

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Papua New Guinea	Project Title:	Urban Water Supply and Sanitation Project
Lending/Financing Modality:	Project	Department/Division:	PARD/PAUS

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The project will address poor access to water supply and sanitation in 3 provincial towns of PNG, Vanimo, Kerema and Mendi. The ADB PNG CPS 2016-2020<sup>1</sup> reflects improved access to water supply as an operational priority. The project will contribute to the PNG National Water, Sanitation and Hygiene (WASH) Policy<sup>2</sup> which specifies a target of 95% urban access rates to a safe, convenient and sustainable water supply, and 85% of the urban population to have access to safe, convenient and sustainable sanitation. The Policy encompasses the development targets for improved access to safe water and improved sanitation articulated in the PNG Vision 2050, Development Strategic Plan 2010-2030 and the corporate plans of SOEs. The project will reduce economic and social exclusion of poor and vulnerable groups, including women, by improving access to safe and reliable water supply and sanitation in the towns.

#### B. Poverty Targeting

General intervention  Individual or household (TI-H)  Geographic (TI-G)  Non-income MDGs (TI-M1, M2, etc.)

The project contributes to the achievement of SDG Goal 6: “Ensure access to water and sanitation for all” by 2030, which has the specific target of achieving “universal and equitable access to safe and affordable drinking water for all”.

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

The estimated population of the towns are Vanimo (18,000, 47% female), Kerema (6,000, 48% female) and Mendi (24,000, 48% female). 39.9% of Papua New Guineans live below the poverty line and this number is likely to be higher in provincial towns as compared to the capital, Port Moresby (rural poverty rates exceed urban poverty rates in PNG). Water supply services in the towns range from poor to non-existent, contributing to time poverty associated with water collection. Access to sanitation varies but is generally inadequate, whether due to poor household access to improved facilities, or poor management of septage. Most septic tanks in the towns are either approaching the end or are past their design life. Limited access to improved water and sanitation services undermines public health and is a main contributing factor to the high infant mortality rate in PNG. The incidence of diarrheal disease in children under 5 years did not improve between 2012 and 2016. Poor public health brings about low labor productivity, forgone employment opportunity, and added health-related expenses among households, which in turn impacts poverty levels and imposes constraints on sustainable development. Poor water and sanitation services impact women especially, in terms of health, time, school attendance, and security.

##### 2. Impact channels and expected systemic changes.

To strengthen its impact on reducing poverty and extreme deprivation, the project will assist the government to improve access to water and sanitation services among the urban poor in 3 provincial towns. Expected spin-offs associated with improved water supply services include (i) improved hygiene and lower rates of waterborne disease; (ii) reduced time poverty, especially for women, associated with fetching and boiling water and taking care of sick household members; (iii) improved security (reduced security risks, especially to women, associated with fetching water and reduced community water-related disputes); (iv) improved school attendance, especially for girls and female teachers; (v) increased skills levels for community members trained and engaged in hygiene promotion; (vi) creation of employment opportunities during civil works and greater opportunities for creation of small businesses in the towns. Community leaders will be empowered in decision making with respect to the management model eventually employed for water supply and sanitation services.

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

Social due diligence will be undertaken by consultants through TA with the support of ADB's safeguards and gender specialists. This due diligence will identify the impact, and special features to be considered in project design to maximize project benefits flowing to target groups such as low-income households and women.

##### 4. Specific analysis for policy-based lending. N/A

<sup>1</sup> ADB. 2016. *Country Partnership Strategy: PNG, 2016–2020*. Manila.

<sup>2</sup> Government of Papua New Guinea, Department of National Planning and Monitoring. 2015. *National Water, Sanitation and Hygiene (WASH) Policy*. 2015–2030. Port Moresby.

