ADB

Initial Poverty and Social Analysis

Project Number: 54251-001
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IND: COVID-19 Hospital Capital Support Project

Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	IND	Project Title:	COVID-19 Hospital Capital Support Project

Lending/Financing Modality:	Corporate Finance	Department/ Division:	OPSD / PSOD

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

ADB's debt financing facility of up to $20.0 million, in Indian rupee equivalent, to Apollo Hospitals Enterprise Limited (Apollo) will support Apollo's short-term financing needs for operations during the coronavirus disease (COVID-19) pandemic in India, including provision for general working capital needs to ensure the continued provision of essential healthcare services including maternal and child health services, purchase of personal protective equipment (PPE) and patient care equipment, and staff training on infection prevention and control. This transaction will support Apollo's ability to prepare for and react to a surge in COVID-19 cases and to ensure the continued provision of medical services for non-COVID-19 cases. The project's objectives are aligned with the country's current COVID-19 emergency response [a] The Project also aligns with ADB's Operational Plan for Private Sector Operations[b], ADB's Operational Plan for Health[c], which emphasizes health system strengthening with health infrastructure as the focus, and ADB's India Country Partnership Strategy 2018-22 'Strategic Pillar 2' regarding provision of inclusive access to infrastructure network and services.[d]

B. Poverty Targeting

☒General intervention ☐Individual or household (TI-H) ☐Geographic (TI-G) ☐Non-income MDGs (TI-M1, M2, etc.)

It is expected that the Project will contribute to addressing some of the effects of poverty by supporting national efforts to tackle the COVID-19 pandemic by making available a broad range of health services and particular measures to tackle COVID-19. Supporting Apollo's numerous health services located in various locations around the country will mitigate geographic inequalities in medical service provision and access.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. India's economic activity grew at a robust pace in between 2010-15. While India's GDP has moderated from a strong 8.3% in 2016, economic activity has continued at a moderate pace with GDP growth of 5.0% in 2019. Economic growth over the decade has translated into progress in many social development indices, including increased life expectancy, reduced under-5 mortality rates and increased school enrolment and completion rates[e]. Despite this, the country is confronted with persistent development challenges, many associated with service delivery for a population now in excess of 1.3 billion people and a growing urban population. This is creating increased pressure on urban service delivery, particularly with regard to access to improved water supplies, sanitation and health services. India has a low 12 beds per 10,000 population, compared to the global median of 29 beds per 10,000 population.[f] The COVID-19 pandemic has accentuated these challenges and deepened the burden for health service providers. Patients with severe and critical symptoms, particularly respiratory symptoms, are expected to require critical care at hospitals. Critical care beds are limited as the total number of critical care beds nationwide is estimated in the range of 35,000 to 70,000. Adopting measures to combat and slow the spread of infection, the government enacted national quarantine beginning in March 2020 followed by a series of extensions which will last until at least 30 June 2020 in some states. To date this has steadied the growth of confirmed cases and fatalities. As of 31 May 2020, there were 182,143 confirmed cases and 5,164 deaths attributed to COVID-19.[g] Apollo, as one of the key health service providers in India, is at the forefront of service providers taking measures to tackle both COVID-19 and non-COVID-19 health issues. Apollo has adopted numerous measures to address COVID-19 including designating specific facilities for COVID-19 treatment, a free digital self-assessment COVID-19 screening tool (with Airtel telecommunications), a free helpline for telemedicine and, together with other private sector companies, launched 600 quarantine rooms within existing hotels. Key beneficiaries will be the general population utilizing private health care services; those requiring information and specific COVID-19 related treatment; and returning Indian nationals quarantined on arrival.

2. Impact channels and expected systemic changes. Through ADB's investment, Apollo's employees, emergency response personnel, health service providers and the general population will benefit.

3. Focus of (and resources allocated in) the transaction TA or due diligence. Due diligence review will focus on corporate and operational EHS, human resources and contractor management policies and procedures to assess the client's ability to manage and address relevant social and environmental risks and impacts of its operations, its compliance with applicable environmental and social safeguard related national laws and regulations, and ADB's safeguard requirements, where applicable.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program?

