



Initial Poverty and Social Analysis

March 2020

IND: Integrated Urban Flood Management for the Chennai-Kosasthalaiyar Basin Project

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 09 March 2020)

Currency unit	–	Indian rupee (₹)
₹1.00	=	\$0.014
\$1.00	=	₹74.07

NOTE

- (i) The fiscal year (FY) of the Government of India and its agencies ends on 31 March. “FY” before a calendar year denotes the year in which the fiscal year ends, e.g., FY2020 ends on 31 March month.
- (ii) In this report, "\$" refers to United States dollars.

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	India	Project Title:	Integrated Urban Flood Management for the Chennai-Kosasthalaiyar Basin Project
Lending/Financing Modality:	Project (stand-alone)	Department/ Division:	SARD/SAUW

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Although India has more than halved the poverty rate since Fiscal Year (FY) 2004 and achieved most of the Millennium Development Goals, close to one-third of the population still falls below the poverty line.^a Government of India's three-year Action Agenda (2017–2018 to 2019–2020) recognizes that national poverty levels are steadily declining but with significant regional differences. The Agenda also recognizes that rapid urbanization brings new challenges to ensure cities are well-managed and ensuring wellbeing of the population. Government of India is currently preparing a 15-year vision document to cover the period from 2020–2035, replacing its previous five-year national development planning process. The emerging vision aims to achieve prosperity, poverty eradication, equality, cleanliness, transparency, employment, gender equality, and hopefulness. The vision will also set out national and state goals following Government of India's pledge to pursue Sustainable Development Goals (SDGs). By FY2031, Government of India's targets include a poverty rate below 5% requiring the Indian economy to grow 8% per annum. One of Government of India's targeted approaches to urban poverty and sustainable urban growth is grants to cities, including Chennai, through Smart Cities and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) programs, aiming to develop economic growth hubs contributing to higher productivity and better jobs. Asian Development Bank's (ADB's) country partnership strategy (CPS) for India 2018–2022 is aligned with government priorities and geared to help India move towards upper middle-income status; while achieving faster, inclusive, and sustainable economic growth.^b Under Pillar 2 of the CPS, ADB aims to support inclusive access to infrastructure networks by providing better municipal services for the urban poor. The proposed improvements to Chennai's urban flood protection infrastructure and capacity to plan for and manage flood risks will contribute to the city's economic growth while reducing the vulnerability of the poor to day-to-day flood related nuisances, as well as the shocks from more intense and destructive floods, such as the 2015 flood in which many homes were underwater for one week, many businesses were closed and many people's health were negatively impacted.

B. Poverty Targeting:

General intervention Individual or household (TI-H) Geographic (TI-G) Non-income MDGs

The proposed project will strengthen the urban flood protection infrastructure in the entire 128 square kilometers of the Kosasthalaiyar River Basin falling within the Greater Chennai Corporation (GCC) and directly impact the people residing in the project area. With support of other development partners, the stormwater drainage in all other basins within the GCC have already been improved, or plans are at advanced stages of preparation. The project is considered a general intervention as it will benefit poor (14.4%) and non-poor households (85.6%) in the project area.^c The project design and monitoring framework (DMF) shall include target figures for below poverty line (BPL) beneficiaries at the output level. The design consultants have already identified the flooding hot spots in the project area and the design addresses these hotspots. During ADB's due diligence, poverty pockets shall be identified to confirm if any additional, targeted measures are required to ensure flood protection for vulnerable populations and accordingly develop any pro-poor strategies to ensure benefits for all.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. In India, BPL is defined as having purchasing power parity of less than \$1.90 a day.^d Existing ward level data will be used to identify BPL households in the project area. Floods and droughts are becoming more frequent events in Chennai, exacerbated by the effects of climate change. Differently abled people, children, women, the elderly and the poor are more susceptible to hardships during these events as they have fewer resources to cope with shocks and less safety nets to depend on. In many areas of Chennai, flooding occurs not only during heavy rainfall but also during episodes of brief rainfall making day-to-day life difficult for vulnerable groups affected by mobility challenges and damages to property. Flooding also increases the incidence of acute gastrointestinal and respiratory infections for which the vulnerable are more susceptible. The poor residing in the project area will benefit from an improved living environment that will result in improved health, savings in their incomes, reduction in vulnerability, and increased economic opportunities due to savings in time and reduced risks.

2. Impact channels and expected systemic changes. The project will provide substantial improvement in the living standards of the residents of the project area, especially the poor and other vulnerable peoples, through improvements in urban flood protection infrastructure such as roadside drainage, channels and restored waterbodies. The poor will be better protected against flood risks as a result of the proposed project. Campaigns under the project shall involve women as change agents to raise awareness on the link between flooding and encroachment of waterways and poor solid waste management. The establishment of an early flood warning system will help to ensure reduced flood impact, and quick and efficient disaster response for the vulnerable, in particular.

3. Focus of (and resources allocated in) the transaction technical assistance (TA) or due diligence. Focus group discussions will be undertaken by due diligence consultants with women, low-income, elderly, disabled, and youth to understand their specific experiences and to listen to their ideas for improving flood management. Identification of barriers, if any, of vulnerable peoples' access to project benefits will be undertaken by due diligence consultants. Special measures shall be introduced into the project design to ensure benefits for all as required. The due diligence team will explore the need for a targeted disaster response plan for the vulnerable that would be integrated into the existing GCC's Chennai Disaster Management Plan (2017).

