



Initial Poverty and Social Analysis

July 2019

Nepal: Priority River Basins Flood Risk Management Project

This document is being disclosed to the public in accordance with ADB's Access to information Policy.

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 1 July 2019)

Currency unit	–	Nepalese rupee (NRe)
NRe 1.00	=	\$0.009054
\$1.00	=	NRe110.4440

ABBREVIATIONS

ADB	–	Asian Development Bank
CBDRM	–	community-based disaster risk management
GESI	–	gender equality and social inclusion
DHM	–	Department of Hydrology and Meteorology
DWRI	–	Department of Water Resources and Irrigation
MEWRI	–	Ministry of Energy, Water Resources and Irrigation
MoFAGA	–	Ministry of Federal Affairs and General Administration
TA	–	technical assistance

NOTE

In this report, "\$" refers to United States dollars

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Nepal	Project Title:	Priority River Basins Flood Risk Management Project
Lending/Financing Modality:	Project	Department/ Division:	South Asia Department/Environment, Natural Resources and Agriculture Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy
<p>The proposed project will improve flood risk management and thereby reduce rural and marginalized people's vulnerability to extreme weather events. The project supports the Government of Nepal's Three-Year Plan 2017–2019 to achieve sustainable, broad-based, inclusive economic growth through climate change adaptation.^a The Three-Year Plan calls for minimizing the impacts of water-induced disasters (flooding) with (i) early warning systems (that utilize appropriate technology) for floods; and (ii) water-induced disaster prevention to protect human settlements, arable land and built infrastructure. The Three-Year Plan states that the interests of marginalized groups will be accorded high priority, as is required under the principle of inclusive development.</p> <p>At a sector level, the project also directly supports the Nepal National Water Plan 2002–2027. The plan outlines a strategy for sustainable and effective water-induced disaster management by (i) enhancing institutional capabilities to manage water induced disasters and (ii) adopting effective measures to manage and mitigate water related disasters and their adverse effects. These strategies are reflected in the proposed project design. The project will strengthen and build the capacity of agencies to manage flood risks and provide training to local communities on flood risk reduction. The project will also build flood protection structures to reduce recurrent flooding of agricultural and residential lands. Combined, these strategies are expected to safeguard agricultural livelihoods and enhance food security for rural and marginalized communities.</p> <p>The proposed project fits the frameworks outlined in the ADB country partnership strategy, 2018–2020 for Nepal. Specifically, the project will contribute to improved infrastructure, increased agricultural and livestock production and disaster risk management by protecting agricultural land from flooding, adopting eco-friendly technologies and promotion of water disaster risk reduction activities. The project aligns with the country operations business plan's emphasis on environmental sustainability and supports the country operations business plan results focus on increased agricultural productivity, and food security by providing flood protection measures. The interests of vulnerable and marginalized groups will be accorded high priority within the project, as is required under the principle of inclusive development contained within Nepal's Three-Year Plan and ADBs Safeguard Policy Statement (2009).</p>
B. Poverty Targeting
<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>Nepal remains one of the poorest countries in the world despite considerable progress in poverty reduction in recent years. The Nepalese government identifies a person earning less than \$1 a day as "poor." By this definition, the latest official figures suggest that more than 35% of the total population is living below the poverty line.^b Vulnerability to flooding is an exacerbating factor of high poverty levels, particularly where marginalized communities are affected. The design and monitoring framework is designed to include pro-poor and inclusive design features, such as: gender-responsive early warning systems; a quota for women's participation in CBDRM; and a quota for women and children's awareness of preventive flood risk management.</p>
C. Poverty and Social Analysis
<p>1. Key issues and potential beneficiaries. Total population of the priority basins is estimated at 1.8 million with 95,000 people (19,150 households) exposed to the 1-in-50-year flood. Of these, the majority have rural-based agricultural livelihoods, which are frequently affected by flooding. The key issue for the project is to implement flood risk management in priority basins and reduce the effects of severe floods and flood-induced damage. Specifically, the project is anticipated to have a tangible impact on reducing the number of deaths and injuries; loss of houses and other structures, and loss and degradation of soil and farmland. Potential project beneficiaries are the poor and marginal farmers and agricultural employees, including but not limited to, women and socially excluded groups (indigenous and marginalized social castes residing in the project area). The project benefits will be targeted to the poor and socially excluded as part of the GESI action plan. The potential need of the beneficiaries is increased food security and livelihood strengthening.</p> <p>2. Impact channels and expected systemic changes. The project will provide for three direct impact channels: (i) Safeguarding assets. The project will help protect assets (physical, natural and financial capital) including farming and residential infrastructure and agricultural inputs (crops); (ii) Capacity building. The project will train individuals (human capital) at the government and community level on how to improve flood risk management; and (iii) Income generation. The project will provide short-term employment opportunities in the project area during construction.</p> <p>3. Focus of (and resources allocated in) the TA or due diligence. Due diligence will assess the current socioeconomic situation and result in social development action plans including the GESI and safeguards plans</p>

