



Initial Poverty and Social Analysis

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Proposed Loan
Republic of Indonesia: Flood Management in
Selected River Basins Project

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	INO	Project Title:	Flood Management in Selected River Basins Project
Lending/Financing Modality:	Sector Loan	Department/ Division:	Southeast Asia Department, Environment, Natural Resources and Agriculture Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>The Government of Indonesia (GOI) current target is to reduce poverty rates from 10% to 8% by 2014. The project will reduce vulnerability to loss of income and assets due to flooding, and will increase livelihood security for poor households, and for near-poor households at risk of falling into poverty. Watershed conservation activities will promote increased income and more secure livelihoods for poor and marginal households currently dependent on unsustainable activities that contribute to environmental degradation. Reduced risk of flood damage in floodplain areas, and more secured access to land in upland areas, will contribute to asset-building and increased earnings.</p> <p>The project is in line with the GOI current midterm Development Plan (RPJMN 2010-2014) and ADB Country Partnership Strategy for Indonesia, 2012–2014 which has two pillars with inclusive growth and environmental sustainability with climate change adaptation and mitigation. Agriculture and Natural resources including flood management is a CPS sector focus. The project is also aligned with ADB’s Water Operational Plan, 2011– 2020.</p>
<p>B. Targeting Classification</p> <p><input checked="" type="checkbox"/> General Intervention <input type="checkbox"/> Individual or Household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>The activities will benefit the general population in the two selected river-basins: Ciujung in Banten Province and Batu Merah in Moluccas Province. The proposed sub-projects will also address flood management issues within the two target river basins. The community will benefit from flood early warning system, from solid waste management and indirectly will improve their livelihood.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries.</p> <p>The potential beneficiaries of the flood mitigation and management interventions in the two project areas are first the agricultural households and residences in Ciujung, and residential areas in Batu Merah (Ambon), that should have reduced flooding levels and periodic economic dislocation following project interventions. A second sub-set of beneficiaries would be upland households provided with improved agro-technologies and conservation techniques, and economic options. The third potential beneficiaries, particularly in Batu Merah Ambon assuming that relocation plans and support facilities are well managed, would be reduced economic and social dislocation and potentially improved income earning options.</p> <p>Data on current poverty levels, extent, etc., are in the process of being collected. For the Ciujung area, data from the IPISA prepared under the previous TA suggest around 7.5% of households in a broader area would be categorized as at poverty levels, while 20% of households in the upland area would be in this category.</p> <p>2. Impact channels and expected systemic changes.</p> <p>At this stage, potential impact channels are less clear cut in the Ciujung area since the extent to which relocation of households is not clear, as is the question of whether an official program and site for relocation will be set up. The provincial planning agency (BAPPEDA) and local government, however, appear to be on the verge of giving support to flood management plans. Upper watershed agro-terracing and land conservation interventions represent an alternative technology intervention and institutional linkage.</p> <p>In Ambon, potential impact channels center around the local city government (back by provincial agencies and planning bodies), to tackle flooding problems, relocate households and develop facilities near the water mouths of rivers that exists independent of the project. New land conservation regulations, and an active NGO watershed conservation community, linked to university research and action entities, represent another channel.</p> <p>3. Focus of (and resources allocated in) the PPTA or due diligence.</p> <p>Key poverty and social issues that need to and will be addressed in the sub-project designs concern displaced people (particularly in Ambon, but also including Ciujung) and agricultural land assets (need assessment of proportions of agricultural land lost, and economic role of such land assets) in Ciujung. Also dislocation from job locations in Batu Merah, to the extent that relocated households employment is directly linked to local proximity, needs attention. Special attention will be directed to changes and support for improved economic livelihood opportunities in the new relocation areas (particularly in Ambon), including local mayor plan for relocated special trading area and facilities.</p> <p>Social safeguards and gender specialists are being mobilized from PPTA (two internationals, and two nationals), as well as local organizations to support the social economic survey and preparation for resettlement framework and plan. The team is also supported by ADB social safeguards specialist from HQ and RM.</p>

4. Specific analysis for policy-based lending. n/a

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?

Key gender issues relate to the level of vulnerability of women, and their active economic roles in securing outside assistance and managing household domestic needs during flood events. In the case of Ciujung in Banten, a key issue is level of female labor force participation and loss of economic livelihood options, as well as impact due to loss of agricultural land assets. In the case of Batu Merah in Ambon, where gender roles tend to be more egalitarian than in Banten, a key gender concern will be potential economic livelihood impacts of resettlement and relocation, and the need to design strategies where the economic options of female heads of households are given explicit attention.

