

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country	Cambodia	Project Title	Livable Cities Investment Project
Lending/Financing Modality	Project	Department/Division	Southeast Asia Department/Urban Development and Water Division

### 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 project is aligned with the RSIV<sup>a</sup> and ADB's Strategy 2030.<sup>b</sup> The project supports Strategy 2030's key operational priorities of tackling climate change, making cities more livable, strengthening governance and institutional capacity, and accelerating gender equality. It aligns with ADB's country partnership strategy, 2019–2023 for Cambodia.<sup>c</sup> The project will also contribute to the Sustainable Development Goals and the Cambodia Sustainable Development Goals Framework (2016–2030). It adopts an integrated approach to urban development and provides investments to improve urban infrastructure, build community resilience, and facilitate sustainable and economic growth and productivity.

#### B. Results from the Poverty and Social Analysis during Transaction TA or Due Diligence

**1. Key poverty and social issues.** Bavet, Kampot, and Poipet lack basic infrastructure and services. Although more than 90% of households in the three cities have access to latrines, most of the generated excreta is unsafely managed (74% in Bavet, 77% in Kampot, and 91% in Poipet) and the cities do not have WWTPs. Solid waste collection services are available only for 14% of households in Bavet and 16% in Poipet, and about 88% of the generated solid waste is unsafely managed in Bavet and 90% in Poipet. The impact of poor sanitation is felt most keenly by the poor and vulnerable living in unhealthy and unsanitary environments, where the risk of getting sick from exposure to waterborne diseases is high, increasing their health expenses. Most people also experience flooding in their villages and homes during intense rainfall events.

**2. Beneficiaries.** The project will improve access to urban services by residents of the three cities for all population groups and will ensure equitable access to services. In Bavet, the project will improve (i) wastewater services for 1,522 households, of which 162 are poor and 19 are headed by women; (ii) stormwater services for 2,051 households; and (iii) SWM services for 5,122 households. In Poipet, the project will improve (i) wastewater services for 2,415 households, of which 258 are poor and 31 are headed by women; (ii) stormwater services for 2,729 households; and (iii) SWM services for 12,947 households. In Kampot, the project will improve wastewater services for 1,415 households, of which 211 are poor and 40 are headed by women.

**3. Impact channels.** The project will increase access to urban services by residents and businesses. It will help develop a vibrant economy by creating jobs and economic opportunities. The project includes practical, pro-poor, and socially inclusive design features (e.g., household connections, public toilets) to ensure that poor and vulnerable communities benefit equally from improved urban infrastructure and services. Residents' direct benefits are increased community awareness and commitment to better sanitation, climate change resilience, and affordable access to urban services. The project will help reduce the impacts of climate change (e.g., flooding) and environmental pollution and degradation, and improve public health by reducing waterborne disease.

**4. Other social and poverty issues.** The COVID-19 pandemic has severely affected Cambodia's economy, especially the tourism sector where travel restrictions and government-imposed lockdowns caused a decline in the number of tourists arrivals. The pandemic will affect poor and vulnerable households, particularly those engaged in the country's key economic sectors (tourism, garments, construction, and manufacturing) because of income loss. Tourism, where women hold the largest share of employment, will face a higher risk of unemployment. Households may face a 50% loss of income over 3 months, increasing by a further 3%–11% over 6 months.<sup>d</sup>

**5. Design features.** The project will include pro-poor and social initiatives, including providing equitable access to improved sanitation services (household connections and public toilets).

### II. PARTICIPATION AND EMPOWERING THE POOR

#### 1. Participatory approaches and project activities that will strengthen inclusiveness in project implementation.

Consultations with about 3,000 people in the project area (provincial and district officials, commune and village leaders, women and men, local households) were conducted from August 2019 to October 2020. Consultations with affected people will continue throughout preparation and implementation. Collaboration with agencies; local government units, including commune councils, committees of women and children, and other community-based organizations; and/or NGOs concerned will be undertaken during project implementation. The stakeholder consultation plan outlines further consultation and engagement strategies.

**2. CSO participation.** The design and construction consultants will engage civil society and NGOs to share project information and to facilitate discussions with specific vulnerable groups to raise awareness of the project's benefits.

**3. Approaches of CSO participation envisaged during project implementation.** CSOs and specialized NGOs will be consulted during implementation to promote project awareness. The consultation and participation plan includes CSO engagement.

