

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	<input type="text" value="Myanmar"/>	Project Title:	<input type="text" value="Power Network Development Project"/>
Lending/Financing Modality:	<input type="text" value="Project Loan"/>	Department/ Division:	<input type="text" value="SERD/SEEN"/>

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

The government of Myanmar recognizes that reliable electricity supply is essential for achieving economic development and poverty reduction targets and requested the Asian Development Bank (ADB) to finance this Project. ADB Interim Country Partnership Strategy (CPS) 2015-2016 focuses on strengthening the power sector infrastructure, including transmission and distribution systems; providing capacity development and institutional strengthening of key energy agencies; and helping identify and prepare priority projects. The CPS also focuses on rural electrification as a driver for poverty reduction especially in rural areas.

With assistance from ADB and other development partners, the government has prepared long-term development plans for the energy sector. The plans accord high priority to (i) rehabilitating existing power plants and constructing new ones to increase installed generation capacity to meet fast-growing demand; (ii) expanding and upgrading the transmission grid and substations to ensure that they can transmit all the power generated at the power plants to the load demand centers; (iii) expanding distribution networks to connect more consumers to the electricity grid, particularly in rural areas to achieve the government goal of universal electrification by 2030.

The project is included in the Country Operations Business Plan (COBP) 2016 - 2018 and is consistent with Midterm Review of ADB's Strategy 2020 and Energy Policy (2009) by promoting inclusive growth, energy security, and supporting energy efficiency.

According to the government priorities, the project will increase electrification in Myanmar and increase energy supply to the industrial and commercial sector that is among the main employers in the project beneficiary areas. The project will contribute to poverty reduction via increasing rural electrification in Ayeyarwady, Bago, Mon, Rakhine, Kayin and Tinthayra regions.

B. Poverty Targeting

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

The Project¹ will assist Myanmar in supporting improved electricity access and creating reliable supply of electricity to urban and rural areas through the expansion of the transmission and distribution networks. The project is classified as geographic targeted as it will contribute to poverty reduction via increasing rural electrification in Ayeyarwady, Bago, Mon, Rakhine, Kayin and Tinthayra regions.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The project will expand and increase reliability of the supply of electricity to existing and new consumers, increase access to electricity services for rural households and consumers. The consumers will benefit from improved access to electricity to support their economic activities. During due diligence, the project preparatory technical assistance (PPTA) team will identify concerns and needs specific to various community stakeholders (including poor and socially excluded) to further improve project design features.

2. Impact channels and expected systemic changes

Lack of transmission and distribution infrastructure has been a major constraint in accessing electricity. By expanding and strengthening the transmission and distribution networks, the project will provide increased opportunities for industries and small and medium enterprises to expand their own services, improved living conditions for individuals and households, and improved conditions for community-level facilities (e.g. clinics, schools) in the area.

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

Under the PPTA, social experts will be engaged to assess potential impacts on poverty alleviation and to conduct a social analysis of potential beneficiaries.

4. Specific analysis for policy-based lending. Not applicable.

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?

¹ Specific project details will be confirmed during PPTA implementation.

The social impact analysis to be undertaken under the PPTA will assess access to energy by beneficiaries disaggregated by gender. This will help in describing the status of women in the local communities and in devising potential measures to improve women's access to electricity. The project will provide access for women to participate and obtain benefits during the project implementation phase including participating in the consultation meetings, and participation in livelihood improvement programs under the resettlement plan. The resettlement plans will ensure that there will be no disproportionate negative impacts on women.

Research on women, energy, and environment has clearly identified the part played by electricity as a critical input to rural women's capacity to meet their families' basic needs through subsistence and income-earning activities. For example, women's use of biomass fuels in cooking is well-known and documented. What is less well recognized is the role of energy in women's small-scale income-earning activities in the informal sector, many of which are energy-intensive. Women's microenterprises are an important contributor to household income, are often heat-intensive (food processing), labor-intensive and/or light-intensive (home based cottage industries with work in evenings). Thus, once the project is completed, the availability of more reliable supply of electricity is expected to have positive impacts on women both in terms of alleviating women's burden in the household and by opening up increased avenues for women to operate small businesses and rural enterprises.

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.

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

Yes No Please explain

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.

Local communities, affected people (AP), civil society organization, local leaders, and government at national and local levels.

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?

It is envisioned that during the PPTA stage, the consultation and participation process will involve a stakeholder analysis followed by subsequent consultations with various groups. It is planned to conduct consultations at the household and community level, regional and national government officials, development partners, nongovernmental organizations, and commune- and village- level officials and beneficiaries. A series of focus group discussions will be undertaken as part of the socio-economic analysis.

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 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

The project involves the rehabilitation and expansion of transmission and distribution lines.

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 result in a total of 500km of new 230kV transmission lines and 5 new 230 kV and a number of 66 kV substations. This will result in land acquisition for tower foundations, right of ways (ROW), and substations and restrictions in the continued use of landholdings in the ROW of power transmission lines (TLs) and substations. Due to the length of the TL, it is expected that the number of affected people is high and thus require an A categorization.

Detailed impacts will be assessed during the PPTA and resettlement plans will be prepared in consultation with the affected people and other stakeholders.

<p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?</p> <p><input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input 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</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 type="checkbox"/> No This will be verified during the PPTA process. If impacts are severe, the categorization will be updated to A.</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?</p> <p><input checked="" type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix</p> <p><input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
<p>V. OTHER SOCIAL ISSUES AND RISKS</p>
<p>1. What other social issues and risks should be considered in the project design?</p> <p><input checked="" type="checkbox"/> Creating decent jobs and employment <input checked="" type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment</p> <p><input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability</p> <p><input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability</p> <p><input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design?</p> <p>The requirement to comply with core labor standards will be included in the loan covenants/work contracts. Contingent on the findings of social assessment, the requirement for preference for local labor will be included in work contract. Provisions on awareness building on HIV/AIDS and STIs will be included in the contracts.</p>
<p>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</p>
<p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>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? Consultants, including resettlement specialist, project economist and stakeholder and CSO communicators.</p> <p>The consultants will conduct the analyses for the following: participation and empowerment; social impacts assessment; employment opportunities; gender issues and Gender Action Plan; ethnic minority issues, if applicable; consultations with project affected peoples, project beneficiaries, stakeholders, civil society organizations to identify issues, propose measures for addressing them through consultations; conduct specific conflict- sensitive consultations in all relevant project areas.</p>

Source: Asian Development Bank.