



# Initial Poverty and Social Assessment

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Project Number: 39256  
March 2012

## Mongolia: Urban Transport Development Investment Program

An initial poverty and social assessment (IPSA) is prepared in the early stage of the project cycle to assess the significance of social issues for a project. In accordance with ADB's public communications policy (PCP, 2005), the IPSA is disclosed upon completion. The final summary social assessment is included as an appendix to the project's report and recommendation of the President.

Asian Development Bank

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Mongolia	Project Title:	Urban Transport Development Investment Program
Lending/Financing Modality:	Multitranchise Financing Facility	Department/ Division:	East Asia Department/ Urban and Social Sectors Division (EASS) and Transport and Communications Division (EATC)

### I. POVERTY ISSUES

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

The Asian Development Bank's (ADB) strategy for Mongolia is fully aligned with the government's National Development Strategy which aims to enhance competitiveness in productive and social sectors and thereby increase private investments, make the growth process more inclusive, encourage sustainable development, and improve standards of living. ADB's strategy will focus on two strategic pillars: (i) competitive sustainable and regionally integrated growth, and (ii) inclusive social development.

The investment program will contribute to poverty reduction and inclusive growth by upgrading public transport infrastructure and system, which will serve all citizens, improving the quality of public transport services and management, and developing an affordable, efficient, and clean bus rapid transit (BRT) system which links the rapid growth areas of *ger* area development to the central city. In addition, the investment program will reduce incidence of traffic accidents, improve air quality, and contribute to the economic development of Ulaanbaatar, the capital of Mongolia. The investment program is in line with ADB's Country Operation Business Plan for Mongolia.<sup>a</sup>

#### B. Targeting Classification

Select the targeting classification of the project:

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

The investment program will upgrade urban transport infrastructure, and improve safety and public transport services and management, which will contribute to economic growth of urban economy in Ulaanbaatar. The project will benefit all residents of the city.

#### C. Poverty Analysis

**1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed?** The project is classified as General Intervention (GI).

**2. What resources are allocated in the PPTA/due diligence?**

4 person-months of social (national) and resettlement (international) specialists have been allocated to prepare the resettlement plans and conduct a poverty and social analysis to support the summary poverty reduction and social strategy including focus group discussions and consultation with communities on design and implementation issues.

**3. If GI, is there any opportunity for pro-poor design (e.g., social inclusion subcomponents, cross subsidy, pro-poor governance, and pro-poor growth)? Please explain.**

Pro-poor design includes (i) linking to road safety programs under the proposed grant assistance for Mongolia on Improving Road Safety of Poor Schoolchildren in Ulaanbaatar for potential financing from the Japan Fund for Poverty Reduction, and a capacity development technical assistance; (ii) inclusion of road safety and public awareness features in the investment program design; (iii) public awareness and outreach on the BRT system; (iv) affordability analysis of BRT tariffs and analysis of existing subsidy system and beneficiaries; and (v) consultation with residents on the design of bus stops, etc., will be included.

### II. SOCIAL DEVELOPMENT ISSUES

#### A. Initial Social Analysis

Based on existing information:

**1. Who are the potential primary beneficiaries of the project? How do the poor and the socially excluded benefit from the project?**

The beneficiaries will be all residents of the city and particularly those residents who rely on the public transport.

<sup>a</sup> ADB. 2009. *Country Operations Business Plan: Mongolia, 2009–2012*. Manila.

system for access and mobility. Residents in the *ger* areas who will be served by the BRT system will also especially benefit from increased safe and affordable access to the city center.

**2. What are the potential needs of beneficiaries in relation to the proposed project?**

Public awareness on the public transport systems, pedestrian safety, and changed traffic patterns; increased access to road safety information, education, and communication; consultation on BRT; and upgrading of bus depots, terminals, and stops. The main need of the beneficiaries is an efficient, affordable, and ecologically-clean urban transport system.

**3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them?**

The investment program targets all residents and particularly low-income groups who are the main users of public transport and suffer most from the inefficiencies of the transport system. The main constraint in accessing the proposed benefits and services is the potential lack of affordability of transport services. The investment program will (i) assess and opt for the most cost-efficient public transport option; (ii) assess affordability of the proposed transport services; and (iii) if necessary, develop an efficient subsidization system for vulnerable groups such as pensioners, the disabled, and students.

**B. Consultation and Participation**

**1. Indicate the potential initial stakeholders.**

The potential initial stakeholders are users of public transport, including the urban low- and mid-income population groups, public transport bus services, private minibuses, residents using private vehicles, and the local government.

