

THE PROBLEM STATEMENT

2.8 A TRANSPORT POVERTY AUDIT

Problem: Using transport development as part of a poverty reduction strategy is hampered by the inadequate knowledge of the distribution of benefits.

Solution: A poverty audit of transport provides a systematic framework for assessing what the nature of the impacts on the poor of transport development.

BACKGROUND

Poverty assessments are important in providing information to policymakers about poor people's perspectives on poverty. Poverty assessments involve multiple stakeholders, providing information to policymakers and embedded in policy structures at the national level. Whilst broad poverty assessments are essential to establish the causes and consequences of poverty, there is also a need for specific examination of the transport sector and its impacts on poverty alleviation. There is a changing emphasis in the measurement of transport performance to include not only physical output (i.e. the ability to meet demand effectively and efficiently) but also social, environmental and poverty impacts of a transport intervention. These factors should be accounted for in a transport poverty audit, to ensure safeguards and mitigation programmes are implemented where performance, measured by a selection of indicators, is ineffective and damaging.

INDICATORS OF POVERTY

Examples of the indicators that are recommended for tracking the continuing impact of transport development on poverty are shown in **Table 1**. Each indicator relates to a particular attribute of poverty and establishes the degree to which the project component addresses that attribute.

In summary, the purpose of the indicators is as follows:

- **Opportunity.** The recommended indicators point to the availability and accessibility of the public transport service. Improvements are reflected in more capacity, better travel conditions, faster journeys, stable transport costs and/or outlays as a proportion of household expenditure
- **Security.** The indicators point to the safety of using public transport. Improvements will be reflected in reduced accident rates, and reductions in criminal activities.
- **Empowerment.** In this connection, the indicator is demonstrating the involvement of the poor in the design and planning process. In the longer term, this indicator needs modifying to demonstrate whether that involvement is effective.

Over time, all the indicators and associated targets will need monitoring and modification to reflect experiences gained in their use. Particular changes to reflect gender nuances may, for example, be appropriate.



Table 1: Example of indicators of transport impacts on poverty

Poverty measure	Attribute	Indicator	Purpose	Target
Opportunity (economic efficiency)	Productivity and availability	<ul style="list-style-type: none"> No. of transport services per week No. of IMTs owned within the village 	To indicate the level of service being provided by public transport operators	<ul style="list-style-type: none"> At least one transport service per week At least one bicycle per 10 inhabitants
	Access and travel conditions	<ul style="list-style-type: none"> Average trip distance (km) Trip rate (annual motorised trips per capita) 	To indicate the nature and conditions of travel	<ul style="list-style-type: none"> Average trip distance to medical facility should not exceed 15km. Trip rate per capita should be at least one per month
	Travel cost	<ul style="list-style-type: none"> Average fare paid to nearest market town Total household expenditure on transport (as % of income) 	To indicate the significance of transport costs in household budgets.	<ul style="list-style-type: none"> Average household expenditure on transport should not exceed 10% of total Average passenger fare per km less than "x".
	Employment	<ul style="list-style-type: none"> Numbers employed in sector by mode Av. monthly income per employee 	To establish the dependency on transport as an employment sector in rural areas	<ul style="list-style-type: none"> 10% of rural population employed either full or part time in the transport sector.
Security	Safety	<ul style="list-style-type: none"> Fatalities and injury accidents (absolute and per vehicle) No. of pedestrian injuries and fatalities 	To gauge magnitude of the safety problem and to focus attention on the plight of pedestrians.	<ul style="list-style-type: none"> There are no data available. The aim will be to stabilise and reduce rates, once established.
	Vulnerability to transport 'shocks'	<ul style="list-style-type: none"> No. of weeks per year that roads are impassable Av. access distance to nearest transport service (km) 	To establish what degree of isolation there is from the transport system.	<ul style="list-style-type: none"> Reduce impassability to a maximum of 1 week per year Minimum distance to transport services should be 2km
Empowerment	Inclusion	<ul style="list-style-type: none"> Number of participatory meetings between Transport Planning Agency and users and communities. 	To gauge the level of engagement between authority and community.	<ul style="list-style-type: none"> A suggested norm is that any development project being processed by the Transport Planning Agency should involve at least two participatory meetings.

CHECK LIST FOR ASSESSING POVERTY

Indicators are useful for tracking historical and current trends and performance. They do not necessarily help in the formulation of new interventions; poverty impacts may need to be determined using specific surveys and analysis.

Table 2 provides a checklist of the issues that must be addressed, and the principles and diagnostics that should be applied. Two items stand out for further attention: strategy development and stakeholder consultation.

