



Initial Poverty and Social Analysis

January 2020

Kiribati: Outer Island Transport Infrastructure Investment Project Title

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 27 January 2020)

| | | |
|---------------|---|-------------------------|
| Currency unit | – | Australian dollar (A\$) |
| A\$1.00 | = | \$0.683 |
| \$1.00 | = | A\$1.463 |

ABBREVIATIONS

| | | |
|--------|---|---|
| ADB | – | Asian Development Bank |
| ADF | – | Asian Development Fund |
| AtoNs | – | aids to navigation |
| DRR | – | disaster risk reduction |
| KFSU | – | Kiribati Fiduciary Services Unit |
| MFED | – | Ministry of Finance and Economic Development |
| MICTTD | – | Ministry of Information, Communication, Transport and Tourism Development |
| MISE | – | Ministry of Infrastructure and Sustainable Energy |
| OIIU | – | Outer Island Implementation Unit |

NOTE

In this report, "\$" refers to US dollars unless otherwise stated.

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INITIAL POVERTY AND SOCIAL ANALYSIS

| | | | |
|-----------------------------|---------------|-----------------------|---|
| Country: | Kiribati | Project Title: | Kiribati Outer Island Transport Infrastructure Investment Project |
| Lending/Financing Modality: | Project Grant | Department/ Division: | Pacific Department / Transport and Communications Division |

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The project is aligned with the Kiribati Development Plan (KDP) 2016–2019 aim of improving access to economic and social infrastructure to the outer islands and ensure that all people can access the associated opportunities.^b A key priority area of the KDP is economic growth and poverty reduction. The national development strategy intends to stem outer island migration by “improving access to economic and social infrastructure to the outer islands and ensure that all people of Kiribati can access the associated opportunities”. The expected impact of the Kiribati Outer Island Infrastructure Investment Project (KOITIIP) is directly aligned with this national strategy. KOITIIP is closely linked to the Kiribati 20-Year Vision 2016–2036 (KV20) Wealth Pillar, which aims to improve economic growth and reduce poverty and the Infrastructure Pillar, which seeks to improve connectivity and accessibility of land and sea transport infrastructure.^c

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 9: “Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all”.^d

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The Kiribati Household Income and Expenditure Survey (HEIS) Report of 2006 estimated that 21.8% of the population were living under the Basic Needs Poverty Line, in extreme poverty at less than \$1.25 a day.^e Poverty rates are highest in the capital city of South Tarawa at 22.4% and on the Gilbert Group Outer Islands at 22% compared to significantly lower rates in the Line and Phoenix Islands at 8.9%. Kiribati population census of 2010 recorded high unemployment at 30.6% and youth, which make up 57% of the population, experiencing even higher rates of unemployment at 54%. The public sector accounts for nearly 80% of all jobs in the formal sector, while the private sector remains underdeveloped. The 2006 HEIS report stated that 38% of the adult population (44% of men and 33% of women) were currently engaged in work activity. Around 28% of men and 18% of women were working for wages and salaries in either full-time or part-time work. Nearly 4% of men and 4.6% of women were working in their own business or selling produce, and 11.8% of men and 10.8% of women were working mainly for subsistence.
2. Impact channels and expected systemic changes. The project’s expected impact is increased access to quality infrastructure in rural areas including shipping and ship to shore access roads improved. Key project outcomes include safe and resilient inter-island navigation and connectivity and improved ship to shore transfers. For the target islands of Abaiang, Nonouti, Beru, and Tabiteuea South, this is meant to reduce the number of maritime safety incidents and result in regular domestic vessel service to/from Tarawa. The ability to move people and cargo safely aboard ship and between the outer islands and the capital may create investment opportunities in tourism and improve the supply chain for coconut products and fisheries and craft products.
3. Focus of (and resources allocated in) the transaction TA or due diligence. Social, gender and poverty assessments will be conducted to identify the impact, and features to be considered in project design as well as potential impacts during construction phase. Design and implementation will seek to maximize project benefits flowing to target groups such as low-income households and women. Community and stakeholder consultations will be employed to gain a deeper understanding of land rights, design preferences, and guidelines for future consultation.
4. Specific analysis for policy-based lending. Not applicable.

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? Key gender issues in Kiribati include women’s limited role in leadership and decision-making outside of the home, fewer employment, and economic development opportunities for women, and extremely high rates of Gender-based violence (GBV) particularly, intimate partner violence and sexual harassment. Kiribati has one of the lowest number of women represented in national parliament in the world (6.5%) and only around 33% of women participate in the labor force compared to 53% of men.^f Women are more likely to be paid less than male counterparts. The vast majority of formal businesses are owned and controlled by men.^g Gender-based violence (GBV) rates in Kiribati are more than twice the global average with 68% of ever married women aged 15–49 in Kiribati having been subject to GBV.^h In the outer islands women’s mobility is also compromised due to poor infrastructure and geographic remoteness making it difficult to access education and health services.

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

Women may experience increased mobility as a result of improved transportation infrastructure. Improved access to transportation infrastructure also has the potential to increase women's economic activities such as trading at port areas and between islands. Safer and more reliable ship to shore access will also increase access to health and education services in Tarawa and will contribute to increasing women's mobility in outer islands. Community women will benefit from consultations during project design and potentially through employment opportunities generated during project implementation. The project will also contribute towards increasing awareness on GBV risks and expanded access to GBV services.

