



Initial Poverty and Social Assessment

Project Number: 42922-01
March 2009

IND: Public-Private Partnership for Renewable Energy Development

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. The final summary social assessment is included as an appendix to the project's report and recommendation of the President.

Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country/Project Title:	IND: Public-Private Partnership for Renewable Energy Development		
Lending/Financing Modality:	Equity Investment	Department/ Division:	PSOD/PSIF1

I. POVERTY ISSUES
<p>A. Linkages to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>1. Based on the country poverty assessment, the country partnership strategy and the sector analysis, describe 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.</p> <p>The Project will increase the number of renewable energy projects in India and help address the demand for energy in a sustainable manner. Availability of clean and reliable sources of energy is expected to catalyze economic growth in the service areas of future renewable energy projects and thereby create more work opportunities for the population including the poor. The Project is consistent with the CSP Update (2006-2008) and with the CPS (2009-2012) presently under preparation to sustain ADB's support for inclusive and environmentally sustainable growth in India.</p> <p>B. Targeting Classification</p> <p>1. Select the targeting classification of the project: <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.)</p> <p>2. Explain the basis for the targeting classification: The availability of electric power, and more broadly infrastructure, has an indirect but strong link with reducing poverty and encouraging economic growth. As of 2005, 27.5% of the population in India lives in poverty and 44% do not have access to power. Increased access to reliable power from renewable sources energy is expected to boost the local economies, improve living conditions and create jobs for the poor particularly in the states of Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, and Tamil Nadu.</p> <p>C. Poverty Analysis</p> <p>1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed? N/A</p> <p>2. What resources are allocated in the PPTA/due diligence? N/A</p> <p>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)? No.</p>
II. SOCIAL DEVELOPMENT ISSUES
<p>A. Initial Social Analysis</p> <p>Based on existing information:</p> <p>1. Who are the potential primary beneficiaries of the project? How do the poor and the socially excluded benefit from the project? The Project will support the development of wind power and small hydropower projects, which are often the only means by which to provide electricity to low income populations in remote hilly areas with limited access to grid connection. During the construction and operations phases, villages near sites of renewable energy projects are expected to benefit from increased employment opportunities.</p> <p>2. What are the potential needs of beneficiaries in relation to the proposed project? The labor rights of contracted local workers will be ensured by compliance of contractors with national labor laws and regulations.</p> <p>3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them? None.</p> <p>B. Consultation and Participation</p> <p>1. Indicate the potential initial stakeholders. The project is an equity investment in a joint venture company (JVC). For the establishment of the JVC, the potential stakeholders include public and private sector shareholders. Further stakeholder identification will be undertaken as part of the feasibility studies to be conducted for each project to be developed by the JVC and financed by ADB.</p> <p>2. What type of consultation and participation (C&P) is required during the PPTA or project processing (e.g., workshops, community mobilization, involvement of nongovernment organizations and community-based organizations, etc.)? For each renewable energy project to be developed by the JVC, consultation and participation activities will be undertaken in accordance with ADB safeguard policy requirements and the ESMS approved in form and substance by ADB.</p>

3. What level of participation is envisaged for project design? <input checked="" type="checkbox"/> Information sharing <input type="checkbox"/> Consultation <input type="checkbox"/> Collaborative decision making <input type="checkbox"/> Empowerment ⁷			
4. Will a C&P plan be prepared? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain. The ESMS includes provisions to undertake consultation and participation activities during design and implementation of each project to be developed by the JVC.			
C. Gender and Development			
1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project/program? None.			
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain. Generated power will be evacuated to the local grid. Supply of power in the local areas is non-discriminatory and it is not expected to cause any specific cultural or social impact on or exclude any socioeconomic group, including women, from benefiting from the Project.			
3. Could the proposed project have an adverse impact on women and/or girls or to widen gender inequality? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain. No adverse impacts on women and/or girls are expected but the JVC will carefully consider gender issues in the conduct of social analysis and/or consultation with women's groups during preparation, and ensure women's participation and/or receipt of benefits.			
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	It is anticipated that the amount of land to be permanently acquired or purchased will be limited and economic impacts, if not avoided, will be only minimal and/or temporary.	Limited.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input checked="" type="checkbox"/> Resettlement Framework/Environmental and Social Management System <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Indigenous Peoples	Wind farms are likely to be developed in states where there are tribal populations. These projects require small parcels of land and are unlikely to disrupt tribal community life as a whole.	Limited.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> Indigenous Peoples Framework/Environmental and Social Management System <input type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Labor <input checked="" type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards	Employment opportunities indirectly generated during construction of renewable energy projects.	No impact.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Affordability	Power will be sold directly to the grid.	N/A	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Other Risks and/or Vulnerabilities <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others	No impact.	No impact.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" 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 PPTA/due diligence? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please explain why. Social due diligence undertaken by staff.			