

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Sri Lanka	Project Title:	South Asia Subregional Economic Cooperation Port Access Elevated Highway Project
Lending/Financing Modality:	Project	Department/Division:	South Asia Department/Transportation and Communications Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: general intervention

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

The proposed project will finance the construction of a 5.3 kilometer (km) four-lane elevated toll road and upgrading of a six-lane at-grade road connecting the New Kelani Bridge and Galle Face in Colombo. The project will also relocate about 50 affected buildings of the 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.^a 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 for the road subsector to facilitate the country's economic growth by creating an efficient road network.^b Key strategies to achieve the policy are (i) providing efficient mobility, linking key economic centers and ports by extending the expressway network; and (ii) constructing an elevated road network to minimize traffic congestion in the Colombo metropolitan area. In line with the government's national strategy, the country partnership strategy, 2018–2022 of the Asian Development Bank (ADB) aims to address major constraints on the nation's development through the following pillars: (i) strengthen the drivers of economic growth, and (ii) improve the quality of growth.^c 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. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. Key poverty and social issues. 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 with 48.7% 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 high-value-added economy of the country. 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 the ability of the poor and vulnerable groups to benefit from the subprojects.

2. Beneficiaries. The direct beneficiary of the loan and technical assistance (TA) grant is the SLPA. For the infrastructure investments that will be taken up, potential beneficiaries include port users, businesses, and commercial services. Potential beneficiaries include residents, road users, tourists, businesses, and commercial services.

3. Impact channels. The improved connectivity to the port will lead to economic growth with special emphasis on development of services. This will in turn generate new employment opportunities leading to a decrease in national poverty rates. At a local level, additional jobs will be created during construction and through increased port-related activities.

4. Other social and poverty issues. No other social and poverty issues are anticipated.

5. Design features. The improved connectivity will reduce traffic congestion and improve road safety.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Over 70 shop owners operating businesses in the project area of impact were consulted to ensure project implementation minimizes disruption to local businesses in the surrounding areas.

