

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

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

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: targeted intervention—geographic

A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy

Cambodia's vulnerability to natural disasters is well documented and highlighted in the country poverty assessment prepared for the Asian Development Bank (ADB) country partnership strategy (CPS) 2011–2013.¹ Natural disasters, including the 2013 floods, pose a major threat to poverty reduction gains made over the past decade. Damaged infrastructure—particularly roads and irrigation—hampers people's physical access to markets, goods, and services; hinders agricultural production; and threatens livelihoods. Empirical research undertaken in the wake of the 2011 floods found that a large proportion of affected households had taken out loans to cope with the negative impact of the floods, and that loans were primarily taken to meet food needs. Poor and vulnerable families can very easily get trapped in a vicious cycle of over indebtedness; this makes the reconstruction of damaged infrastructure all the more urgent, so that productive activities can be resumed as soon as possible. In line with the government's poverty reduction goals articulated in the Rectangular Strategy Phase III, poverty reduction is the overarching objective of the CPS. Support for the development of roads and irrigation infrastructure 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 project will work in the worst-affected areas to restore critical connectivity along national, provincial, and rural roads, and reconstruct irrigation facilities. Poverty reduction impacts will be both direct (cash income for local laborers hired for reconstruction work) and indirect (restored connectivity and agricultural production that will allow affected families to access markets and restore livelihoods).

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

1. Key poverty and social issues. In the third quarter of 2013, a combination of successive typhoons, rising Mekong River water levels, flash floods from Thailand, and heavier-than-average monsoon rains caused extensive flooding across Cambodia. In October 2013 the National Committee for Disaster Management reported that 20 provinces were affected by floods, 168 people were killed, and about 377,000 households or 1.8 million people (more than 12% of the entire population) were directly and indirectly affected. Nearly 46,000 households had to be evacuated, though many people were eventually able to return. The floods damaged houses, schools, health centers, and pagodas; damaged 440 kilometers (km) of national roads and more than 3,500 km of rural roads; and destroyed about 7% of total cultivated areas. All of this has severely disrupted the lives and livelihoods of hundreds of thousands of people. Cambodia is still primarily a rural country, with the majority of the population engaged in agricultural production, often for subsistence. About half of the total damage and loss across all sectors occurred in agriculture (Post-Flood Early Recovery Needs Assessment, January 2014, supported by the United Nations and ADB). The total damage from the 2013 flooding is expected to exceed that of the floods in 2011 in terms of impacts on infrastructure and agricultural crops, given the prolonged period of inundation that prevented the initiation of meaningful remedial measures.

2. Beneficiaries. The project will focus on the hardest hit areas in the provinces of Battambang, Banteay Meanchey, Oddar Meanchey, Siem Reap, Kampong Thom, and Kampong Cham. Together, these densely populated provinces are home to 1.18 million households, about 37% of all Cambodian households. About one-third of the rural households in Battambang, Siem Reap, and Kampong Thom are poor according to IDPoor, the national poverty targeting mechanism implemented by the Ministry of Planning. Many more families are vulnerable, with incomes only very marginally above the poverty line.

3. Impact channels. The restoration of damaged infrastructure will result in clear and direct benefits for poor and vulnerable flood-affected people who depend on roads for physical access to markets, goods, and services, and on irrigation for agricultural production. Among all interventions supported by the project, the emergency restoration of rural roads has been given the highest priority, since these are essential for restoring the livelihoods of rural people. Other direct benefits will come from the construction jobs created, and the cash income they generate.

4. 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 from job opportunities in construction. Given that the damage far exceeds the available project resources for rehabilitation, project activities will be prioritized by urgency, geographic focus, and impact on the largest number of affected people. The selection process also takes into account the potential for support under

¹ ADB. 2011. *Country Partnership Strategy: Cambodia, 2011–2013*. Manila.

existing ADB-financed projects, the flood response activities of other development partners and civil society, and the response of the government itself. The design gives preference to the poorest and hardest hit communities. The project incorporates gender equity considerations and will explore ways to maximize the use of local unskilled labor to create jobs and much-needed cash income for affected households.

II. PARTICIPATION AND EMPOWERING THE POOR

1. A broad range of stakeholders contributed to assessments of the damage caused by the 2013 floods. Coordinated by the National Committee for Disaster Management, damage assessments have included information from local authorities at the village, commune, and district level; civil society organizations active in flood response (particularly members of the Humanitarian Response Forum); and government line ministries. The project design team consulted with flood-affected residents in six provinces.

