



Initial Poverty and Social Analysis

Project Number: 38272-044
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Proposed Loan India: Uttarakhand Integrated Urban Development Project

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 16 October 2020)

Currency unit	–	Indian rupee/s (₹)
₹1.00	=	\$0.0136
\$1.00	=	₹73.450

ABBREVIATIONS

ADB	–	Asian Development Bank
CMMS	–	computerized maintenance management system
DDWS	–	Department of Drinking Water and Sanitation
GOI	–	Government of India
GOU	–	Government of Uttarakhand
NRW	–	nonrevenue water
O&M	–	operation and maintenance
PIU	–	project implementation unit
PMU	–	project management unit
STP	–	sewage treatment plant
UDD	–	Urban Development Department
ULB	–	urban local body
UUSDA	–	Uttarakhand Urban Sector Development Agency
WSS	–	water supply and sanitation
WTP	–	water treatment plant

WEIGHTS AND MEASURES

km	–	kilometer
km ²	–	square kilometer
lpcd	–	liter per capita per day
mlpd	–	million liter per day

NOTES

- (i) The fiscal year (FY) of the Government of India and its agencies ends on 31 March. “FY” before a calendar year denotes the year in which the fiscal year ends, e.g., FY2020 ends on 31 March 2021.
- (ii) In this report, “\$” refers to United States dollars

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:
Lending/Financing
Modality:

India
Project

Project Title:
Department/
Division:

Uttarakhand Integrated Urban Development Project
SARD/SAUW

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Government of India (GOI) has a 15-year vision (up to Financial Year 2031), a seven-year strategy (up to FY2023), and a Three-Year Action Agenda^a (FY2017–FY2019). The vision aims to achieve prosperity, poverty eradication, equality, cleanliness, transparency, employment, gender equality, and hopefulness. The proposed project is aligned with GOI's Three-Year Action Agenda that recognizes that national poverty levels are steadily declining but with significant regional differences. Poverty reduction in Uttarakhand was among the fastest in the country after 2005. Though poverty levels in the state were slightly above all India average during 2011-12 (overall poverty at 29.4% against all India average of 21.9%, and urban poverty at 26.1% against all India average of 13.7%^b), the latest estimates (2017) from Uttarakhand Human Development Report indicate 11.1% of urban population in the state is living below poverty line.^c The GOI's Three-Year Action Agenda also recognizes that rapid urbanization brings new challenges to make sure that cities are well-managed for the wellbeing of their populations. The country partnership strategy (CPS) 2018–2022 of the Asian Development Bank (ADB), is closely aligned with India's plan and aims to extend essential amenities with well-governed administration to invigorate urban transformation. Under Pillar 2 of the CPS,^d ADB aims to support inclusive access to infrastructure networks by providing better municipal services for the urban poor. The proposed improvements to urban water supply and sanitation (WSS) in two major cities—Dehradun and Nainital—will contribute to human development and overall economic growth while reducing the vulnerability of the poor to water borne diseases and unhealthy and unhygienic living conditions.

B. Poverty Targeting

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

WSS were the key sectors for urban investment across India, including Uttarakhand, under the Five-Year Plan till 2017 and under Atal Mission for Rejuvenation and Urban Transformation, Smart City Mission, and Swachha Bharat Mission after 2017. ADB's previous interventions have also helped considerably in improving WSS services in urban areas of Uttarakhand, including Dehradun and Nainital, but WSS investment could not keep up with the speed of urbanization. Dehradun has grown over 300% in area and 141% in population during 2011–2018. Nainital has experienced 50% population growth during 2011–2019, and average daily visitors are 120% more than the residents. Insufficient and lack of WSS to accommodate growing populations in Dehradun and Nainital would negatively impact human development, economic growth, and poverty reduction. In line with the GOI's Agenda and ADB's CPS, the proposed project will further improve water supply services in unserved areas of Dehradun and both water supply and sewerage services in Nainital. The project is considered as a general intervention as it will benefit: (i) 30,000 population including over 3,000 urban poor under Dehradun water supply improvement; (ii) 62,000 population including over 6,000 urban poor and vulnerable people under Dehradun sewerage improvement; and (iii) entire city population of Nainital through trunk sewer replacement and increased sewerage treatment capacity. The project design and monitoring framework (DMF) shall include targets for below poverty line (BPL) beneficiaries.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

