

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Cambodia	Project Title:	Second Greater Mekong Subregion Corridor Towns Development Project
Lending/Financing Modality:	Project Loan	Department/ Division:	Southeast Asia Department Urban Development and Water Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Poverty Targeting: General intervention
<p>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy Cambodia's Rectangular Strategy for Growth, Employment, Equity and Efficiency, Phase III, includes the strategic objective to achieve more than 1 percentage point reduction in poverty incidence annually. One essential initiative is to promote urbanization for facilitating rapid industrialization and extending enabling services to the people, including sanitation. Urban poverty rates (outside Phnom Penh) have declined from 41.0% in 2007 to 14.4% in 2012. Urban poverty exists, but abject poverty is no longer a compelling problem in Cambodia. The country partnership strategy includes the strengthening of rural–urban–regional links, with focus on subregional transport and economic corridor development, with urban infrastructure and sanitation provision. The broader urban development approach will deepen synergies between urban and rural development, including institutional and policy development. The project is fully aligned with both these strategies.</p>
<p>B. Results from the Poverty and Social Analysis during PPTA or Due Diligence</p> <p>1. Key poverty and social issues. The project is classified as general intervention. The key poverty and social issues are the need for environmentally sustainable urban infrastructure that can provide a basis for economic growth in the two towns, with equal access for the poor and economically disadvantaged. Poverty exists within the subproject towns of Kampot and Sihanoukville (with poverty rates of 8.80% in Kampot and 8.45% in Sihanoukville), and the poor households together with the high proportion of households headed by women (38%–42%) are among the unserved people that don't have access to proper wastewater connection, sanitation, and solid-waste collection services. This situation is exacerbated by exposure to seasonal flooding and risks of climate change, and people's lack of awareness of wastewater collection and related health and hygiene. The plight of 162 waste collectors at the dump site in Sihanoukville and their sustainable livelihood is of concern, with 40 households that live on the dump site needing resettlement. There is no significant difference between households headed by men and by women in terms of poverty incidence but those on low incomes are exposed to a lack of livelihood opportunities and employable skills. Social impacts include increased waterborne disease incidence due to poor sanitation as well as the risks of HIV/AIDS and human trafficking.</p> <p>2. Project beneficiaries. Direct beneficiaries in Kampot include 2,700 households who will be serviced by new and improved wastewater collection and treatment facilities, including all poor households and households headed by women in the service area. New or improved solid-waste collection will be provided to about 8,100 households in the two towns—3,300 households in Kampot and 4,770 in Sihanoukville. Flood risks will be reduced for 3,820 households (17,178 people) in the two towns. Beneficiaries include poor and vulnerable households. Secondary beneficiaries of the project are all citizens in the two cities: 34,485 people in Kampot and 77,657 people in Sihanoukville, who in the shorter term will benefit from the cleaner urban environment. In the longer term, citizens will benefit from the anticipated increased economic activity through private investments, increased tourism, and other activities included in the strategic local economic development plans.</p> <p>3. Impact channels. The improved urban environment from improvements to urban drainage and wastewater and solid-waste collection and/or management will enhance the living standards of the primary beneficiaries in Kampot and Sihanoukville and ensure better environmental and living conditions. This together with the new roads and enhanced public facilities will enhance the growth of tourism and other economic activities, generating new livelihood opportunities and employment for the local people. Skills development and vocational training opportunities will be provided to poor and unskilled women to enhance and capture local employment opportunities as a result of project investments. Implementing and supporting agencies in the towns will increase their capacity to plan, design, and implement urban improvements. Secondary beneficiaries are all the citizens in the two towns.</p> <p>4. Other poverty and social issues. Since 2007 the Identification of the Poor Households Programme (IDPoor) led by the Ministry of Planning in collaboration with the Department of Local Administration of the Ministry of Interior, has identified poor households in rural areas with the purpose of enabling direct targeting of services and development assistance to poor households. However, IDPoor has not yet been introduced in urban areas and no information is available on the time schedule for this.</p> <p>5. Design features. The project's poverty reduction and socially inclusive design features include provision of basic infrastructure for solid waste and wastewater collection to presently unserved households in the project towns with free wastewater connections and an affordable monthly tariff that benefits all poor households and households headed by women. The project will contribute to employment creation, in the short term through opportunities in project civil works, and in the medium and long term by an increase in private investments as a result of</p>

improvements in urban services. Relevant skills and vocational training such as in tourism will be provided to poor girls. The 162 informal waste pickers at the existing Sihanoukville dump site have the option for continued access to the landfill and vocational training opportunities. At least 10 community awareness and dissemination campaigns covering environmental sustainability and conservation themes will be conducted in the two towns (baseline: 0) to enhance and sustain benefits from the infrastructure provision.

