



Initial Poverty and Social Analysis

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Proposed Administration of Grant Cambodia: Community-Based Tourism COVID-19 Recovery Project

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Cambodia	Project Title:	Community-Based Tourism COVID-19 Recovery
Lending/Financing Modality:	Project Grant	Department/Division:	SERD/SEER

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The National Strategic Development Plan for 2014-2018 highlighted that Cambodia earned \$1.9 billion (in 2011) and about \$0.2 billion (in 2012) from tourism directly and above \$3.0 billion indirectly. In 2012, tourism sector created around 350,000 direct and several thousand indirect jobs. The proportion of the population with incomes below the national poverty line declined from 47.8% in 2007 to 13.5% in 2014. The pro-poor growth pattern is mirrored in declining inequality with the Gini coefficient fell from 36.5 in 2007 to 24.3 in 2013. However, the poverty is concentrated in rural areas, and elderly women and households headed by women are particularly vulnerable. The 2014-2018 Country Partnership Strategy focused among other on (a) expanding the provincial and rural road network to promote connectivity, trade, and tourism. Revival, production, and marketing of Khmer handicrafts and preservation and promotion of the rich Khmer heritage and traditions, particularly in the rural areas, is an important contribution to support tourism to growth in an inclusive manner. The project will promote inclusive growth by supporting community-based tourism (CBT) groups in establishing tourist operations. CBT by nature sources labor and goods locally, providing new employment and business opportunities to villagers. In addition, CBT groups will provide garbage collection services to communities.

B. Poverty Targeting

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

The proposed project will promote community-based tourism in Cambodia's rural communities that will promote rural development in villages with high potential for economic group interventions that can improve the enabling environment for pro-poor growth through improving capacity development, livelihood activities; and public facilities and services.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

Project expected beneficiaries are rural households in selected number of local communities/villages in Preah Vihear and Takeo provinces nearby significant heritage sites. Despite proximity to heritage sites which are frequented by visitors, these villages are not able to participate in the tourist trade due to a lack of tourist appeal. Currently, subsistence agriculture and selling labor outside the villages are the major income source for the target communities. Average income in the proposed villages ranged from \$180 to \$250 per month, and poverty rate is between 22% to 27%.

2. Impact channels and expected systemic changes.

The project will establish community-based tourism groups, support tourist activities, and through training enable participation in the tourist trade. The project will also provide commercial agricultural livelihood support to diversify income during non-tourist season and in the event that tourists are less than expected. The CBT group members will be provided with capacity building support through the project to become empowered to provide tourist servicing and enjoy communal services provided by CBT groups (e.g., garbage disposal).

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

Poverty, social and gender assessments will be conducted during project design in the targeted provinces.

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?

The project will aim for EGM categorization, with appropriate target sets in DMF and GAP during project design. As stated by the UN World Tourism Organization: "Tourism offers women opportunities for income-generation and entrepreneurship. However, women are concentrated in the lowest paid, lowest skilled sectors of the industry and carry out a large amount of unpaid work in family tourism businesses"¹. However, social-inclusion will require concerted effort and actions to ensure that all members of the community are able to participate in and benefit from

¹ <https://www.unwto.org/ethics-culture-and-social-responsibility>

the proposed community-based tourism interventions including women and other disadvantaged groups. It is envisaged that the project will have a highly positive impact on women's empowerment, as Cambodian women's traditional family responsibilities naturally lend them a leading role in many of the tentative tourist services and livelihood activities. Therefore, project design considerations will ensure that the tourism-related and commercial agriculture activities to be developed to not contribute to or perpetuate gender-based stereotypes and bias with respect to the roles and responsibilities of men and women in the household and community. Further, given women's experience in certain aspects of the community-based tourism product, women will be actively supported to assume leadership roles in developing these tourism products and 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

The project will seek a EGM classification, and a GAP will be prepared during due diligence. The project will explore livelihood activities that challenge social norms and values by empowering women to explore, develop and promote sustainable tourism products and/or services alongside strengthening their agricultural outputs and income generation potential. Through the project, women will be supported to play an active role in decision making and leadership of the community-based tourism groups.

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

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.

The main stakeholders include villagers in the selected villages of the targeted provinces. Socially inclusive consultations will be undertaken with villagers during project design and implementation. The subproject identification and selection process will be guided by the participatory principle to ensure the interventions tailor to the actual needs of all members of the community, regardless of sex, age, ability, employment status or sector.

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?

Project preparation will include consultations with the poor and other disadvantaged groups, especially women, to determine their willingness and ability to take part in the project. The project will support villagers to establish sustainable livelihood activities (tourism, handicrafts, high value vegetables and livestock raising). Their preferences will be prioritized in the subproject selection process, subject to market assessment that will be undertaken as part of the project preparatory phase, and appropriate training and business development support will be provided to ensure the sustainability of the activity.

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

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

Some small-scale rural infrastructure subprojects under Output 3 may require limited land acquisition. But this should be from public lands.

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

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 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?

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?

Social development specialists (poverty, social development, gender and safeguards) will be mobilized during project preparation.