

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Cambodia, Lao People's Democratic Republic (PDR), and Viet Nam	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 IMPACT AND SOCIAL DIMENSIONS

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

Poverty in the Greater Mekong Subregion (GMS) is still substantial in Cambodia, Lao PDR, and Viet Nam, where its incidence on a regional scale ranges from 9% to 34% of the population. With the development of the GMS transport corridor into full-fledged economic corridors, new opportunities will be created following the development of existing and new towns along the Central, Eastern, North-South, and the Southern Coastal Corridors, and the borders of the GMS countries. The areas have potential to become service centers, which contribute to economic growth and poverty reduction along the corridors. The corridors must be inclusive in nature, and the potential negative social and environmental effects must be mitigated. The GMS countries now pursue a joint strategy to convert their created transport corridors into full-fledged economic corridors. GMS towns have seen an increase in vulnerability to natural hazards.

The project is consistent with and supports the five strategic thrusts of the 2012-2022 GMS Strategic Framework namely: (i) strengthening infrastructure linkages; (ii) facilitating cross-border trade, investment and tourism; (iii) enhancing private sector participation and competitiveness; (iv) developing human resources; and (v) protecting the environment and promoting the sustainable use of shared natural resources. The proposed Project will also contribute to the implementation of ADB's respective Country Partnership Strategies in Cambodia, Lao PDR and Viet Nam, and supports the Urban Sector Assessments, Strategies, and Roadmaps for these three GMS countries. The proposed Project will help address the problems faced by the urban areas in Myanmar which include inadequate potable water supply, unsafe sanitation facilities, perennial flooding, and insufficient solid waste management systems.

In order to enhance the economic growth and productivity in the economic corridors, border towns and new urban growth centers need effective management through integrated development of infrastructure and planned and systematic project, policy and institutional interventions. The proposed Project will trigger a number of subregional projects and generate synergy with other on-going initiatives of the Governments and ADB-supported programs, as well as those of other donors. The proposed project will also contribute to green growth, climate and disaster resilience.

B. Targeting Classification

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

The interventions are nationwide. The project will contribute to poverty reduction indirectly through developing urban areas, development of human capital, and public governance.

C. Poverty and Social Analysis

- Key issues and potential beneficiaries.
The beneficiaries of the project will be the residents and businesses of the project towns. Their needs are to obtain access to improved environmental and economic infrastructure. Constraints in addressing these needs may be in affordability of services and beneficiaries' payment capacities. Data on payment capacity will be collected during the project preparatory technical assistance (PPTA).
- Impact channels and expected systematic changes.
The proposed project will pursue the following outcomes: (i) increased access by citizens and economic enterprises to basic public infrastructure (and also improved urban/public service provision); (ii) enhancement of local economic development through infrastructure facilities, and increased employment and income opportunities; (iii) improved financing facilities of infrastructure investments, including public-private partnerships in financing and implementation of basic urban services programs; (iv) address climate change through investments in solid waste management and sewerage which both are emitters of greenhouse gases; and (v) improved local government capacities, and empowered local institutions and organizations (including enhanced urban management capacity).
- Focus of (and resource allocated in) the PPTA or due diligence.
Among the national consultants, the following specialists will deal, among others with poverty analysis and due

diligence: (i) Social Preparation/Community Development Specialists (12 person-months); (ii) Social Safeguards Specialists (12 person-months); (iii) Water and Sanitation Engineers (12 person-months); (iv) Flood Control and Drainage Engineers (12 person-months); (v) Highway/Road Engineers (12 person-months); and (vi) Solid Waste Management Specialists (12 person-months).

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

Women have higher exposure and health risk, due to household and community sanitation management tasks, from unsafe environmental conditions. These include poor disposal of solid waste, drainage and sewerage management, and limited access to safe and affordable water. If water supply systems are in place, access is often limited to high household connection fees. Given limited skills and economic opportunities, employment in the informal sector such as petty trading, informal waste collection/recycling, and unskilled labor in construction can be important sources of income for vulnerable households. Women often have limited representation in decision-making channels and institutions and structures formulating forward development plans. Hence, gender issues as they relate to economic and environmental planning are at risk of being neglected.

