SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Kyrgyz Republic	Project Title:	Additional Financing of Central Asia Regional Economic Cooperation Corridors 1 and 3 Connector Road Project
Lending/Financing Modality:	Project Loan and Grant	Department/ Division:	Central and West Asia Department/Transport and Communications 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 In the CPS 2013-2017, the Government of the Kyrgyz Republic and ADB identified the strengthening of road infrastructure as key for inclusive growth and poverty reduction.^a The National Sustainable Development Strategy, 2013–2017 underlines the transport sector's importance in achieving sustainable human development^b ADB's CPS, 2013–2017 supports this by emphasizing the importance of improving trade and road links with regional markets.
- B. Results of the Poverty and Social Analysis during the Project Preparatory Technical Assistance or Due Diligence
- 1. **Key poverty and social issues.** Access and mobility limitations associated with road inadequacies are large factors in north–south, rural–urban, income, and other disparities in the Kyrgyz Republic Poor access correlates with poverty levels and the uneven distribution of economic opportunities. Studies show that although the poor condition of national roads does not constrain growth, it has major implications with respect to inclusivity, as the poor's limited access to transportation constrains their ability to benefit from growth.^c Road improvements increase access to services and open new economic opportunities by providing links to new markets and production centers, indirectly contributing to national development and poverty reduction.
- 2. **Beneficiaries.** The direct beneficiaries will be the country's road users, including those from other regions in the country. The project will also benefit a local population of nearly 170,000 persons, most directly the nearly 55,000 persons (11,610 households) in the 28 roadside villages comprising the project influence area PIA^d. Tertiary beneficiaries include more than 1 million persons in Chui, Issyk-Kul, Jalal-Abad, and Naryn regions. More diffuse benefits will extend to the rest of the Kyrgyz Republic and neighboring countries. Poverty levels in Jumgal (51.4%) and Kochkor (46.5%) districts within PIA exceed the national (30.6%) and regional levels (21.6% in Chui, 26.0% in Issyk-Kul, 30.6% in Naryn, and 46.4% in Jalal-Abad).^d In 12 of the 13 PIA *village administrations*, poverty levels are more severe, ranging from 4.8% to 69.7% with an average of 50.5%.^e The project will serve 27,848 persons in the PIA.
- 3. **Impact channels.** The project's principal impacts are reduced transport costs and time. Other impacts include improved road safety, greater travel comfort, and project construction jobs. Less directly, road improvements will enhance access to services and employment. Road traffic police will also derive benefits.
- 4. **Other social and poverty issues.** Many project communities suffer from water supply shortages. Agricultural development suffers from a lack of extension services and marketing support, and pasture management problems. Underemployment, unemployment, and labor migration remain prominent social and poverty concerns. Governance issues are also important, especially those related to support for local initiatives and resources for local administrations.
- 5. **Design features.** The project features (i) design sensitivity to social dimensions of road corridor rehabilitation important to road users and roadside communities; (ii) receptivity to stakeholder concerns; and (iii) employment of women in administrative and construction-related work.

II. PARTICIPATION AND EMPOWERING THE POOR

- 1. **Participatory approaches and project activities.** Consultation and information sharing with local populations and civil society have been important features of project preparation. These will continue during implementation, providing a foundation for collaboration with project authorities and local administrations to maximize social benefits and minimize social risks during the project's detailed design, construction, and operation phases, supported by an SSO to facilitate the informed participation of the poor.
- 2. High levels of information generation and sharing and consultation with civil society will be necessary throughout project implementation, and a collaborative review process during design finalization will enhance the project's social benefits.
- 3. **Civil society organizations.** Project area CSOs will be empowered to represent key social sectors in consultation and collaborative activities and in the design and delivery of social mitigations.
- 4. 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):

 H Information gathering and sharing H Consultation M Collaboration NA Partnership

5. Participation plan.

X Yes. ☐ No. Given the required levels of information sharing and consultation, as well as the potential benefits of civil society collaboration in maximizing social benefits, a project-level participation plan, including the dissemination of project information and awareness building, has been prepared.

