

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Bangladesh	Project Title:	Third Urban Governance and Infrastructure Improvement (Sector) Project
Lending/Financing Modality:	Sector	Department/ Division:	SARD/SAUW

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Bangladesh has made steady and commendable progress in poverty reduction. Income poverty incidence declined substantially from 58.8% in 1991-1992 to 31.5% in 2010. Although the poverty ratio continues to be higher in rural areas at 35.2% than that of urban areas at 21.3%, the urban poverty still constitutes a major agenda for the country's economic and social development. Non-income poverty continues to be a challenge in the urban areas, particularly the slums which are in desperate need of basic services and infrastructure. The Sixth Five Year Plan (SFYP) (2011-2015) stresses that the availability of safe water and good sanitation is essential for improving living standards of the poor, and that there is a need for increasing investment in water and sanitation. To address urban poverty, the SFYP promotes equal access to basic services.

The objective of ADB's support under its Bangladesh Country Partnership Strategy (2011-2015) (CPS) is to contribute to the government's SFYP goals and commitments for enhancing growth and reducing poverty. Investing to make cities more livable is one approach under the strategy to make the growth process more inclusive. Urban sector, including water supply and sanitation and other municipal services, is one of the six priority sectors of the CPS.

#### B. Targeting Classification

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

The project is expected to directly contribute to the MDG Goal 7 (environmental sustainability) by improving access to safe drinking water and basic sanitation. Water supply and sanitation subprojects, when prioritized by target *pourashavas*, will be implemented, including in slums.

#### C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

Project needs will be identified through an inclusive consultative process in the Ward-Level Coordination Committee (WLCC) and Town-Level Coordination Committee (TLCC). General public in target *pourashavas* will be the beneficiaries of the project. Slum improvement will be an integral component of the project. Relevant social indicators including data for poverty in target *pourashavas* will be collected in the PPTA.

2. Impact channels and expected systemic changes.

The project will create direct employment opportunities for the poor and vulnerable. The implementation of the poverty reduction action plan (PRAP) will enhance access of the poor and vulnerable to basic municipal services including roads, water supply, and sanitation.

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

Lessons from completed and ongoing projects will be reviewed and incorporated in the design of the ensuing project. By ensuring inclusive and participatory mechanism in project identification, preparation, and implementation, positive social impacts can be expected.

4. Specific analysis for policy-based lending.

This project is not envisaged to be policy-based lending.

### 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? Women's participation in consultation and decision-making in the management of *pourashavas* has been limited. Women and the poor suffer more from poor access to basic services including water supply and sanitation, while women and girls are often responsible for securing water supply. This limits their opportunities in higher levels of education and employment.

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 Please explain.

Through the formulation and operationalization of TLCCs and WLCCs, women's participation in consultation and decision-making processes will be strengthened. Preparation of a town-specific gender action plan (GAP) will be a prerequisite for physical investments in improving basic services and infrastructure, and the implementation of the GAP will improve women's access to basic services and help increase women's economic opportunities.

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

Yes  No Please explain

The project is not expected to cause adverse impacts on women and/or girls.

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.

Stakeholders include general citizens, poor and vulnerable communities, and businesses in target *pourashavas* and those in areas where the proposed infrastructure is located. Government, community groups, civil society organizations working in the project location will be fully consulted. Representatives of the civil societies will be formal members of the citizens' forums at ward and *pourashava* levels as in earlier phases.

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?

Performance criteria to measure governance reform include citizen participation and integration of the urban poor. More specifically, the poor and excluded groups will be represented in the WLCCs and TLCCs, which are formal consultative bodies in *pourashavas*. Preparation of PRAP and own budget allocation to the implementation of PRAP is a prerequisite for *pourashavas* to receive capital investment support under the project.

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?

Information generation and sharing (H)  Consultation (H)  Collaboration (M)  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 Please explain.

Participation of citizens including the poor and excluded is incorporated in a systemic way in the earlier phases of the project, and is proven to be effective. The same approach will be maintained. Subprojects in slum areas, mainly small civil works, are implemented by the slum improvement committees (SICs) including procurement of materials and community labors/workers. The roles and contributions of SICs will be further strengthened by ensuring more resources and capacity development.

### 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

As the target *pourashavas* and subprojects are not yet decided, it is not possible to estimate the exact impacts at this stage. Resettlement impacts will be assessed and efforts will be made to minimize impacts. A Resettlement Framework will be prepared to guide planning and implementation of subprojects not appraised during project preparation.

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

Project is not expected to have impacts on indigenous peoples as investments will be within urban areas. An Indigenous Peoples Planning Framework will be prepared if potential impacts are envisaged.

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

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 (L)  Labor retrenchment  
 Spread of communicable diseases, including HIV/AIDS  Increase in human trafficking  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?

Employment opportunities particularly for unskilled labor will be provided. Community participation in procurement is considered in small community-level investments including these in slums. The project will ensure compliance with the core labor standards. A pro-poor approach for affordable connections and water tariffs will be developed under the PPTA to facilitate access to the poor.

#### **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 (v) 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?

Resources are allocated for engaging a consultant who will undertake gender and poverty assessment and prepare a GAP. Workshop budgets are provided for consultation purposes.