

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:

India

Project Title:

Climate Adaptation in Vennar sub-basin in Cauvery Delta (formerly Climate Adaptation through Sub-Basin Development Project)

Lending/Financing Modality:

Project loan

Department/ Division:

South Asia Department/Environment, Natural Resources & Agriculture Division

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The government's continued commitment to poverty reduction is reflected in the goal of inclusive growth which is a pivotal feature of the Twelfth Five Year Plan. Poverty incidence is targeted to be reduced by 10 percentage points by 2017. The government affirms the need to reduce poverty as its primary goal and aims to reinvigorate the rural economy; strengthen the agriculture and natural resources sector; create employment; and bridge the divide between regions, sectors, and genders. The ADB country partnership strategy (CPS) for India, 2013–2017 is closely aligned with the Government Twelfth Five Year Plan. ADB's overarching goal of achieving poverty reduction (Strategy 2020) supports the government's priority to pursue rural poverty reduction through strengthening water resources management and irrigated agriculture, is also in line with the National Water Policy and National Water Mission which provide a comprehensive policy framework that supports holistic water resources management. The project is included as one of the program under the government of Tamil Nadu with aims to improve water use efficiency by modernization of irrigation systems, and improving service delivery, which is aligned with the ADB "Water for All" policy; and the Water Operational Plan 2011-2020 to reduce the water demand-supply gap in water scarce areas, foster integrated water resources management, improve water governance and delivery of services, and improve resilience to climate change. Therefore, the project will directly and directly contributes to poverty reduction, inclusive growth and achievement of social development goals

#### B. Targeting Classification

General Intervention  Individual or Household (TI-H)  Geographic (TI-G)  Non-Income MDGs (TI-M1, M2, etc.)

The population of three main districts of the Cauvery delta of Tamil Nadu – Nagapattinam, Tiruvarur and Thanjavur – totals about 4.8 million. Of this, 73% is rural population whose main livelihoods are farming and fishing. This population is under direct threat from the adverse affects of climate change. The existing issues of water resources in Cauvery delta include very limited availability of water during southwest monsoon and very heavy and intense erratic rainfall in the northeast monsoon causing flooding and drainage congestion. There are issues of saline intrusion of water and drainage congestion in the lower delta area. Large scale inundation is caused due to back water flow combined with floods. Ground water in the delta has medium to high salinity and alkaline hazard. Much of the area in Nagapattinam district is below sea level making it difficult to drain. The significant coastal problems already experienced in the Cauvery delta are coastal erosion, and siltation and choking of inlets/estuary mouths

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

Key issues and potential beneficiaries. Farmers perceive that lack of water for irrigation and flooding is their major concern, and this has aggravated due to poor maintenance of channels and lack of timely release of water. To increase their agriculture production and improve farming practices, farmers expect that the government needs to raise bund heights for improving management of river flow through check dams or bunds, improving overall water resource management, and introducing high value shorter duration crops and other crop diversification. The three-project districts Thanjavur, Nagapattinam and Thiruvarur are important paddy producing areas in the state, in which they contribute 28% paddy cultivation area in the state. Fifty five percent (411,438 hectares (ha) out of 746,337 ha) of the area irrigated by canal system in the state falls under these three-project districts. A sample survey of 617 households chosen from the villages which are affected by drought, flood or salinity indicated that the primary occupation of 83% respondents was cultivation, and 11% were into agricultural labourers. The average annual family income of the families surveyed was INR62,253. However, it was found that earnings of a family having land of 2.76 ha and 129 days of wage labour work is only INR50,995/year, and it is about INR777 per capita per month, lower than the state specific poverty line of INR1,081.94 per capita per month for rural Tamil Nadu.

The primary beneficiaries of the project will be marginal, small and semi-medium landholding farmers who as per sample survey earn an average annual income of INR44,000 from farming. The average annual income for the sample covered is calculated at INR62,253, from farming and other sources, which works out to INR948 per capita per month and from the

survey it was evident that the per capita monthly income of majority of the families surveyed was below the poverty line threshold of INR1082 . The secondary beneficiaries would be agricultural laborers with an average annual income of INR19,389, in which women are the majority.

## 2. Impact channels and expected systemic changes.

The impact channels comprise (i) protection against loss of income and damage to property, (ii) improved crop yields and (iii) new jobs in project related works.

## 3. Focus of (and resources allocated in) the PPTA or due diligence.

The technical assistance (TA) allocated 3 national person-months of consultants' time to conduct analysis sufficient to design the social and poverty reduction strategy and to further define and address all safeguard requirements

## 4. Specific analysis for policy-based lending.

N/A

## II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?  
Women are less educated than men and work mostly as laborers in agriculture. Women are also engaged under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). However, the availability of agricultural laborer work is only seasonal due to lack of water resources. Mechanization of agriculture has led to reduced employment for women to 2-3 months in a year. It is also recorded that women do not participate in the existing WRD's stakeholders' participatory mechanism. Income from livestock was minimal and lack of skills and training to pursue livelihood activities lead women to remain in a poverty cycle and disempowerment.

2. Does the proposed project or program have the potential to make a contribution 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 includes some gender elements.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes  No

No. Requirements of affected persons are addressed in the resettlement plan.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme)  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.  
Irrigation water suppliers and users; coastal and agricultural populations. Poor will benefit from reduced loss (of land, labor opportunities) due to flooding, greater water security and resilience to climate change Some of the encroachers and squatters living along the embankments will be impacted and a resettlement plan will be developed for these affected people, identifying compensation and resettlement (if any) requirements.

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?

Channel stakeholder groups will be created to ensure greater participation of farmers in water resources allocation and management. Women will benefit from (i) capacity building programs for WRD, (ii) increased participation in water management through membership in channel stakeholder groups, and (iii) skills training for farmers in improved agricultural practices.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?

Information generation and sharing **M** Consultation Collaboration Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed?  Yes  No

Some of the affected persons who will be displaced may fall into this category therefore, consultations were held and resettlement plan prepared to ensure that they will not be worse off after the project.

#### 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

Project will impact encroachers and squatters. So although there will be no land acquisition there will be physical and economic displacement. The project is estimated to cause 123 households (squatters) to be displaced, and 97 households will be impacted due to need for removal of animal sheds. These 220 households consist of 835 persons.

2. What action plan is required to address involuntary resettlement as part of the PPTA 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

As above

3. Will the project require broad community support of affected indigenous communities?  Yes  No

As above.

4. What action plan is required to address risks to indigenous peoples as part of the PPTA 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(M)  Adhering to core labor standards(M)  Labor retrenchment  
 Spread of communicable diseases, including HIV/AIDS (M)  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?

Proper monitoring by social development officers of PMU and consultants.

#### VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified?

- Yes  No

Social Development specialists were included in the PPTA.

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 PPTA or due diligence?

The technical assistance (TA) has allocated 3 national person-months of consultants' time to conduct analysis sufficient to design the social and poverty reduction strategy and to further define and address all safeguard requirements