



Initial Poverty and Social Assessment

Project Number: 42094-07
27 May 2009

AFG: Kabul Distribution Network Rehabilitation Project (PFR 2) of MFF 0026-AFG: Energy Sector Development Investment Program

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: AFG Kabul Distribution Network Rehabilitation Project

Lending/Financing Modality: MFF 0026-AFG: Energy Sector Development Investment Program – PFR 2 Department/ Division: CWRD/CWEN

I. POVERTY ISSUES

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

The Afghanistan National Development Strategy (ANDS, 2008) places high priority in expanding the supply of electricity. Currently, only 9% of the population has access to electricity and per capita electricity consumption is merely 21 kWh. The ANDS sets an ambitious goal to supply at least 65% of households and 90% of nonresidential establishments in major urban areas and at least 25% of households in rural areas by end-2010. ADB's CPS for Afghanistan 2009-2013 is fully aligned with ANDS priorities, and prioritizes the energy sector development.

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 Project is not a targeted poverty intervention. The project will connect more electricity consumers to the North East Power System which will supply intermittent power imported firstly from Uzbekistan and subsequently from Tajikistan. The use of imported power will replace expensive diesel generators run by households as well as by Da Afghanistan Breshna Sherkat (DABS), the power utility. This will improve the financial position of DABS and increase disposable income of households. It will also contribute to improving air quality in Kabul currently polluted by diesel fumes.

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? NA

2. What resources are allocated in the PPTA/due diligence?

SSTA will include a Social Safeguard Specialist to review and finalize poverty and social analysis and prepare summary poverty reduction and social strategy to be included in the ensuing project design.

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)?

Although the Project does not directly target poverty reduction, it will have indirect benefits for the poor through increased access to more cost-efficient and stable supply of power. Currently, only the affluent households can afford diesel generators. The Project is envisaged to include cost of customer connection, thereby benefiting the poorer population who may not have the capacity to pay the one-off connection fee.

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?

Primary beneficiaries are the general citizens of Kabul in the Project area. Since the Project is envisaged to include the cost of customer connection, the population in the Project area should be able to benefit equally.

2. What are the potential needs of beneficiaries in relation to the proposed project?

Supply of cost-effective and stable power is a high priority for the population in Kabul regardless of social status.

3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them?

A typical constraint is the affordability to pay for the one-off connection fee which low-income households may not be able to afford. The Project is envisaged to include the cost of customer connection, so such households will have equal access to the services.

B. Consultation and Participation

1. Indicate the potential initial stakeholders.

Main project stakeholders are the households and businesses in the Project area, DABS, Ministry of Energy and Water.

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.)?

Both, formal and informal consultations will be held with key project stakeholders during S-PPA through field visits and workshops by experts on social safeguards and environmental safeguards.

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.

The project is classified as GI and initial consultations and similar ongoing projects in Kabul funded by the Government and World Bank indicate that Project does not involve sensitive social or participatory issues. Project stakeholders express general support to the project.

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?

No gender issues expected. Electricity will benefit the population regardless of gender. The provision of electricity is expected to benefit domestic activities particularly for women who traditionally have the responsibility for such activities.

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.

The project activities, including civil works and related services will include specific provisions requiring equal opportunities for all gender groups.

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

Yes No Please explain.

Electricity will benefit the population regardless of gender.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Nature of Social Issue	Significant/Limited/ No Impact/Not Known	Plan or Other Action Required
a. Involuntary Resettlement	The Project is mainly rehabilitation of distribution network. No resettlement or land acquisition action is expected. Resettlement Framework has been prepared for the MFF. Resettlement Plan will be prepared if impacts are identified.	Not Known/Limited	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input type="checkbox"/> No Action <input checked="" type="checkbox"/> Uncertain
Indigenous Peoples	No indigenous people.	Limited/No Impact	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> Indigenous Peoples Framework <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain

b. Labor <input checked="" type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input checked="" type="checkbox"/> Core Labor Standards	The project is expected to create equal employment opportunities for all social groups.	No impact	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Affordability	Project is envisaged to include cost of customer connection which is typically a burden for low-income households.	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	Project does not involve large volumes of civil works that may require influx of construction workers. Project mainly involves supply and installation of electrical facilities only.	Limited 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?
 Yes No

An international Social Safeguard Expert will prepare SPRSS. A national expert will assist the due diligence particularly for census of project impact and public consultations.
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? Yes No If no, please explain why.

One international and one national expert will prepare SPRSS. Sum is allocated for consultation and surveys.