



Initial Poverty and Social Assessment

Project Number: 41943
July 2008

People's Republic of China: Inner Mongolia Wind Power 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: **PRC : Inner Mongolia Wind Power Project**

Lending/Financing Modality: **Direct Loan** Department/ Division: **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.

ADB's country partnership strategy for the PRC is based on four development thrusts: (i) inclusive growth and balanced development, (ii) resource efficiency and environmental sustainability, (iii) regional cooperation and public goods, and (iv) an environment conducive to private sector development. The Project will indirectly contribute to poverty reduction by supporting (ii) and (iii) and the Government's strategic priorities for energy and the environment as set forth in the 11th Five-Year Plan. The project is expected to meet part of the electricity shortage in Northern PRC an environment-friendly manner.

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: Availability of reliable power supply through the regional grid to industrial, commercial and residential interests in the region would stimulate the local economy.

C. Poverty Analysis⁴

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 electricity generated by the project will be available to communities in the surrounding area through the regional grid.

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? Surrounding villages and the region would get maximum benefits out of generated electricity through availability of reliable electricity supply. Power will be evacuated to the grid, hence, no discrimination to the poor. The project is also not expected to have any direct impact on the electricity retail price. Wind turbine generator construction and operation will provide employment opportunities to qualified local population.

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.
 The site is uninhabited land in a remote mountainous area. The nearest village is approximately 5 kilometers from the wind farm site. Consultation activities undertaken through the local government.

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.)?

3. What level of participation is envisaged for project design?
 Information sharing Consultation Collaborative decision making Empowerment⁷

4. Will a C&P plan be prepared? Yes No Please explain.

C. Gender and Development

1. What are the key gender issues in the sector/subsector⁸ that are likely to be relevant to this project/program?
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.

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. Power generated will be sold to the grid.

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
Involuntary Resettlement	No impact. The affected land is state-owned uninhabited, barren grassland in a highly underdeveloped mountainous area. The site is not being used for agricultural purposes.	No impact.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input checked="" type="checkbox"/> No Action
Indigenous Peoples	No indigenous peoples in the immediate project areas have been identified.	No impact.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> Indigenous Peoples Framework <input checked="" type="checkbox"/> No Action
Labor <input type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards	Wind turbine construction and operation will provide employment opportunities to qualified local population.	No impact.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
Affordability	None.	No impact.	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action
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.	No impact.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action

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. Social due diligence will be undertaken by staff.

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. Social due diligence will be undertaken by staff.