

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	India	Project Title:	Madhya Pradesh District Roads II Sector Project
Lending/Financing Modality:	Sector Lending	Department/ Division:	South Asia Department/ Transport & Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

India's incidence of poverty has registered a decline from 37.2% in 2004-2005 to 29.5% in 2011-2012 with rural poverty declining by 4.7 percentage points from 39.6% to 30.9% during the above period.¹ For Madhya Pradesh, the rural poverty level is at 45.2% in 2011-2012. The government's continued commitment to poverty reduction is reflected in the goal of inclusive growth that was a critical component of the Eleventh Five Year Plan (11th FYP) and continues to be a pivotal feature in the Twelfth Five Year Plan (12th FYP). The government's response to poverty focuses on (i) enhancing economic opportunities that the poor can access, and (ii) targeting the poor directly by specifically expanding economic opportunities for the poor, developing their capabilities to access economic opportunities, and protecting them from various types of shocks.

Asian Development Bank's (ADB) country partnership strategy (CPS) for India, 2013-2017, is anchored to the Government of India's 12th Five Year Plan and ADB's Strategy 2020. The CPS is designed to assist India achieve the 12th FYP goal of 'faster, more inclusive, and sustainable growth'. 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" to foster more rapid growth, attract private investment, improve connectivity, and increase productivity, competitiveness, and access to services. Since 2003, ADB has focused on the relatively poorer and weak capacity states ("lagging states") to support the Government's efforts to promote inclusive development in the country.

B. Targeting Classification

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

The Project will improve and rehabilitate major district roads, which serve districts and sub-district areas of the predominantly rural state of Madhya Pradesh. The Project will improve connectivity, facilitate access to 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 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.

C. Poverty and Social Analysis

1. Key Issues & Potential Beneficiaries. Madhya Pradesh is the second largest state in the country, with an area of about 308,000 sq.km, and a population of about 72.6 million. Agriculture is the mainstay of the state's economy and about 73% of the people live in rural areas. Madhya Pradesh is amongst the poorest states in the country, and its per capita income is about 60% of the national average. According to the Report of the Expert Group to Review the Methodology for Measurement of Poverty, 2014, nearly 45% of the rural population is estimated as living below poverty line. However, if factors beyond income are considered (Multidimensional Poverty Index) about 68.1% of the state's population is poor.² Human Development Index (HDI) of the state is 0.38 as against the 0.55 for the country. Madhya Pradesh is among the most food insecure states of the country and according to the India State Hunger Index, the state falls in the 'extremely alarming' category.

2. Impact Channels and Expected Systemic Changes. The proposed Project will improve district roads in the state and beneficiaries (including the poor) will benefit from improved access to basic services and living environment. The proposed Project will also result in improved livelihood and trade opportunities for non-urban population. Furthermore, by focusing on better road asset management, the Project will enable better service standards to be maintained.

3. Focus of (and resources allocated in) the due diligence. The due diligence will cover and review existing social & community aspects of the Project (sample roads), poverty data, employment, and literacy data, to determine employment benefits and potential social impacts. All poverty-related issues relating to land acquisition and

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

² Source UNDP. http://www.undp.org/content/india/en/home/operations/about_undp/undp-in-mp/

resettlement will also be assessed.

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?**

Madhya Pradesh has very poor indicators with respect to Gender. At 930 females per 1,000 males, the state has a lower sex ratio as compared to the national average of 940, which itself is low in international comparison. The state is among the bottom five in terms of women with body mass index <18.5 (41.7%). It also has the highest percentage of underweight children under five years of age (60%) and Infant Mortality Rate at 62 per 1000. For these reasons, Madhya Pradesh is one of the least developed states in India and needs substantial efforts in order to address these challenges.³ Women in project areas are not actively engaged in family and community decision-making processes. Women voiced that the existing poor road conditions were preventing safe and reliable travel. An existing government program provides bicycles to girls in school, however, many girls are not able to cycle to school regularly due to bad road condition. Women cited that improved road conditions and connectivity will provide (i) better access to health services, higher levels of education, and social interactions, and (ii) better public and private transport options.

