

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Uzbekistan	Project Title:	CAREC Corridor 6 (Marakand–Karshi) Railway Electrification Project
Lending/Financing Modality:	Project Loan	Department/Division:	Central and West Asia Department / Transport and Communications Division

I. POVERTY ANALYSIS AND STRATEGY

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

The Government of Uzbekistan, in coordination with international organizations, supported an in-depth poverty analysis in July 2007, with results used as a basis to formulate the Welfare Improvement Strategy and Poverty Reduction Strategy Paper (WIS/PRSP), 2008–2010. A key focus of the WIS/PRSP 2008–2010 is the government’s plan for improving living standards, especially for low-income and socially isolated groups. The strategy identifies four pillars for reducing poverty incidence: (i) high economic growth rates by maintaining macroeconomic stability and accelerating structural reforms, (ii) human development and social protection, (iii) reduced interregional inequalities in living standards, and (iv) improved environment protection. The strategy takes into account differences in the social and economic development of the regions throughout the country. Within the framework of the strategy, two economic policy objectives are set: (i) a reduction of regional differences in living standards, and (ii) the creation of conditions to increase the economic potential of the regions. The instruments to achieve these objectives are as follows: national social and investment programs, and programs for the establishment and modernization of infrastructure, as well as reform of the local authority and decentralization of public administration.

The strategy (2008–2010)^a emphasizes developing Uzbekistan’s infrastructure. In the railway sector, the government has formulated the Railway Electrification Program up to 2020^b and prioritized a three-part five-year investment plan:^c (i) further development of railway infrastructure, (ii) railway electrification, and (iii) modernization of rolling stock. These form the strategic framework for railway development. The government’s request of Asian Development Bank (ADB) assistance to electrify the Marakand–Karshi section falls under this plan. The project fits with ADB’s Strategy 2020,^d and is included in the country operations business plan, 2011–2013.^e It also aligns with the Uzbekistan Transport Sector Strategy, 2006–2020^f and supports the Central Asia Regional Economic Cooperation (CAREC) Transport and Trade Facilitation Strategy and Action Plan.^g

B. Poverty Analysis Targeting Classification: General Intervention

1. Key issues

The WIS/PRSP indicates that 27.5% of the population lived below the poverty line in 2001. One-tenth of the population is classified extremely poor. From 2001 to 2009, the poverty rate decreased steadily to 19.2% with a decrease from 28% to 15% in urban areas. In rural areas, where about 64% of the population resides, the decrease was smaller from 34% in 2001 to 22% in 2009. The variance in poverty rates in urban and rural areas increased from 6% in 2001 to 7% in 2009. Overall, the highest concentration of the poor is in the northern and southern regions.

Poverty varies by region, with the highest incidence in Karakalpakstan (37%), followed by Kashkadarya (32.5%), Surkhandarya (27.8%), Sirdarya (26.1%), Khorezm (23.3%), and Jizzak (23.1%). Poverty rates in the other regions range from 11% to 25%, except for Tashkent which has the lowest poverty incidence at 3.1%. Regional poverty incidence reflects regional variation in average per capita income, which increased by 1.3 to 5.0 times, and the growing gap in interregional development.

The regional gap in gross regional product per capita increased by 2.1 to 4.2 times over 1991–2003. Similar increases are evident for industrial production (5.4 to 23.3), gross agricultural produce (2.1 to 3.3 times), retail goods turnover (3.5 to 5.0), and paid services (3.5 to 11.1), as well as level of investment (3.5 to 6.5 times). The Kashkadarya Region of the project area has the highest growth rate in Uzbekistan (2.2%), compared with the national growth rate (1.8%). The birth rate is 24.2 per 1,000 residents (23.2 in Surkhandarya oblast and 22.6 in Samarkand oblast).^h

2. Design features

The project is designed to contribute to sustainable economic development and increased domestic and international trade growth as a result of an efficient railway operation system. It will increase regional trade and support economic development. The outcome will be improved railway operation between Marakand and Karshi. The proposed investment program, as part of the CAREC 6 Transport Corridor, will implement the electrification of 140 kilometers (km) of railway section between Marakand and Karshi. The project will reduce the railway operating costs and travel time of the domestic, regional, and transit traffic—thereby contributing to the trade growth of the country as a whole, and project areas in particular. Rural–urban links, promoted through improvements of railways, contribute to supporting greater stability of income and increased off-farm employment in rural areas, and offering the local poor the possibility to be involved in new initiatives outside planned agriculture production. The project beneficiaries are the existing and potential users of the railway line, i.e., passengers and freight customers. A special category of users concerns rural women frequently using train services for income-generating activities, i.e., selling small farm production and handicrafts to bigger markets in cities. Cheap, regular, safe, and fast access to education and health services in urban centers is another benefit for the poor and those living within the project area.

