Business Plan: Thailand, 2018–2020*. Manila.

^c National Economic and Social Development Board. 2015. *Transport Infrastructure Development Master Plan (2015-2022)*. Bangkok: Office of the Prime Minister.

^d Quoted in Bouchard, M. 2017. Transportation Emerges as Crucial to Escaping Poverty. *New York Times*. 7 May (<https://www.nytimes.com/2015/05/07/upshot/transportation-emerges-as-crucial-to-escaping-poverty.html>).

^e Malaitham, S. 2013. *A Study of Urban Rail Transit Development Effects in the Bangkok Metropolitan Region*. (Dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Engineering, Graduate School of Engineering, Kyoto University). <https://repository.kulib.kyoto-u.ac.jp/dspace/bitstream/2433/180485/2/dkogk03781.pdf>.