II. PARTICIPATION AND EMPOWERING THE POOR

All stakeholders, including the poor and vulnerable, participated in problem identification discussions at the town and village level during the project preparatory technical assistance. They provided feedback on current infrastructure problems in the towns in information generation and sharing meetings. Opportunities will be available to be involved in solid-waste collection and operation and maintenance of infrastructure improvements. Targets for capacity development of under-represented female staff in key management areas are designed to increase female participation in the sector. The percentage of local people active in civil society is low, at 0.57% (196 people) with women at 0.30% (103 women) in Kampot in 2010. One nongovernment organization with a mission for collaboration on community outreach, information campaigns, and vocational training provision has been identified in a screening of eight civil society organization and nongovernment organizations that have experience and are active in the two provinces.

What forms of civil society organization participation is envisaged during project implementation? M - Collaboration
 Will a project-level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons, particularly the poor and vulnerable? Yes

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Effective Gender Mainstreaming (EGM)

A. Key issues. The gender analysis identified the following key issues: (i) a high proportion of households headed by women in Kampot (38%) and Sihanoukville (42%), but no significant difference in terms of poverty incidence; (ii) the low local perception of the contribution of women; (iii) the limited availability of sustainable livelihoods and gender equality in livelihood opportunities; (iv) unequal impact from poor environmental wastewater and solid-waste management due to high female exposure and gender-defined responsibilities; (v) the low awareness of climate change risks and the dangers of HIV/AIDS, sex tourism, and human trafficking; and (vi) low female representation in public institutions (13% in municipal councils), managerial positions (33%), and decision-making processes.

B. Key actions. The GAP has key gender design measures and targets to empower and improve the status of women: (i) targets for increasing women's representation and participation in decision making at all levels; (ii) the provision of gender-sensitive urban infrastructure and facilities; (iii) all informal waste pickers (who are mostly women) near existing dump site are ensured continued access to the landfill and alternative livelihood skills training; (iv) targets for female employment in public sector jobs, subproject construction, and O&M and training in key project management areas and competitive livelihood activities supported by market and value chain studies; (v) promotion of gender sensitization training for at least 100 people (50% women); (vi) ensuring the generation of sex-disaggregated data for quarterly GAP monitoring and reporting; (vii) the international and national social and gender specialists and local gender focal points to assist the PMU and PIUs with GAP implementation, monitoring, and reporting; and (viii) community information campaigns to enhance awareness of benefits from environmental sanitation improvements and dissemination of social risks of human trafficking.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. Key impacts. In Kampot, the wastewater and treatment component will have permanent LAR impacts. For the urban drainage component, the LAR impacts are limited to the loss of two temporary shelters and one pig shelter, and for the solid-waste management component LAR impacts are limited to the loss of trees and one temporary shelter on public land. The summary of impacts includes (i) 6.1 hectares of private agricultural land required for the component of wastewater collection and treatment, which will affect 13 households (65 affected persons); (ii) three households (seven affected persons) along the drainage channels, two wooden sheds, and one pig shelter will be removed and compensated; (iii) for the solid-waste management component, 19 households (95 affected persons) will be affected with loss of trees, such as 628 mangos, 233 cashews, and 133 other trees, and one household (five affected persons) and a temporary resting shelter will be removed and compensated. Among the affected households, six (30 affected persons) will be severely affected in the wastewater treatment plant area as they will lose more than 10% of their total income through the acquisition of agriculture land, and two households (five affected persons) will be severely affected because of removal of their living wooden sheds within the right of way of the channel. There are no LAR impacts in Sihanoukville.

2. Strategy to address the impacts. The core resettlement strategy of the project is geared towards ensuring that the affected households will be able to continue with their current livelihood activities. The Ministry of Public Works and Transport, through its PIU and the Resettlement Department of the Interministerial Resettlement Committee, will ensure that this resettlement strategy is carried through diligently.

The Provincial Resettlement Subcommittee Working Group will consult with male and female representatives of the affected households in connection with updating the resettlement plan.