<p>2. Community groups were identified and consulted during project preparation. Groups in the project area of impact were consulted.</p> <p>3. Civil society organizations. Project information will be disclosed to the public and other stakeholders, including civil society organizations.</p> <p>4. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA): Civil society organizations in the project area of influence will be engaged as part of community participation in finalizing road design, and will be part of the grievance redress mechanism. M-Information gathering and sharing L-Consultation L-Collaboration L-Partnership</p> <p>5. Participation plan. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Consultation and participation will take place. Although no separate project-level participation plan was prepared, the project management consultant's terms of reference clearly define the role for conducting continued consultation throughout project implementation.</p>										
<h3>III. GENDER AND DEVELOPMENT</h3>										
<p>Gender mainstreaming category: some gender elements</p> <p>A. Key issues. The SLPA employs 1,025 female staff at all levels of the organization, which is around 10% of its overall workforce. Facilities for women are present in the port and offices. The project works will not have any adverse impacts on women. The consultation process showed that people (both men and women) were in favor of the project. Expanded port operations will create more opportunities for women entrepreneurs in areas around the port.</p>										
<p>B. Key actions. <input type="checkbox"/> Gender action plan <input checked="" type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p> <p>The new maritime facilitation center will have facilities for men and women, including washrooms on each floor. The maritime facilitation center will be constructed with features that cater to the elderly, women, children, and disabled people, in line with ADB and government practices. Contractors will be encouraged to employ women where possible. Contractors are required to ensure that there are no wage differentials between men and women, and that adequate health and sanitation facilities are available to women workers. Furthermore, contractors will be required not to discriminate against the employment of women in project works.</p>										
<h3>IV. ADDRESSING SOCIAL SAFEGUARD ISSUES</h3>										
<p>A. Involuntary Resettlement Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. Construction of the roads and the maritime facilitation center will be within the existing port area and land owned by the SLPA. Two involuntary resettlement due diligence reports have been prepared. They confirm that (i) the project does not require private land, (ii) no non-title holders live within the secured port area, and (iii) no private structures will be affected.</p> <p>2. Strategy to address the impacts. The Road Development Authority's Environment and Social Development Division will conduct annual monitoring to verify that there are no impacts during implementation. It will ensure that grievances and unanticipated impacts will be addressed promptly in accordance with the Safeguard Policy Statement (SPS, 2009).</p> <p>3. Plan or other actions.</p> <table border="0"> <tr> <td><input type="checkbox"/> Resettlement plan</td> <td><input type="checkbox"/> Combined resettlement and indigenous peoples plan</td> </tr> <tr> <td><input type="checkbox"/> Resettlement framework</td> <td><input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</td> </tr> <tr> <td><input type="checkbox"/> Environmental and social management system arrangement</td> <td><input type="checkbox"/> Social impact matrix</td> </tr> <tr> <td><input checked="" type="checkbox"/> No action</td> <td></td> </tr> </table>	<input type="checkbox"/> Resettlement plan	<input type="checkbox"/> Combined resettlement and indigenous peoples plan	<input type="checkbox"/> Resettlement framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework	<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Social impact matrix	<input checked="" type="checkbox"/> No action			
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<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>1. Key impacts. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Due diligence found that no indigenous peoples reside in the project areas.</p> <p>2. Strategy to address the impacts. The Road Development Authority's Environment and Social Development Division will conduct annual monitoring to verify that there are no impacts during implementation. It will ensure that grievances and unanticipated impacts will be addressed promptly in accordance with the SPS.</p> <p>3. Plan or other actions.</p> <table border="0"> <tr> <td><input type="checkbox"/> Indigenous peoples plan</td> <td><input type="checkbox"/> Combined resettlement plan and indigenous peoples plan</td> </tr> <tr> <td><input type="checkbox"/> Indigenous peoples planning framework</td> <td><input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</td> </tr> <tr> <td><input type="checkbox"/> Environmental and social management system arrangement</td> <td><input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary</td> </tr> <tr> <td><input type="checkbox"/> Social impact matrix</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> No action</td> <td></td> </tr> </table>	<input type="checkbox"/> Indigenous peoples plan	<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan	<input type="checkbox"/> Indigenous peoples planning framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework	<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary	<input type="checkbox"/> Social impact matrix		<input checked="" type="checkbox"/> No action	
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V. ADDRESSING OTHER SOCIAL RISKS
A. Risks in the Labor Market
<p>1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L). L unemployment L underemployment L retrenchment L core labor standards</p> <p>2. Labor market impact. Construction is expected to generate employment opportunities for local communities. Men and women will be paid equally for work of equal value. The bidding documents contain provisions to ensure contractors and all civil works comply with core labor standards (e.g., no child labor; no bonded labor; no work discrimination regardless of gender, race, and ethnicity; and freedom of association and collective bargaining).</p>
B. Affordability
The project will reduce transport costs and will not have any negative impact on affordability.
C. Communicable Diseases and Other Social Risks
<p>1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): L Communicable diseases L Human trafficking</p> <p>2. Risks to people in project area. 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.</p>
VI. MONITORING AND EVALUATION
<p>1. Targets and indicators. Relevant performance targets, indicators, and data sources will be established by the social development specialist of the project implementation consultant.</p> <p>2. Required human resources. The construction supervision consultant will monitor day-to-day implementation. The Road Development Authority's Environment and Social Development Division will ensure compliance. A social development specialist from the ADB regional department will oversee implementation.</p> <p>3. Information in the project administration manual. The frequency of project reviews, monitoring, and timing of completion reports is included.</p> <p>4. Monitoring tools. The construction supervision consultant will undertake annual monitoring. The project implementation unit will undertake monthly monitoring.</p>

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

^b Government of Sri Lanka, Ministry of National Policies and Economic Affairs, Department of National Planning. 2017. [Public Investment Programme, 2017–2020](#). Colombo.

^c ADB. 2017. [Country Partnership Strategy: Sri Lanka 2018–2022—Transition to Upper Middle-Income Country Status](#). Manila.

Sources: (i) Government of Sri Lanka, Ministry of Finance and Planning, Department of National Planning. 2010. *Sri Lanka: The Emerging Wonder of Asia: Mahinda Chintana—Vision for the Future*. Colombo; (ii) ADB. 2017. [Country Partnership Strategy: Sri Lanka 2018–2022—Transition to Upper Middle-Income Country Status](#). Manila; (iii) ADB. 2005. [Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to the Democratic Socialist Republic of Sri Lanka for the National Highways Sector Project](#). Manila; and (iv) ADB. 2011. [Report and Recommendation of the President to the Board of Directors: Proposed Loan for Additional Financing to the Democratic Socialist Republic of Sri Lanka for the National Highways Sector Project](#). Manila.