



Initial Poverty and Social Analysis

February 2020

Bangladesh: South Asia Subregional Economic Cooperation Dhaka–Sylhet Corridor Road Investment Project

This document is being disclosed to the public in accordance with ADB's Access to Information Policy

Asian Development Bank

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Bangladesh	Project Title:	South Asia Subregional Economic Cooperation Dhaka–Sylhet Corridor Road Investment Project
Lending/Financing Modality:	Multitranche Financing Facility	Department/ Division:	South Asia Transport and Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The Government of Bangladesh has requested the Asian Development Bank (ADB) to help finance the South Asia Subregional Economic Cooperation (SASEC) Dhaka–Sylhet Corridor Road Investment Project. The investment project will improve road connectivity and efficiency of the estimated 215 kilometers (km) section of the existing Dhaka–Sylhet–Tamabil international trade corridor on the National Highway No. 2. It is included in the SASEC Operational Plan 2016–2025, registering 35 potential transport projects in Bangladesh, the second largest number among the six SASEC countries.

The limited capacity and deteriorating conditions of the road infrastructure has created a major bottleneck on many subregional trade corridors connecting to other SASEC countries despite the government’s efforts for gradually upgrading those corridors to facilitate international trade. The proposed investment project will improve connectivity between the capital and Sylhet and eventually to Tamabil on the border with India. This will contribute to increase in cross border trade between Bangladesh and India through Tamabil, thus contributing to more economic activities along its alignment and generation of jobs in the project site.

B. Poverty Targeting

General intervention Individual or household (TI-H) Geographic (TI-G) Non-income MDGs (TI-M1, M2, etc.)

The project road starts from Katchpur, in Narayanganj district in Dhaka. This is an important arterial road for the north east of the country. The NH2 road links Dhaka, the administrative capital of Bangladesh, with Sylhet, the principal city and administrative capital of Sylhet Division. The NH2 road passes through three divisions and seven districts (Narayanganj, Narsingdi, and Kishoreganj districts in Dhaka division; Brahmanbaria district in Chattogram division; and Moulvibazar, Habiganj and Sylhet districts in Sylhet division), which include the urban centers of Bhairab bazar, Jagadishpur and Shaistaganj before reaching Sylhet, the fifth largest city in Bangladesh, with a population of more than 500,000. Sylhet is located in the heart of tea-growing country and is the hub of the tea industry in Bangladesh. It is also a center of the oil and gas sector in Bangladesh and has the largest natural gas reserves in the country. According to the socioeconomic survey in 2013 by the Roads and Highways Department (RHD) consultants, the share of people below the lower poverty was especially high in Habiganji (33.0%) and Sylhet (28.1%) in Sylhet division (33.0%), and Kishoreganj and Narsingdi (both 28.8%) in Dhaka division across the project site. These are significantly lower compared to the national average of poverty head counts using the lower poverty line, which is 17.6% in 2010. Both of the above districts in Sylhet Division have a number of gas fields and tea gardens. Narsingdi has an active cottage industry like weaving as well as many textile industries. While detailed information on connectivity of each district in the project site to the Dhaka–Sylhet Road is not available, statistics shows that the road density declines markedly as the alignment traverses North-East, from 32.1% in Narayanganj to 12.2% in Habiganj and 15.7% in Sylhet districts. The low road density impacts on the potential economic activities in the area. The proposed investment project will improve infrastructure thus supporting the economic activities of the communities in the project area, as well as cross-border exchanges. At a regional level, economic activity stemming from agriculture, industries, energy, tourism and cross-border trade will benefit due to improved connectivity. At the local level, communities will have improved access to commercial, public, and social services such as schools and health facilities. The induced impacts on economic growth and the delivery of social services will in turn contribute to poverty alleviation.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The primary project beneficiaries are residents living in the districts crossed by the road including those residents in Dhaka and Sylhet, and several major municipalities along the project road that use it for daily commute to work and schools, as well as travel to hospitals. The increased safety of the project alignment will also benefit the residents in the districts in the project site, especially those vulnerable road users such as women, elderly and children, who are more likely relying on non-motorized vehicles. Other poor and vulnerable groups such as socially excluded disadvantaged groups, or people living below the poverty line, will also be among the potential beneficiaries of increased economic opportunities as a result of increased movement of people and traffic along the corridor both from within the country and across the border. Other beneficiaries include businesses in the trade, agriculture and industries, and recipients of improved access to basic social services.

