

# Resettlement Due Diligence Report

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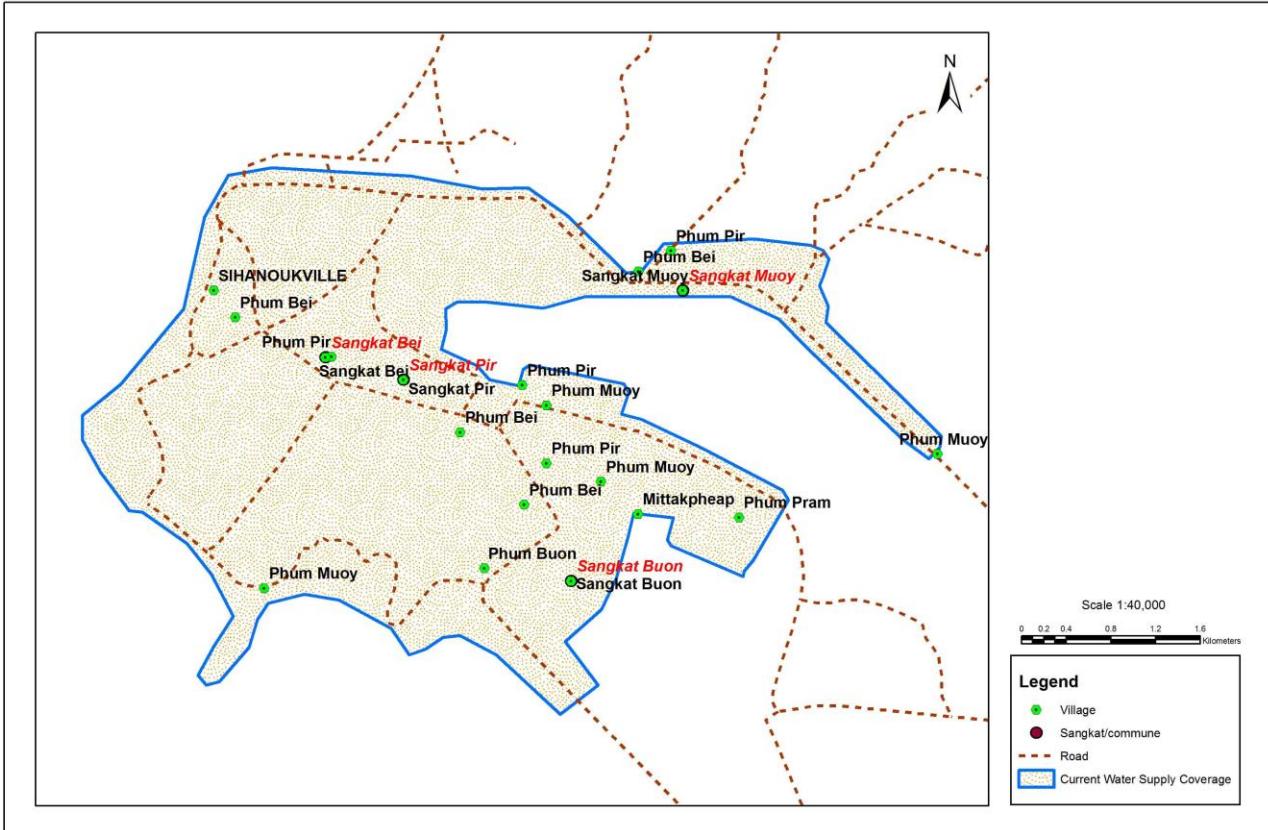
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## CAM: Urban Water Supply Project – Sihanoukville Subproject

Prepared by the Ministry of Industry and Handicraft for the Asian Development Bank.

