

# **Conflict-Sensitive Approach**

Project Number: 53223-001

November 2020

**Republic of the Union of Myanmar: Accelerated  
Rural Electrification Project**

## **A. Background**

1. The lack of affordable and reliable energy supply to both urban and rural communities has been identified as a key constraint to poverty reduction and economic development in Myanmar. To address this problem the government of Myanmar has prioritized: (i) the rehabilitation and construction of power plants to increase generating capacity; (ii) the expansion and upgrading of the transmission network to remove transmission constraints; and (iii) the expansion of distribution systems to connect more customers to the electricity grid, particularly in underserved rural areas.

2. The Accelerated Rural Electrification Project (AREP), supported by the Asian Development Bank (ADB), is an integral part of these plans. Its overall aim is to increase electricity supply within Myanmar in support of Myanmar's inclusive and sustainable development goals and to achieve universal electricity access by 2030.

3. Key activities of AREP include enabling electrifying 400,300 households in 2,815 villages in Ayeyarwady, Bago (East), Magway regions and Kayin State, by: (i) adding new distribution facilities, (ii) establishing and piloting a new computerised Distribution Automation System (DAS), and (iii) enhancing the social and gender inclusive capacity of Ministry of Electricity and Energy (MOEE) and Electricity Supply Enterprise (ESE).

4. The proposed project is categorized B for Indigenous Peoples and Involuntary Resettlement according to the ADB's Safeguard Policy Statement (SPS, 2009).

## **B. Project Risks**

5. Kayin State may currently be considered conflict affected, but with a few exceptions has not seen much warfare in ten years.<sup>1</sup> The decades of conflict caused high levels of displacement of the population, caused losses and economic hardship of the local population and delayed the development of government-provided adequate health, education and other services in the area.

6. A ceasefire in 2012 and the signing of the National Ceasefire Agreement in 2015 between the government and eight ethnic armed groups in Kayin has reduced tensions and brought greater stability.

7. In all four project areas project components will be implemented in townships where some of the risk factors associated with the previous conflicts remain, such as, significant service and infrastructure gaps that exacerbate underdevelopment; and the presence of ethnic communities who share common identities and languages that are different from the national language.

8. AREP preparation has prioritised the development of assessments and plans that are considered necessary to minimise risks related to potential conflict situations during project implementation.

## **C. ADB's Approach to Fragile and Conflict-Affected Situations**

9. To address country or area specific situations, ADB formulates its engagement based on a thorough understanding of the local context, and after sound assessments of the various factors underpinning fragility and /or conflict. Following this approach, ADB-supported projects

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<sup>1</sup> A. Burke et al. 2017. *The Contested Areas of Myanmar: Subnational Conflict, Aid and Development*. Yangon. The Asia Foundation.

and interventions are designed to be adaptable and incorporate participatory tools to identify and analyse factors which affect (a) vulnerabilities within communities and (b) the dynamics in local decision-making and resource allocation. Flexibility is built into the project design, and project activities are adjusted to match community capacity to implement the project.

10. With AREP, as with other power sector projects in Myanmar, ADB has adopted a conflict-sensitive approach to ensure that ADB assistance (i) will not exacerbate ongoing conflicts, (ii) contributes to Myanmar's inclusive development, ensuring equitable benefit to all communities, and (iii) will not be disrupted by local conflicts. To achieve this, ADB project design includes a range of measures<sup>2</sup> to ensure that project affected people are properly informed and involved in project decision making, particularly with respect to compensation for adverse impacts, and have equal opportunity to participate in, and obtain project benefits.

#### D. Conflict-Sensitive Design Features

Risk	Conflict-Sensitive Design Feature
Ethnic and cultural differences in post-conflict environment	<b>Training on conflict sensitivity</b> , history of the conflict, monitoring and management of fluid situations will be provided to ESE Project Management Unit (PMU) and Project Implementation Unit (PIU) staff, project implementation consultant (PIC) and civil contractors.
Increased tensions within communities due to project activities	<b>Establishing and maintaining an effective Grievance Redress Mechanism (GRM):</b> Training on implementation, monitoring and management of GRM will be provided to ESE Project Management Unit (PMU) and Project Implementation Unit (PIU) staff, project implementation consultant (PIC) and civil contractors. Communication officials and environmental and social staff members at PMU and PIUs will work closely with township and village level administrations to establish and maintain an effective GRM. They will ensure that communities and other stakeholders are made aware of GRM purpose and procedures how to access it. Fully functional GRM will help resolve disputes related to the project; serves as an 'early warning system' for project management; contribute to building trust and confidence of communities; and encourage productive working relations between communities and project staff/management. An effective GRM contributes to increasing community participation and promoting transparency and accountability.

