

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Samoa, Tuvalu, and Tonga	Project Title:	Pacific Disaster Resilience Program
Lending/Financing Modality:	Policy-Based Loan and Grant	Department/Division:	Pacific Regional 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

The Pacific Disaster Resilience Program supports the core objectives of the Framework for Resilient Development in the Pacific 2017–2030.<sup>1</sup> The framework recognizes that climate change and disaster risks increase the vulnerability of Pacific island peoples, undermining the sustainable development of the region, and provides high-level strategic guidance to different stakeholder groups on how to enhance resilience to climate change and disasters in ways that contribute to sustainable development. In particular, the program supports Goals 1 (strengthened integrated adaptation and risk reduction to enhance resilience to climate change and disasters) and Goal 3 (strengthened disaster preparedness, response, and recovery). The program is also consistent with the objectives of the Asian Development Bank (ADB) Pacific Approach, 2016–2020,<sup>2</sup> which serves as ADB's operational framework for the Pacific region, and overall country partnership strategy for the 11 smaller Pacific countries, including Samoa, Tonga, and Tuvalu. The Pacific Approach emphasizes the importance of expanding ADB's work in climate change and disaster risk management (DRM) to mobilize more financing for the Pacific region and introduce innovative solutions to strengthen disaster preparedness, address vulnerability, and build resilience.

#### B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence

1. Key poverty and social issues. The vulnerability of Pacific development member countries (DMCs) to climate change is further exacerbated by their remote, isolated, and diverse locations, which increase the cost of response. Most Pacific DMCs also have limited resources and capacity to invest in disaster risk reduction, and to facilitate timely recovery and reconstruction in the aftermath of a disaster. Vulnerable and disadvantaged groups are often highly affected and suffer prolonged impacts after a disaster. The poor can become poorer, and the availability and quality of social services will suffer and begin to deteriorate when disaster strikes. Poverty and social concerns are therefore relevant to the agenda of building climate change resilience and DRM. In Tonga, the rate of poverty incidence in 2009 was 22.5%, lower than in many neighboring countries. Although there is no absolute poverty, due in part to a high level of remittances and subsistence farming and fishing; there is a high level of income disparity in the country. Tonga has a high literacy rate with 99.35% of men and 99.45% of women over 15 years of age being literate.<sup>3</sup> Tonga's high rate of non-communicable diseases—due to low-quality imported foods, high rates of obesity, and the widespread use of tobacco and alcohol—has already contributed to a reduced average life expectancy.<sup>4</sup> Tuvalu's population is widely dispersed across eight small and distant islands; due to its archipelagic nature, the economy and people primarily rely on maritime transport to access goods (inter-island trade by sea) and essential social services. The proportion of the population below the basic needs poverty line has increased since 1996. This reversal of gains is likely a result of the global financial crisis. The country was unable to achieve poverty reduction (Millennium Development Goal [MDG] 1), one of six Pacific countries who are off-track in achieving this target. The 2013 Pacific Regional MDG Tracking Report stated that the country also has mixed results in promoting gender (MDG 3), combating HIV/AIDS (MDG 6), and ensuring environmental sustainability (MDG 7). In Samoa, poverty is more relative than absolute, but unemployment or underemployment is a very common source of hardship. Unemployment is most prevalent among young men and is also associated with the population drift to urban Apia and peri-urban northwest Upolu, where there is limited access to land for agriculture and limited employment opportunities. Underemployment is mainly an effect of limited markets for agricultural produce, which reduces opportunities for people to earn sufficient cash from agriculture to meet basic needs beyond subsistence. Underemployment is widespread among economically disadvantaged households and young school leavers without vocational qualifications. Rural hardship increased in many parts of the country due to the December 2012 cyclones.

2. Beneficiaries. The entire population, particularly the poor and vulnerable groups, will benefit from improved resilience to disaster risks and climate change. Rapid access to resources provided through the program in the event of a disaster will enable the governments to mitigate the potential negative socioeconomic impacts of physical damage. Resources can be rapidly channeled to affected households and areas with the greatest geographical and sectoral need.

