



Initial Poverty and Social Assessment

Project Number: 39521
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Fiji Islands: Preparing the Renewable Power Sector Development Project

Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

A. Linkages to the Country Poverty Analysis

Is the sector identified as a national priority in country poverty analysis?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Is the sector identified as a national priority in country poverty partnership agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Not applicable		Not applicable	
<p>Contribution of the sector or subsector to reduce poverty in Fiji Islands: Diversification of economic growth and foreign and local investments are critical to sustainable economic growth and increased employment opportunities. Reliable power supply is important for continued diversification of the production base, which will bring about employment and increase productivity in the agriculture and service sectors.</p> <p>The country is a small open economy, highly vulnerable to global energy prices. With recent hikes in energy prices, the pressure to increase power tariffs has intensified. The poor spend more of their income on fuel and energy, including electricity, than the nonpoor. The fiscal space to support subsidies to the poor is very limited. Diversification of generation toward indigenous and renewable energy resources will help reduce the pressure on tariff increases in the longer term, possibly avoid the opportunity cost of fiscal expenditure on power subsidies, and make power more affordable to the poor.</p> <p>The increased use of indigenous resources will also reduce the impact of increased energy prices on the trade balance and thus help improve external balances and economic growth.</p>			

B. Poverty Analysis

Targeting Classification: General Intervention

<p>What type of poverty analysis is needed? The poverty analysis will be an integral part of the social and participatory analysis and will focus on vulnerability, particularly to fuel and energy prices. In addition, the Fiji Electricity Authority's (FEA's) disaggregated consumer base data, tariff blocks, and cross-subsidies will undergo economic and financial analyses. A distribution analysis of net benefits and subsidies to key stakeholders will be conducted.</p>
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C. Participation Process

Is there a stakeholder analysis?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>Consultations with affected people have been undertaken by FEA. A stakeholder analysis will be an integral part of the economic (distributional), social, and resettlement assessments. The stakeholder analysis under the economic and social assessments will be mainly descriptive and will assess the distribution of expected costs and benefits. For transmission line routings, information will need to be gathered and people and local communities in affected areas will need to be consulted.</p>		
Is there a participation strategy?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>The project preparatory technical assistance (TA) will design a full participation strategy to be undertaken before and during the construction. The strategy will include the design of public information disclosure, compensation and resettlement, and grievance procedures.</p>		

D. Gender Development

<p>Strategy to maximize impacts on women: The Project is not expected to cause any specific cultural or social impact on or exclude any socioeconomic group, including women, from benefiting from the Project. If women are adversely affected during resettlement, the resettlement plan will include ways to mitigate these adverse effects. All data collected will be gender-disaggregated.</p>		
Has an output been prepared?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

E. Social Safeguards and Other Social Risks

Item	Significant/ Not Significant/ None	Strategy to Address Issues	Plan Required
Resettlement	<input type="checkbox"/> Significant <input checked="" type="checkbox"/> Not significant <input type="checkbox"/> None	<p>Core subproject alignments have been designed in consultation with local authorities and people residing in affected areas to avoid sensitive areas such as settlements, national parks, dense forests, high-tree areas, and holy places. To assess the project impact, all land will be inventoried. If any project-affected households are identified, a socioeconomic survey of at least 20% of these households will be carried out during the pre-feasibility study of core subprojects. An initial assessment of the proposed core subprojects indicates no significant involuntary resettlement impact.</p> <p>A short resettlement plan for core subprojects and a resettlement framework for subprojects to be identified under the loan will be prepared.</p>	<input type="checkbox"/> Full <input checked="" type="checkbox"/> Short <input type="checkbox"/> None
Affordability	<input type="checkbox"/> Significant <input type="checkbox"/> Not significant <input checked="" type="checkbox"/> None		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Labor	<input type="checkbox"/> Significant <input type="checkbox"/> Not significant <input checked="" type="checkbox"/> None		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Indigenous Peoples	<input type="checkbox"/> Significant <input type="checkbox"/> Not significant <input checked="" type="checkbox"/> None	<p>Ethnic minority people are not expected to be adversely affected by the proposed project. If any are affected by resettlement, the impact will be mitigated through the resettlement plan.</p> <p>The Project is not expected to cause any specific cultural or social impact on or exclude any socioeconomic group, including ethnic minority people, from benefiting from the Project.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Other Risks and/or Vulnerabilities	<input type="checkbox"/> Significant <input type="checkbox"/> Not significant <input checked="" type="checkbox"/> None		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No