

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Mongolia	Project Title:	Regional Upgrades of Sanitary and Phytosanitary Measures for Trade Facilitation
Lending/Financing Modality:	Project	Department/ Division:	EARD/EAPF

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The proposed Project is consistent with ADB's Interim Country Partnership Strategy (CPS) for Mongolia (2014-2016) and with the Central Asia Regional Economic Cooperation (CAREC) Trade and Transport Facilitation Strategy (TTFS) 2020. ADB conducted an assessment of SPS measures in CAREC countries under the regional TA 8386 on Promoting Cooperation in SPS Measures for Trade Facilitation in CAREC. Food safety is one of the pillars of the Government of Mongolia's National Programme for Food Security (2009-2016). The proposed Project is also aligned with the Government of Mongolia's WTO commitments and CAREC program. The Project will be financed in part from resources provided by the Asian Development Fund's (ADF) sub-regional allocation as it is designed to promote and facilitate regional trade among CAREC countries.

B. Poverty Targeting

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

The proposed Project will benefit the GOM by increasing agri-food export and lowering the risk of epidemics from animal and plant diseases. Increase agricultural trade will support increased rural incomes.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The proposed Project will enable increased trade in agricultural products of Mongolia as their relative safety is improved and gain better acceptance in foreign markets, notably Russia and the People's Republic of China (PRC). Exports of agri-food products will support economic diversification. Moreover, it will reduce health risks associated with animal and plant diseases.

2. Impact channels and expected systemic changes. Indirect impacts will be to improve efficiency of importing and exporting of agri-food products through trade facilitation benefiting the traders, reduce health risks derived from animal and plant diseases and increase employment opportunities resulting from an increase in trade.

3. Focus of (and resources allocated in) the PPTA or due diligence. There are no resources allocated for PPTA.

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? The proposed Project will have an indirect impact by increasing trade and employment opportunities for women traders.

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. Impacts are indirect. Existing laboratory staff is mainly female and they will benefit from new facilities and related training.

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

Yes No Please explain The project will not have any negative social impacts or adverse impacts on women and girls.

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 main stakeholders of the proposed Project are traders and SMEs who are conducting international trade activities in agri-food products. Project design will include stakeholder consultations to these groups to identify impediments to trade of agri-food products.

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 remove unnecessary impediments to international trade of agri-food products which will positively affect traders and SMEs.

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?

Opportunities for inclusion of civil society organizations will be sought.

Information generation and sharing (L) Consultation Collaboration 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

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

There will be no need for land acquisition. Laboratories will be upgraded and new laboratories will be constructed in state-owned laboratories.

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

3. Will the project require broad community support of affected indigenous communities? Yes No

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 Labor retrenchment

Spread of communicable diseases, including HIV/AIDS (M) 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?

Individual consultants will address these issues as well as design measures. The project will have positive impacts.

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

Yes No

There is no PPTA and relevant specialists are not required.

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?

The team leader will address these issues.