

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	PHILIPPINES	Project Title:	Support to National Community-Driven Development Program
Lending/Financing Modality:	Project Loan	Department/Division:	SERD / SEHS

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>The Philippines is a lower middle-income country with a population of 95.8 million. In 2011, it had a per capita gross domestic product of \$2,346 and a human development index of 0.644, ranking 112th out of 187 countries. The Philippine economy grew by an average of 4.8% from 2003 to 2009. Despite this, poverty remains a continuing and significant challenge, with a quarter of the population considered poor. Poverty incidence in the country increased from 24.9% in 2003 to 26.5% in 2009, with 45% of the population remaining vulnerable to falling into poverty. There has been no significant improvement in the depth and severity of poverty, underscoring the need to reduce the number of poor and alleviate the severity of poverty among the affected groups.</p> <p>Spatial inequality is strongly manifested by the significant differences in income and poverty levels across regions and provinces. Disparities in health and education outcomes and inequitable access to basic services and development opportunities are also evident in different parts of the country. It is estimated that seven out of 10 poor Filipinos are from the rural areas and that agricultural workers have the highest incidence of poverty. The Philippines has one of the highest Gini coefficients in Southeast Asia and is lagging behind its neighboring countries in the region in terms of reducing poverty and inequality. The country is lagging behind in meeting the Millennium Development Goal targets on poverty, education, and maternal health.</p> <p>The community-driven development (CDD) approach has been adopted as a pillar of the country's overall development program and poverty reduction strategy under the Philippine Development Plan 2011–2016 and the National Anti-Poverty Framework. The Government is scaling up CDD implementation into a national CDD program (NCDDP) building on the successful experiences of the KALAHI-CIDSS (KC) program and other CDD programs in the country. The proposed Project is consistent with ADB's Strategy 2020, and is aligned with ADB's 2011–2016 country partnership strategy for the Philippines.</p>
<p>B. Targeting Classification</p> <p><input type="checkbox"/> General Intervention <input type="checkbox"/> Individual or Household (TI-H) <input checked="" type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>The project provides block grants to poor villages in poor provinces and municipalities identified under the poverty mapping and small area estimates of the Government.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries.</p> <p>NCDDP will cover 900 municipalities with higher poverty incidence than the national average, benefitting around 5 million poor households in 68 provinces. Target municipalities are identified under the poverty mapping and small area estimates of the Government. The poor and the socially excluded households identified through participatory community mapping, including indigenous people and women, will benefit from the project and improve their access to basic services.</p> <p>Limited access to basic services is a key cause of poverty and inequality in the Philippines. Six out of 10 Filipinos die without medical attention and four out of 10 infants are delivered by untrained hands. Many of the geographically isolated and remote areas, including the conflict-affected areas and ancestral domains of indigenous peoples (IPs), have very limited access to health services. School enrolment and completion rates are particularly low in rural areas and among disadvantaged groups such as the poor and IPs. Three out of 10 of the poorest 30% of Filipino families do not have access to safe drinking water and electricity compared to one out of 10 in the upper 70% income group. Two out of 10 of the poorest families do not have access to safe sanitation while almost all families in the upper income group do. Access across regions was highly disproportionate with the National Capital Region and other regions in Luzon (Regions I, II, III, and IV-A) far better served than the rest of the regions.</p> <p>2. Impact channels and expected systemic changes.</p> <p>Inadequate access of the poor and disadvantaged groups to basic services and infrastructure is attributed to supply-side and demand-side constraints. On the supply-side, the lack of services and facilities is constrained by low level of public spending, inefficient and ineffective resource allocation, geographic isolation, natural disasters, armed conflict, poor targeting, and weak accountability mechanisms. Low demand for services and facilities is associated with substandard outputs, lack of information and awareness, low income levels, and lack of people participation in resource allocation decisions. The project will address these constraints through the provision of community planning and subproject grants, allowing for greater voice and participation of poor communities in resource allocation decisions. The experience of KC indicates that typical subproject consists of water systems,</p>

school building, access roads, daycare centers, health stations and post-harvesting facilities. It will also build capacities of communities to effectively participate in the process of resource allocation and subproject implementation.

3. Focus of (and resources allocated in) the PPTA or due diligence.

The target areas will be carefully identified during project preparation. Social and gender assessments for the project will be conducted and frameworks or action plans prepared during project preparation. A social development specialist, gender specialist, and safeguard specialist will support project preparation.

