

November 28, 2011

Response of World Bank to United Kingdom on Approval by mail: project preparation grant for Philippines Cebu Bus Rapid Transit (BRT) Demonstration Project

We fully agree with the need to evaluate the project impact on existing transport providers. As correctly mentioned by the reviewer, we firmly believe that the project's success will depend on integrating the specific needs of the owners/providers of current bus services in the project design.

The CTF Project Preparation Grant is focused on conducting the feasibility study of the BRT (including service design and operations plan), measurement of the GHG base line impact, and a dissemination plan (including workshops involving multiple stakeholders).

In parallel, a number of studies (financed by the Bank and the client) will focus on the specific issues related to the impact on current bus transport providers.

One study currently being undertaken will evaluate the impact of introducing reforms on jeepney operations in Cebu city. This study objective is to evaluate the impact of introducing reforms in the public transport market on jeepney operations in Cebu city. The focus of the study will be on: 1) **What** makes urban transport a focus of political agenda in the city; 2) **What** are the key governance and operational issues impacting the efficient, effective delivery of urban transport services; 3) **Why** have these issues persisted; and 4) **How** can the issues be addressed going forward.

A second study will specifically examine the social and economic impact of introducing reforms on the jeepney sector. There is a clear recognition that during construction and operation, the project is expected to have impacts on public utility vehicles. These are the jeepneys, and taxis, provincial buses that use the alignment. To be affected are operators, drivers, and conductors. The project can also have a) gender specific impacts such as on women using public transport to do their marketing; b) inter-generational, on school children and the elderly, and c) accessibility such as persons with disabilities. The specific needs or concerns of these groups regarding the accessibility, safety, security, and other attributes of the BRT are important variables affecting the feasibility of the project as well as necessary inputs in project design.

A Social Management Plan will be prepared to include a census of affected people, socio-economic survey, estimates of replacement value including contingency budget, estimate of timing on when people are likely to be moved, and Grievance Redress Mechanism. Direct social impact of the project such as loss of livelihood by displaced jeepney drivers and operators will be addressed in a Social Management Plan. The specific tasks will include:

- (i) Review the relevant Philippine laws and jurisprudence and programs and plans regarding accessibility of transport, gender impacts of bus transport, and labor laws governing public transport operators and their employees/agents.

(ii) Review relevant Bank policies and international covenants (to which the Philippines is a signatory or party to) on gender dimensions and accessibility of transport

(iii) Undertake consultations with groups of women, the elderly users, school children and youth, and persons with disabilities, public utility operators and drivers, plying the route who will benefit or stand to be adversely affected by the project.

(iv) Conduct a socio-economic survey of public utility vehicles operators and drivers – education and skills inventory included --whose livelihoods stand to be affected by the operation of the BRT.

(v) Review livelihood restoration programs, re-training and re-skilling, adult education, scholarship programs, and placement and employment programs existing in the city that those economically affected by the operation of the BRT can avail of.

(vi) Recommend and design livelihood restoration programs and present options to enhance positive social impacts.

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