

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Islamic Republic of Pakistan	Project Title:	Post-flood National Highways Rehabilitation Project
Lending/Financing Modality:	Project Loan	Department/Division:	CWRD/PRM

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The Government of Pakistan's Poverty Reduction Strategy PRSP-II (2009–2011)¹ the Medium-Term Development Framework 2005–2010,² and Vision 2030³ emphasize that vulnerable population are likely to fall into poverty as a result of natural calamities and disasters and stress the need for investing in infrastructure, livelihoods, and social services to prevent increases in poverty and slowdowns in job creation, competitiveness improvement, and economic growth. Based on an analysis of the determinants of poverty, Pakistan's poverty reduction strategy explicitly recognizes that while economic growth and service delivery are crucial for poverty reduction, infrastructure development is critical as a catalyst for sustainable economic growth and for providing better integration of Pakistan's various provinces and regions. Improved connectivity facilitated through highways contributes to macroeconomic stability and reduces risks of shocks for the vulnerable poor.

Proposed Post-flood National Highways Rehabilitation Project will expedite the economic and social recovery of the affected population from the 2010 floods to provide greater resilience for future floods, as well as ensure that the full development impact of Flood Emergency Reconstruction Project (FERP) is achieved. Sector selected for the assistance is consistent with the priority areas of ADB's interim country partnership strategy (CPS) for 2014–2015 and will directly contribute to achieving its goal of sustainable and inclusive growth in Pakistan. The restoration of transport facilities will positively affect the welfare of people and businesses.

B. Poverty Targeting

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

Proposed project is planned to reconstruct and rehabilitate 212 kms of the damaged sections of National Highways and 33 bridges. The project is related to infrastructure development and will have no direct link with poverty reduction; and is therefore classified as General Intervention (GI). However, indirectly the project is expected to curb poverty in the project areas with increased employment opportunities during project implementation and improved access to socio-economic opportunities in and beyond the project corridor.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

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2. Impact channels and expected systemic changes.

The reconstruction of damaged highway sections and bridges will create jobs for workers in the construction industry and interim income opportunities for flood affected victims. It will produce several other benefits including lowered transportation costs, reduced travel time and reduced shipment time for edible/perishable agricultural products. The improvement of roads will ultimately lead to sustainable economic development, better access to the livelihood opportunities and civic amenities for the population living around project road sections.

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

An extensive damage and needs Assessment (DNA) report for the 2010 floods was done in August-September 2010 through consultation and participation of relevant stakeholders before implementation of Loan 2742 – Flood Emergency Reconstruction Project (FERP) in 2011, which was completed in May 2015. Highway sections under the proposed project were excluded from scope of work of previously implemented FERP project. However, to support the capacity of the EA in project implementation, individual consultants will be recruited under the loan.

4. Specific analysis for policy-based lending. Not applicable

¹ Government of Pakistan, Ministry of Finance. 2009. *Poverty Reduction Strategy Paper (PRSP II)*. Islamabad.

² Government of Pakistan, Planning Commission. 2004. *Medium-Term Development Framework 2005–2010*. Islamabad.

³ Government of Pakistan, Water and Power Development Authority. 2005. *Vision 2030*. Islamabad.

