

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

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

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Targeting classification: General Intervention
<p>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy</p> <p>The Kiribati Road Rehabilitation Project is consistent with the Kiribati Development Plan 2012–2015, 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. The project is also consistent with the country operations business plan, 2016–2018 of the Asian Development Bank, which aims to reduce poverty and promote economic opportunity by improving public financial management and delivery of sustainable infrastructure services.^a 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 32.5 kilometers of main road and 8 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, and add to the safety and comfort of pedestrians by providing footpaths, street lighting, and bus shelters; (iv) improve the environment through better air quality (achieved by reducing dust), control (through upgraded road drainage) of rainfall run-off into houses and pools on nearby properties, and conservation of roadside shade trees; (v) improve health outcomes through (a) reduction of respiratory tract infections from current high road dust levels and of mosquito-borne diseases resulting from poor current road drainage, (b) an HIV/AIDS prevention program under the project for the construction workforce and local communities, (c) a road safety action plan to cut down on motor vehicle accidents, (d) better access to two hospitals, and (e) better conditions for pedestrians, which will encourage walking and lower the risks of diabetes, hypertension and obesity; and 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.
<p>B. Results from the Poverty and Social Analysis during PPTA or Due Diligence</p> <p>1. Key poverty and social issues. Kiribati is categorized as a least-developed country, with an estimated 22% of the population living under the basic needs poverty line. South Tarawa, home to 45% of the country's population, has a basic needs poverty rate of 24%. 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.</p> <p>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: Impacts on quality of life. The condition of the road contributes significantly to increased costs of goods and services in South Tarawa. Decreased vehicle operating costs will have a flow-on effect from the transport sector through to the consumer. The project will reduce roadside dust, resulting in better air quality. Houses, shops, and vehicles will be cleaner. The project will improve the convenience and amenity of public transport by improving bus travel. Increased safety and amenity for pedestrians will reduce reliance on vehicles, leading to reduced expenditure on transport.</p>

2. Strategy to address the impacts.
3. Plan or other Actions.
<input checked="" type="checkbox"/> None
B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
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.
2. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Plan or other actions. <input checked="" type="checkbox"/> 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.
<input checked="" type="checkbox"/> L unemployment <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 provisions against different payment for men and women for work of equal value and against child labor and will ensure 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. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA):
<input checked="" type="checkbox"/> Communicable diseases <input type="checkbox"/> Human trafficking
2. Describe the related risks of the project on 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:
2. Required human resources:
3. Monitoring tools: NA.

^a Asian Development Bank. 2015. *Country Operations Business Plan: Kiribati, 2016–2018*. Manila.
Source: Asian Development Bank.