II. SOCIAL ANALYSIS AND STRATEGY

A. Findings of Social Analysis

Key issues

Railways are important to the people in the project area. Train services facilitate visits to centers of medical and commercial activities in cities and locations with more developed social infrastructure. The project crosses two provinces, Samarkand and Kashkadarya, with a total population of 5.3 million. The population is concentrated in the cities served by the main stations such as Marakand, Ayritam, Kashkadarya, and Karshi; elsewhere along the railway line it is rather sparse. Local train users come from villages close to the line located within a maximum 25 km radius to the west and 10 km to the east.

Most of the families in the project area own dwellings with a small plot and cattle. Territory along the railways consists mainly of dry steppe zones. Land is mostly used for grazing and dry wheat or cotton cultivation. The number of private farms is slowly increasing, but the employment rate is low (0.66 workers per hectare). Basic food for most rural families is produced from own land plots and cattle (90% of food consumption). Only essential commodities are purchased in shops and markets (tea, sugar, salt, pasta, and soap). All households rely on agriculture, so their living standards depend on harvest and climate changes.

No urban population lives along the alignment. The only urban centers located in the project area are Nurabad and Juma where many people are employed in the uranium mines with a higher income. Employment in the project area is dominated by the agricultural sector. Other important sectors are education and industry (fertilizer production). There are two colleges in Nurabad District, four in Kasan, and several in Chirakchi Districts. In Nurabad and Pastargon, there are about 70,000 students. The railway transports regular weekly passenger trains for colleges, universities, and other institutes or schools in Samarkand and Kashkadarya provinces. These colleges employ many local teachers living around small cities and villages who could use the train to visit schools and share information and training.

The medical points or mahalla first aid centers are not sufficiently equipped to carry out their primary role of providing first aid and clinical diagnosis. These health providers have to purchase medicines and medical supplies in the cities. Those living in villages along the line use trains to go either to specialized hospitals in Karshi or Samarkand. Many passengers accompany family members to city hospitals or visit family members there. Emergency access to train stations remains difficult, although more people have cars and use them in cases of necessity. The primary reasons for medical visits are (i) anemia and kidney stone disease for women; and (ii) anemia, diarrhea (during the summer), and pneumonia (during the winter) for children. In all Kashkadarya steppe project areas (Chirakchi and Derkanabad), malnutrition problems occur as a result of the lack of irrigated water, which causes shortage in agricultural production.

The railway lines cross several large grazing areas. Numerous cattle crossings on the railway lines could lead to train collisions with cattle (section Alatur–Ayritam and Karshi–Negus) and other related accidents. To address these issues, additional caution signs, traffic signals, barriers, and fences are required.

B. Consultation and Participation

1. Provide a summary of the consultation and participation (C&P) process during project preparation.

The project stakeholders include (i) railway passengers, (ii) local people living in the project area (men and women), (iii) affected people, and (iv) people employed during the railway station construction period and via railway maintenance activities after project completion. Other stakeholders include Uzbekistan Temir Yullari (UTY) officials, the State Committee on Land Resources, Geodesy, Cartography and State Cadastre, the Ministry of Public Health, and other development partners and contractors working on ongoing projects.

2. What level of C&P is envisaged during the project implementation and monitoring?

Information sharing Consultation Collaborative decision making Empowerment

3. Was a C&P plan prepared for project implementation? Yes No

C. Gender and Development

Gender Mainstreaming Category: Some Gender Benefits (SGB)

1. Key issues

The railway plays a significant role for citizens during their local movements within the country and has differentiated impacts on men and women. At present, women are more likely than men to be involved in informal trade markets, so their mobility and the number of transport-related movements will increase.

For many rural and urban women living in the project area, the sale of fruits, vegetables, eggs, as well as handicrafts in marketplaces or railway stations is the main source of income; and gives women greater authority at home. Seasonal agricultural work, especially for women, is combined with other economic activities such as dairy food production, breeding, and sale of poultry and handicrafts (traditional carpets). In addition, many women are employed as doctors, nurses, and teachers. At marketplaces such as the Samarkand Railway Station, which is not a main Bazaar, women sell farm products harvested from their household land plot (including fruit, tomatoes, watermelons, and dairy products in summer and dairy products and peas during winter). Some women travel to Samarkand for these purposes several times in a week. A lot of them use train as a mode of travel, especially when they have to carry large goods and products to be sold. Thus, access and affordability of transportation is the main problem for the population in the project area who are dependent on railway and roads for their source of income. This is characterized by time and money savings, and least often, by comfort.

Women passengers, especially nursing mothers, have no privacy to breast-feed or swaddle their babies in separately designated rooms or facilities when travelling. In addition, platform connections via underpasses and tunnels are arduous for women passengers carrying heavy loads. There is also lack of (i) infrastructural compounds like bazaars, supermarkets, and resting or leisure places; (ii) hygiene facilities and clean water in restrooms (especially for women traders); (iii) available drinking water; (iv) enough seats to accommodate passengers; (v) windows that can be opened without posing danger to children and window shades to protect from direct sunlight in summer; and (vi) improved ventilation. Moreover, intermediate train stops in populated areas (Khodjakuduk, Saidou, and Usku) lack shelters, proper waiting sheds, and facilities to protect passengers from inclement weather (sun and wind).