<sup>2</sup> includes Stakeholder Analysis, Gender and Social Inclusion Development Plan, Resettlement and Ethnic Group Development Plan, Strategic Communication Strategy, Consultation and Participation Plan, Initial Environmental Examination and Environmental Management Plan

Risk	Conflict-Sensitive Design Feature
Historical disparity in access to social services and economic opportunities	<p><b>Employment opportunities for local communities:</b> Social, Gender and Communication staff in the four PIUs, in accordance with activities set out in the Stakeholder Communication Strategy (SCS), Gender Action Plan (GAP), Environmental Management Plan (EMP), will support Village Electrification Committees (VECs) to ensure that all civil construction and maintenance works promote fair work opportunities for local communities and monitor contractors' recruitment procedures to check compliance with this requirement.</p> <p><b>Gender Action Plan (GAP):</b> The plan promotes women's active involvement in consultation and planning throughout project development and women's participation on VECs. GAP will also (i) organize training sessions about village and household connections and safety targeted specifically for women; (ii) require contractors to hire a minimum of women in skilled and unskilled labor; and (iii) promote efficient electricity-based livelihood and time-saving options among women, including ethnic minority women.</p> <p><b>Inclusion of vulnerable groups:</b> Social, gender and communication staff in PIUs will work closely with village heads and VECs to ensure that the interests and concerns of vulnerable groups - including ethnic groups, female-headed households, landless households - in all four project areas are taken account of in project design and implementation. Mechanisms for involving vulnerable groups are detailed in the stakeholder communication strategy and GAP.</p>
Physical and economic displacement	<p>Possible losses of land, assets and productive resources will be addressed through the <b>Resettlement and Ethnic Group Development Plan</b>, including compensation at replacement cost and transitional assistance. The project does not involve any involuntary acquisition of land for substations. Land owned by various government agencies will be transferred to ESE. Some private land will be purchased through negotiation at market price and validated by a third party. Land donations will be voluntary and documented. No permanent acquisition of land envisaged for distribution lines and only temporary use of right of ways required. Non-land assets damaged under distribution lines will be compensated. Any loss of livelihood will be either mitigated or restored.</p> <p>The <b>Initial Environmental Examination</b> found that environmental impacts associated with the project are site specific and reversible. The <b>EMP</b> includes provision for PMU, PIUs and PIC to mitigate potential temporary adverse impacts during the construction phase e.g. noise and dust levels, waste generation, traffic disruption, disrupted access to agricultural land, and loss of vegetation. Through consultations, the project will ascertain the broad community support of affected communities for the project.</p>

Risk	Conflict-Sensitive Design Feature
Inadequate participation, consultation and information sharing	The <b>SCS</b> and <b>Consultation and Participation Plan</b> have been prepared to enable targeting of different stakeholder groups, including ethnic and vulnerable groups, and tailoring of information messages and engagement mechanisms to meet their particular needs. Key features of the Consultation and Participation Plan include: (i) timely provision of relevant and accessible information in local language throughout the project cycle; (ii) systematic and continuous consultation during project design and implementation through various means including village/public meetings, focus group discussions, meeting with individuals, working with Civil Society Organizations to ensure outreach to the vulnerable households; (iii) representation from civil society on VECs as well as Grievance Redress Committees; and involvement in monitoring of activities. Village Heads/VECs supported by communication, social and environmental safeguards staff from regional and state PIUs will be implementing the plan.

11. **Project Implementation.** During project implementation, ADB loan review missions will incorporate monitoring of the actions listed in the table. PMU will implement these actions through the Construction Supervision and Implementation Support Consultants. ADB will support the PMU in implementation of the actions.