



Preliminary Poverty and Social Analysis

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India: Engie Solar Power Project

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Country:	India	Project Title:	Engie Gujarat Solar Power Project
Lending/Financing Modality:	Project Finance	Department/Division	Private Sector Operations Department Infrastructure Finance Division 1

1. Poverty Analysis

The state of Gujarat is particularly vulnerable to climate change.¹ It has the longest coastline in India and home to 62.83 million people, who have been experiencing rising sea level, temperature fluctuations, and recurrent disasters. These climate change impact imposes immediate threat to lives and livelihoods. Climate change mitigation through investing in renewable energy can help reduce the poverty by reducing their vulnerability and disaster risk losses. The project supports the state of Gujarat to mitigate the pervasive impacts of climate change by reducing greenhouse gas (GHG) emissions through the development of a 400 MW solar power plant.

2. Poverty targeting

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

The poverty targeting classification of the project is general intervention. The project's direct beneficiaries are the households connected to the national grid in the state of Gujarat. These households will also benefit from the project's lower tariff of ₹2.49/kWh, which is significantly lower than GUVNL's average purchase power cost of ₹4.39/kWh for the financial year ending 31 March 2023.

3. Preliminary assessment of the project's impact channels

The project will provide electricity at a lower cost to households of Gujarat.

4. Social Analysis

About 2.4% of India's households remain unelectrified and many suffer from intermittent power supply.² Energy demand continues to increase and in step with this, India's energy policies and targets have continued to evolve. While large-scale renewable energy development in India contributes to regional economic development through job creation and a steady electricity supply to institutions, businesses, and households, it also faces challenges with land access and impacts on biodiversity. The social impacts of the project, including involuntary resettlement and indigenous peoples, if any, will be assessed through the environment and social due diligence. Management plans will be developed to address any social impacts identified.

¹ YKA Policy Insights. 2023. [How Gujarat Can Become Zero Se Hero In Climate Action](#). 22 March.

² S.Agrawal, S. Manil, A. Jain, and K. Ganesan. 2020. State of Electricity Access in India: Insights from the India Residential Energy consumption Survey (IRES) 2020. New Delhi: Council on Energy, Environment and Water.

4.1 Gender and Development

Despite making progress towards development goals, gender disparities are persisting across sectors in India. The country ranks 127 out of the 146 countries on the overall Global Gender Gap Index 2023, ranking lowest in health and survival, and economic participation and opportunity parameters.³ While substantial progress has been made on education and health, India still lags in gender gap indexes. The overall labor force participation rate fell from 60.0% in 1997 to 52.1% in 2019 because the labor participation rate for women dropped from 32.0% to 22.3% during the same period. Related factors are increased household incomes, lack of childcare facilities, social biases against women working outside their homes, safety and security, and the pay gap women earn 62% of men's income for the same jobs.⁴

Women's participation in the energy sector remains low. Despite making up 48% of the global labor force, women only account for 22% of the traditional energy sector. For management and technical levels, the numbers are even lower.⁵ Women make up only 14% of senior managers in energy-related sectors.⁶ Estimates for India indicate that women's employment rates in energy firms similarly remain low and concentrated in low-wage and low skill occupations. Limited sex-disaggregated data is available by energy sub-industries but for example, women accounted for only 11% of the Indian energy workforce and up to 21% in decentralized renewable energy though these jobs outnumber those of the utility-scale power sector.⁷ Factors governing the low representation of women include a lack of access to opportunities for women due to safety and security concerns at project sites and misperceptions of women's capabilities in some roles; insufficient human resource policies beyond legally mandated requirements; societal norms and practices at workplaces that fail to factor in the differentiated needs of women, and consciousness among employees.⁸

Possible gender entry points may include HR policies, paid technical or management internships, professional development training for female staff and gender inclusive power plant design and service provision. The project is not expected to have any adverse impact on women and/or girls. The intended gender mainstreaming category is Effective Gender Mainstreaming

4.2 Participation and Empowering the Poor

The main stakeholders of the project are the people of the villages (Dedukhi, Ratanpar, Shapar, and Dhakaniya) where the project is being constructed. Private landowners from whom the project will lease the land for the projects are members of these communities. The district government revenue department is also a key stakeholder as they will oversee the allotment of the government land for the project. Informal land users on government land such as farmers and graziers are also considered stakeholders. A project-level stakeholder engagement plan (SEP) and grievance redress mechanism (GRM) have been

³ World Economic Forum. 2022. [Global Gender Gap Report 2023](#). Geneva.

