

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Maldives	Project Title:	Kulhudhuffushi Harbor Expansion Project
Lending/Financing Modality:	Grant projects	Department/Division:	South Asia Department/Transport and Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The proposed Project will improve accessibility to services such as housing, financial, education, job and health services in the Northern region of the Maldives, and to stimulate the development of income-generation livelihood activities. The project will be designed to contribute to the Government's objectives of achieving broad based economic growth. The Project is also closely linked to the ADB's Interim Country Partnership Strategy (CPS)

B. Targeting Classification

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

Impacts of the Project will be distributed differently in different geographic areas and over time. Communities living adjacent to project sites will likely experience the most impacts. The major positive social impacts are anticipated to arise through the creation of direct and indirect employment opportunities during project construction and operation. Employment opportunities are likely to occur due to (i) construction and operation related work; and (ii) potential additional employment from benefits arising from increased vessel traffic and other development initiatives. Thus the additional jobs are expected to be significant. During project operation only a fraction of the new jobs are expected to be executive positions, the largest proportion of workers employed will be in administration (i.e. clerks, supervisors, storekeeper, and typist), followed by technical (i.e. crane operator, vehicle driver) and nontechnical positions. The contracts for civil works will include measures to ensure safe and healthy working environment for both men and women laborers. The contractors will be required to implement appropriate measures with respect to compliance of equal pay for equal work for men and women, health and safety at construction sites and labor camps.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The Maldives atolls encompass a territorial spread over roughly 90,000 square kilometers, making the country one of the world's most geographically dispersed. Its population of 328,536 (2012) inhabits 192 of its 1,192 atolls. As of 2011, the Human Development Index for Maldives is medium at 0.66.

Maldives has successfully achieved their Millennium Development Goal (MDG) of halving the proportion of people living under the poverty line to a mere 1% as of 2011. Starvation is non-existent, HIV rates have fallen and malaria has been eradicated. Despite this progress, developmental issues remain. Development in Maldives has occurred predominantly in the capital Malé and islands outside the capital are characterized by high poverty vulnerability, lower per-capita income, lower employment and limited access to social services. Maldives's Gini co-efficient stands at 0.41 and 0.3 million Maldivians continue to live on less than \$1 a day. The difficulty of accessing social services and infrastructure in the outer atolls has meant that geography is a key reason for poverty and income disparity in Maldives. In islands far from the capital, there tends to be lack of production, inadequate use of fishery resources, low value chain development and insufficient credit for small-scale producers and entrepreneurs. The scarcity of land and water, the underdeveloped farming practices and absence of support services in atolls has meant low production and thus low incomes in these regions.

Potential beneficiaries include vessel owners and operators, passengers, residents, tourists, NGOs, business and community groups.

2. Impact channels and expected systemic changes.

The proposed Project will improve connectivity and movement of people and goods. Also, the intervention will improve access to proper health and education facilities, commercial activities and recreational sources.

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

PPTA will focus on Poverty, social and gender issues around the areas to be developed or upgraded. Depending on the nature of the project, a special focus will be placed on the spread of communicable diseases and human trafficking.

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?

At the project preparatory stage sex-disaggregated data on the range of socioeconomic indicators relevant to the project will be collected, with focus on the needs, demands, constraints faced by the poor, women and vulnerable groups in the project area, in terms of their equitable access to the benefits and opportunities associated with construction. Project preparatory assessment will also see how the project can complement the national gender policy and framework.

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

PPTA will explore pro-active gender designs for the project. Benefits may include design and construction of gender-friendly physical infrastructure, and incorporate women during project construction and operation.

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

Yes No

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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.

Government of Maldives agencies, vessel owners and operators, passengers, residents, tourists, NGOs, business and community groups. Relevant groups will be meaningfully consulted. Workshops, community mobilization, and consultation conducted for discussion on the potential needs of the community, social-related issues such as gender, HIV/AIDs, human trafficking, child labor, environment and social safeguard issues.

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?

Active CSOs are present in the project area. During PPTA, study will be conducted to assess level of CSO participation.

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?

H Information generation and sharing **H** Consultation **N** Collaboration **L** Partnership

Active CSOs are present in the project area. During PPTA, study will be conducted to assess level of CSO participation.

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

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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

Due diligence will be undertaken during PPTA stage to assess level of impact. In case the need for land acquisition is identified, appropriate mitigation measures will be formulated and implemented in compliance with ADB's Safeguard Policy Statement (2009) and national regulations.

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

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

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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(L) Adhering to core labor standards(L) Labor retrenchment(L)
 Spread of communicable diseases, including HIV/AIDS (M) Increase in human trafficking (M) Affordability(L)
 Increase in unplanned migration(L) Increase in vulnerability to natural disasters(L) Creating political instability(L)
 Creating internal social conflicts(L) Others, please specify _____

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

Labor. No job loss will be occurred. The Project is expected to generate employment opportunities for local people during construction. Men and women will be paid equally for equal work. The EA will ensure that all civil works will comply with core labor standards. Spread of communicable diseases, including HIV/AIDS. The Project will develop mechanisms to address the social issues identified during the social and poverty assessment. No significant negative impacts are anticipated. Increase in human trafficking. PPTA will explore mitigation measures.

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

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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?

Poverty, social and gender analysis will be undertaken during PPTA.