## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

| Country:   | Islamic Republic of Pakistan | Project Title:           | Khyber Pakhtunkhwa Provincial Roads<br>Improvement Project (Additional Financing) |  |
|--|------------------------------|--------------------------|---|--|
| Lending/Financing<br>Modality:   | Project Loan                 | Department/<br>Division: | Central and West Asia<br>Department/Transport and Communications<br>Division      |  |
| I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY<br>Poverty targeting: General intervention   |                              |                          |   |  |
| A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy  |                              |                          |   |  |
| The project is aligned with the fourth pillar of the Government of Pakistan's Poverty Reduction Strategy II, <sup>a</sup> which identifies improved regional connectivity as an important precursor for economic growth, improved social outcomes, and better public service delivery. The Khyber Pakhtunkhwa Integrated Development Strategy of 2014–2018 <sup>b</sup> also emphasizes the importance of improving roads in the province because of being the primary mode for passenger travel and freight transportation. The improvement is expected to strengthen inter-provincial connectivity and enhancing people's access to economic and social opportunities. Further, the Country Partnership Strategy, 2015–2019 of the Asian Development Bank (ADB) for Pakistan <sup>c</sup> includes the transport sector as one of the selected focus areas for its investment and emphasizes an increased focus on the transport sector to better domestic and regional connectivity and encourage greater market access, economic activity, and job creation. The project is to expand the existing 2-lane roads into 4-lane by constructing the new lanes and benching to the existing one with devising road safety installments and climate resilience features, which aims at accommodating recently increasing traffic volumes along the section and enhancing the efficiency and safety of provincial road networks. Mardan is the second largest city in the province and has been growing as an industrial center where factories of various products, including sugar, textiles and vegetable oil, actively operate. <sup>d</sup> Swabi is the capital of Swabi District and is also relatively populated. Further, along the project road, there are several towns with administrative and/or economic functions in their localities. Considering potential growth of the two cities and towns alongside, the traffic volumes and the number of passengers along the project road are expected to continuously increase and types of transport modes are to be more varied. The expansion of the project road would also enable local population alongsid |                              |                          |   |  |
| productivity of local businesses. B. Results from the Poverty and Social Analysis during Due Diligence   |                              |                          |   |  |
| 1. Key poverty and social issues. The percentage of people in Khyber Pakhtunkhwa with access to any form of transport is much higher than the national average. However, the multidimensional poverty index recently decreased from 2004–2005 to 2014–2015: Mardan (0.277 to 0.153) and Swabi (0.298 to 0.186). <sup>e</sup> This is likely caused by the quality of basic service (education, health, electricity, and sanitation) as the values of the cities assessed on the aspects were lower than the ones of the country. One potential reason for such low values might be attributed to difficulties to mobilize necessary resources, including human resources, to the cities and their surrounding towns/villages because of inefficient transport networks in the province. Improving the project road could help to improve the situations, which will lead to the improvement of the socioeconomic situations along the project and eventually of the multidimensional poverty indexes. In the Khyber Pakhtunkhwa province, the transport sector contributes 11% to the provincial economy, whereas statistics from 2013–2014 suggest that 7.5% of the province's labor force is in the transport sector. Increased intra- and inter-provincial connectivity will contribute to increased economic activity, more employment opportunities, and an overall socioeconomic uplift of the subproject areas and the region. <sup>f</sup>   |                              |                          |   |  |
| 2. Beneficiaries. Agricultural traders, freight forwarders, transporters, commuters, and those living and working along the project road.  |                              |                          |   |  |
| 3. Impact channels. During construction, the project will create numerous direct and indirect employment opportunities for skilled and unskilled laborers most of who are expected to reside along the project road though some may come from outside.   |                              |                          |   |  |
| 4. Other social and poverty issues. In Pakistan, there are various constraints leading poverty, including unemployment in non-agricultural sectors, lack of access to basic services, low literacy, gender disparities, security risks and the law and order situation, inadequate social protection policies, a high inflation rate, and chronic power shortages. The current largest social safety net program in the country is the Benazir Income Support Program, which is operational for the poorest and most vulnerable segments of the population. The program is supported by ADB, the World Bank, and the Department for International Development of the United Kingdom. Microfinance banks  |                              |                          |   |  |

and rural support programs that provide easy access to credit services largely address the needs of poor and low-income groups in the country.

