



Initial Poverty and Social Assessment

Project Number: 43929
September 2009

PNG: Digicel Mobile Telecommunication Expansion 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. 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: **PNG: Digicel Mobile Telecommunication Expansion Project**

Lending/Financing Modality: **Direct loan** Department/ Division: **PSOD/PSIF2**

I. POVERTY ISSUES

A. Linkages to the National Poverty Reduction Strategy and Country Partnership Strategy³

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.

The Pacific Strategy 2005-2009 and the Country Strategy and Program 2006-2010 identified improvement of physical infrastructure and private sector development as key result areas for the country. The Project will improve telecommunication infrastructure nationwide and expand access to affordable mobile communication in the rural areas. The Project supports the Government's Medium-Term Development Strategy 2005-2010 which strongly promotes fostering rural development and enabling business environment.

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:
 Additional mobile base stations will be installed in approximately 100 sites scattered nationwide.

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? N/A
2. What resources are allocated in the PPTA/due diligence? N/A
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)?
 The project will expand mobile phone coverage to underserved rural areas. Availability of mobile communication in these areas is expected to contribute to pro-poor economic growth as it promotes entrepreneurship, bridges the communications gap between buyers and producers and reduces transaction costs (reduces travel time and expenses) as information is readily available and efficiently transmitted through the mobile network.

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 local community will benefit through land lease payments as well as job opportunities during construction and operation of mobile base stations. Digicel has also established a Foundation which aims to build communities and foster volunteerism among its staff and community spirit in the country. The Digicel PNG Foundation works with government and nongovernmental organizations such as World Vision and Unicef in implementing educational, social and cultural projects.
2. What are the potential needs of beneficiaries in relation to the proposed project? None.
3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them? None.

B. Consultation and Participation

1. Indicate the potential initial stakeholders.
 Potential stakeholders include the customary owners of land, owners of building identified for lease, local communities using the access roads leading to various mobile base station sites, and relevant government agencies.
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.)?
 Meetings were conducted by the Borrower with the relevant stakeholders. Digicel also has a dedicated customer care hotline for inquiries and a dedicated team to handle site identification and acquisition on a willing lesser-willing lessee basis.
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 activities is integral to overall project design.

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?
 Yes No Please explain.
 The project will expand telecommunications services to reach rural areas and made available to all.
3. Could the proposed project have an adverse impact on women and/or girls or to widen gender inequality?
 Yes No Please explain

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Nature of Social Issue	Significant/Limited/ No Impact/Not Known	Plan or Other Action Required ¹³
Involuntary Resettlement	Land will be acquired on a willing lessee - willing lesser basis.	No impact.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Indigenous Peoples	Small parcels of land will be leased with consent from customary owners. Telecommunications services to reach rural areas and made available to all.	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
Labor <input checked="" type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards ¹⁷	Construction and operation of mobile base stations are expected generate jobs for the local community.	No impact.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Affordability	None.	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 (conflict, political instability, etc.), please specify	None.	N/A	<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?
 Yes 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? Yes No If no, please explain why.