Table 2: Checklist for poverty audit of transport

Issues	Diagnostics and Actions
<p>Poverty reduction requires economic growth, redistribution, security and empowerment.</p> <ul style="list-style-type: none"> • Economic growth: transport mobilises resources. • Redistribution: supports targeted delivery (health, education, etc) • Security: transport seeks to reduce the vulnerability of the poor • Empowerment: transport supports the participation of the poor in the development process 	<p><i>Strategic principles:</i></p> <ul style="list-style-type: none"> • Reflect transport's dual role in promoting market-based economic growth and poverty-targeted interventions • Economic efficiency should be paramount • Transport needs of poor recognised and addressed, to extent possible, with least-cost interventions • Adverse effects on poor should be addressed at program level under a national transport policy framework • Wide stakeholder consultation (particularly for prioritisation) <p><i>Strategy development:</i></p> <ul style="list-style-type: none"> • Understanding how poverty outcomes are linked to the major dimensions of poverty: economic opportunities; capabilities, empowerment; security against shocks.
<p>Transport policies and programmes can be regressive if they involve:</p> <ul style="list-style-type: none"> • Displacement of modes used by poor • Displacement/partitioning of low-income communities • Involuntary resettlement of the poor • Increased risk of traffic accidents • Increased incidence of environmental pollution • Labour redundancies caused by scheme • Significant changes in transport tariffs (due, say, to removal of subsidies) 	<p><i>Diagnostics:</i></p> <ul style="list-style-type: none"> • Transport performance indicators • Examination of policies and performance related to needs of poor • Identify transport problems which most encourage economic growth • Examine impact on accessibility of policies in other sectors • Prioritise transport components

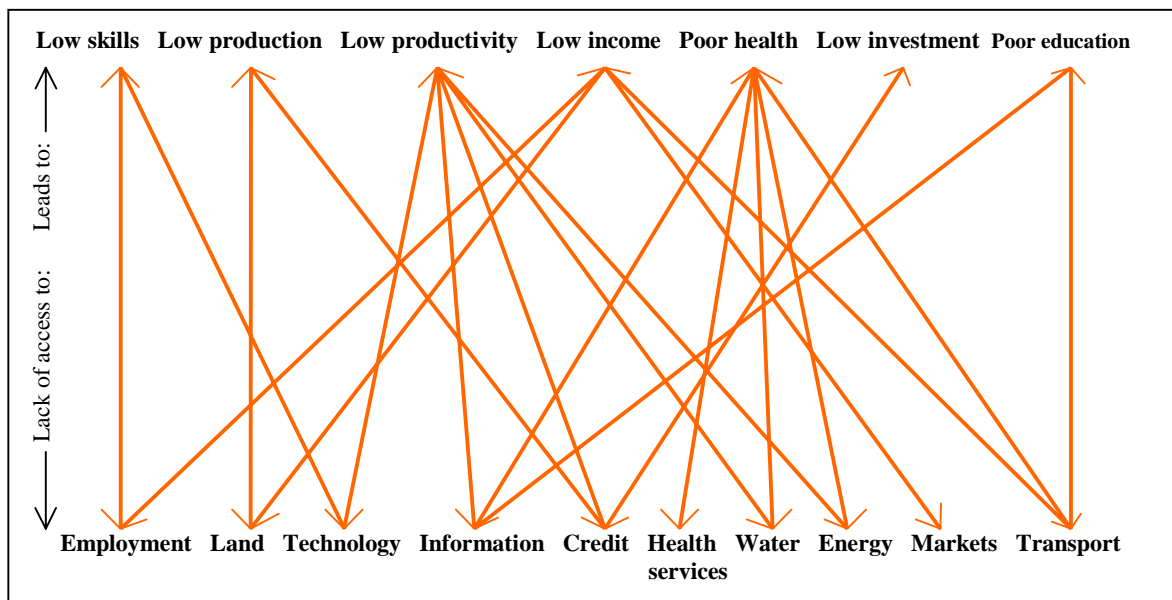
Source: based on Poverty reduction strategy paper (PRSP) Sourcebook.

UNDERSTANDING THE LINKAGES BETWEEN TRANSPORT AND POVERTY

An understanding of the linkages between transport development and poverty alleviation is still unclear (see **Figure 1** for an example of access and poverty characteristics). Thus the way in which the benefits of transport interventions are distributed is uncertain, and requires more research. The only thing that is certain is that particular interventions are likely to be pro-poor, because the limited evidence points in that direction. For example, the poor make greater proportionate use of public transport, and by virtue of their greater dependence on walking for access, are likely to be more highly exposed to traffic accidents. Interventions directed at these areas are likely to be pro-poor. At the same time there is a danger of developing pro-poor interventions which are economically inefficient, and in the long-run damaging to

the poor community for whom they were designed to help. Subsidies to public transport are an example of a pro-poor intervention, which can seriously damage the efficiency of the public transport sector unless very well designed and controlled. To resolve these conflicts requires very clear objectives and strategic principles.

Figure 1: Access and poverty characteristics



Source: Edmonds (1998)



Stakeholder consultation is now critically important in any analysis of transport intervention. It is the mechanism through which the planning and development process should become informed of the expressed opinion, problems, wishes and issues of the community (users) and the operators (suppliers) of transport. It is also the mechanism through which inclusiveness should be developed, giving a voice to the poor, the disabled, women, and others who may be currently excluded.

KEY REFERENCES

Edmonds, G. (1998). Wasted time: the price of poor access. ILO Rural Accessibility Technical Paper No. 3. Pg.14. Copyright © International Labour Organisation 1998

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World Bank Poverty Assessments Website: www.worldbank.org/poverty/wbactivities/pa