III. GENDER AND DEVELOPMENT			
Gender mainstreaming category: some gender elements			
A. Key issues. Gender analysis underscored significant differences in the transport and travel needs of women and men, showing that women in the project area tended to use taxis for transportation more than men, and make up a larger proportion of pedestrians. Although some women engage in long-distance trade, men generally travel further than women. Existing gender norms result in women having the most responsibility in traveling with children to school or other activities, and going to markets or doing other errands. Women's gender roles impact their travel patterns, such that they take more (shorter) trips than men. In particular, more women than men are at risk as pedestrians, as the lack of public transport that caters to women's travel patterns forces them to walk more often. Employment opportunities for women in the transport sector remain limited compared to those for men in the project area, where women are virtually absent as drivers and road workers. Disparities may also exist in access to some project benefits, participation in decision-making processes, and exposure to social risks (discrimination in project employment, road safety, HIV/AIDS, and human trafficking).			
B. Key actions. It is envisaged that the project will indirectly address the gender issues identified through the provision of better roads that will make women's travels safer and more efficient. Project design measures that will directly benefit women include limited income-earning opportunities during construction, inclusion of women in road safety campaigns, and inclusion of MOTR women staff in capacity building activities. ☐ Gender action plan ☐ Other actions or measures ☐ No action or measure			
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES			
A. Involuntary Resettlement Safeguard Category: A B C FI			
1. Key impacts. Along the 68-kilometer project sections (Balykchy village–kilometer marker 43 and Kochkor village–Epkin village), 40 affected households, comprising 249 displaced persons, will have land and resettlement impacts. Among them, 12 affected households (67 displaced persons) will be severely affected by losing more than 10% of their land (seven affected household will lose agricultural land and six will lose residential land). There will be no physical displacement along the project sections. Among the 40 affected households, 16 (comprising 117 displaced persons) are deemed vulnerable. The majority of affected households will experience minor impacts, such as the loss of trees, crops, fences, and minor structures along sections that encroach upon the road right-of-way. 2. Strategy to address the impacts. A draft LARP has been produced for the project sections where involuntary resettlement impacts have been identified. The LARP-defined inclusion and entitlements accord with ADB's SPS (2009). The draft LARP will be updated as necessary and will be implemented by the IPIG with assistance from land acquisition and resettlement commissions established in each district. The draft and final LARP will be disclosed on the ADB and IPIG websites and at government offices accessible to affected persons. A grievance redress mechanism is operational. The implementing agency (IPIG) has engaged a full-time social specialist experienced in the implementation of land acquisition and resettlement. IPIG's land acquisition and resettlement implementation capacity is considered adequate. 3. Plan or other actions.			
Resettlement plan Resettlement framework Environmental and social management system arrangement No action Combined resettlement and indigenous peoples plan Combined resettlement framework and indigenous peoples plan planning framework Social impact matrix			
B. Indigenous Peoples Safeguard Category: ☐ A ☐ B ☒ C ☐ FI			
1. Key impacts. There are no indigenous peoples per the SPS definition in the project area, so there are no impacts. Is broad community support triggered? Yes No			
2. Strategy to address the impacts. Not applicable.			
3. Plan or other actions. ☐ Indigenous peoples plan ☐ Indigenous peoples planning framework ☐ Indigenous peoples planning framework ☐ Environmental and social management system ☐ arrangement ☐ Social impact matrix ☐ No action ☐ Combined resettlement plan and indigenous peoples plan ☐ Combined resettlement framework and indigenous peoples planning framework ☐ Indigenous peoples plan elements integrated in project with a summary			

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

- 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).
- unemployment underemployment retrenchment H core labor standards
- 2. **Labor market impact.** The social summary matrix provisions encourage maximizing local employment, and the civil works contracts will mandate preferential employment of local residents and gender equity. CLS nonadherence is a high social risk, and the mitigation specified in the matrix focuses on compliance with CLS and national labor laws and regulations in construction activities by incorporating related measures in bidding and other project documents.
- B. Affordability. The project does not involve user-pay schemes, and affordability is not expected to be an issue.

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): M Communicable diseases
- M Others (please specify) Road safety risks to pedestrians
- 2. **Risks to people in project area.** There is a potential risk related to HIV/AIDS and human trafficking during the construction period. The matrix includes the mitigation of HIV/AIDS and associated disease risks. Civil works contracts will require the engagement of an SSO to deliver HIV/AIDS awareness and prevention programs in workers' campsites and to women and other vulnerable groups. Increased access and greater transit traffic also offer impact channels that could increase human trafficking. The matrix provides mitigation for increased risks of human trafficking by featuring prevention and awareness programs in roadside communities.

VI. MONITORING AND EVALUATION

- 1. **Targets and indicators.** The matrix specifies the monitoring of key indicators pertinent to poverty reduction and inclusive social development, as well as monitoring and reporting responsibilities. Indicators include local employment extent, poverty levels and trends, local road safety, and the establishment of road-associated enterprises. Principal monitoring data sources are periodic progress and other reports submitted by contractors and CSCs. Poverty monitoring will rely on official data produced by the NSC and local administrations.
- 2. **Required human resources.** Specified monitoring will be carried out by executing agency and PIU staff and supported by CSC social development specialists during construction. Required human resources are budgeted in the project.
- 3. **Information in the project administration manual.** Information regarding the matrix implementation and associated mitigation and monitoring—including the required qualifications of the detailed design consultant and CSC social specialists, terms of reference, and executing agency and PIU responsibilities—will be incorporated in the project administration manual.
- 4. **Monitoring tools.** The project will require regular submission of periodic progress reports, which include reports on the monitoring of outputs and targets under the GAP and SPCP.
- ADB = Asian Development Bank, CAREC = Central Asia Regional Economic Cooperation, CLS = core labor standards, CPS = country partnership strategy, CSC = construction supervision consultant, CSO = civil society organization, IPIG = Investment Projects Implementation Group, LARP = land acquisition and resettlement plan, MOTR = Ministry of Transport and Roads, NSC = National Statistical Committee, PIA = project influence area, PIU = project implementation unit, SPS = Safeguard Policy Statement, SSO = social support organization, TA = technical assistance.
- ^a Asian Development Bank. 2013. Country Partnership Strategy: Kyrgyz Republic, 2013–2017. Manila.
- ^b National Council for Sustainable Development of the Kyrgyz Republic. <u>National Sustainable Development Strategy</u> for the Kyrgyz Republic 2013-2017.
- ^c ADB. 2014. The Kyrgyz Republic: Strategic Assessment of the Economy—Promoting Inclusive Growth. Manila.
- ^d The project influence area (PIA) refers to the area that is likely to be affected by the project, including all its ancillary aspects, such as power transmission corridors, pipelines, canals, tunnels, relocation and access roads, borrow and disposal areas, and construction camps, as well as unplanned developments induced by the project (e.g., spontaneous settlement, logging, or shifting agriculture along access roads).
- ^e National Statistic Committee of the Kyrgyz Republic. 2015. Data from the Jayil, Jumgal, and Kochkor, district administrations.