

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	<input type="text" value="Bangladesh"/>	Project Title:	<input type="text" value="Market and Value Chain Infrastructure Development Project"/>
Lending/Financing Modality:	<input type="text" value="Project loan"/>	Department/ Division:	<input type="text" value="SARD / SAER"/>

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Poverty is an important socioeconomic policy challenge for Bangladesh. It has been striving for a long time to reduce the incidence of poverty and to improve the living standards of its millions of impoverished citizens. Bangladesh has made substantial progress in reducing poverty, where the percent of population living below the poverty line went down from more than 80% in the early 1970s to 31.5% in 2010. Despite progress in poverty reduction, rural poverty (35.2% in 2010) still remains extensive in the country. Poor infrastructure impedes economic and social access, contributing to high poverty in rural areas. Much of Bangladesh is vulnerable to the effects of climate change. Extensive flooding and intense rainfall can seriously affect the rural economy and livelihoods of the poor people. The poor and women are more vulnerable because of (i) poorer access to education and health services, and economic opportunities; (ii) limited mobility; and (iii) various social constraints. Infrastructure development in these areas must be resilient to climate change impact to manage the long-term costs of investments, and to ensure that such investments deliver their intended benefits. The proposed Market and Value Chain Infrastructure Development Project (MVCIDP) will contribute to the government's Seventh Five-Year Plan, FY2016–FY2020 which aims to foster growth rate and reduce poverty by boosting infrastructure development and improving gender equity. The project is also consistent with ADB's country partnership strategy for Bangladesh, 2011–2015 which supports government's strategic thrust on poverty reduction by infrastructure development, integrating climate change consideration into sector interventions, and climate-proofing infrastructure.

#### B. Poverty Targeting:

General Intervention  Individual or Household (TI-H)  Geographic (TI-G)  Non-Income MDGs (TI-M1, M2, etc.)

The proposed MVCIDP will improve the supply and quality of high value crops. Given the high level of food insecurity amongst the poor in Bangladesh, this will improve access to and affordability of food.

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

Poverty continues to be largely a rural phenomenon. About 75% of the population that lives in rural areas includes 84% of the nation's poor. Poverty is more acute when a household has little or no land, no productive jobs, more dependents, little education, or a female as its head. Remoteness from local markets and Dhaka and lack of access to infrastructure, including electricity and transport to local markets, are characteristics of poor areas. The proposed MVCIDP beneficiaries will include farmers, traders, processors, logistics operators, and consumers of fruit and vegetable crops. The MVCIDP will improve food nutrition and food security in high value crops.

##### 2. Impact channels and expected systemic changes.

Implementation of the proposed MVCIDP is expected to have a significant impact on the livelihood of the impact zone population including the poor farmers and fruit and vegetable consumers. Adoption of new technologies through provision of knowledge and training will lead to improved incomes of participants along the value chain. Reductions in food losses and improved continuity of supply of safe food will benefit consumers. This will contribute directly and indirectly in reducing poverty levels of the poor and socially disadvantaged groups including women.

##### 3. Focus of (and resources allocated in) the PPTA or due diligence.

A poverty reduction specialist will be engaged under the project design advance (PDA) to undertake poverty analysis.

### II. GENDER AND DEVELOPMENT

#### 1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

Two key gender issues are identified: (i) the nutritional needs of women and children, and (ii) the extent of involvement of women in the horticulture and agro-processing industries in Bangladesh. On the nutritional needs of women and children, the Seventh Five-Year Plan, FY2016–FY2020) describes the high rate of malnutrition among women and children as requiring a multidimensional approach, such as awareness on child/women nutrition, food value and food diversity, as well as, iron and supplementation during pregnancy to cover iron-deficiency anemia, postpartum vitamin A supplementation, and vitamin A campaign for children. This means a concerted effort to ensure food availability, food access, and food utilization that address these special nutritional needs of women and children. On the involvement of women in the horticulture and agro-processing industries in Bangladesh, women are

increasingly getting involved in cultivation with more men moving out of agriculture because of low land productivity and migration for employment. However, fewer women are involved in marketing their produce because of perceived lack of security—as marketing requires travelling away from home—and their perception that marketing is predominantly a male domain. This lack of involvement in marketing limits women's integration in the wider economy, and thwarts their ability to gain from an expansion in trade or production. This situation also calls for effective strategies to improve women's involvement in the different segments of the high crop value chain.

