

INITIAL POVERTY AND SOCIAL ANALYSIS

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| Country: | India | Project Title: | Tamil Nadu Industrial Connectivity Project |
| Lending/Financing Modality: | Project loan | Department/ Division: | South Asia Department/ Transport and Communications Division |

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

India's poverty incidence has declined from 37.2% in 2004–2005 to 29.5% in 2011–2012 with rural poverty declining from 39.6% to 30.9% during the same period.¹ As per government of India estimates based on 2011–2012 data, 11% of Tamil Nadu's population lives below the poverty line, compared with 22% nationally.² The per capita net state domestic product in Tamil Nadu was about 15% higher than that of the national average in 2015–2016. Tamil Nadu also leads in terms of urbanization, industrial development, and services industry. The government of Tamil Nadu recognizes that economic growth and delivery of infrastructure and social services to the population are instrumental for poverty alleviation. The Three-Year Action Agenda (2017–2019) of the Government of India recognizes that transport and connectivity are central to India's economy and society.³ Asian Development Bank's (ADB) country partnership strategy for India 2018–2022, is designed to assist India to achieve the goal of faster, more inclusive, and sustainable growth. ADB will focus on expanding infrastructure networks for transport along economic corridors; and projects will focus on improved road connectivity at the state, district, and rural levels to improve access to services and enhance productivity and incomes. The inadequacy of India's infrastructure is constraining the country's growth. ADB's support to India in infrastructure development focuses on improving the core network and economic corridor concepts to foster more rapid growth, attract private investment, improve connectivity, and increase productivity, competitiveness, and access to services. Since 2015, ADB has also focused on economic and industrial corridor concepts to support the government's efforts to promote industrial development in the country.

The proposed project will contribute road connectivity into the Chennai–Kanyakumari Industrial Corridor (CKIC). In turn, this will build upon the existing initiatives of the Government of Tamil Nadu under Tamil Nadu Vision 2023, to boost manufacturing and reinforce the government of India's Sagarmala port-led development. The key objectives of CKIC are: (i) identification, planning and development of industrial nodes complemented by urban agglomerations; and (ii) development of integrated infrastructure and transport connectivity to enhance domestic and global competitiveness of the nodes and influence area. The project will rehabilitate and upgrade about 640 kilometers (km) of state roads in Tamil Nadu and improve road transport connectivity in line with the state's road development plan. It will involve upgrading identified state roads to standard two-lane or four-lane width with paved shoulders, reconstruction, widening, and strengthening culverts and bridges; and maintaining the improved road assets for seven years after construction. The targeted impact is consistent with the country's priorities in the transport sector to increase movement of people and goods in a safer and more efficient and sustainable manner.

B. Poverty Targeting

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

The project will improve and rehabilitate state roads, which will improve connectivity, facilitate access to industry and services, and accelerate economic growth in the state by way of (i) improved road transport operations along with more efficient road maintenance, and (ii) eliminate selected road bottlenecks. Improved roads, with a focus on industrial connectivity, will help the poor to integrate into the structure of the local economy, and benefit from non-farm employment, diversified agriculture production, and trading activities. The improved roads will enable better access to basic services such as health care and education, and will improve the quality of life of the poor in the project-influenced areas. The project will directly benefit the poor and non-poor living in the influence area. Construction will also likely generate employment opportunities for skilled and unskilled labor during its implementation.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. Tamil Nadu is a large state covering about 130,000 square km and the sixth most populous in the country, with a population of about 72 million. Tamil Nadu has a very strong industrial and services sector base. Per capita Net State Domestic Product for 2016–2017 (at constant prices, 2011 base) is about \$1,900, which

¹ Government of India, Planning Commission. 2012. *Press Information Bureau: Poverty Estimates for 2009-10*. New Delhi; and Government of India, Planning Commission. 2014. *Report of the Expert Group to Review the Methodology for Measurement of Poverty*, 2014. New Delhi.

² Reserve Bank of India. 2017. *Handbook of Statistics on Indian States*. Mumbai.