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

Yes No

Women may be excluded from temporary contract employment opportunities on the project due to social norms and traditions which favor men's participation in community and economic roles. Women working within the key government departments may be excluded from training opportunities or key positions for similar reasons. Women and girls who live on target islands already face high risks of GBV (footnote h).

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. Key stakeholders include Ministry of Finance and Economic Development (MFED), Ministry of Information, Communication, Transport and Tourism Development (MICTTD), Ministry of Infrastructure and Sustainable Energy (MISE), Ministry of Environment, Lands and Agricultural Development (MELAD), Ministry of Internal Affairs (MIA), Kiribati Fiduciary Services Unit (KFSU), and the landowners and community members and Island Councils on the target outer islands. While the design is still in its nascent phase, engineering specialist, environmental and social safeguards, and gender specialist will all carry out consultation with key informants and community members, including women and youth groups on or near the project sites to determine how the proposed intervention may impact their lives and the potential positive and negative outcomes from the proposed infrastructure improvements. Women's civil society organizations (CSO) and the MWYSA will participate in community consultations during project design to promote women's equal access to employment opportunities as contractors, and their participation in assessing GBV risks, awareness and stakeholder / services mapping. The MWYSA, and Assistant Social Workers on project sites in outer islands, will be consulted to identify GBV related risks and will inform the design of the Gender Action Plan (GAP). Police will also be consulted and may participate in GBV activities.

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? A key design feature of the project is the intense community engagement that will be carried out during all stages of project design and implementation and which will set targets for engagement with low-income households and other vulnerable groups. There is great potential for employment of both women and men during the first year of preparations works for causeway refurbishments. Targets for women's employment under these opportunities will be identified during consultations. Bid documents and contracts will also include clauses to ensure the equal participation of women and equal pay across all activities. It would benefit the sustainability of any refurbishment works to establish an island-based maintenance crew, supervised and paid through the island council to carry-out regular maintenance works on the causeways, feeder roads, batching plants and proposed marine infrastructure.

3. What are the key, active, and relevant CSOs in the project area? What is the level of CSO participation in the project design?

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

The technical assistance (inception phase) will include a review of formal and informal CSO presence in Kiribati, and potential networks from which to leverage for community engagement activities. CSOs will be consulted for the identification of targeted GAP activities, particularly GBV related activities such as awareness and prevention activities, the design of a GBV Grievance Redress Mechanism and Code of Conduct for project staff and contractors and training for staff and communities.

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

Coastal erosion and loss of land related to causeway construction or inadequate maintenance can result in a decrease to underground freshwater lens. Community members living near causeways, particularly the poor and marginalized, will be consulted on the negative and positive impact of causeways and strategies to mitigate negative impacts during construction and ongoing maintenance.

| IV. SOCIAL SAFEGUARDS |
|---|
| A. Involuntary Resettlement Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI |
| <p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>No major involuntary resettlement impacts are expected although permanent and temporary land acquisition could be required. The extent of potential resettlement impacts will be confirmed during project preparation.</p> <p>2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p> |
| B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI |
| <p>The project will not have any impacts on distinct and vulnerable group of indigenous peoples as defined in ADB Safeguard Policy Statement (2009).</p> <p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process?</p> <p><input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None</p> |
| V. OTHER SOCIAL ISSUES AND RISKS |
| <p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> Creating decent jobs and employment (M) <input checked="" type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment <input checked="" type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>Tariff implementation planning will be pro-poor, bid documents will require contractors to adhere to core labor standards following the country's labor law and the International Labor Organization standards on labor treatment and carry out HIV/AIDS awareness training for workers and surrounding communities. Compliance with the core labor standards will be reported in the project progress report and relevant safeguards document.</p> |
| VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT |
| <p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain why.</p> |
| <p>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?</p> <p>The PPTA team includes an international Climate Change Specialist (2 person-months, intermittent), an International Gender Specialist (2 person-months, intermittent), and an International Social Safeguards Specialist (2 person-months, intermittent).</p> |

^a The proposed project is aligned with ADB's Strategy 2030 priority of support for gender equality and women's empowerment through improved rural infrastructure and construction and maintenance employment opportunities. It is also in line with priority of strengthening institutional capacity in small island nations. The ADB Pacific Approach aims to improve domestic and national connectivity through improved transport infrastructure and capacity building of implementing agencies.

^b Government of Kiribati. 2015. *Kiribati Development Plan 2016–2019*. Tarawa.

^c Government of Kiribati. 2015. *Kiribati 20-Year Vision*. Tarawa.

^d United Nations Department of Economic and Social Affairs. 2018. *The Sustainable Development Goals Report 2018*. New York.

^e United Nations Development Programme. Asia and the Pacific. 2010. *Kiribati Analysis of the 2006 Income and Expenditure Survey (HEIS)*. Tarawa.

^f ILOSTAT. 2018, <https://www.ilo.org/ilostatcp/CPDesktop/?list=true&lang=en&country=GBR>

^g Increasing Economic Opportunities for Women in the Pacific, Pacific Women Shaping Pacific Development. <http://www.pacificwomen.org/focus-areas/economic-empowerment/>.

^h Secretariat of the Pacific Community. 2010. *Kiribati Family Health and Support Study: A study on violence against women and children*. Noumea, New Caledonia.

Source: Asian Development Bank and the World Bank.