

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	<input type="text" value="India"/>	Project Title:	<input type="text" value="Solar Rooftop Investment Program"/>
Lending/Financing Modality:	<input type="text" value="Multitranche Financing Facility"/>	Department/ Division:	<input type="text" value="South Asia Department / Public Management, Financial Sector, & Trade Division"/>

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The investment program supports solar rooftop energy development in India. The benefits of solar energy capacity additions include globalized benefits in the form of reduced greenhouse gas emissions, national benefits in terms of enhanced energy security and additional electricity supply contributing to inclusive and environmentally sustainable economic growth, and localized benefits of improvement of livelihoods and job creation at the subproject sites. The poverty reduction impact of solar energy subprojects could be both direct and indirect.

B. Poverty Targeting

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

Because solar energy subprojects minimize negative environmental impacts associated with conventional power generation, the investment program would improve general public health conditions. Civil works would also improve some basic infrastructure, such as electricity connection to the grid (for grid-connected rooftop solar projects). Additional power generation will support private sector economic activities and improve the livelihoods of Indian citizens through the provision of lighting, heat, refrigeration, and other household amenities. The investment creates employment and income, including economic benefits to the investors, businesses that benefit from the electricity use, service providers, and related industries. The solar rooftop system maintenance could also benefit the poor by providing low skilled employment opportunities in the localities.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The beneficiaries of the ADB investment program include subproject developers such as renewable energy service companies, commercial (and possibly residential) property owners, local power distribution companies/utilities, and local communities that might provide the labors. All parties are supposed to benefit from the lower electricity tariff, more employment opportunities, and cleaner environment. By providing the solar rooftop systems, the power users can reduce the usage of the costly and polluting diesel generators. Again, the solar rooftop system maintenance could also benefit the poor by providing low skilled employment opportunities in the localities.
2. Impact channels and expected systemic changes. The most significant change is the improvement of the local environmental conditions by reducing at least some pollution through the replacement of some of the diesel generators currently in use. The solar rooftop maintenance and other support work, such as guarding the properties, could also generate employment opportunities for the poor in the local communities.
3. Focus of (and resources allocated in) the PPTA or due diligence. Because of the nature of the project, the scope on poverty alleviation is narrow. There will be no dedicated resource allocation during the due diligence to poverty assessment.
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?

Because of the nature of the subprojects that will be based on commercial and market viabilities, there will be no gender element.

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 Please explain. Subprojects are purely commercial transactions, and no gender element is likely to be included.

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

Yes No Please explain. The proposed project is financial intermediation loans to finance purely commercial transactions on renewable energy development. There is no gender element.

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 main stakeholder of the project is Punjab National Bank (PNB), the intended financial intermediary. ADB will help PNB develop its internal capacity to originate, source, develop, screen, review, approve, and monitor the solar rooftop projects. PNB has the obligation to implement the ADB project in accordance with the guidelines agreed in the legal agreements, which shall include the mechanisms to support beneficiaries and the negatively affected people, if any.

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? N/A

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 (L) 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 N/A

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 project will exclusively fund solar rooftop subprojects on existing roof properties and no land acquisition is involved.

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 project exclusively fund rooftop solar subprojects and no land acquisition is involved.

3. Will the project require broad community support of affected indigenous communities? Yes No Same 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? Not significant (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 financing of solar rooftop subprojects would automatically create relevant employment, which shall comply with the 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 The overall environmental and social safeguard risks under the proposed project is very low. Because of the nature of pure commercial transactions, gender element cannot be included. Other social issues shall follow the local standards and/or other compliance requirements.

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? None.