  M   Information generation and sharing        M   Consultation        L   Collaboration        NA   Partnership

<b>4. Participation plan</b> <input checked="" type="checkbox"/> Yes. A stakeholder consultation and participation plan has been prepared to ensure meaningful participation of stakeholders, including vulnerable groups, throughout project implementation. The design and construction consultants will implement the plan, and activities are included in the project budget. <input type="checkbox"/> No.									
<b>III. GENDER AND DEVELOPMENT</b>									
<b>Gender mainstreaming category:</b> Effective gender mainstreaming									
<p><b>1. Key issues.</b> Household and community water and sanitation tasks, and waste management are primarily done by women, and this increases women's exposure to health risks. Shared sanitation facilities negatively affect the dignity, privacy, and personal safety of women and girls. Households headed by women usually spend a larger share of their budget on health expenses. A comprehensive city survey conducted during the feasibility study found households headed by women have low awareness of sanitation's technical aspects, including service costs. Women are severely underrepresented in decision-making outside the household and are generally less associated with technical choices and O&amp;M. Within municipal administrations, female representation is 10% in Bavet, 22% in Kampot, and 17% in Poipet. However, within the newly established Public Work, Transportation, Hygiene, Environment and Public Order Office under the municipal administrations, women comprise 36% of total staff (in Kampot), with no female employees in Bavet and Poipet.</p> <p><b>2. Key actions.</b> A key project output will be targeted training and awareness-raising on the benefits of proper sanitation and waste management. The project will promote opportunities to improve the livelihood of the residents, particularly women and the poor. It aims to address women's role in decision-making and participation in the water and sanitation sector at institutional and community levels. Because women play a larger role as caregivers and have larger exposure to the risks and vulnerabilities of bad hygiene, they need to be more engaged in decision-making, O&amp;M, and monitoring.</p> <p style="text-align: center;"> <input checked="" type="checkbox"/> Gender action plan              <input type="checkbox"/> Other actions of measures              <input type="checkbox"/> No action or measure       </p> <p>Key activities and targets in the GESIAP include (i) developing gender-responsive and inclusive guidelines on financial planning, tariff setting, and reporting; (ii) providing at least 80% of vulnerable households with equal access to improved sanitation or connection to the sewerage and solid waste collection system in the project area; (iii) conducting a behavior change analysis and strategy development on wastewater and SWM targeting men, women, and vulnerable groups in the project area; (iv) running community surveys to track if and how the infrastructure services respond to the needs of the targeted population; (v) developing a gender-responsive and inclusive recruitment and training program in each municipal administration; and (vii) awarding at least 20 master or graduate scholarships to female employees of MPWT, PDPWT, or the municipal administrations to study engineering or other relevant sciences at an accredited institution to advance their careers in water and sanitation. The overall project performance monitoring system and reports integrate collecting sex-disaggregated and gender and target group-related data for the DMF and the GESIAP.</p>									
<b>IV. ADDRESSING SOCIAL SAFEGUARD ISSUES</b>									
<b>A. Involuntary Resettlement</b>	<b>Safeguard Category:</b> <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> F1								
<p><b>1. Key impacts.</b> Physical and economic displacement under the project is not expected to be significant. About 200 households (685 people) may be affected in the three cities, of which only 19 households (81 people) may experience major impacts through loss of more than 10% of their productive land, and 17 households (60 people) are potentially vulnerable. Separate BRPs have been prepared for each city to guide involuntary resettlement implementation, compensation, consultation, and disclosure. The BRPs also cover temporary and unanticipated impacts.</p> <p><b>2. Strategy to address the impacts.</b> The project will not support any investment that may be classified as <i>category A</i> for involuntary resettlement. The approach to any identified and surveyed physical and economic displacement will be verified during detailed measurement survey and updated in the DRPs for each city. Compensation for the affected people is detailed in the BRPs. Information related to the interventions will be fully disclosed, and a grievance redress mechanism has been established under the BRPs. The affected people will participate in consultations. The project implementation consultants will monitor the construction contractor's compliance with the BRP and DRP guidelines.</p> <p><b>3. Plan or other Actions.</b></p> <table border="0" style="width: 100%;"> <tr> <td><input checked="" type="checkbox"/> Resettlement plan</td> <td><input type="checkbox"/> Combined resettlement and indigenous people plan</td> </tr> <tr> <td><input type="checkbox"/> Resettlement framework</td> <td><input type="checkbox"/> Combined resettlement framework and indigenous people planning framework</td> </tr> <tr> <td><input type="checkbox"/> Environmental and social management system arrangement</td> <td><input type="checkbox"/> Social impact matrix</td> </tr> <tr> <td><input type="checkbox"/> No action</td> <td></td> </tr> </table>		<input checked="" type="checkbox"/> Resettlement plan	<input type="checkbox"/> Combined resettlement and indigenous people plan	<input type="checkbox"/> Resettlement framework	<input type="checkbox"/> Combined resettlement framework and indigenous people planning framework	<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Social impact matrix	<input type="checkbox"/> No action	
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<b>B. Indigenous Peoples</b>	<b>Safeguard Category:</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> F1								
<p><b>1. Key impacts.</b> The Cham and Vietnamese minorities in the target cities are socially and economically integrated with Khmer communities, but additional attention must be given to Vietnamese participation. The project will not adversely affect ethnic minorities or indigenous peoples. Ethnic minorities will get the same project benefits as other populations.</p> <p>Is broad community support triggered? <input type="checkbox"/> Yes. <input checked="" type="checkbox"/> No. Consultations with indigenous men and women in the three cities show they support the project and have similar expectations as other citizens: better health, better living environment, more jobs, and economic development as the cities become more attractive.</p>									

**2. Strategy to address the impacts.** Specific indicators are developed to ensure and monitor fair representation, participation, and access of indigenous peoples to all project activities. The project design needs no adjustment.

