

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Pakistan	Project Title:	Enhancing Public-Private Partnerships in Punjab
Lending/Financing Modality:	Project Loan	Department/Division:	CWRD/CWPF

<b>I. POVERTY IMPACT AND SOCIAL DIMENSIONS</b>
<b>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</b>
The proposed project is consistent with the Government of Pakistan's Poverty Reduction Strategy Paper (PRSP)–II, Vision 2030, the key framework for pro-poor infrastructure development in Pakistan. <sup>1</sup> PRSP–II identifies nine pillars for poverty reduction, of which five are particularly relevant to this project: (i) macroeconomic stability and real sector growth, (ii) making industry internationally competitive, (iii) removing infrastructure bottlenecks through public–private partnerships (PPPs), (iv) capital and finance for development, and (v) governance for a just and fair system.
<b>B. Poverty Targeting</b>
<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.)
Pakistan's multi-dimensional poverty index stands at 0.197, wherein the poor in Pakistan experience 19.7% of deprivations that would be experienced if all people were deprived in all indicators. Poverty rate in Punjab stands at 31%. The project will contribute to the development of Punjab Province, by filling in the investment gap needed to improve public infrastructure. Envisaged infrastructure projects such as roads, bridges, housing, health and education facilities, among others, contribute to poverty reduction.
<b>C. Poverty and Social Analysis</b>
<b>1. Key issues and potential beneficiaries.</b> The people of Punjab, made up of 48% females and 52% males, with a poverty rate of 31.4%, will be the ultimate beneficiaries of the project. While Punjab enjoys the lowest poverty rate (albeit unevenly between north and south Punjab) among all provinces in Pakistan, a huge infrastructure deficit and financing gap threatens the already limited infrastructure and services that are available. Improved PPP operations are expected to successfully harness private sector resources for needed public infrastructure investments, that otherwise cannot be funded from state resources.
<b>2. Impact channels and expected systemic changes.</b> The project is expected to improve the provincial government's capacity to identify and manage PPP projects that maximize value-for-money, resulting in a net positive gain to society. Through this project, private investment in provincial infrastructure projects is expected to increase and the people of Punjab can look forward to improved infrastructure and services from the provincial government. Including gender- and socially responsive criteria in selection of PPP projects could significantly increase and prioritize projects that directly narrow gender gaps or address the marginalization of rural communities in Punjab.
<b>3. Focus of (and resources allocated in) the due diligence.</b> In addition to identifying the skills set needed by the GOPb in determining and managing viable PPP projects. The due diligence will look closely into the potential social and environmental impact of projects. To ensure that the benefits would accrue to the most people in a gender- and socially- inclusive way, the due diligence will do a social and gender impact assessment to determine the crucial areas requiring PPP intervention.
<b>4. Specific analysis for policy-based lending.</b> N.A.

<sup>1</sup> Government of Pakistan, Planning Commission. 2007. *Pakistan in the 21<sup>st</sup> Century: Vision 2030*. Islamabad; Government of Pakistan, Finance Division. 2010. *Poverty Reduction Strategy Paper (PRSP)–II*. Islamabad; Government of Pakistan, Planning Commission. 2011. *Pakistan: Framework for Economic Growth*. Islamabad.

