



Initial Poverty and Social Analysis

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Myanmar: Rural Roads and Access Project

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Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Myanmar	Project Title:	Rural Roads and Access
Lending/Financing Modality:	Project	Department/ Division:	SERD/SETC

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The aim of the project is to reduce poverty in selected townships of Ayeyarwaddy region, and Sagaing region, where poverty incidence is high, by improving the rural population's conditions of access to road infrastructure and services. Myanmar's Framework for Economic and Social Reforms recognizes that Myanmar is one of the poorest countries in Southeast Asia, with the lowest ranking on the Human Development Index. The government's party election manifesto emphasizes the need to construct effective basic infrastructure, including for transportation, to reduce rural poverty. Under the draft Myanmar: Country Partnership Strategy (2017-2021), ADB aims to support the government in achieving sustainable economic growth and job creation for poverty reduction. Improving access and connectivity to enhance basic service delivery and connect rural and urban areas is one of the two pillars of ADB assistance; transport being one of the priority sectors of ADB assistance.

B. Poverty Targeting

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

The project targets poor rural states and townships. A 2010 survey showed that about 45% of the country's poor live in the target states, and that poverty level (at about \$1.25 a day) was above the national average for rural areas of 29.2%. Prioritization of roads will be dependent on the current level of access of villages which is a proxy for their poverty level. During civil works, poor households will be preferably selected to access short-term employment and training.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

It was estimated that 20 million people in Myanmar live in villages without access to an all-season road, which is over half of Myanmar's rural population. Because of a history of underinvestment in infrastructure and conflict, the rural road network is underdeveloped. A 2015 ADB study found that while Myanmar has about 75,000 km of roads all-season, it would need a 250,000 km network to connect all villages. About 9 million people were estimated to be living in about 25,000 villages that are not connected by any road. Without a road, people have to walk, bike along narrow paths; they carry goods themselves or on the backs of animals. Another 20,000 villages with an estimated 11 million people are connected by a road that is not all-season. These people may be able to use vehicles to reach the nearest township, but the link is likely to become impassable during the rainy season.

Myanmar's rural access problem appears very severe by international standards. The Rural Access Index (RAI) is an internationally used indicator that shows the portion of the rural population that lives less than 2 km away from an all-season road. Myanmar's RAI is estimated at 36%, which is possibly the lowest in Asia. The RAI for Ayeyarwaddy is 24% and for Sagaing is 28%, which is below the national average

Isolation is closely associated with poverty in Myanmar as in other countries. There is much international evidence that physically isolated people are poorer and have worse social outcomes. Isolation means limited access to basic services, markets, and to employment opportunities, as well as reduced ability of communities to benefit from government programs and private investments. Physical isolation also limits inclusion of ethnic and minority groups.

The direct expected beneficiaries from the project are about 150,000 people living in Sagaing and Ayeyarwaddy. It is estimated that about 40 village tracts can benefit from rural road access improvement financed under the project.

2. Impact channels and expected systemic changes.

Typical relationships between access and poverty in Myanmar are the following: (i) in absence of a road, agricultural productivity remains low; agriculture is aimed at subsistence as inputs and products have to be carried out by foot or animal; (ii) people requiring routine or emergency treatment have to travel 10 km or more on foot or on the back of an animal; worldwide, 75% of perinatal mortality is associated with inadequate transport; (iii) children living in unconnected villages have access to primary school (often only the first three grades), but as many as 90% drop out afterwards because of the time needed to walk to the nearest village tract or township; (iv) without access, household members have to spend a large part of their time on travel, a task which falls disproportionately on women.

Absence of road access is the main limiting factor to rural transport in Myanmar. Myanmar has a great diversity of means of transport and transport services in rural areas. Once motorable roads are available, passenger trucks and heavy duty pickups quickly appear to provide services at low costs by international standards. However, without a proper road, cost of freight and passenger transport can be 10 times more expensive and travel is much slower.

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

The project will be designed to achieve a maximum and sustainable impact on rural accessibility, which is associated with poverty, by (i) carefully prioritizing subprojects for their likely impact on improving accessibility, (ii) including complementary rural access infrastructure to reach remote communities, (iii) developing maintenance arrangements delivered by local groups, (iv) considering opportunities for the use of labor-based methods for simple works, and (v) involving consultations and participatory planning.

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?

The lack of basic road access disproportionately constrains poor rural women in reaching markets, using health services and other basic services. It amplifies their work load in carrying products, food, wood or even clean water. Women are less engaged than men in township employment and migration to cities, due to their primary responsibility of care for young and old and household maintenance duties. For this reason, basic access to markets and services on a day-return basis is particularly important to women.

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

By targeting rural roads and basic access infrastructure, the project is likely to disproportionately benefit women. Project implementation will provide opportunities to empower women, during participatory planning, implementation of works and particularly routine maintenance of the roads.

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:

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 project stakeholders are (i) the direct beneficiaries, which include women and men of isolated rural communities who will be involved in the planning of, and benefit from the infrastructure, employment and other accompanying measures; (ii) the village tract, township and district authorities including elect bodies that will be involved in the project planning, execution and monitoring; (iii) private contractors that may benefit from some of the road works contracts; and (iv) the Department of Rural Development of the Ministry of Agriculture, Livestock and Irrigation that will be in charge of the project's overall supervision.

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 build upon DRD's processes and capacity for decentralized planning and participatory implementation mechanisms, which are now well-established after implementing large-scale community-driven projects. The core rural road network and priority subprojects will be identified by decentralized government authorities, and subject to a consultation process. Complementary access infrastructure (e.g. motorcycle paths, footbridges) will be identified within village tracts through participatory planning, and may be implemented through labor-based methods. The project will also support placing routine maintenance of non-bituminous roads under the responsibility of local maintenance groups. During project processing, the PPTA will review DRD's capacity and identify the need for recruiting non-governmental organizations and community facilitators to facilitate interactions during planning and implementation. A communication and participation plan will be prepared setting out information disclosure and consultation requirements throughout various stages of the project's implementation.

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?

Information generation and sharing (H) Consultation (H) Collaboration (H) 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

Local communities will be consulted on the design of complementary access infrastructure as well as mitigation measures of anticipated social impacts. These consultations will be inclusive and include participation of women as well as marginalized groups.

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

Road rehabilitation and upgrading may involve land acquisition and in some instances impact houses. Due Diligence will confirm whether any subprojects financed will have IR impacts. Discussion with stakeholders will be undertaken to determine appropriate screening and prioritization criteria on subprojects that will be financed under the ADB project and in applying ADB safeguard requirements in subprojects with either limited or significant IR impacts. Experience with similar rural roads projects in other countries show that impacts are not significant.

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

The two pilot regions (Ayeyarwaddy and Sagaing) are populated by various ethnic minorities. Presence of ethnic minorities in the project areas will be determined during the PPTA. Although the project will be meant to benefit them directly, there are risks that access also endangers their cultural habits and organization. This will be further assessed during the PPTA.

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 To be further assessed during the PPTA

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 (M) Adhering to core labor standards Labor retrenchment
 Spread of communicable diseases, including HIV/AIDS (L) 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 create employment opportunities on road construction and maintenance works for communities. Standard HIV/AIDS-awareness related clauses will be included in the civil works contracts.

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

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? 13 person months of consultants