

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	India	Project Title:	Railway Energy Efficiency Project
Lending/Financing Modality:	Project Loan	Department/Division:	South Asia Department/ Transport and Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>The Government of India requested ADB to finance the improvement of fuel efficiency of all diesel locomotives owned by Indian Railways. The project is in line with Vision 2020 of Indian Railways, which promotes embracing environmentally sustainable development solutions. It is also consistent with the Country Partnership Strategy 2013–2017, which supports the sustainable development of the transport sector through more efficient and environmentally-friendly investments. The project is included in the India Country Operations Business Plan (COBP) 2016–2018.</p>
<p>B. Poverty Targeting</p> <p><input checked="" type="checkbox"/> General Intervention <input type="checkbox"/> Individual or Household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>According to India's National Planning Commission, which uses an improved food basket methodology introduced in 2009, the poverty rate declined from 45.3% of the population in 1993/94 to 21.9% in 2011/12.¹ Other internationally comparable methodologies also show a trend towards poverty reduction, as demonstrated by the fact that 32.7% of Indians lived with less than US\$1.25 in 2009, compared to 55.5% in 1983. Poverty levels are nevertheless still significant with close to 69% of the population living with less than US\$2.00 per day.² The railway remains one of the most affordable and reliable mode of transportation in the country and connects poor rural areas that are still not easily accessible by road. The maintenance and sustainable development of the railway will help the poor access health, educational, and administrative services and integrate them into the structure of the national economy.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries: The primary beneficiary of the project is the Indian Railways. Indian Railways handles 3 million tons of freight and 23 million passengers daily. About 50% demand increase in the freight and the passenger traffic is estimated between 2010 and 2020. Today, it is considered as the most important mode of transport for inland bulk cargo and long-distance passenger traffic.</p> <p>2. Impact channels and expected systemic changes. The project will contribute to economic development and poverty reduction by improving sustainable and efficient public transport system.</p> <p>3. Focus of (and resources allocated in) the PPTA or due diligence. Due diligence on the project's social impacts will be conducted during fact-finding.</p> <p>4. Specific analysis for policy-based lending. N/A</p>
II. GENDER AND DEVELOPMENT
<p>1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?</p> <p>The project does not offer opportunities to address gender-inclusive designs of public spaces such as station buildings as it is focused on the modernization and development of coach factories and the improvement of fuel efficiency of all diesel locomotives</p> <p>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?</p>

¹ Asian Development Bank. 2013. *Country Partnership Strategy 2013-2017*. Manila

² The World Bank. PovcalNet database. <http://iresearch.worldbank.org/PovcalNet/index.htm>.

☐ Yes ☒ No

The project does not envisage making a specific contribution to gender equity and women's empowerment. However, women will equally benefit from the project as they are prominent railway users.

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: No gender-specific actions are envisaged

☐ 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 are Indian Railways and railway users. It is not expected that the project will affect people negatively.

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?

The project is not expected to lead to adverse social impacts, and no specific issues regarding the participation of the poor and excluded are foreseen.

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

The project does not anticipate the involvement of civil society organizations during the design phase.

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

There are no specific issues in the project design that require the participation of the poor and excluded.

IV. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category ☐ A ☐ B ☒ C ☐ FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? ☐ Yes ☒ No

The project is expected to be categorized as "C" for involuntary resettlement since the project will only procure and install equipment on the existing locomotive fleet, and no infrastructure will be built on sites.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?

☐ Resettlement plan

☐ Resettlement framework

☐ Social impact matrix

☐ Environmental and social management system arrangement

☒ None

B. Indigenous Peoples Category ☐ A ☐ B ☒ C ☐ 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? ☐ Yes ☒ No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? ☐ Yes ☒ No

As per the ADB's Safeguard Policy Statement (2009), the project is expected to be categorized as "C" for Indigenous Peoples as the project will procure and install locomotive engine equipment only.

3. Will the project require broad community support of affected indigenous communities? ☐ Yes

☒ No

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

- ☐ Indigenous peoples plan ☐ Indigenous peoples planning framework ☐ Social Impact matrix
☐ Environmental and social management system arrangement ☒ 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 L Others, please specify _____
 Indicate high (H), medium (M), low (L) for selected boxes

2. How are these additional social issues and risks going to be addressed in the project design?

It is not expected that the project will lead to significant social risks such as HIV/AIDS or human trafficking. The EA will ensure that suppliers' contracts will include clauses on the core labor standards of non-discrimination, equal pay for equal work, and the prohibition of forced and child labor. The EA/IA will strictly monitor compliance during implementation.

VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

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 (v) other social risks. Are the relevant specialists identified?

- ☒ Yes ☐ 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 PPTA or due diligence?

Given the nature of the project, there are no resources allocated to conduct a poverty analysis, although the Indian Railways' gender and social inclusion policies will be analyzed during project preparation.