

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Indonesia	Project Title:	Metropolitan Sanitation Management Health Project II
Lending/Financing Modality:	Project Loan	Department/Division:	SERD / SEUW

I. POVERTY ISSUES

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

The country poverty assessment, Poverty in Indonesia: Income, Assets, and Access, states that economic growth is a necessary pre-condition for poverty reduction and refers to well-documented links between improved health and reduced poverty. The project is consistent with ADB's Country Strategy and Program (2011–2014) which identifies inadequate infrastructure, such as sanitation, as one of the main constraints of more rapid poverty reduction progress. The project will expand the access to hygienic sanitation, thereby reducing the level of water-related diseases, stimulating economic growth, and, consequently, reducing poverty levels in the project area.

The project will support the implementation of the Government's Roadmap to Acceleration of Urban Sanitation Development 2010-2014 and the National Policy for the Development of Community-Based Water Supply and Environment Sanitation.

B. Targeting Classification

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

Key Issues

The project has been identified as a targeted intervention. Access to basic sanitation has been identified as a basic human right, but such services in Indonesia are generally in poor condition. The basis for the project's targeting classification is that it will indirectly assist in facilitating economic growth in the regions and in the pursuit of equality through poverty alleviation. Improving urban infrastructure will support economic growth and sustainable commercial services and industrial development, ensuring efficient utilization of urban infrastructure. Improved environmental conditions in low-income areas will support general efforts at poverty alleviation.

Design Features

The project will scale up ADB's Metropolitan Sanitation Management and Health Project and improve sanitation services in about 9 cities in Indonesia by financing the construction of communal wastewater-treatment plants, piped sewerage systems, and on-site sewage treatment in low-income housing complexes. The project also supports technical assistance to improve public health and hygiene in the urban environment, with emphasis on improving sanitary conditions in low-income communities.

C. Poverty Analysis

1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed?
2. What resources are allocated in the PPTA/due diligence?

A sex-disaggregated household survey will be part of the PPTA on the basis of which socio-economic, demographic and affordability analyses, including a social impact assessment will be undertaken.

3. If GI, is there any opportunity for pro-poor design (e.g., social inclusion subcomponents, cross subsidy, pro-poor governance, and pro-poor growth)? Please explain

II. SOCIAL DEVELOPMENT ISSUES

A. Initial Social Analysis

Based on existing information:

- (i) Who are the potential primary beneficiaries of the project? How do the poor and the socially excluded benefit

from the project?

Urban poor will directly benefit from the project through access to sanitation services. Project design will include measures to improve urban poor's access to these services, including facility for subsidies.

3.

(ii) What are the potential needs of beneficiaries in relation to the proposed project?

Access to safe water; education on hygienic practices; sanitation facilities.

(iii) What are the potential constraints in accessing the proposed benefits and services, and how will the project address them?

Affordability will be the main issue as most households pay something for water but not for sanitation. In response, the project design will provide subsidies. In addition to financial constraints (mainly for the very poor, poor, and middle income groups), habits, culture, and/or spending priorities are also expected to constrain participation in piped sewerage or communal systems for some households. Hence, the need for mobilizing awareness and accessibility to training and education will be ensured through community based approaches. The project, therefore, intends to build on previous community mobilization and empowerment mechanisms, established in the Metropolitan Sanitation Management and Health Project, through continued support to a consultation and participation (C&P) plan.

B. Consultation and Participation

1. Indicate the potential initial stakeholders.

- Local communities
- Sanitation companies
- Local government agencies
- National government agencies

2. What type of (C&P) is required during the PPTA or project processing (e.g., workshops, community mobilization, involvement of non government organizations, community-based organizations, etc.)?

Consultations mainly take place through workshops and direct consultations with household beneficiaries (separate male and female consultations), community-based organizations, water companies, and government agencies.

3. What level of participation is envisaged for project design?

- Information sharing Consultation Collaborative decision making Empowerment

4. Will a C&P plan be prepared during the project design for project implementation? Yes No Please explain.

Following the C&P plan prepared under the predecessor Metropolitan Sanitation Management and Health Project, activities under output 1 (increased awareness on the benefits of sanitation services) will provide continued support to mobilization of project facilitation teams and citywide social marketing to raise awareness of the project and encourage low-income communities to apply for assistance.

C. Gender and Development mainstreaming

Proposed Gender Mainstreaming Category: effective gender

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project/program?

