

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Cambodia	Project Title:	Flood Damage Emergency Reconstruction Project
Lending/Financing Modality:	Project	Department / Division:	Southeast Asia Department/Cambodia Resident Mission

I. POVERTY ANALYSIS AND STRATEGY	
A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy <p>Cambodia's vulnerability to climate change and natural disasters is highlighted in the country poverty analysis prepared for the Asian Development Bank (ADB) country partnership strategy (CPS), 2011–2013.^a The 2011 floods, underscoring this vulnerability, have posed a major challenge to poverty reduction gains—extensive damage to infrastructure, particularly roads and irrigation, has hampered people's access to goods, markets, and services; hindered agricultural production; and threatened livelihoods. At the intersection of the priorities set out in ADB's Strategy 2020^b and those elaborated in the Government of Cambodia's National Socioeconomic Development Plan (NSDP) Update, 2009–2013,^c poverty reduction is the overarching objective of the CPS. Support for the development of roads and irrigation is highlighted in the CPS priority sectors of transport and agriculture and natural resources. To be consistent with the priority areas of the CPS, the Flood Damage Emergency Reconstruction Project will work in the worst affected areas to restore critical connectivity along national, provincial, and rural roads; and to reconstruct irrigation facilities. Poverty reduction impacts will be both direct, in the form of cash income for local unskilled laborers hired for reconstruction work, and indirect, in terms of the inclusive growth brought about by restored connectivity and improved agricultural production.</p>	
B. Poverty Analysis Targeting Classification: Targeted Intervention – Geographic (TI-G)	
1. Key issues. <p>Cambodia's poverty reduction strategy is integrated into the NSDP Update, 2009–2013, which aims at “poverty reduction at a rate of over 1 percent per annum and improvement of social indicators, especially in education, health, and gender equity”.^d This is meant to be achieved through sustainable, long-term economic growth at a rate of 7% per annum. The government envisions broad-based development of rural economies that create new jobs and increase incomes by (i) enhancing productivity and diversifying the agriculture sector; (ii) developing agro-industries; (iii) rehabilitating and constructing rural roads to ensure that rural communities have access to markets; and (iv) expanding education, technical and vocational training, and health services in rural areas (para. 324). The NSDP Update recognizes that rural development is central to poverty reduction since the vast majority of the poor live in rural areas. The 2011 National Social Protection Strategy (NSPS) for the Poor and Vulnerable elaborates the government's approach to poverty reduction. It includes a risk and vulnerability analysis that indicates Cambodia's heightened vulnerability to natural disasters, given its unique hydrological regime and low coverage of water control infrastructure. Floods affect livelihoods and food security and take a heavy toll on people's living standards, pushing many further into poverty, especially given that nearly three-quarters of Cambodian households (72%) depend on fishing and agriculture for their livelihoods. Fishing and agriculture (and thus food security) are heavily dependent on weather conditions and can fluctuate significantly from year to year. A number of unusual floods and droughts have severely affected large parts of the countryside in recent history and the widespread damage to property, and public infrastructure will have a long-term impact. Floods and droughts are among the most damaging shocks for rural households, and it is anticipated that climate change will heighten their severity.</p>	
2. Design features. The project is designed with a geographic focus to maximize benefits to those areas that were most severely damaged and where a large number of poor people stand to benefit from both the rehabilitated infrastructure and job opportunities in construction. The geographical selection process considered the scale of the required flood damage restoration in conjunction with the vulnerability of the affected communities, giving preference to the poorest (according to the Commune Database) and hardest hit areas. The selection process also considered the flood response activities of the government and other development partners, including civil society. The project will work in six contiguous provinces that are for the most part located around the Tonle Sap Lake: Battambang, Banteay Meanchey, Siem Reap, Kampong Thom, Kampong Cham, and Prey Veng. According to the 2008 Census, these six provinces together comprise about 44% of the country's population.	