3. Impact channels. The program is expected to contribute directly to improve the government's fiscal resilience and, indirectly, to support vulnerable households in times of disaster by improving resilience to disaster risk and climate change through government programs and policies. In particular, DRM policy reforms will broaden the resilience of institutions and communities in the participating countries.

<sup>1</sup> Pacific Community. 2016. *Framework for Resilient Development in the Pacific, 2017–2030*. Suva.

<sup>2</sup> ADB. 2016. *Pacific Approach, 2016–2020*. Manila.

<sup>3</sup> United Nations Educational, Scientific and Cultural Organisation, Institute for Statistics. 2016. <http://countrymeters.info/en/Tonga> (accessed 17 April 2017).

<sup>4</sup> World Bank. 2014. *Hardship and Vulnerability in the Pacific Island Countries*. World Bank: Washington, DC: World Bank. p. 70.

4. Other social and poverty issues. The program will not directly address the various social and poverty issues present in the participating Pacific countries. Nevertheless, improving resilience to disaster risk and climate change and providing an immediate financial response will help prevent poverty and social issues from worsening.

5. Design features. In addition to providing quick financing for early disaster recovery, the program will establish a framework and capacity development to strengthen DRM in participating countries as a longer term solution to improve country resilience.

### C. Poverty Impact Analysis for Policy-Based Lending

1. Impact channels of the policy reform(s). The policy reforms will develop more effective DRM systems and encompass actions to (i) strengthen policy, governance, and institutional arrangements for DRM, such as regulatory frameworks, strategies and plans, and assessment methodologies; (ii) improve DRM investment planning processes and tools; and (iii) expand disaster risk financing. Improving the DRM response is expected to strengthen existing social protection systems, ensuring that communities and vulnerable households are able to reach safety in the event of a disaster, access sufficient relief supplies to meet their immediate needs, and receive support to rebuild their lives.

2. Impacts of policy reform(s) on vulnerable groups. Although the policy reforms are not directly intended for vulnerable groups, these groups stand to benefit the most as they are less resilient and able to withstand the impacts of disasters. They are expected to benefit from the following: (i) fewer lives lost and injuries incurred during a disaster, reflecting improved disaster planning, response preparation, and public training; (ii) reduced damage and losses to public and personal property due to (a) improved disaster planning, response preparation, and public training; (b) more resilient critical public infrastructure and assets, and (c) strengthened building codes; (iii) improved public safety due to faster removal of debris and hazards; (iv) faster restoration of essential services due to improved planning, financing, and pre-contracting of specialized services, allowing for reduced public and private costs through shorter business, office, and public facility closures; (v) reduced risk of negative post-disaster health impacts due to a more effectively coordinated and better targeted humanitarian response providing temporary shelter, food, water, and sanitation; and (vi) reduced opportunity cost associated with government budget or aid program reallocations, and/or any financial costs associated with additional commercial or concessional borrowing that may be urgently needed to meet post-disaster costs.

3. Systemic changes expected from policy reform(s). The program will help the participating countries build their resilience to climate change and DRM broadly at the national, subnational or district, and/or sector levels. Policy actions include preparing disaster management plans, incorporating disaster and climate resilience requirements in national plans and acts, establishing management committees and capacity development activities, and preparing sector strategic plans with climate change and disaster management consideration, among others. These policy actions are expected to close the DRM gaps in the participating countries. The policy reforms are expected to facilitate more transparent, comprehensive, and proactive measures.

### II. PARTICIPATION AND EMPOWERING THE POOR

#### 1. Participatory approaches and project activities

The program was designed and will be implemented in collaboration with the governments and relevant stakeholders. National and subnational governments and administrations, the private sector, civil society organizations, communities, regional organizations, and development partners all have unique and key roles to play in addressing the challenges of climate change and disasters. Given the broad-based nature of the program in supporting DRM programs in the participating countries, all of these different groups have a stake in the program.

2. Civil society organizations. Awareness-raising activities and consultation in the delivery of policy actions by the governments will include the participation of civil society to ensure that inputs from the wider population are taken into account.

3. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):

(H)  Information gathering and sharing (M)  Consultation  Collaboration  Partnership

4. Participation plan. None

Yes.  No. Low level of participation envisaged during program implementation.

