## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

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 AND SOCIAL ANALYSIS AND STRATEGY Poverty targeting: General intervention				
A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy				
The proposed loan will finance the rollout and operation of multiple solar photovoltaic installations, each with a capacity of 400 kilowatts-peak to 10 megawatts-peak, on the rooftops or elsewhere on the premises of commercial and/or industrial buildings owned or leased by host companies up to an aggregate capacity of 100 MW. The project will address energy infrastructure constraints identified in ADB's country partnership strategy, 2013–2016 <sup>a</sup> for Thailand and the country's Eleventh National Economic and Social Development Plan, 2012–2016. <sup>b</sup> Both strategies task the private sector to pursue investments in renewable energy and energy efficiency projects. The project is aligned with the Government of Thailand's Alternative Energy Development Plan, 2015–2036, <sup>c</sup> which notes the significant potential of solar power in Thailand and indicates that energy imports can be avoided through developing solar projects with private investment. The Alternative Energy Development Plan, 2015–2036 aims to increase the share of renewable energy used for power generation to 30%. This target includes installing 19,684 MW of renewable energy capacity by 2036, with 6,000 MW coming from solar power.				
B. Results from the Poverty and Social Analysis during Project Preparatory Technical Assistance or Due Diligence				
1. <b>Key poverty and social issues.</b> 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. To address these issues, the Thailand Power Development Plan, 2015–2036 <sup>d</sup> mandates energy diversification, to the extent possible, from the heavy reliance on fossil fuels toward renewable energy resources. The project, with its aggregate capacity of up to 100 MW, will partly contribute to the government's directive of energy diversification to cope with increasing power demand to meet goals identified in its Eleventh National Economic and Social Development Plan. Because project activities comprise multiple solar photovoltaic installations, opportunities to integrate poverty and social measures are limited. However, the project, during construction, will generate employment opportunities that will benefit the local people near the premises of commercial and/or industrial areas. It is also expected that the energy supply will help reduce air pollution and greenhouse gas emissions, which contribute to the vulnerability of the poor.				
avoidance of having and (v) an improved to achieve (i) long-te	to pay the up-front costs associate corporate image for their support rm power purchase agreements wi	ed with developing to renewable en th reliable indus	ed electricity prices, (ii) more reliable electricity supply, (iii) ng their own solar power facilities, (iv) reduced emissions, ergy. Solar power developers will benefit from being able trial and commercial clients, (ii) lower costs from installing sts related to the acquisition or leasing of land for solar	
target by scaling up	grid-parity solar power and incre d), thereby reducing the need to u	asing the count	including helping the country reach its renewable energy ry's use of distributed generation (i.e., power generated ntain grid infrastructure and offering more reliable energy	
and has limited sco		and coordination	gn targets commercial and industrial electricity consumers with government, civil society organizations, and other ctor.	
This will improve ele also contribute to reli	ctricity consumption from clean or able energy supply to industrial an	renewable sound/or commercia	y in improving the energy mix diversification in Thailand. rces, leading to reduced carbon dioxide emissions. It will I consumers. Other than full-time local employment during hase of goods and services required for the project.	

