



Project Summary Information

Date of Document Preparation: May 21, 2020	
Project Name	India COVID-19 Active Response and Expenditure Support (CARES) Program
Document Code	PD000409-PSI-IND
Country	Republic of India
Sector/Subsector	Others / Exceptions
Status of Financing	Under Preparation
Project Description	<p>This Program is proposed under the COVID-19 Crisis Recovery Facility (the Facility) of the Bank and co-financed with the Asian Development Bank (ADB) as a policy-based loan under ADB's Countercyclical Support Facility COVID-19 Pandemic Response Option (CPRO). This program will provide critically needed support to help the Government of India mitigate the severe health, social, and economic impacts caused by the COVID-19 pandemic.</p> <p>The expected outputs of the program are: (i) implementation of COVID-19 response and health systems measures; (ii) enhancement of measures to provide social assistance for compensating the economic loss to vulnerable groups; and (iii) enhanced social safety measures for the affected workers in both organized and informal sectors.</p>
Objective	The objective of the Program is to provide the Government of India with budget support to mitigate the severe adverse social and economic impacts caused by the COVID-19 pandemic.
Expected Results	<p><u>Measures to provide social assistance for compensating the economic loss to vulnerable groups</u></p> <ul style="list-style-type: none"> (i) By June 2021, at least 50 million poor women receive monetary benefit of INR 500 (around USD 7) for 3 months in their bank account (March 2020 baseline: none) (ii) By June 2021, at least 20 million poor senior citizens, widows and people with disabilities who are beneficiaries under the National Social Assistance Program are provided with grant support of INR 1,000 (around USD 14) (March 2020 baseline: none) (iii) By June 2021, at least 60 million farmers receive advance disbursement of INR 2,000 (around USD 28) under Small and Marginalized Farmers Scheme (PM Kisan Yojana) (March 2020 baseline: not applicable)

	<p>(iv) By June 2021, at least 60 million poor women are provided with free cooking gas cylinders under the ‘LPG connections to Below Poverty Line Households scheme’ (PM Ujjwala Yojana) (March 2020 baseline: none)</p> <p>(v) By June 2021, among the daily wage workers, rural women represent at least 50% of beneficiaries of higher wages under the Mahatma Gandhi National Rural Employment Guarantee Scheme (March 2020 baseline: higher wages not applicable)</p> <p><u>Enhanced social safety measures for the affected workers in both organized and informal sectors</u></p> <p>(vi) By June 2021, at least INR 30 billion (around USD 400 million) released to the Employees’ Provident fund Organization (EPFO) as a payment for employers’ share of 3 months’ provident fund contributions of EPFO subscribers (March 2020 baseline: none)</p>
Environmental and Social Category	ADB has categorized this Program under its Safeguards Policy Statement (SPS) as Category C for environment, involuntary resettlement and Indigenous Peoples.
Environmental and Social Information	<p>AIIB’s ESP was designed to apply to investment projects and has no provisions for its application to policy-based lending operations. Accordingly, the proposed Program, which is co-financed with the ADB as lead cofinancier, has been prepared in accordance with the provisions of ADB’s SPS applicable to policy-based lending as permitted by AIIB’s Board of Directors’ Decisions to Support the AIIB COVID-19 Crisis Recovery Facility. This will ensure a harmonized approach to addressing the environmental and social (ES) risks and impacts of the Program.</p> <p>Under its SPS, ADB has categorized the Program as Category C for environment, involuntary resettlement, and Indigenous Peoples on the basis of an assessment of the countercyclical expenditures to be supported by the Program. These focus on expanding and strengthening social safety nets for the most vulnerable groups and are not expected to have any adverse environmental or social impacts. The proposed Program has also been categorized by ADB as “effective gender mainstreaming at entry”, as it strengthens the government’s response to the COVID-19 outbreak by addressing gender and social inclusion needs. ES monitoring will be conducted based on guidelines and check lists determined by ADB.</p>
Cost and Financing Plan	<p>Program cost: USD 2,250 million</p> <p>Financing Plan:</p> <ul style="list-style-type: none"> • AIIB loan: USD 750 million • ADB loan: USD 1,500 million
Borrower	Republic of India

Implementing Entity	Department of Economic Affairs, Ministry of Finance		
Estimated Loan Closing Date	June 30, 2021		
Contact Points	AIIB	ADB	Borrower
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Estimated Date of Concept Decision	June 2020		
Estimated Date of Appraisal Decision	June 2020		
Estimated Date of Financing Approval	June 2020		
Independent Accountability Mechanism	<p>AIIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AIIB's ESP, which does not apply to policy-based operations such as this one. Submissions to the PPM under the Program would, therefore, not be eligible for consideration by the PPM. ADB's independent accountability mechanism addresses issues raised by persons adversely affected by an ADB-assisted project and allows them to report alleged noncompliance with ADB's operational policies and procedures, including SPS.</p>		