

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	India	Project Title:	Greenway Carbon Credits Gender Finance Project
Lending/Financing Modality:	Project Finance	Department/ Division:	Private Sector Operations Department/ Infrastructure Finance Division 1

<b>I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY</b>
<b>Poverty targeting:</b> general intervention
<p><b>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy</b></p> <p>The Asian Development Bank (ADB) is proposing a senior secured loan of up to \$6.50 million to SDG 13 Ventures Private Ltd (SDGVPL, or the borrower) to implement carbon offset projects by deploying improved cookstoves (ICSs) to rural households in the states of Madhya Pradesh and Odisha, to generate verified carbon units (VCUs). Greenway Grameen Infra Private Limited (the sponsor), the 100% holding company of SDGVPL will manufacture the ICSs at its manufacturing facility in Gujarat, India. The project is consistent with the following operational priorities of ADB's Strategy 2030:<sup>a</sup> (i) addressing remaining poverty and reducing inequalities; (ii) accelerating progress in gender equality; (iii) tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability; and (iv) promoting rural development and food security. The project aligns with pillar 2 (promoting climate-resilient growth via mitigating the impact of climate change and promoting a low carbon development market) and pillar 3 (deepening social and economic inclusiveness by promoting projects with gender equality and social inclusiveness) of ADB's country partnership strategy for India, 2023–2027.<sup>b</sup></p>
<p><b>B. Results from the Poverty and Social Analysis during Transaction TA or Due Diligence</b></p> <p><b>1. Key poverty and social issues.</b> Cooking is a fundamental need yet remains a source of vulnerability for many families. In many developing countries, solid fuels like wood and coal are often used in traditional stoves for cooking. Inefficient cooking is a root cause of poverty, poor health, gender inequality, environmental degradation, and air pollution, and contributes to climate change.<sup>c</sup> It is estimated that around 4.3 million people around the world die every year for reasons attributable to household air pollution caused by inefficient cooking practices. One-quarter of these deaths occur in India alone<sup>d</sup> where more than 141 million households use traditional cooking stoves for daily cooking. Women and children are disproportionately affected because of higher levels of exposure to air pollution, risks related to fuel fetching, and drudgery time spent on domestic chores.<sup>e</sup> Residential solid-fuel burning accounts for approximately 2% of global carbon dioxide emissions<sup>f</sup> and up to 58% of global black carbon emissions.<sup>g</sup></p> <p><b>2. Beneficiaries.</b> The project will serve the most vulnerable communities across India, tackling health issues of traditional cookstoves with improved air quality (reduction in smoke of 70%) as compared to a traditional stove, and reducing dependence on non-renewable biomass sources (fuel savings of 60%). Households that use ICSs are also expected to save time and money, which can be used to develop alternative livelihoods or fund education instead. Most of the end users of ICSs are likely to be rural women.</p> <p><b>3. Impact channels.</b> The project will promote empowerment of women by reducing health risk exposure and drudgery time and through better work opportunities. The target end-users do not have the economic capacity to incur recurring monthly expenses on liquefied petroleum gas cylinders.</p> <p><b>4. Other social and poverty issues.</b> None.</p> <p><b>5. Design features.</b> The project aims to overcome the barrier to efficient household energy sources by substituting traditional mud stoves with subsidized fuel-efficient ICSs, thus reducing the toxic greenhouse gas emissions by approximately 13.6 million tons of carbon dioxide over the ADB loan tenor and 22.9 million tons of carbon dioxide over the project life.</p>
<b>II. PARTICIPATION AND EMPOWERING THE POOR</b>
<p><b>1. Participatory approaches and project activities that will strengthen inclusiveness in project implementation.</b> As part of the community-organizing efforts of the project, Grameen <i>sahayaks</i> (local coordinators) are engaged as community coordinators. Grameen <i>sahayaks</i> are villagers themselves who act as liaisons between Greenway and the communities they work with. They are tasked to monitor the use of the ICSs, receive and consolidate customer feedback, and provide leads on sales. Their role strengthens Greenway's relationship with the communities as they usually are locally based and can speak the local language.</p> <p><b>2. CSO participation.</b> Cluster managers and Grameen <i>sahayaks</i> consider the local non-government organizations and civil society organizations which can be involved in the ICS distribution and sensitization process. However, the company has been developing links with and was recognized by global networks such as the Clean Cooking Alliance, Ashden and others for their work on low-carbon energy access, gender equality, and clean cooking.</p> <p><b>3. Approaches of civil society organization participation envisaged during project implementation:</b></p>

<u>L</u> Information generation and sharing <u>NA</u> Consultation <u>NA</u> Collaboration <u>NA</u> Partnership
