

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country and Project Title: Sri Lanka: Jaffna and Kilinochchi Water Supply and Sanitation Project

Lending/Financing
Modality:

Project

Department/
Division:South Asia Department
Urban Development Division

I. POVERTY ANALYSIS AND STRATEGY

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

Reducing poverty and stimulating economic growth in conflict-affected areas is a key objective of the government's 10-year development plan, 2006–2016. Known as the *Mahinda Chinthana*, the plan seeks to restore the Northern Province's basic services and social infrastructure and reconstruct the economic and physical infrastructure to assure sustained long-term development. The Country Partnership Strategy (CPS), 2009–2011^a is closely aligned with the *Mahinda Chinthana*. Assistance to the Northern Province falls within the two pillars of the CPS—a stronger investment climate, and socially inclusive economic growth. With the end of military operations in May 2009, the government formulated the *Vadakkini Vasantham*, a 3-year development plan for the Northern Province, in line with the *Mahinda Chinthana*. The plan aims to develop the north and ensure the integration of the northern economy and its people with the rest of the country. In line with the *Vadakkini Vasantham*, the government is seeking development partner assistance to develop infrastructure and rebuild community life in this province. The proposed project will be closely aligned with these plans.

B. Poverty Analysis Targeting Classification: General intervention (GI)

Key Issues. The former conflict-affected project areas are clearly lagging regions with high income poverty and income inequality. Poverty incidence is 43.4% in Jaffna District, and 64.0% in northern Kilinochchi District (poverty incidence in Sri Lanka as a whole is 23%). The Gini coefficient is 0.80 in Jaffna District and 0.81 in northern Kilinochchi District. Average per capita income in the north is 30% less than the national average. Poverty mapping shows a wide distribution of the poor in the project area. Further impediments to reducing poverty include (i) an acute lack of economic opportunities (with a lack of entrepreneurship, unemployment and underemployment, a lack of inputs, increased dependency ratios, and increased work loads for women all negatively impacting the poor); (ii) threats of natural disasters; and (iii) a lack of social capital, infrastructure, and municipal services. Against this backdrop, the project area population lacks access to the most basic services and infrastructure. Only a tenth of the area's population has access to pipe-borne water. While 82% of the population in Jaffna District and 60% in northern Kilinochchi District have access to some form of latrine (mostly water-sealed-pour), in rural areas, the northern islands, and Jaffna district all latrines are shared (77% of latrines are shared in urban Jaffna, and 96% of latrines are shared in northern Kilinochchi) and more than 80% are open-bottomed. Those without access to latrines use the jungle, open areas, the sea, lagoons, and channels. Only half of the children surveyed washed their hands after using the latrine or before eating. Unsafe water and unhygienic conditions contribute to the high prevalence of water-borne diseases. In the project area, four-fifths of diseases reported in the surveys were water-related. This includes diarrhea, dysentery, typhoid, hepatitis, parasitic infections, and skin rashes. Safe water and sanitation are basic needs and provision in the project area directly reduces poverty.

Design Features. Targeting the poor is ensured by (i) providing community-based metered public water facilities for populations unable to afford household connections; (ii) providing financial mechanisms, through the National Water Supply and Drainage Board, to subsidize connection fees and facilitate initial payment to recipients; (iii) providing low-cost latrines and hygiene and sanitation support to poorer families; and (iv) ensuring affordable tariffs for basic consumption and full-cost recovery prices to higher consumption drinking water rate slabs. Poverty impact analysis shows that 52% of benefits will accrue to the poor.

II. SOCIAL ANALYSIS AND STRATEGY

A. Findings of Social Analysis

Key Issues. Socioeconomic surveys during project preparation show (i) high unemployment (16%–19%, compared with 9% for the country as a whole); (ii) high infant mortality (38.7 per 1,000 in 1994, compared with 19.0 before the conflict) and maternal mortality (22.0 per 10,000 live births in 1988, compared with 6.0 before the conflict); (iii) acute undernutrition among children (18.9 % wasting in children in 1993, compared with 3.7% before the conflict); (iv) high incidence of anemia in adolescent girls (56.2%), lactating (60%), and pregnant women (61%); (v) low enrollment rates and high dropout rates (with a third of the population having primary education or less); and (vi) a lack of access to safe drinking water, sanitation, and adequate healthcare. Refugees, widows, orphans, disabled persons, and psychologically affected persons are among the vulnerable populations in the area. There are 81 welfare centers with

^a ADB. 2009. *Sri Lanka Country Partnership Strategy*. Manila.

more than 12,000 persons displaced, mostly from high-security zones. About 55,000 households in the project area are internally displaced households resettled under the government's resettlement program. Fifteen percent of the project area's households are headed by females.^b Most are widows who lost their husbands in the civil war. More than 13,000 households in Jaffna were adversely affected by the tsunami—a fifth of those remain in temporary accommodation centers, a third remain living with relatives and friends, and the rest remain economically handicapped. While not affected physically by the tsunami, the northern Kilinochchi area was affected economically, with more than 5,000 fishermen losing their livelihood. Many tsunami-affected persons now rely on relief.

