

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Pakistan	Project Title:	Trimmu and Panjnad Barrages Improvement Project
Lending/Financing Modality:	Project	Department/Division:	Central and West Asia Department/ Environment, Natural Resources, and Agriculture

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: general intervention

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

Pakistan's current Poverty Reduction Strategy Paper II (Pillar III: Increasing Productivity and Value Addition in Agriculture) emphasizes (para. 1.4.4.1) "more productive use of water through high efficiency irrigation systems." The government of Punjab's Strategy for Accelerating Economic Growth and Improving Service Delivery notes that "Much of the Punjab would be desert were it not for the elaborate irrigation system," and emphasizes that crop water requirements are not adequately met by canal irrigation because of issues of water availability and delivery constraints; groundwater being overexploited in many areas and deterioration of its quality; relative to other arid countries, Pakistan has very little water storage capacity and Punjab is therefore very vulnerable to fluctuations in rainfall and snowmelt; and water productivity in Punjab is low, with crop yields much lower than international benchmarks and much lower even than in neighboring areas of India.

The current country partnership strategy (CPS; 2009-2013) of the Asian Development Bank (ADB) notes that Pakistan is becoming a water-scarce country. The Indus Basin irrigation system, which is the major source of water, has aged and is crumbling. It requires major investments in rehabilitation and expansion. Major issues in the water sector include low efficiency in utilizing water resources, a deteriorating infrastructure assets base, and weak institutions and capacity. The midterm development framework outlines a PRs280 billion investment program for new water resources and irrigation development and upgrade of existing infrastructure. In 2006, ADB approved an investment program for province-based irrigation in Punjab. Future irrigation initiatives are also likely to be province-based rather than national in nature. This focus is expected to continue in the new CPS.

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. Key poverty and social issues: Despite being the most agriculturally productive province in Pakistan (labeled the "bread basket" of Pakistan), Punjab has a surprisingly high incidence of poverty at 32.4% of the rural population and 26.5% of the urban population. While Punjab has districts producing the most surplus food in Pakistan, it also demonstrates high intensities of food insecurity, particularly in rural areas. About 60% of the province's population of around 100 million is rural, depending almost entirely on agriculture for its livelihood. Irrigated agriculture is vital to sustain the livelihood base and employs over 50% of the labor force. This project is focused on rehabilitation of two barrages to ensure a reliable supply of water to the 1.7 million ha in the command areas. It does not, however, involve direct interventions in those command areas.

2. Beneficiaries: An estimated 600,000 rural households in the command areas will benefit from reliable irrigation and sustained agricultural production, and about 150,000 people will benefit from reduced flood risks. Around the barrages, residents have suffered from increasingly frequent floods, most recently in 2010 and in 1992, and their key poverty and social issues include limited livelihood opportunities, low skill levels, poor educational provision, substandard and understaffed health facilities, and lack of recreational options. Approximately 85% of them exist on \$2 per day, and at least 50% of the project benefits will reach such people. The proposed park, skills training, health centers, and schools will directly address these issues and provide improved living standards and quality of life, including special initiatives to benefit women.

The project will minimize the risk of floods and associated loss of life, animals, structures, crops, and livelihoods. The project will also offer some local employment opportunities, as typically a minimum of 60% of unskilled and semiskilled workers employed by contractors are from local communities. The operation of a construction camp will also provide opportunities for local people (especially women) to sell foodstuffs and other produce.

3. Impact channels. The impact channels comprise (i) protection against loss of income, crops, and houses; (ii) sustained agricultural productivity; (iii) community participation and capacity development support programs; and (iv) new jobs in project-related works for poor people living on \$2 per day.

