

Resettlement Due Diligence Report

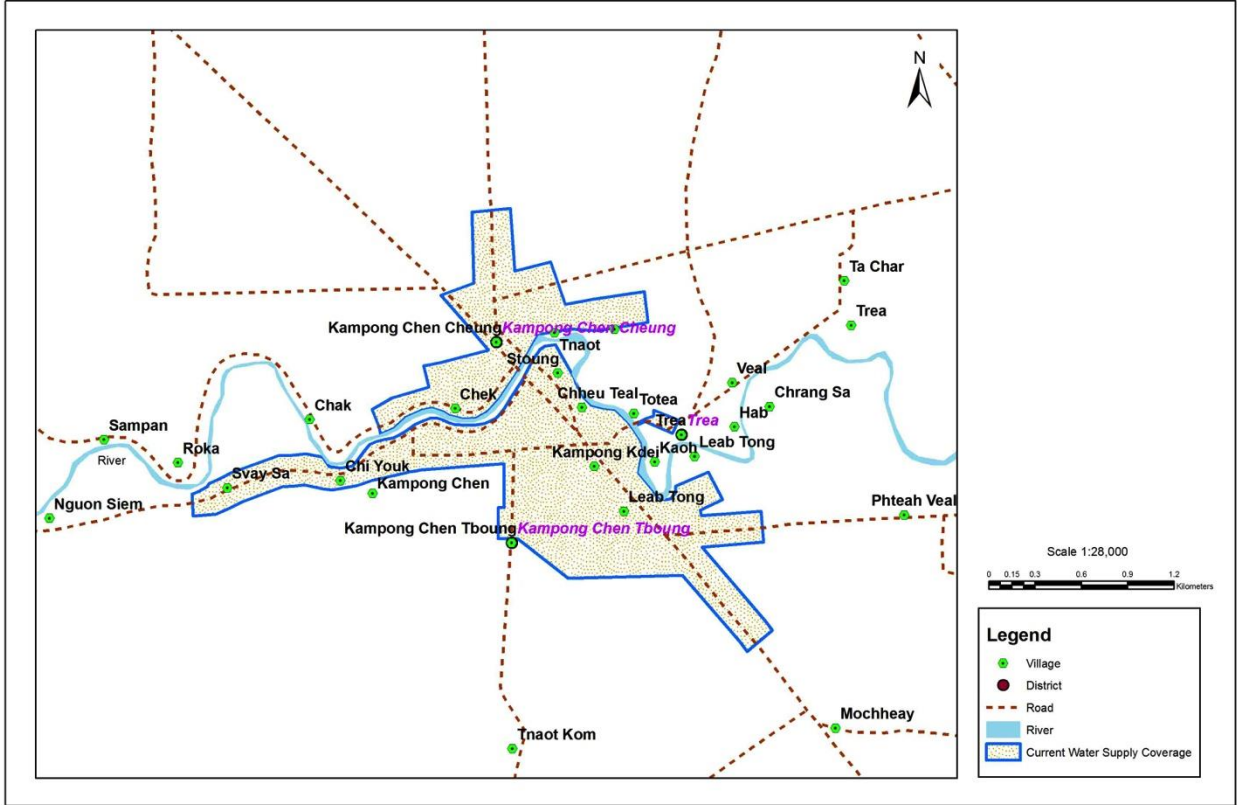
September 2014

CAM: Urban Water Supply Project – Stoung 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 STOUNG



ACRONYMS AND ABBREVIATIONS

ADB	-	Asian Development Bank
APs	-	Affected Persons
DPWS	-	Department of Potable Water Supply
EA	-	Executing Agency
HDPE	-	High-density polyethylene
JICA	-	Japan International Cooperation Agency
para	-	Paragraph
PIACs	-	Project Implementation Assistance Consultants
PIB	-	Project Information Brochure
PIU	-	Project Implementation Unit
PMU	-	Project Management Unit
Project	-	Urban Water Supply Project
PSMO	-	PMU Safeguards Management Officer
RGC	-	Royal Government of Cambodia
ROW	-	Right-of-Way
UWSP	-	Urban Water Supply Project

TABLE OF CONTENTS

	Page
ACCRONYMS AND ABBREVIATIONS	
I. INTRODUCTION.....	1
A. Overview	1
B. Current Status.....	1
C. Rationale for Due Diligence.....	1
II. PROPOSED SUBPROJECT INVESTMENT.....	2
III. APPROACH TO DUE DILIGENCE.....	2
IV. FINDINGS OF THE DUE DILIGENCE.....	3
V. PROJECT DISCLOSURE AND CONSULTATION.	4
VI. IMPLEMENTATION ARRANGEMENT.....	4

I. INTRODUCTION

A. Overview

1. The Urban Water Supply Project (UWSP, or the Project) in Stoung District, in Kampong Thom Province, is among the nine (9) subprojects being proposed for the improvement and expansion of urban water supply services of public waterworks in selected provincial towns in Cambodia¹. Such improvement and expansion will be under the Urban Water Supply Project (UWSP, or the Project), with the MIH, as the Executing Agency (EA). Financing of the Project shall be provided through a project loan from ADB.