5. Design features. Safety measures will be included in the project road's engineering design, which will help reduce accidents and fatalities after the project. In addition, roadside facilities such as footbridges near social service facilities and gender-specific bus-stops and restrooms will be provided as necessary to enhance the convenience of road users.

## PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Focus group discussions with separate men's and women's groups were held in all the subproject areas to identify concerns and suggestions. The consultations engaged the local village councils, informed them of the proposed road improvement plans, and solicited their feedback. Consultations were also held with potentially affected persons.

2. Civil society organizations. Local village councils will be engaged to develop and implement the grievance redress mechanisms.

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):

 $\boxtimes$  (M) Information gathering and sharing  $\boxtimes$  (M) Consultation  $\square$  (NA) Collaboration  $\square$  (NA) Partnership

4. Participation plan. Yes. Public consultation meetings and monitoring will be conducted, and appropriate budgetary allocations have been made in the resettlement plan. No.

## **III. GENDER AND DEVELOPMENT**

Gender mainstreaming category: some gender elements

П.

**A. Key issues.** Women in the project areas use roads frequently to travel to local markets, take children to school, access local healthcare facilities, fetch water, and collect firewood. Narrow roads, traffic congestion, and speeding constrain women's mobility. In the province, very small proportion of women (6.5% in 2011/2012) are engaged in non-agricultural sectors and most of them are teachers or healthcare practitioners,<sup>b,f</sup> indicating that a significant number of women are engaged in agricultural areas. Most of those women tend to help their male family members on the farms and manage livestock as unpaid family workers.

During consultations at preparing for the original project (Khyber Pakhtunkhwa Provincial Roads Improvement Project), female participants indicated a strong demand for roadside bus stops specifically for women to provide shelter in extreme weather conditions, as well as a comfortable place for women to rest while waiting for public transportation. Women's groups also recommended road safety features such as speed bumps near schools and basic health units/hospitals and safety signs.

**B. Key actions.** The project has been categorized as "some gender elements," as women will benefit from the project through improved access to basic social services such as health, education, and social networking facilities. Road safety features will reduce accidents and fatalities. Key gender actions to implement in the project will include among others; (i) road safety measures such as foot bridges near schools and hospitals and areas frequently visited by women and children; (ii) road side bus shelters for women passengers; (iii) capacity building for women staff at the C&WD; and (iv) additional assistance to female-headed households as part of the resettlement plan if necessary.

## IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement Safeguard Category: A B C FI 1. Key impacts. The road dualization work will be undertaken within existing right-of-way, which is about 24-31 meterwide and is owned by the Communication and Works Department (C&WD: Executing Agency). About 38 structures, owned by 38 families, are expected to be impacted partially. These are comprised of 4 residential and 8 commercial structures and 26 moveable stalls/kiosks selling fruits, vegetable and household goods. As for those 12 private structures, boundary walls and sun-roof sheds will be partially affected, while the stalls/kiosks situated within the right-of-way will be moved away before the civil works commencement. In addition, there are 3,116 wood/forest trees, 24 bus stop sheds owned by the Khyber Pakhtunkhwa Highway Authority (PKHA), and 558 telephone and electricity poles will need to be relocated.

The C&WD prepared a draft resettlement plan (RP) in accordance with ADB Safeguard Policy Statement 2009 and endorsed it for implementation after its updating and approval by ADB, based on the departmental review/comments and disclosed before SRM.

2. Strategy to address the impacts. The implementation of the upcoming final RP will be managed by the C&WD through its environment and social unit established within the Project Management Unit of the ongoing Khyber Pakhtunkhwa Provincial Roads Improvement Project. A land acquisition and resettlement (LAR) framework has also been prepared to handle any unforeseen LAR issues that may arise during construction work and/or any further change in project design, (if required) during implementation. Accordingly, the LAR framework will be a guiding umbrella document for the preparation of any additional RP if required.

