



Initial Poverty and Social Analysis

July 2018

Myanmar: Yangon Urban Services Improvement Project

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 14 August 2018)

Currency unit	–	Kyat/s (MK)
MK1.00	=	\$ 1,464.50
\$1.00	=	MK 0.000683

ABBREVIATIONS

ADB	–	Asian Development Bank
TA	–	technical assistance
YCDC	–	Yangon City Development Committee

NOTE

In this report, "\$" refers to United States dollars.

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Myanmar	Project Title:	Yangon Urban Services Improvement Project
Lending/Financing Modality:	Project	Department/ Division:	Southeast Asia Department/Urban Development and Water Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The country partnership strategy for Myanmar 2017–2021 supports the government in achieving sustainable and inclusive economic development with national reconciliation, equitable development, protection of natural resources, and job creation for poverty reduction. Support for safe and effective water, sanitation, and waste disposal services to resolve environmental and health problems resulting from rapid urbanization are core areas of ADB operation identified in the draft Strategy 2030. The project will support the implementation of ADB's Urban Operational Plan 2011–2020 that focus not only on the provision of physical infrastructure, but also addressing the need to build capacity to plan, implement, and manage basic urban services. The project will comprehensively support capacity development and infrastructure investment.

B. Poverty Targeting:

- General intervention
 Individual or household (TI-H)
 Geographic (TI-G)
 Non-income MDGs (TI-M1, M2, etc.)

The focus of the project is to upgrade basic urban infrastructure to improve urban environment and public health conditions, to keep up with urban development and to enhance climate change resilience. Improved urban infrastructure and services will contribute to making the city more competitive and productive and increasing economic opportunities for people living in Yangon, leading to poverty reduction.

C. Poverty and Social Analysis

1. **Key issues and potential beneficiaries.** The expected beneficiaries of the project will be the residents in Yangon city. The beneficiaries will have access to more stable water supply without interruptions. The project will benefit the residents in the project area who do not have access to a separate sanitary sewerage system.
2. **Impact channels and expected systemic changes.** The population in Yangon will have affordable access to improved urban infrastructure and municipal services, thereby improved urban environment and public health. The project will provide public awareness programs on public health and environmental protection for the city residents.
3. **Focus of (and resources allocated in) the transaction TA or due diligence.** \$975,000 from the Cities Development Initiative for Asia will be allocated for the transaction technical assistance (TA) to prepare the project, from which the international safeguard specialist and the national social safeguard and gender specialist will be engaged to conduct due diligence, including the poverty and social analysis and social impact analysis. Potential measures will include consideration of socially-inclusive tariff structure and leveraging community action planning process in informing priority areas and needs for infrastructure support.
4. **Specific analysis for policy-based lending.** Not applicable.

II. GENDER AND DEVELOPMENT

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

Key issues that will be studied under the transaction TA for project preparation will include (i) gender dimensions of labor in current urban service provision, (ii) women's limited participation in decision-making related to urban governance and services, and (iii) women's roles in community behavioral changes. Improvements to sanitation and hygiene generally have a greater beneficial impact on women due to their higher exposure. Public health improvements are likely to affect women who are more responsible for family health. Women are traditionally tasked with caring sick family members whose illnesses may be caused from unhygienic sanitation conditions. Women in low-income and vulnerable households, who typically reside in areas with lower urban services and infrastructure, often bear a higher burden. Despite higher impacts on women, decisions about household spending for water and sanitation services are often the concern of men.

2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making? Yes No

A gender action plan will be prepared to mitigate any negative impacts and support positive design measures to enhance women's empowerment and gender equity in the project areas.

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

New and upgraded urban services are not expected to have an adverse impact on women or widen gender inequality. However, any potential adverse impacts will be identified and mitigated through project design measures during the transaction TA for project preparation.

4. Indicate the intended gender mainstreaming category:

- GEN (gender equity) EGM (effective gender mainstreaming)
 SGE (some gender elements) NGE (no gender elements)

III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.

The main stakeholders are Yangon City Development Committee (YCDC) and local communities where the subprojects will be located. The Engineering Department (Water and Sanitation) of YCDC will be substantially involved in the project design process.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable, and excluded groups? What issues in the project design require participation of the poor and excluded?

The stakeholder consultations will seek to increase local ownership of the project and to maximize the project impacts by addressing the local needs. Focus group discussions by sex, ethnicity, and income groups; willingness to pay survey and affordability analysis; household surveys of expected project beneficiaries and affected people will be conducted.

3. What are the key, active, and relevant civil society organizations (CSOs) in the project area? What is the level of civil society organization participation in the project design?

(H) Information generation and sharing (H) Consultation (M) Collaboration (L) Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how should they be addressed? Yes No

Concern for affordable access to the improved urban services and local capture of the employment opportunities generated by project intervention are expected to be important issues for the poor and excluded. During the transaction TA for project preparation, affordability analysis disaggregated by income level, sex, and ethnicity will be conducted. Targeted measures for employment capture will be examined in areas where the poor and excluded are likely to feature.

IV. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category A B C FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? Yes No

There may be some land acquisition in association with civil works for infrastructure construction, in particular strip of lands along the water transmission main to be constructed under the project. The impact due to land acquisition will be determined and confirmed during the transaction TA for project preparation in more detail.

2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process?

- Resettlement plan Resettlement framework Social impact matrix
 Environmental and social management system arrangement. None

B. Indigenous Peoples Category A B C FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? Yes No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? Yes No

There are no specific communities of ethnic minorities or groups that live separately in the urban area. As the project will benefit all residents in the project area equally, any adverse impact on indigenous peoples is expected. However, the TA for project preparation will determine and confirm the impacts on indigenous peoples.

3. Will the project require broad community support of affected indigenous communities? Yes No
 No special support is expected other than the common requirements of community participation.

4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process?

- Indigenous peoples plan Indigenous peoples planning framework Social impact matrix
 Environmental and social management system arrangement None

V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

(M) Creating decent jobs and employment (M) Adhering to core labor standards (L) Labor retrenchment
 (M) Spread of communicable diseases, including HIV/AIDS (L) Increase in human trafficking
 (M) Affordability (L) Increase in unplanned migration (L) Increase in vulnerability to natural disasters

(L) Creating political instability (L) Creating internal social conflicts Others, please specify _____

2. How are these additional social issues and risks going to be addressed in the project design?

Short-term employment of local residents during the construction phase of the project will be available. An affordability analysis and willingness to pay survey will be conducted under the transaction TA for project preparation. Measures will be considered to ensure poor and vulnerable households can access project benefits.

VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction TA or due diligence process to better analyze (i) poverty and social impact, (ii) gender impact, (iii) participation dimensions, (iv) social safeguards, and (v) other social risks. Are the relevant specialists identified?

Yes No

2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social, and/or gender analysis, and participation plan during the transaction TA or due diligence?

The international safeguard specialist and the national social safeguard and gender specialist will be engaged to conduct a poverty and social analysis, willingness to pay survey, and affordability analysis under the transaction TA for project preparation.