



Initial Poverty and Social Analysis

Project Number: 56172-002
December 2022

Bangladesh: South Asia Subregional Economic Cooperation Dhirasram Inland Container Depot Project

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CURRENCY EQUIVALENTS

(as of 2 December 2022)

Currency unit	–	Taka (Tk)
Tk1.00	=	\$0.00977
\$1.00	=	Tk102.31

ABBREVIATIONS

ADB	–	Asian Development Bank
CSO	–	civil society organizations
ICD	–	inland container depot
SCM	–	stakeholder consultation meetings

NOTES

- (i) The fiscal year (FY) of the Government of Bangladesh ends on 30 June. “FY” before a calendar year denotes the year in which the fiscal year ends, e.g., FY2022 ends on 30 June 2022.
- (ii) In this report, “\$” refers to United States dollars.

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Bangladesh	Project Title:	South Asia Subregional Economic Cooperation Dhirasram Inland Container Depot Project
Lending/Financing Modality:	Project loan	Department/ Division:	South Asia Department Transport and Communication

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Bangladesh has achieved significant progress in reducing poverty while pursuing sustainable economic growth. With the support of international development partners, Bangladesh has reduced the poverty rate from over half of the population to less than a third, achieved Millennium Development Goals for maternal and child health, and made great progress in food security since independence. The economy has grown at an annual average of about 6.5% p.a. over the last two decades. The per capita national income touched USD1,751 in FY 2017/18, up by USD141 from a year earlier. The transport and communication system, as a complete physical infrastructure, plays a vital role in the socio-economic development of the country.

The proposed project is aligned with Bangladesh's Eight Five-Year Plan as the Government, through Bangladesh Railways, is committed to construct new rail lines, new inland container depots (ICD), and increase efficiency in the operation.

The project is aligned with the priorities of ADB's country partnership strategy for Bangladesh: (i) boost competitiveness, employment, and private sector development; and (ii) promote green growth and climate resilience. It will also catalyze nonsovereign financing and strengthen institutional capacity.

B. Poverty Targeting

☒ General intervention ☐ Individual or household (TI-H) ☐ Geographic (TI-G) ☐ Non-income MDGs (TI-M1, M2, etc)

The Project has a significant bearing from both improved connectivity and socio-economic point of view for a large number of people. The implementation of the Project will improve the connectivity between the northern and southern regions. The project is part of a larger corridor plan expected to further accelerate the associated economic growth in the country. Along the corridor, the land use pattern is largely dominated by industries including the largest export processing zone of Chattogram in Bangladesh which demands improved transport facilities. The area for construction of the new rail link and ICD from Pubail and Dhirasram railway station of component 5 is located in Gazipur Sadar Upazila under Gazipur District. The district adjacent to the capital Dhaka and is a newly developed industrial area. The strategic location of Gazipur District has a competitive advantage in terms of national as well as regional highway and railway networks. Gazipur District is a medium high-lying area having small forest and hilly area of red soils. It is a predominantly industrialized-urban with a large portion of semi-urban and rural area. Total percentage of urban population is 29.91. Average household size is 3.91, in the rural area, it is 4.14. Close to 11.38% of the population are engaged in agriculture; other major occupations include trade/commerce 24.44%; service 27.99%; household work 12.31% and population without work is 31.01%.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The primary project beneficiaries are industries and commercial establishments around and along the area of influence of the proposed project. The new depot and line will provide for a more efficient movement of trade thereby enabling more business activities in the country particularly in the capital Dhaka. Secondly, businesses within the supply chain of the industry and trade being facilitated will likewise have increased activities due to better efficiencies and facilitation of trade. The proposed project is highly expected and no constraint on accessing the benefits emanating from an improved depot operations is readily identifiable. Further, poverty and social analysis will be undertaken to fully understand the broader impact on the communities. The project area enjoys a low poverty rate of 8.2%. It is expected that the poverty rate in the project's area of influence will improve when the improved depot and associated line becomes operational.

2. Impact channels and expected systemic changes.

The project will improve the connectivity and socio-economic dimension of a large part of the population as it improves the facilitation and move of trade through an efficient operation of depot and rail line. This will be translated to enhanced access to markets and more economic opportunities.

3. Focus of (and resources allocated in) the transaction TA or due diligence.

The social impact assessment, which includes the review of poverty dimension, involuntary resettlement impacts and gender and social inclusion dimension, is currently carried out by the Bangladesh Railways and its consultants. The broader technical assistance under ADB has supported the rail line connectivity project preparatory study.

II. GENDER AND DEVELOPMENT

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

While Bangladesh has performed well with respect to human development, areas of concerns regarding gender equality and social inclusion in key transport sectors, such as rail transport, needs to be strengthened. Women have lower rates of labor force participation, higher unemployment rates, and much higher under employment rates than men. The proposed project is expected to bring greater opportunities for women, and project design and operation to be more responsive to social inclusion needs. The project will likewise have effects on surrounding communities such as business activities increased thereby increasing jobs which women and other vulnerable can take advantage of. The proposed project will explore ways to strengthen the ICD operations manual and project design protocols to ensure gender equality and social inclusion dimension are embedded. More assessment on gender dimension will be done during project processing.

