



Initial Poverty and Social Analysis

August 2019

CAM: Livable Cities Investment Project

This document is being disclosed to the public in accordance with ADB's Access to Information Policy.

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 23 July 2019)

| | | |
|---------------|---|-----------|
| Currency unit | – | riel (KR) |
| KR1.00 | = | \$0.00024 |
| \$1.00 | = | KR4,081 |

ABBREVIATIONS

| | | |
|------|---|-------------------------------|
| ADB | – | Asian Development Bank |
| RSIV | – | Rectangular Strategy Phase IV |

NOTE

In this report, "\$" refers to United States dollars.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

INITIAL POVERTY AND SOCIAL ANALYSIS

| | | | |
|-----------------------------|----------|----------------------|-----------------------------------|
| Country: | Cambodia | Project Title: | Livable Cities Investment Project |
| Lending/Financing Modality: | Project | Department/Division: | SERD/SEUW and CARM |

| |
|---|
| I. POVERTY IMPACT AND SOCIAL DIMENSIONS |
| <p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>The government has identified a need to strengthen public institutions, human and financial capacity, provide greater employment opportunities, reduce income inequality, and provide improved public services including infrastructure. This is confirmed in the government's Rectangular Strategy Phase IV, which identifies the following key strategic goals: (i) to achieve sustainable and resilient economic growth of around 7% per annum; (ii) to create more jobs for citizens; (iii) to achieve poverty reduction target of below 10%, and (iv) to strengthen the capacity and governance of public institutions for efficient service delivery. One of the key objectives as defined in the RSIV is to also focus on the development of livable cities that will improve the well-being of people and promote socio-economic efficiency. The project will aim to support the government by adopting an integrated approach to urban development and providing investments that will provide opportunities to improve current urban infrastructure, build community resilience and facilitate sustainable and economic growth and productivity.</p> <p>The project is aligned with the Country Partnership Strategy 2019-2023, which aims to promote sustainable, high and inclusive growth based on (i) accelerating competitiveness and economic diversification; (ii) investing in human capital and lifelong learning; (iii) transitioning to green inclusive and sustainable development; and (iv) strengthening public sector management.</p> |
| <p>B. Poverty Targeting</p> <p><input checked="" type="checkbox"/> General intervention <input type="checkbox"/> Individual or household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-income MDGs (TI-M1, M2, etc.)</p> <p>The project will contribute to poverty reduction indirectly through developing urban areas, improving environmental sustainability, development of human capital, and public governance.</p> |
| <p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries.</p> <p>Urban infrastructure and services have been identified as important contributors towards an inclusive and sustainable development. Initial assessment has identified that the current availability and access to core urban services are low. The cities have experienced growth in urbanization, which has led to new settlements being created where there is a lack of infrastructure to service the needs of the residents. As key secondary cities and border towns, their needs to improve infrastructure will be important to enable more investments from trade and tourism industries. It is expected that the key beneficiaries of the project will be the residents, business owners and operators of the participating cities. The project is classified as general intervention for poverty reduction; thus, the key issues to be addressed will be the provision of accessible and affordable urban infrastructure and services and opportunities for employment, particularly for poor households and female-headed households.</p> <p>2. Impact channels and expected systemic changes.</p> <p>The project will facilitate increased access to urban service to the residents of the participating cities. It will provide employment opportunities and potentially more economic investments given the basic infrastructure would be in place. However, affordability and accessibility to basic urban services is a key issue that will need to be addressed, particularly for the poor and female-headed households where income is often a constraint. Poor and vulnerable households are often located in low lying areas, where there are higher risks associated with flooding, and where access to basic services are limited. In addition to environmental risks, these households are often exposed to higher incidences of illness from water-borne diseases due to poor sanitation practices. To facilitate access to services, the project will incorporate where practical pro-poor and social inclusion design features, such as the provision of free-of-charge wastewater connections.</p> <p>3. Focus of and resources allocated in the transaction TA or due diligence.</p> <p>The transaction technical assistance facility, Southeast Asia Urban Services Facility (SURF) will support the project preparation. It will carry out a poverty and social impact assessment (including gender impact assessment), which will involve a comprehensive city/project area survey, community consultations on gender, poverty, and ethnic minority related impacts and benefits of the project.</p> |
| II. GENDER AND DEVELOPMENT |
| <p>1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program?</p> <p>Women generally have a higher risk and health exposure as the primary contributors towards household and community sanitation tasks. The traditional separation of gender roles where women are primarily responsible for</p> |