### III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Effective Gender Mainstreaming

**A. Key issues.** Women, particularly in rural areas, are increasingly experiencing poverty and its effects. Women also experience disparate impacts in situations of disaster and emergency, and face different challenges in responding to disasters and coping with the impacts of climate change. The program recognizes the critical role of integrating gender considerations, and advocates for the equitable participation of men and women in planning and implementing resilience-building activities. The disaster management laws in the Pacific countries mostly fail to recognize the gender-differential impacts of disaster risks or call for women's participation in planning and implementing DRM activities. The UN Women Pacific report also assessed that gender and disaster management in the Pacific is based on needs rather than rights, and tends to represent women and girls as vulnerable victims rather than equal rights holders being denied proper and equal access to positions of power and authority. The program includes some key policy actions that address relevant gender issues in the participating countries, such as gender considerations in building codes, women's involvement in disaster preparedness and response, and the inclusion of gender criteria in DRM financing. The program also presents an opportunity to understand the gender dimensions of DRM in the Pacific DMCs better by conducting analytical work supported through its attached technical assistance (TA). The TA will particularly ensure that women are included in building knowledge in key areas of DRM accountabilities, including post-disaster public financial management, and disaster preparedness measures; sex-disaggregated data are included in planning tools and knowledge products; and women are involved in consultations and meetings related to the preparation of DRM plans and policies by the governments.

**B. Key actions.**

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

The TA attached to the program will ensure that women are involved in capacity development and all relevant consultation and meetings undertaken by the governments to strengthen DRM. Gender and sex-disaggregated data will be collected and included in knowledge products and planning tools.

**IV. ADDRESSING SOCIAL SAFEGUARD ISSUES****A. Involuntary Resettlement**

**Safeguard Category:**  A     B     C     FI

1. Key impacts. None of the program activities will result in involuntary resettlement or cause any physical and economic displacement.  
2. Strategy to address the impacts. NA  
3. Plan or other actions.

- Resettlement plan     Combined resettlement and indigenous peoples plan  
 Resettlement framework     Combined resettlement framework and indigenous peoples planning framework  
 Environmental and social management system arrangement     Social impact matrix  
 No action

**B. Indigenous Peoples**

**Safeguard Category:**  A     B     C     FI

1. Key impacts. The program will not impact distinct and vulnerable groups in the participating countries as defined in ADB's Safeguard Policy Statement (2009).

Is broad community support triggered?  Yes     No

2. Strategy to address the impacts. NA

3. Plan or other actions.

- Indigenous peoples plan     Combined resettlement plan and indigenous peoples plan  
 Indigenous peoples planning framework     Combined resettlement framework and indigenous peoples planning framework  
 Environmental and social management system arrangement     Indigenous peoples plan elements integrated in project with a summary  
 Social impact matrix  
 No action

**V. ADDRESSING OTHER SOCIAL RISKS****A. Risks in the Labor Market**

1. Relevance of the project for the country's, region's, or sector's labor market, indicated as high (H), medium (M), and low or not significant (L).

unemployment     underemployment     retrenchment     core labor standards

2. Labor market impact. NA

**B. Affordability NA****C. Communicable Diseases and Other Social Risks N/A**

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

Communicable diseases     Human trafficking

Others (please specify) \_\_\_\_\_

2. Risks to people in project area NA

**VI. MONITORING AND EVALUATION**

1. Targets and indicators. Targets and indicators at the impact, outcome, and output levels are included in the design and monitoring framework. The Ministry of Finance equivalent in each participating country will be responsible for monitoring the program deliverables.  
2. Required human resources. The implementing agency from each participating country will be responsible for providing human resources responsible for monitoring and evaluating the delivery of policy actions. In addition, there will be an agreed post-program monitoring framework to be implemented with support from the DRM steering committees.  
3. Information in the project administration manual. NA  
4. Monitoring tools. Data sources and reporting indicated in the design and monitoring framework will be the primary monitoring tools to keep track of the implementation of the proposed actions, including benefits to vulnerable groups such as greater resilience to climate change and DRM.