

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

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

### I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: general intervention

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

Myanmar is striving for inclusive economic growth and poverty reduction through the government's reform agenda as articulated in the Framework for Economic and Social Reform (FESR), supported by the five-year national plan for fiscal years (FYs) 2016–2020, and the long-term National Comprehensive Development Plan (2011–2031). In line with the FESR and ADB's Strategy 2020, the ADB interim country partnership strategy, 2015–2016 for Myanmar aims to support the reform agenda by focusing on (i) access and connectivity, (ii) human capital, and (iii) structural and institutional reform. The assessment, strategy, and road map for the urban development and water sectors accords high priority to water supply, drainage, sewerage, and solid waste management. The project directly supports these objectives by improving access to sustainable urban services in Mawlamyine, Hpa-An, and Myawaddy.

#### B. Results from the Poverty and Social Analysis during Project Preparation or Due Diligence

- 1. Key poverty and social issues.** Myanmar is ranked 148th of 188 countries by the 2014 Human Development Index—the lowest in Southeast Asia. Myanmar had a population of 51.4 million and an estimated per capita income of \$1,270 in FY2015; the poverty rate in 2010 was an estimated 25.6%–37.5%.<sup>a</sup> At least 70% of the poor live in rural areas. A large number of households also live near the poverty line and are likely to be sensitive to economy-wide shocks. The household survey estimated the overall poverty incidence at 53.9%, and found 13.9% of households to be marginal poor.<sup>b</sup> The main occupation was self-employment, followed by unemployed, and employed as drivers. The main ethnicity of the households was Bamar, with a substantial difference in ethnic distribution between the individual cities.<sup>c</sup> Affordable and sustained basic urban services are seriously lacking, preventing the project cities to serve as growth poles along the Greater Mekong Subregion East–West Economic Corridor. The high prevalence of waterborne diseases—such as dengue, tuberculosis, diarrhea and malaria—is one of the public health concerns that are directly related to the poor state of critical urban services. The project will address these key poverty and social issues by providing affordable and sustainable municipal services. The project will modernize urban planning and management, and increase the capacity for community consultation and engagement, which will enable better communication flow and trust between residents and the government.
- 2. Beneficiaries.** Primary beneficiaries are the project town residents. The household survey indicates that less than 20% of households are connected to the piped water supply system, of which less than half even use this source of water because supply is limited and unreliable. Over 70% buy bottled water as the main sources of drinking water, and obtain water for other purposes from deep tubewells, their neighbors, or an unofficial supply system. As for solid waste management, almost half of the respondents indicated that they do not have waste collection services. Curbside collection was the main waste collection service, but many confessed that they disposed waste elsewhere, including along the riverbanks. Over 80% of the respondents expressed the need for collection bins but preferred them to be placed away from their houses.
- 3. Impact channels.** Pro-poor and affordability measures will support the poor and vulnerable households. The project will establish affordability measures through a system of deferred payments for water connection as well as block water-use tariffs with discounted rates for those consuming less. Facilitated community engagement processes will ensure that project benefits accrue to all residents in the project areas, including the poor and the vulnerable. The project will support the Mon and Kayin states to build capacity for consultation and monitoring and evaluation (M&E), further increasing socially inclusive approaches to municipal service provision.
- 4. Other social and poverty issues.** Poverty is unavoidably interlinked with conflict in Myanmar, where continuous anti-state armed fighting predated independence in 1948. The security situation has stabilized following the ratification of a ceasefire agreement between the union government and the Mon National Liberation Army and Karen National Union in 2012, and the state is now experiencing a new period of stability and engagement between government and non-state actors. Ethnic armed organizations will be informed about and consulted on the project.
- 5. Design features.** Pro-poor design measures (e.g., subsidies and/or socialized tariffs) are included to ensure access for poor and vulnerable residents to water supply and other municipal services that the project will improve. Pro-poor livelihood support programs will be strengthened based on the needs assessment, and targeted jobs will be made available for project-affected persons such as the landfill waste pickers.

