

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Samoa	Project Title:	Samoa Submarine Cable Project
Lending/Financing Modality:	Project grant	Department/Division:	Pacific Department/Urban, Social Development and Public Management Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: general intervention

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

Samoa's current strategy for economic and social development is set out in the Strategy for the Development of Samoa (SDS), 2012–2016.^a The SDS provides a 4-year road map for development activities in key sectors; its theme is "Boosting Productivity for Sustainable Development". The priority areas for sustainable development are the economic, social, and infrastructure sectors and the environment. One of 14 key SDS outcomes is universal access to reliable and affordable information and communication technology (ICT) services. The national ICT policy for 2013–2017 aims to ensure that ICT activities promote human, social, and economic development for all, to achieve the ultimate goal of the government's vision of a better standard of living for its people. The use of ICT has become pervasive in both the public and private sectors, and even within communities, and ICT innovations have driven major changes in the past 15 years. While these changes are transforming Samoa into a modern society that is adaptive as well as proactive in making use of the opportunities that globalization brings through better access to goods and services, and are raising the standard of living in innovative ways that only ICT can bring about, they also prompt the need for an integrated approach to harnessing ICT as a driver of the economy.

The launch in 2014 of the Samoa National Broadband Highway^b and the proposed Samoa Submarine Cable Project (the second for the country) reflect the government's commitment to improved and speedy connections within the country, and better access internationally. The proposed project will contribute indirectly to poverty reduction in Samoa by decreasing the cost of communication for businesses and individuals, and increasing access to information and public services that are essential for socioeconomic development. It will contribute to greater efficiency and effectiveness of private sector activities as well as public services.

The proposed project is consistent with ADB's Interim Pacific Approach 2015 and country operations business plan for Samoa, 2015–2017. The Interim Pacific Approach extends the Pacific Approach 2010–2014, which serves as the country partnership strategy for Samoa.

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. Key poverty and social issues. From the 2013 Pacific Regional Millennium Development Goals Tracking Report,^c Samoa's progress is comparatively better than that of the other subregions, as it is on track to achieve four of the seven goals—achieving universal primary education (MDG2), reducing child mortality (MDG 4), improving maternal health (MDG 5), and ensuring environmental sustainability (MDG 7). As of the end of 2014, over 95% of the population was covered by mobile networks, and mobile penetration had reached 89%. However, internet access is lagging significantly, which impacts the potential for connectivity to external markets, particularly for people in rural areas involved in small and medium-sized enterprises (SMEs), such as small family-owned tourist operations. During project preparatory consultations, expensive and poor-quality internet and mobile connections were cited as major barriers for SMEs, particularly rural community- or family-owned tourism and agriculture businesses, in accessing target markets; faster internet speeds may therefore encourage an increase in local income opportunities, and reduce the need for unemployed youth, in particular, to move to Apia or overseas to find gainful employment.

2. Beneficiaries.

Overall project beneficiaries. The primary beneficiaries will be the people of Samoa, the government, and SMEs because the submarine cable will enable better internet services at lower prices. Telecommunication operators and internet service providers will also benefit because they can operate at lower costs. This will boost competition in the market and lower the cost of doing business in general, particularly in tourism, organic farming, agriculture, and the export of Samoa-made products, which in turn will generate more jobs for both skilled and non-skilled labor.

Needs and constraints of beneficiaries in relation to the proposed project. Faster internet speeds, wider coverage, and lower costs were named as priorities by stakeholders during project preparatory consultations. Current and potential internet users did voice concern that internet and mobile phone services might continue to be costly despite the project investment. They also worried that small businesses might not have enough knowledge to use basic computing programs such as Word and Excel and have limited know-how in using search engines wisely to market their products and services. Nonetheless, faster speeds and wider distribution facilities as well as lower prices for end users are expected to further increase internet usage and know-how by households and small businesses,

particularly in the rural areas.

3. Impact channels. The impact channels are new infrastructure development (a second cable) to offer faster and cheaper internet to recipients that provide employment and other benefits.

4. Other social and poverty issues. Affordability and access remain a concern for poor families even after project completion—they may still have limited income opportunities and might struggle to afford even the lower costs of mobile phone and internet access and so connect socially and participate in economic ventures. Access by this group will be enabled through the rest of the government's SDS objectives and connectivity policy.

5. Design features. By connecting to the international fiber-optic hub in Suva, Fiji, the project will provide faster and reliable internet connections to Upolu and Savai'i while improving the government's legal and regulatory functions to prevent monopoly pricing and ensure affordability of ICT services nationwide. Local people, including low-income households, as well as businesses of all sizes and government institutions will have access to faster communication services, which will enable effective and efficient e-commerce and e-governance. In addition, businesses will benefit from more cost-efficient operations, which will further encourage local entrepreneurship. The project, through internet service providers, will also increase community awareness about internet safety controls such as filtering mechanisms and parental control devices by targeting new and young internet users and parents, including the low-income population in urban and rural areas.

