

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Kiribati	Project Title:	Additional Financing of Road Rehabilitation Project
Lending/Financing Modality:	Project loan and grant	Department/ Division:	Pacific Department Pacific Subregional Office

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Targeting classification: general intervention
A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy
<p>The Kiribati Road Rehabilitation Project is consistent with the Kiribati Development Plan 2016–2019, which commits the government to increasing economic growth, reducing poverty, improving health outcomes, promoting a sustainable environment, providing better governance in the provision of public services, and delivering good social and economic infrastructure.^a The project is also consistent with the Asian Development Bank’s country operations business plan, 2017–2019 for Kiribati, which aims to reduce poverty and promote economic opportunity by improving public financial management and delivery of sustainable infrastructure services.^b The project will promote economic growth by improving the road infrastructure of South Tarawa and reducing road transportation constraints on economic activity. It will rehabilitate 37.5 kilometers of main road and 8.0 kilometers of feeder and access roads. It will establish a system for ongoing road maintenance and set up and train community-based road maintenance microenterprises. The project will</p> <ul style="list-style-type: none"> (i) promote the private sector by reducing transport costs and constraints on employment creation; (ii) create jobs and promote skills development during the construction phase and by establishing six community-based microenterprises as maintenance units responsible for ongoing road maintenance; (iii) improve living standards by reducing transport costs and travel times and making road travel safer and more pleasant; (iv) add to the safety and comfort of pedestrians by providing footpaths, street lighting, and bus shelters; (v) improve the environment through better air quality (achieved by reducing dust), better control of rainfall run-off (through upgraded road drainage) into houses and pools on nearby properties, and conservation of roadside shade trees; (vi) improve health outcomes through (a) reduction of respiratory tract infections from current high road dust levels; (b) reduction of mosquito-borne diseases resulting from poor current road drainage; (c) an HIV/AIDS prevention program under the project for the construction workforce and local communities; (d) a road safety action plan to cut down on motor vehicle accidents; (e) better access to two hospitals; and (f) better conditions for pedestrians, which will encourage walking and lower the risks of diabetes, hypertension, and obesity; and (vii) protect the project’s infrastructure investment, prolong the life of the road, and extend its benefits by establishing a road fund that will ensure a sustainable commitment to road maintenance.
B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence
<p>1. Key poverty and social issues. Kiribati is categorized as a least-developed country, with an estimated 34% of the population living under the basic needs poverty line. South Tarawa, home to 50% of the country’s population, has a basic needs poverty rate of 22%.¹ The depth of poverty as measured by the poverty gap index is 8.5, compared with the national average of 7.2. South Tarawa has the highest population density in Kiribati, with 2,558 people per square kilometer. Employment opportunities in South Tarawa are few, and unemployment is estimated to be 10.9%. The project will benefit the poor indirectly by lowering transport costs, reducing air pollution, promoting the expansion of the private sector and the labor market, and providing a safer road environment.</p> <p>2. Beneficiaries. The direct project beneficiaries in South Tarawa will be private car users, bus and truck operators, freight handlers, retailers and wholesalers, utility providers, public transport users, motorcyclists, cyclists, pedestrians, residents, schoolchildren, businesses, and the government. Other direct beneficiaries are people from North Tarawa who come to South Tarawa by boat to sell produce, visitors from the rest of Kiribati, international visitors, and tourists.</p> <p>3. Impact channels. The major impacts addressed in the social and poverty analysis are as follows:</p> <ul style="list-style-type: none"> (i) Impacts on quality of life. (a) The condition of the road contributes significantly to increased costs of goods and services in South Tarawa, so decreased vehicle operating costs will have a trickle-down effect, leading to reduced costs for consumers; (b) the project will reduce roadside dust, resulting in better air quality, and cleaner houses, shops, and vehicles; and (c) the project will improve the convenience and amenity of public transport by improving bus travel and

¹ World Bank. 2016. *Systematic Country Diagnostic for Eight Small Pacific Island Countries: Priorities for Ending Poverty and Boosting Shared Prosperity*. Washington, DC.

will increase safety and amenity for pedestrians, reducing reliance on private vehicles and leading to reduced expenditure on transport.

(ii) **Impacts on health and safety.** (a) The incidence of respiratory tract infections caused by road-related dust will decrease; (b) improved road drainage will mean less water pooling, which will reduce the incidence of mosquito-borne diseases; (c) the project will implement an HIV/AIDS prevention program during the construction phase; (d) the two hospitals will become more accessible, benefiting the whole community and particularly women and children who might not otherwise seek medical treatment; and (e) better safety and more convenience for pedestrians will encourage walking, resulting in better health outcomes and reducing diseases related to a sedentary lifestyle.

