



Initial Poverty and Social Analysis

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

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	India	Project Title:	Inclusive, Resilient, and Sustainable Housing for Urban Poor Sector Project in Tamil Nadu
Lending/Financing Modality:	Sector/Financial Intermediary	Department/Division:	SARD/SAUW

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

India's urban population of 380 million (31%) contributes 63% of the country's gross domestic product. With the growth of urban centers, the urban slum population has also grown, by 25.1% during 2001–2011. About one-fifth of the country's population falls below the poverty line. In comparison, the state of Tamil Nadu has 13.7% of its overall population and 7.4% of its urban population living below the poverty line.^a While national poverty levels are steadily declining, Government of India's Three-Year Action Agenda (2017–2018 to 2019–2020) acknowledges that there are significant differences between states and regions. The Niti Aayog, Government of India is currently preparing a 15-year vision document for the period 2020–2035, which has as its aims, the achievement of prosperity, poverty eradication, equality, cleanliness, transparency, employment, gender equality, and hopefulness. The vision will also set out goals at national and state levels following Government of India's pledge to pursue Sustainable Development Goals. Government of India's targets include a poverty rate below 5% by FY2031. ADB's country partnership strategy (CPS) for India, 2018–2022 is aligned with government priorities and aims to enable the country to move from lower towards upper middle-income status; while achieving faster, inclusive, and sustainable economic growth. Tamil Nadu is India's fourth-largest state and ranks first in the rate of urbanization (48%) among larger states. Rapid urban industrial and population growth has resulted in slum growth particularly in high-risk areas. Provision of housing and infrastructure facilities is severely strained and in need of major investments to ensure reduced vulnerability and improved services to the poor. The proposed improvements under xxxx (Inclusive, Resilient, and Sustainable Housing for Urban Poor) including (i) relocation and rehabilitation of households living in extremely vulnerable and high-risk areas in cities in Tamil Nadu; (ii) development and implementation of a housing model for industrial workforce, with a focus on the Chennai-Kanyakumari Industrial Corridor (CKIC); (iii) piloting new models of affordable housing; and (iv) regional planning, will contribute to the state's economic growth while reducing the vulnerability of the poor. The project also aims to improve Tamil Nadu Slum Clearance Board's design and implementation practices and policies, and further strengthening the institution in the long run.

B. Poverty Targeting

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

The project targets urban poor households in flood-prone and high-risk area who do not have security of tenure, industrial and migrant workers. To sustain poor relocated urban households, a graduation approach will be implemented in relocation sites.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. Based on the Planning Commission of India, 6.5% of the population of urban Tamil Nadu live below the state-specific poverty line of ₹937 per capita per month.^b As per Census 2011, 16.6% of the state's urban population lives in slums.^c Because of the lack of affordable housing, many of the urban poor have no tenure security, and live in slums that are vulnerable to flooding or other hazards and have limited or no urban services. Because they cannot access affordable housing, increasing numbers of poor migrant workers in cities and industrial estates also resort to living in sub-standard housing or commute from considerable distances. The project targets these urban poor and migrant workers as beneficiaries. Sustainable livelihoods for the relocated households will be a key area of focus.

2. Impact channels and expected systemic changes. The project proposes to introduce gradual changes in how affordable housing for vulnerable poor households are undertaken through (i) improved design incorporating operation and maintenance (O&M); (ii) increased consultation and participation of beneficiaries; and (iii) applying the graduation approach to sustain relocated households. It will also support industrial housing for migrant workers and hostels in cities for working women.

3. Focus of (and resources allocated in) the transaction technical assistance (TA) or due diligence. Due diligence will ensure the needs of beneficiary households are understood. For relocated households, additional due diligence will be undertaken to determine whether the elements of social protection, livelihood promotion, financial inclusion, and social empowerment are present in the relocation sites. Where there are government programs that can provide these to beneficiaries, the subproject will ensure that beneficiaries are able to access these and resolve barriers to continued access. Where any element is not present, the relocation will be designed to provide the deficiency. In particular, skills should be profiled and livelihood ensured. Ensuring these elements are present in new housing sites contributes to the ability of beneficiaries to contribute to O&M.

4. Specific analysis for policy-based lending. Not 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?

Studies (2014–2018) of nongovernmental organizations (NGOs) show improvements in the gender responsiveness of resettlement projects of TNSCB.^d Gender-related issues raised in these studies were (i) women's economic dislocation or loss of employment (higher rate for women) due to remote relocation sites; (ii) violation of human rights due to lack of consultation; (iii) women and girl's increased burden of bringing water to higher floors due to lack of piped water collection or inadequate water supply; (iv) non-availability of, or inadequate, government healthcare facilities, especially for children, elderly, and pregnant women within the settlement; (v) sexual harassment of women and girls during housing allotment and in the resettlement sites; (vi) lack of privacy and exposure to

sexual abuse of girls in resettlement site units with no separate bedroom; (vii) kitchen unsuitable for cooking due to lack of ventilation; and (viii) disruption of children's education, especially of girls, due to remote relocation and lack of safety in the resettlement sites.

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 prepare a gender action plan detailing its responses to the above identified gender-related resettlement issues. It will also adopt the graduation approach to poverty reduction, where equitable access of women to social and economic resources to be provided by the project will be ensured. These will also be undertaken as applicable to the industrial housing and women's hostels Outputs.

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

If the gender action plan is appropriately designed and effectively implemented and if the graduation approach is done in a gender responsive manner, adverse impact of resettlement on women and girls and widening of gender inequality can be averted.

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.