B. Consultation and Participation

1. Stakeholder consultations were undertaken during project preparation. Stakeholders consulted included (i) the project area population, anticipated project beneficiaries and affected persons, and community leaders; (ii) the national government (including the Ministry of Urban Development and Water Supply, the Ministry of Healthcare and Nutrition, the Ministry of Provincial Councils and Local Government, the National Water Supply and Drainage Board, the Water Resources Board, and the North East Provincial Council); (iii) the local government (Jaffna Municipal Council, urban councils, *Pradeshiya Sabhas* (local authorities), district secretariats, government agents, divisional secretaries, *Grama Sevaka* divisions, the Provincial Irrigation Department, and the Planning Development Secretariat); (iv) development partners (multilateral and bilateral); and (v) civil society (nongovernment organizations (NGOs) and community-based organizations). The main issues raised during the consultations included (i) water resource issues, such as resource allocation specific to the Iranamadu tank; (ii) the lack of safe drinking water and sanitation facilities; (iii) solid waste management; and (iv) issues concerning security, institutional capacity, and participation. All issues and suggestions raised during the stakeholder consultations have been considered during project design.

2. What level of consultation and participation (C&P) is envisaged during the project implementation and monitoring?

☒ Information sharing ☒ Consultation ☒ Collaborative decision making ☐ Empowerment

3. Was a C&P plan prepared? ☒ Yes ☐ No

The C&P plan will include participatory activities in project communities involving the poor and disadvantaged, women's groups, women's organizations, and other interest groups. Community mobilizers in NGOs are to be selected from the local area during the project period. The C&P plan will ensure social inclusion in decision making and operations.

C. Gender and Development

Key Issues. The key issues to be addressed are (i) mainstreaming gender issues into water and sanitation at the project and institutional levels, and (ii) gender capacity building to enable a gender-responsive approach in water resources management. The majority of the project area's population is female. A high percentage (15%) of households are headed by females. Of 24,706 widows in the project area, 78% have monthly incomes of less than SLRs1,000 (by comparison, the official poverty line is SLRs1,423). Women are primarily responsible for the household and home garden, and an important aspect is ensuring water for these activities. Women face various problems in accessing sufficient safe water and sanitation facilities because of (i) a lack of water sources, (ii) deterioration of water quality in current sources, (iii) increased time required to obtain water, which reduces time for other activities, and (iv) problems with privacy because of the lack of latrines. Water-borne diseases affect women (55%) more than men (45%) as women more frequently handle contaminated water. Despite women's major responsibilities in collecting, using, and managing water, they are rarely involved in making decisions about planning, design, and construction of water facilities.

Key Actions. Project strategies have been developed on the basis of focus-group discussions with women and men, interviews with representatives of rural development societies, women's rural development societies, religious organizations, NGOs, local authorities (Jaffna Municipality Council, urban councils, divisional secretaries, Grama Sevakas, *samurdhi* officers, Water Board and Education departments) and relevant staff of other development projects. Maximizing the strategy for women for the project will require recognizing the relationship between water and women, mainstreaming a gender perspective in policy and institutional arrangements, ensuring women's involvement in decision-making processes, and locating metered community water facilities with women in mind. The gender strategy ensures that gender issues in urban areas and small towns are addressed, and that women benefit equally from the project, and that interventions avoid gender bias. A summary of the gender action plan showing project components, activities, targets, and responsible agencies is in linked document 13.

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

^b This refers to single-parent households headed by females. By comparison, only 1.5% households are headed by males in single-parent households.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS			
Issue	Significant/Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
Involuntary Resettlement	Limited	A resettlement plan with an entitlement matrix was prepared to address the minimal loss of land caused by the project.	<input checked="" type="checkbox"/> Resettlement Plan <input type="checkbox"/> Resettlement Framework <input type="checkbox"/> Environment and Social Management System <input type="checkbox"/> No Action
Indigenous Peoples	No Impact	N/A	<input type="checkbox"/> Indigenous Peoples Plan <input type="checkbox"/> Indigenous Peoples Framework <input type="checkbox"/> Environment and Social Management System <input checked="" type="checkbox"/> No Action
Labor <input checked="" type="checkbox"/> Employment opportunities <input type="checkbox"/> Labor retrenchment <input checked="" type="checkbox"/> Core labor standards		The project will create employment opportunities in construction and operations.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
Affordability	Limited	The water tariff increase will amount to only 4.0% of household income for the poorest 20%, and the sewerage tariff will amount to only 3.0% of household income for the poorest 20%. To ensure affordability, lower tariffs will be imposed on basic water consumption, with full-cost-recovery tariffs imposed only on higher consumption slabs. In poor areas, the project will provide metered community water facilities managed by users groups, from which a nominal fee will be collected. The fee will represent the user's share in the operations and maintenance of the facility.	<input checked="" type="checkbox"/> Action <input type="checkbox"/> No Action
Other Risks and/or Vulnerabilities <input checked="" type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human trafficking <input checked="" type="checkbox"/> Others (conflict, political instability, etc.)	Limited	Civil works contracts may become a channel of HIV/AIDS. Implementing agencies through civil contractors, will minimize risk through a relevant clause in the contracts and awareness raising programs. A plan to mitigate any conflict arising from water use at the source reservoir is included in the IEE.	<input type="checkbox"/> Plan <input checked="" type="checkbox"/> Other Action <input type="checkbox"/> No Action
IV. MONITORING AND EVALUATION			
Are social indicators included in the design and monitoring framework to facilitate monitoring of social development activities and/or social impacts during project implementation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

N/A = not applicable.

Sources: United Nations Development Program. Human Development Reports (2005); Project Preparatory Technical Assistance Feasibility Study (2006).