³ Government of India, Niti Aayog. 2017. *Three-Year Action Agenda (2017–2019)*. New Delhi.

is about 15% higher than the national average. The state also has a lower incidence of poverty, at about 11%, as against the national average of 22%. As per the 2011 census, the gender ratio for the state is 996 females per 1,000 males, versus 943 for the country. Literacy rate of about 80% is higher than the national average of 73%. While recent official compilations of human development indices (HDI) are not available on a state-wise basis, 2011 data indicates that Tamil Nadu ranked eighth in the country, with an HDI greater than the national average. Potential beneficiaries include industry, residents, road users, tourists, businesses and commercial services.⁴

2. Impact channels and expected systemic changes. Design features will be incorporated to improve road safety. The project will help to reduce travel time for long distance traffic, especially connecting into the CKIC and provide improved access for local trips. The resettlement plan will include initiatives to conduct a needs assessment for livelihood regeneration measures. Measures will be included in the contracting documents to encourage hiring of local population during implementation.

3. Focus of (and resources allocated in) due diligence. The implementing agency has already prepared detailed project reports that include safeguards aspects, based on experience from prior World Bank loans. A social development specialist will be engaged under available resources to review these documents and to undertake social safeguard planning, gender analysis, and poverty and social assessment.

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?

Women's literacy in Tamil Nadu is over 73%, which is higher than the national figure of about 65%. While formal numbers are not available, the state is understood to have the largest number of women entrepreneurs, driven by textile and small-scale industries, which also have a very large female workforce. Based on experience from ongoing projects across the country, the project will improve connectivity and provide better access to health services, higher levels of education, economic opportunities, and social interactions for women, especially those living in the influence area of the project roads. A gender analysis will be conducted during project preparation.

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 Please explain.

Proactive features will be explored during project design. Since TNHD is currently implementing multilateral development bank-financed projects, gender components will be built upon existing activities and targets will be established based on achievements of ongoing projects. Provisions will be in the bidding documents for the civil works contractors to ensure that all applicable labor laws will be complied including not employing child labor for construction; encouraging employment of the poor, particularly women; and not differentiating wages between men and women for work of equal value. Community awareness campaigns on HIV/AIDS, human trafficking and road safety with gender targets will also be conducted as part of the project.

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

☐ Yes ☒ No

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.

Government agencies, project beneficiaries (industry, residents, road users, tourists), affected persons, NGOs, businesses, services and community groups.

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?

Workshops, community mobilization, and consultation conducted for discussion on the potential needs of the community, social-related issues such as gender, HIV/AIDS, human trafficking, child labor, environment and social safeguard issues.

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?

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 shall they be addressed? ☒ Yes ☐ No

Poor and excluded affected persons impacted by land acquisition will be consulted and surveyed. Additional assistance and provisions such as livelihood rehabilitation will be outlined in the resettlement plan.

⁴ Government of India, 2011. *2011 Census*. New Delhi.

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| IV. SOCIAL SAFEGUARDS | |
| A. Involuntary Resettlement Category <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI 1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Per the initial information furnished by TNHD, about 600 hectares of land will be acquired for the 14 project roads. Since the state is also densely populated with 555 persons per sq km, it is expected that involuntary resettlement will be higher because of encroachments and non-titleholders. This will be verified and reconfirmed during due diligence. Resettlement planning documents will be prepared per government and ADB policies and regulations. 2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None | |
| B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Preliminary information did not identify any indigenous peoples in the project affected area. However, this will be reconfirmed during due diligence. 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 3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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 type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None | |
| V. OTHER SOCIAL ISSUES AND RISKS | |
| 1. What other social issues and risks should be considered in the project design? L Creating decent jobs and employment L Adhering to core labor standards L Labor retrenchment L Spread of communicable diseases, including HIV/AIDS L Increase in human trafficking L Affordability L Increase in unplanned migration L Increase in vulnerability to natural disasters L Creating political instability L Creating internal social conflicts Other: M Road safety 2. How are these additional social issues and risks going to be addressed in the project design? The proposed project is only for widening and upgrading existing roads and is not anticipated to generate substantive social issues and risks. Construction supervision consultants will monitor core labor standards. Awareness building sessions for communicable diseases, human trafficking and road safety will be carried out for civil works laborers on a regular basis. | |
| 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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 implementing agency has already prepared detailed project reports that include safeguards aspects, based on experience from prior World Bank loans. A social development specialist will be engaged under available resources to review these documents and to undertake social safeguard planning, gender analysis, and poverty and social assessment. | |