⁴ ADB. 2023. [Country Partnership Strategy, India, 2023–2027 —Catalyze Robust, Climate-Resilient, and Inclusive Growth](#). Manila

⁵ U. Von Lonski et al. 2021. [Untapped Reserves 2.0: Driving Gender Balance in Oil and Gas](#). Boston Consulting Group and World Petroleum Council. 7 December.

⁶ International Energy Agency.2021. [Women in Senior Management Roles at Energy Firms Remains Stubbornly Low, But Efforts to Improve Gender Diversity are Moving Apace](#). Paris.

⁷ International Renewable Energy Agency and International Labour Organization. 2022. [Renewable Energy and Jobs - Annual Review 2022](#). Abu Dhabi and Geneva.

⁸ International Energy Agency and Council on Energy, Environment and Water. 2019. [Women Working in the Rooftop Solar Sector](#). Paris.

developed. These are in line with the requirements of ADB SPS. Enren and the engineering, procurement, and construction (EPC) contractor will implement these project-specific SEP and GRM on site.

4.3 Social Safeguards

In accordance with Asian Development Bank's 2009 Safeguard Policy Statement safeguard requirements, an independent consultant was engaged to undertake an environmental and social compliance audit (ESCA) and an initial environmental and social examination (IESE) to review the land acquisition process undertaken and assess impacts to date on involuntary resettlement, indigenous peoples, and community stakeholders. Based on the SCA and IESE, Enren is in the process of acquiring a total of 1,650 acres of land for the project which is spread across three villages: Dedukhi, Ratanpar, Shapar, and Dhakaniya. Approximately 1000 acres are private agricultural land which will be leased by Enren from landowners on a willing lessor, willing lessee and market rates basis. The remaining approximately 650 acres are government land which will be allotted to the project.

For the government land, 2-3 government land parcels reportedly earmarked for the project are being used for growing crops (wheat). Several structures have also been identified: a temporary residential structure of a migrant agricultural worker and a cattle trough were also located within government land. No easement rights need to be obtained as the transmission line runs through government land.

For Indigenous Peoples, the project area does not fall within the areas defined in the Fifth Schedule⁹ as designated by the Ministry of Tribal Affairs, Government of India, and has no presence of Indigenous communities. The land allocation to the project has no impact on scheduled tribes or Indigenous Peoples and their traditional or customary land.

4.4 Other Social Issues and Risks

Enren anticipates a peak construction workforce of 1000 workers, for a six-month period. The workforce will comprise a mix of highly qualified specialists, technicians and low-skilled personnel. Low-skilled construction workers, of which approximately 500 workers can be sourced locally, will receive job-appropriate training before starting work on the project. This includes basic training in health, safety, and environment (HSE), labor management and, where required for specific job profiles, vocational training. Ideally, the workforce will be sourced locally, especially for the low-skilled staff. Qualified specialists will be sourced both nationally and internationally, depending on the skills availability.

5. Social Plans to be Developed as part of the Poverty and Social Analysis

An environment and social management plan (ESMP) will be developed to manage the environmental, health and safety and social and labour related impacts identified in the IESE. The ESMP will include a project-level labor management plan (including labor influx management guidelines, workers accommodation plan, retrenchment plan), contractor and supplier management plan, internal and external stakeholder engagement plan, and internal and external grievance redress mechanism. A Resettlement and Livelihood Restoration Plan (RLRP) will be developed to address involuntary resettlement impacts. ADB will seek to work with the client to develop a Gender Action Plan.

⁹ The Fifth Schedule provides for the administration and special protection of tribal areas in India.

6. Transaction Due Diligence Resource Requirement

The Borrower is required to hire third party E&S specialists to undertake the necessary due diligence. ADB will support this process. The borrower will be required to submit regular monitoring reports to ADB to confirm Project compliance with ADB and national regulatory and legal requirements and to report the status of the implementation of the ESMP and other management plans.