The transport sector is still male dominated. Women staff are mostly assigned to less important posts and women's career growth opportunities are hindered by constraints like limited training and job openings, especially those related to physical competence and safety. The low number of women employed in transport could be a major reason for the neglect of women's needs in the rail transport subsector's planning and design. There is a need for more employment opportunities for women, especially in senior posts, in the transport sector.

Since interest in gender aspects of transportation in Uzbekistan is relatively new in development debates, rail transport has not yet been tackled from a gender perspective. Lack of actual and adequate information and assessment of traveling conditions for women (e.g., hygiene, security, accessibility, time savings, earning opportunities resulting from infrastructure investment, etc.) and relevant sex-disaggregated statistics complicate the planning process and hinder the development of proper gender-related activities in the railway sector.

2. **Key actions.** Measures included in the design to promote gender equality and women's empowerment—access to and use of relevant services, resources, assets, or opportunities and participation in decision-making process:

Gender action plan Other actions or measures No action or measure

Measures to promote gender equality and women's empowerment will include the following gender-related activities: (i) appointing a gender focal point in the executing agency responsible for implementation of gender-related activities; (ii) gathering the baseline sex-disaggregated data as part of surveys and assessments; (iii) providing gender awareness training for UTY; (iv) integrating the gender-related content into capacity building activity and communication strategies, wherever appropriate; (v) encouraging and promoting women's employment in UTY; and (vi) conducting information campaigns on HIV/AIDS.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Significant/ Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
Involuntary Resettlement	No Impact	The project will upgrade the existing railway line and will not entail land acquisition. The electric poles for power distribution line will be erected along the railway track and within the existing right-of-way. The power substations will be located within the area of the existing train stations.	<input checked="" type="checkbox"/> None
Indigenous Peoples	No Impact	The project will not affect the dignity, livelihood systems, or culture of indigenous peoples as defined by ADB's <i>Safeguard Policy Statement</i> (2009).	<input checked="" type="checkbox"/> No action
Labor <input checked="" type="checkbox"/> Employment opportunities <input type="checkbox"/> Labor retrenchment <input checked="" type="checkbox"/> Core labor standards	Limited Impact	Construction works will need local labor. Bidding documents will be prepared to ensure that contractors (i) comply with applicable international core labor standards and national labor laws; (ii) do not differentiate payment between men and women for work of equal value; (iii) do not utilize child labor in construction and maintenance activities; (vi) allow freedom of association; and (vii) maximize to the extent possible the employment of local poor and disadvantaged persons for project construction purposes provided that the requirements for the job and efficiency are adequately met.	<input checked="" type="checkbox"/> Other action
Affordability	No impact	UTY will maintain passenger services at low prices, and covers relevant financial losses through effective cross-subsidy from its freight services. The project will reduce UTY's operating cost, which will contribute to affordable passenger services for the local population.	<input checked="" type="checkbox"/> No action
Other Risks and/or Vulnerabilities <input checked="" type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (conflict, political instability, etc.)	No Impact	The government, through UTY, will ensure that appropriate entities (e.g., nongovernment organizations) disseminate information on the risks of sexually-transmitted infections, including HIV, to the employees of civil works contractors engaged under the project and to members of the local communities surrounding the project area, particularly females.	<input checked="" type="checkbox"/> Other action Will discuss with relevant agencies on how the project can assist in disseminating information related with sexually-transmitted infection.

IV. MONITORING AND EVALUATION

Are social indicators included in the design and monitoring framework to facilitate monitoring of gender and social development activities and/or social impacts during project implementation? Yes No

Percentage of UTY female management and key technical staff involved in capacity building activities; collection of sex-disaggregated corporate data.

^a Government of the Republic of Uzbekistan. 2007. *Welfare Improvement Strategy of Uzbekistan, Full Strategy Paper for 2008–2010*. Tashkent.

^b Decree of the President of the Republic of Uzbekistan No PP-993 dated 5 November 2008.

^c Decree of the President of the Republic of Uzbekistan No. PP-1446 dated 21 December 2010, with an estimated cost of \$1.87 billion for the five-year railway capital investment plan from 2011 to 2015.

^d ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila.

^e ADB. 2011. *Country Operations Business Plan: Uzbekistan, 2011–2013*. Manila.

^f ADB. 2006. *Transport Sector Strategy (2006–2020)*. Consultant's report. Manila (TA 4659-UZB).

^g ADB. 2008. *CAREC Transport and Trade Facilitation Strategy and Action Plan*. Manila.

^h Household's Survey (2001–2009), State Committee Statistics, ISR Report, and other ADB relevant project documents.