While India is making progress towards development goals, gender disparities are persisting across all sectors, including a decline in access to basic services and an increase in trend of crimes against women. The health and economic crisis triggered by the COVID-19 pandemic is further widening these gender-based disparities. The healthcare sector for women in India has made significant progress, especially in maternal health infrastructure and services[h]. Yet, negative impacts from the COVID-19 pandemic are directly affecting women and children's health. Limited mobility to access basic services, stigmatization of those attending hospitals and healthcare facilities, limited infection prevention supplies and unreliable infection control practices, as well as disrupted community health worker routines, are all threats to maternal healthcare delivery. Moreover, reported domestic violence cases have significantly risen given mobility restrictions generating negative impact over security, health, and job losses. [i] Representing 89% of nurses and a majority of health facility service staff, Indian female healthcare workers are on the front lines of the fight against COVID-19 and, as such, are at a greater risk of being infected. The healthcare supply chains constraints have created consequences similar to other countries of female nurses experiencing difficulties finding appropriately sized personal protective equipment and getting access to feminine hygiene products[j].

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 has the potential to support the sustained protection of women healthcare workers during the COVID-19 pandemic, by, for example, providing appropriately sized personal protective equipment and sanitary products to all female staff, ensuring continued maternal and child health services, and providing basic hygiene and sanitary products for female patients.

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

4. Indicate the intended gender mainstreaming category:
☐ GEN (gender equity)   ☐ 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.

Apollo's broad outreach and various programs require it manage numerous stakeholder relations including government entities overseeing the national strategic response, authorities involved in local health care provision, private sector health providers, businesses in the hospitality sector and beneficiary users and consumers. The nature of the business activities will limit opportunities for broader and community level engagement and participation in decision making about project design.

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?

As close coordination between different actors involved in confronting the virus is essential. The Project provides opportunities for Apollo to engage more closely with a range of stakeholders including government, medical professionals, suppliers, contractors and company employees. Enhanced engagement with employees to ensure occupational health and safety related risks are managed will be an important process during the Project.

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?

☒ L Information generation and sharing ☒ L Consultation   ☒ L Collaboration   L ☒ Partnership

CSO presence in Apollo's areas of operations and the extent of current participation will be reviewed through due diligence.

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

As an enhancement of pre-existing industrial scale medical supplies distribution operations, the potential for participation of the poor and excluded in Project design is limited.

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

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

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 transaction TA 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?

L ☐ Creating decent jobs and employment M ☒ Adhering to core labor standards L ☐ Labor retrenchment
M ☒ Spread of communicable diseases, including HIV/AIDS L ☐ Increase in human trafficking L ☐ Affordability
L ☐ Increase in unplanned migration   L ☐ Increase in vulnerability to natural disasters L ☐ Creating political instability
L ☐ Creating internal social conflicts ☐ Others, please specify:

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

ADB will ensure environmental and social due diligence review of Apollo's EHS (including occupational health and safety policies), social management and human resources policies. Corrective actions, if determined, will be included as requirements in Project design.

VI.   DUE DILIGENCE RESOURCE REQUIREMENT

1. Does the terms of reference for 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 (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 due diligence?

Social Safeguard and Gender analysis will be undertaken by ADB PSOD Safeguards and Gender specialists in consultation with Apollo.

[a] Government of India, Ministry of Health and Family Welfare. *Updates on COVID-19.* https://pib.gov.in/PressReleasePage.aspx?PRID=1625819 (Accessed 01 June 2020)
[b] ADB. 2019. *Operational Plan for Private Sector Operations, 2019-2024.* Manila.
[c] ADB. 2015. *Operational Plan for Health, 2015-20.* Manila.
[d] ADB. 2017. Country Partnership Strategy. *India: 2018-22 – Accelerating Inclusive Economic Transformation.* https://www.adb.org/sites/default/files/institutional-document/363331/cps-ind-2018-2022.pdf
[e] World Bank. India - Country Profile. Online databank. https://databank.worldbank.org/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b450fd57&tbar=y&dd=y&inf=n&zm=n&country=IND (Accessed 01 June 2020).
f Apollo Hospitals Enterprise Limited. 2019. *Investor Relation Presentation as of 30 June 2019.*
[g] World Health Organization. India: Novel Coronavirus Disease (COVID-19) Situation Update Report – 18 (May31, 2020). https://www.who.int/docs/default-source/wrindia/situation-report/india-situation-report-18.pdf?sfvrsn=7c00a3f_2 (Accessed 01 June 2020)
[h] Ravi S. and Jayaraman N. 2017. Gender issues in India: An Amalgamation of Research. https://www.brookings.edu/research/gender-issues-in-india-an-amalgamation-of-research/
[i] Data from the National Commission for Women (NCW)
[j] Shagazatova, M. 2020. *Helping Women and Girls Survive COVID-19 and Its Aftermath.* Manila. https://blogs.adb.org/blog/helping-women-and-girls-survive-covid-19-and-its-aftermath