

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Azerbaijan	Project Title:	Solid Waste Management Project for Intermediary Cities
Lending/Financing Modality:	Project loan	Department/ Division:	Central and West Asia Department/Urban Development and Water Division

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Azerbaijan 2020, the national development strategy, discusses waste management in the context of environmental protection. Specifically, it promotes recycling, decontamination and disposal of waste in order to protect the environment, application of low waste and waste free technologies, and progressive waste management techniques/ industries established to dispose of industrial and domestic waste.

The ADB Country Partnership Strategy 2014–2018 (currently under preparation) is expected to place emphasis in this key subsector, and the Country Operations Business Plan (2014-2016) confirms the commitment for the sector from the GOA. The proposed project is also in line with ADB's Urban Sector Assessment, Strategy and Roadmap focusing on solid waste management as a priority intervention.

#### B. Targeting Classification

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

The proposed investment program will improve health, hygiene and sanitation standards of residents in the regional/urban centers of the Lower Caucasus Economic Zone and Nakhchivan. The outcome of the program is improved SWM services and management in the Lower Caucasus Economic Zone and Nakhchivan Autonomous Republic.

#### C. Poverty and Social Analysis

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

Despite an explicit mandate for municipal bodies to hold responsibility for the solid waste sector, municipal waste is disposed without reference to the established rules and regulations. Over two thousand illegal dump sites exist around the country that range from small scale community dumping grounds to large scale urban dumpsites covering hectares of land. Waste collection is particularly poor in rural areas, with less than 3 percent of rural dwellers benefiting from SWM services. Collection coverage in cities and urban areas varies considerably, from an estimated 25 to 83 percent. One of the key issues is the highly fragmented waste collection system by which different entities are responsible to collect garbage from their individual clients, rather than from all waste generators in an assigned geographical area. This practice causes significant gaps in waste collection coverage and leaves numerous neighborhoods without any service. Beneficiaries will be residents of regional/intermediary cities, who will benefit from a sustainable waste management system and improved environment.

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

Establishment of decentralized SWM systems (sanitary landfill/s with sets of transfer stations and/or recycling/separation plants) that incorporate least cost technical solutions based on international standards, which operate on the principles of waste minimization and material recycling. Adoption of a stringent environmental policy framework that enforces modern regulatory norms; and support tariff rationalization and prudent financial management, in order to achieve cost recovery.

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

Technical, economic, financial and governance due diligence. Poverty, social and gender analysis. Development of participation plans and gender mainstreaming strategies. Environmental assessments and preparation of appropriate plans for environment, resettlement and gender.

##### 4. Specific analysis for policy-based lending.

Not Applicable

### 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?  
Azerbaijan has a Gender Inequality Index (GII) value of 0.314, ranking it 50 out of 146 countries in the 2011 index. In Azerbaijan, 16% of parliamentary seats are held by women. Around 65% of women have reached a secondary or higher level of education compared to nearly 62% of their male counterparts. Female participation in the labor market is nearly 60%

compared to 67% for men, relatively high compared to other CIS countries. The Soviet legacy means that many regional women worked in factories, undertook technical work or used heavy machinery; but in recent time as these industries declined, women have been less successful competing for fewer jobs. Within the household women remain responsible for domestic duties, including management of household waste. In rural areas, domestic waste must be collected daily from each household and transported manually to neighborhood collection points. Efforts to separate waste for recycling will therefore target women householders and, while not necessitating more work, will require behavior changes. As such any such behavior change program would be best carried out by a women's organization. Waste minimization has the potential to reduce the drudgery involved in collection and disposal of household waste. Environmental improvement by shutting down village and illegal dump sites may improve health and hygiene, reducing women's burden of care, and creating improved recreational space for the enjoyment of all.

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

Opportunities will be explored to engage women as agents of change in waste management, to train/retrain women for waste management sector jobs created through the project, and to ensure project benefits, such as improved waste management collection, disposal and organization, are felt by women and girls.

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

☐ Yes ☒ No

not applicable

4. Indicate the intended gender mainstreaming category:

☐ GEN (gender equity theme) ☒ 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.

Approximately 1.2 million residents of the two project regions, ie (i) the Lower Caucasus Economic Zone (the rayons of Qazakh (91,500 population), Aghstafa (80,000), Dashkasan (33,000), Gadabay (94,200), Goranboy (96,500), Samukh (55,000), Goygol (37,200), Tovuz (157,000), and Shhamkir (192,900)) and (ii) the Nakhchivan Autonomous Republic (NAR) (437,000 population) . There are not expected to be any negatively impacted persons.

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?

The project will contribute to a better regional environment and living conditions. There will be limited opportunity for specific outreach to the poor and vulnerable, except perhaps through some job creation in waste collection, separation and recycling. There is currently no culture of waste picking or informal recycling at dump sites in the project areas.

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?

**L** Information generation and sharing **M** Consultation **L** Collaboration **L** Partnership

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

none

### IV. SOCIAL SAFEGUARDS

**A. Involuntary Resettlement Category** ☐ A ☐ B ☒ C ☐ FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? ☐ Yes ☒ No

Land acquisition is not expected since there are many existing waste disposal sites with available land which could be repurposed for an engineered landfill. Location of regional transfer sites and any processing facility will be determined and screened for land acquisition during the PPTA.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?

☐ Resettlement plan

☐ Resettlement framework

☐ Social impact matrix

☐ Environmental and social management system arrangement

☒ None

**B. Indigenous Peoples Category** ☐ A ☐ B ☒ C ☐ FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? ☐ Yes ☒ No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? ☐ Yes ☒ No  
none

3. Will the project require broad community support of affected indigenous communities? ☐ Yes ☒ No  
not applicable

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

☐ Indigenous peoples plan ☐ Indigenous peoples planning framework ☐ Social impact matrix  
☐ Environmental and social management system arrangement ☒ None

**V. OTHER SOCIAL ISSUES AND RISKS**

1. What other social issues and risks should be considered in the project design?

☒ Creating decent jobs and employment(L) ☒ Adhering to core labor standards(L) ☐ Labor retrenchment  
☐ Spread of communicable diseases, including HIV/AIDS ☐ Increase in human trafficking ☐ Affordability  
☐ Increase in unplanned migration ☐ Increase in vulnerability to natural disasters ☐ Creating political instability  
☐ Creating internal social conflicts ☐ Others, please specify \_\_\_\_\_

2. How are these additional social issues and risks going to be addressed in the project design?

The project will provide additional employment to local communities from 2016 – 2017 during construction and the usual covenants relating to labor standards will be included in the project legal documents.

**VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT**

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 (vi) other social risks. Are the relevant specialists identified?

☒ Yes ☐ No

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?

Social, gender, resettlement and environment consultants will be fielded as part of the team. Refer to ToR.