

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Republic of the Union of Myanmar	Project Title:	Pro-Poor Community Infrastructure and Basic Services
Lending/Financing Modality:	To be determined	Department/ Division:	Southeast Asia Department / Urban Development and Water Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to a national poverty reduction strategy and ADB's Interim Country Partnership Strategy

The aim of the project is to reduce poverty in selected communities in Yangon and Mandalay, where poverty incidence is high, and prospects for better economic opportunity and living conditions are poor. Myanmar's Framework for Economic and Social Reforms recognizes that Myanmar is one of the poorest countries in Southeast Asia, with the lowest ranking on the Human Development Index. The measures proposed for poverty reduction are structured within macroeconomic policies as well as more specific sector policies contributing to people-centered development and inclusive growth, as well as improved governance. Asian Development Bank's (ADB's) Interim Country Partnership Strategy, 2012–2014 (October 2012) aims to assist the government in promoting sustainable and inclusive economic development and job creation in support of poverty reduction. ADB will mainstream the themes of (i) environmental sustainability; (ii) good governance; (iii) private sector development; (iv) regional cooperation and integration; and (v) gender equality. The project components aim to provide sustainable improvements to physical conditions of the living environment through provision of community level infrastructure. At the same time, savings schemes will provide a sustainable source of funding for community level operation and maintenance (O&M). A program of capacity building and awareness strengthening amongst city managers is designed to link the improvements of community infrastructure to the city wide networks of infrastructure and services, to ensure permanence, replication and sustainability.

B. Targeting Classification:

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

The project is aimed at communities sharing common or similar shortfall in infrastructure and services which are essential for sustaining family health and gaining access to local urban economies. Improvements will be planned and delivered through a participatory approach that takes into account community priorities whilst considering household needs and circumstances. Savings schemes targeted at households are designed to raise funds for essential maintenance of the new facilities, in particular latrines and solid waste. They will be administered by community members (most likely to be women), targeted at those households who are most vulnerable, living from daily income and often forced to borrow from usurers for daily food and shelter, and caught in a spiral of dependency.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

Many of the urban population of Yangon and Mandalay live in areas which are not fully served by essential urban services or infrastructure. Less than 60% of the urban population has a direct connection to a central water supply system. The remaining relies on rainwater harvesting, hand-dug shallow wells and buying water from water sellers, which may take as much as 10% of household income. There is no interconnected network of drains to remove stormwater or wastewater. Polluted water therefore remains stagnant in open drains and household plots, as a constant source of possible infection. With homes permanently surrounded by polluted water, in particular in the tidal areas of Yangon, or constantly faced with the threat of flooding, households are struggling to emerge from poverty.

Inadequate water, drainage and sanitation services, combined with underinvestment in preventative health care, have resulted in severe health threats. The incidence of diarrhea amongst children under age five is considerably higher than elsewhere in SE Asia, contributing to high child mortality. The high prevalence of debilitating water-related vector-borne diseases, such as malaria and dengue, are directly related to the poor state of critical urban services, e.g., stagnant water providing breeding opportunities for mosquitoes.

The expected beneficiaries of the project are groups of approximately 1,000 to 1,200 households each within the townships of Dala and Hlaing Thar Yar in Yangon, and Chan Mya Thazi and Pyi Gyi Dagon in Mandalay. These townships have been selected in collaboration with city government officials (including Mayor), to ensure permission to operate and to enable essential linkages with city-wide systems, both critical for sustainability and replication of project achievements. Selection criteria included severity of environmental conditions: lack of a reliable supply of good quality water, perennial flooding and waterlogging, absence of adequate systems to remove solid and liquid household waste, inadequate connectivity to main transport routes or systems. The project will consult households on priority needs for infrastructure improvements. Improved water supply will be charged to permit cost recovery and sustainability, but charges will be less than what households pay now to water sellers or private suppliers.

