

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Tuvalu	Project Title:	Outer Island Maritime Infrastructure Project – Second Additional Financing
Lending/Financing Modality:	Grant Additional Financing	Department/ Division:	Pacific Department Transport, Energy and Natural Resources

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: General Intervention

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

The mission of the National Strategy for Sustainable Development, 2016–2020 (Te Kakeega III)^a is to achieve a greater level of security and prosperity for all Tuvaluans, achieve higher standards of quality health and education, and develop and maintain good relations on the international stage. The strategy has 13 focus areas, one of which concerns infrastructure and support services, including maritime infrastructure and services on the outer islands. It also supports the objectives of the Tuvalu Social Development Policy 2016, i.e., protection of the disadvantaged and vulnerable populations, and quality social services. The project is aligned with the ADB Pacific Approach 2016–2020^b, which has three strategic priorities: reducing costs, managing risks, and enabling value creation. ADB’s Midterm Review of Strategy 2020^c also emphasized transport development as a key driver of economic growth. This project contributes to the ADB 11 Pacific island countries country operations business plan, 2020–2022^d priority of enhanced transport connectivity and efficiency, and greater resilience to climate change and disaster risks.

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

- 1. Key poverty and social issues.** Tuvalu is home to an estimated 11,646 people (2019). Approximately 60% of the population is based in Funafuti (the capital), with the remaining people spread between the outer islands. The country’s economy and people primarily rely on maritime transport to access goods and essential social services, given its archipelagic nature and interisland sea trade. Nui has a land area of 2.8 square kilometers and a resident population of 610 people. Nui has recently experienced negative annual population growth, largely because of out-migration (–3.6% growth per annum during 2012–2017) as a result of limited income opportunities, education services, and health facilities available on the island. There are few paid work opportunities on Nui, leading to a reliance on remittances. A lack of reliable, safe transport limits labor mobility. A government ship is scheduled to visit Nui once every 4–5 weeks, and the island has no maritime facilities, relying on smaller boats to ferry passengers and cargo to the government ship. Tuvalu’s only hospital, which has 30 beds, is on the main island of Funafuti. The government provides secondary health care for the outer islands, including Nui which has one health clinic staffed by a nurse. The island nation’s major health issues stem from noncommunicable diseases, notably diabetes, heart problems, and hypertension, and cerebrovascular illness. Te Kakeega III refers to the 2010 HIES, which indicates that poverty rates are rising and that 26.0% of the population in 2010 lived below the national basic needs poverty line (24.8% on the outer islands, 27.5% on Funafuti). High transaction costs and a lack of economies of scale within the country disproportionately affect those in the outer islands.
- 2. Beneficiaries.** During construction, the key beneficiaries will be the unemployed and underemployed and their households, and landowners. On completion, the whole Nui community will be direct beneficiaries of the boat harbor and the related benefits of reduced cost of goods and services and safer transport. Vulnerable groups that will directly benefit include the landless, who are one of the most vulnerable groups in Tuvalu and are dependent on purchased food; women who may be pregnant or have young children and requiring specialist health care (to reduce maternal, infant, and childhood deaths); and people with chronic and acute health conditions or disabilities.
- 3. Impact channels.** The harbor will facilitate improved access to boat transport, including safer access to interisland transport for people with limited mobility, such as pregnant women, the elderly, young children, and people with disabilities, as well as facilitate the range of services available to Nui because of the docking capabilities. Indirectly, the project will contribute to social mobility, family cohesion (for those who work on other islands by facilitating more regular transport), and livelihoods and economic development (less loss or damage of cargo). The harbor also increases the resilience of Nui in times of natural disaster and climate change, ensuring that access to basic services and emergency support is not as significantly compromised by, or reliant on, weather and tides, as it is now.
- 4. Other social and poverty issues.** The impact of the coronavirus disease pandemic is expected to hinder poverty reduction gains, as the country’s economic growth is expected to slow in 2020 before recovering in 2021.
- 5. Design features.** Within the original project financing, activities will be implemented to increase the capacity of communities and government agencies to operate and maintain the facility after the construction to ensure its sustainability. The project includes pro-poor measures comprising provision for employment among local people, including women. The construction supervision consultant will support business development and mentoring with the women’s groups on the island.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Consultations were held with island councils (*kaupule*) and leaders, national government offices, civil society, women, and affected persons, with key project decisions made at the local level.