Apart from the proponent government agencies, the other project stakeholders are (i) project affected persons to be relocated; (ii) low income and migrant workers to be provided with affordable housing; (iii) government agencies with resources and services that can be tapped for the development of the resettlement sites; (iv) private companies whose workers will benefit from affordable housing provision; and (v) advocacy civil society organizations (CSOs) (NGOs, people's organizations, religious organizations) that could attempt to influence the project. All these stakeholders will be consulted on the project design and their collaboration will be sought for project implementation, monitoring, and evaluation.

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?

To ensure that relocation is done in an appropriate, gender responsive, and culturally sensitive manner, the project will employ consultative processes. Affected persons as well as concerned CSOs will be consulted on the design of relocation sites, relocation procedures, and site development programs. For the empowerment of poor affected persons, especially women, the project will adopt the graduation approach to poverty reduction.

3. What are the key, active, and relevant CSOs in the project area? What is the level of CSO participation in the project design?

- Information generation and sharing H Consultation H Collaboration H Partnership

Tami Nadu has a vibrant CSO sector.⁹ The project management unit will (i) disseminate information on IRSHUP to the general public, including CSOs, through social and print media, and create mechanisms for feedback; (ii) consult concerned CSOs on project design; and (iii) collaborate with NGOs who are interested in directly engaging in the project.

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

Key resettlement issues that will be thoroughly assessed and prevented or resolved at project design phase through the participation of the poor and excluded are, among others, (i) economic displacement of relocated households; (ii) disruption of children's education, (iii) perceived inadequate consultations in past resettlement projects and inadequate social services in resettlement sites of xxxx (Tamil Nadu Slum Clearance Board) as assessed by studies of NGOs; and (iv) safety from sexual harassment of women, girls, and boys in resettlement sites. ADB will engage NGOs to facilitate consultations during project design phase and ensure adequate pre-relocation preparations. Sustainability of these efforts during and after the project will be integrated in the project design.

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
 The project's Output 1 anticipates significant involuntary resettlement impacts in the form of physical displacement from slum housing as well as livelihood impacts to over 200 persons. The selected sample subprojects will require the relocation of 2,736 households and it is estimated that the total relocation for all subprojects will be for an estimated 8,000 households. No land acquisition is anticipated as relocation sites selected are government land transferred to TNSCB, vacant industrial estate land, and government land with existing or vacant but planned for women's hostels. Due diligence consultants have drafted a resettlement framework and are working with the implementing agency to determine impacts. The resettlement plans will incorporate the graduation approach, to ensure social protection, livelihood promotion, financial inclusion and social empowerment of the relocated households. For output 2, an ESMS is being developed by Tamil Nadu Infrastructure Fund Management Corporation with support from World Bank.

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

The relocation housing is proposed on government lands in urban areas or peri-urban areas. Industrial housing is proposed on land belonging to industrial estates. Women's hostels are proposed on government land in the cities. None of the project sites are located in scheduled areas or traditional territories of indigenous peoples. This will be reconfirmed during project due diligence.

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?

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

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

Ensuring decent jobs and employment is an objective of the resettlement plan and a graduation approach will be undertaken to sustain ultra poor affected persons. Safeguards and contract documents will stipulate the requirement to adhere to core labor standards. The project will disseminate information on HIV/AIDS and sexually transmitted diseases (STD) for non-local labor and communities in and around the construction sites. Affordability of industrial housing to low income workers and women's hostels to women will be ensured through a pricing policy developed for project-supported housing.

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 international Gender and Participation Specialist, international and national specialists for both social and environmental safeguards are allocated for the project. Resources have also been provided by Sustainable Development and Climate Change Department for international specialists and NGO/CSO engagement for the graduation approach and staff resources for social safeguards.

^a (i) Government of India, Ministry of Statistics and Programme Implementation. 2017; and (ii) *Selected Socio-economic Statistics India 2017*. http://mospi.nic.in/sites/default/files/publication_reports/SelectedSocio-EconomicStatisticsIndia2017_27oct17.pdf

^b Government of India, Planning Commission. *Report of the Expert Group to Review the Methodology for Measurement of Poverty*. June 2014. http://planningcommission.nic.in/reports/genrep/pov_rep0707.pdf

^c Census of India. Slum Census 2011. <http://www.censusindia.gov.in/>.

^d (i) S. Ramya and V. Peter. 2014. *Forced to the Fringes: Disasters of 'Resettlement' in India. Report Two: Kannagi Nagar, Chennai*. India: Housing and Land Rights Network and Information and Resource Centre for the Deprived Urban Communities (IRCDUC); (ii) Information and Resource Centre for the Deprived Urban Communities and Housing and Land Rights Network. 2017. *From Deluge to Displacement: The Impact of Post-Flood Evictions and Resettlement in Chennai*. Delhi; and (iii) K. Coelho, V. Peter, and Nandhini. 2018. *A Baseline Study of the Impacts of Resettlement in Gudapakkam and Perumbakkam*. Chennai: Tamil Nadu Slum Clearance Board (TNSCB).

^e The CSO sector is composed of, among others, the Information and Resource Center for Deprived Urban Communities (IRCDUC), Uravugal (Social Welfare) Trust, Madras Institute of Development Studies, 100 Resilient Cities, Tamil Nadu State NGOs and Volunteers Resource Center (TNVRC) and/or Tamil Nadu Corporation for Development of Women (TNCDW), Don Bosco Anbu Illam, Rhythem, World Vision, Banyan, Vishranthi Payir – Empowering Villages, Assefa, religious organizations, residents' welfare associations, and self-help groups.