

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Thailand	Project Title:	Grid-parity Rooftop Solar Project
Lending/Financing Modality:	Project	Department/ Division:	Private Sector Operations Department Infrastructure Finance Division 2

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>The proposed loan will finance the rollout and operation of multiple solar photovoltaic installations, on the roofs or elsewhere on the premises of commercial and/or industrial buildings owned or leased by host companies. The project will address energy infrastructure constraints identified in ADB's country partnership strategy 2013-2016 for Thailand^a and the country's Eleventh National Economic and Social Development Plan (NESDP) 2012–2016^b. Both strategies task the private sector to pursue investments in renewable energy and energy efficiency projects in the country.</p>
<p>B. Poverty Targeting</p> <p><input checked="" type="checkbox"/> General Intervention <input type="checkbox"/> Individual or Household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>Thailand relies heavily on fossil fuels for electricity production, making the country's energy security vulnerable to (i) rising oil and gas prices, (ii) scarce and dwindling domestic resources, (iii) uncertain reliability of nondomestic sources of energy, and (iv) increasing domestic demand. The project with its aggregate capacity of 100MW will partly contribute to the government's directive of energy diversification to cope with increasing power demand to meet goals identified in its NESDP. Due to the nature of the project, there are limited opportunities to integrate specific poverty and social measures. However, the project, during construction, will generate employment opportunities that will benefit the local people near the premises of commercial and/or industrial areas.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries. Host companies will directly benefit from: (i) discounted electricity prices; (ii) more reliable electricity supply; (iii) avoidance of having to pay the up-front costs associated with developing their own solar power facilities; (iv) reduced emissions; and (v) an improved corporate image for its support to the renewable energy.</p> <p>2. Impact channels and expected systemic changes. The project offers attractive benefits for Thailand, including helping the country reach its renewable energy target by scaling up grid-parity solar power and increasing the country's use of distributed generation (i.e., power generated where it is consumed), thereby reducing the need to upgrade and maintain grid infrastructure and offering more reliable energy supply to consumers.</p> <p>3. Focus of (and resources allocated in) the PPTA or due diligence. ADB staff will conduct due diligence to confirm no impact on social safeguards as well as compliance with core labor standards and applicable national laws.</p>
II. GENDER AND DEVELOPMENT
<p>1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program? Poor infrastructure and delivery of basic social services, such as electricity, often exacerbates vulnerability of women. Access to such stable supply of electricity will contribute in reducing domestic drudgery and the time burden of women.</p> <p>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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain. Due to the nature of the project however, there are limited opportunities to integrate specific gender measures in the project design. It is expected however, that the project will reduce demand for electricity coming from the national grid, contribute to diversification of the country's energy mix and to providing a reliable supply of electricity.</p> <p>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain. The sponsor will implement a gender-neutral human resource policy and require its contractors to comply with Thailand's Labor Protection Act against nondiscrimination.</p> <p>4. Indicate the intended gender mainstreaming category: <input type="checkbox"/> GEN (gender equity) <input type="checkbox"/> EGM (effective gender mainstreaming) <input type="checkbox"/> SGE (some gender elements) <input checked="" type="checkbox"/> NGE (no gender elements)</p>

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.

Most of the project sites will be in industrial or commercial areas and installations are unlikely to impact communities or residential areas. The project therefore presents limited opportunities to integrate consultation and participation measures in project activities.

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?

Not applicable. The project will be implemented in commercial and industrial areas where the poor, vulnerable and excluded groups are not likely to be present.

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?

L Information generation and sharing N Consultation N Collaboration N 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 A grievance mechanism will be established to receive and address concerns with respect to the construction and operation of the subprojects, in case there are any.

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 The subprojects will be constructed on rooftops or elsewhere on the premises of host companies' commercial and/or industrial buildings and will not involve land acquisition.

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 The subprojects will be constructed on rooftops or elsewhere on the premises of host companies' commercial and/or industrial buildings and will not have any impacts on indigenous peoples.

3. Will the project require broad community support of affected indigenous communities? Yes No Not applicable.

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?

L Creating decent jobs and employment Adhering to core labor standards 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?

The borrower and its contractors will comply with ADB's Social Protection Strategy^c and report annually to ADB on their compliance with national labor laws and internationally recognized core labor standards.

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 (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 PPTA or due diligence? ADB staff will conduct due diligence to confirm absence of any impact on social safeguards and compliance with core labor standards.

^a ADB. 2013. Country Partnership Strategy: Thailand, 2013–2016. Manila.

^b National Economic and Social Development Board: Office of the Prime Minister, 2011, The Eleventh National Economic And Social Development Plan (2012-2016). Thailand.

^c ADB. 2003. *Social Protection*. Manila (adopted 2001).