<p><b>4. Participation plan.</b></p> <p><input checked="" type="checkbox"/> Yes. A stakeholder engagement plan has been developed as part of the company's environmental and social management system, which defines how the company deals with customers, employees, partners and communities.</p> <p><input type="checkbox"/> No. <input type="checkbox"/> Other plans and/or frameworks</p>
<b>III. GENDER AND DEVELOPMENT</b>
<b>Gender mainstreaming category:</b> gender equity theme
<p><b>1. Key issues.</b> India has the highest population (more than 850 million people) without access to clean cooking in Asian countries. More than 67% of energy for cooking in India, and up to 78% in rural areas, is supplied by traditional sources like firewood, crop residue, cow dung cake, coal, lignite, and charcoal.<sup>h</sup> Government-led programs are being implemented to provide alternatives to millions of families, notably supporting liquified petroleum gas connection for low-income households as well as supply from other sources such as biogas, piped natural gas and improved biomass cook stoves.<sup>l</sup> The greatest gender impact from the project is for the end beneficiaries, who are primarily women in the villages as cooking-related chores remain a woman's domestic responsibility. The benefits from clean cooking solutions disproportionately impact women, notably reducing their exposure to non-communicable respiratory disease, watery eyes, and shortness of breath; and reducing their drudgery time spent on unpaid domestic work related to firewood collection and cooking on inefficient traditional cooking stoves.<sup>j</sup> As a company, Greenway demonstrates support to promoting a gender sensitive work environment. It is compliant with the national Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and has put in place measures covering all offices and facility sites. Despite seeking gender inclusivity, the number of women is not well-balanced in the company's workforce, mostly because of local contexts and social norms around women's economic empowerment, as well as work conditions such as travel requirements.</p> <p><b>2. Key actions.</b></p> <p><input checked="" type="checkbox"/> Gender action plan <input type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p> <p>The project incorporates measures that promote gender equality and women's empowerment. Key features of the gender action plan are as follows: (i) ICSs customers, of which a large majority are women, will use the ICSs as their primary source of cooking; (ii) an increased number of women will be ICSs distribution agents; (iii) women's testimonials on the use and benefits of ICSs will be created and disseminated; (iv) technical training on ICSs will be given to women to act as distribution agents; (v) distribution teams will be trained on gender equality awareness; (vi) jobs will be allocated for women during operations', and (vii) SDGVPL professional and middle management female employees will receive leadership training. SDGVPL will submit periodic reports on the implementation of its gender measures to ADB.</p>
<b>IV. ADDRESSING SOCIAL SAFEGUARD ISSUES</b>
<p><b>A. Involuntary Resettlement</b> <b>Safeguard Category:</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p><b>1. Key impacts.</b> ADB has undertaken an independent environmental and social management audit of Greenway, its manufacturing facility, its warehousing and distributing contractor Avichal Ventures, and the process for customer interactions. It was confirmed that land for all premises is being leased or was acquired on a willing-buyer, willing-seller basis. Project activities to sell stoves, collect usage data, and sell carbon credits will not cause involuntary resettlement impacts.</p> <p><b>2. Strategy to address the impacts.</b> None.</p> <p><b>3. Plan or other actions.</b></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</p> <p><input type="checkbox"/> Environmental and social management system planning framework <input type="checkbox"/> Social impact matrix</p> <p><input checked="" type="checkbox"/> No action</p>
<p><b>B. Indigenous Peoples</b> <b>Safeguard Category:</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p><b>1. Key impacts.</b> The project includes selling energy efficient stoves, collecting usage data and selling carbon credits. There are no anticipated impacts to indigenous peoples due to the project, including impacts to indigenous peoples or vulnerable ethnic minorities or their traditional or customary lands, production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples.</p> <p>Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>2. Strategy to address the impacts.</b> None.</p>

<b>3. Plan or other actions.</b> <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"/> Social impact matrix <input checked="" type="checkbox"/> No action		<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary	
<b>V. ADDRESSING OTHER SOCIAL RISKS</b>			
<b>A. Risks in the Labor Market</b>			
<b>1. Relevance of the project for the country's or region's or sector's labor market.</b>			
<input checked="" type="checkbox"/> unemployment (L) <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> core labor standards (M)			
<b>2. Labor market impact.</b> The company hires local people for the manufacturing and its third-party provider for the logistics. Local people are also hired as Grameen <i>sahayaks</i> . The core labor standards are required to be reflected in the company's human resources policy.			
