

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Pakistan	Project Title:	Pehur High Level Canal Extension Project
Lending/Financing Modality:	Project	Department/ Division:	Central and West Asia Department Environment, Natural Resources and Agriculture Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Poverty targeting: General Intervention.
A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy
<p>In Pakistan, agriculture contributes up to 21.4% to GDP and employs 45 % of the labor force. Increasing agricultural productivity is therefore recognized as one of the key drivers towards achieving Pakistan's Vision 2025 goals.¹ Agriculture and livestock are the key livelihood source for around 83% of the rural population in the Khyber Pakhtunkhwa Province (KPP).² Improving agricultural productivity is one of the key priorities of the country's Poverty Reduction Strategy Paper (PRSP)–II, as majority of the poor live in rural areas. Increasing productivity and value addition in agriculture through productive use of water and high efficiency irrigation systems is one of the central pillars of PRSP-II.³ KPP's Integrated Development Strategy (IDS), 2014–2018 also underscores the value of increased farm income and productivity for economic growth, poverty reduction, and food security.⁴ The Comprehensive Development Strategy (CDS), 2010–2017 in KPP targets new 70,000 ha of cultivable land to meet the food demand of KPP's growing population and suggests various measures in both water-supply and water-use to address the issues in the agriculture sector.⁵</p> <p>The proposed project aims to convert the existing rain-fed, below subsistence farming in the command area into irrigated sustainable agriculture. The provision of regulated irrigation supply will enhance agricultural productivity and farm incomes.⁶ The project is, therefore, consistent with the PRSP-II, Vision 2025, and KPP's development strategies. The project is also aligned with the priorities of ADB's country partnership strategy, which emphasizes the importance of stronger water resource management and irrigation for increase in agricultural productivity, increase in farm incomes, and strengthening food security.⁷ Classified as general intervention, the project will indirectly contribute towards poverty reduction and economic growth.</p>
B. Results from the Poverty and Social Analysis during PPTA or Due Diligence
<p>1. Key poverty and social issues. Food security is a continuous concern in KPP. A major proportion (more than 50%) of the cultivable land is rain-fed and mainly depends on the timeliness of rains, exposing a large proportion of the rural population to weather-induced risks. The irrigated area in KPP only amounts to about 1.15 million ha of the total cultivable land of 5.73 million ha as of year 2013–2014. Of the total cultivated area of the country, KPP's area under cultivation represents 7.67%. Over 60% of farms in KPP cultivate less than 1 ha and 37% less than 0.4 ha. The project will mainly irrigate the selected areas of the Swabi district, where most of the cultivable land is rain-fed. Due to uncertain and scant rainfall, the arid areas have lower yields than the achievable potential. Farmers are highly susceptible to the risks of uncertain and insufficient water supply. They have limited choice in cropping patterns. The construction of new canals under the project will have significant economic benefits with increased agricultural productivity and on-farm incomes. To further maximize the benefits, the project will focus on improving the efficient use and equitable distribution of water through the formation and capacity building of Water User Associations (WUAs). Farmers' capacities will be improved in profitable farming systems through demonstration activities and farmer field schools (FFS). According to the Project Preparatory Technical Assistance (PPTA) survey, the average land holding size in the area is 1.01 ha, hence the project will largely benefit the small and poor farmers.</p> <p>2. Beneficiaries. Headcount poverty in KPP was 29% in FY2006, 7% points higher than the national average while the Government of KPP's own estimate for FY2009 was far higher at 39%.⁸ The primary (direct) beneficiaries will be</p>

¹ Ministry of Planning, Development and Reforms, Government of Pakistan. [insert document year] *Vision 2025*. Islamabad.

² Khyber Pakhtunkhwa Government. 2014. *Integrated Development Strategy*. Peshawar.

³ Government of Pakistan, Poverty Reduction. [year]. Strategy Paper–II. [city].

⁴ Government of Khyber Pakhtunkhwa. 2014. *Integrated Development Strategy, 2014–2018*. Peshawar.

⁵ Government Khyber Pakhtunkhwa. 2010. *Comprehensive Development Strategy, 2010–2017*. Peshawar.