(resettlement plan and indigenous peoples plan). The TA will link these plans to the project implementation plan. An international resettlement/social expert, a national social/gender expert, and a national resettlement expert are included in the TA team.
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? Women, children, seniors, the disabled and other marginalized groups are highly vulnerable to the impacts of natural disasters. In Nepal, women tend to assume responsibility for protecting vulnerable family members when sudden onset hazards occur; yet women lack capacity and information about how best to respond. Research by the United Nations indicates that women are more likely than men to die during flooding.^c Women have lesser access to early disaster warnings; lack lifesaving skills (swimming and climbing); and have limited mobility due to layered clothing and carrying infants and seniors. Women are greatly burdened during post-disaster recovery given their status as primary care givers. Flooding events in Nepal have highlighted that women struggle to feed their families when productive assets, cows and food gardens, are washed away. In flood prone areas, there is a pertinent need to address Nepalese women's preparedness, responsiveness and post-flooding recovery.</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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please explain.</p> <p>The project will provide opportunities to increase women's participation in decision-making bodies related to the project activities. Expected gender benefits include: (i) reduction in the incidence of severe floods, which will stabilize incomes and protect household assets; and (ii) empower women to participate in the project design and training activities, particularly in the CBDRM program.</p> <p>The project will encourage participation of women in CBDRM planning and implementation. The project will seek the participation of women in the design phase of the small infrastructure. To assist the proposed project achieves these, a GESI action plan will be prepared during project preparation.</p> <p>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain</p> <p>The project will not increase inequality between genders. The installation of flood reduction infrastructure and early warning systems will benefit both genders; and implementation of CBDRM plans will empower women who already assume primary responsibility for disaster preparedness at the household level. Furthermore, provisions will be included within the bidding documents for the civil works contractors to ensure that all applicable labor laws will be complied. Importantly, contractors cannot engage child labor for construction; must provide hygienic gender specific toilet facilities; HIV/AIDS awareness programs, encourage employment of the poor, particularly women; and not differentiate wages between men and women for work of equal value.</p> <p>4. Indicate the intended gender mainstreaming category: <input type="checkbox"/> GEN (gender equity theme) <input checked="" type="checkbox"/> EGM (effective gender mainstreaming) <input type="checkbox"/> SGE (some gender elements) <input type="checkbox"/> NGE (no gender elements) The socioeconomic analysis will identify appropriate measures, targets and indicators for inclusion in the GESI, design and monitoring framework and any other measures to be included into project design.</p>
III. PARTICIPATION AND EMPOWERMENT
<p>1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. Main stakeholders include residents of urban centers in the project area, farmers, water user associations, district-level farmers' associations, central government (MEWRI, DWRI, DHM, MoFAGA), district level government officials, academia, local and national nongovernment organizations, and civil society organizations. These stakeholders are expected to be consulted in the project design.</p> <p>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 will conduct consultations with communities and stakeholders about; the location and design of small infrastructure; the design and operation of the flood early warning systems; training needs; and participation in the CBDRM. In each case, participation of the poor and excluded will be prioritized.</p> <p>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? <input checked="" type="checkbox"/> Information generation and sharing (H) <input checked="" type="checkbox"/> Consultation (H) <input checked="" type="checkbox"/> Collaboration (M) <input type="checkbox"/> Partnership N/A There are many civil society organizations and nongovernment organizations in the subproject areas. They will be consulted on an as needs basis to support the project design and implementation, particularly to assist with information sharing and the CBDRM planning and implementation.</p> <p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The poverty and social analysis will assess the existing community strengths and participation in development decision-making. It will also identify community expectations, interests and needs relating to the project objectives.</p>
