

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Philippines	Project Title:	Improving Growth Corridors in Mindanao Road Sector Project
Lending/Financing Modality:	Sector 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 project objectives support the Philippine Development Plan (PDP), 2017–2022,^a which targets reducing poverty incidence from 21.6% in 2015 to 14.0% by 2022, or by about 6 million people. Among the targets under the strategic framework of the PDP, 2017–2022 are that (i) growth will be more inclusive, as manifested by a lower poverty incidence in rural areas, from 30% in 2015 to 20% in 2022; and (ii) the unemployment rate will decline from the current 5.6% (2017) to 3%–5% in 2022. The PDP notes that infrastructure undergirds a country's socioeconomic development, the more strategically distributed it is—both by sectoral and spatially—the better it is for inclusive growth and sustainable development. A principal objective of Asian Development Bank (ADB) support for the Philippines is to help in the achievement of high, inclusive, and sustainable growth. Support for infrastructure development, including transport, forms a core part of ADB's operational strategy for the country.

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. Key poverty and social issues. Poverty incidence in the Philippines in 2015 was estimated at 21.6%, equivalent to about 22 million Filipinos who cannot afford their basic needs. Poverty incidence in Mindanao is 36.2%, higher than the national average of 21.6%, 13.1% in Luzon, and 28.2% in Visayas. The largest share of the country's poor population comes from Mindanao, contributing 40.4%, followed by Luzon (34.3%) and Visayas (25.3%). Four of the five poorest regions are in Mindanao: Regions IX, X, XII, and XIII, and the Autonomous Region in Muslim Mindanao, all of which had poverty incidence above 39% in 2015. Subsistence incidence, the proportion of the population in extreme or subsistence poverty, in Mindanao is estimated at 12.1%.^b Parts of the southwestern Mindanao island group are home to a sizeable Muslim population with armed separatist movements.

2. Beneficiaries. The direct beneficiaries of the project are the communities where the potential projects will be located. These are mostly farmers and fishers, who largely constitute the poorer socioeconomic groups in Mindanao. The project will enhance access to government, education, and health services, as well as market opportunities. The project will indirectly benefit the poor by lowering transport costs for farmers and fishers, promoting the expansion of the private sector and the labor market, and providing a safer road environment.

3. Impact channels. While the project does not directly address poverty reduction, it supports the government's priorities for improvement of the country's road network and development of Mindanao through (i) increased economic growth in Mindanao, by opening and improving national roads; (ii) support for the government's agenda for Mindanao in the PDP, 2017–2022; and (iii) support for the key objective of ADB's strategy for the Philippines—helping the country achieve high, inclusive, and sustainable growth.

4. Other social and poverty issues. Poverty issues that are not directly addressed by the project are the peace and order situation, resource use competition, food security, low productivity in farming and fishing, unclear property rights, malnutrition, increasing child and maternal mortality rates, poor family planning practices, violence and/or abuse of women and children, and human trafficking. Government agencies and civil society organizations are addressing these issues.^c

5. Design features. The impact of the project will be strengthened economic and physical linkages in Mindanao.^d The outcome will be efficiency and safety of selected sections of the road transport network in Mindanao improved with the following project outputs: (i) selected sections of road transport network in Mindanao improved, (ii) detailed engineering design for improvement of roads in other projects completed, and (iii) institutional capacity of Department of Public Works and Highways (DPWH) in multiyear planning, fiscal accountability, and human resource management strengthened.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Meaningful consultations were completed at provincial and community levels in the potential project areas across stakeholder groups. A stakeholder communication strategy was developed for stakeholder engagement during project implementation.

2. Civil society organizations. Mindanao-wide organizations, including nongovernment and private civic organizations, were consulted through Mindanao Development Authority. At potential site level consultations, community-based organizations, especially the rural improvement clubs of municipalities predominantly led by women, were encouraged to participate in the project monitoring, particularly during construction when there may be employment opportunities for residents.

3. The following forms of civil society organization participation are envisaged during project implementation:

H ☒ Information gathering and sharing H ☒ Consultation M ☐ Collaboration M ☐ Partnership

4. Participation plan.

☒ Yes. ☐ No.