2. **Does the proposed Project 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

The proposed Project will improve access to basic services for women and increase employment opportunities.

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

Yes No

Since the objective of the project is to improve road connectivity in district roads of the state of Madhya Pradesh, the proposed Project will not widen gender inequality or have an adverse impact on women and girls. On the other hand, there will be gender benefits due to improved access to basic services and increased employment opportunities.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme) EGM (effective gender mainstreaming)
 SGE (some gender elements) NGE (no gender elements)

II. 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 potential primary beneficiaries of the project are the road users, communities in the vicinity of the project influence area, villagers, *Panchayats* (rural local government), MPPWD, other development partners active in India's transport sector development, and business and community groups. The poor and the excluded also get an easy access to roads, which further help them in reaching markets and other services. Adversely impacted stakeholders would primarily be those who lose land or livelihood. However, the project's focus is on improving and rehabilitating existing roads, thus land acquisition will be limited to areas where roads need some geometric improvement, bridge approaches, or 'bypasses' to avoid infringing existing settlements. Adverse impacts will be mitigated through proper stakeholder consultations and incorporated into the resettlement plan.

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 proposed project's objective is improved road connectivity in rural district areas of the state of Madhya Pradesh, leading to improved access to basic services, trade, and employment especially for the poor and vulnerable. Primary concerns for poor and vulnerable stakeholders would be loss of land and/or livelihood as a result of land acquisition activities. The project preparation will include investigations and consultations covering all beneficiaries, including the poor and vulnerable stakeholders.

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

The proposed project will build on the consultation and community participation exercises undertaken during the DPR preparation, with the support from NGOs and CBOs. These include community participation for planning, design and implementation in highly dense and poor settlements. Community consultations will also be carried over to the project implementation stages and user awareness will be included as an important activity.

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

Community meetings and focus group discussions will be organized as part of the poverty and social analysis. The local consultative meetings will involve all relevant stakeholders including representatives of the poor and other

³ Source UNDP. http://www.undp.org/content/india/en/home/operations/about_undp/undp-in-mp/

socially excluded groups (e.g., women, scheduled tribes, etc.) to disseminate the information as well as to get the feedback about the project design and its potential impacts. Other key stakeholders such as the relevant line departments, local government representatives and NGOs will also be consulted. Consultations will also be undertaken with the affected households and communities during the resettlement census survey.

III. 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 involves improvement and rehabilitation of existing major district roads, so the extent of land acquisition will be limited to areas needing geometric improvement, bridge approaches, or 'bypasses' to avoid infringing existing settlements. Nevertheless, there still will be R&R requirements and also temporary impacts during the construction phase. These will be assessed during the appraisal stage and addressed through the RP. A resettlement framework will be prepared for the proposed Project.

2. What action plan is required to address involuntary resettlement as part of the 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

Madhya Pradesh has a significant tribal population, which constitutes more than one-fifth of its total population and 40% percent of India's total tribal population. Madhya Pradesh is home to the largest number of Scheduled Tribes (STs) in India and is often called the tribal state of India. There are 46 recognized STs, three of which are identified as Special Primitive Tribal Groups. The tribal population is largely concentrated in and around the forest area of Madhya Pradesh. During due diligence, attention will be focused on assessing whether the project will trigger ADB SPS' SR-3. An indigenous peoples planning framework will be prepared for the proposed sector Project.

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 due diligence process?

- Indigenous peoples plan Indigenous peoples planning framework Social Impact matrix
 Environmental and social management system arrangement None

IV. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

- Creating decent jobs and employment (L) Adhering to core labor standards (L) 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 _____

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

Road improvement and rehabilitation work is expected to create employment and adhering to core labor standards will be secured through provisions in the construction contracts. Monitoring will be undertaken through the project management consultants.

VI. DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the due diligence contain key information needed to be gathered during due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified? Yes No

3. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis and participation plan during the due diligence?

For the due diligence, an individual Social & Gender Expert (4 person months) will be recruited to address safeguards matters as well as to undertake poverty, social and gender analysis based on existing socioeconomic data and consultations. The project management consultant appointed through advance action will include sufficient resources to ensure implementation of required plans and actions identified and developed under the due diligence.