



# Initial Poverty and Social Analysis

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Project Number: 54428-001  
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## Indonesia: Citywide Inclusive Sanitation Project

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Asian Development Bank

## **CURRENCY EQUIVALENTS**

(as of 1 June 2021)

Currency unit	–	Indonesia Rupiah (IDR)
Rp1.00	=	\$0,0001
\$1.00	=	Rp14,310

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
BAPPENAS	–	Badan Perencanaan Pembangunan Nasional (National Development Planning Agency)
CSOs	–	Civil Society Organizations
GRM	–	Grievance Redress Mechanism
SDGs	–	Sustainable Development Goals
SEAH-GBV	–	Sexual exploitation, abuse and harassment and other terms of gender-based violence
SURF	–	Southeast Asia Urban Service Facility
WWTP	–	wastewater treatment plant

## **NOTE**

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

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## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Indonesia	Project Title:	Citywide Inclusive Sanitation Project
Lending/Financing Modality:	Project	Department/Division:	SERD/SEUW

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The proposed project will contribute to the government's goal of providing access to proper and safe Sanitation and is aligned with the National Medium-Term Development Plan which in itself is aligned with the Sustainable Development Goals (SDGs).<sup>1</sup> The project also supports accelerating economic recovery, in line with the Indonesia Country Partnership Strategy 2020-2024.<sup>2</sup>

#### B. Poverty Targeting

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

The project will improve sanitation conditions in Semarang and Pontianak. As such, it will have an indirect poverty reduction impact for the local population by reducing disease and opportunity costs resulting from poor sanitation.

#### C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

Key issues that the project seeks to address is the fragmented sanitation sector, inadequate sanitation facilities and services, and inadequate local government capacity for planning, delivery, operation and maintenance of sanitation infrastructure. Potential beneficiaries are the local population of Pontianak and Semarang who will benefit from the improved infrastructure and services, and the local government and water utility staff and personnel who will improve their capacities to lead in the sector.

2. Impact channels and expected systemic changes.

Improved sanitation facilities will lead to the reduction of enteric diseases and the improvement of the overall health of the local population. It reduces the household's medical expenses and increases opportunity for savings. It increases participation of men, women, and children in society, and reduces time poverty especially for women caregivers. It thus contributes to the attainment of the Sustainable Development Goals of ensuring access to sanitation for all (Goal 6) and reduction of women's unpaid work (Goal 5.4).

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

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.

### 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?

Women and girls are disproportionately at risk when sanitation facilities are poor or non-existent: (i) Safety: when a household's latrine is located away from the homes or is in an unsafe condition, women and girls may be subjected to sexual violence, including rape, especially when having to use the facilities at night; a greater risk for pregnant women who need to urinate more frequently; (ii) Reproductive health: poor sanitation practices have been linked to increased infection and stress including during pregnancy and may contribute to adverse pregnancy outcomes including pre-term births;<sup>2</sup> (iii) Equal participation: in places lacking accessible, safe or sufficient sanitation facilities (e.g. with clean water for washing), menstruating women and girls may skip work or school, which in turn affects their academic and livelihood prospects, participation and performance; and (iv) Time poverty: women who are the main caregivers in the family, suffer additional burden of unpaid work and face time poverty when taking care of family members falling sick from waterborne and/or hygiene-related diseases. Moreover, despite women playing key roles in the health, hygiene and sanitation practices of their families, they are rarely involved in decision-making related to community sanitation systems.

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 align with SDG commitments to achieve by 2030, access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.<sup>3</sup> Among possible gender interventions that may be introduced by this project are: (a) increasing women's participation in decision-making in the sanitation subsector; (b) capacity building of the local

governments in gender mainstreaming in sanitation to enable them to identify and effectively address gender issues including, but not limited to, those discussed above.

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

☒ Yes ☐ No

During the building of the sanitation infrastructure, women and girls around the project area may be exposed to sexual exploitation, abuse and harassment and other forms of gender-based violence (SEAH-GBV) committed by project personnel, including construction workers involved in civil works. This risk will be mitigated by the setting up of a mechanism as part of the Grievance Redress Mechanism (GRM) to prevent and address incidence of SEAH-GBV, as well as through the delivery of GBV-SEAH and other training programs delivered to contractors and laborers

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.