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 The project will construct flood protection infrastructure along the river channels in the priority river basins.^d Most of this infrastructure will be conducted within the governments right-of-way, however strips of private land may be required. Furthermore, non-title holders may be living on the government land in the project area or using that land to derive a livelihood. If economic or physical displacement is required for the project, ADB IR safeguard will be triggered. The extent of involuntary resettlement impacts will be identified and addressed during project preparation. The extent of losses is anticipated to be insignificant; no physical displacement should be required (infrastructure can be moved) and land acquisition will not affect more than 10% of affected people's income-generating assets.</p> <p>2. What action plan is required to address involuntary resettlement as part of the TRTA 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>
<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 There are several minority indigenous groups present in the project area. The nature of project works may have limited positive effects to the dignity, human rights, livelihood systems, or culture of these indigenous peoples. This assumption will be confirmed during the project due diligence.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No The project will potentially use government land parallel to land occupied by Indigenous Peoples.</p>
<p>3. Will the project require broad community support of affected indigenous communities? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Indigenous communities will participate in developing and implementing a CBDRM plan for their local area. Indigenous Peoples will also participate in discussions on the location and design of new infrastructure. An initial assessment suggests that Indigenous Peoples in the Terai do not have unique, culturally defined approaches to stakeholder engagement and decision making. Indigenous Peoples face the same challenges as other marginalized communities in consultation processes; underrepresentation, lack voice and information. This assumption will be confirmed during the TA.</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the TRTA or due diligence process? <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>
<p style="text-align: center;">V. OTHER SOCIAL ISSUES AND RISKS</p> <p>1. What other social issues and risks should be considered in the project design? <input type="checkbox"/> Creating decent jobs and employment (L) <input checked="" type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input checked="" type="checkbox"/> Affordability (M) <input type="checkbox"/> Increase in unplanned migration <input 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 _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design? Participatory project planning will ensure that managing these risks will be included in the final project design.</p>
<p style="text-align: center;">VI. TRTA OR DUE DILIGENCE RESOURCE REQUIREMENT</p> <p>1. Do the terms of reference for the TRTA (or other due diligence) contain key information needed to be gathered during TRTA 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? <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 TRTA or due diligence? A \$0.73 million grant is provided from the proceeds of Grant 0299-NEP: Water Resources Project Preparatory Facility to prepare the project. An international social safeguard expert (2 person-months), a national social safeguard expert (4 person-months), an international social development/gender specialist (1 person-month), and a national social development/gender specialist (2 person-months) will be engaged to support the preparation of the social dimensions of the project.</p>

^a Government of Nepal, National Planning Commission. 2016. An Approach Paper of Fourteenth Plan, FY2017– FY2019. Kathmandu

^b S. Goli, N. Maurya, and P. Bhandari. 2017. *Geographic Differentials in Multidimensional Poverty in Nepal: Rethinking Dimensions and Method of Computation*. <https://iussp.confex.com/iussp/pc2017/mediafile/Presentation/Paper4192/Full%20Text%20Paper.pdf>

^c United Nations. 2009. Making Disaster Risk Reduction Gender-Sensitive: Policy and Practical Guidelines. UNISDR, UNDP and IUCN. Geneva, Switzerland.

^d The infrastructure could include (i) embankments to better control streams and prevent damage from flooding of land adjacent to a river; (ii) solid spurs or groyne, which are structures made to project flow from a river bank into a stream or river with the aim of deflecting the flow away from the side of the river on which the groyne is built; (iii) anti-flood sluices with flap gates; and (iv) check dams.