

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Nepal	Project Title:	Community-Managed Irrigated Agriculture Sector Project – Additional Financing
Lending/Financing Modality:	Project	Department/Division:	South Asia Department Environment, Natural Resources, and Agriculture Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: targeted intervention—geographic

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

The project will contribute directly to increasing agricultural productivity and production, as improved access to reliable and adequate irrigation water will enable crop diversification and higher cropping intensity. The project directly supports the government's 13th Plan, 2013–2015, which in essence gives continuity to the priorities of the 10th Plan and the two 3-year interim plans for 2008–2010 and 2011–2013: poverty reduction through inclusive economic growth, effective public service delivery, inclusive social development, good governance, targeted programs, and rural infrastructure development. The strategy envisages tangible improvements in the living standards of the poor, disadvantaged, and socially excluded sections of the population through (i) employment-oriented and broad-based economic growth—the project promotes irrigated cultivation of high-value crops; (ii) inclusive social development—the project has a gender equity and social inclusion (GESI) plan; (iii) an inclusive consultation, participation, and communication plan; and (iv) targeted assistance to enable the poor, women, and vulnerable or disadvantaged groups to meaningfully participate opposite local elites.

These objectives are supported by the Asian Development Bank (ADB) country partnership strategy, 2010–2012 for Nepal, which supports the country's peace and development aspirations by promoting four pillars: (i) inclusive economic growth, (ii) inclusive social development, (iii) governance and capacity building, and (iv) climate change adaptation and environmental sustainability.

B. Results from the Poverty and Social Analysis during Project Preparation

1. Key poverty and social issues. An overwhelming 94% of the population in the project area depends on subsistence farming for their livelihood, compared with the national average of 76%. The poverty analysis shows that 60% of households do not have year-round food sufficiency. Of these, 17% have food sufficiency for less than 3 months (very poor), 13% for 3–6 months (poor), 30% for 6–9 months (moderately poor), and 40% for 9–12 months. Defined on the basis of food sufficiency this translates to 30% who are \$1.25-a-day poor.^a Key poverty issues are (i) low production due largely to the predominance of rainfed agriculture; (ii) traditional farming practices; (iii) limited agri-input; (iv) inadequate technical advice for farmers due to poor extension services; (v) limited or no employment opportunities near home; (vi) a high workload for women, the elderly, and children due to male outmigration; (vii) inequality in land ownership; (viii) lack of market facilities for goods and services; and (ix) frequent droughts and floods. Poverty results show that 51% of households in the hills have landholdings of less than 0.5 hectares (ha), and 57% in the Terai (plains) have less than 1.0 ha. The lack of growth in crop production has greatly limited the potential for crop diversification, leading to nutritionally unbalanced and poorly diversified food consumption patterns. Nepal is on track to achieve all its Millennium Development Goal (MDG) targets except those concerning environmental sustainability and global partnership.

Almost all households have at least one or two family members who are labor migrants. The majority of these are low-skilled young men, whose absence from the farms leaves many households to be run by women. Poor rural families spend 78% of their income on food. The project will contribute to the MDGs directly by improving food security and indirectly by improving incomes and food availability. Once irrigation water is more reliable, farmers at the tail ends will be motivated to increase cropping intensity. Poorer households, landless sharecroppers, and the landless leaseholders are expected to get a relatively greater share of incremental benefits from irrigation development.

Basis for targeting classification: The project is about community irrigation where most people are small landholders. Nationally, Nepal made impressive gains in reducing poverty from 42% in 1995 to 24% in 2013. However, aggregated figures mask the disparity that exists by area, ethnicity, and caste. Disparities continue to exist between rural and urban (rural poverty at 27% is almost twice as high as urban poverty at 16%), between dominant caste groups (14%–18%) and socially excluded *Dalits* (46%), indigenous peoples (35%–44%), and Muslims (41%).^b By occupational groups, poverty is highest among agricultural wage laborers, followed by small farmers who cultivate their own land, whom the project is targeting. The targeting criteria of landholding size and poverty incidence correspond to areas with greater numbers of marginalized and poor farmers from disadvantaged castes and ethnic groups. The project will help disadvantaged groups overcome constraints related to water availability and adequacy. The project increases access to irrigation for the very poor, poor, and moderately poor farm households.

