

**SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY**

Country:	Cambodia	Project Title:	Rural Roads Improvement Project III
Lending/Financing Modality:	Project loan	Department/Division:	Southeast Asia Department/ Transport and Communications 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**

The proposed project seeks to improve rural roads to paved condition. It will contribute to poverty reduction by expanding access for rural–urban community residents, including the poor, to basic services, and by promoting economic development through better access to markets and employment for local people during project implementation. The project is aligned with three key Asian Development Bank (ADB) approaches: (i) Strategy 2020, which identifies inclusive growth as a priority for helping the poor in developing member countries get connected to markets, and increase access to basic productive assets; (ii) its country operations business plan, 2018–2020 for Cambodia, and (iii) the country partnership strategy, 2014–2018, which builds on two strategic pillars (deepened rural–urban links, and targeted human and social development) and support to the poverty reduction goal in the country.

The project is also in line with the Government of Cambodia’s National Strategic Development Plan for 2014–2018, which has four overarching objectives (growth, employment, equity, and efficiency). The mission of the Government of Cambodia is “to be free from poverty by the end of the first decade of the 21st century”, through sustainable development and poverty reduction. The government’s goal is to graduate from a low-income country to lower middle-income status and become an upper middle-income country by 2030.<sup>a</sup> Expanding rural–urban–regional connectivity is an integrated approach to developing the areas where most poor people live. This pillar supports higher agricultural productivity and commercialization, aims to build rural and urban infrastructure, and supports trade and transport facilitation.<sup>b</sup>

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

- 1. Key poverty and social issues.** The poverty incidence in Cambodia based on the national poverty line is estimated at 35.0% of the population, of which over 80.0% lives in rural areas. In rural areas, the daily per capita poverty line is \$0.84 and the monthly equivalent is \$25.69, which translates into a poverty rate of 24.6%, while the urban poverty rate at the national level is 19.3% (2009). In the project area in 2015, the share of poor households was 20.8% levels. The poverty situation in the country is rooted in its large agriculture sector, which suffers from low productivity and low growth but provides a livelihood to the majority of the country’s population.
- 2. Beneficiaries.** The project will directly benefit 156,156 families or 684,400 people (of which about 348,480 or 51.0% are female). The project area includes about 24,000 households headed by women (15.0% of all households), which will also benefit from the project.
- 3. Impact channels.** The project will directly contribute to poverty reduction by (i) improving about 360 kilometers of rural roads to paved condition, (ii) providing poor rural provinces with a climate-resilient, safer, and cost-effective rural road network with all-year access to markets, farms, health services, schools, and other social services; (iii) establishing a rural road maintenance regime in the Ministry of Rural Development (MRD); and (iv) implementing a community-based road safety program and an HIV/AIDS and human trafficking prevention program (HHTPP).
- 4. Other social and poverty issues.** The provision of better rural roads will help Cambodia achieve economic productivity and will provide local people and communities with easier access to basic services. During road construction and maintenance, jobs will be generated that could provide local people (including women, poor people and indigenous peoples) with an opportunity to work and earn income and improve their households’ socioeconomic condition. However, greater connectivity can also have unintended consequences, such as an increased risk of HIV/AIDS transmission, human trafficking, and road crashes. These risks will be managed through appropriate social mitigation measures. The project is designed not to produce land acquisition and resettlement impacts because it will utilize existing rights-of-way.
- 5. Design features.** The project design directly responds to issues raised by the poverty and social assessment. Key design features include: (i) setting employment targets for local people (including women, poor, and indigenous peoples) for unskilled labor during project construction and maintenance; (ii) strengthening public participation and consultation in decision-making related to project outputs; (iii) targeting women, poor, and indigenous peoples for unskilled jobs in civil works; (iv) providing skills training and/or capacity building relevant to labor-based civil works and livelihood skills training for local people, including women, poor, and indigenous peoples; and (v) raising awareness of local communities and construction workers on road safety, core labor standards, and the HHTPP. The labor and gender action plan (LGAP) outline actions to ensure mitigation of adverse impacts and to maximize benefits and positive impacts.