II. GENDER AND DEVELOPMENT

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

Key gender issues relevant to the proposed project include potential exclusion of women in leadership roles of community-based organizations and in municipal government level committees. There are also potential gaps in resource allocation processes and sub-project selection and prioritization that may impact on the gender dimensions of the project. Monitoring tools will be developed to ensure that these issues are captured and corrective measures for improved participation, introduced when required.

2. Does the proposed project or program have the potential to make a contribution 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 Please explain.

Gender studies of the previous KC indicate strong positive gender impacts. The project has incorporated learning from the experience and will adopt gender-sensitive measures through the conduct of participatory situation analysis and participatory decision-making processes in subproject identification. Use of sex-disaggregated data will be part of operational project monitoring. Women will be supported in taking leadership position in project structures. Subprojects, such as health centers, day care centers, schools will take into account the needs of women and children and improve women's access to pre and post-natal care and other services. Water systems will decrease the burden of women in fetching water for their families.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes No Please explain

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme) 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 poor villagers, village volunteers, local government units and their staff, field staff of national government agencies, and civil society organizations. A series of consultations with various national and local stakeholders had taken place. During the project preparation stage, field consultations with various sector agencies, civil society organizations and local officials through workshops, field visits and meetings will take place to secure views about the components of the project and enhance the project design.

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?

Participation is embedded in CDD approaches, ensuring that the project integrates the principles of local empowerment, demand-responsiveness, greater downward accountability, and enhanced local capacity. The project is designed to provide technical support and block grants for community-prioritized subprojects, which are identified by the participating poor communities through participatory situation analysis and participatory planning and decision-making processes. Villagers and volunteers also have the opportunity to learn new skills or improve existing skills, including: bookkeeping, procurement, transparent processes, project preparation, fund sourcing, planning and project management, negotiations and conflict management, documentation, dealing with financial institutions, and construction skills through the capacity building component of the proposed project.

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

Information generation and sharing Consultation Collaboration Partnership

Volunteers from all target villages will organize village committees to undertake specific tasks during the project planning and implementation. Civil society organizations (CSOs) will continue to be represented in various project structures from the municipal to national steering committees. Furthermore, the project will review the mechanisms for more systematic and dynamic partnership with CSOs, such as the possibility of engagement as training providers, external monitors, and community facilitators during project preparation.

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

Community participation is a key element of the project and is integrated into the overall program design. Special actions to ensure the participation of women, indigenous people and other vulnerable groups will be

included through the preparation of a gender action plan and other plans as appropriate during project preparation.
IV. SOCIAL SAFEGUARDS
A. Involuntary Resettlement Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
<p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>There may be no or limited impact on involuntary land acquisition as the subprojects are small community infrastructure. This has been the experience of KC. Since the subprojects will only be known during loan implementation, a Resettlement Framework will be prepared. A resettlement plan is a prerequisite in accessing the block grant for subproject construction.</p> <p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p> <p>A framework will be prepared as community infrastructure subprojects and capacity development interventions will be determined only during project implementation. The subprojects will not be determined ex ante.</p>
B. Indigenous Peoples Category <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
<p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The project will cover some barangays and municipalities under the ancestral domain titles of IPs and will thus improve livelihoods and access to basic services. Capacity building interventions will include IP communities.</p> <p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>There is no negative impact on indigenous people expected, and they are expected to benefit from the project, as shown by the experience of KC. The project design will ensure inclusiveness participation of IPs in local development process that will promote their wellbeing. This will be assessed further during project preparation.</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input checked="" type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p> <p>A framework will be prepared as community infrastructure subprojects and capacity development interventions will be determined only during project implementation. The subprojects will not be determined ex ante.</p>
V. OTHER SOCIAL ISSUES AND RISKS
<p>1. What other social issues and risks should be considered in the project design? <input type="checkbox"/> Creating decent jobs and employment <input type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design? There is no negative impact on labor. Some income-generating opportunities will accrue to both skilled and unskilled labor in the community during the construction period. Covenants will ensure that core labor standards will be adhered to. There is limited impact on affordability as small community infrastructure will contribute to improved access to basic service. Confirmation of this will be assessed during the due diligence process.</p>
VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT
<p>1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>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 PPTA or due diligence? A social development specialist (poverty and gender) will be deployed as part of the consulting team preparing the project.</p>