II. SOCIAL ANALYSIS AND STRATEGY	
A. Findings of Social Analysis	
<p>Key issues. The 2011 floods have exacerbated an already difficult poverty situation in many parts of Cambodia. The official poverty incidence was about 30% in 2007, with poverty very much concentrated in rural areas, where about 80% of the population resides (publication of an official poverty incidence for 2009 has been delayed given changes to the methodology). The 2011 Country Poverty Analysis identifies the Tonle Sap region as the poorest when both poverty incidence and magnitude are considered together (four of the six project provinces are located in this region). According to the National Social Protection Strategy, the roots of poverty and vulnerability in Cambodia are found in (i) crises and emergencies (including macroeconomic shocks as well as climatic, environmental, and natural disasters); (ii) low human development; (iii) seasonal unemployment and food insecurity; and (iv) health shocks. The 2011 floods inundated parts of 18 out of 24 provinces and affected more than 1.7 million people, causing the death of about 250 people and damaging housing, rice crops, roads, bridges, schools, health centers, water supply and sanitation, and other public infrastructure. Preliminary estimates include \$451 million in damages and \$174 million in losses. Preliminary results from a January 2012 survey of nearly 2,400 affected households in the Tonle Sap and Plains regions found overwhelmingly that the poorest were the most affected in terms of damage to housing and loss of livestock, crops and other assets. New indebtedness has resulted with more than 4 out of 5 moderately to severely affected households having to take out at least one new loan as a direct result of the flooding.⁶</p> <p>In rehabilitating damaged road and irrigation infrastructure, the direct poverty reduction impact will come from the provision of short-term employment and much-needed cash income to poor women and men using labor-intensive approaches where appropriate. Contractors will be encouraged to hire local unskilled labor, benefiting flood-affected people. These provisions are captured in a labor and gender action plan, described in more detail below. The repaired and in some cases upgraded road and irrigation infrastructure will have an indirect poverty reduction effect by helping to restore livelihoods and reduce vulnerability by increasing agricultural productivity and by improving physical access to markets and social services. Improved connectivity lies at the heart of inclusive economic growth.</p>	
B. Consultation and Participation	
<p>1. A broad range of stakeholders contributed to assessments of the damage caused by the 2011 floods. Coordinated by the United Nations Disaster Management Team and the National Committee for Disaster Management, damage assessments have drawn on information from local government (at village, commune, district, and province levels), civil society organizations active in flood response, and government line ministries. ADB supported a household survey led by the World Food Program to measure the impact of the flood on rural communities. The geographic focus of the project was established based on considerations of the level of physical damages, the level of poverty, and the potential to maximize benefits for the largest number of flood-affected people.</p> <p>2. What level of C&P is envisaged during the project implementation and monitoring?</p> <p style="padding-left: 40px;"> <input type="checkbox"/> Information sharing <input checked="" type="checkbox"/> Consultation <input type="checkbox"/> Collaborative decision making <input type="checkbox"/> Empowerment </p> <p>3. Was a consultation and participation plan prepared for project implementation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
C. Gender and Development Gender Mainstreaming Category: Some gender benefits (SGB)	
<p>1. Key issues. Rehabilitated national, provincial, and rural roads and irrigation facilities will bring major benefits to women and men through improved agricultural production and easier and faster access to markets, schools, and health centers. To support the reestablishment of livelihoods, the project will pay particular attention to the inclusion of local labor (e.g., people affected by the floods), particularly unskilled women workers on construction crews. The 2011 country gender analysis⁷ highlighted that gender disparities in employment remain extensive in Cambodia, primarily because of traditional attitudes about “appropriate” occupations for women and men. This is particularly true in the construction sector, where it is believed that women either cannot or do not wish to engage in manual labor. However, there are many construction jobs that women can and wish to do, and the social and gender analysis undertaken in preparation for rural and provincial road projects (including household surveys and village focus group discussions) documented the willingness and availability of women for such work.</p> <p>2. Key actions. Measures included to promote gender equality and women’s empowerment—access to and use of relevant services, resources, assets, or opportunities and participation in decision-making process:</p> <p style="padding-left: 40px;"> <input checked="" type="checkbox"/> Gender action plan <input type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure </p> <p>The rehabilitated infrastructure will benefit women and men and girls and boys equally. The project’s labor and gender action plan aims to ensure women’s access to jobs created by the project through their participation in the labor force recruited to reconstruct and maintain the infrastructure. In each output (national and provincial roads, rural roads, and irrigation) the target for women’s unskilled labor will be 30% of the total. Contractors will monitor and document the use of local labor and women’s participation. Equal pay for equal work will be guaranteed. In irrigation, subprojects will only be selected if there is an existing and functioning farmer water users committee with women’s representation. Any community-based rural road maintenance demonstration activities, if selected</p>	

for inclusion in the project, will prioritize, build capacity for, and report on women's participation. National labor and gender specialists will be recruited for each implementing agency to support monitoring of the labor and gender action plan. Each of the three project implementation units will have at least one female technical staff member, and all project implementation unit staff will participate in training on gender mainstreaming. The labor and gender action plan and the design and monitoring framework (DMF) also require that all data be sex-disaggregated.

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. The project will restore and reestablish use of flood damaged infrastructure. Restoration work is expected to be within existing facilities and rights-of-way and no land acquisition is anticipated. Avoiding land acquisition and involuntary resettlement is a subproject selection criterion.	A resettlement framework has been prepared in case a subproject is screened as requiring land acquisition or causing involuntary resettlement. The resettlement framework specifies all requirements for resettlement planning and implementation.	<input type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework <input type="checkbox"/> No action
Indigenous Peoples	No impact. The project will not include subprojects that affect indigenous peoples.		<input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <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	Limited. The majority of civil works will be machine-based, but where opportunities for labor-based work exist, contractors will be encouraged to hire local unskilled labor from the flood-affected areas.	A labor and gender action plan has been prepared and national consultants will be recruited to assist with implementation and monitoring.	<input checked="" type="checkbox"/> Plan <input type="checkbox"/> Other action <input type="checkbox"/> No action
Affordability	No impact		<input type="checkbox"/> Action <input checked="" type="checkbox"/> No action
Other Risks and/or Vulnerabilities <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human trafficking	No impact. The project will rehabilitate existing infrastructure (roads, irrigation canals) damaged in the 2011 floods.		<input type="checkbox"/> Plan <input type="checkbox"/> Other action <input checked="" type="checkbox"/> No action

IV. MONITORING AND EVALUATION

Are social indicators included in the design and monitoring framework to facilitate monitoring of gender and social development activities and/or social impacts during project implementation? ☒ Yes ☐ No

The DMF indicators include falling poverty levels in project communes at the impact level, and household income levels returning to or exceeding pre-flood levels at the outcome level. The performance targets for each output include that at least 30% of the unskilled labor hired will be women. All data will be sex-disaggregated.

^a ADB. 2011. *Country Partnership Strategy: Cambodia, 2011–2013*. Manila.

^b ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila.

^c Royal Government of Cambodia. *National Socioeconomic Development Plan Update, 2009–2013*. Phnom Penh.

^d *ibid.*, para. 318.

^e Action Aid, ADB, DanChurchAid/ACT Alliance, Danish Red Cross, Save the Children, Unicef, and World Food Programme. 2012. *Cambodia Post-flood Relief and Recovery Survey*. January 2012. Preliminary results, unpublished.

^f ADB. 2011. *Country Gender Analysis: Cambodia*. Manila.

Source: ADB staff.