



# India: Inclusive, Resilient, and Sustainable Housing for Urban Poor (Sector) Project in Tamil Nadu

Project Name	Inclusive, Resilient, and Sustainable Housing for Urban Poor (Sector) Project in Tamil Nadu		
Project Number	53067-004		
Country	India		
Project Status	Proposed		
Project Type / Modality of Assistance	Loan		
Source of Funding / Amount			
	Loan: Inclusive, Resilient, and Sustainable Housing for Urban Poor (Sector) Project in Tamil Nadu		
	Ordinary capital resources		US\$ 150.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Governance and capacity development Partnerships Private sector development		
Sector / Subsector	Water and other urban infrastructure and services - Urban housing		
Gender Equity and Mainstreaming	Effective gender mainstreaming		
Description	The proposed project will promote access to inclusive, resilient, and sustainable housing and urban development in Tamil Nadu by supporting the state in (i) relocating vulnerable communities living in high-risk areas to safe shelter; (ii) providing affordable, proper housing for urban poor households, and migrant workers from the economically weaker section (EWS) and lower-income group (LIG); and (iii) supporting the state in regional development planning.		
Project Rationale and Linkage to Country/Regional Strategy	<p>Tamil Nadu is among the large states with the most acute housing shortage because of both demand and supply factors. Demand side factors include (i) inaccessibility of existing housing programs to the poor because of inaffordability and qualification requirements; (ii) designs are not gender- and culturally sensitive; and (iii) low demand for or low occupancy because housing projects are located far from city centers. Supply side factors include (i) inadequate public resources, (ii) difficulty in attracting private investments due to low investment returns and lack of incentives; (iii) government's housing policies and procedures not matching capacity of the poor; and (iv) weaknesses in regional planning. In Tamil Nadu, the large shortage of housing for the EWS and LIG result in limited housing options for the urban poor, and where available do not meet the needs of the urban poor including access to jobs and urban services. As such, the urban poor are forced to reside in hazardous areas or bear heavy transportation costs to access livelihoods. Unplanned urbanization and housing deficits have contributed to informal settlements and slum intensification. Tamil Nadu is among five states that host 62% of the country's slum population. The State has 5.8 million slum residents, which represents 17% of the urban population, and 8.9% of the total slum population in India. Most slum residents come from the EWS and the LIG. Informal settlements and slums are often situated in hazardous areas, are congested, and lack appropriate services (i.e., electricity, piped water supply, and sanitation/waste facilities). Slum areas are prone to disaster, environmental degradation, and health risks. The proposed project builds on lessons from previous urban development projects and housing finance programs of Asian Development Bank (ADB) and the Government of India. In designing affordable housing, there is need for (i) balancing socioeconomic priorities, (ii) integrating regional perspectives and spatial considerations in development and economic planning, (iii) crafting and implementing appropriate policies and strategies, and (iv) ensuring inclusivity.</p> <p>The rationale for the proposed project is stronger in view of the COVID-19 pandemic. There is recent literature documenting that addressing COVID-19 pandemic is more difficult in slum areas given deficiencies in water, sanitation, drainage, and waste collection in an environment constrained with space that makes social distancing and self-quarantine near impossible. A Brookings Institute study shows that slums are being disproportionately impacted in Mumbai, India. Slum conditions exacerbate already existing health issues in slum populations and containment sever slum dwellers from their income sources. Affordable housing and providing urban services to the urban poor and migrant workers will increase the resilience of beneficiaries to pandemics bringing further benefits to the wider community. In addition, the graduation program to be implemented in project housing sites will increase the resilience of the livelihoods of beneficiaries, and include behavior change required in maximizing benefits in the provision of sanitation and other urban services. The project will build-in required protocols in project design, particularly because the project has a participatory nature. The project is in-line with the recently announced special economic and comprehensive package which includes support for housing for migrants workers and the urban poor.</p>		
Impact	Permanent shelter with appropriate housing infrastructures and services provided for every affected household.		
Outcome	Access to inclusive and safe affordable housing infrastructure and services for vulnerable and disadvantaged communities in Tamil Nadu increased.		
Outputs	Affordable and improved housing for vulnerable communities constructed Financing for affordable housing for urban poor and migrant workers increased Integrated regional plan development supported		
Geographical Location	Tamil Nadu		
Safeguard Categories			
Environment			B
Involuntary Resettlement			A
Indigenous Peoples			C
Summary of Environmental and Social Aspects			

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Responsible ADB Officer	Barba, Ricardo Carlos
Responsible ADB Department	South Asia Department
Responsible ADB Division	Urban Development and Water Division, SARD
Executing Agencies	Housing and Urban Development Department, Government of Tamil Nadu Government of Tamil Nadu Namakkal Kavignar Maligai, Fort St. George, Chennai 600 009 Tamil Nadu Slum Clearance Board No. 5, Kamarajar Salai, Chempauk, Chennai

#### Timetable

Concept Clearance	30 Jul 2020
Fact Finding	17 Aug 2020 to 20 Aug 2020
MRM	30 Nov 2020
Approval	-
Last Review Mission	-
Last PDS Update	31 Jul 2020

Project Page	<a href="https://www.adb.org/projects/53067-004/main">https://www.adb.org/projects/53067-004/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=53067-004">http://www.adb.org/forms/request-information-form?subject=53067-004</a>
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