In 2015, Uttarakhand has indicated 108,974 cases of acute diarrheal diseases; 34,120 cases of typhoid; and 10,242 cases of Viral Hepatitis (all causes).^e These include a meager 0.8%, 1.8%, 7.3% of total cases respectively, of the all India figures. Compared with 2011 Uttarakhand state population, these cases comprise 1.1%, 0.3% and 0.1% of total state population respectively. Provision of safe drinking water is essential to reduce water borne diseases while proper disposal and treatment of sewage and wastewater contribute to hygienic environments, reducing outbreaks of communicable diseases. Urban poverty in project districts is lower than average Uttarakhand (7.05% for Dehradun and 10.04% for Nainital^f). Yet, due to rapid urban expansion and population increase, the project cities face challenges. Lack of quality urban services including water supply and sanitation are the key issues that affect the target population, especially the poor. The recent water supply sector study (2018) conducted for Dehradun city indicated that around 63.3% of the BPL households have in-house water supply connections against the 90% for general households.^g With provision of WSS facilities in unserved areas of two important cities, the project will benefit all households in the proposed coverage areas, including the poor, with improved access to treated water, environmental health conditions, and employment opportunities.

2. Impact channels and expected systemic changes.

The project is expected to bring human development and economic growth potential, unlocked through universal coverage of treated and pressurized piped water supply and improved sanitation systems. The project will make the sanitation system more inclusive by adding decentralized septage treatment. The project will contribute to poverty reduction by improving the quality of life of the urban population in the two cities, by way of improved water supply and sanitation infrastructure, reducing the drudgery of water collection and care-giving among women, reducing morbidity and related health expenditures, and stimulating economic growth by way of enhanced economic activities and potential land value impact. Campaigns under the project shall involve women as change agents to raise awareness on how improved sewerage and water supply system

ensure better hygiene and health of people in Dehradun and Nainital. Opportunities for on-the-job training related to the sector (e.g., leak detection, meter reading and calibration, billing, and accounts) and employment in the project facilities is expected to facilitate skill building and employment among women, the poor and vulnerable groups.

3. Focus of (and resources allocated in) the transaction TA or due diligence.

The project design is pro-poor, socially inclusive, and gender responsive. The project aims to cover 100% poor and vulnerable households in the project areas. Resources will duly be allocated to conduct social and environmental assessment with required documentation. The project will conduct extensive consultations with the targeted beneficiaries along with sample household level primary survey to understand baseline and current issues in service delivery. Depending on travel restriction conditions, consultations could be undertaken either through face-to-face consultation, virtual meeting, or survey questionnaire. This will be conducted among women, low-income, elderly, disabled, and youth to understand their specific experiences and ideas for better WSS management, and identify barriers, if any, for access to project benefits. Special measures shall be introduced into project design as required, to ensure benefits for all.

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? Women are key players at the household level for household management. Increased access to basic public services will improve the lives of women within project area. ADB CPS recognizes that gender equality and social inclusion must still be emphasized in the context of urban governance in India. Considering this, the project shall define appropriate avenues to ensure adequate and meaningful consultation with the poor, women and other vulnerable groups, and civil society organizations (CSOs) during project preparation and implementation.

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 a potential to be categorized as effective gender mainstreaming. The project will reduce women's time in fetching water and will provide skillful employment in operation of water distribution system management. The gender equality and social inclusion action plan (GESI AP) will focus on ensuring equitable benefits to women and all project staff will be trained for gender equality and GESI AP implementation with adequate budget provisions.

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. The key stakeholders of the project include the project beneficiaries and affected persons, representatives of government agencies (local and central), and other entities responsible for project design, implementation, and monitoring (i.e., consultants, contractors, project nongovernment organizations [NGOs], etc.). A consultation and participation plan will be developed for engagement with stakeholders at different phases of the project.