2. Beneficiaries. The project will be implemented in 35 districts of the central and eastern development regions, covering both the Terai and hill ecologies. Nationally, the poverty incidence has come down to 24% based on the national poverty line of \$1.25 equivalent a day. ADB's broad objective is to get 50% of project benefits to the \$2-a-day poor, who constitute 57.2% (2010) of the poor in Nepal. This project attempts to directly benefit such poor, vulnerable, and low-income people, leading to inclusive growth. The main beneficiaries will be small and marginal farmers with land holdings of less than 0.5 ha in the hills and less than 1 ha in the Terai, including indigenous peoples and other vulnerable groups.

3. Impact channels. To enhance its poverty impact, the project will provide extra assistance to the poorest and most

disadvantaged irrigation users (women, marginal farmers, and landless who are sharecroppers) to increase their participation and benefits. The project supports participatory planning, forming and strengthening of water user associations (WUAs), and irrigated agricultural extension and productivity in communities most in need.

4. Other social and poverty issues. Temporary outmigration has led to HIV/AIDS being brought back to the communities by returning males. This is an issue being dealt with by other development partners, such as Family Health International, United States Agency for International Development, and the Global Fund.

5. Design features. Subproject selection will be driven by demand in the communities, including the needs of the poor, women, and vulnerable castes or ethnic groups. Households, including those headed by women, and the disadvantaged groups (DAGs) will have access to irrigation water. In addition, WUA constitutions will provide guidelines to facilitate meaningful participation of DAGs, defined as single women, marginal farmers, and landless who are sharecroppers. This will allow them to voice their needs related to water allocation, better access to water, and training for WUA members. This is reflected in the project design and monitoring framework (DMF) (outputs 1, 2, and 3 and related performance indicators).

II. PARTICIPATION AND EMPOWERING THE POOR

1. Summarize the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation. – The project is participatory in all its components. Detailed information on the project and its selection criteria will be disseminated in all subproject areas. Communities will submit applications for rehabilitation support. Subproject selection criteria require the inclusion of 33% women (at least one in a decision-making position) with proportionate representation of its social profile in the WUA executive committee; 100% of elected WUA officials will receive GESI orientation, at least 33% of all trained leader farmers are women from DAGs and tail-end reaches of the system, and at least 50% of WUAs have sharecroppers among their members, and this is reflected in the DMF and the project administration manual (PAM).

2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. – Participation includes consultation, coaching to ensure adequate participation of vulnerable groups, and leadership development to ensure that communities manage subproject preparation and implementation.

3. Explain how the project ensures adequate participation of civil society organizations (CSOs) in project implementation. – Social mobilizers will be recruited as consultants, most of whom are likely to come from CSOs.

4. What forms of CSO participation is envisaged during project implementation?

Information gathering and sharing (L) Consultation (M) Collaboration (L) Partnership (L)

5. Will a project-level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons, particularly the poor and vulnerable? Yes. No.

A consultation, participation, and communications plan has been prepared for project implementation. The plan will focus on ensuring meaningful and ongoing consultation throughout the project cycle, and provide timely disclosure of relevant information that is understandable in the local language.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: effective gender mainstreaming

A. Key issues. Household and farm responsibilities of women are increased by the outmigration of men seeking employment, which is in turn partly induced by the scarcity of irrigation water in dry periods. Male outmigration also leaves women as de facto heads of households, burdening them with tasks and duties they must undertake while still subject to cultural male child preference and deference to patriarchal order. Women, the poor, and the excluded not only have limited access to water resources but face the added difficulty of discrimination in accessing and benefitting from what resources are available. Women lack access to information and a voice and influence in decision making. Women, the poor, and the excluded have limited involvement in WUA management as decision makers and lack technical capacity. The ease and extent of access, and use of irrigation water are guided by sociocultural values and practices that give preference to groups designated as elites and upper castes over poor and socially excluded groups.

B. Key actions. The selection of subprojects and public meetings will require that women take an active part (33% participation by women in all key consultations). The WUA constitution will provide for either the husband or the wife as an eligible member in the WUA. Executive committee formation will have 33% representation of women. The project will promote women in key leadership positions (chair, secretary, and treasurer) in 50% of the WUAs. All elected WUA women officials will receive technical and leadership training. WUA training will include an orientation session on gender. Social mobilizers hired for WUA strengthening will be 80% women and from the same districts that they are assigned to. The project will promote women farmers as leader farmers by ensuring that at least 35% of the leader farmers receiving certified training of trainer are women. The agricultural development plans developed will ensure that the need and priorities of women farmers are factored in, and 40% of the farmer group members trained will be women farmers. Project staff and consultants will receive GESI sensitization training in line with the irrigation policy and the GESI guideline of the Department of Irrigation (DOI). Equal access to agri-extension services and equipment is ensured in the WUA norms for households headed by women.