II. GENDER AND DEVELOPMENT
<p>1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?</p> <p>Gender inequality is evident in Pakistan, which has a Gender Development Index rank of 124 out of 155 countries and a gender gap rank of 132 out of 134 Asian countries.⁴ In 2012/13, the labor force participation rate of men and women was 68.9% and 21.5%, respectively. During this period, literacy rate for women in Pakistan was 48.1% vs. 71.1% for men; meanwhile, maternal mortality was estimated at 220 per 100,000 live births⁵—one of the highest in the region.</p> <p>The road infrastructure reconstruction will have no disproportionate negative impacts on women during implementation of project. Besides, due to socio-economic fabric of the flood affected areas the participation of women in outdoor economic activity is limited; hence the economic benefits of the project on women will be imperceptible, as their economic contribution is usually invisible.</p>
<p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please explain.</p> <p>It is envisaged that there will be very limited direct gender interventions, however construction of flood affected road sections will facilitate local women to access the social amenities and civic services. Although participation in formal employment is subject to local customs and cultural practices, however, specific clauses will be included in the bidding documents for providing work opportunities and to ensure equal payment for equal work.</p>
<p>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain</p> <p>The project is focused to reconstruct the flood damaged sections of existing road infrastructure; the project works will be limited within designated right-of-way (ROW) of the roads; hence no direct adverse impacts are envisaged.</p>
<p>4. Indicate the intended gender mainstreaming category:</p> <p><input type="checkbox"/> GEN (gender equity) <input type="checkbox"/> EGM (effective gender mainstreaming) <input type="checkbox"/> SGE (some gender elements) <input checked="" type="checkbox"/> NGE (no gender elements)</p>
III. PARTICIPATION AND EMPOWERMENT
<p>1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.</p> <p>The main stake holders of the project include local population of the flood affected areas, the public institutions (Ministry of Communication, National Highway Authority) and project beneficiaries including business community and traders, transport operators as well as passengers and the local community having their assets (landed and non-landed) along the project rights-of-way.</p>
<p>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?</p> <p>Focus group discussions, workshops, community mobilization and public consultations will be conducted with project stakeholders including the poor and vulnerable and any other excluded groups to take into account their concerns and needs related to environment and social safeguards including land acquisition, compensation and resettlement and other social issues concerning gender, HIV/AIDs, human trafficking and child labor etc. Any special needs of poor and vulnerable groups will be identified in LARPs and mitigation measures provided.</p>
<p>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?</p> <p><input checked="" type="checkbox"/> Information generation and sharing (L) <input checked="" type="checkbox"/> Consultation (M) <input checked="" type="checkbox"/> Collaboration (L) <input checked="" type="checkbox"/> Partnership (N)</p> <p>Any active CSOs/NGOs will be identified by and engaged in consultative process during project implementation by Executing Agency.</p>
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Project roads rehabilitation/reconstruction will be strictly confined within the existing ROW, however some encroachment within ROW may need to be addressed. Meaningful public consultation with project stakeholders including poor and any excluded groups will be conducted prior to and during the project implementation to document their concerns related to compensation and resettlement and provide them adequate compensation and livelihood restoration assistance to prevent them from being impoverished.</p>

⁴ Social Policy and Development Centre (SPDC). 2009. *Social Development in Pakistan, Annual Review Women at Work 2007–2008*. Karachi.

⁵ Government of Pakistan. 2012. *Pakistan Economic Survey, 2012–2013*. Islamabad.

IV. SOCIAL SAFEGUARDS
<p>A. Involuntary Resettlement Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <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</p> <p>The proposed project includes sections of the (i) national highway N-55 (north-south corridor) passing through Khyber-Pakhtunkhwa, Punjab and Sindh provinces; (ii) the national highway N-95 linking Chakdara with Kalam in Khyber-Pakhtunkhwa province; (iii) the national highway N-15 linking Mansehra with Jalkhad in Khyber-Pakhtunkhwa province; and (iv) the national highway N-50 linking Dera Ismail Khan in Khyber-Pakhtunkhwa with Balochistan. According to the initial assessment (DNA and detailed designs completed under FERP), the project works will be confined within existing ROW and acquisition of land may not be needed, except where construction works may go beyond ROW. A LARP of category B was prepared and implemented for national highway N-95 (sections 1 and 2 of the total 6 sections) under FERP. A total of 29.4 acres of small parcels of private land affecting 231 displaced persons (DPs) was acquired in addition to 9 residential and 1 commercial units. The severity of impacts on land and income generating resources remained less than 10% with no DPs resettled outside the project area. The due diligence conducted in 2010 for remaining 4 sections of the project identified no LAR impacts. The fact finding/due diligence mission will confirm / identify any unanticipated impacts and the need for a LARP, which EA will prepare and implement with support of a loan financed resettlement specialist. The project is therefore tentatively assigned category B for IR and C for IPs as no impacts related to IPs are envisaged.</p> <p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?</p> <p><input type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <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 The information so far available indicates that there are no indigenous people living in the Project area.</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 PPTA or due diligence process?</p> <p><input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <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 type="checkbox"/> Creating decent jobs and employment <input checked="" type="checkbox"/> Adhering to core labor standards (L) <input type="checkbox"/> Labor retrenchment <input checked="" type="checkbox"/> Spread of communicable diseases, including HIV/AIDS (L) <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>During project preparation, the requirements to comply with core labor standards, preference for local labor and provisions on awareness campaigns on communicable diseases including HIV/AIDS will be included in the construction contracts.</p>
VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT
<p>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?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>The services of loan financed social safeguards specialist and grievance redress specialist will be procured for safeguards management and grievance redress during project preparation and implementation phases.</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 PPTA or due diligence?</p> <p>A loan financed resettlement specialist will be recruited to assist the EA's environment and social unit (ESU) in preparation, implementation and internal monitoring of LARP (where required).</p>