During implementation, a stakeholder reference committee will be formed to ensure decision-making is participatory and inclusive, and it will hold regular consultations with the contractor regarding progress and emerging issues.

2. CSO engagement. CSOs will be engaged to deliver training on sea safety, first aid, HIV/AIDS, sexual and reproductive health, gender, and cultural awareness. The Matapulapula Women's Group will support the management of the canteen constructed inside the passenger terminal, and the Fale Kaupule (Assembly of Elders) will be a part of the stakeholder reference committee.

3. Civil society organizations. There are not many identified CSOs active on Nui itself because of the small population, besides the influential Matapulapula Women's Group. This group, as well as national CSOs, will continue to be consulted during design, construction, monitoring, and completion. A national CSO (such as the Tuvalu Red Cross) will be engaged by the contractor to deliver health- and HIV/AIDS-related training and undertake awareness raising activities.

4. Level of CSO participation 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).

H Information gathering and sharing **H** Consultation **M** Collaboration **N/A** Partnership

5. Participation plan. Yes. No.

The PAM contains a stakeholder communication strategy, and a communication and participation plan has been prepared. The GAP also features details of how CSOs will support the delivery of training and awareness raising activities.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Effective Gender Mainstreaming

A. Key issues. Women in Tuvalu, and on Nui specifically, are usually well represented in island-based decision-making bodies, including the Kaupule and the Fale Kaupule. In daily life, labor is largely divided along gender lines, based around traditional gender roles at home and in agriculture and fisheries. On Nui, women do not traditionally fish and are limited to collecting shellfish on the reef, although this is slowly changing. Employment for women (as well as men) outside of government jobs is scarce on the outer islands, and there is little opportunity for increasing household incomes beyond selling surplus food goods. Key issues for women in the project areas continue to be high levels of time poverty because of household responsibilities and caring duties, barriers to income generation such as lack of market development and limited infrastructure to sell goods, and high levels of all forms of violence against women and girls (37% of women and girls report having experienced violence in their lifetimes). Consultations with women in outer islands highlight their challenges with maritime transport, including being uncomfortable with the level of risk during the transfer (boat-side and land-side), the difficulty of accessing important services such as health care for themselves or their children, and the risk of violence. While they generally feel safe on their islands, women and youth are cognizant of the possibility of increased numbers of visitors the new infrastructure will facilitate. The safety of the facilities is a priority to also give effect to the strong desire expressed by the women's groups to sell food or goods (such as handicrafts) at the boat harbors.

B. Key actions. A gender action plan has been prepared focusing on enhancing benefit distribution (and minimizing risk and/or harm) to women during construction and operation of the boat harbor. This project addresses the physical difficulties and unsafe transfer of people such as pregnant women and the elderly from small workboats to the government ship. The new facilities will be designed for inclusion with railings, ramps, lighting, and other security features, giving women and children safer access to transport. The passenger terminals will also include separate toilets for men and women, priority seating for women and people with disabilities, and facilities for canteens and handicraft outlets. Employment quotas for women (including the opportunity for one female trainee) will provide economic opportunities. Combined with participatory workshops on water safety and harbor use and maintenance (minimum of 40% women, including women-only consultations) and research into barriers to nontraditional employment, these actions will promote women's employment and also inform future projects. Access to vegetation from clearing operations for construction will be provided to women for use in handicraft production. All male and female construction workers will receive training prior to and during the construction on sexual and reproductive health, gender sensitivity, gender-based violence, and diversity and inclusion. A minimum of 30% of community members (with at least half being women) will also receive this training.

Gender action plan Other actions or measures No action or measure

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. Key impacts. The sea-side facilities and associated structures such as passenger terminal and cargo warehouse will be constructed in a foreshore area and on reclaimed crown land, while the access roads and construction laydown area will require temporary leases on privately owned land. Some sections of the proposed access roads are based on an existing coastal road that will need to be temporarily widened to a maximum of 4.5 meters. The government will negotiate lease agreements with willing landowners, and impacts on privately owned trees will be compensated.