## II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program?

Lack of access to WASH disproportionately disadvantages women and girls, who carry the added burdens of water collection, time spent boiling water for drinking and caring for sick family members. Lack of clean water and inadequate sanitation facilities are among the leading causes of morbidity among children through diarrhea and other water-borne diseases, whilst poor WASH in schools impacts school attendance particularly for girls and female teachers. WASH awareness activities targeted at women are likely to improve children's health and behavior, such as encouraging the use of hand-washing. Improved access to water will also improve security, with 11.4% of females in PNG reporting that security concerns affect their willingness to walk to fetch water (compared to 4.1% of males).<sup>3</sup>

2. Does the proposed project or program have the potential to contribute 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

At least 50% of persons trained as hygiene promoters will be women. Employment opportunities for women will potentially be created (e.g. community tap stand attendants and indirect opportunities for small business creation). Gender specific elements will be incorporated into hygiene awareness campaigns and in the design of infrastructure. Improvement of water supply services and hygiene in schools will improve school attendance rates for girls and female teachers. Female staff from Water PNG will benefit from training and mentoring through the project. A GAP will be prepared through due diligence.

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

Yes  No

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.

Stakeholders include (i) populations of Vanimo, Kerema & Mendi; (ii) non-resident users of water such as vendors; (iii) students and teachers; (iv) staff and patients at hospitals; (v) staff at other local businesses; (vi) equipment suppliers and contractors engaged during implementation; (vii) Water PNG, Department of National Planning and Monitoring and other government agencies; (viii) CSOs which may be involved in community engagement activities. Lessons learned from prior interventions suggest that assistance will need to be directed towards building the capacity of communities and implementing partners, so that both government and the community may be equipped to effectively engage each other on a mutual cooperative undertaking. The local populations will be engaged in the identification of suitable locations for infrastructure including pipelines, household connections and communal facilities, and participation will continue to be undertaken in all phases of the project from planning, implementation and M&E. Selected community members will benefit from tailored training relevant to the project (hygiene awareness).

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?

During initial consultations in 2017, community representatives highlighted the importance of stakeholder engagement in undertaking the project feasibility study. Research in PNG has shown that the role of the local councilor and/or community leaders in mobilizing and coordinating community resources is seen as important in both helping the poor and solving water supply issues generally. This will continue to be taken into consideration in the design of infrastructure and community engagement programs, which will involve direct consultation with community leaders and the community-at-large.

3. What are the key, active, and relevant civil society organizations (CSOs) in the project area? What is the level of civil society organization participation in the project design?

**H** Information generation and sharing **M** Consultation  Collaboration  Partnership  
 NGOs and faith-based groups will be consulted during project design.

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how should they be addressed?  Yes  No

<sup>3</sup> Government of Papua New Guinea. National Statistics Office. *Household Income and Expenditure Survey 2009–2010*. Waigani.

Communities will be given a voice in shaping infrastructure design and in developing mechanisms for payment for water and sanitation services for Water PNG. Poor and vulnerable groups, including women, will also be consulted during preparation to ensure that project design adequately responds to their water supply and sanitation needs. An ADB social safeguards specialist will support preparation of the participation plan and will assess whether additional resources should be deployed. Issues such as affordability of water supply will be explored through focus groups and surveys.

#### 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

Priority will be given on locating proposed facilities on government-owned/leased land. However, there could be some private or customary-owned lands required and assets affected depending on the design of the distribution network. The impacts are not expected to be significant since it will only be requiring strips of land.

2. What action plan is required to address involuntary resettlement as part of the transaction TA 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 whole of PNG population is considered indigenous and can be divided into tribes/clans. There are tribes and clans in the project area but are the dominant population in local areas, considered Melanesian of PNG. They are not separate from mainstream society; institutions are not distinct, and they are not vulnerable. The project does not target any particular group but will benefit various people living in the area. The project will ensure that local communities will receive culturally appropriate benefits.

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 transaction 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 **M**  Adhering to core labor standards  Labor retrenchment  
**L**  Spread of communicable diseases, including HIV/AIDS  Increase in human trafficking **M**  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?

Tariff implementation planning will be pro-poor, bid documents will require contractors to adhere to core labor standards and carry out HIV/AIDS awareness training for workers and surrounding communities.

#### VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

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

Due diligence is being undertaken through TA by a consultant firm. The firm's TOR clearly identifies data collection needs associated with poverty, social and gender assessments, as well as participation and social due diligence. The consultants are supported by ADB's social and gender specialists.

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 transaction TA or due diligence?

Due diligence to satisfy ADB requirements is being undertaken through TA 9298 PNG: Support for Water and Sanitation Sector Management in 2018. TOR for these activities have already been prepared.