

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Bangladesh	Project Title:	Southwest Transmission Grid Expansion Project
Lending/Financing Modality:	Project Loan	Department/Division:	South Asia Department Energy 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
<p>The development policy framework of the Government of Bangladesh^a envisages sustainable development and moving toward middle-income status by 2021. The per capita electricity consumption in Bangladesh was 310 kWh in 2015, which was lower than its neighboring countries.^b Electricity consumption is projected to grow at an annual rate of 11% during 2018–2020 and 6% during 2021–2030.^c The development policies of the government, particularly its energy policies, are consistent with the country partnership strategy for Bangladesh, 2016–2020, which focuses on addressing major constraints for sustaining economic growth, environmentally sustainable growth, good governance and capacity development, and regional cooperation.^d For the energy sector, national targets include increased access to electricity of households, from 76% in 2017 to 100% by 2021 (footnote a). The Southwest Transmission Grid Expansion Project is in line with the national and sector needs and priorities of the government and the country partnership strategy. The project will facilitate bulk power transfer from power stations to major load centers, such as Dhaka, and the southwest economic corridor. Bangladesh’s Seventh Five Year Plan envisages an integrated development strategy for the southwest region.^e The southwest economic corridor development approach is well aligned with this vision in that it seeks to establish government and private special economic zones, high-tech industrial parks, information technology parks, and industrial estates for enterprises. The power sector will play a critical role in realizing the government’s vision of promoting economic and industrial growth in the southwest region of Bangladesh. It will further enhance the reliability and efficiency of the transmission and distribution network. The project includes support for development of the transmission system in the southwest region in Bangladesh.</p>
B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence
<p>1. Key poverty and social issues. As of 2015, the poverty rate in Bangladesh was 24.8% and the rate of ultra-poor was 12.9%. Unemployment is significant, which is because of comparatively low education levels, lack of employable skills, and lack of employment opportunities in Bangladesh. The use of biomass and fossil fuels for cooking and irrigation purposes affects the environment and the health of the public. In addition, women and children have primary responsibility in fetching water and collecting fuel, which causes them to have fewer opportunities and time for education, employment, and leisure. Access to electricity directly helps the poor, including women and children, to access better education, social and family activities, and economic opportunities, and it indirectly improves livelihoods and gender equity by reducing women’s working hours on domestic tasks.</p> <p>2. Beneficiaries. The major benefit of the project will be enhanced energy security and additional electricity supply that will (i) promote industry and business expansion and (ii) create employment opportunities in the local communities, including for poor and socially disadvantaged people, during the implementation phase. The project will also generate jobs for the local communities during construction as a direct benefit. In addition, under the proposed grant to be provided by the EAKPF, the project will encourage poverty reduction and gender equity by providing scholarships to university students, with a focus on women. Through output 4, 50 university students (at least 40% are women) and 30 PGCB staff (at least 30% are women) will have opportunities to study abroad on energy and related subjects and contribute to knowledge sharing and innovative technology use. This will lead to human resources development in the energy sector.</p> <p>3. Impact channels. The proposed project will ensure adequate and reliable power supply for the planned economic zones in Barisal and Rajshahi districts, which are also known for their large agriculture fields which need power for agricultural activities, such as irrigation. Industry growth in the southwest region will lead to employment generation, regular employment for workers, and stable incomes. Farmers will use electricity for mechanization of their traditional modes of production. Enhanced power supply will also respond to the rapidly growing demand for electricity from the southwest region. The households connected to electricity will benefit from cost savings on energy and increased convenience in their household chores, and will use energy-based technologies for productive activities, education, and entertainment. Increased and reliable power supply will also benefit, among others, educational institutions, hospitals, the telecommunication sector, other administrative institutions, and utility services, which will all be able to expand their services as well as improve service quality.</p> <p>4. Other social and poverty issues. Daily wages paid to women in casual labor work are lower than the wages paid to men even though they have similar workloads. Excess labor availability and social attitudes toward women are factors that influence lower wages for women workers. Access to education and employment opportunities for women is still restricted by poverty because of many factors, such as women may not work outside, cultural ethos such as men do not do house duties and childcare, and limited transport facilities. There are few opportunities to acquire</p>

technical and vocational skills and higher education in the rural areas, and such education opportunities in urban areas are unaffordable for many families because of financial difficulties and lack of transport facilities. The project will endeavor to address these issues through the scholarship component.

5. **Design features.** The project is expected to have a positive impact on people who access energy through the improved and reliable transmission systems. No critical or adverse impacts of an irreversible manner have been identified. While the project will improve the overall energy supply, it will also indirectly improve the overall development of the country. The project will develop a strategy to avoid or minimize negative impacts on people directly or indirectly affected and on vulnerable groups through appropriate management and mitigation measures such as design changes and payment of adequate compensation for loss of land, structures, crops, trees, and other assets, as applicable.

II. PARTICIPATION AND EMPOWERING THE POOR

1. **Participatory approaches and project activities.** Public consultations were conducted at 14 locations with the participation of 414 men and women. In addition, community-based and gender-focused consultations were undertaken at nine locations with 169 women in the project impact areas. During the consultations, relevant project information was disseminated. Feedback received from consultations was incorporated into the project design and its implementation procedures as well as in the preparation of the resettlement plan. Consultation and information sharing will continue throughout project implementation.

2. **Civil society organizations.** Consultations will continue with all stakeholders, including civil society organizations, during project implementation. PGCB's environmental and social unit will lead and coordinate the implementation of the resettlement plan with support from a nongovernment organization.

3. 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):

Information gathering and sharing Consultation Collaboration Partnership

4. **Participation plan.** A preliminary project-level participation plan for affected persons, particularly the poor and vulnerable, has been prepared and incorporated in the resettlement plan.

