

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Sri Lanka	Project Title:	SASEC Port Access Elevated Highway
Lending/Financing Modality:	Project loan	Department/ Division:	South Asia Department/ Transport and Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The proposed project will finance (i) construction of a four-lane elevated toll road with a length of approximately 5.4 kilometers, connecting between New Kelani Bridge and Galle Face; (ii) expansion of the existing port access road to six lanes; (iii) construction of related facilities such as a ramp to the port, axle load control facility, port traffic flow control facility, and custom clearance facility; and (iv) relocation cost of about 40 affected buildings of Sri Lanka Ports Authority (SLPA). The project will provide an alternative direct link to the expressway network from the city center and the port without generating through-traffic inflow to the ground-level road network of Colombo.

The government development policy statement highlighted the strategic importance of Sri Lanka as a hub in the realm of global logistics and commercial operations pursuing economic integration.¹ The government also emphasized that export development will be a top priority with implementing measures aimed at productivity improvement, trade facilitation, and bilateral economic integration. The Public Investment Program 2017–2020 provides policy directions of the road sector to facilitate the country's economic growth by creating an efficient road network.² Key strategies to achieve the policy are (i) to provide efficient mobility linking key economic centers and ports by extending expressway network; and (ii) to construct elevated road network to minimize traffic congestion in the Colombo Metropolitan Area. In line with the government's national strategy, Country Partnership Strategy 2018–2022 of the Asian Development Bank (ADB) aims to address major constraints to the nation's development through the following pillars: (i) strengthen the drivers of economic growth; and (ii) improve the quality of growth.³ The transport sector is one of the key areas in implementing the strategy. For the first pillar, ADB places a high value on provision of growth-oriented infrastructure. It includes regional cooperation boosted by better connectivity to Colombo Port. Emphasis is also given to institutional capacity strengthening to support financial management capacity, operations and maintenance, and toll policy and collection system.

B. Poverty Targeting

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

Colombo Port is the major port serving the entire country. A more efficient port will contribute to the reduction of poverty and deprivation, and will support economic growth by: (i) generating additional employment opportunities; and (ii) providing cheaper and more reliable transport options for the serviced areas.

C. Poverty and Social Analysis

1. **Key issues and potential beneficiaries.** Colombo Port handles nearly all international cargo of Sri Lanka. Western Province, which includes Colombo, accounts for more than 40% of the national gross domestic product. Colombo district with a population of 2.3 million is the most urbanized district with 54.6% of Sri Lanka's urban population. Smooth flow of goods and people in the port area is a key component to developing the efficient and value-added economy of the country. The direct beneficiary of the loan and TA grant is the Sri Lanka Port Authority, as well as the general public. For the infrastructure investments that will be taken up, potential beneficiaries include port users, businesses and commercial services providers. Poverty and social analyses will be carried out for the port area to identify the socioeconomic profile of the population in the project influenced areas, expected benefits and constraints and ability of the poor and vulnerable groups to benefit from the subprojects.

2. **Impact channels and expected systemic changes.** Measures will be included in the contracting documents to encourage hiring of local population during implementation.

3. **Focus of (and resources allocated in) the PPTA or due diligence.** Due diligence will be undertaken to assess the project's potential impact on poverty reduction and social aspects, including HIV/AIDS, human trafficking, and labor. Gender assessment will be guided by the ADB Gender Tool-kit: Transport (2013).

¹ From the Prime Minister's statements to Parliament on 27 October 2016.

² Government of Sri Lanka, Ministry of National Policies and Economic Affairs, Department of National Planning, 2017. *Public Investment Programme 2017–2020*. Colombo

³ ADB. 2017. *Country Partnership Strategy; Sri Lanka, 2018–2022*. Manila.

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?

Sex-disaggregated data on a range of socioeconomic indicators relevant to the subprojects will be collected, with focus on the needs, demands and constraints faced by the poor, women and vulnerable groups in the project area, in terms of their equitable access to the benefits and opportunities associated with the elevated road construction. Gender analysis will be carried out as an input to the design of the project, where appropriate. The poverty and social assessment will determine the health and social risks associated with the infrastructure project, like HIV/AIDS, and human trafficking.

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.**

The elevated road will be an access controlled road between the port and expressway, and will serve port-related traffic to increase port efficiency and safety, as well as increase general traffic between the city center and the suburb. The Project will explore ways to involve women in construction activities, as well as port operational activities, if possible.

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 Sri Lanka Port Authority and Road Development Authority, and other development partners active in Sri Lanka's transport and port sector development, project beneficiaries (residents, port users), affected persons, non-governmental organizations, business and community groups.

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? Workshops, community mobilization, and consultation conducted for discussion on the potential needs of the community, social-related issues such as gender, HIV/AIDS, human trafficking, child labor, environment and social safeguard issues.

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?

M Information generation and sharing **M** Consultation **L** Collaboration **L** 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 Physical construction will take place within the existing port area. Providing employment opportunities to the poor will be explored during project preparation.

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 construction will be within the existing port area. The project does not anticipate the need for additional private land, and no non-titleholders live within the secured port area. This will be confirmed during preparation.

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 Improvements to the port will be made within the existing port area. No indigenous people will be affected.

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?

- L Creating decent jobs and employment L Adhering to core labor standards L Labor retrenchment
L Spread of communicable diseases, including HIV/AIDS L Increase in human trafficking L Affordability
L Increase in unplanned migration L Increase in vulnerability to natural disasters L Creating political instability
L Creating internal social conflicts

2. How are these additional social issues and risks going to be addressed in the project design?

HIV/AIDS awareness program will be provided to laborers by civil works contractors. HIV/AIDS and trafficking awareness materials will be displayed around the port area for workers.

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? Adequate TA (loan) resources have been allocated to engage a social development specialist to undertake social safeguard planning, gender assessment, and poverty and social assessment.