



Initial Poverty and Social Analysis

September 2018

India: Chhattisgarh Road Connectivity Project

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 27 August 2018)

Currency unit	–	Indian rupees (₹)
₹1.00	=	\$0.014334
\$1.00	=	₹69.76500

ABBREVIATIONS

ADB	–	Asian Development Bank
CGPWD	–	Chhattisgarh Public Works Department
EA	–	executing agency
km	–	kilometer
MDG	–	Millennium Development Goal
TA	–	technical assistance
TI-H	–	targeted intervention for households
TI-G	–	targeted intervention for geographic areas
TI-M	–	targeted intervention for supporting achievement of MDGs

NOTES

- (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., FY2018 ends on 31 March 2018.
- (ii) In this report, "\$" refers to United States dollars.

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	India	Project Title:	Chhattisgarh Road Connectivity Project
Lending/Financing Modality:	Project Loan	Department/ Division:	South Asia Department/ Transport and Communications Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The state of Chhattisgarh was formed through bifurcation of the state of Madhya Pradesh in 2000. It has a population of about 25.5 million, occupying an area of about 137,898 square kilometers (km). Chhattisgarh is rich in natural resources and is a major producer of minerals such as coal and iron ore, which significantly contribute to the production of steel and electricity in the country. Despite this, about 38% of the total population is estimated to live below poverty line, with a literacy rate of around 71%—indicating a significant imbalance in access to economic and livelihood opportunities. Lack of road connectivity is deemed as one of the key causes of imbalanced distribution of economic opportunities in the state, and thus considered as a major constraint to the state's economic growth.

The Country Partnership Strategy (CPS), 2018–2022 for India aims to support the government's goal of faster, inclusive, and sustainable growth accompanied by rapid economic transformation and job creation. ADB assistance is articulated through the three strategic pillars of the CPS: (i) boosting economic competitiveness to create more and better jobs, (ii) providing inclusive access to infrastructure networks and services, and (iii) addressing climate change and increasing climate resilience. It is designed to assist India achieve the Three- Year Action Agenda 2017–2018 to 2019–2020 goal of “improving connectivity in rural India.”¹ The inadequacy of India's infrastructure is constraining the country's growth. ADB's support to India in road sector development as a core infrastructure operation, fosters inclusive economic growth, and, since 2003, has focused on the relatively poorer and weak capacity states (“lagging states”) to support the Government's efforts to reduce disparities between regions of the country.

B. Poverty Targeting

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

The Chhattisgarh Road Connectivity Project will improve and rehabilitate state highways and major district roads, which serve districts and sub-district areas of the predominantly rural state of Chhattisgarh. The project will improve connectivity, facilitate access to services, and accelerate economic growth in the state by way of (i) improved and safer 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 and potential beneficiaries.

Agriculture is the main sector in the economy for Chhattisgarh. According to a government estimate, nearly 6 million hectares are under cultivation. About 80% of the population of the state is rural and the main livelihood of the villagers is agriculture and agriculture-based small industries. Horticulture and animal husbandry also engage a major share of the state's total population. As of 2011, Chhattisgarh had a human development index value of 0.537 (medium), ranked 23rd in India. With respect to literacy, the state fared just below the national average. The recent estimates from Census (2011) are also similar, with the literacy rate of 71% (81.4% males and 60.6% females), which is close to the all-India literacy rate of 73%. The health index of Chhattisgarh is less than 0.49, one of the lowest in the country. The health index is defined in terms of life expectancy at birth. A higher value reflects better health outcomes for an individual.

2. Impact channels and expected systemic changes.

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

¹ Government of India, National Institution for Transforming India Aayog. 2017. [India: Three Year Action Agenda, 2017–2018 to 2019–2020](#). New Delhi.

3. Focus of (and resources allocated in) the transaction TA or due diligence.
For due diligence, a social expert resourced by ADB TA will be in place. The expert will review existing social & community aspects of the project, poverty data, employment, and literacy data, to determine employment benefits and potential social impacts. The expert will also assess any poverty-related issues relating to land acquisition and resettlement.

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?
At the project preparatory stage, sex-disaggregated data on relevant socioeconomic indicators will be collected, with focus on the needs, demands, and constraints faced by the poor, women and vulnerable groups in the project area. The poverty and social assessment will evaluate the gender-related risks associated with designing the roads, including community road safety, HIV/AIDS, human trafficking, and equitable access. Assessment findings will inform mitigation measures for adverse impacts and measures to enhance project benefits to women. These measures may include equal opportunities for women and men on employment under the project. Contractors will be required to ensure equal payment for equal work. A specific clause will be included in the bidding documents of the civil works packages. Mechanisms will be developed to monitor these actions in due course.

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 will improve access to basic services for women and increase employment opportunities. Installation of facilities such as bus bays, road side rest areas will also be explored.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?
 Yes No

Since the objective is to improve road connectivity in Chhattisgarh, the 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)

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 potential primary stakeholders of the project are the road users, communities in the vicinity of the project influence area, villagers, *panchayats* (rural local government), CGPWD, other development partners active in India's transport sector development, business and community groups, displaced persons, and NGOs and community-based organizations. They will be involved in workshops, community mobilization, and consultations. Their participation will be essential in technical design, including identifying locations for street lighting in remote built up areas, road safety features, and content of road safety campaigns. Those adversely affected will be consulted on mitigation measures such as livelihood restoration programs.

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?

Meaningful consultation with those who will benefit and those that will be adversely affected by the project will contribute in (i) setting effective mitigation measures, and (ii) designing of the soft features of the road design as enumerated above.

3. What are the key, active, and relevant civil society organizations (CSOs) 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

There is a large number of CSOs in the state that seek to empower disadvantaged groups such as scheduled tribes and castes, the disabled, farmers, and the poor, and those that promote better livelihood. The project will tap the relevant CSOs in project areas during consultation activities.

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

Vulnerable persons impacted by involuntary resettlement will benefit from additional assistance that will be outlined in the resettlement plan. Road safety awareness campaigns to the communities will have measures for populations that are particularly at risk, such as children and professional drivers.

IV. SOCIAL SAFEGUARDS
<p>A. Involuntary Resettlement Category <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <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</p> <p>The project involves improvement and rehabilitation of existing state highways and major district roads, so the extent of land acquisition will be limited to areas needing geometric improvement, bridge approaches, and within existing settlements. However, there is potential for significant involuntary resettlement due to encroachment of the existing right-of-way. This will be assessed during preparation and addressed through the road specific resettlement plans.</p> <p>2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process?</p> <p><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>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p> <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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Chhattisgarh has a significant tribal population. It is largely concentrated in and around the forest area of the state. During preparation, attention will be focused on assessing whether the project will trigger ADB Safeguard Policy Statement's safeguard requirement 3 (SR-3). To be consistent with ongoing road sector projects in the state it is envisaged that the project will be categorized B.</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</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process?</p> <p><input checked="" 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 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?</p> <p><input checked="" type="checkbox"/> Creating decent jobs and employment (L) <input checked="" type="checkbox"/> Adhering to core labor standards (L) <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>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.</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 (vi) other social risks. Are the relevant specialists identified?</p> <p><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?</p> <p>Under the TA, there is provision for an expert (6 person-months), to assist the EA to address safeguards matters and poverty, social and gender analyses.²</p>

² ADB. 2013. *Technical Assistance for Improving Safeguard Policy Applications in South Asia Developing Member Countries*. Manila.