The draft stakeholder communication strategy describes its objectives, risks, identification of key stakeholders, messages to be captured during activities or in the development of information, education and communication materials responsible entities, and projected outcomes.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Effective gender mainstreaming

A. Key issues. Gender issues include insufficient incomes, lack of livelihood opportunities, and women's difficulty in traveling on rough roads, especially during the rainy season and when they are pregnant. Women also cited problems relating to time poverty, limited community participation, high cost of transport, and difficulty in accessing social services. Most of the women are engaged in seasonal farm work, indicating a high rate of underemployment, and in some areas at least a third of them are unpaid family workers. They use the highway and feeder roads to travel on foot and by motorized transport, from farms and coastal barangays to central markets for the sale of crop and fish; to purchase needed supplies; to bring their children to schools, market, avail of health services, and to attend religious ceremonies. Women expressed the need for improved road conditions and requested assistance for establishing additional sources of income based on their skills and knowledge, e.g., sewing and vermiculture, and any other income generating activity. Incidents of domestic violence and trafficking of persons were recorded, and the corresponding response by Municipal Social and Development offices were noted. Municipal governments allot funds for activities addressing gender issues and undertake gender and development (GAD) programs that are financed through GAD fund. The DPWH has established institutional gender mainstreaming mechanisms (GAD focal point and a GAD budget). It has tools such as the DPWH *Toolkit for Making Road Infrastructure Projects Gender Responsive*, and policies such as Department Orders, which prescribe guidelines and procedures in mainstreaming gender equality actions in all phases of road infrastructure projects, provides guidance on the implementation of the Magna Carta of Women and hiring of local unskilled labor during operations.

B. Key actions. Women's voices will be strengthened by involving them in community decision making on the safety and convenience features of the road designs. Targets will be set for the employment of women (unskilled construction support jobs, road safety community facilitators, and workers in climate change activities). Training targeted at DPWH staff will have at least 25% female staff as participants and will include gender training. A gender action plan has been prepared and a gender strategy is incorporated in the resettlement and indigenous peoples framework (RIPF) and ensuing plans. In the long term, the road project is expected to improve women's access to social services, economic or financial resources or opportunities, and other basic infrastructure.

☒ Gender action plan ☐ Other actions or measures ☐ No action or measure

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES**A. Involuntary Resettlement**

Safeguard Category: ☒ A ☐ B ☐ C ☐ FI

1. Key impacts. The involuntary resettlement impacts of the subprojects will include permanent loss of land along the 30-meter road right-of-way,^e permanent damage to structures, crops, and trees to include temporary loss or disruption of land use or other assets during construction works, particularly the movement of construction materials to and from work sites. For the sample core subproject (Tampilisan–Sandayong road) a combined resettlement and indigenous peoples plan (RIPP) was prepared to address physical and economic displacement and other losses in terms of structures, trees, and crops. Key impacts will affect an estimated 415 households, of which 78 will need relocation.

2. Strategy to address the impacts. This is a sector project for Mindanao with three core subprojects in Region IX and non-core roads in Mindanao. As a sector project, a RIPF has been prepared to guide the overall preparation of all subprojects in the future. In addition, a combined RIPP has been prepared for the Tampilisan–Sandayong road.

3. Plan or other Actions.

☐ Resettlement plan ☒ Combined resettlement and indigenous peoples plan
☐ Resettlement framework ☒ Combined resettlement and indigenous peoples planning framework
☐ Environmental and social management system arrangement ☐ Social impact matrix ☐ No action

B. Indigenous Peoples

Safeguard Category: ☒ A ☐ B ☐ C ☐ FI

1. Key impacts. The Philippines' indigenous population was estimated at 10%–20% of the national population in a 2010 survey. The indigenous groups in the southern island of Mindanao are collectively called Lumad^f—including the Manobo, the largest ethnographic group, covering most of mainland Mindanao, Yakan, Sama Banguingui, Luwa'an, Sama or the Sinama, and the Jama Mapun. Results of the social assessment for one core subproject verified the presence of 24 indigenous peoples' affected households. During consultations, indigenous peoples' households expressed concerns about potential damage and disturbance of sacred places that are culturally important such as places of worship and burial grounds. The combined RIPP is addressing this. Overall, there was a positive response to the prospects of having improved roads.