2. **Impact channels and expected systemic changes.** The improved infrastructure will enhance access to markets, border trade and economic opportunities, as well as administrative, health and educational facilities.

3. **Focus of (and resources allocated in) the transaction TA or due diligence.** The social impact assessment, which includes the review of involuntary resettlement impacts and gender dimension, is currently being carried out by the social experts of the design consultant team. Full due diligence and preparation of relevant social safeguards documents and plans will be done in due course.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program?

Women's mobility needs have risen in recent decades in Bangladesh, as more women have entered the workforce in pace with the country's economic growth. Notwithstanding, the road sector has been facing constraints in responding to such needs which are different from men's. Poor condition of roads and lack of safety features make traveling of women by foot, cycles or autorickshaws unsafe. Public transport such as buses rarely have reserved seats for women or separate waiting areas or toilets, which can discourage women from traveling by such transport modes. To address the above issues, at the project preparatory stage, sex-disaggregated data on relevant socioeconomic indicators will be collected, with focus on the needs, demands, and constraints faced by the poor, women and vulnerable groups in the identified districts where the road exists. The poverty and social assessment will evaluate the social risks associated with the infrastructure project, like community road safety, HIV/AIDS and human trafficking. The gender analysis will provide opportunities to better understand the gender sensitivities of the infrastructure and may identify risks that particularly affect women. Mitigation and social enhancement measures will be included in the project design.

2. Does the proposed project or program have the potential to contribute 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

The investment project is expected to improve women's mobility and as such their access to services and economic opportunities. A gender and social inclusion plan will be developed in due course.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes No

The investment project's adverse impacts on women will relate to involuntary resettlement, livelihood disruption impacts and other social impacts during project construction stage. The investment project will not widen gender inequality.

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.

District residents, business owners along the corridor and those working in the trade and agricultural sectors, as well as Roads and Highway Department and local officials are the key stakeholders of the investment project.

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?

Consultations and focus group discussions were conducted during feasibility phase to obtain the views of the community, in particular women and the vulnerable, about the investment project and its potential impacts, such as involuntary resettlement, road safety, HIV/AIDS, and human trafficking. In the update of project feasibility and preparation phase, additional public consultations are being carried out. Concerns and other inputs obtained through such consultations will be reflected in the project design. Also, women officers of RHD will be actively sought for engagement in the project design and implementation by ensuring they will be adequately represented during project preparation stage and trainings provided during the course of project 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?

M Information generation and sharing **H** 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 should they be addressed? Yes No

Vulnerable persons, including potential indigenous peoples impacted by involuntary resettlement will benefit from additional resettlement assistance measures that will be outlined in the resettlement plan. Road safety awareness campaigns to the communities will have measures for populations that are particularly at risk, such as women, PWD, children and other road users, and motorists in general.

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

The feasibility studies done in 2015 indicate that the road project will potentially acquire about 680 hectares of land, private and government land, will impact about 3,100 persons and about 3,000 structures. From the initial figures, the involuntary resettlement is significant. In due course, these impacts shall be evaluated and finalized. The categorization will be confirmed accordingly.

2. What action plan is required to address involuntary resettlement as part of the transaction TA 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? Available initial assessment from the feasibility study done in 2015 indicates that there are a number of households belonging to tribal communities along the proposed road investment project that may be considered indigenous peoples under the Safeguard Policy Statement. This assessment will be confirmed during further project appraisal.

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 Since the road already exists, it is unlikely to have an overlap on tribal land. This shall be confirmed during appraisal.

3. Will the project require broad community support of affected indigenous communities?

Yes No Unlikely.

4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process? If indigenous peoples safeguards is triggered, it is likely that framework and plan will be presented in a combined resettlement plan and/or indigenous peoples plan document.

- 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
M Spread of communicable diseases, including HIV/AIDS **M** 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
M Others, please specify community road safety

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

The investment project will improve the existing road corridor. The increase in hazards of communicable diseases and human trafficking is expected to be marginal but may nevertheless be exacerbated by more road traffic and easier interregional movements. Moreover, the investment project may lead to the risks of non-compliance to core labor standards during construction and road safety hazards to the community along the corridor. These risks will be assessed during the poverty and social analyses to identify mitigation measures.

VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction TA 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 transaction TA or due diligence?

The preparation of this investment project includes the financing of all safeguards documents, including the preparation of the resettlement plans and social, poverty and gender analyses, which may be financed under a technical assistance arrangement or through staff consultancy.