



# Initial Poverty and Social Analysis

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## Bangladesh: South Asia Subregional Economic Cooperation Chattogram Port Access Road Improvement Project

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## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Bangladesh	Project Title:	South Asia Subregional Economic Cooperation Chattogram Port Access Road Improvement Project
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 is linked as a listed potential transport projects on SASEC Operational Plan 2016-2025 and is expected to facilitate regional cooperation and integration. ADB's country partnership strategy for Bangladesh, 2021–2025 also supports this goal by focusing its intervention in the transport sector on strategic economic corridors, particularly those facilitating subregional trade. The project is expected to become more important in the coming years as Bangladesh economy is growing fast (presently at a rate around 8% annually) aiming to accomplish the 'Vision 2041' seeking to eliminate extreme poverty and reach to upper middle-income country status by 2031 and high-income country status around 2041. Chattogram is the second largest city in Bangladesh with more than 6 million population and the project is a vital part of the Dhaka–Chittagong National Highway 1 (N1) along which about a quarter of the country's population lives. In the Bangladesh's Perspective Plan 2041 and the Eighth Five Year Plan, the government set forth consolidation and upgrading of the National Highway Network and establishing road connectivity with major development points including ports in those transport sector strategies.

The project will contribute to strengthening domestic and international trade of Bangladesh, enhance transport facilities, and provide easier access in and out of the Chattogram Port. Initially, jobs generated during civil construction, and maintenance stages could help in increasing workers' household income, and contribute to poverty reduction, and more broadly, the enhanced access to the port will help increase trade movement hence opportunities are created domestically.

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

The proposed project road starts from major intersection with Chattogram -Dhaka Highway (N1) at Fakirhat, transverse for a length of 11.5 km and ends at the junction in front of the underpass of the Chattogram port. The Port Access Road is the direct access to the port from the Chattogram -Dhaka highway exclusively used for heavy vehicles to move goods in and out of the port and is known as Port Link Road. Chattogram district generates 40% of Bangladesh output and 80% of international trade, hence to the importance of the port access being improved. The Agrabad area is the main central business district of Chattogram city and major Bangladeshi companies are headquartered in Chattogram. There is also an export processing zone in the area that hosts industrial sectors such as petroleum, steel, shipbuilding, chemicals, pharmaceuticals, textiles, jute, leather goods, vegetable oil refineries, glass manufacturing, electronics, and motor vehicles. All these industries generate revenues that support the national economy and generates jobs directly and through its relevant supply chains. The Chattogram port is considered the principal port of the country and is situated on the right bank of the river Karnaphuli at a distance of about nine nautical miles from the shore of Bay of Bengal. The river Karnaphuli is geographically important, rising in the Lushai Hill falls in the Bay of Bengal after taking a winding course of 120 nautical miles through the districts of Chattogram Hill Tracts and Chattogram. With the proposed project, connecting to the Dhaka-Chattogram highway, movement of trade-carrying vehicles, particularly trucks, oil tankers, covered vans, container-movers, and lorries to and from the port will significantly contribute to the trade and commerce of the whole country. The project will include design features, including footpaths, lightings, or service roads for slow-moving vehicle traffic, which will improve safety and accessibility of all road users who often travel on nonmotorized vehicles or on foot.

#### C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The poverty incidence in Chattogram division is reported to be 18.4%, in reference to upper poverty line and 8.7% below the lower poverty line. Given the location of the port, the local economy's performance is directly proportional to the efficiency of the port. Improving access to the port will bring about increased economic activities. The primary beneficiaries of the project are the institutions and businesses that rely on the port operations; and indirectly, the lower income households will benefit from the ripple effect of the economic activities around the project, including those employed in the port operations and those providing support services to the businesses and industries in and around the port. Ensuring an efficient entrance and exit to the port positively impacts poverty statistics and number of jobs, which may be realized through improved operations of the businesses and industries located, although quantification could be challenging, these shall be looked into during the poverty and social analysis. As the port access is improved and made more accessible to the poor and vulnerable groups, the project design features during project construction and operation must be monitored closely to ensure intended purpose is served.

2. Impact channels and expected systemic changes. The design features that include footpaths, lightings, or service roads for slow-moving vehicle traffic, will help improve the economic prospects of the poor and vulnerable groups which could lead to higher income and better livelihood, which is parallel to the general increase of job opportunities

that will emanate from the improved port access and efficient operations. In addition, the climate- and disaster-resilient design will ensure less livelihood disruptions because of natural causes will be mitigated.