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

<p>1. Key impacts. The project rehabilitates community-driven irrigation schemes with no resettlement or involuntary land acquisition. It is designed to be based on the beneficiaries' voluntary donation of small parcels of their land for improving the irrigation system.</p> <p>2. Strategy to mitigate the impacts. A due-diligence framework for voluntary land donation has been prepared to ensure that the required land is given voluntarily and that nobody is impoverished by the land donation. A grievance redress mechanism has been designed against any coercion as part of the framework.</p> <p>3. Plan or other Actions.</p> <p><input type="checkbox"/> Resettlement plan <input type="checkbox"/> Combined resettlement and indigenous peoples plan</p> <p><input type="checkbox"/> Resettlement framework <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix</p> <p><input checked="" type="checkbox"/> No action^c</p>	
<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p>	
<p>1. Key impacts. The project is demand driven, based on voluntary donation of land, and is for the benefit of the poor, disadvantaged, and vulnerable people. While the project expects to reach areas with high percentages of <i>Janajatis</i>, the indigenous peoples safeguard requirements will not be triggered because the project does not directly or indirectly affect their dignity, human rights, livelihood systems, or culture or cultural properties.</p> <p>Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>2. Strategy to address the impacts. A due diligence framework on indigenous peoples impact screening has been prepared. Subproject selection criteria will exclude proposals that involve any adverse impact on the indigenous peoples communities.</p>	
<p>3. Plan or other actions.</p> <p><input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Combined resettlement plan and indigenous peoples plan</p> <p><input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Indigenous peoples plan elements integrated into project with a summary</p> <p><input type="checkbox"/> Social impact matrix</p> <p><input checked="" type="checkbox"/> No action^d</p>	
<p>V. ADDRESSING OTHER SOCIAL RISKS</p>	
<p>A. Risks in the Labor Market</p> <p>1. Relevance of the project for the country's or region's or sector's labor market.</p> <p><input checked="" type="checkbox"/> unemployment (L) <input checked="" type="checkbox"/> underemployment (L) <input checked="" type="checkbox"/> retrenchment (L) <input checked="" type="checkbox"/> core labor standards (L)</p> <p>2. Labor market impact. – No impact.</p>	
<p>B. Affordability</p> <p>Limited affordability. Poor and disadvantaged households' contributions of cash and labor will be made through consensus building. No action plan.</p>	
<p>C. Communicable Diseases and Other Social Risks</p> <p>1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA):</p> <p><input type="checkbox"/> Communicable diseases (NA) <input type="checkbox"/> Human trafficking (NA) <input type="checkbox"/> Others (please specify) (NA)</p> <p>2. Describe the related risks of the project on people in project area. – Not applicable.</p>	
<p>VI. MONITORING AND EVALUATION</p>	
<p>1. Targets and indicators: The overall impact anticipated from irrigation rehabilitation will be indicated primarily by greater food security. Better operation and management of the systems will be measured by increases in cropping intensity and production, and crop diversification. Other output targets and indicators relate to the capacity of DOI, inclusion of women in leadership roles in WUAs, and inclusion of sharecroppers as WUA members. The data sources to monitor target indicators will be national and local government statistics, project management unit monitoring reports, subproject preparation reports, baseline data, and post-construction surveys.</p> <p>2. Required human resources: Monitoring and evaluation specialist (national, 24 person-months) senior social development and gender specialist (national, 36 person-months), 2 social development specialists, one in each Regional Irrigation Directorate (national, 120 person-months), and 26 female social mobilizers (national, 1,560 person-months)</p> <p>3. Information in PAM: Regular monitoring will be done by the central project management office and project staff to measure effectiveness and quality of activities. Progress and challenges will be reported each trimester.</p> <p>4. Monitoring tools: A management information system assists in monitoring benefits and implementation. It will be strengthened to ensure that GESI indicators are monitored and reported.</p>	

a This is based on a qualitative assessment.

b Dalit literally means crushed. Figuratively, it encompasses the oppressed or marginalized people who are socially outcast due to prejudiced majority cultural perceptions that they are low in terms of birth, social status, and occupation, and are members of so-called untouchable castes.

c A voluntary land donation framework has been prepared.

d A due diligence framework for indigenous peoples impact screening has been prepared.

Source: Asian Development Bank.