2. What forms of civil society organization participation is envisaged during project implementation?

H ☐ Information gathering and sharing **M** ☐ Consultation **L** ☐ Collaboration **P** ☐ Partnership

3. Will a project-level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons, particularly the poor and vulnerable?

☐ Yes. ☒ No.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: some gender elements

A. Key issues. Rehabilitated national, provincial, and rural roads and irrigation facilities under the Flood Damage Emergency Reconstruction Project Additional Financing 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 unskilled workers, and particularly unskilled women, on reconstruction crews. Women who are able to access income from construction jobs will be able to contribute to rebuilding their families' lives. The 2011 ADB country gender analysis² highlights 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, women are already engaged in manual labor in the agriculture sector, and there are many construction jobs that women can and wish to do. Social and gender analysis undertaken in the context of rural road improvement projects in Cambodia confirms the willingness and availability of women for such work. The Ministry of Rural Development Social and Environmental Office actively promotes women's access to jobs in rural road construction under the Rural Road Improvement Project. The Ready for Roads series of training manuals, monitoring forms, and outreach and communication materials will support the achievement of gender targets for unskilled labor.

B. Key actions.

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

The rehabilitated infrastructure will benefit women and men and boys and girls equally. The 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 the infrastructure. In each output (national and provincial roads, rural roads, and irrigation) the target for women's unskilled labor will be 25%^a of the workdays created. Contractors will monitor and document the use of local labor and women's participation. Equal pay for equal work will be guaranteed. National gender specialists will be recruited for each implementing agency to support gender action plan monitoring. Each of the three project implementation units will have at least one woman technical staff member, and all project implementation unit staff will participate in training on gender mainstreaming. The gender action plan and the design and monitoring framework also require that all data be sex-disaggregated.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: ☐ A ☒ B ☐ C ☐ FI

1. Key impacts. Limited. There are no anticipated land acquisitions and involuntary resettlement from the additional financing for the Flood Damage Emergency Reconstruction Project as work will be restoring existing facilities and structures. The subproject selection criteria to be approved for the additional financing also specify avoiding land acquisition and involuntary resettlement. Stage 2 subprojects will have no involuntary resettlement impacts. Stage 3 subprojects are not yet known.

² ADB.2012. *Cambodia Country Gender Analysis*. Manila.

<p>2. Strategy to address the impacts. It is proposed that the additional financing for the project will be used to enable additional subprojects to be implemented to address the recent flood in 2013. The project was categorized B for involuntary resettlement and a resettlement framework was prepared. The increment is proposed as category B for involuntary resettlement and the resettlement framework has been updated and disclosed. This categorization is for the additional subprojects that are proposed to be funded by the additional financing. There are no anticipated land acquisition and involuntary resettlement impacts as work will consist of restoring existing facilities and infrastructure. The subproject selection criterion to be approved for the additional financing also specifies avoiding land acquisition and involuntary resettlement.</p>											
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<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p>											
<p>1. Key impacts. No impact. The project and the additional financing will not involve subprojects that affect indigenous peoples. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>											
<p>2. Strategy to address the impacts. Not applicable.</p>											
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<p align="center">V. ADDRESSING OTHER SOCIAL RISKS</p>											
<p>A. Risks in the Labor Market</p>											
<p>1. Relevance of the project for the country's or region's or sector's labor market. L <input type="checkbox"/> unemployment L <input type="checkbox"/> underemployment L <input type="checkbox"/> retrenchment M <input type="checkbox"/> core labor standards</p>											
<p>2. Labor market impact. The project will create jobs in rural infrastructure reconstruction and will promote access to jobs for local laborers, with targets for women's participation. The core labor standards will be applied, and women and men will receive equal pay for equal work.</p>											
<p>B. Affordability Not applicable.</p>											
<p>C. Communicable Diseases and Other Social Risks</p> <p>1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA): NA <input type="checkbox"/> Communicable diseases NA <input type="checkbox"/> Human trafficking NA <input type="checkbox"/> Others (please specify) _____</p>											
<p align="center">VI. MONITORING AND EVALUATION</p>											
<p>The design and monitoring framework indicators include the impact of falling poverty levels in project communes, and the outcome of household income levels returning to or exceeding pre-flood levels. The performance targets for each output include that at least 25% of the unskilled laborers hired will be women. All data will be sex-disaggregated. Biannual review missions will be conducted to monitor the progress of each indicator stated in the design and monitoring framework and the project completion mission will monitor outcome indicators.</p>											
<p>a. The reduction in percentage of women from 30% to 25% is due to the experience in the current project whereby constructions are machined based, the works are short and intermittent, and the difficulties faced by women due to less than-competitive daily rates for women working in urban areas or in neighboring countries. Sources: ADB staff.</p>											