Yes. No.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: some gender elements

A. Key issues. Gender inequality is a major social issue that limits the life options of women in Bangladesh. In 2017 the labor force participation rate was 35% for females and 82% for males.^f Overall, the energy sector is dominated by men, with a low share of women employees (2,000 women versus 70,000 men). Male staff members make up 95% of PGCB's total workforce. Despite good academic and professional achievements of women, their social participation rate is low because of social and cultural ethos (para. 4 in Section B).

B. Key actions.

The project outputs are designed to deliver tangible benefits to women by directly improving their access to social services, economic and financial resources, and/or employment opportunities. Under the proposed EAKPF grant, the project will support 50 university students and 30 PGCB employees to continue their education. Among the beneficiaries, 40% of the students and 30% of the professionals will be women. This will directly support women's access to higher education opportunities. Further, the scholarship program will increase women's participation in the energy sector, and encourage socially inclusive capacity development in the electric utility industry.

Gender action plan Other actions or measures No action or measure

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. **Key impacts.** The project will permanently and temporarily affect 1,185 households and 4,859 persons. The acquisition of about 40 ha of land for new substations will cause permanent economic displacements for 266 households and an estimated 1,183 persons, of which 138 households and 552 persons (out of 151 household surveyed) will be severely affected (i.e., they will lose more than 10% of their land assets). The construction of transmission lines of a total length of 268 km will affect an estimated 919 households comprising 3,676 persons. Transmission line construction may affect 89 residential structures (belonging to 77 households with an estimated population of 308) due to the clearing width of the ROW. The project anticipates avoiding many of these building structures during final design, but the resettlement plan has taken a conservative approach to include all potential building structures to make sure there is enough budget for the affected peoples. Except for three households, all other households will be able to rebuild their residential structures on the remaining portion of their land. The three households who do not have sufficient space will be relocated outside the project area. The project will also cause the permanent loss of 0.223 ha of land for transmission tower footings and the loss of 8,921 trees for clearing the ROW. The construction of the transmission lines will also lead to temporary impacts on crops cultivated by 842 households on an estimated 234 ha of land.

2. **Strategy to address the impacts.** The resettlement plan has been prepared commensurate to the impacts. Compensation will be for the affected persons at replacement cost, and livelihood restoration will be supported.

3. Plan or other Actions.

<input checked="" 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 type="checkbox"/> No action
B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI 1. Key impacts. No indigenous peoples, within the meaning of ADB's Safeguard Policy Statement (2009), are found within the project area. As such, the project has no anticipated positive or adverse impacts on indigenous peoples. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 2. Strategy to address the impacts. No action is required. 3. Plan or other actions. <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"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary <input checked="" type="checkbox"/> No action
V. ADDRESSING OTHER SOCIAL RISKS
A. Risks in the Labor Market 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). <input type="checkbox"/> unemployment <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> core labor standards 2. Labor market impact. The project will create temporary employment opportunities for skilled and unskilled labor in the project areas during construction. The contractual work agreements with engineering construction companies will include conditions for contractors to ensure deployment of local labor wherever possible, maintaining gender equality in labor force participation and compliance with core labor standards, including equal wages and benefits for work of equal value or type, as well as health and safety measures for the labor force.
B. Affordability No affordability issues are anticipated.
C. Communicable Diseases and Other Social Risks 1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): <input type="checkbox"/> Communicable diseases <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) _____ 2. Risks to people in project area. Risks of the project on local communities are perceived to be minimal. The project will generate employment opportunities for the local communities. The executing agency will ensure compliance with national labor laws, with no child labor employed. Workers will be educated on the prevention of sexually transmitted infections, including HIV/AIDS. Worker camps, if necessary, will be set up outside the settlements, and deployment of child labor and human trafficking will be strictly prohibited.
VI. MONITORING AND EVALUATION
1. Targets and indicators. The monitoring and evaluation indicators will include (i) consultations with affected persons, (ii) information disclosure, (iii) payment of compensation, (iv) grievance redress, (v) mitigation measures, (vi) livelihood status, and (vii) sex-disaggregated data on participants of consultations and social activities. 2. Required human resources. PMU staff and hired consultants will monitor the poverty and social impact of the project. 3. Information in the project administration manual. The project administration manual will include the requirement of semiannual monitoring reports submission by the PMU. 4. Monitoring tools. The PMU will submit monitoring reports to ADB, which will review the reports and conduct site visits if necessary.

ADB = Asian Development Bank, EAKPF = Republic of Korea e-Asia and Knowledge Partnership Fund, ha = hectare, km = kilometer, kWh = kilowatt-hour, PGCB = Power Grid Company of Bangladesh Limited, PMU = project management unit, ROW = right-of-way.

^a Government of Bangladesh, Ministry of Planning, Planning Commission. 2012. *Perspective Plan of Bangladesh 2010–2021: Making Vision 2021 a Reality*. Dhaka.

^b International Energy Agency. Statistics Search. <https://www.iea.org/statistics/statisticssearch/> (accessed 18 April 2018).

^c Government of Bangladesh; Ministry of Power, Energy and Mineral Resources. 2016. *Power System Master Plan 2016*. Dhaka.

^d ADB. 2016. *Country Partnership Strategy: Bangladesh, 2016–2020*. Manila.

^e Government of Bangladesh, Planning Commission. 2015. *Seventh Five Year Plan, FY2016–FY2020: Accelerating Growth, Empowering Citizens*. Dhaka.

^f World Bank. Labor force participation rate, female (<https://data.worldbank.org/indicator/SL.TLF.ACTI.FE.ZS?locations=BD>) and male (<https://data.worldbank.org/indicator/SL.TLF.ACTI.MA.ZS?locations=BD>) (modeled ILO estimate).

Source: ADB.