2. Does the proposed project or program have the potential to contribute 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. Any gender actions that may be included in the project would be limited to improving institutional awareness raising on gender and social inclusion through the adoption of relevant corporate-wide guidelines and operational policies.

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

☐ Yes ☒ No

4. Indicate the intended gender mainstreaming category:

☒ SGE (some gender elements)

III. PARTICIPATION AND EMPOWERING THE POOR

1. Who are the main stakeholders of the project, including beneficiaries and affected people? Explain how they will each participate in the project's design. Initial assessment indicates the implementation of a broad public consultation strategy that involved socioeconomic and census survey. A total of four stakeholder consultation meetings (SCMs) were conducted with various locals with different groups which include affected community members, elected representatives, and local government officials throughout the project area. Consultation meetings were conducted to ensure that adequate and timely information is made available to the people. Communities of the project area are (i) Courtyard of Zakir Hossain, Daskin Dhirasram, (ii) House of Amber Ali, Purba Dhirasram, (iii) Raha Para Govt. Primary School, Rahapara and (iv) House of Bipul Majumder, Pubail where 198 local participants including affected people, community members, elected public representative, etc. have actively participated in the consultation sessions. The main objectives of the public consultation meetings were to ensure timely, effective, and multi-directional communications between the project and the relevant stakeholders and communities that enabled stakeholders sentiments considered in the project planning.

2. Who are the key, active, and relevant civil society organizations (CSOs) in the project area? Project preparatory activities has undertaken a total of seven activities with groups of women, truck drivers, labor wage earners, khashland possessors, and business groups. Additional engagement with such organized groups and other groups that may still be identified will be done in due course of project processing.

3. Are there issues during project design for which participation of the poor and vulnerable is important?

☐ Yes ☒ No If yes, what are these issues?

The participation of the poor and vulnerable is considered to be limited in the context of the project as its influence area normally has limited access, such that the depot will be fenced and the rail line has a dedicated corridor. The land acquisition aspect of the project will further assess the poverty and vulnerability aspect during further project processing.

4. How will the project ensure the participation of beneficiaries and affected people, particularly the poor and vulnerable and/or CSOs, during project design to address these issues?

SCMs will continue to be facilitated with all stakeholders to ensure all project design considerations, environmental and social impacts are addressed. Particular attention will be given to organized groups. The ADB project team will participate in major public consultation in line with the safeguard requirements. The project will have a project implementation unit which will document and ensure all issues and concerns are addressed in the grievance redress mechanism. During the preparation of the safeguards documents, meaningful consultations with the affected people will be ensured at all project phases. The project preparation resources have sufficient provisions to undertake public consultations and disclosure, surveys and workshops, and preparation of plans stipulating the necessary mitigating measures.

5. What level of CSO participation is planned during project design?

☒ M Information generation and sharing ☒ H Consultation ☐ NA Collaboration ☐ NA Partnership

IV. SOCIAL SAFEGUARDS
A. Involuntary Resettlement Category <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
<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 A preliminary resettlement plan was prepared for the construction of the new rail link and inland container depot (ICD) from Pubail to Dhirasram railway stations and an ICD. The Project includes construction of new rail link (Approx. 7.20 km) between Pubail and Dhirasram railway stations and new ICD including ancillary works with the ICD including access for private sector investments (approx. 62.3 ha/153.9 ac.). It is anticipated that the project will need to acquire 84.3 ha (208.3 ac.) of land for the new rail line from Pubail to Dhirasram and one ICD in Dhirasram. More than 200 households are expected to be physically impacted by the project. The resettlement plan will be further enhanced to reflect a more defined area of impacts.</p> <p>2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan</p>
B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
<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 Unlikely to have indigenous peoples community in the project area. Further assessment to be done.</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>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process?</p> <p><input checked="" type="checkbox"/> None</p>
V. OTHER SOCIAL ISSUES AND RISKS
<p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> H Adhering to core labor standards <input checked="" type="checkbox"/> H Spread of communicable diseases, including HIV/AIDS <input checked="" type="checkbox"/> M Increase in human trafficking</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>Other social issues and risks will be assessed further during project processing. The Bangladesh Railways has contracted project preparatory consultants to prepare the project while ADB will provide additional consultant support, as needed.</p>
VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT
<p>1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction TA 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 If no, please explain why.</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 transaction TA or due diligence? Resources have been earmarked for the conduct of needed surveys and engagement with various stakeholders. Resources are from Bangladesh Railway. The Government has obtained funding assistance from ADB through ADB Loan No. 3295-BAN (COL): Sub-Regional Transport Project Preparatory Facility.</p>

Source: Asian Development Bank.