2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making?

Yes  No Please explain.

The proposed MVCIDP is expected to promote gender equality and empower women in decision making roles by encouraging and enabling women to actively participate in public consultations and through training programs and access to finance. The proposed MVCIDP will improve access to basic services for women and increase employment opportunities.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes  No Please explain

Neither women nor girls are expected to suffer adversely from the proposed MVCIDP. They are expected to benefit significantly based on ADB's recent projects in the sector and the proposed gender focused activities.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity)  EGM (effective gender mainstreaming)

SGE (some gender elements)  NGE (no gender elements)

### III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.

The potential primary beneficiaries of the proposed MVCIDP are producers, processors, logistics operators, marketers and consumers of fruit and vegetables. The poor are disadvantaged as they have reduced access to accessible and affordable fruit and vegetables. This contributes to nutritional deficiencies and associated health problems. A poverty and social assessment study to be undertaken under a subsequent PDA will carry out a stakeholder analysis and also identify the excluded, poor, and vulnerable groups. Public consultations will be undertaken to involve the stakeholders including the excluded, poor, and vulnerable groups. Their participation will be important to enable the design and location of the collection centers and distribution centers.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?

Improvements to the value chain for fruits and vegetables will contribute to increasing supply and stabilizing prices for these commodities. Poor farmers will benefit from improved access to finance and new technologies, and consequently increased incomes. The design will ensure that the poor and vulnerable are included in the capacity development output.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?

Information generation and sharing (H)  Consultation (H)  Collaboration  Partnership

The proposed MVCIDP will build on the consultation and community participation exercises undertaken during the PDA. These include community participation for planning, design, and implementation in highly dense and poor settlements. Community consultations will also be carried over to the project implementation stages and user awareness will be included as an important activity.

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed?  Yes  No

A poverty and social assessment will include a stakeholder analysis and identify the poor and excluded groups, such as the very poor and women. The public consultation under the poverty and social assessment will ensure that these groups will be heard, and ensure that they will be part of the beneficiaries under the capacity development output of the proposed MVCIDP.

<b>IV. SOCIAL SAFEGUARDS</b>
<p><b>A. Involuntary Resettlement Category</b> <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The proposed MVCIDP involves construction of collection and distribution centers. The collection centers will be located in areas nearby agricultural land. The land for collection centers are expected to be on vacant government land or leased from private lands. There is also the possibility to acquire land for the collection centers. The distribution center will be located on an existing government economic zone and land will not be acquired.</p> <p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix  <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p><b>B. Indigenous Peoples Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>There are no indigenous people living in the project area.</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>There are no indigenous people living in the project area.</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?</p> <p><input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix  <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None</p>
<b>V. OTHER SOCIAL ISSUES AND RISKS</b>
<p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> Creating decent jobs and employment (M) <input checked="" type="checkbox"/> Adhering to core labor standards (M) <input type="checkbox"/> Labor retrenchment  <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability  <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability  <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>The proposed MVCIDP is expected to create employment and adhering to core labor standards will be secured through provisions in the construction contracts. Monitoring will be undertaken through the project management consultants.</p>
<b>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</b>
<p>1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (v) other social risks. Are the relevant specialists identified?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis, and participation plan during the PPTA or due diligence?</p> <p>Under the PDA, there is a provision for recruitment of a social development expert to address safeguards matters as well as to undertake poverty, social, and gender analysis based on existing socioeconomic data and consultations.</p>