<b>II. PARTICIPATION AND EMPOWERING THE POOR</b>	
<p>1. <b>Participatory approaches and project activities.</b> Over 50 consultations were conducted from October to December 2017 by the social, environment, and resettlement specialists, and by the Social and Environment Office (SEO), participated by 1,771 including 776 females (44.0%), and 52 indigenous peoples (50% women) in one village (Veal Sabou in Themei commune in Kratie province). MRD conducted a baseline socioeconomic survey of 1,219 individuals or households (including 44.4% women) about their perception of the project and how they might benefit from the project, and their concerns and recommendations.</p> <p>2. <b>Civil society organizations.</b> Collaboration with the local government units; provincial, district, and commune or village leaders; women and gender focal persons; community-based organizations such as farmers' and women's associations; and indigenous peoples took place during project preparation. More consultations with various stakeholders will follow during the detailed project design and implementation.</p> <p>3. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):  <input checked="" type="checkbox"/> (H) Information gathering and sharing    <input checked="" type="checkbox"/> (H) Consultation    <input checked="" type="checkbox"/> (M) Collaboration    <input type="checkbox"/> Partnership</p> <p>4. <b>Participation plan.</b> The plan outlines the participation of local residents, affected households (if any), women, indigenous peoples (Kuy), village or commune leaders, farmers, shop owners, nongovernment organizations, community-based organizations, students and teachers during the design and implementation of the project.  <input checked="" type="checkbox"/> Yes</p>	
<b>III. GENDER AND DEVELOPMENT</b>	
Gender mainstreaming category: <span style="float: right;">effective gender mainstreaming</span>	
<p><b>A. Key issues.</b> Women named the following key concerns during project preparation: (i) need to improve roads because it is difficult to access services and markets during the wet season; (ii) inconvenient and lengthy travel to work, health centers, markets, farm, pagodas or churches, or when taking young children to and from school; (iii) dust from the roads resulting in respiratory illnesses and worsening chronic conditions such as asthma for children, the sick, and elderly people; (iv) high number of children dropping out of lower and secondary education in order to work; (v) an increasing number of local people, including women, migrating to other provinces and to neighboring countries in search of better jobs and higher wages than those available in their native rural areas; and (vi) women carrying the double burden of performing traditional household chores—including taking care of children and sick and elderly household members—and working in farming and other economic activities.</p> <p>Women also raised concerns that road construction activities might (i) affect some trees, fences, and shops; (ii) jeopardize school children's safety (even after road construction); (iii) cause impacts such as noise, dust, and traffic disturbance; and (iv) result in contractors' noncompliance with core labor standards, including discrimination of women when hiring workers.</p>	
<p><b>B. Key actions.</b>  <input checked="" type="checkbox"/> Gender action plan    <input type="checkbox"/> Other actions or measures    <input type="checkbox"/> No action or measure</p> <p>The improvement of roads will (i) provide the people, including women and children, with better access to social services and facilities; (ii) will shorten their travel times and free up some time for more productive activities; and (iii) increase their level of knowledge and skills in civil works, road safety, and HIV/AIDS and human trafficking prevention. Women will also have the opportunity to work and earn income to augment their household income. Women are willing to be employed in civil works outside the planting and harvest seasons. ADB prepared an LGAP which includes gender actions and targets to promote women's voice and active participation in project activities. These include: (i) contractors hire women for at least 25% of the required unskilled labor days, (ii) the number of SEO staff increases by 4 (50% women), (iii) 40% of community residents (50% women) report better knowledge and understanding of road safety, (iv) 40% of community residents (50% women) and all contractors' personnel report better awareness and understanding of the HHTPP, (v) SEO staff trained on undertaking socioeconomic surveys, and (vi) sex-disaggregated baseline socioeconomic database established.</p>	
<b>IV. ADDRESSING SOCIAL SAFEGUARD ISSUES</b>	
<p><b>A. Involuntary Resettlement</b> <span style="float: right;"><b>Safeguard Category:</b> <input type="checkbox"/> A    <input type="checkbox"/> B    <input checked="" type="checkbox"/> C    <input type="checkbox"/> FI</span></p>	
<p>1. <b>Key impacts.</b> No involuntary resettlement issues were identified during the initial social assessment conducted in the project areas. The project design provides for the paving of existing roads and does not include any widening of roads. The resettlement due diligence conducted for the project based on the preliminary design suggests that no land acquisition impacts will arise because the construction works will take place within the existing rights-of-way assigned to rural roads and owned by MRD on government land. A community participation framework (CPF) was prepared to serve as guide for the executing agency during project implementation. To prevent any impacts, the contractors will receive separate guidance consistent with the CPF on how to manage temporary impacts during implementation.</p>	