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

Women will be involved as participants and their inputs will be valued in (i) the identification and design of community-level infrastructure investments / upgrading (such as embankments, flood barriers, and shelters); and subsequent regular operations and maintenance., (ii) community-based flood risk management procedures and activities for flood preparedness and response and contingency plans; (iii) the development of action plans for post flood recovery; (iv) the dissemination of information to the communities; (v) all capacity development activities, and (vi) flood monitoring/warning activities

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

Yes No

The activities will be implemented and monitored in accordance with the gender action plan.

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.

The main stakeholders in the two core sub project areas comprise (1) people who will be directly impacted, either due to loss of assets (land acquisition linked assets, including houses, enterprises, agricultural lands and income earning options, (2) other adjacent households and entities that will be positively affected by flood mitigation activities and flood management improvements and (3) upland residents or agricultural land holders who will be introduced to improved conservation and agro-terracing and income earning technologies.

In addition to these directly impacted stakeholders, other stakeholders with direct interests include (4) local government, (5) related local government agencies (river basin organizations, public works, agricultural and forestry agencies, planning agencies, among others), and (6) local NGOs with interests in improved flood management and improved watershed management). Other specific entities include the toll operator in Banten and LIPI oceanographic center and Patimura university research institute.

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?

Stakeholders mapping, consultation with local stakeholders and interest groups, strongly backed by local governments and planning agencies, will be used to engage stakeholders, and in particular households losing assets (agricultural and residential land, enterprises), poorer households, and vulnerable groups will be actively encouraged to participate. A key area of participation of poorer relocated households, particularly in Ambon, will be in livelihood restoration and economic support activities (and facilities) in relocation sites. This will be done in cooperation with other agencies such as housing agency and local NGOs.

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?

Information generation and sharing Consultation Collaboration Partnership

Civil society groups will be identified. In Ciujung, NGOs who have worked with the previous TA have been identified, and informal flood group community leaders will be included in the consultation. In Ambon, they include (a) women's groups in the Batu Merah area, (b) university research institute linked groups, and (c) a forum for improved watershed management and conservation covering the 5 Ambon river basins. Civil society groups will be encouraged to participate in design and implementation, and collaboration will be identified with NGOs working in the sector.

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

The issues linked to general stakeholder participation in the project area are also those linked to and impacting upon the poor. No distinct issues that distinguish poorer strata from the broader group of stakeholders and impacted households (for relocation) are obvious at this point, other than potentially higher levels of vulnerability and social

dislocation from floods. Active stakeholder participation will be encouraged for all social strata. In the case of Ambon, special attention to relocated households' income earning opportunities will be of special concern for poorer households.

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

In Ciujung, depending on further assessments on the left bank and projections from the right bank, approximately 100 residential structures may be impacted (but the need for relocation is not yet clear), with from 300– 500 agricultural plots being impact (their proportion of total agricultural land holding assets is not clear).

In Ambon, there are differing, not yet clear estimates on the numbers of residential structures to be impacted (requiring household relocation), probably ranging from 1,000–2500 or more structures depending on the engineering design. In terms of individuals (not households) who might be effected by primarily residential land acquisition (and economic dislocation and property loss, including loss of micro-enterprises), and be involved in resettlement, the numbers will be substantially higher.

The measures taken to address these issues include careful public consultation and planning, financial compensation for lost assets, replacement of residential locations in newly design government assisted complexes, alternative economic facilities, and attention to livelihood options.

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 Gender Action Plan 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

The project activities will not be located in indigenous peoples areas and will not impacted that direct or indirectly.

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

As the project will not affect indigenous peoples, a broad community support is not required.

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 Labor retrenchment
 Spread of communicable diseases, including HIV/AIDS Increase in human trafficking Affordability
 Increase in unplanned migration Increase in vulnerability to natural disasters Creating political instability
 Creating internal social conflicts Others, please specify facilities and access to market and other services.
Ambon in particular is a post conflict area, therefore special attention on conflict management need to be considered.

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

Clearly formulated meaningful public consultation strategies, with active support and involvement by local governments and local community leaders should help to minimize the potential for social conflicts and demonstrations. In the case of employment opportunities, specific attention to improved facilities, reduced economic dislocation from flood events, and livelihood restoration strategies are being given attention by the local government in Ambon, where the incidence of relocation will be much higher than in Ciujung. Involving other organizations that have been working with communities in supporting consultation and as well in identifying complimentary measures in improving living condition and livelihood of communities affected by the project.

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 following consultants are engaged for the PPTA: Sociologist/Resettlement Specialist (international, 2.5 p-m); Social Development Specialist (national, 3 p-m); Resettlement Specialist (national, 5 p-m); in addition to ADB individual consultants: Resettlement Specialist (international, 1 p-m and national, 3 p-m).