- i. Toilets with septic tanks or closed pits and their regular use are now widespread, with both men and women

preferring household sanitation facilities to public ones;

- ii. Where work takes women and men away from home, the lack of public sanitation facilities, creates a greater burden for women than men due to cultural/privacy concerns;
- iii. There is almost no experience with piped sewerage systems and little or no public awareness of the benefits of such systems, though both men and women are aware of the problems or groundwater pollution;
- iv. Both men and women are generally aware of the links between poor health and poor sanitation. Poor households have been unable to afford many improvements and have learned to cope with a lack of safe water and hygienic sanitation. Given that women are traditionally tasked with caring for sick members, the effect can lead to a disproportionate increase in work and time burden for women in poor households.
- v. Women have expressed support for improvements to sanitation facilities, given their gender role in household sanitation management. The project will seek women's active participation in leadership positions during community participation.

2. Does the proposed project/program have the potential to promote gender equality and/or women's empowerment by improving women's access to and use of opportunities, services, resources, assets, and participation in decision making?
 Yes No Please explain.

The project will promote gender equality and women's empowerment through inclusion of women as key beneficiaries of sanitation and hygiene projects. Support will be provided to increase their knowledge related to sanitation and hygiene practices, as well as their ability to plan and manage projects and finances on their own. This will increase the visibility of women in planning and management positions, leading to more opportunities for women to participate in decision making at the community level in the future. Training women in design, implementation, and operation and maintenance of sanitation facilities will build women's skills and increase employment opportunities in a traditionally male-dominated field, thus, breaking gender stereotypes in learning and employment. The development of a gender sensitive sanitation strategy will ensure that women specific needs and interests are integrated and will impact interventions in the sector as a whole. A gender specialist will be recruited as part of the PPTA to undertake a gender analysis. A gender action plan will be prepared to ensure women's needs and interests are integrated in project design and women benefit from project processes, outputs and outcome.

3. Could the proposed project have an adverse impact on women and/or girls or to widen gender inequality?
 Yes No Please explain

Loss of traditional land rights and livelihood will be addressed through mitigation measures under the resettlement plan.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Nature of Social Issue	Significant/Limited/No Impact/Not Known	Plan or Other Action Required VII.
Involuntary Resettlement	The construction of wastewater treatment works can cause resettlement and loss of land.	Significant	<input checked="" type="checkbox"/> Resettlement Plan <input checked="" type="checkbox"/> Resettlement Framework <input type="checkbox"/> Environmental and Social Management System Arrangement <input type="checkbox"/> None <input type="checkbox"/> Uncertain
Indigenous Peoples	The absence of indigenous people groups will be confirmed by the PPTA once sub-project locations have been identified.	The predecessor project identified no groups of indigenous peoples in the project cities, only ethnic and religious minorities, consisting of up to at least 20 different groups in each city. Some of these minorities are economically well off while others are not. The project implementation strategy	<input type="checkbox"/> Indigenous Peoples Plan <input type="checkbox"/> Indigenous Peoples Planning Framework <input type="checkbox"/> Environmental and Social Management System Arrangement <input type="checkbox"/> None <input checked="" type="checkbox"/> Uncertain

		will cover all households in targeted neighborhoods and will not discriminate on the basis of ethnic or religious affiliation.	
Labor <input type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input checked="" type="checkbox"/> Core Labor Standards	Due diligence on the compliance for core labor standards will be conducted during the design stage and mitigation measures will be put in place.	The construction contractor's contract will include core labor standard. The labor camp will be provided with basic facilities (drinking water and sanitation); no child labor will be used; equal pay for men and women laborer for similar work.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain

Affordability	The project design will provide subsidies for sanitation fee.		<input checked="" type="checkbox"/> Action <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Other Risks and/or Vulnerabilities <input checked="" type="checkbox"/> HIV/AIDS <input checked="" type="checkbox"/> Human Trafficking <input type="checkbox"/> Others (conflict, political instability, etc.), please specify	During PPTA study, the risk of HIV/AIDS and Human Trafficking potential will be examined and if required then Construction Contractor's contract will include awareness campaign on prevention of HIV/AIDS and Human Trafficking		<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> No Action <input checked="" type="checkbox"/> Uncertain

IV. PPTA/DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the TOR for the PPTA (or other due diligence) include poverty, social and gender analysis and the relevant specialist/s? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Are resources (consultants, survey budget, and workshop) allocated for conducting poverty, social and/or gender analysis, and C&P during the PPTA/due diligence? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No