Main institutional stakeholders include the Directorate General of Human Settlements (DGHS) of the Ministry of Public Works and Housing (MPWH), the DGHS offices in West Kalimantan and Central Java, the local governments of Pontianak and Semarang and the water utilities of Pontianak and Semarang. The local population beneficiaries will identify their issues associated with poor sanitation facilities and provide inputs on how these can be improved. People affected by land acquisition (and land clearance), communities along the alignment and their community-based organizations will be involved in assessing impacts, needs and mitigation measures.

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?

The project will meet with the relevant local governments units, nongovernment organizations (NGOs) and/or community-based organizations, and local communities and affected people. It will supplement information gained from these meetings with surveys. Issues to be discussed include, but are not limited to: (i) current sanitation and hygiene practices in the community; (ii) issues and problems encountered due to current state of sanitation facilities, including those experienced by women, and marginalized groups such as the elderly, persons with disabilities, and children; and their corresponding recommendations; (iii) protection of communities and workers from hazards brought about by civil works in the communities (hazards including, noise and air pollution, and sexual exploitation, abuse and harassment and other forms of SEAH-GBV; and (iv) resettlement and livelihood of project affected persons.

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

Key relevant CSOs will be identified early in project preparation through a stakeholder analysis. It is understood that there are key CSOs with an active interest in the issue of sanitation and hygiene, including those representing women and marginalized groups interested in ensuring that the project contributes to gender equality and social inclusion, during project implementation as well as during infrastructure operation and maintenance

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 specific project activities including ensuring equitable access to services, infrastructure and mitigation measures to manage the diverse needs of project stakeholders and also how (if any) resettlement, IPs and environmental impacts will be addressed. As part of the project preparation an affordability assessment to ensure the accessibility of the project benefits to the identified vulnerable groups, including and poor and ethnic minorities (if relevant).

### 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

1.6 Hectares of a mix of residential, garden and unused land will be acquired for Martapura WWTP. This will impact on 15 affected household (AH) of tenants and owners. In Semarang, no land acquisition is anticipated however the land identified is currently use for agricultural purposes by 13 AHs. Further impacts at this stage include 150 banana and business structures. There will be temporary disturbance related to the construction works. For the main roads

in the urban area this will be managed with traffic management and is not expected to cause any economic displacement as the roads are wide enough to maintain access. In narrower roads in the residential areas further consultations will assess how to minimize impacts by either working over-night, ensuring continued access and there may be reduced access for up to three days. There are two locations in Pontianak that have been identified as potential extended business disruption and therefore economic displacement (up to two weeks) where the access point for pipe-jacking is needed for technical reasons. Further consultations will be held to ensure that this has been properly assessed and compensated for. A traffic management and community engagement strategy will be developed along with the resettlement plans. At this stage the project is proposed to be categorized as B for involuntary resettlement, which 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

At this stage the project is proposed to be categorized as B for Indigenous Peoples, which will be reviewed once the subproject requirements have been confirmed

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?

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?

In addition to two national safeguards specialists (6 months each) and two national gender specialist (3 month each) which are part of the Project Preparatory Consultants team recruited by DGHS, the TA team will comprise of an international senior resettlement specialist (1 person-month), an international senior social development and gender specialist (1 person-month), a national resettlement specialist (2 person-months) and a national social and gender specialist (2 person-months).

<sup>1</sup> Government of Indonesia, BAPPENAS. 2020. *National Medium-Term Development Plan 2020-2024*. Jakarta.

<sup>2</sup> ADB. 2020. *Indonesia Country Partnership Strategy 2020-2024 – Emerging Stronger*. Manila.

<sup>3</sup> Padhi, B.K. et al. Risk of Adverse Pregnancy Outcomes among Women Practicing Poor Sanitation in Rural India: A Population-Based Prospective Cohort Study (2015). <https://journals.plos.org/plosmedicine/article/file?id=10.1371/journal.pmed.1001851&type=printable>

<sup>4</sup> SDG Goal 6.