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? Women are key players at the household level for household management. Increased access to basic public services in Indian cities, including Chennai, is definitely improving the lives of women. However, ADB's CPS recognizes that gender equality and social inclusion must still be emphasized in the context of urban governance in India. The project shall define appropriate avenues to ensure adequate and meaningful consultation with the poor, women and other vulnerable groups and civil society organizations (CSOs) during project preparation and implementation.

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 The project has a potential to be categorized as effective gender mainstreaming. The gender action plan (GAP) will focus on ensuring benefits for women of the improved infrastructure. Monitoring and evaluation systems will generate gender disaggregated data to enable tracking of gender impacts. Project activities will include robust community outreach programs targeting women as enablers of change. GCC staff shall be trained on gender equality and GAP implementation and eligible female staff shall be targeted for all trainings under the project.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?
 Yes No It is not envisaged that the project would have an adverse impact on women and/or girls.

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 of the project include the project beneficiaries and affected persons, representatives of government agencies (local and central) and other private parties/entities responsible for project design, implementation, monitoring and evaluation (i.e., consultants, contractors, nongovernment organizations [NGOs], etc.) and other development partners working in Chennai to improve urban flood management. A consultation and participation plan will be developed to clarify the different levels of engagement with different stakeholders at different phases of the project.

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? More detailed stakeholder analysis will be done by consultants during project preparation to identify roles and responsibilities of key stakeholders and relationships between different groups; and to understand issues facing vulnerable people in the project area that may require special interventions to ensure they benefit from the project. Opportunities for engagement with CSOs and NGOs for smaller interventions and awareness campaigns will be explored to engage and empower the poor and vulnerable.

3. What are the key, active, and relevant CSOs in the project area? What is the level of CSO participation in the project design?

Information generation & sharing (high) Consultation (high) Collaboration (high) Partnership (high)
 Chennai was one of the 100 Resilient Cities supported by the Rockefeller Foundation to bring together stakeholders from civil society, academia, government and others to provide inputs into the Resilient Chennai Strategy (2019). The proposed Kosasthalaiyar basin project is highlighted in the strategy as a key activity that would increase Chennai's resilience. Several CSOs are highly aware of what is required and are working on measures to strengthen Chennai's resiliency. The project will aim for partnership with CSOs to advance the goals of a more resilient and less flood prone Chennai with reduced vulnerability for the poor and vulnerable groups.

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

The project shall ensure that the poor and excluded benefit from the project. Consultations with vulnerable groups are essential for the awareness campaigns and design of the emergency flood management system in particular.

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Limited involuntary land acquisition and resettlement impacts are envisaged during construction activities. However, widespread temporary livelihood impacts exist among titled shop owners and non-titled street vendors typical in Indian urban sector projects. No land acquisition is envisaged. Category A impacts will be avoided or mitigated. Due diligence consultants will work with the implementing agency to determine actual involuntary resettlement impacts.</p> <p>2. What action plan is required to address involuntary resettlement as part of the transaction TA 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</p>
B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</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 The project is on government land in urban areas.</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Impacts on indigenous peoples are not anticipated.</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the transaction TA 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</p>
V. OTHER SOCIAL ISSUES AND RISKS
<p>1. What other social issues and risks should be considered in the project design? <input checked="" type="checkbox"/> Creating decent jobs and employment - M <input checked="" type="checkbox"/> Adhering to core labor standards - H <input type="checkbox"/> Labor retrenchment <input checked="" type="checkbox"/> Spread of communicable diseases, including HIV/AIDS - H <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input checked="" type="checkbox"/> Increase in vulnerability to natural disasters - H <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify <u>sexual exploitation, abuse and harassment</u></p> <p>2. How are these additional social issues and risks going to be addressed in the project design? The project will disseminate information on HIV/AIDS and sexually transmitted diseases (STD) for non-local labor and communities in and around the construction sites. Safeguards and contract documents will stipulate the requirement to adhere to core labor standards. The project is intended to decrease vulnerability to natural disasters. Special efforts will be made during project preparation to identify barriers to reaching vulnerable populations through the project interventions, and to work with the GCC to strengthen its outreach to vulnerable populations during disasters. Measures to mitigate sexual exploitation, abuse and harassment in the project shall be identified and mitigated.</p>
VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT
<p>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</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 transaction TA or due diligence? A social inclusion expert shall be mobilized to undertake the poverty, social and gender analysis, and draft the GESI action plan and the participation plan to make the project inclusive and to mitigate social risks.</p>

^a Notes on Poverty Estimates 2011-2012, Planning Commission, Government of India (2011-2012).

^b ADB. 2017. *Country Partnership Strategy: India, 2018–2022*. Manila.

^c Government of India. 2011. *Census of India 2011 – towards a bright future*. Delhi. As per the census data, incidence of poverty is lower in the project area as compared to the entire city – 14.4% vs. 18.4%.

^d Asian Development Bank. 2019. *Basic Statistics*. Manila.