**3. Plan or others actions.** An indigenous peoples due diligence report has been prepared.

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|---|---|
| <input type="checkbox"/> Indigenous peoples plan                                | <input type="checkbox"/> Combined resettlement and indigenous people plan                         |
| <input type="checkbox"/> Indigenous peoples planning framework                  | <input type="checkbox"/> Combined resettlement framework and indigenous people planning framework |
| <input type="checkbox"/> Environmental and social management system arrangement | <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary    |
| <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.**

M unemployment L underemployment L retrenchment M core labor standards

**2. Labor market impact.** The project contributes to creating about 480 long-term jobs in sanitation, drainage, and SWM. More jobs will be created because of additional economic investment in industry and tourism. The risks of lack of adherence to the CLS is addressed in two ways: (i) formal jobs adhering to CLS will be proposed to informal workers in SWM; (ii) the contracts of civil works contractors will include a clause to respect CLS, HSE, and other relevant labor standards; and (iii) a target will be set for female participation as unskilled labor.

### B. Affordability

Connection and service fees may place too much burden on the budget of the poorest and most vulnerable groups, preventing them from accessing the services when available. The following measures are proposed to ensure equity in access to services: (i) free connection to the stormwater drainage system during construction, (ii) subsidies for in-house works to connect to the sewerage connection box and to improve on-site sanitation, and (iii) affordable tariff for services.

### 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 NA other: \_\_\_\_\_

**2. Risks to people in the project area.** Inflow of construction workers, workers in SEZs, people working in tourism-related activities, and tourists increase the risk of disease circulation and transmission. Construction workers will receive information on HIV and other STIs, GBV, SEAH, and communicable diseases, including COVID-19, during the works.

## VI. MONITORING AND EVALUATION

**1. Targets and indicators.** By the end of the project, at least 80% of vulnerable households will have equal access to improved sanitation services in the project area; 10% of technical positions and 15% of decision-making positions in each municipal administration will be held by women; and 20 scholarships will be provided to female employees of MPWT, PDPWT, or the municipal administrations to study engineering or other relevant sciences to advance their careers in water and sanitation.

**2. Required human resources.** The PMU and PIUs will appoint social, gender, and environmental staff to support the implementation of the GESIAP and the social and environmental safeguards. Social and gender specialists under the design and construction supervision consultants will support the PMU and PIUs.

**3. Information in the PAM.** The overall project performance and management information system will include social and gender impact monitoring. Progress and safeguard reports will be prepared every quarter and every 6 months.

**4. Monitoring tools.** The project will use reporting templates as stipulated in the DMF, PAM, and BRPs and DRPs.

ADB = Asian Development Bank; BRP = basic resettlement plan; CLS = core labor standards; COVID-19 = coronavirus disease; CSO = civil society organization; DMF = design and monitoring framework; DRP = detailed resettlement plan; GBV = gender-based violence; GESIAP = gender equality and social inclusion action plan; HSE = health, safety, and environment; L = low; M = medium; MPWT = Ministry of Public Works and Transport; NA = not applicable; NGO = nongovernment organization; O&M = operation and maintenance; PAM = project administration manual; PDPWT = Provincial Department of Public Works and Transport; PIU = project implementation unit; PMU = project management unit; RSIV = Rectangular Strategy for Growth, Employment, Equity and Efficiency: Building the Foundation toward Realizing the Cambodia Vision 2050 Phase IV; SEAH = sexual exploitation, abuse, and harassment; SEZ = special economic zone; STI = sexually transmitted infection; SWM = solid waste management; TA = technical assistance; WWTP = wastewater treatment plant.

<sup>a</sup> Government of Cambodia. 2018. *Rectangular Strategy for Growth, Employment, Equity and Efficiency: Building the Foundation toward Realizing the Cambodia Vision 2050 Phase IV of the Royal Government of Cambodia of the Sixth Legislature of the National Assembly*. Phnom Penh.

<sup>b</sup> ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

<sup>c</sup> ADB. 2019. *Country Partnership Strategy: Cambodia, 2019–2023—Inclusive Pathways to a Competitive Economy*. Manila.

<sup>d</sup> World Bank. 2020. *Cambodia in the Time of COVID-19*. Phnom Penh.

Source: Asian Development Bank.