<b>II. GENDER AND DEVELOPMENT</b>	
<b>1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?</b>	Gender disparities exist in all aspects of social, economic, and political life in Pakistan and specifically in Punjab. Women's life expectancy is 66.5 years, much lower than the UN target of 73.5 years. Maternal mortality ratio stood at 227 deaths per 100,000 live births. While infant mortality rate in urban Punjab is lower at 5.8% than the national IMR of 6.6%, it is alarmingly high in rural Punjab at 8.4%. Literacy rate of those aged 10 and above stands at 71% for males and 48% for females. Transportation is a key factor in accessing health and education services, as well as employment and livelihood opportunities, however vehicle ownership is overwhelmingly male. Women have to contend with poor public transportation. Male proprietors of cottage and small-scale industries comprise 95.8%, with women making up a mere 4.2%. Women make up only 15% of gazetted employees of the Government of Punjab, and are mostly in the social services. Less than 10% of prosecutors are female, while the district courts and high court consist of 15% and 6% female judges respectively. 93% of police stations in Punjab have women's help desks but female police officers are not trained to handle cases of gender-based violence, which consisted of 2702 rapes, 666 murders, 588 beatings, 173 honor killings, and 22 acid throwing incidents in 2015 alone. While there are laws and policies in Punjab that address gender concerns, the latest being the Law on the Protection of Women from Violence, women's concerns are often overlook in many development projects. <sup>2</sup>
<b>2. Does the proposed project or program have the potential to make a contribution 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?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please explain.	As this is a financial intermediary project, it can only indirectly address the gender issues cited, through the ensuing PPP projects. However, the extent to which the project can ensure that PPP projects are socially and gender-responsive, and address the cited gender issues, is within the scope of the project. Project screening would include social and gender criteria that directly narrow gender gaps and provide direct benefits to women. Even structures that will be created in relation to the project and project staff could model a gender equity practice. Training of PPP units and key line departments could also include a module on socially and gender-responsive PPP management.
<b>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain	
<b>4. Indicate the intended gender mainstreaming category:</b> <input type="checkbox"/> GEN (gender equity) <input type="checkbox"/> EGM (effective gender mainstreaming) <input checked="" type="checkbox"/> SGE (some gender elements) <input type="checkbox"/> NGE (no gender elements)	
<b>III. PARTICIPATION AND EMPOWERMENT</b>	
<b>1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. The main stakeholders are the various line agencies of the Government of Punjab, private sector, employees of PPP projects, and the people of Punjab who are the ultimate beneficiaries of projects. While the government's and private sector's roles in PPPs are clear, the extent of involvement of the people of Punjab is not. As the people may be represented by various groups, e.g., women, academe, NGOs, youth, community-based organizations, etc., it is important that project consultations are inclusive.</b>	
<b>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?</b>	Beyond extensive consultations with various groups, with focus on the poor, marginalized and vulnerable groups such as women, youth, the elderly and people with disabilities, the project will create bodies and mechanisms through which concerns and grievances, as well as information dissemination and disclosure, are channeled, to empower these groups to act as watchdogs for the proper implementation of PPP projects.
<b>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?</b>	<input type="checkbox"/> H Information generation and sharing <input type="checkbox"/> H Consultation <input type="checkbox"/> L Collaboration <input type="checkbox"/> NA Partnership
<b>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?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please explain.	The role of civil society organizations, especially those that represent the poor and vulnerable groups such as women's groups, are important.

<sup>2</sup> Government of Punjab, Punjab Commission on the Status of Women. 2016. *Punjab Gender Parity Report 2016*. Lahore.

<b>IV. SOCIAL SAFEGUARDS</b>
<b>A. Involuntary Resettlement Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> FI
1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A number of PPP investments may involve land acquisition or clearing of existing ROW that may result to involuntary impacts. An assessment of the current and potential PPP portfolio will be conducted. Based on the assessment and existing institutional capacity of GOPb PPP units, an appropriate ESMS will be developed for the project. Approved proposals with IR impacts will be required to prepare and implement a resettlement plan.
2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input checked="" type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None
<b>B. Indigenous Peoples Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input checked="" 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 There are no known areas in the province where indigenous people communities as defined under SPS exist. This will be further assessed in the due diligence. As a safeguard measure, the ESMS to be developed will include a screening of PPP proposals for IP impacts.
3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. There are no known IP communities in Punjab Province.
4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input checked="" type="checkbox"/> Environmental and social management system arrangement <input 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"/> H Creating decent jobs and employment <input checked="" type="checkbox"/> H Adhering to core labor standards <input type="checkbox"/> Labor retrenchment <input checked="" type="checkbox"/> L Spread of communicable diseases, including HIV/AIDS <input checked="" type="checkbox"/> L Increase in human trafficking <input checked="" type="checkbox"/> M Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____
2. How are these additional social issues and risks going to be addressed in the project design? The project is envisaged to create jobs through the PPP projects. Infrastructure construction have the potential to spreading diseases and increasing human trafficking should workers be recruited from outside of the province. Measures to mitigate potential risks will be identified during the due diligence.
<b>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</b>
1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA 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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain why.
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 PPTA or due diligence? Staff will undertake the due diligence for this project.