



Initial Poverty and Social Analysis

August 2017

SAM: Solar Power Development Project

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Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Samoa	Project Title:	Samoa Solar Power Development Project
Lending/ Financing Modality:	Project Loan	Department/ Division:	Private Sector Operations Department/ Private Sector Infrastructure 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 project loan will finance the 1.8MW expansion of an existing 2.0MW solar power station on Samoa's main island Upolu. The expansion of South Pacific Energy Limited's (SPEL) existing solar farm is consistent with the Mid-Term Review of Strategy 2020 as well as ADB's Pacific Approach, which is used as Samoa's country partnership strategy. It also supports two of the five core operational areas of ADB, infrastructure and environment. As highlighted in the Country Operation Business Plan 2017–2019 for Samoa, ADB's past support was centered on the energy sector and has helped the country improve electricity services as well as strengthen the resilience of renewable energy power generation against disasters caused by natural hazards. The project is also aligned with Samoa's Energy Sector Plan 2012–2016.</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.) The proposed expansion will improve electricity services in the area and will indirectly generate employment through improvement in electricity supply reliability that enables the business environment.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries. The Samoa Hardship and Poverty Report (2016) found a reduction in the incidence of basic needs poverty in Samoa's population from 26.9% in 2008 to 18.8% in 2013/2014. Despite this reduction, poverty incidence has persisted, especially in urban areas (and notably in north-west Upolu where the project is located), due to a large portion of the population being impacted by the 2008 global economic crisis, the 2009 tsunami and the 2012 cyclone. Reconstructing basic infrastructure, restoring essential services and rebuilding housing and private businesses is essential to employment generation, social development and poverty reduction.</p> <p>2. Impact channels and expected systemic changes. The project will indirectly contribute to economic growth, poverty reduction, job creation, and improvement of electricity supply in Samoa. It will indirectly generate employment opportunities through improvement to electricity supply reliability that enables the business environment. As part of its commitment to residents, SPEL will prioritize local labor during project construction and operation.</p> <p>3. Focus of (and resources allocated in) the PPTA or due diligence. The following needs to be assessed during due diligence: (a) overall impact of the project to the community; (b) potential impact of project in relation to land acquisition and impact to indigenous peoples; (c) community consultations, perception and issues regarding the proposed project and (d) how the community will benefit from the project, among others.</p> <p>4. Specific analysis for policy-based lending. Not applicable.</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? During the global financial crisis and two significant natural disasters, economic growth significantly decreased in Samoa which in turn affected women including children. Also, one of the constraints identified to entrepreneurship, productivity and growth is women's low workforce participation. The project is categorized as No Gender Elements on gender mainstreaming as measures to benefit women or facilitate their participation in the project is limited due to the size of operation and short construction time frame. Even though the company does not discriminate potential applicants or candidates on the basis of gender, employment is limited to one local female worker who had been engaged at the site as translator.</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 The project has limited opportunities to benefit women although SPEL is open to provide additional employment opportunities to local women.</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</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>
<p>III. PARTICIPATION AND EMPOWERMENT</p>
<p>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 potential beneficiaries are Samoans in general, and those on the main island of Upolu, who will directly benefit from improved power supply during periods of dry weather when the country's hydropower generation capacity can be affected by reduced rainfall. ADB's past support to Samoa has been centered on the energy sector and has helped the country improve electricity services as well as strengthen the resilience of renewable energy power generation against disasters caused by natural hazards.</p> <p>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? Project stakeholders, including nearby community members, were provided with information and directly consulted as part of the required impact assessment. During the consultation, project details and activities, the potential impacts and proposed mitigation measures were disclosed and feedback was registered.</p> <p>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? Low <input checked="" type="checkbox"/> Information generation and sharing <input type="checkbox"/> Consultation <input type="checkbox"/> Collaboration <input type="checkbox"/> Partnership There is no anticipated civil society role in the project due to the project's location within the secure boundary of the Samoa Airport Authority's (SAA) Faleolo International Airport (FIA).</p> <p>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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>IV. SOCIAL SAFEGUARDS</p>
<p>A. Involuntary Resettlement Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The proposed loan will finance the expansion of an existing facility that will not require any additional land and will not cause involuntary displacement impacts. Project area land (4.6 hectares) is owned by the SAA and leased to the Electric Power Corporation (EPC). The EPC will sub-lease the land to SPEL for the term of the concession. An audit of the existing facility found it did not cause any physical or economic displacement during construction and there are no outstanding issues. The land was previously unused in a secure complex within the international airport boundary.</p> <p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input checked="" type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The population of Satapuala village, the nearest residential area, is 100% Samoan. Samoa's population is ethnically homogenous and no distinct or vulnerable group of indigenous people will be adversely or beneficially impacted by the project.</p> <p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? <input checked="" type="checkbox"/> None</p>

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 Low 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? During construction and operation, Due to the project's minimal requirement for labor, it will have a limited impact on the local labor market. SPEL, its contractors and sub-contractors will comply with the national labor laws and will take measures to comply with the relevant core labor standards during construction and operation of the project.

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 The project team during due diligence will conduct document review, site visit and interview with the relevant staff of the project company and members of the local community to ensure that all critical aspects of the project have been assessed.

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? Due diligence will be undertaken by the project team/staff.