## II. PARTICIPATION AND EMPOWERING THE POOR

1. **Participatory approaches and project activities.** The project's social strategy is based on consultation, transparency, and inclusion to ensure that project benefits accrue to inhabitants of project towns regardless of gender, economic means, or social status. All stakeholders will be assured of two-way communication between the government through the implementation of the stakeholder participation plan and a communication strategy. The citizens will be engaged in the consultation process throughout the project to ensure sustainability of investments.

2. **Civil society organizations.** Civil society organizations (CSOs) are major stakeholder of the project and will act as facilitators for consultations between Mon and Kayin state government staff and the communities.

3. The following forms of CSO participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):

Information gathering and sharing     Consultation     Collaboration     Partnership

4. Participation plan.

Yes.     No. – Key features include building community engagement and M&E capacity among beneficiaries, the government, and CSOs and nongovernment organizations.

## III. GENDER AND DEVELOPMENT

Gender mainstreaming category: effective gender mainstreaming

### A. Key issues

Extensive consultation and gender analysis took place, since women are the primary users and beneficiaries of urban services that influence family health. Focus group discussions highlighted social and cultural attitudes that hindered women's higher level of participation in public roles in government and community affairs. The household survey showed that over 85% of the caregivers who tend to sick household members are women. Focus group discussions with female household heads revealed the need for an affordability mechanism for those unable to pay a connection fee. The adult women are mainly responsible for dumping solid waste and for paying the garbage collectors. The majority of waste pickers are female, and recyclables are an important source of income. The lack of reliable and sex-disaggregated data is a challenge.

### B. Key actions

The project design features are based on the recognition of women's roles in water and solid waste management. Gender-sensitive awareness-raising and public consultation programs will increase their voices in making decisions that may affect their neighborhood's urban services. Capacity building programs tailored to female participants will be provided, including community management and solid waste management training. Gender training will also instill gender awareness in state governments, project management offices (PMOs), and the project implementation unit (PIU). Sex-disaggregated performance indicators will be prepared for all capacity building activities. Advantageous connection fees and lifeline tariffs will be put in place for poor and low-income households, including households headed by women. At least 75% of waste pickers will continue to be women in the new facility.

Gender action plan     Other actions or measures     No action or measure

The gender equity and social inclusion action plan (GESIAP) focuses on inclusion of women in project activities as owners or operators of businesses, female staff of state governments, female staff of CSOs and nongovernment organizations, women in communities, and solid-waste workers. A national social and gender development specialist will provide training on gender awareness and on GESIAP implementation, monitoring, and reporting.

## IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

### A. Involuntary Resettlement

Safeguard Category:  A     B     C     FI

1. **Key impacts.** Most of the land to be acquired for the project is owned by either the state or the union government, so impacts are expected to be limited to direct land acquisition. Most impacts arise from economic displacement—46 households will be fully displaced when landfill sites are closed. Temporary impacts are also anticipated when the new water pipe system will be installed.

2. **Strategy to address the impacts.** Resettlement plans were prepared for both Kayin State and Mon State, which address the issues of compensation for land to be acquired, donated, and allocated by the government. The plans also outline livelihood income restoration measures such as alternative sources of livelihood or training for staff to be retained by the upgraded waste management facilities, which were discussed in detail with affected households. Special measures shall be implemented for ethnic minorities and vulnerable households to ensure that their incomes are restored and that they are able to benefit equitably from the project. The resettlement plans also ensure access to the grievance redress mechanism and accountability mechanism.

3. Plan or other Actions.

Resettlement plan     Combined resettlement and indigenous peoples plan  
 Resettlement framework     Combined resettlement framework and indigenous peoples planning framework  
 Environmental and social management system arrangement     Social impact matrix  
 No action