⁶ ADB. 2013. *Project Preparatory Technical Assistance for Khyber Pakhtunkhwa Water Resources Sector Project (PPTA 8448-PAK)*. Manila. (Consultant's Final Report).

⁷ ADB. 2015. *Country Partnership Strategy: Pakistan, 2015–2019*. Manila.

⁸ United National Development Programme. 2011. *Khyber Pakhtunkhwa Millennium Development Goals*. Peshawar. The estimate is based on the official poverty line, consistent with the attainment of 2,350 calories per adult

75,000 people directly dependent on agriculture in the project area. The indirect beneficiaries will be the people who will benefit from the increased employment and business opportunities in the project area. According to the socioeconomic survey conducted during the project preparatory stage, the main sources of livelihood in the project area include farming (30%), labor (11%), service (20%), business (15%), and 24% others (working abroad, livestock/dairy farms).⁹

3. Impact channels. As described in the para. 1 of Section B.

4. Other social and poverty issues include low literacy rates, inadequate social protection programs, lack of economic opportunities, inequalities in land distribution/ownership, and gender disparities. The “Benazir Income Support Programme”, the country’s largest social protection program, also supported by ADB, has over four million women beneficiaries from the most marginalized and vulnerable segments of the population.

5. Design features. The relevant design features will include (i) preference to local labor during construction work through instructions in contracts and bidding documents; (ii) participation of small farmers and access to project benefits will be ensured through the formation of WUAs. Membership criteria for WUAs will ensure equal opportunity for the small farmers to participate. WUAs will also ensure equitable distribution of water and that the concerns of marginalized farmers are addressed; (iii) Address the mobility concerns of the local people, i.e., design canal construction work will include features like foot and road bridges; and (iv) a gender action plan ensuring women’s participation and benefits. All these provisions will be tracked through the project’s monitoring and evaluation system.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Preliminary consultations were undertaken during the project preparatory exercise with both men’s and women’s groups to understand the potential risks and impacts of the project. Consultations with men and women communities during the detailed design of subprojects will be undertaken by the project field teams. The project will organize WUAs to ensure the participation of local farmers, including the poor and vulnerable. WUAs and farmers will participate in preparing the design and construction of water courses in each subproject in the project area. Grievance mechanisms will be established to ensure that the concerns of the local people and project affectees are addressed.

Civil society organizations (CSOs). Given the scope and design of the project, a limited role of CSOs is envisaged in the project activities. However, they will be consulted with regard to data collection and information sharing. The project will form WUAs who will be responsible for the monitoring and implementation of the project interventions.

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)

M Information gathering and sharing M Consultation L Collaboration L Partnership

Participation plan. To ensure the participation of all key stakeholders including women and project affectees, a Gender Action Plan (GAP) and Land Acquisition and Resettlement Plan (LARP) are developed. Yes. GAP and LARP are attached.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Some Gender Elements (SGE)

A. Key issues. Compared to men, women, having fewer skills and less knowledge together with the lack of land ownership, are mostly excluded from the benefits of irrigation and water resources development projects. According to the findings of the gender analysis conducted under the PPTA, due to strong patriarchal structure of the project area, women are mostly seen in traditional gender roles, i.e., domestic work and caring activities. With little or no skills, low levels of literacy and restricted mobility, women are economically less active, even though they form a significant part of the agricultural workforce, usually as unpaid family workers.

B. Key actions. The Gender Action Plan includes the conduct of separate consultations for women so that their concerns will be addressed during the design of canal construction works and implementation. Skill training will be imparted to women farmers on improved agriculture techniques for increased food security and income generation, as well as improved water use skills. Female extension workers will be hired to impart training to women farmers and the project will ensure that the gender-responsive resettlement, land acquisition and compensation mechanisms are in place to ensure that affected women will get their rightful entitlements.

Gender action plan Other actions or measures No action or measure

Key gender targets/indicators will include: (i) 20% of the total consultations are carried out with women’s groups at the detailed design stage of canal construction; (ii) over 2,500 households (about 30% of total estimated number of beneficial households) trained in profitable farming systems with at least 10% women beneficiaries; (iii) facilitate women specifically (elderly, single and women without male support) during resettlement and preparation of compensation requisites; and (iv) placement of a Deputy Director Social and Gender at the Project Management Office (PMO).

equivalent per day. Official poverty estimates by province have not been released since FY2006. The Ministry of Finance estimated the national average poverty at 12.4% in FY2011 in its Economic Survey 2013–2014.