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CURRENT AND PROPOSED WATER SUPPLY COVERAGE OF SIHANOUKVILLE PROVINCE



## ACRONYMS AND ABBREVIATIONS

ADB	- Asian Development Bank
DPWS	- Department of Potable Water Supply
EA	- Executing Agency
EDC	- <i>Electricité du Cambodge</i>
EM	- Ethnic Minority
IP	- Indigenous People
mm	- millimeter
para	- paragraph
PIACs	- Project Implementation Assistance Consultants
PIU	- Project Implementation Unit
PMU	- Project Management Unit
Project	- Urban Water Supply and Sanitation Project
PSMO	- PMU Safeguards Management Officer
RGC	- Royal Government of Cambodia
UWSP	- Urban Water Supply Project
WTP	- Water Treatment Plant

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## I. INTRODUCTION

### A. Overview

1. The Urban Water Supply Project (UWSP, or the Project) in Preah Sihanouk Province is among the nine (9) subprojects being proposed for the improvement and expansion of urban water supply services in selected provincial towns<sup>1</sup> in Cambodia. Located in Sihanoukville, the water supply system was commissioned in 1958 when the country was still a colony of France. Improvement of the water distribution system in 1994 benefitted some 15% of the population, courtesy of the joint assistance from the World Bank (WB) and the United Nations Development Programme (UNDP). Between 1998 and 2003, the WB rehabilitated and expanded the Waterworks in Sihanoukville through its second project in Cambodia.

2. The Waterworks operates in two locations. Its administration office is in Sangkat 3 and occupies some 400 m<sup>2</sup> in Village 3. Behind the administration office is the 18 – ha. Reservoir, which is the source of raw water and is fed to the water treatment plant (WTP) through three (3) water pumps (see photo below). Having a depth of at least 3.0 m, the reservoir serves as the catchment basin of rainwaters. The WTP is established in a hilly area in Sangkat 1, which is 3.0 km away from the administration office and occupies a total area of 1.5 ha in Village 1. It is surrounded by a concrete fence and steel gate, suggesting the facility is fully secured.



*The PPTA Safeguards Consultants, with the Deputy Director of Waterworks, while visiting the intake pumps at the back of the water system's administration building. The pumps feed the raw water from the 18.0 – ha reservoir which is seen at the background.*

### B. Current Status

3. The Waterworks operates 24 hours daily. Its WTP was designed for 8,000 m<sup>3</sup> per day but current production (5,000 m<sup>3</sup> per day) falls short of meeting the designed capacity. There is a shortage of water in the reservoir, which is drying up.

<sup>1</sup> The other provincial towns are Kampong Cham, Kampot, Pursat, Kampong Thom, Siem Reap, Stoung, Svay Rieng and Stung Treng.

4. Sihanoukville is a coastal area in the south of the country and is subdivided into four (4) communes and 24 villages. Its economy is centered on the port built in the 1950s, oil container port and cargo facilities, as well as a growing beach tourism industry. These attributes push the development of other industries such as fishing, aquaculture, agriculture, factories and real estate, among others. As of 2013, the city has an approximate population of 71,000. There are 14,200 households, 69% of which are connected to the water system. The local beer manufacturing company is the single biggest water consumer, taking up 50% of the daily production of the water system.

### C. Rationale for Due Diligence

5. A short feasibility study has been prepared for Sihanoukville UWSSP, with six (6) infrastructure components provided mainly for mechanical improvement of the Waterworks. The components were validated on 15 August 2013 and the sub-project's potential social and land acquisition impacts were studied. Findings confirmed that the sub project will not have any land acquisition and resettlement including Indigenous people impacts in accordance to ADB's SPS and hence the policy is not triggered.

## II. PROPOSED SUBPROJECT INVESTMENT

6. The key issues to be addressed by the Project in Sihanoukville include the need to: (i) increase the efficiency of the water system; (ii) improve the grit chamber with dry and wet season Watergates; (iii) provide more storage for security of supply; and, (iv) simplify operation and maintenance. To address these issues, the six (6) infrastructure components<sup>2</sup> to be provided under UWSSP are as follows:

- (a) Rehabilitation of filters with introduction of mixed air/water stage.
- (b) Additional clear water storage with 500 m<sup>3</sup> capacity with necessary slope protection.
- (c) Installation of raw water flow meter.
- (d) Improvement of water control panel for raw water pump security.
- (e) Replacement of intake pump gate valve (200 mm diameter).
- (f) Rerouting of aluminum dosing pipe with ABS pipe.