<b>B. Indigenous Peoples</b>		<b>Safeguard Category:</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI	
<b>1. Key impacts.</b> Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<p>The main ethnicity of the households surveyed in the overall project area was 55.2% Barmar, with a substantial difference in ethnic distribution between the individual townships. In Mawlamyine, 63.9% were Barmar, followed by 15.0% Mon and 13.3% Indian. In Hpa-An, 48.0% were Kayin, followed by 34.7% Barmar. In Myawaddy, 57.2% were Barmar, followed by 15.6% Kayin and 15.6% Mon. However, no specific communities of ethnic minorities or groups live separately in the urban area. As the project will benefit all residents in the project area equally, it is not expected that it will cause any adverse impact on indigenous peoples.</p>			
<b>2. Plan or other actions.</b>			
<input type="checkbox"/> Indigenous peoples plan		<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan	
<input type="checkbox"/> Indigenous peoples planning framework		<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework	
<input type="checkbox"/> Environmental and social management system arrangement		<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary	
<input type="checkbox"/> Social impact matrix			
<input checked="" type="checkbox"/> No action			
<b>V. ADDRESSING OTHER SOCIAL RISKS</b>			
<b>A. Risks in the Labor Market</b>			
<b>1. Relevance of the project for the country's or region's or sector's labor market</b>			
<input checked="" type="checkbox"/> unemployment <input checked="" type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input type="checkbox"/> core labor standards			
<b>2. Labor market impact.</b> Pro-poor livelihood support programs such as recycling will be strengthened and targeted jobs (e.g., waste pickers) made available to vulnerable residents, including women and the poor. By conserving its heritage buildings, Mawlamyine can potentially become a tourist attraction site that can create sustainable employment directly (as guides and historians) and indirectly (income generated in hotels, restaurants, and travel-related businesses). An incidence of child labor was noted at the landfill sites. The project will ensure that core labor standards and applicable national labor laws will be complied with when hiring skilled and unskilled workers during construction and operation of the new solid waste management centers. Monitoring of child labor procedures will be made a part of regular project monitoring. Alternative sources of livelihood for the affected households or training for staff to be retained by upgraded waste management facilities form part of the project design.			
<b>B. Affordability</b>			
<p>Surveys and focus group findings indicate affordability issues associated with water supply connection and consumption costs. The project will explore deferred payment options for connection and lifeline water supply tariffs based on actual water consumption to assist poor and vulnerable households in accessing project benefits.</p>			
<b>C. Communicable Diseases and Other Social Risks</b>			
<b>1. The impact of the following risks are rated</b> <input checked="" type="checkbox"/> Communicable diseases <input type="checkbox"/> Human trafficking			
<b>2. Risks to people in project area.</b> HIV/AIDS mitigation measures are in place through other projects, initiatives, and national strategies. While human trafficking is a serious issue in border areas, the project cities themselves report very little human trafficking because the large number of economic migrants from these cities find work through established personal networks. The civil works will be performed by local companies and are therefore unlikely to contribute to human trafficking.			
<b>VI. MONITORING AND EVALUATION</b>			
<b>1. Targets and indicators.</b> The design and monitoring framework, GESIAP, and consultation and participation plan provide the key targets and indicators.			
<b>2. Required human resources.</b> The PMOs will be responsible for monitoring the GESIAP and the consultation and participation plan, as per summary poverty reduction and social strategy and the project administration manual.			
<b>3. Information in the project administration manual.</b> Framework for inclusion of the poor and vulnerable, terms of reference for consultants, GESIAP, and consultation and participation plan.			
<b>4. Monitoring tools.</b> At project inception, the PMOs will develop comprehensive mechanisms based on the project performance management system to systematically generate gender-disaggregated data on inputs and outputs of the project activities, and the socioeconomic, health, and environmental indicators to measure project impacts.			

<sup>a</sup> The lower rate reflects the government's methodology and the higher rate reflects a more broad-based methodology used by the World Bank.

<sup>b</sup> Based on the generally accepted income of \$1.25/capita/day, with the cut-off value for poverty at MK48,000/capita/month, and a further cut-off of MK50,000/capita/month for the marginal poor.

<sup>c</sup> In Mawlamyine, 63.9% were Barmar, followed by 15.0% Mon and 13.3% Indian. In Hpa-An, 48.0% were Kayin, followed by 34.7% Barmar. In Myawaddy, 57.2% were Barmar, followed by 15.6% Kayin and 15.6% Mon.

Source: Asian Development Bank.