

**INITIAL POVERTY AND SOCIAL ANALYSIS**

Country:	Kazakhstan	Project title:	Irrigation Rehabilitation Project
Lending/ financing modality:	Sector project	Department/ division:	CWRD/CWER

<p><b>I. Poverty Impact and Social Dimensions</b></p>
<p><b>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</b></p> <p>The proposed Sector Loan Irrigation Rehabilitation Project will improve the Republic of Kazakhstan’s irrigation subsector by rehabilitating the irrigation infrastructure capable of meeting the needs of the economy and population. The government’s policy for irrigated agriculture underlines the importance of developing the sector to diversify Kazakhstan’s economic base, increase food security and rural employment, and reduce poverty. The irrigated agriculture sector’s contribution to the country’s gross domestic product has declined recently to less than 10%, despite the large percentage of population engaged in the sector.</p> <p>The project is in line with the country partnership strategy, and builds on and subscribes to the government’s Strategic Plan 2020 for increasing public spending on agriculture and irrigation. The proposed loan for irrigation rehabilitation will contribute to the government’s plans to develop the sector through financing the rehabilitation of irrigation systems in five <i>oblasts</i> (provinces): Aktobe, East Kazakhstan, Karaganda, Kyzylorda, and Zhambyl, with a total irrigation area of 253,000 hectares of gravity fed and pumped irrigation lands requiring rehabilitation. The project aims to improving water use efficiency through the rehabilitation of rundown irrigation infrastructure in the five <i>oblasts</i>.</p> <p>The government’s Strategy 2050 calls for accelerating the improvement of irrigated land to improve the efficiency of water use in agriculture, and reduce demands on scarce surface water resources. Strategy 2050 guides the government in this context in several ways; key among them are: (i) rehabilitating irrigation and drainage structures, (ii) reforming water tariff structures and fees, (iii) establishing water control measures, and (iv) enhancing the institutional capacity of concerned organizations and water users.</p> <p>The country partnership strategy, 2012–2016 recognizes Kazakhstan’s differentiated needs as an upper-middle-income country. It aligns with the government’s strategy and builds on ADB’s comparative advantage and ongoing operations, as well as ADB’s experience in supporting the rehabilitation and development of infrastructure and utilities. The CPS supports reforms to strengthen sector performance through improving efficiency, sustainability, and cost recovery, and by introducing innovative financing modalities. The project falls within this intervention area.</p>
<p><b>B. Poverty Targeting</b></p> <p><input checked="" type="checkbox"/> General intervention <input type="checkbox"/> Individual or household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>The proposed sector loan will rehabilitate irrigation infrastructure to increase the irrigated land in five <i>oblasts</i> by 253,000 hectares. This will contribute to a reduction of poverty and food security, and increase rural employment.</p>
<p><b>C. Poverty and Social Analysis</b></p> <p>1. Key issues and potential beneficiaries</p> <p>Kazakhstan was the second largest country by area in the former Soviet Union and the 9th largest in the world. The rural population, which is mainly engaged in agriculture, accounts for over 40% of the total population. After independence in 1991, many irrigation systems fell into disrepair. Inadequate water management and agricultural practices contributed to lowering cropping efficiency. A marked decline in soil fertility is mainly attributed to poor land and water management. The rehabilitated irrigation systems will open new economic and employment opportunities, and, through increased household incomes, will improve the local population’s access to health, education, and other social services. There is a strong link between irrigated agriculture and poverty reduction in the project area. The direct project beneficiaries are the country’s water users.</p> <p>2. Impact channels and expected systemic changes</p> <p>The living conditions of the poor will be improved by (i) more access to sustainable irrigation systems, hence better crop productivity; (ii) better opportunities to raise incomes and help create decent jobs and lasting employment; and (iii) better protection against social, livelihood, economic, environmental, and climate-related risks.</p>

3. Focus of (and resources allocated in) the project preparation technical assistance (TRTA) or due diligence. Resources have been allotted to study the details of poverty and social analysis to ensure the project impact is captured and maximized by the beneficiaries.

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?