2. Does the proposed project or program have the potential to make a contribution 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 Indicative gender features have been included in the DMF to guide PPTA design such that gender enhancement measures are included to empower women and mitigate potential inequity in project benefits

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

Yes No Please explain.

None are expected given targeted skills training and employment enhancement features. However, PPTA Social Development/Gender Specialist will ensure potential adverse impacts are identified through intervention-specific gender analysis and mitigated through project design measures.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme) 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 stakeholders are the national, provincial, and municipal governments (towns and/or districts), private sector companies, and communities as beneficiaries of urban services.

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 prepare a Stakeholder Communication Strategy, Participation Plan, Gender Action Plan, and Safeguard Plans to ensure engagement of the poor, vulnerable, and potentially excluded groups in the project area.

3. What are the key, active, and relevant civil society organizations in the project area?

What is the level of civil society organization participation in the project design?

H Information generation and sharing H 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 shall they be addressed? Yes No

Concern for affordable access to water and sanitation facilities and local capture of employment opportunities generated by project intervention are expected to be important issues for the poor and excluded in accessing project benefits. PPTA will include affordability analysis to be disaggregated by income level, sex, and ethnicity. Targeted measures for employment capture will be examined in areas where the poor and excluded are likely to feature (e.g. improved market and trading centers, solid waste management facilities, construction). More broadly, support for SLEDP preparation with gender specific areas incorporated and targets for local labor capture in construction of improved water and sanitation facilities will seek to address social inclusion concerns.

Subproject planning and design will entail intensive qualitative analysis directly involving project beneficiaries through the extensive use of participatory methods to identify the local poor population and the infrastructure provisions that may better fit their needs. Multi-stakeholder workshops will be held to discuss subproject formulation and implementation, and additional community consultations will be held following the approval of the subprojects. A C&P plan will be prepared to ensure participation of vulnerable stakeholders (women, poor, indigenous peoples, resettled households) and CSOs representing local needs.

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

<p>The proposed project will construct and improve urban and environmental infrastructure in the GMS Corridors, and support capacity building to strengthen infrastructure management. There will be land acquisition in association with civil works for infrastructure construction and upgrading. Significance of impact due to land acquisition will be determined and confirmed during the PPTA stage in more detail.</p> <p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</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>The proposed project will construct and improve urban and environmental infrastructure in the GMS Corridors, and support capacity building to strengthen infrastructure management. There may be impacts on IPs territories or land due to land acquisition in association with civil works for infrastructure construction and upgrading, However, significance of impact will be determined and confirmed during the PPTA stage in more detail.</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No No special support is expected other than the common requirements of community participation.</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA 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</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None</p>
<p style="text-align: center;">V. OTHER SOCIAL ISSUES AND RISKS</p> <p>1. What other social issues and risks should be considered in the project design?</p> <p>H<input checked="" type="checkbox"/> Creating decent jobs and employment H<input checked="" type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment</p> <p>H<input checked="" type="checkbox"/> Spread of communicable diseases, including HIV/AIDS H<input checked="" type="checkbox"/> Increase in human trafficking M<input checked="" type="checkbox"/> Affordability</p> <p><input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability</p> <p><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>Maximization of employment and income opportunities shall be an important project target to be considered. Likewise, affordability and inclusive pricing policies for urban infrastructure services are important dimensions of revenue earning subprojects.</p>
<p style="text-align: center;">VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</p> <p>1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) 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 PPTA or due diligence?</p> <p>The Inception and SLEDP Consultation workshops of the PPTA will involve discussing the poverty, social and gender issues that are needed to be addressed. Household surveys will also be conducted on the target towns which will serve as the major input in the preparation of the Poverty and Social Analysis reports. International and national social safeguards and social development/gender specialists from the consultant will be tasked to carry out these activities during the PPTA.</p>