**2. What type of consultation and participation (C&P) is required during the PPTA or project processing (e.g., workshops, community mobilization, involvement of nongovernment organizations and community-based organizations, etc.)?**

Consultation will be carried out with public transport service providers and operators, the general public, residents adjacent to the proposed BRT lines, and the local government. Focus group discussions will be held with members of the communities as well as several consultation workshops with transport providers and the local government.

**3. What level of participation is envisaged for project design?**

☒ Information sharing    ☒ Consultation    ☐ Collaborative decision making    ☐ Empowerment

**4. Will a C&P plan be prepared during the project design for project implementation?** ☒ Yes    ☐ No    A C&P plan for the project will include (i) focus group discussions, (ii) workshops, and (iii) mass media campaign.

**C. Gender and Development    Proposed Gender Mainstreaming Category: Effective Gender Mainstreaming**

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

Women are highly dependent on the public transport system in Mongolia and make up a large proportion of pedestrian traffic. Women's complex household and caretaking responsibilities usually force women to make multiple stops, and this makes their public transport trips expensive and time consuming. Effective planning of linking the peripheral public transport routes to the radial commuter corridors and city center will increase women's access, mobility, and affordability of trips. Safety for pedestrians and as users of public transport are also important. The project will ensure equal access to efficient and affordable urban transport services taking into account the needs of both male and female users of public transport.

Personal safety and the avoidance of harassment are also major concerns for women public transit users. Women are especially vulnerable to attacks or sexual abuse when transporting heavy goods and accompanying children, and this can be a major deterrent for women to use public transportation. Project design features such as lighting, secure bus stops, and road improvements will help to address these safety issues. The links to the programs on road safety will help to address the needs of pedestrians and public transport users.

The project will use core labor standards which ensure equal pay for equal work, no use of child labor, etc. The project will extend equal opportunities to male and female community members to participate in project activities and benefit from employment (e.g., space for market stalls and women-run businesses in bus stations, construction or maintenance of roads, ongoing public consultation on BRT, safety, changing traffic patterns, etc.).

**2. Does the proposed project/program have the potential to promote gender equality and/or women's empowerment by improving women's access to and use of opportunities, services, resources, assets, and participation in decision making?**

☒ Yes    ☐ No    Please explain.

Improving traffic management, road safety, bus stops, access and mobility via road upgrading, and introduction of the

BRT system will provide benefits to all residents including women. Creation of “mother and child” rooms in the bus stations, and equal gender employment opportunities in the public transport management and policy agencies will provide benefits for women.

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

☐ Yes ☒ No

The project will determine resettlement needs and will develop a resettlement plan. This plan will take into account the women in the mitigation and/or resettlement plans (such as compensation payments to both men and women, joint-ownership of replacement land and/or housing).

**III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS**

Issue	Nature of Social Issue	Significant/Limited/ No Impact/Not Known	Plan or Other Action Required
<b>Involuntary Resettlement</b>	Limited involuntary resettlement is expected during project implementation. The scale of resettlement will be assessed during involuntary resettlement analysis of the project.	Limited for Tranche-1.	<input checked="" type="checkbox"/> Resettlement Plan <input checked="" type="checkbox"/> Resettlement Framework
<b>Indigenous Peoples</b>	The project areas are all in urban areas where there are no distinct ethnic minority settlements.	No impact for Tranche-1. The same will apply for Tranches-2 and 3.	<input checked="" type="checkbox"/> None
<b>Labor</b> <input checked="" type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input checked="" type="checkbox"/> Core Labor Standards	Improved urban transport system and management will create employment opportunities for the urban poor. The project preparatory technical assistance will assess the opportunity for targeting employment opportunities in construction and maintenance. Core labor standards will be used.	Limited	<input checked="" type="checkbox"/> No Action
<b>Affordability</b>	The project aims to develop an efficient, safe, and affordable public transport system.	The project team will undertake an affordability analysis and develop a subsidy system to address the needs of vulnerable groups, if necessary.	<input type="checkbox"/> Action <input type="checkbox"/> No Action <input checked="" type="checkbox"/> Uncertain
<b>Other Risks and/or Vulnerabilities</b> <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others (conflict, political instability, etc.), please specify	The project is located in urban areas and will not pose social risks.	No impact	<input checked="" type="checkbox"/> No Action

**IV. PPTA/DUE DILIGENCE RESOURCE REQUIREMENT**

**1. Do the TOR for the PPTA (or other due diligence) include poverty, social and gender analysis and the relevant specialist/s?**

☒ Yes ☐ No

**2. Are resources (consultants, survey budget, and workshop) allocated for conducting poverty, social and/or gender analysis, and C&P during the PPTA/due diligence?** ☒ Yes ☐ No