

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	<input type="text" value="India"/>	Project Title:	<input type="text" value="Shapoorji Affordable Housing Project"/>
Lending/Financing Modality:	<input type="text" value="Equity Investment"/>	Department/ Division:	<input type="text" value="Private Sector Operations Department/&lt;br/&gt;Private Sector Infrastructure Finance 1&lt;br/&gt;Division"/>

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The proposed equity investment in Drashti Developers Pvt. Ltd. (DDPL) will be used for development and construction of affordable housing projects in India. The National Urban Housing & Habitat Policy 2007 (NUHHP-2007) seeks to promote public-private partnerships for realizing the goal of "Affordable Housing for All" with special emphasis on the urban poor. By targeting the upper low income and middle income households, the project is in line with the priorities of Government of India and contributes to improved access to quality housing for these households as well as ADB's Urban Operational Plan to increase private sector involvement in the urban sector. By providing quality housing development options, the project will enable low and middle income households purchase homes with better living conditions, and thereby contribute to improvements in quality of life, the key objective of ADB's urban sector operations in India. ADB's CPS for India 2013-2017 notes that housing finance and physical and social infrastructure will be supported and developing affordable housing is one of the key priorities for the new Indian government.

#### B. Targeting Classification:

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

The proposed transaction will make an investment in DDPL, which is expected to construct affordable housing units in several target cities. The Project will provide affordable housing for families in the upper part of the lower income group (LIG) and the middle income group (MIG) segment.

#### C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The 2012 urban housing backlog in India was estimated at 19 million and more than 90 percent of the housing shortage is faced by low-income and poor households.<sup>1</sup> The project will help ease the crisis through the construction of affordable housing units, which will be offered to the low- and middle income households. In addition to the direct beneficiaries of the housing units, the project will benefit local communities around the project sites through job opportunities during construction.

2. Impact channels and expected systemic changes.. The project will contribute, through provision of access to quality affordable housing, to a better quality of life of the beneficiary households. The improved housing conditions will also have significant benefits on health through improved water supply and sanitation and increase safety and provide dignity, especially to women. By supporting the expansion of housing finance market and enabling more low income people to own homes with improved living conditions, the project will contribute to creation of more livable cities and help stimulate and diversify the economy.

3. Focus of (and resources allocated in) the PPTA or due diligence. In addition to ADB staff resources to carry out the due diligence, the borrower will engage an environmental and social compliance audit consultant to carry out a due diligence on safeguards and other social dimensions.

4. Specific analysis for policy-based lending. Not Applicable.

### 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? SPCL promotes equal opportunity for qualified men and women staff. Gender measures and actions have been explored during the due diligence mission which can include (i) contractors providing equal opportunities for women (ii) incorporation of architectural design features in the project to specifically consider catering to needs and safety requirements of women, pedestrians and elderly, in both the private and public spaces.

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?

Yes  No There is limited space to promote opportunities in the project. However, activities and measures will be explored to involve women in the project.

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

Yes  No Please explain

4. Indicate the intended gender mainstreaming category:

SGE (Some 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.

Project stakeholders include SPCL, DPPL, relevant national and local government authorities, and nearby communities in the project area.

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?

At the site selection stage, DDPL will carry out a due diligence of the proposed sites that will identify potential issues with respect to ownership or any other issues associated with the site, which will guide DDPL's decision to finalize the site. Once finalized, as part of the environmental and social assessment process, DDPL shall consult with the neighboring communities and other relevant stakeholders of each proposed subproject development, informing them about the project and seeking their views, in accordance with ADB safeguard requirements.

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?

(L)Information generation and sharing  (L)Consultation  Collaboration  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

### 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

No involuntary resettlement impacts are expected as DDPL will acquire already aggregated lands from (i) lands already owned by SP group in the metropolitan cities; (ii) network of reputed land aggregators and realtors with access to suitable lands; (ii) international property consultants and other reputed brokers; and (iii) in rare cases, acquired or leased from government departments. DDPL will not purchase lands where land aggregation involved involuntary resettlement, unless resettlement and income restoration were managed in accordance with ADB safeguard policy requirements. This will be confirmed during the due diligence.

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

The ESMS to be developed for DDPL will include a detailed land screening, selection and acquisition procedure to ensure land is systematically screened and sites with resettlement impacts, if any, avoided.

**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

No impacts on indigenous communities are expected as the projects will be proposed in major cities. Lands to be acquired will already be aggregated and hence free of small scale land ownership, any traditional land use or settlement rights and dwellings.

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

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?

Creating decent jobs and employment (M)  Adhering to core labor standards (M)  Labor retrenchment  
 Spread of communicable diseases, including HIV/AIDS  Increase in human trafficking  Affordability  
 Increase in unplanned migration  Increase in vulnerability to natural disasters  Creating political instability

Creating internal social conflicts     Others, please specify \_\_\_\_\_  
The Project is expected to create approximately 9,000 temporary unskilled and semiskilled jobs during the project construction period. Local residents may be employed by the project during construction.

2. How are these additional social issues and risks going to be addressed in the project design?  
DDPL and its contractors will comply with relevant national labor laws and internationally recognized core labor standards in accordance with ADB's Social Protection Strategy (2001).

**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? In addition to ADB staff resources, an environment and social consultant will be engaged by the borrower to conduct safeguards audit and social due diligence.

<sup>i</sup> ADB. 2013. Country Partnership Strategy: India, 2013-2017. Manila.

<sup>1</sup> MoHUPA. 2012. Report of the Technical Group on Urban Housing Shortage (TG-12) (2012-2017). New Delhi.