



Initial Poverty and Social Analysis

Project Number: 46058
June 2012

People's Republic of China: Qinghai Delingha Concentrated Solar Thermal Project

An initial poverty and social assessment (IPSA) is prepared in the early stage of the project cycle to assess the significance of social issues for a project. In accordance with ADB's public communications policy (PCP, 2005), the IPSA is disclosed upon completion..

Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country/Project Title:	Qinghai Delinha Concentrating Solar Thermal Plant Project
Project Number:	
Month/Year	May2012

Lending/Financing Modality:	Project loan	Department/ Division:	EARD/EAEN
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I. POVERTY ISSUES

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

Based on the country poverty assessment, the country partnership strategy, and the sector analysis, describes how the project would directly or indirectly contribute to poverty reduction and how it is linked to the poverty reduction strategy of the partner country.

The proposed project supports the Twelfth Five-Year Plan, 2011-2015 of the People's Republic of China (PRC), which emphasizes increasing renewable energy share in primary energy mix and reducing carbon intensity. The proposed project supports the planned targets for (i) increasing renewable energy share by 11.4% by 2015 as compared with 2005 level, and (ii) reducing carbon intensity by 17% by 2015. The proposed project supports the Medium- and Long-Term Development Plan for Renewable Energy in the PRC, which aims to increase the share of renewable energy in the total primary energy consumption to 15% by 2020. The proposed project is consistent with Asian Development Bank (ADB) Energy Policy¹ (2009) which puts promoting renewable energy as one of the three pillars, and Asia Solar Energy Initiative (ASEI) which aims at developing 3,000 megawatt (MW) of solar power in the Asia and Pacific region by 2013. The proposed project is included in the Country Operations Business Plan (COBP 2012 – 2014).

The proposed project will annually generate 199 gigawatt-hour (GWh) of non-fluctuating and clean electricity which is fed into the existing grid and dispatched to the load center in eastern region of the PRC. The proposed project having the first-of-its-kind nature of concentrating solar power (CSP) plant in the PRC is expected to lead into market acceptance and at-scale CSP plant development, and thereby promoting domestic CSP supply chain industry which creates more employment opportunity, potentially in the western region.

B. Targeting Classification

1. Select the targeting classification of the project:

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

2. Explain the basis for the targeting classification:

The proposed project is an intervention that creates some direct employment and has potential for substantial indirect employment opportunities through anticipated Chinese industry development based upon successful demonstration of the proposed project. It is classified as a general intervention.

C. Poverty Analysis

1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed?
 Not applicable.

2. What resources are allocated to the project preparatory TA and due diligence?

One international social development specialist (2 person-months) and one national social development specialist (4 person-months) are allocated under the TA to conduct social safeguards due diligence, as well as the poverty, social and gender analysis of the proposed project.

3. If GI, is there any opportunity for pro-poor design (e.g., social inclusion subcomponents, cross subsidy, pro-poor governance, and pro-poor growth)?
 It is less likely to incorporate pro-poor design in the proposed project.

¹ ADB. 2009. *Energy Policy*. Manila.

II. SOCIAL DEVELOPMENT ISSUES

A. Initial Social Analysis

Based on existing information:

1. Who are the potential primary beneficiaries of the project? How do the poor and the socially excluded benefit from the project?
The primary beneficiaries of the proposed project are those who receive electricity at local and national level. The local population including the poor and the socially excluded can have employment opportunity during construction and operation.
2. What are the potential needs of beneficiaries in relation to the proposed project?
The primary needs of the poor and vulnerable stakeholders are employment opportunity during construction and operation of the proposed project.
3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them?
There are no constraints that prevent accessing the benefits of the proposed project.

B. Consultation and Participation

1. Indicate the potential initial stakeholders.
The stakeholders are China Guangdong Nuclear Power Group (GGNPC), China Guangdong Nuclear Solar Development Co., Ltd.(CGN-SEDC) , Qinghai Delinha Concentrating Solar Thermal Company (QDCSTC), Ministry of Finance (MOF), National Development and Reform Commission (NDRC), Qinghai Development and Reform Commission (QDRC), Qinghai Environment Protection Bureau (QEPC), and National Energy Administration (NEA), as well as the local communities that may benefit from the new plant operations.
2. What type of consultation and participation (C&P) is required during the project preparatory TA or project processing (e.g., workshops, community mobilization, involvement of non government organizations and community-based organizations, etc.)?
Consultation through workshops with local communities will be undertaken during the implementation of project preparatory TA and project processing stages.
3. What level of participation is envisaged for project design?
 Information sharing Consultation Collaborative decision making Empowerment
4. Will a C&P plan be prepared? Yes No Please explain.
Consultation and participation plan will be prepared for project implementation.

C. Gender and Development

Proposed Gender Mainstreaming Category: No Gender Elements

1. What are the key gender issues in the sector and subsector that are likely to be relevant to this project/ program?
There are no gender issues relevant to the proposed project.
2. Does the proposed project/program have the potential to promote gender equality and/or women's empowerment by improving women's access to and use of opportunities, services, resources, assets, and participation in decision making? Yes No Please explain
There is no potential to promote gender equality and/or women's empowerment under the proposed project.
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 not anticipated to have adverse impacts on women and/or girls or widen gender inequality. This will be confirmed during the PPTA stage.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS			
Issue	Nature of Social Issue	Significant/Limited/ No Impact/Not Known	Plan or Other Action Required
Involuntary Resettlement	The proposed project plans to acquire 280 ha of semi-arid unused waste land from 121 persons of 31 households in Mongolian ethnic minority village which does not create any physical and economical displacement.	Limited.	<input checked="" type="checkbox"/> Resettlement Plan <input type="checkbox"/> Resettlement Framework <input type="checkbox"/> Environmental and Social Management System Arrangement <input type="checkbox"/> None <input type="checkbox"/> Uncertain
Indigenous Peoples	Some impacts on ethnic minority people are anticipated during construction and operation, which need to be addressed.	Limited.	<input checked="" type="checkbox"/> Indigenous Peoples Plan <input type="checkbox"/> Indigenous Peoples Planning Framework <input type="checkbox"/> Environmental and Social Management System Arrangement <input type="checkbox"/> None <input type="checkbox"/> Uncertain
Labor <input checked="" type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards	Some employment opportunities will be available during construction and operation stages. Standard assurance on labor will be included in civil work contract.	Limited	<input type="checkbox"/> Plan <input checked="" type="checkbox"/> Other Action: EMDP <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Affordability	No issues.	No impact	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Other Risks and/or Vulnerabilities <input checked="" type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others (conflict, political instability, etc.), please specify	Some health risks due to construction workforce on isolated area.	Limited.	<input type="checkbox"/> Plan <input checked="" type="checkbox"/> Other Action <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
IV. PPTA/DUE DILIGENCE RESOURCE REQUIREMENT			
1. Do the TOR for the PPTA (or other due diligence) include poverty, social, and gender analysis and the relevant specialist(s)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain why.			
2. Are resources (consultants, survey budget, and workshop) allocated for conducting poverty, social, and/or gender analysis, and C&P during the project preparatory TA or due diligence? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain why.			