<b>B. Affordability</b>			
The project targets households who cannot afford repeated expenditure on liquefied petroleum gas cylinders, thus responds to affordability of energy access.			
<b>C. Communicable Diseases and Other Social Risks</b>			
<b>1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA):</b>			
<input type="checkbox"/> Communicable diseases (NA) <input type="checkbox"/> Human trafficking (NA) <input type="checkbox"/> Others (please specify) _____			
<b>2. Risks to people in project area.</b>			
<b>VI. MONITORING AND EVALUATION</b>			
<b>1. Targets and indicators.</b> The project's intended outcome is increased use of ICSs by households, especially by women, supporting the generation of verified carbon units and reduction of greenhouse gas emissions. Outputs, include (i) manufactured and distributed ICSs increased in a gender-inclusive manner; (ii) gender-sensitive knowledge dissemination on the benefits and use of ICSs increased; (iii) gender-inclusive growth of local economy supported; and (iv) gender equality at Greenway enhanced.			
<b>2. Required human resources.</b> The human resources required consist mainly of SDGVPL and Greenway staff and contractors.			
<b>3. Information in the project administration manual.</b> Not applicable.			
<b>4. Monitoring tools.</b> SDGVPL will be required to submit an annual development effectiveness monitoring report and annual environment and social performance report. The implementation of the gender measures will be part of the annual development effectiveness monitoring reporting to ADB.			
<sup>a</sup> ADB.2018. <a href="#">Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific</a> . Manila. <sup>b</sup> ADB.2023. <a href="#">Country Partnership Strategy: India, 2023–2027-Catalyze Robust, Climate-Resilient, and Inclusive Growth</a> . Manila. <sup>c</sup> United Nations <a href="#">Climate Change. Clean Cooking Systems</a> . <sup>d</sup> T. Goklany. 2015. <a href="#">Smoke from Chulhas: Biggest Killer in Rural India</a> . NDTV. 19 August. <sup>e</sup> World Health Organization. <a href="#">Household Air Pollution and Health</a> . <sup>f</sup> World Bank. <a href="#">Clean Cooking: Why it Matters</a> . <sup>g</sup> Although black carbon is a particle rather than a greenhouse gas, the World Bank estimates it is the second largest climate warmer after carbon dioxide. <sup>h</sup> H. Farabi-Asl et al. 2019. <a href="#">Energy Challenges for Clean Cooking in Asia, the Background, and Possible Policy Solutions</a> . ADBI Working Paper Series No 1007. Tokyo: ADB Institute; and Z. Kapsalyamova et al. 2021. <a href="#">Why is Energy Access not Enough for Choosing Clean Cooking Fuels? Sustainable Development Goals and Beyond</a> . ADBI Working Paper Series No 1234. Tokyo: ADB Institute. <sup>i</sup> H. Farabi-Asl et al. 2019. <a href="#">Energy Challenges for Clean Cooking in Asia, the Background, and Possible Policy Solutions</a> . ADBI Working Paper Series No 1007. Tokyo: ADB Institute. <sup>j</sup> Indus Environmental Services Private Limited. 2023. <a href="#">Final Report: Environmental &amp; Social Due Diligence (ESDD) Assessment of "SDG13 Carbon Credits Financing Project"</a> . New Delhi.			
Source: Asian Development Bank.			