3. Plan or other actions.

| <ul> <li>Resettlement plan</li> <li>Resettlement framework</li> <li>Environmental and social management<br/>system arrangement</li> <li>No action</li> <li>Combined resettlement and indigenous peoples plan</li> <li>Combined resettlement framework and indigenous peoples plan</li> <li>Social impact matrix</li> </ul>                  |  |  |  |  |
|---|--|--|--|--|
| B. Indigenous Peoples Safeguard Category:   |  |  |  |  |
| 1. Key impacts. Is broad community support triggered?   ☐ Yes ⊠ No  |  |  |  |  |
| The project areas do not contain any distinct, vulnerable, social and cultural group self-identifying as a distinct indigenous cultural group, and recognized as such by others, with a collective attachment to geographically distinct habitats or ancestral territories within the project areas.<br>2. Strategy to address the impacts. |  |  |  |  |
| 3. Plan or other actions.   |  |  |  |  |
| Indigenous peoples plan Combined resettlement plan and indigenous   |  |  |  |  |
| Indigenous peoples planning framework peoples plan  |  |  |  |  |
| Environmental and social management system  |  |  |  |  |
| arrangement peoples planning framework  |  |  |  |  |
| Social impact matrix Indigenous peoples plan elements integrated in   |  |  |  |  |
| No action the project with a summary  |  |  |  |  |
| V. ADDRESSING OTHER SOCIAL RISKS  |  |  |  |  |
| A. Risks in the Labor Market  |  |  |  |  |
| 1. Relevance of the project for the country's, region's, or sector's labor market, indicated as high (H), medium (M),   |  |  |  |  |
| and low or not significant (L). (M) unemployment (L) underemployment (L) retrenchment (L) core labor standards  |  |  |  |  |
| 2. Labor market impact. The construction phase is expected to generate employment opportunities for local communities;  |  |  |  |  |
| however, ADB Core Labor Standards will be fully adhered to and the PKHA will ensure with the construction supervision   |  |  |  |  |
| consultant that all civil works comply with all applicable labor laws, particularly child labor, for construction and maintenance   |  |  |  |  |
|   |  |  |  |  |
| works. B. Affordability   |  |  |  |  |
|   |  |  |  |  |
| Affordability is taken into account as the road improvements will reduce transport costs and accident risks, and increase   |  |  |  |  |
| the mobility of the local population. The proposed tolls are significantly less than the projected operating cost savings.<br>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):  |  |  |  |  |
| $\square$ (NA) Communicable diseases $\square$ (NA) Human trafficking $\square$ Others (please specify)   |  |  |  |  |
|   |  |  |  |  |
| 2. Risks to people in the project area: Not applicable  |  |  |  |  |
| VI. MONITORING AND EVALUATION   |  |  |  |  |
| 1. Targets and indicators. Monitoring will be carried out and its results will be recorded In line with ADB's Safeguards Policy Statement (2009).   |  |  |  |  |
| 2. Required human resources: (i) deputy director (environment and social) in the project management unit; (ii) social safeguards officers in the project management unit; (iii) resettlement specialists, with male and female social mobilizers to be hired in the supervision consultant team; and (iv) ADB's social safeguards team.     |  |  |  |  |
| 3. Information in the project administration manual. Essential administrative and management requirements covered in the LAR framework and RP.  |  |  |  |  |
| 4. Monitoring tools. Performance data sheets at the subproject level, monthly progress reports at the project management unit level, internal monthly monitoring reports, and the resettlement database.  |  |  |  |  |
| <ul> <li><sup>a.</sup> Government of Pakistan, Finance Division. 2008. Poverty Reduction Strategy Paper II (PRSP II). Islamabad.</li> <li><sup>b.</sup> Government of Khyber Pakhtunkhwa. 2014. Khyber Pakhtunkhwa Integrated Development Strategy, 2014–2018<br/>Peshawar.</li> </ul>  |  |  |  |  |
| <sup>c.</sup> ADB. 2015. Country Partnership Strategy, 2015–2019. Manila.   |  |  |  |  |
| <ul> <li>ADB. 2015. Country Partnership Strategy, 2015–2019. Manila.</li> <li>d. Encyclopaedia Britannica. Mardan (https://www.britannica.com/place/Mardan-Pakistan). Accessed 23 July 2018.</li> </ul>   |  |  |  |  |
| e. Government of Pakistan, United Nations Development Programme Pakistan, and Oxford Poverty & Human  |  |  |  |  |
| Development Initiative. 2017. Multidimensional Poverty in Pakistan. Islamabad.  |  |  |  |  |
| <ul> <li>ADB. 2017. Report and Recommendation for the Board of Directors: Proposed Loam to Islamic Republic of Pakistal</li> </ul>  |  |  |  |  |
| of Khyber Pakhtunkhwa Provincial Roads Improvement Project. Manila.   |  |  |  |  |