4. Other social and poverty issues: In addition to the contributions of this project to poverty reduction, employment and skills, education, and health, there are various other government and donor programs addressing social and poverty issues in the area. One of the most important is the Benazir Income Support Program, a social protection initiative, to which ADB is a major contributor.^a

5. Design features: Relevant design features include a family park with facilities, basic health unit and health information programs, upgraded school, vocational and skills training, and awareness raising on flood risk management. All these are specified in the design and monitoring framework and include requirements to ensure that

<p>2. Strategy to address the impacts: Compensation for nonland assets is based on replacement cost principles, and relocation and income restoration measures adequately enable security of tenure for dwellings and impacted business and the financial ability to resume displaced livelihoods on leased private land. It has been prepared in close consultation with all stakeholders, including affected people. The land acquisition and resettlement (LAR)-related consultation, participation, and information disclosure process for the project began in 2010. It has been an iterative process that has enhanced the opportunity for fair and acceptable agreements on compensation, relocation, and rehabilitation. Displaced persons have been informed and involved and helped the project team to consider their views and to incorporate their concerns.</p>	
<p>3. Plan or other Actions.</p>	
<input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> No action
<p>The executing agency has demonstrated institutional capacity to implement LARPs through ongoing consecutive tranches of a multitranche financing facility. The project will establish an easily accessible grievance redress mechanism available throughout project implementation that will be widely publicized within the project area and amongst displaced people.</p>	
<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p>	
<p>Not Applicable. There are no indigenous peoples, as defined in the Safeguard Policy Statement (2009), in the project area.</p>	
<p>V. ADDRESSING OTHER SOCIAL RISKS</p>	
<p>A. Risks in the Labor Market</p>	
<p>1. Relevance of the project for the country's or region's or sector's labor market (high [H], medium [M], or low [L]). <input type="checkbox"/> M [positive] unemployment <input type="checkbox"/> M [positive] underemployment <input type="checkbox"/> L retrenchment <input type="checkbox"/> L core labor standards</p>	
<p>2. Labor market impact: Typically at least 60% of unskilled and semiskilled project jobs are allocated by contractors to people from the local community. Pakistan is categorized as tier 2 in the US State Department's Trafficking in Persons Report, which also covers core labor standards (CLS) violations, and sometimes there are compliance concerns in, e.g., the brick kiln industry. But the Punjab Labor Department (PLD) and local branch of the Pakistan Workers' Federation (PWF) agree that CLS are not an issue in the barrage work. Nevertheless, provisions for identifying any issues will be included in the monitoring responsibilities of the supervision consultant's safeguards team. The PLD and PWF will be notified of noncompliance issues for their action.</p>	
<p>B. Affordability: Not applicable. <i>Abiana</i> (irrigation water charges) will not be affected. The project will increase incomes and ensure greater equity of benefits (e.g., more equitable distribution of water).</p>	
<p>C. Communicable Diseases and Other Social Risks</p>	
<p>1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA): <input type="checkbox"/> L Communicable diseases <input type="checkbox"/> NA Human trafficking <input type="checkbox"/> Others (please specify) _____</p>	
<p>2. Describe the related risks of the project on people in project area. Under the PID's Health, Safety, and Environment Plan, medical services provided to workers on barrage projects include a resident medical doctor and one paramedic (included in the contract and paid for by the contractor).</p>	
<p>VI. MONITORING AND EVALUATION</p>	
<p>1. Targets and indicators: Summarize the performance targets and monitorable indicators (and their data sources) that address poverty reduction and inclusive social development as explained in the design and monitoring framework (DMF). PMO will establish project performance monitoring system. The main performance targets include barrages rehabilitated by 2020; family park and women's facilities opened by 2019; 30% of women in adjacent communities receive livelihood skills training; health center upgraded; number of women visiting health center for check ups; girls' primary school upgraded to high school; qualitative studies written up in accessible manner; training for PMO staff on gender-responsive planning and design; gender consultant employed by end of first year of project. (For details see DMF.)</p>	
<p>2. Required human resources: Monitoring will be carried out by the PMO's social safeguard unit. Independent validation will be provided by an independent entity. The gender specialist consultant will oversee the monitoring of these dimensions. For resettlement, external monitoring will be conducted in close consultation with displaced people and biannual reports will be disclosed on the internet.</p>	
<p>3. Information in PAM: Explain what information the project review, monitoring, and completion reports included in the PAM. Quarterly progress reports as stipulated in the PAM.</p>	
<p>4. Monitoring tools: Living Standards Survey of Pakistan Bureau of Statistics.</p>	

Source: Project feasibility and due diligence reports.

^a Government of Pakistan. 2008. Benazir Income Support Program (BISP), Islamabad.

^b Pakistan Social and Living Measurement Survey 2012–2013.