

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Armenia, Republic of	Project Title:	M6 Vanadzor-Alaverdi-Georgian Border Interstate Road Rehabilitation and Improvement Project
Lending/Financing Modality:	Project loan	Department/Division:	Central and West Asia Department/Transport and Communications Division

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Armenia is a landlocked country strategically located in the South Caucasus in Eurasia, which shares its borders with four countries: Azerbaijan, Georgia, Iran, and Turkey. However, only two of these borders are open: the southern border with Iran and the northern border with Georgia. The western border with Turkey and the eastern border with Azerbaijan were closed in the early 1990s as a result of the Nagorno-Karabakh conflict. Armenia's topography and weather conditions are very challenging. These factors result in high transport costs and expensive infrastructure maintenance and development. The proposed project is aligned with Armenia's Transport Outlook: Transport Sector Master Plan, 2011 with the government's key role in ensuring that Armenia's transport is improved following international standards and best practices.

#### B. Targeting Classification

General Intervention  Individual or Household (TI-H)  Geographic (TI-G)  Non-Income MDGs (TI-M1, M2, etc.)

Armenia's transport sector plays an important role in the national economy. The country's transport infrastructure is not adequate. Improving the country's deficient transport network is critical for lowering the transportation and trade costs, and thus for increasing income-earning. Roads account for most of passenger traffic.

The proposed project will improve: (i) efficiency of the road traffic and several safety hazards in the M6 Vanadzor–Alaverdi–Georgian Border Interstate Road, which is currently in very poor condition; and (ii) Armenia's internal and external transport links, lower transport costs, and boost the development of secondary towns—improving road links with its neighboring country, Georgia.

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

The government's long-term poverty reduction strategy is embedded in the Armenia Development Strategy 2025, which aims to reduce the share of the population living below the upper general poverty line to 13.0%, and the incidence of extreme poverty to 1.8% by 2025. The potential beneficiaries are local communities and transporters. The proposed project will provide them with a safe and faster access to Georgian and other countries, and will reduce their transportation cost for goods.

##### 2. Impact channels and expected systemic changes.

Public consultation and awareness will be key impact channel to ensure that the project benefits will reach the poor. Through the project, all road users will benefit from the saving of travel time, and a safer travel in M6.

##### 3. Focus of (and resources allocated in) the PPTA or due diligence.

A small-scale project preparatory technical assistance (S-PPTA) from ADB's TA funding program (TASF-Other sources) will be processed to provide support in undertaking preparatory work and due diligence covering technical, economic, safeguards, and environmental impacts.

##### 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?

In the transport sector, the main issues for women and girls are the difficulties to reach schools, health centers, hospitals, or government offices. Access to good roads and affordable transportation will save women's time and facilitate their access to services and to markets to sell their goods. Opportunities for integrating gender into ADB's future investments in the transport sector include the following: (i) ensure that women benefit fully and gain livelihood opportunities by greater emphasis on

access roads, providing places for them to sell produce and other goods, and facilitating training on business development and financial literacy; (ii) increase women's employment and career development in the sector, including road construction and maintenance; and (iii) plan and coordinate roadside infrastructure development such as sanitary facilities and facilities specifically for traveling women and children.

Specific potential gender issues and opportunities for gender development will be assessed further during project design and preparation. Measures and recommendations for social and gender development will be incorporated, as necessary.

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?

Yes  No

A small scale gender assessment will be conducted during PPTA stage, to consider potential benefits.

A gender strategy/measures will be developed as needed to address issues identified. Possible opportunities for gender equality and/or women's empowerment will be investigated.

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

Yes  No

The project will have impact on women in creating livelihood opportunities since road construction and maintenance is sought by Armenian women.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme)  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.

Potential initial stakeholders include road users, the government, the private sector, residents in the project areas, and other development partners.

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 will be needed as part of the preparation/implementation to identify any pending concerns and inform the local communities on the PPTA activities, including mitigation measures, grievance redress mechanism and other -related concerns. Coordination with NGOs monitoring construction activities will be encouraged.

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 **M** Consultation **M** 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

Consultation of the stakeholder is required during project design/implementation to ensure that the project benefits reached the beneficiaries.

### 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 project will rehabilitate the existing M6 within the existing right of way and no land acquisition is envisaged. Some resettlement might occur.

2. What action plan is required to address involuntary resettlement as part of the PPTA 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?  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

There is no indigenous people in the Republic of Armenia.

3. Will the project require broad community support of affected indigenous communities?  Yes  No

There is no indigenous people in the Republic of Armenia.

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

- 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?

- Creating decent jobs and employment(M)       Adhering to core labor standards(H)       Labor retrenchment(M)  
 Spread of communicable diseases, including HIV/AIDS (M)       Increase in human trafficking (M)       Affordability(M)  
 Increase in unplanned migration       Increase in vulnerability to natural disasters       Creating political instability  
 Creating internal social conflicts       Others, please specify \_\_\_\_\_

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

Details will be further studied during PPTA.

#### VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

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 (vi) 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 PPTA or due diligence?

Consultant time and survey budget are allocated for conducting poverty, social, and gender analysis, and participation plan during the PPTA.