

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Timor-Leste	Project Title:	Urban Services Improvement Sector Project
Lending/Financing Modality:	Sector	Department/ Division:	PARD/PAUS

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Timor-Leste Country Partnership Strategy 2011–2015 identified infrastructure development and management, particularly water supply as a focus area which is aligned with the Timor-Leste Strategic National Development Plan for 2011–2030.<sup>1</sup> This national plan lists the following as two of the six goals achievable by 2030 including: (i) reducing child mortality due to inadequate water supply, malnutrition or lack of health care; and (ii) eradication of extreme poverty through universal access to public services and ample job opportunities in all regions.

The project will reduce economic and social exclusion of poor and vulnerable groups by improving access to safe and reliable water supply and solid waste services in currently underserved parts of Dili, where rates of poverty are high. The project will also identify measures such as lifeline tariffs for water supply that can be implemented to ensure that those households with limited ability to pay, can access water supplies to meet their basic needs.

#### B. Poverty Targeting

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

The project will support a reduction in child mortality and environmental quality improvements, which have been the focus of Millennium Development Goals. However, project benefits are not expected to be realized until after 2015, which is beyond the timeframe for achieving MDG goals.

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

The primary beneficiaries are communities in Dili, particularly women and children, who will benefit from improved access to safe and reliable water supply and solid waste management services. Lack of access to safe and reliable water supplies is a leading cause of infant mortality and water-borne and water-related disease in urban communities. Inadequate solid waste management contributes to public health risks. In particular, scavengers which earn their livelihoods through waste picking at the Tibar dumpsite are exposed to a number of safety and health hazards. Women will benefit from improved water supply, which will reduce the burden of collecting water from other sources such as rivers and wells, and treating it through boiling, in order to render water safe for drinking. Also, as primary caregivers, women's productivity can be expected to increase if there are reduced incidences of sickness and disease among household members as a result of improved water supply, since less time will be dedicated to caring for sick family members. Children can be expected to benefit through reduced rates of infant mortality. Also, human capital development among children can be expected to improve if reduced cases of water-borne illness result in better school attendance and improved concentration in school.

##### 2. Impact channels and expected systemic changes.

The proposed project will undertake priority water supply and solid waste management investments in order to increase service coverage, particularly among low-income households. Poor and socially excluded groups will directly benefit from the project since currently these groups are likely to be most affected by contamination of surface or groundwater resources, since they are less likely to be able to afford bottled water or fuel to boil water before consuming it. In addition, reduced disease and water-borne illness such as dysentery and diarrhea will reduce the burden of healthcare costs on households such as travel and waiting times incurred to consult healthcare professionals and spending on drugs to treat illness. The project will also support viable alternative livelihood strategies for waste pickers which currently earn a living from scavenging recyclables from the dumpsite, such as through integration into the formal solid waste management system. To ensure that low-income households are able to access basic services, pro-poor tariffs will be designed to ensure access to water supplies to meet basic household needs.

##### 3. Focus of (and resources allocated in) the PPTA or due diligence). Social and gender analysis will be

<sup>1</sup> Government of Timor-Leste. 2012. On the Road to Peace and Prosperity. Timor-Leste Strategy Summary 2011-2030. Dili.

undertaken through the PPTA to develop participation and gender mainstreaming plans. Particular attention will be given to identifying and addressing the potential constraints faced by women and low-income groups in accessing project benefits, such as affordability of service. Given significant health risks associated with waste picking at Tibar dumpsite, alternative livelihood strategies will also be investigated.

## 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?** As primary caregivers, productivity of women may be adversely affected by time taken away from productive activities such as paid employment, to collect and treat water from rivers and wells, and care for sick family members affected by water-borne diseases resulting from inadequate water supply services. Similarly, the lack of access to a safe and reliable piped water supply adversely affects girls, since the collection of water takes time away from school and study. Similarly, women and children of families who scavenge waste from the dumpsite may be exposed to hazardous conditions earning a living recovering recyclable wastes; children may be taken out of school to earn income from waste scavenging activities.

**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 Please explain.

Opportunities will be explored to engage women in project activities to promote women's empowerment. For example, the project will identify opportunities for women to work as water supply zone caretakers, and to train women involved in waste picking so that they are able to engage in better and safer livelihood activities. The project will also seek to involve women's groups in public awareness activities implemented under the project.

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

Yes  No Please explain

**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: (i) Dili communities, (ii) waste pickers at Tibar dumpsite, (iii) government agencies involved in water supply and solid waste, and (iv) private sector operators involved in the delivery of water supply and solid waste management 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?**

An initial stakeholder analysis to identify interest groups will be carried out as part of project preparatory PPTA activities. Stakeholder consultations will be carried out during all stages of project design and implementation to ensure that needs and priorities of various interest groups are reflected in project design, and supported through the delivery of project outputs.

**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?**

M Information generation and sharing  M Consultation  L Collaboration  L 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

During project design issues such as affordability of water supply and solid waste services will be explored through focus groups and surveys. Similarly, consultations through focus groups will be held with waste pickers to better determine opportunities for promoting alternative livelihood strategies.

## 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 Preliminary assessment indicates that upgrading of the Tibar dumpsite is likely to involve restrictions on the estimated 70 waste scavengers that are involved in materials recovery activities at the site. This is expected to result in economic displacement by preventing scavengers from entering the dumpsite to recover recyclable wastes. A survey and census of waste scavengers will be prepared, consultations on entitlements such as improved/restored livelihoods undertaken, and grievance redress mechanisms developed to ensure that

<p>affected persons are involved in the planning and implementation of income and livelihood restoration activities. A resettlement framework will be prepared for the project, and resettlement plans developed for each subproject.</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 checked="" 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>B. Indigenous Peoples Category</b>   <input type="checkbox"/> A   <input type="checkbox"/> B   <input checked="" 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>3. Will the project require broad community support of affected indigenous communities?   <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</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 align="center"><b>V. OTHER SOCIAL ISSUES AND RISKS</b></p> <p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> M Creating decent jobs and employment      <input checked="" type="checkbox"/> M Adhering to core labor standards      <input type="checkbox"/> Labor retrenchment</p> <p><input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS   <input type="checkbox"/> Increase in human trafficking   <input checked="" type="checkbox"/> M 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? Alternative livelihood strategies will be identified for waste pickers, pro-poor tariffs will be designed, and the bid documents will require contractors to adhere to core labor standards and carry out HIV/AIDS awareness training for workers.</p>
<p align="center"><b>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</b></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 (v) other social risks. Are the relevant specialists identified?</p> <p><input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No</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? The PPTA team includes an international social, poverty, gender and social safeguards specialist (4.0 person-months, intermittent), and national social, poverty, and gender specialist (6 person-months, full-time). The PPTA includes a budget of \$10,000 for workshops, training and consultations, and \$45,000 for surveys, including social, poverty and gender analysis.</p>