2. Strategy to address the impacts. N/A

3. Plan or other Actions.

- | | |
|--|--|
| <input type="checkbox"/> Resettlement plan | <input type="checkbox"/> Combined resettlement and indigenous peoples plan |
| <input type="checkbox"/> Resettlement framework | <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework |
| <input type="checkbox"/> Environmental and social management | <input type="checkbox"/> Social impact matrix |

system arrangement

No action (due diligence report)

B. Indigenous Peoples

Safeguard Category: A B C FI

1. Key impacts. The local people in the project sites are part of the mainstream Tuvaluan Polynesian society. As a result, the project will not impact any distinct and vulnerable groups of indigenous peoples as defined under ADB's SPS. Is broad community support triggered? Yes No

2. Strategy to address the impacts N/A

3. Plan or other actions

Indigenous peoples plan

Indigenous peoples planning framework

Environmental and social management system arrangement

Social impact matrix

No action

Combined resettlement plan and indigenous peoples plan

Combined resettlement framework and indigenous peoples planning framework

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 Island's labor market, indicated as high (H), medium (M), and low or not significant (L). (L) unemployment (L) underemployment retrenchment (M) core labor standards

2. Labor market impact. The construction of the project will create unskilled and semiskilled employment for local men and women, and for income generation through sales of goods and services. Work opportunities will be coordinated by community leaders to target vulnerable households and spread benefits among families and clans. Construction companies will be required to comply with core labor standards. Ongoing employment will include stevedores and security guards.

B. Affordability. The costs of interisland transport are expected to reduce, however external factors such as fuel may affect ticket pricing, which is determined by the government.

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):

(L) Communicable diseases (L) Human trafficking (L) Sexual Exploitation and Harassment

2. Risks to people in project area. In 2015, the cumulative number of HIV cases in Tuvalu was 11. Of those tested for STIs in 2013, chlamydia infections were found among 9.0% of those tested, while 2.2% tested positive for syphilis. Tuvalu is not known to be a source, destination, or transit country for victims of human trafficking. Tuvalu's Counter Terrorism and Transnational Organized Crime Act 2009 (2009) provides protection for trafficking victims. The contractor will provide training on STIs, HIV/AIDS, gender and cultural issues, and human trafficking for construction personnel and the Nui community.

VI. MONITORING AND EVALUATION

1. Targets and indicators. Quotas of 10% women is stipulated for unskilled work during construction, with preference to be given to workers from poor households, 30% women for the PMU, and 40% women applies to all community consultations. The boat harbor will have separate toilets for men and women with access for people with disabilities.

2. Required human resources. A gender and social development specialist will implement the GAP and communication and participation plan, ensure vulnerable groups are actively involved, and support and monitor gender targets.

3. Information in the project administration manual. The PAM includes requirements regarding safeguards, the GAP, and meaningful consultations. It also details the grievance redress mechanism and project committees.

4. Monitoring tools. Tools will include consultation and training records, materials and photos, and records of employment data. The PMU will prepare quarterly progress reports and semiannual safeguard monitoring reports. The reports will include sex-disaggregated data and participation indicators relating to consultations, training, and employment statistics.

ADB = Asian Development Bank, CSO = civil society organization, GAP = gender action plan, HIES = Household Income and Expenditure Survey, MCT = Ministry of Communication and Transportation, PMU = project management unit, SPS = Safeguard Policy Statement (2009), STI = sexually transmitted infection

^a Government of Tuvalu. 2016. *Te Kakeega III: National Strategy for Sustainable Development, 2016–2020*. Funafuti.

^b ADB. 2016. *Pacific Approach 2016–2020*. Manila.

^c ADB. 2014. *Midterm Review of Strategy 2020*. Manila.

^d ADB. 2019. *11 Small Pacific Island Countries: Country Operations Business Plan, 2020–2022*. Manila.

Sources: ADB. 2019. *Key Indicators for Asia and the Pacific 2019 – Tuvalu*. Manila; ADB. 2020. *Tourism-Driven Economies in the Pacific to Feel Brunt of COVID-19 Pandemic*. Manila; Ministry of Health of Tuvalu. 2015. *Global AIDS Progress Report of Tuvalu*. Manila; Pacific Community. 2017. *70 Inspiring Women*. Noumea; United Nations Children's Fund. 2017. *Situational Analysis of Children in Tuvalu*. Suva.