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? In general, the women's mobility needs differ from those of men, this has highlighted new mobility constraints in Bangladesh's transport sector including the road sector. For example, in urban areas, poor conditions of roads, and footpath, or lack thereof, make traveling by foot, cycles, and autorickshaws unsafe. Public transport such as buses rarely have reserved seats for women even in the most congested areas or adequate waiting areas or toilets, all of which compromises the safety of women passengers. The constraints in the sector often discourage women from attaining increased mobility and maximize their education and employment opportunities. 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 area of influence. The proposed project will directly contribute opportunities for working women such as jobs during project construction and implementation. Indirectly, given an improved port access, industries can operate more efficiently hence more jobs will be created both for men and women. The poverty and social assessment will evaluate the social risks associated with the road 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 project is expected to improve women's connectivity as the project shall be designed to include features that are beneficial to the women, poor, and vulnerable such as footpath, lighting, and service road. The project will also entail increased opportunities and access to jobs. More jobs and opportunities for women mean better provision for health, education, and other social services. The project's contribution to gender and social inclusiveness is consistent with the national focus of mainstreaming gender in the transport sector. Gender and social inclusion measures 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 project's adverse impacts on women may relate to involuntary resettlement (if any), livelihood disruption impacts, and other social impacts during project construction. The project will not likely widen gender inequality.

4. Indicate the intended gender mainstreaming category:  SGE (some gender elements)

## III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and affected people? Explain how they will each participate in the project's design. The following will likely benefit from the project: (i) district residents will reap the increased economic activities around the area because of increased port activities, (ii) business owners along the project influence area will have more opportunities for trade, and (iii) workers in the industrial sectors will likely increase as more port locators will set up business and those already existing will likely expand its operations. The Roads and Highway Department, the port operator and local officials are the key stakeholders of the project from the government side.

2. Who are the key, active, and relevant civil society organizations (CSOs) in the project area? CSOs are likely to be engaged during the conduct of land acquisition and resettlement. Given the project's requirement for a widened right-of-way, affected land and assets need to be addressed through resettlement planning. The government shall engage an implementation NGO to facilitate compliance and delivery of entitlement to affected households. During project preparation, a community-based organization shall be engaged as part of the broad public participation and disclosure activities. Community and/or institutional education on road safety, HIV/AIDS, human trafficking, and gender dimensions will likely be undertaken through such groups. 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 that they are adequately represented during project preparation and trainings provided during project implementation.

3. Are there issues during project design for which participation of the poor and vulnerable is important?

The project will be prepared to ensure participation of all stakeholders, including the poor and vulnerable, are integrated in the process. Preliminary project design calls for design features that ensure benefit to the poor and vulnerable groups. Safeguards planning will likewise ensure their participation in the assessment of impacts, mitigation, and monitoring, and are embedded in the design and in the project implementation.

4. How will the project ensure the participation of beneficiaries and affected people, particularly the poor and vulnerable and/or CSOs, during project design to address these issues? Describe key features, responsibilities, and

resources to ensure adequate participation of the poor, excluded and vulnerable groups, and/or CSOs during project design (may include reference to the TOR for the transaction TA social development specialist or other resources allocated to ensure participation of the poor, excluded and vulnerable groups, and/or CSOs in the design). The project beneficiaries and affected people will be engaged in the course of project safeguards implementation (environment and involuntary resettlement) through extensive conduct of public consultation and information disclosure activities. Various comments and suggestions will be generated in these processes and will likely be considered in the overall project design finalization. Vulnerable persons, including those belonging to traditional communities impacted by involuntary resettlement will benefit from additional resettlement assistance measures that will be outlined in the resettlement plan (if required). Livelihood disruption because of project construction on small businesses operating in the area will be mitigated. 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.

5. What level of CSO participation is planned during project design? **M** Information generation and sharing **H** Consultation **L** Collaboration **NA** Partnership

#### IV. SOCIAL SAFEGUARDS

**A. Involuntary Resettlement Category**  A  B  C  F

1. Does the project have the potential to involve involuntary LA resulting in physical and economic displacement?  
 Yes  No Preliminary information indicate that involuntary resettlement is likely. Initial estimates indicate that at least 25 HH may be affected by the road expansion, land and structure will likely be affected. Livelihood disruption is also likely. A resettlement plan will be prepared to ensure impacts brought about by the road expansion will be mitigated following the requirement.

2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process?  Resettlement plan

**B. Indigenous Peoples Category**  A  B  C  F

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 information about the project indicates that there are no known communities around the project influence that could fall under the definition of indigenous peoples under the ADB SPS. This will be confirmed during further project processing.  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 Given the road is existing, 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 **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 **M** Others, community road safety

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

The project will make improvements on existing road corridor. The increase in hazards of communicable diseases and human trafficking is thus expected to be marginal but may nevertheless be exacerbated by more road traffic. Moreover, the 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 although minimal. These risks will be assessed during the poverty and social analyzes 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 project includes the financing of all safeguards documents, including the preparation of the resettlement plans and social, poverty and gender analyzes, which may be financed under a technical assistance arrangement or through staff consultancy.

Source: Asian Development Bank.