## III. APPROACH TO DUE DILIGENCE

7. Social safeguards due diligence for all UWSP subprojects were initiated with the review of: (i) previous studies provided by the Department of Potable Water Supply (DPWS); (ii) the March (2013) Progress Report; (iii) the report on findings by the team of international and local consultants<sup>3</sup> in-charge of water supply; and, (iv) the Inception Report<sup>4</sup> prepared jointly by the international and local consultants of the PPTA. Chapter 3 of the Inception Report referred to relevant information on the subprojects, such as: (i) their current status, subproject priorities agreed between the Executing Agency (EA) and ADB, review of Japan International Cooperation Agency (JICA)'s current projects and future project funding relevant to water services, and site visits and initial public consultation; (ii) sector analysis; (iii) environmental and social safeguards screening; and, (iv) subproject prioritization. The international and local social safeguards specialists requested the Waterworks office to provide guidance on the location of the proposed

<sup>2</sup> The list of proposed infrastructure is based on Version 14 prepared by the PPTA Consultants.

<sup>3</sup> This report was prepared by Messrs. Andrew Henricksen (Senior Water Supply Engineer) and Tang Sochettra (Water Supply Engineer) who visited the subproject sites on 22 April – 2 May 2013.

<sup>4</sup> This refers to the May 2013 final version of the Inception Report.

infrastructure components. The field validation in Sihanoukville was conducted on 15 August 2013 and photographs were taken as part of the documentation for the due diligence report.

#### IV. FINDINGS OF THE DUE DILIGENCE

8. All the previously enumerated subproject components (see Para. 6), all of which involve mechanical improvements, shall be done inside the WTP compound in Village 1. While the additional water storage of 500 m<sup>3</sup> will require space, its construction shall be done beside the filter tank. Excavation of land shall be undertaken and the excavated soil materials shall be used in filling the slope. The WTP compound has sufficient space to carry out the proposed activities and will not cause any adverse social impacts. As the subproject has no land acquisition and resettlement impacts, nor impacts on any ethnic minorities or indigenous peoples, preparation of a LARP or IPDP/EMDP is not required.

9. If any unanticipated social impacts become apparent during project implementation, (i) the EA will assess the significance of such impacts, (ii) evaluate the options available to address them; (iii) prepare the documents in accordance with ADB's SPS.



*At left side is rolling portion of the land in the WTP where the proposed additional 500 m<sup>3</sup> water storage shall be constructed under the Project.*

#### V. PROJECT DISCLOSURE AND CONSULTATION

10. Joint subproject disclosure and public consultation was not held during the field validation since all the infrastructure components, all of which are mechanical improvements, shall be inside the WTP compound.

#### VI. IMPLEMENTATION ARRANGEMENTS

##### A. Institutional Arrangement

11. The DPWS under the Ministry of Industry and Handicrafts (MIH) is the Project EA. It will establish the Project Management Unit (PMU) to assume overall management and supervision

functions of UWSSP. The PMU will hire the services of the Project Implementation Assistance Consultants (PIACs) in accordance with RGC's *Standard Operating Procedures* (updated May 2012). The PMU will be supported by staff from MIME and will include one (1) PMU Safeguards Management Officer<sup>5</sup> (PSMO) who will be assigned on a full time basis to monitor social safeguards compliance through his/her provincial counterpart. At the subproject level, the management of Sihanoukville Waterworks will establish the Project Implementation Unit (PIU), which will work closely with the PMU on social safeguards issues and monitoring. One of the PIU personnel will be appointed as counterpart of the PSMO. The PMU, with assistance from PIACs, will prepare and submit quarterly Project progress reports to the EA and ADB. Said progress reports will include discussions on social safeguards monitoring activities and findings as necessary.

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<sup>5</sup> The PSMO will cover both Environmental and Social Safeguards for the Project.