3. Focus of (and resources allocated in) the project preparatory technical assistance (PPTA) or due diligence. During detailed project design, location-specific data are required on available household income, to assist in setting affordable charges for selected services, such as water supply and waste collection.

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?

Lack of environmental infrastructure, in particular in resettlement areas and informal settlements, places a particular burden on poor urban women. Poor environmental conditions add to the constant concerns on family health for which women are traditionally made responsible. Many plots are perpetually inundated by stagnant polluted water, aggravated by human waste coming from unimproved latrines. The threat of gastro-intestinal infections and of vector- and rodent-borne diseases is ever-present and impossible to avoid. Where the water distribution network does not reach the community, women are forced to draw unsafe water from rainwater or from shallow wells, or buy from water vendors at high rates. Implementation arrangements for the project are designed to improve the position and security of women, in particular through the savings schemes that will enable the O&M of on-plot improved services provided through the project. This will be managed by women, with savings protected through peer-pressure and control. The improvements to the living environment should improve family health, and in particular reduce diarrheal diseases that affect infants, very young children, and women due to higher exposure from gender roles. This will reduce the mothers' burden of medical care and concerns for family health and well-being.

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

Savings schemes for O&M will be administered by women, and benefit women in their responsibility for household budgeting. Participation in such schemes will contribute to their empowerment. Community participation in the project prioritization will be led by women. In addition, the capacity building and awareness strengthening at community development committees (CDCs) will encourage the women engineers, planners and managers, about 50% in the relevant departments, better to recognize their role in extending essential services to the disadvantaged communities, as part of their mandate.

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

Yes No Please explain. The project should have a positive impact on the position and the opportunities for women within the target communities, as described under (1). A Gender Action Plan will be prepared.

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.

The project is participatory by design: beneficiaries select priorities to improve their living environment and thereby their well-being. The main stakeholders are therefore (a) civil society in the target wards; and (b) small private sector contractors who will be engaged to construct basic civil works. Civil society will be involved in selection through their representative bodies, largely led by women. Saving groups will be formed to secure funds for maintenance of on-site facilities. Government stakeholders in both cities will be officers within the departments of the respective CDCs, responsible for city-wide infrastructure and services (Department of Engineering: Water and Sanitation; Department of Engineering: Roads and Bridges; Department of City Planning and Land Administration).

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? Beneficiary participation will be guided through a Consultation and Participation Plan to be jointly formulated with stakeholders.

3. What are the key, active, and relevant civil society organizations in the project area?

Civil society organizations will need to be established for the purposes of this project at community level.

The community will be responsible for O&M of new or better infrastructure and services. Project planning needs to be conducted in consultation with township and ward development committees, to ensure political endorsement and support at local level. Endorsement at city level has been confirmed by the respective Mayor.

What is the level of civil society organization participation in the project design?

Information generation and sharing Consultation Collaboration 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

The urban poor, and those living in informal settlements, have not benefited from city-level investment in environmental infrastructure. This project will base its decisions on the priorities as formulated by the target beneficiary population. To arrive at a timely common decision, beneficiaries will need to be organized in, so that their voice is representative and fair. Project resources are therefore dedicated to include participation of the urban poor and vulnerable.

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 No Land acquisition and Resettlement impacts are envisioned as improvements are expected to occur on public land. However, given the community-driven development approach, subproject sites are not yet known and hence the project is categorized "B".

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 The project locations are not known to include areas where indigenous people reside. This will still be subject to verification by surveys. Community level infrastructure improvements are designed to benefit all residents equally.

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

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: *project will create small business opportunities through community contracting procedures, and give better prospect of participation in the economic growth at city level.*

Adhering to core labor standards Labor retrenchment

Spread of communicable diseases, including HIV/AIDS Increase in human trafficking

Affordability: *project will introduce user charges for improved services such as water supply and better waste management (solid and liquid). Charges for these will be checked against household affordability.*

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? – as described

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

3. 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? Provisions have been made for 4 pm of consultancy (2 international, 2 national) to conduct further safeguard due diligence work.