domestic chores, including the care of children, elderly and sick make them disproportionately affected by the lack of reliable water supply and sanitation services, and these considerably increase women's time poverty. Women are the main users of water in the households who are also primarily responsible for the solid waste, liquid waste and wastewater management on the household level. Water shortages also significantly increase the time needed for cooking, cleaning and caring for both children, the sick and disabled members. In addition, women who work in kindergarten, schools and hospitals bear the responsibility to fetch water and clean the toilets. Lack or low quality of the potable water and sanitation also increase the incidences of water-borne diseases and thus households' expenditures on medicine and doctors' fees.

A key output of the project will be targeted training and awareness raising on the benefits of proper sanitation and disposal of waste and will promote opportunities to improve the livelihood of the residents, particularly the poor and female population. It will also aim to address the role of women in decision making and participation in the water and sanitation sector, given females play a larger role as caregivers and have larger exposure to the risks and vulnerabilities of bad hygiene.

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

The project will consider (i) current access to services and the constraints posed on women, minority and vulnerable groups; (ii) level of women's participation and representation in urban planning and urban development; (iii) involvement of women in service delivery, financial management, operations and maintenance during and post-civil works; and (iv) staff composition in the provincial government in planning, technical and management capacities, including opportunities, availability and access to training to female staff. Other potential gender designs will be considered and evaluated during the diligence, such as connection of schools to wastewater network with construction of proper sanitation facilities, including for menstruation hygiene management, supported by WASH practices awareness campaign, and targeted measures to support 3R related activities and income-generating livelihoods for women. A gender action plan (GAP) will be prepared during the project preparation.

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

Yes No

No adverse impacts are anticipated. Any potential adverse impacts will be identified during the project preparation and mitigated through appropriate project design measures.

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.

The main stakeholders are the national and provincial governments, private sector companies and communities as beneficiaries of the urban services. City surveys will be conducted to inform the development of the urban development strategy. Workshops will also be hosted to discuss the urban development strategy.

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 output of the project will be a sector road map which will include gender mainstreaming activities and opportunities to promote employment of the poor and females and participation in decision making and representation in the water and sanitation sector.

A poverty and social assessment will also be prepared, which will include a poverty reduction and social strategy, gender action plan to promote gender inclusion in the project activities and monitoring system and address gender mainstreaming in the project components under training and capacity building, a stakeholder communication strategy and participation plan.

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?

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 should they be addressed? Yes No

The key issues that will need to be addressed will be during the identification of the services, how the poor and excluded will be able to have access to the infrastructure, and also how (if any) resettlement and environmental impacts will be addressed.

As part of the project preparation, SURF will carry out an affordability assessment to ensure the accessibility of the project benefits to the identified vulnerable groups, including and poor and ethnic minorities (if relevant).

The poverty and social assessment will also include employment for poor and ethnic minorities, scope of various public awareness training programs on household wastewater and sanitation, environmental improvement, flood preparedness in the project area.

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

The project will involve the construction of infrastructure, such as wastewater treatment plants and solid waste landfills and there may be a need to address temporary and permanent resettlement impacts, as well as land acquisition. The extent of the impacts on resettlement and land acquisition will be determined and confirmed during the project preparation stage and the categorization will be reviewed once the subproject requirements have been confirmed.

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

Resettlement involving land acquisition or temporary and permanent resettlement may affect IP land, however the extent and significance of the impact will be confirmed during the project preparation by SURF.

3. Will the project require broad community support of affected indigenous communities? Yes No

It is unlikely that the project will involve any commercial development on traditional and customary lands, physical relocation from customary lands, or commercial development of cultural resources and knowledge of indigenous people. The community will be involved through consultation and community participation during the project preparation phase.

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 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 _____

2. How are these additional social issues and risks going to be addressed in the project design?

Social issues and risks will be assessed as part of the project preparation. Any issues identified will be mitigated through appropriate design measures.

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

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?

The SURF team will comprise an international senior resettlement specialist (2.2 person-months), an international senior social development and gender specialist (2.15 person-months), a national resettlement expert (4.74 person-months), and a national social and gender expert (3.4 person-months). The scope of work of the SURF team will also include comprehensive city survey, which will look at socio-economic status, household behaviors, affordability and willingness to pay, will be carried out, workshops and preparation of safeguard due diligence reports.