

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Cambodia	Project Title:	Second Road Asset Management Project
Lending/Financing Modality:	Project loan	Department/Division:	Southeast Asia Department/Transport and Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The government's poverty reduction strategy for growth for 2013–2018 (the Rectangular Strategy for Growth, Employment, Equity, and Efficiency, Phase III) emphasizes the need for development of physical infrastructure with other three core areas (agriculture sector promotion, private sector development and employment, and capacity building and human resource development).

Meanwhile the overarching objective of ADB's current Country Partnership Strategy 2014–2018 for Cambodia is poverty reduction, in line with the Government's socioeconomic development priorities. The strategy focuses on two strategic objectives: (i) inclusive economic growth through provision of physical infrastructure, as well as interventions in other development activities such as vocational training, agriculture, and financial sector development; and (ii) social development and equity. Rehabilitating and enhancing the climate resilience of the rural roads under the project will improve the rural poor's access to markets and social services, and is a core means of promoting inclusive economic growth and reducing poverty, as well as enhancing social development and equity.

The strategy includes the proposed project as one key intervention for preserving the road assets of national and provincial roads.

B. Targeting Classification

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

The project has an indirect impact on poverty alleviation through improved conditions for travel and transport.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The main project beneficiaries are rural based communities and road users along five segments of national roads of Cambodia. The incidence of poverty in Cambodia (based on the national poverty line), is estimated at 35%, of which more than 90% live in the rural areas. Cambodia's poverty is rooted in its large agricultural sector, which has low productivity and low growth, but provides livelihood to the vast majority of the country's population. Living in rural areas, the poor tend to have low levels of education and limited access to land and other productive assets.

2. Impact channels and expected systemic changes.

Improving the estimated 515 kilometers of rural roads will improve access to markets and employment opportunities, as well as goods and services. Improved road conditions would reduce travel time and vehicle operating costs, both of which would reduce transportation costs. Reduced transportation costs in turn are expected to contribute to reduced prices for goods and services in the project areas. Reduced input costs for agriculture and improved access to markets for farm produce are expected to have a positive impact on farming incomes. Project construction will prioritize employment of locally sourced labor, including a target of 20% women for unskilled labor.

3. Focus of (and resources allocated in) the PPTA or due diligence.

A Poverty and Social Assessment (PSA) will prepare a socio-economic baseline and analyze the incidence and causes of poverty in the project areas. The PSA will also assess negative impacts and propose necessary mitigation measures, as well as analyze positive impacts and means of maximizing pro-poor features in the project design. Project risks are to include increased risk of HIV/STI transmission, human trafficking, and road accidents along with other risks identified through the PSA. Positive impacts and opportunities include improve access and mobility, as well as project related employment. The gender analysis will explore gender-related risks; opportunities and required conditions will be set out in a Gender Action Plan (GAP) and gender strategy based on results of a gender analysis. Other social issues to be addressed include guarantees for adherence to core labor standards, and ensuring meaningful participation through the preparation of a communications and participation plan.

4. Specific analysis for policy-based lending.

Not applicable.

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?

The needs of women as road users often vary considerably to those of men. Women typically are responsible for transporting their children to school and social services such as primary health care. Women are also dependent on reliable road transport to access for reproductive and maternal health services. In many rural communities, women play an essential role in contributing to household incomes through marketing of their households farm produce, as well as participating in informal sector livelihoods such as small businesses, casual labor – all of which are affected significantly by the quality of the road transportation. Improved road transportation is, therefore, likely to significantly contribute to women's health, improved capacity to contribute to household incomes, and reduction in time burden in managing both livelihood and reproductive (i.e. household maintenance) roles.

During project implementation, women face specific risks and are likely to have a keener interest in various aspects of the project which need to be addressed in project design and implementation. Women in host communities are, in some respects, more vulnerable to HIV infection due to greater physiological susceptibility, as well as the need to ensure their partners do not engage in risky sexual practices. Women are likely to have a greater interest in road safety as their roles of primary caregivers of their children. The project also provides for short- to medium-term benefits during the implementation phase, including potential opportunities for project-related work, participation in livelihood improvement programs, and enhanced roles within the community by consultation and participation.

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

Improved road transportation will enhance improved access to services and livelihood opportunities, as well as potentially reduce their time burden. The project implementation will also set targets for women's participation in project-related work opportunities and implementation of community-based road safety programs which will be reflected in GAP targets.

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

Yes No

Risks on women's interests will be carefully assessed during the PPTA stage and addressed through GAP and other relevant Social Action Plans.

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.

Main stakeholders include communities through which the roads traverse and road users in the project areas. Project stakeholders will participate in the consultations during the PSA and Gender Analysis which will, in turn, inform the design of project components such as the road safety component, as well as the HIV and Human Trafficking Mitigation Program.

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?

A communications and participation plan will be prepared setting out information disclosure and consultation requirements throughout various stages of the project's implementation. Modes of project communication will include public meetings and focus group discussions. In addition to this, some project components (such as road safety) will be community-based, providing opportunities for participation and management of local communities in activities which directly affect them. A grievance redress mechanism (GRM) will also be established for the project. Lower levels of the project GRM will be located at the local administrative levels. Collaboration with existing community-based organizations, such as religious institutions, mass organizations, and local government service providers (e.g. schools and health services) will also be incorporated in various components involving outreach or community mobilization.

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 **M** Consultation **H** Collaboration **N** 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

Local communities will be consulted on the design of community-based programs, as well as mitigation measures of

anticipated social impacts. These consultations will be inclusive. Community-based programs will include participation of women, as well as marginalized-groups.

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

No involuntary resettlement impacts are expected as all works will be confined to existing road pavement surface widths.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?

- Resettlement plan Resettlement framework Social impact matrix
 Environmental and social management system arrangement None

B. Indigenous Peoples Category A B C FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? Yes No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? Yes No

No.

3. Will the project require broad community support of affected indigenous communities? Yes No

The project will improve existing roads. No indigenous peoples are expected to be adversely affected.

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

- Indigenous peoples plan Indigenous peoples planning framework Social impact matrix
 Environmental and social management system arrangement None

V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

- Creating decent jobs and employment Adhering to core labor standards(H) Labor retrenchment
 Spread of communicable diseases, including HIV/AIDS (M) Increase in human trafficking Affordability
 Increase in unplanned migration(L) Increase in vulnerability to natural disasters Creating political instability
 Creating internal social conflicts Others, please specify _____

2. How are these additional social issues and risks going to be addressed in the project design?

An HIV and Human Trafficking Awareness and Prevention Program will be prepared. Requirements for core labor standards will be stipulated in bidding documents and civil works contracts.

VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

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?

- Yes No

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 project design consultants will have qualified international and national experts to carry out social impact assessment, gender analysis and communication strategy. Budget will be allocated for social surveys, consultation, and disclosure activities.