2. Plan or other Actions. <input checked="" type="checkbox"/> Community Participation Framework Loan and grant assurances and covenants will ensure that no road will be financed that generates involuntary resettlement impacts.
<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
1. <b>Key impacts.</b> The government will ensure that the project will not finance any roads or road sections that create impacts on indigenous peoples, and any such roads will be excluded from financing by ADB. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Strategy to address the impacts. NA
3. Plan or other actions. <input checked="" type="checkbox"/> No action
<b>V. ADDRESSING OTHER SOCIAL RISKS</b>
<b>A. Risks in the Labor Market</b>
1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L). <input type="checkbox"/> unemployment <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> (H) core labor standards
2. <b>Labor market impact.</b> The project will provide jobs (for civil works) during project construction and maintenance. The poverty and social assessment concluded that local households have plans to put up small businesses (eateries, restaurants, small gas stations) or sell agricultural products and other goods once the project is completed.
<b>B. Affordability</b> Not applicable.
<b>C. Communicable Diseases and Other Social Risks</b>
1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> (L) Communicable diseases <input checked="" type="checkbox"/> (L) Human trafficking <input checked="" type="checkbox"/> (L) Others (please specify) <u>Road crashes</u>
2. Risks to people in project area. The LGAP requires the dissemination of information on the prevention of HIV/AIDS and human trafficking in construction sites for the contractors, employees, and labor force at their time of mobilization. HIV/AIDS prevention and other communicable disease clauses will be included in bidding and contract documents. A road safety awareness program is included in the project. The project improves existing rural roads, and contractors will hire local labor, so the risk of an increase in HIV/AIDS/STI transmission and human trafficking is considered low.
<b>VI. MONITORING AND EVALUATION</b>
1. <b>Targets and indicators.</b> The participation of women in civil works (unskilled labor jobs) during construction shall be at least 25%. Their participation in the awareness campaigns for road safety and prevention of communicable diseases shall be 50%. The design and monitoring framework and LGAP target indicators were discussed and confirmed with the project management unit (PMU) and/or SEO, and the MRD Gender Working Group. A comprehensive project performance monitoring system, and the social and gender monitoring indicators will be developed to systematically generate data on social and gender aspects, in consultation with the PMU and/or SEO, and with the assistance of the detailed design and implementation supervision (DDIS) consultants.
2. <b>Required human resources.</b> One international social development and safeguard specialist (2 person-months), one international gender specialist (3 person-months), one national social development and safeguard specialist (16 person-months), and one national gender specialist (20 person-months) are proposed to assist the PMU and/or SEO during project implementation. Their terms of reference are included in the project administration manual (PAM). The DDIS consultants will assist the PMU and/or SEO in implementing the CPF and LGAP.
3. <b>Information in the PAM.</b> The above information on the consultants' input is included in the PAM.
4. <b>Monitoring tools.</b> The DDIS consultants will assist the PMU and/or SEO in monitoring, consolidating, and preparing monthly and quarterly progress monitoring reports to be submitted to ADB. Sex-disaggregated data will be collected, with both quantitative and qualitative data and information, and included in the reports. The progress of the IPP will be monitored semiannually.

<sup>a</sup> Government of Cambodia. 2014. *National Strategic and Development Plan, 2014–2018*. Phnom Penh.

<sup>b</sup> ADB. 2018. *Cambodia Fact Sheet*. Manila.

Source: Asian Development Bank.