Both men and women work in state farms, large agricultural farms and farming enterprises, and in private peasant farms. Women in particular work their household plots in addition to their paid work as workers on other farms. Because agriculture is not considered an acceptable profession for women, many women farmers are denied the right to register as land users (despite having years of experience in state or collective farms). This in turn limits their access to credit, agricultural training, and modern farming technology. The lack of recognition of women as farmers has also led to their limited participation and decision making in water-user associations. Studies show that women farm workers are paid less than their male counterparts.

Rural women are mainly responsible for household work, which they do before and after their work on farms. The lack of water taps within their households or water pumps in their yard, add to their household work because they need to secure safe water from elsewhere for domestic use.

Food security is dependent on the incomes of husband and wife from farm work, with the produce from household plots cultivated by women significantly supplementing the family's food.

2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity or the 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 rehabilitation of aging irrigation systems will improve crop yields and is expected to increase household incomes. The project will provide agricultural training for women and men farmers, and through options for improved incomes, increase their ability to access credit for farm development and production. It will also provide increased access to water for household use through the rehabilitation or installation of water points. Capacity building of KazVodKhoz (KVK) staff and management will ensure the participation of women staff.

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. The key stakeholders in the project areas include agricultural businesses; farmers using or requiring irrigation; downstream users of river water; and KVK, the Ministry of Finance, Ministry of Water Resources and Environment, Agriculture.

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 the participation of the poor and excluded?

To be further determined during the TRTA.

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    Consultation    Collaboration    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

Equitable distribution of water within irrigation systems is important, and it is important the voice of the poor is represented in meetings on planned investments, water allocation, and distribution. The TRTA consultants will ensure inclusive stakeholder consultation processes are followed.

<b>IV. Social Safeguards</b>	
<b>A. Involuntary Resettlement Category</b> <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI	
1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (tentative)	
2. What action plan is required to address involuntary resettlement as part of the TRTA or due diligence process?	
<input checked="" type="checkbox"/> Resettlement plan	<input checked="" type="checkbox"/> Resettlement framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Social impact matrix
	<input type="checkbox"/> None
<b>B. Indigenous Peoples Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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	
3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
4. What action plan is required to address risks to indigenous peoples as part of the TRTA or due diligence process?	
<input type="checkbox"/> Indigenous peoples plan	<input type="checkbox"/> Indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Social Impact matrix
	<input checked="" type="checkbox"/> None
<b>V. Other Social Issues and Risks</b>	
1. What other social issues and risks should be considered in the project design?	
<input checked="" type="checkbox"/> Creating decent jobs and employment	<input checked="" type="checkbox"/> Adhering to core labor standards
<input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS	<input type="checkbox"/> Labor retrenchment
<input type="checkbox"/> Increase in unplanned migration	<input type="checkbox"/> Increase in human trafficking
<input type="checkbox"/> Creating internal social conflicts	<input type="checkbox"/> Increase in vulnerability to natural disasters
<input type="checkbox"/> Others, please specify _____	<input type="checkbox"/> Creating political instability
2. How are these additional social issues and risks going to be addressed in the project design?	
Kazakhstan is in the process of promoting increased irrigated agricultural activities to reduce rural poverty and to diversify the drivers of the economy. The project outputs related to the rehabilitation of the irrigation systems and the enhancement of water management procedures and techniques will contribute to the government's socioeconomic efforts, and lead to creating decent jobs in the irrigated agriculture sector. Bid documents for civil works will require that core labor standards are adhered to.	
<b>VI. Transaction Technical Assistance or Due Diligence Resource Requirements</b>	
1. Do the terms of reference for the TRTA or other due diligence contain the key information needed to be gathered during TRTA or due diligence process to better analyze poverty and social impacts, gender impacts, participation dimensions, social safeguards, and other social risks. Are the relevant specialists identified?	
<input checked="" type="checkbox"/> Yes. Outputs from relevant specialists have been included in the TRTA requirements.	<input type="checkbox"/> No
2. What resources (e.g., consultants, survey budget, and workshops) are allocated for conducting poverty, social, and gender analysis and the participation plan during the TRTA or due diligence?	
Social development and gender specialist, 4 months international and 3 months of local consultancy.	

Source: Asian Development Bank.