The project documents include pro-poor or poverty reduction measures such as provision, wherever possible, of work for unskilled and semi-skilled workers among the local people in the project area. Contractor(s) will be encouraged to employ local men and women in project activities.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Consultations were carried out with all stakeholder groups during project preparation and will continue throughout the project. Consultations were held with local residents and civil society. Consultations were also held with key government ministries, e.g., Ministry of Communications and Information Technology; Ministry of Natural Resources and Environment; Ministry of Women, Community and Social Development; and government authorities such as Land Transport Authority, Samoa Water Authority, and Electric Power Company. Consulted civil society organizations included internet service providers BlueSky Samoa and Digicel, Chamber of Commerce, SUNGO, Women in Business Development, and National Council of Women, as well as the National University of Samoa.

Community-based consultations were also held at the project sites of Tuasivi (40-plus attendants) and Fagali'i (55-plus attendants). Participants in Fagali'i included the chief executive of BlueSky Samoa and top management of Digicel; Fagali'i village chiefs and church leaders, and representatives of women's and youth committees; a representative of the Ministry of Women, Community and Social Development; as well as representatives of the Chamber of Commerce, SUNGO, National Council of Women, and Women in Business Development. Consultation in Tuasivi village were attended by village chiefs and church leaders of Tuasivi and the neighboring village of Siufaga, women and youth groups representatives, as well as the president and executive members of the Savai'i business organization. The project team also consulted with the leaseholders (Suafai Family) of the Fagali'i beach manhole.

4. The following forms of civil society organization participation are envisaged during project implementation, rated as low (L). Information gathering and sharing Consultation Collaboration Partnership

5. Participation plan. Yes. No.

Local communities were consulted throughout project preparation to minimize adverse impact, ensure social acceptance, and improve equitability. The process will continue during implementation. The views and concerns of all stakeholders will be considered.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: some gender elements

A. Key issues. The key gender outcomes of the project are (i) better access for women to social services as a result of improved communication services; (ii) business and employment opportunities for women in both project management and maintenance, and creation of spin-off employment or business opportunities through the fiber-optic cable; and (iv) increase in awareness about internet security and safety among girls and women.

During consultations it emerged that mobile phones had reportedly improved access to communication and the internet for both men and women at home and at work. They also improved women's access to family members elsewhere in the country or overseas. Moreover, they helped improve time management between home and work (rural women) and home and plantation (rural areas). Future access to faster and cheaper internet is expected to further improve families' opportunities to communicate their needs and priorities easily. As better telecommunications and access points are made available in communities, women can easily communicate with their counterparts in

other parts of Samoa and overseas without having to travel and incur high expenses, or without relying on other people for information and transactions.

B. Key actions.

- Gender action plan Other actions or measures No action or measure

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. **Key impacts.** No impact. The project will not require land acquisition since it will utilize existing government land.

2. Strategy to address the impacts. – Not applicable

3. Plan or other Actions.

- | | |
|---|--|
| <input type="checkbox"/> Resettlement plan | <input type="checkbox"/> Combined resettlement and indigenous peoples plan |
| <input type="checkbox"/> Resettlement framework | <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework |
| <input type="checkbox"/> Environmental and social management system arrangement | <input type="checkbox"/> Social impact matrix |
| <input checked="" type="checkbox"/> No action | |

B. Indigenous Peoples

Safeguard Category: A B C FI

1. **Key impacts.** Social assessment has confirmed that the local people in the project area do not meet the Asian Development Bank criteria of indigenous peoples (distinct cultural group, language from mainstream population, and vulnerability).

Is broad community support triggered? Yes No

2. Strategy to address the impacts. – Not applicable.

3. Plan or other actions.

- | | |
|---|--|
| <input type="checkbox"/> Indigenous peoples plan | <input type="checkbox"/> Combined resettlement plan and indigenous peoples plan |
| <input type="checkbox"/> Indigenous peoples planning framework | <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework |
| <input type="checkbox"/> Environmental and social management system arrangement | <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary |
| <input type="checkbox"/> Social impact matrix | |
| <input checked="" type="checkbox"/> No action | |

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market, indicated as medium (M).

- unemployment underemployment retrenchment core labor standards

2. **Labor market impact.** The project is expected to generate minimal local employment at the project sites during construction and operation, but it presents capacity-building opportunities for government and nongovernment staff. It is envisaged that the project will lead to more business opportunities and job creation in internet-based activities.

B. Affordability

The project will improve affordability through efficient service and an expected reduction in service charges.

C. Communicable Diseases and Other Social Risks. No potential risks are anticipated.

1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): Not applicable.

- Communicable diseases Human trafficking
 Others (please specify) _____

2. Risks to people in project area. – Not applicable.

VI. MONITORING AND EVALUATION

A safeguard specialist will provide guidance to the project management unit in developing and establishing effective monitoring and reporting systems and processes. Baseline surveys will be undertaken at the start of project implementation, and all indicators will be continuously monitored and reported. These will be included in the project management unit's quarterly reports and project monitoring reports. A midterm review will be carried out, and a project completion report will be undertaken at project end.

^a Government of Samoa. 2012. *Strategy for the Development of Samoa 2012-2016*. Apia.

^b The government's Samoa National Broadband Highway, an internet-ready fiber network linking all government offices, schools and hospitals is financed with a soft-term loan from the Export-Import Bank of the People's Republic of China.

^c Pacific Islands Forum Secretariat. 2013. *2013 Pacific Regional MDGs Tracking Report*. Suva.