II. PARTICIPATION AND EMPOWERING THE POOR				
1. <b>Participatory approaches and project activities.</b> During construction, notices will be posted around the project site to inform those in surrounding areas that solar panels are being installed. However, 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. Civil society organizations. Not applicable. The project will be implemented in commercial and industrial areas where civil society organizations are not likely to be present.				
3. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):				
<ul> <li>☑ L Information gathering and sharing □ NA Consultation □ NA Collaboration □ NA Partnership</li> <li>4. Participation plan.</li> </ul>				
$\Box$ Yes. $\boxtimes$ No. A grievance mechanism will be established to receive and address concerns with respect to the construction and operation of the subprojects.				
III. GENDER AND DEVELOPMENT				
Gender mainstreaming category: No gender elements				
<b>A. Key issues.</b> Thailand was ranked 76th out of 155 countries in the 2014 gender inequality index. <sup>e</sup> Poor infrastructure and delivery of basic social services, such as electricity, often exacerbates vulnerability of women. Because project activities comprise multiple solar photovoltaic installations, opportunities to integrate gender measures in the project design are limited. It is expected, however, that the project will reduce demand for electricity coming from the national grid, and contribute to diversification of the country's energy mix and to providing a reliable supply of electricity. Access to such stable supply of electricity reduces domestic drudgery and the time burden of women.				
B. Key actions ☐ Gender action plan ☐ Other actions or measures ⊠ No action or measure The sponsor will implement a gender-neutral human resources policy and require its contractors to comply with Thailand's Labor Protection Act, 1998 against nondiscrimination.				
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES				
A. Involuntary Resettlement       Safeguard Category: □ A □ B ⊠ C □ FI         1. Key impacts. None. 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. The host companies will use a screening checklist to ensure that all ground-mounted projects do not have any involuntary resettlement impacts.         2. Strategy to address the impacts. Not applicable.         3. Plan or other Actions         ☑ No action				
B. Indigenous Peoples Safeguard Category: A B C FI				
<ol> <li>Key impacts. None. 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. Is broad community support triggered? Yes No</li> <li>Strategy to address the impacts. Not applicable.</li> <li>Plan or other actions No action</li> </ol>				
V. ADDRESSING OTHER SOCIAL RISKS				
A. Risks in the Labor Market				
<ol> <li>Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L).</li> <li>☑ L unemployment □ underemployment □ retrenchment ☑ L core labor standards</li> </ol>				
2. Labor market impact. The borrower, Thai-Sunseap Asset Company Limited, and its contractors will comply with ADB's Social Protection strategy and report annually to ADB on their compliance with national labor laws and internationally recognized core labor standards. In addition, the EHS plan will include provisions requiring the borrower and its contractors and subcontractors to comply with national labor laws and regulations consistent with internationally recognized core labor standards. The EHS plan will provide guidance on promoting fair, safe, and healthy working conditions during construction and operation.				
B. Affordability CONFIDENTIAL INFORMATION DELETED				

C. Communicable Diseases and Other Social Risks			
1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA):			
NA Communicable diseases 🔲 NA Human trafficking			
Others (please specify)			
2. Risks to people in project area. Not applicable			
VI. MONITORING AND EVALUATION			
1. Targets and indicators. The project's outputs will be the rollout and operation of rooftop solar power installations, with an			
aggregate capacity of up to 100 MW.			
2. Required human resources. An EHS officer will be hired by the borrowers to implement and monitor social provisions			
included in the EHS plan. The EHS officer will liaise with the human resources officer to monitor the compliance of the borrowers			
and their contractors with national labor laws and regulations consistent with internationally recognized core labor standards.			
3. Information in the project administration manual. Not applicable.			
4. Monitoring tools. The borrower will report on the status and progress of indicators in its annual environmental monitoring			
reports to ADB. ADB's project team will review the reports and will conduct review missions to validate and monitor the progress			
of the project.			
ADB = Asian Development Bank; EHS = environment, health, and safety; MW = megawatt.			
<sup>a</sup> ADB. 2013. Country Partnership Strategy: Thailand, 2013–2016. Manila.			
<sup>b</sup> National Economic and Social Development Board, Office of the Prime Minister. 2011. The Eleventh National			
Economic and Social Development Plan, 2012–2016. Bangkok.			
<sup>°</sup> Government of Thailand, Ministry of Energy. 2015. Alternative Energy Development Plan, 2015–2036. Bangkok.			

<sup>d</sup> Government of Thailand, Ministry of Energy. 2015. *Alternative Energy Development Plan, 2015–2030*. Bangkok. <sup>e</sup> United Nations Development Programme. 2015. *Human Development Report 2015*. New York.

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