Is broad community support triggered? ☒ Yes ☐ No

Physical displacement from lands occupied or used by indigenous peoples trigger broad community support. The project will address this through consultations under the National Commission on Indigenous Peoples as provided by the Indigenous Peoples Rights Act of 1997.

2. Strategy to address the impacts. A combined RIPP has been prepared to guide the overall preparation of all subprojects in the future. In addition, an RIPP has been prepared for the Tampilisan–Sandayong road as guided by the RIPP. Grievance redress mechanisms have been incorporated, along with identified modalities for consultation, participation, disclosure, and monitoring with major participation of the National Commission on Indigenous Peoples.

3. Plan or other actions.

- ☐ Indigenous peoples plan ☒ Combined resettlement and indigenous peoples plan
☐ Indigenous peoples planning framework ☒ Combined resettlement and indigenous peoples planning framework
☐ Environmental and social management system arrangement ☐ Social impact matrix ☐ No action

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market.

M unemployment **M** underemployment **L** retrenchment **L** core labor standards

2. Labor market impact. The project will contribute to increased economic and employment opportunities through connectivity. Project construction is expected to generate jobs for local communities during construction. Men and women will be paid equally for equal work. Provisions are in the bidding documents for the contractors to ensure that all civil works comply with labor laws, do not employ child labor for construction or maintenance, and encourage the employment of women.

B. Affordability. The road network improvements will reduce transport costs and accident risks, and increase the mobility of the local population.

C. Communicable Diseases and Other Social Risks

1. The impact of the following risks are rated as: **M** Communicable diseases **L** Human trafficking

2. Risks to people in project area.

Zamboanga City was included in the list of the Department of Health as one of HIV/AIDS “other High Prevalence Cities” in Mindanao, as presented on 10 April 2015 in an epidemiology workshop presentation by the DOH National HIV/STI Prevention Program head. Local health professionals, led by municipal and city health officers, will take a more active stance in prevention through education of local people to lower the risks brought by HIV/AIDS and sexually transmitted infections.

VI. MONITORING AND EVALUATION

1. Targets and indicators. The outputs will include (i) roads in Mindanao improved; (ii) detailed engineering design for road improvement completed; and (iii) institutional capacity of DPWH in multiyear planning, fiscal accountability, and human resource management strengthened.

2. Required human resources. The Environment and Social Safeguards Division in DPWH is tasked with oversight for social concerns. A social development/safeguards specialist will be hired intermittently as part of the supervision consultant team. ADB specialists with the same expertise will oversee the social and poverty dimensions of the project.

3. Information in the project administration manual. The project administration manual includes monitoring and evaluation mechanisms for social safeguards—involuntary resettlement and indigenous peoples in particular—addressing reporting schedules and mechanisms on social aspects.

4. Monitoring tools. The RIPP, RIPP, and project administration manual provide details on monitoring the social and poverty aspects of the project, though they are limited to project-affected households.

^a Government of the Philippines, National Economic and Development Authority. 2017. Philippine Development Plan, 2017–2022. <http://pdp.neda.gov.ph/wp-content/uploads/2017/01/PDP-2017-2022-07-20-2017.pdf>.

^b Philippine Statistics Authority, Poverty and Human Development Statistics Division. 2016. *2015 Full Year Official Poverty Statistics of the Philippines*. Manila.

^c World Bank. 2005. *Joint Needs Assessment for Reconstruction and Development of Conflict-Affected Areas in Mindanao: Integrative Report—Volume 1*. Manila.

^d Government of the Philippines, National Economic and Development Authority. 2010. *Mindanao Strategic Development Framework, 2010–2020*. Manila. http://www.neda.gov.ph/wp-content/uploads/2013/10/MSDF_finalforweb_2010-2020.pdf

^e The 30-meter road right-of-way is in accordance with the updated DPWH Design Guidelines, Criteria and Standards (DGCS, 2015 Edition).

^f International Work Group for Indigenous Affairs. <http://www.iwgia.org/regions/asia/philippines>.

Source: As footnoted.