

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Republic of Maldives	Project Title:	Preparing Outer Islands for Sustainable Energy Development
Lending/Financing Modality:	Sector Loan	Department/ Division:	South Asia Regional Department Energy Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY
Targeting classification: general intervention
<p>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy The Multidimensional Poverty Index (MPI) value of the Maldives is estimated at 0.018 (2013), based on survey data collected in 2009. In the Maldives, 5.2% of the population lives in multidimensional poverty (the MPI “head count”) while an additional 4.8% are vulnerable to multiple deprivations. The intensity of deprivation—i.e., the average percentage of deprivation experienced by people living in multidimensional poverty—was 35.6%. According to the international poverty line of \$2 a day, the country’s poverty incidence in 2003 was 31%, but it declined to 24% by 2010 (Household Income and Expenditure Survey, 2009–2010). The Strategic Action Plan, 2009–2013 is the national planning document that guides the development processes, works as an instrument of budget allocation, and serves as a mechanism of accountability to the citizens. It emphasizes (i) the establishment of a nationwide transport system, (ii) affordable living costs, (iii) affordable housing, (iv) quality health care for all, and (v) prevention of narcotics abuse and trafficking. (Interim Country Partnership Strategy, The Maldives, 2012-2013, ADB).</p>
<p>B. Results from the Poverty and Social Analysis during PPTA or Due Diligence</p> <p>1. Key poverty and social issues. The project will lead to socioeconomic improvements in the livelihood of families and individuals affected by the project, which makes this a general intervention (GI) in poverty reduction. Poverty and social exclusion in the Maldives are largely determined by social, geographic, and economic variables and conditions. The country’s geography makes it difficult to access many remote island communities and to meet basic energy requirements equitably and reliably, which affects people’s livelihood. Many of these island communities are unique from an ethnic and religious viewpoint. This has led to some social exclusion. The project has selected five islands in different regions (northern, central, and southern) for a sample series of subprojects. Households in these subproject areas totaled 4,624 at the time of preliminary investigation. The majority of household heads are engaged in nonexecutive government and private sector jobs, there are numerous retired household members, and 20.4% of households are headed by women. Fishing is a common occupational activity in these subproject areas, but most fishermen do not own the boat they work on. Overall, 38% of household heads are exposed to at least one vulnerability, and 13% of those are subject to multiple-vulnerability conditions.</p> <p>2. Beneficiaries. The project will provide direct benefits to the targeted island communities.</p> <p>3. Impact channels. The project will (i) support the use of renewable energy sources available on outer islands, (ii) support sustainable energy and economic development, (iii) improve energy supply to homes and for productive use, (iv) foster livelihood development through poverty reduction and improvement in the quality of life, (v) create capacity development opportunities for women’s groups, and (vi) have a strong focus on gender mainstreaming and inclusion of poor and vulnerable groups. Indirect project benefits arise from (i) short-term and long-term jobs for islanders, (ii) opportunities for starting home-based business activities, (iii) improvement in child education, (iv) technology transfer through subproject activities, and (v) positive attitudes and strengthened community sense through participation in the project and in ensuing economic development.</p> <p>4. Other social and poverty issues. The sample islands are situated in different regions of the Maldives. There is no road access from island to island and the only means of transport are by sea and air. Therefore, transport is a problem for islanders as well as for project staff. Some islands do not have proper accommodation facilities for outsiders. Maldivians have limited social networks involving outsiders. The project management unit (PMU) has to ensure basic facilities for project staff by making special arrangements in these outer islands. As highlighted in the resettlement framework, both island members and project staff working with subproject contractors should be made aware of labor issues, ethical conduct, and sexually transmitted infections.</p> <p>5. Design features. The small-scale subprojects are not expected to have negative impacts. However, the resettlement framework suggests measures to minimize any unforeseen adverse effects.</p>

3. Plan or other actions. <input type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> No action		<input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework	
B. Indigenous Peoples		Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI	
1. Key impacts: There are no indigenous communities as such in the Maldives. All inhabited islands are populated by Islamic ethnic communities with some religious differences. Neither the constitution, laws, and policies nor field reconnaissance account for any indigenous communities. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
2. Strategy to address the impacts: The resettlement framework has adequate safeguards to compensate any affected indigenous peoples for any loss of land, crops, or other assets, and to restore or improve livelihoods. In addition, a gender equality and social inclusion (GESI) action plan and gender action plan (GAP) will ensure women's participation in subproject planning activities and ensuing benefits. The framework and action plans will be disclosed in the main national and official languages.			
3. Plan or other actions. <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> Social impact matrix <input type="checkbox"/> No action		<input type="checkbox"/> Resettlement plan and indigenous peoples plan <input checked="" type="checkbox"/> Resettlement framework <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary	
V. ADDRESSING OTHER SOCIAL RISKS			
A. Risks in the Labor Market			
1. Relevance of the project for the country's or region's or sector's labor market. Indicate the impact as high (H), medium (M), and low or not significant (L). <input checked="" type="checkbox"/> unemployment <input checked="" type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input type="checkbox"/> core labor standards			
2. Labor market impact: The subprojects will not create long-term employment (skilled or unskilled jobs) during operations. However, there will be short-term demand for unskilled labor during construction. The executing agency will provide skills training for WDC members, especially the poor and vulnerable including women, to ensure their inclusion and opportunity to obtain equal access and benefits from the subprojects. The project will ensure compliance with core labor standards.			
B. Affordability The executing agency will ensure the affordability of subproject activities for WDC members. WDC members will be required to plan their own domestic income-generating activities to benefit their livelihoods. The capacity development program includes training on how to use energy efficiently and save energy.			
C. Communicable Diseases and Other Social Risks			
1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA): M Communicable diseases L Human trafficking <input type="checkbox"/> Others (please specify) _____			
2. Describe the related risks of the project on people in project area. – Construction contractors will be expected to provide workers with information and training on the risks of HIV/AIDS and other communicable diseases (as relevant), and information on how to prevent the contracting or spreading of infections. This will be achieved through provisions in the loan agreement.			
VI. MONITORING AND EVALUATION			
1. Targets and indicators: The project's design and monitoring framework sets social and gender-based targets and indicators, and the resettlement framework details all related aspects. In addition, the GESI-GAP defines monitoring indicators related to women's empowerment and social inclusion. All will help ensure poverty reduction among WDC members.			
2. Required human resources: All social and gender-based targets and indicators will be monitored by a project-specific social safeguard specialist under the supervision of the project director within the project management unit of the executing agency. This unit will be established specifically for project-related activities.			
3. Information in the project administration manual: The GESI-GAP is discussed and included in the manual.			
4. Monitoring tools: The social safeguard specialist under the supervision of the project director will conduct midyear and annual monitoring and evaluation of project activities.			