The full identification of the affected households will be determined during the updating of the resettlement plan when

the detailed measurement survey is carried out. The affected households will be provided with cash compensation for loss of land as per the entitlement matrix using market price value. Standing perennial trees and timber trees will be allowed to be cut and harvested by their owners and the felled trees will be compensated at prevailing market rates. Private agricultural land that is acquired including fixed assets found there will be compensated at replacement cost.	
3. Plan or other Actions.	
<input checked="" type="checkbox"/> Resettlement plan in Kampot and due diligence report in Sihanoukville	
B. Indigenous Peoples	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
Plan or other actions.	
<input checked="" type="checkbox"/> No action. There are no indigenous peoples within the meaning of the Safeguard Policy Statement in the project area of influence.	
V. ADDRESSING OTHER SOCIAL RISKS	
A. Risks in the Labor Market. Informal waste collectors at the dump site in Sihanoukville currently live in unacceptable conditions in mostly temporary wooden houses along the side of the site access road. The proposed improvements to the existing waste disposal site are short term. Therefore, the waste picker families will remain in-situ but their living conditions will be improved by better disposal site management practices. The Project Implementation Support and Capacity Building consultants will assist to make a longer-term plan for the waste pickers and in this involve the Department of Labour and Social Affairs.	
Labor market impact: The project will target 30% females to be employed as unskilled laborers in subproject construction with core labor standards clauses included in the contractor's contracts, 30% of staff employed in O&M being women, and 75% of all unskilled laborers being of local origin. Local poor people will get preferential treatment for job opportunities in solid-waste collection. Female government staff and poor unskilled laborers trained by the project may have access to better paying jobs.	
B. Affordability. In Kampot and Sihanoukville, wastewater collection will be provided free of charge. For low-income households (10th percentile), in 2016 the monthly fees in Kampot will be 0.70% of average monthly income. In 2025, the fee will be 2.33% in Kampot. Solid-waste collection monthly fees will be 0.50% in Kampot in 2016, and in Sihanoukville 0.21%, increasing to 0.35% in Kampot and decreasing to 0.19% in Sihanoukville in 2025. Subsidies for the poorest and vulnerable households' monthly fees will be introduced through the implementing agencies during project implementation.	
C. Communicable Diseases and Other Social Risks	
L - Communicable diseases	L - Human trafficking
In Kampot (2010) there were 84 families with a family member living with AIDS, in Sihanoukville 188 families, while 1,852 persons receive HIV/AIDS drugs free of charge. There is low risk the project may have an effect on communicable diseases through workers who are brought into the towns from outside, and human trafficking. The PIU and the contractor will work closely with health services at the district and village levels to develop awareness, training, prevention, diagnosis, and treatment programs for workers.	
VI. MONITORING AND EVALUATION	
1. Targets and indicators: The key targets and indicators for poverty reduction and inclusive social development in the design and monitoring framework include (a) 2,700 households and businesses serviced by new and improved wastewater collection and treatment facilities in Kampot; (b) 8,100 households serviced by improved solid-waste collection in the two towns; (c) 3,200 households with reduced flood risk; and (d) 30% of unskilled laborers employed in subproject construction are women, 30% of staff employed in O&M are women, and 75% of all unskilled laborers are of local origin.	
2. Required human resources: The Project Implementation Support and Capacity Building will comprise social and gender development (International 4 MM, national 10 MMs) and livelihoods specialists. The PMU and PIUs will designate at least one social, gender and community development and livelihoods staff member in each town to coordinate the implementation, monitoring, and reporting of the project's GAP, stakeholder communication strategy, and participation plan.	
3. Information in PAM: Monitoring of impacts on social and gender aspects, including social inclusion and gender benefits, will be incorporated into the overall project performance monitoring information system established by the PMUs, following established reporting formats and schedules for project review, monitoring, and completion reports. The PMU and PIUs will be responsible for analyzing and consolidating the performance data, assisted by the project implementation consultant social and gender specialists.	
4. Monitoring tools: The PMU/PIUs will be assisted by the project implementation consultant team in devising the monitoring indicators (sex disaggregated) and reporting templates in assessing progress of the social action plans. GAP implementation progress will be reported at least quarterly, using the Asian Development Bank GAP progress reporting template.	

GAP = gender action plan, LAR = land acquisition and resettlement, PIU = project implementation unit, PMU = project management unit.

Source: Asian Development Bank.