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? The stakeholder participation and communication strategy will target participation of the poor and women to ensure inclusion and enhance sustainability. More detailed stakeholder analysis will be undertaken during project preparation to identify roles and responsibilities of key stakeholders and their relationships; and to understand issues facing poor and vulnerable groups that may require special measures. Opportunities for engagement with CSOs and NGOs in the design of awareness campaigns, tariff setting, and e-governance will be explored to engage the poor and vulnerable.

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

Information generation and sharing (Medium) Consultation (Medium) Collaboration (Low) Partnership (NA) There are several active community-based organizations, self-help groups, and youth and women's groups in the project area, whose participation is envisaged for information dissemination, grievance redressal, and community mobilization. Adequate resources will be allocated along with a well-defined institutional structure to ensure meaningful stakeholder participation. Collaboration with Bill and Melinda Gates Foundation and National Institute of Urban Affairs will bring in innovative and inclusive project design and implementation mechanisms for septage management.

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

Participation of CSOs, and poor and vulnerable groups throughout the project cycle will be essential for effective design, implementation, and sustainability, and will be ensured through continuous consultations. Adequate funds will be allocated under the project for such activities. Project performance monitoring system will develop specific indicators to strengthen inclusion and participation of poor and the vulnerable and ensure they are achieved.

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 Government owned lands/sites free of encumbrancers will be identified for project facilities. Limited land acquisition and resettlement impacts are envisaged during construction. Any adverse temporary impacts on roadside businesses during pipelaying will be mitigated or compensated. Due diligence consultants will work with the implementing agency to determine involuntary resettlement impacts.

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 Dehradun had 0.76% of its population classified as scheduled tribes while Nainital had 0.68% (Census 2011). There are no scheduled areas within or near both project cities. Although there are scheduled tribe households in project towns, there are no indigenous peoples communities or groups as defined by Safeguard Policy Statement in any of the project areas.

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

1. How are these additional social issues and risks going to be addressed in the project design?
Safeguards and contract documents will stipulate the requirement to adhere to core labor standards, including no child labour policy. Poor and vulnerable persons including women will be given preference for project-related construction work by the contractors and for operations and maintenance-related activities. Contractors and construction workers will be made aware of communicable diseases, including HIV/AIDS and COVID-19 risks. The project will disseminate information on HIV/AIDS, sexually transmitted diseases (STD) and other communicable diseases for labor and communities in and around the construction sites.

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?
A social inclusion expert is mobilized to undertake the poverty, social, and gender analysis, and draft the GESI AP and the participation plan to make the project inclusive and to mitigate social risks. Training programs are proposed at various stages of the project for project implementation and management, safeguards, gender mainstreaming etc., and will involve all project staff and stakeholders. Community consultations and public awareness campaign on the following will be conducted: (i) water, sanitation, and hygiene; and (ii) behavior change. Adequate budgetary provision will be made for these activities and for the engagement of social inclusion expert.

^a Government of India, NITI Aayog. 2017. *Three-Year Action Agenda, FY2018 to FY2020*. Delhi

^b Government of India, Planning Commission. 2011-2012. *Tendulkar Committee Poverty Estimates*. Delhi.

^c Government of Uttarakhand. 2018. *Human Development Report of the State of Uttarakhand*. Uttarakhand (https://des.uk.gov.in/files/HDR_Report_Uttarakhand.pdf)

^d ADB. 2017. *Country Partnership Strategy: India, 2018–2022*. Manila.

^e Government of India, Ministry of Health and Family Welfare. 2017. *Lok Sabha Unstarred Question 975 on Water Borne Diseases*. Delhi.

^f Census of India. 2011. *District-wise Estimates of Poverty Based on Uniform State-level Poverty Line*. (for urban INR 1,082). India.

^g Development Alternatives and Heinrich Böll Stiftung/ Heinrich Boell Foundation. 2018. *Understanding Water Flows in Dehradun*. India.