INITIAL POVERTY AND SOCIAL ANALYSIS

Country: Cambodia  
Project Title: Provincial Water Supply and Sanitation Project  
Lending/Financing Modality: Project  
Department/Division: SERD/SEUW

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The Project will indirectly contribute to poverty reduction through increased access to safe and affordable water supply and sanitation services, which will provide improved health and hygiene benefits and reduce the burden on poor households with respect to time and effort currently afforded to water collection and purification. The Project will assist the government to address constraints to inclusive growth, in particular constraint (v) as identified in the ADB CPS (2014–2018): low access to health services and water and sanitation. The Project will also support the National Strategic Development Plan Similarly and will address the challenges MIH identified in its priorities and strategies for the Fifth Mandate of the National Assembly (2013–2018), which are (i) insufficient legal and regulatory frameworks; (ii) public water works, except Phnom Penh Water Supply Authority (PPWSA) and Siem Reap Water Supply Authority (SRWSA) still depend on financial support from the Government; (iii) old production and distribution system and limited human resources with low quality; (iv) limited financial resources for rehabilitating and developing the sector; and (v) narrow national urban water supply coverage.

B. Poverty Targeting

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

The proposed Project will generally improve the living conditions especially public health condition of those who live in the provincial cities by providing new and expanded urban water supply. Improved access to water supply infrastructure and services will also increase economic opportunities for people living in the project cities, assisting with poverty reduction.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The potential beneficiaries are domestic households and businesses in the selected provincial cities, who will benefit from infrastructure investments and improved water supply and sanitation services. Expansion of the services to new customers will include water connection subsidies for the poor, which represent approximately xx% of the urban population. Subsidies for sewer connections will be investigated during the PPTA.

2. Impact channels and expected systemic changes.

Pro-poor design aspects may include lifeline tariffs, cross-subsidies, subsidized household water connections for the poor, and potentially subsidized sewer connections for the poor.

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

Potential constraints include potential affordability of tariff structure and difficult access. Provision of services to informal settlements may also be an issue.

4. Specific analysis for policy-based lending. n/a

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?

   Key gender issues are (i) lack of women in technical and managerial positions, and hence often lack of opportunities for promotion; (ii) lack of qualified and/or experienced women in the sector; (iii) positions often not attractive for women, with large amount of outside work; and (iv) cultural norms for women often prevent women undertaking technical and engineering careers, especially in the public water and sanitation sector.

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.

Gender issues relevant for potential impact of the project and could include (i) involvement of women in community decision-making and planning of local water infrastructure and supply, (ii) women's access to employment generated from construction/ rehabilitation of local infrastructure, and (iii) women's enhanced decision-making participation in the water and sanitation sector through capacity development training and targets for PMU and PIU inclusion.
## II. GENDER AND DEVELOPMENT

A gender action plan will be prepared under the TA.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?
   - Yes
   - No (Please explain)
   
   Project facilities constructed or improved are expected to benefit men and women equally.

4. Indicate the intended gender mainstreaming category:
   - GEN (gender equity)
   - 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.
   
   Local communities and business community. Other stakeholders that will be consulted during the early stages of the TA include: (i) civil society organizations, (ii) government, (iii) private sector, and (iv) development partners in accordance with ADB’s stakeholder analysis guidelines.

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?
   
   Participatory and stakeholder consultations will be conducted during the initial stages of project design to gauge beneficiaries’ understanding and expectations and scope for participation in project implementation, operation and maintenance, and monitoring. This will be followed up by collaborative decision making where feasible. Poor and vulnerable groups will be included in analysis of affordable tariff services.

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
   - 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

## IV. SOCIAL SAFEGUARDS

### A. Involuntary Resettlement Category

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement?
   - Yes
   - No

   The project may involve limited land acquisition in association with new water treatment plants and other civil works for infrastructure construction and upgrading.

2. What action plan is required to address involuntary resettlement as part of the TA or due diligence process?
   - Resettlement plan
   - Resettlement framework
   - Social impact matrix
   - Environmental and social management system arrangement
   - None

### B. Indigenous Peoples Category

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 established urban populations are not expected to entail differential or adverse impacts on IPs and/or ethnic minorities within the meaning of the SPS. No IPs are expected in the project towns, but the PPTA will confirm this.

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 TA 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
   - Adhering to core labor standards
   - Labor retrenchment
   - Spread of communicable diseases, including HIV/AIDS
   - Increase in human trafficking
   - Affordability
   - Increase in unplanned migration
   - Increase in vulnerability to natural disasters
   - Creating political instability
   - Creating internal social conflicts
   - Others, please specify ________________
II. GENDER AND DEVELOPMENT

2. How are these additional social issues and risks going to be addressed in the project design?
The Project must ensure that opportunities to work be given to project-affected people, possibly for construction works and enhance skilled employment opportunities. In designing civil works for infrastructure upgrading, steps will need to be taken to ensure that core labor standard requirements, protection against child labor, and prevention of discrimination against women will be adequately addressed. Inclusion of skills upgrading and employment opportunities in GAP and SPRSS. The Project must ensure affordable access to all beneficiaries, including poor and vulnerable. Will be determined during the TA through affordability assessment. Inclusion of affordability measures in GAP and SPRSS.

VI. TA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the TA (or other due diligence) contain key information needed to be gathered during TA 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 TA or due diligence?

Social Development/Gender Specialist (international, 3 person-months), Social Safeguards Specialist (international, 2 person-months), Social Development specialist/Gender Specialist (national, 4 person-months), and Social Safeguards Specialist (national, 3 person-months).