⁹ ADB. 2013. Project Preparatory Technical Assistance for Khyber Pakhtunkhwa Water Resources Sector Project (PPTA 8448-PAK). Manila. (Consultant’s Final Report).

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES	
<p>A. Involuntary Resettlement</p> <p>1. <u>Key impacts.</u> The impact on land indicates that 540.86 acres (218.88 ha) of the land will need to be acquired from private ownership. This includes agricultural, barren, residential, and hilly land. About 6.23 acres (2.52 ha) existing <i>Nullah</i> bed (non-perennial water stream) land will be acquired from village common ownership. A total of 217 structures/assets were found within the limit of rights of way (RoW). Most of these structures are permanent (concrete, <i>pacca</i>). A total of 1,110 private trees (wood/timber)¹⁰ located within the limit of RoW will have to be cut.</p> <p>2. <u>Strategy to address the impacts.</u> The draft LARP has been prepared, which includes the entitlement matrix for compensation of the Displaced Persons The draft LARP will need to be updated on the basis of detailed designs. The implementation of the LARP will be monitored through the social and safe guard unit at PMO.</p> <p>3. <u>Plan or other Actions.</u></p>	<p>Safeguard Category: <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <p><input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> No action</p> <p><input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Social impact matrix</p>
<p>B. Indigenous Peoples</p> <p>1. Key impacts. No impacts. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Strategy to address the impacts. Not Applicable</p> <p>3. Plan or other actions.</p>	<p>Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p><input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix <input type="checkbox"/> No action</p> <p><input type="checkbox"/> Combined resettlement plan and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary</p>
V. ADDRESSING OTHER SOCIAL RISKS	
<p>A. Risks in the Labor Market</p> <p>1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L). L <input type="checkbox"/> unemployment L <input type="checkbox"/> underemployment L <input type="checkbox"/> retrenchment L <input type="checkbox"/> core labor standards</p> <p>2. <u>Labor market impact.</u> The project will have a positive labor market impact while offering significant labor opportunities during the construction work, and with increased cultivable land there will be more opportunities for on-farm labor. Regarding the compliance with the Core Labor Standards (CLS), less or no significant risks were noted during the PPTA survey, however, to mitigate the risks, bidding documents of the contractors will include instructions for the compliance with CLS.</p>	
<p>B. Affordability</p> <p>Not applicable. <i>Abiana</i> (irrigation water charges) will not be affected. The project will increase incomes and ensure greater equity of benefits (e.g., more equitable distribution of water).</p>	
<p>C. Communicable Diseases and Other Social Risks</p> <p>1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): L <input type="checkbox"/> Communicable diseases NA <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) _____</p> <p>2. Risks to people in project area. Less or no such risks have been identified.</p>	
VI. MONITORING AND EVALUATION	
<p>1. <u>Targets and indicators.</u> Indicators in the project's design and monitoring framework include: (i) over 4,000 households (about 50% of total estimated number of beneficial households) trained in improved water use skills; (ii) over 2,500 households (about 30% of total estimated number of beneficial households) trained in profitable farming systems with at least 10% women beneficiaries; and (iii) all on-farm irrigation canals fully operated and maintained by WUAs.</p> <p>2. <u>Required human resources.</u> At the PMO, a social safeguards unit will be established. A Director Social Safeguards, Deputy Director Social and Gender, Deputy Director Resettlement, and Deputy Director Environment will be placed in this unit for the oversight, reporting and implementation of LARP, GAP, and environment management plan. Female extension workers will be hired at the Project Implementation Office to impart training to women farmers and reporting of gender activities.</p> <p>3. <u>Information in the project administration manual (PAM).</u> Periodic reports as mentioned in the PAM.</p> <p>4. <u>Monitoring tools.</u> Periodic project progress and monitoring reports.</p>	

¹⁰ The main wood/timber trees include kikar, shesham, poplar, timber, and eucalyptus.