



Initial Poverty and Social Analysis

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IND: Sustaining Poultry Farmer Income and Food Security Project

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Asian Development Bank

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country: Project Title:

Lending/Financing Modality: Department/Division:

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>Recognizing the need to address the issues of rural poverty and lack of proper nutrition, the Government of India, Ministry of Agriculture developed the National Action Plan for Eggs and Poultry 2022 for Doubling Farmers Incomes. The program supports the poultry sector development to push farmer livelihood diversification and income improvement as well as tackle malnutrition. ADB's country partnership strategy for India underscores these goals by committing to support the strengthening of agricultural production and private sector investment in agribusiness and value-chain networks. The project is aligned with these strategies as it seeks to sustain workers' and farmers' livelihoods and secure production in the poultry sector.</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>Suguna has adopted a contract farming model oriented towards small-scale farmers, many of whom belong to the landless, marginal group owning less than 2.5 acres (1 hectare) of land. The contract farmers employ 1 or 2 contractual workers, mostly family members. Suguna also employs thousands of workers for their various facilities, such as, hatcheries, feed mills and processing plants. By supporting the continuation of Suguna's poultry production during the COVID-19 crisis, the project will help ensure that livelihoods of the farmers and workers are sustained..</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries. The 2019 ADB Basic Statistics indicates that as of 2011, 21.9% of the Indian population live below the national poverty line. The World Bank group estimated that around 270 million Indian people are poor with around 80% living in rural areas. Poverty incidence in rural areas was higher at 25% compared with 14% in urban areas. The main source of income for the rural poor includes farming activities (30%) and casual labor in farm operations (34%) such as in poultry farming. The intended primary beneficiaries of the project are Suguna's workers and contract farmers.</p> <p>2. Impact channels and expected systemic changes. The project will help Suguna avoid any lay-offs and retain farmer-supplier contracts.</p> <p>3. Focus of (and resources allocated in) the transaction TA or due diligence. The due diligence will focus on potential labor and/or livelihood impacts resulting from COVID-19 pandemic response, such as, lockdowns or work stoppage.</p>
II. GENDER AND DEVELOPMENT
<p>1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program? A UN Policy Brief on the impact of COVID-19 outlines that the impacts of the COVID-19 crisis are made worse for women and girls simply by virtue of their sex. Compounded economic impacts are felt by women and girls who are generally earning less, saving less, and holding insecure jobs – often working on the frontline – or living close to poverty. The health of women generally is adversely impacted through the reallocation of resources and priorities, including away from sexual and reproductive health services. Unpaid care work has increased, with children out-of-school, heightened care needs of older persons and overwhelmed health services. With restricted movement and social isolation measures, gender-based violence is increasing exponentially.</p>
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The project aims to help sustain women's livelihoods and support them in accessing information and services to weather the COVID-19 crisis.</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</p>
<p>4. Indicate the intended gender mainstreaming category: <input type="checkbox"/> GEN (gender equity) <input type="checkbox"/> EGM (effective gender mainstreaming) <input checked="" type="checkbox"/> SGE (some gender elements) <input type="checkbox"/> NGE (no gender elements)</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.</p> <p>The main stakeholders of the project are the contract farmers and Suguna's workers. Sustaining their livelihoods is a primary consideration of the project. Suguna has been trying to maintain communications with the stakeholders.</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?</p> <p>Suguna will strengthen stakeholder engagement and community relations as part of its ESMS.</p> <p>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?</p> <p><input type="checkbox"/> Information generation and sharing (N) <input type="checkbox"/> Consultation (N) <input type="checkbox"/> Collaboration (M) <input type="checkbox"/> Partnership (N)</p> <p>Suguna may require the assistance of women's organizations in implementing the gender measures for the project.</p> <p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>While Suguna engages with their partner poultry farming communities to understand their needs and provide support services, Suguna only engages informally with the neighboring communities through the local authorities. Suguna would thus have to develop its policy on engaging not only with their main stakeholders but also with the communities where they operate. The policy should consider current COVID-19 safety measures implemented in the respective communities.</p>
IV. SOCIAL SAFEGUARDS
<p>A. Involuntary Resettlement Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>No involuntary resettlement impacts will result from the project. Land acquisition will not be required as the project intends to support Suguna with its working capital needs. The proceeds of the loan will not be used to build a new facility or expand existing ones.</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 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 checked="" type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</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>No impacts on Indigenous Peoples are envisaged. The project will focus on supporting Suguna with its working capital needs. No new facility will be developed, and no existing facilities will be expanded. The project will not directly or indirectly affect Indigenous Peoples or their territories or natural or cultural resources.</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>No impacts on indigenous peoples are anticipated.</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 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 checked="" 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 type="checkbox"/> Creating decent jobs and employment <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 checked="" type="checkbox"/> Affordability (L) <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 checked="" type="checkbox"/> Others, please specify <u>Sustaining livelihoods</u></p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>The project will ensure that no workers will be laid off during the COVID-19 crisis and that their average annual incomes are sustained. Suguna, its partner farmers and service providers will be required to comply with national labor laws and take measures to comply with internationally recognized core labor standards and report such</p>

compliance to ADB annually. The project will help ensure that affordable animal meat will continuously be available in the market.

VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

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 (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 transaction TA or due diligence?

An independent environmental and social audit was conducted on Suguna in connection with an earlier project. ADB staff will use that audit as reference and will conduct further assessments as necessary.