B. Current Status

2. The Stoung Waterworks occupies a total area of 3,798 m² in Stoung District, Kampong Thom Province. It is built on a lot with irregular shape and serves 4-5 communes with 7,224 total households (population of 37,714 persons). However, only 1,810 households, or 25.0% of the total, are connected to the water distribution system. Built in 2003, the Waterworks produces an average of 900 m³ per day through a 24-hour operation. This is lower than the designed capacity of 1,300 m³ per day. It appears that the current facility does not function as a water treatment plant because the hydraulic is not functionally designed and is built on ground with little space for improvement.

C. Rationale for Due Diligence

3. A short feasibility study for the subproject in Stoung has been prepared. Each component was carefully reviewed in terms of its Involuntary Resettlement (IR) and Indigenous Peoples' (IP) impacts. Due Diligence activities, including field validation, confirmed that the Stoung subproject does not trigger the involuntary resettlement (IR) safeguard as all the infrastructure components shall be undertaken in the existing waterworks compound;

4. No impacts on ethnic minorities or Indigenous Peoples was confirmed during the PPTA. Thus, the subproject does not require preparation of an Indigenous Peoples Development Plan, as it does not trigger ADB's Indigenous Peoples safeguard.

II. PROPOSED SUBPROJECT INVESTMENT

5. Investment in the Stoung waterworks is aimed at improving operations and increasing its efficiency. The following infrastructure components are proposed for this purpose:

- (i) Removal of seed tank extension built in 2008.
- (ii) Demolition of generator building and construction of a new one near the car park.
- (iii) Construction of new Water Treatment Plant (WTP) between the current WTP and the office.
- (iv) Demolition of 2003 WTP and construction of a second WTP in its place after completion of i, ii and iii.
- (v) Gate valve for backwash line
- (vi) Laboratory equipment

¹ The other provincial towns are Kampong Thom, Kampot, Sihanoukville, Pursat, Siem Reap, Kampong Cham, Svay Rieng, and Stung Treng.

III. APPROACH TO DUE DILIGENCE

6. A short feasibility study has been prepared for the Stoung UWSP subproject. The first due diligence activity involved the review of (i) documents obtained from the Department of Potable Water Supply (DPWS); and, (ii) PPTA progress reports and inception report. Chapter 3 of the Inception Report² contained relevant information on the subproject, such as: (i) current status, subproject priorities agreed between the Executing Agency (EA) and ADB, review of Japan International Cooperation Agency's (JICA) current projects and future project funding relevant to water services, site visits and initial public consultation; (ii) sector analysis; (iii) environmental and social safeguards screening; and, (iv) subproject prioritization. The review also referred to the March 2013 Progress Report and the Site Visit Report (22nd April – 2nd May 2013) prepared by the PPTA Water Engineering Consultants.

7. In the list of the proposed investments in Stoung UWSSP, each component was verified with the PPTA Consultants in-charge of water supply as to their locations and space requirements. PPTA Safeguards Consultants³ confirmed this information with the Waterworks management on 6 June 2013. Information obtained from field validation was recorded in Project Information Sheet.

IV. FINDINGS OF THE DUE DILIGENCE

8. It has been validated in the field that the subproject does not trigger ADB's Involuntary Resettlement and Indigenous Peoples safeguards. All the infrastructure components shall be undertaken in the existing waterworks compound. No other impacts (temporary or otherwise) were identified during preparation of report. 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.

9. A public meeting will be scheduled during project implementation to sustain peoples' awareness of the subproject. The orientation will be conducted by the Project Management Unit (PMU).

V. IMPLEMENTATION ARRANGEMENT

A. Institutional Arrangement

10. The Department of Potable Water Supply (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 UWSP. 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 MIH and will include one (1) PMU Safeguards Management Officer⁴ (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 Stoung Waterworks will establish the Project Implementation Unit (PIU) to 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 submit quarterly Project progress reports to the EA and ADB. Said progress reports will include discussions on social safeguards monitoring activities and findings.

² This refers to the final version of 20 May 2013.

³ The team is composed of Safeguards Specialist, namely: Dr. Timothy Whittington, Angelito N. Corpuz, Mel Sophanna and Sour Chheang You.

⁴ The PSMO will cover both Environmental and Social Safeguards for the Project.