(iii) **Impacts on employment.** The project will promote employment by creating jobs during the construction phase and establishing community-based microenterprises to maintain the road over the longer term.

(iv) **Impacts on affordability.** The project will reduce vehicle maintenance costs for vehicle owners, resulting in lower costs for consumers of transport and other services and goods.

4. Design features. Project design includes measures to promote a healthy and safe road environment for all road users, including vehicles, pedestrians, and bicycles. The design aims to maximize the benefits of employment creation by extending job opportunities to a greater number of people, including women and youth. The project's road safety promotion program will benefit all the people of South Tarawa. The design minimizes land acquisition and resettlement. Reform of the road maintenance framework will protect the investment in road construction.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Stakeholders consulted include representatives of civil society such as the Kiribati Association of Non-Governmental Organizations, nongovernment organizations representing women in South Tarawa, health and family service nongovernment organizations, transport business operators, hotel owners, car rental operators, local retailers, the chamber of commerce, faith-based organizations, the teachers' union, and local residents. Consultations were held with local councils; development partners (Government of Australia, United Nations Children's Fund (UNICEF), United Nations Development Fund for Women); and government officials from various ministries and divisions, including public health, labor, internal, social affairs, and the police service. Community workshops were held with local women and with young people.

2. Civil society organizations. The overall project design process has included stakeholder consultations with civil society organizations. Civil society organizations such as the Kiribati Association of Non-Governmental Organizations and the Kiribati Family Health Association are included in the ongoing consultations during project implementation.

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):

Information gathering and sharing (H) Consultation (H) Collaboration (NA) Partnership (NA)

4. Participation plan.

Yes. No. Consultation and participation plans are built into the project's environmental management plan and resettlement plan. Beneficiary communities and local leaders, including community leaders and government officials, are consulted throughout the project cycle.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: some gender elements

A. Key issues.

The project will provide employment opportunities for women and men during the construction phase and in the ongoing microenterprise maintenance units. The project will provide opportunities for women in stakeholder consultation during the design and construction phases. Recommended measures include

- (i) equal access to project-related employment for women and men;
- (ii) employment targets of 50% for young women and men during the construction and road maintenance phases;
- (iii) capacity-building activities in technical skills in road maintenance, awareness campaigns for HIV/AIDS, occupational health and safety, and road safety; and
- (iv) physical design features that will improve safety for women road users.

B. Key actions.

Gender action plan Other actions or measures No action or measure

The project includes measures to ensure equal opportunity access for women to project employment opportunities and ensures women's inclusion in community participation and information sharing.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES	
A. Involuntary Resettlement 1. Key impacts. No impact. 2. Strategy to address the impacts. Not applicable. 3. Plan or other Actions. <input type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> No action	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Social impact matrix
B. Indigenous Peoples 1. Key impacts. Impacts on indigenous people are not anticipated. The people of South Tarawa are from a single ethnic group. They have no customary, cultural, economic, social, or political institutions separate from the rest of Kiribati society. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 2. Strategy to address the impacts. Not applicable. 3. Plan or other actions. <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix <input checked="" type="checkbox"/> No action	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> Combined resettlement plan and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
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, indicated as high (H), medium (M), and low or not significant (L). <input checked="" type="checkbox"/> unemployment (L) <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input type="checkbox"/> core labor standards 2. Labor market impact. The project will create employment opportunities with an international contractor and with the creation of community-based microenterprises. Loan and grant assurances include (i) provisions against different payment for men and women for work of equal value, (ii) provisions against child labor, and (iii) adequate health and safety measures during construction.	
B. Affordability The project will result in reduced vehicle operating costs.	
C. Communicable Diseases and Other Social Risks 1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> Communicable diseases (L) <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (please specify) _____ 2. Risks to people in project area. The construction contract requires the contractor to provide HIV/AIDS prevention training for construction workers and local communities.	
VI. MONITORING AND EVALUATION	
1. Targets and indicators. Social indicators are included in the design and monitoring framework to facilitate monitoring of social development activities and/or social impacts during project implementation. 2. Required human resources. Consultancy services are ongoing. 3. Information in the project administration manual. The project administration manual includes requirements for project reviews, monitoring and project performance reporting. 4. Monitoring tools: A reporting schedule and stakeholder communications strategy.	

^a Government of Kiribati. 2016. *Kiribati Development Plan, 2016–2019*. South Tarawa.

^b Asian Development Bank. 2016. *Country Operations Business Plan: Kiribati, 2017–2019*. Manila.

Source: Asian Development Bank.