

The role that Poverty and Social Impact Assessment is presently playing and can potentially play in promoting sustainability in developing countries: The case of Ghana.

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Abstract: *Humans are growing on the earth. With each growth comes an equivalent pressure on our natural resources, both renewable and non-renewable. Care therefore has to be taken so as not to over-exploit our resources. A question immediately comes to mind; with the increase in the population, should the needs of the current population be met or not? The answer to this question seems pretty obvious. Definitely, the needs of the current generation should be met as every person has the right to life and to be cared of. The current generations has an obligation to make sure they do not hand over the earth to the next generation in a deteriorating manner. In fact, the current generation has the responsibility of repairing the current Earth and handing it over in a better condition to the next generation. It is in this light that I am writing this paper. I will critically look at the notion of what is meant by sustainability in the context of human settlement and how poverty and social impact analysis can significantly help address the issue of sustainable development in the context of a developing country. This journal will use the case of Poverty and Social Impact Assessment in Ghana's electricity sector as a case study.*

Keywords: *Sustainable Development, Social Impact Assessment, Poverty Impact Assessment, Developing Country, Ghana.*

I. Introduction & Literature Review

The most widely used definition of sustainable development is that contained in the Brundtland Report which was released in 1987 by the United Nations. This report defined sustainable development as "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 2011). According to the Brundtland Report, this definition of sustainable development can be viewed in two dimensions: First of all, the definition has got the notion of 'need', which is the needs of the world's poor to which priority should be given to. Secondly, this definition possesses a limitation on current technology and social organisations on the environments ability to meet the needs of current and future generations.

Michael Thomas Needham, who is a sustainability educator accordingly defined sustainability "as the ability to meet the needs of the present while contributing to the future generations' needs." (Needham, 2011). This places an additional responsibility on the present generation to improve the life of the future generation by repairing the current ecosystem damage and resisting contributing to the further damage of the ecosystem. In 2005, the United Nations World Summit Report made reference to the pillars of sustainable development as economic development, social development and environmental protection. (World Summit Outcome document, 2005). These three thresholds are popularly known as the triple bottle line of sustainable development. It is important to note that indigenous people actively argue that sustainable development has a fourth pillar and they term this fourth pillar as 'cultural diversity'. The Universal Declaration on Cultural Diversity further buttress this assertion by stating that "...cultural diversity is as necessary for humankind as biodiversity is for nature" (UNESCO, 2011). Cultural diversity is therefore the fourth pillar of sustainable development and "it is seen not only in terms of economic development but also as a means to achieve a more emotional, intellectual, spiritual and moral existence". (UNESCO, 2011). One fundamental prerequisite for achieving sustainable development is public participation (Allen, 2007). To achieve social, economic and environmental sustainable development, there will be the need for information, participation and integration as key prerequisite to help countries achieve the triple bottom line of sustainable development.

According to Hansa Vancock sustainability is a continual evolving process and it tells of a development of all aspect of human life affecting sustenance. Accordingly, Hansa's sustainability involves the simultaneous achievement of economic prosperity, environmental quality and social equity with the resultant driving force being technology. The destination of sustainability according to Hansa is not a fixed place in our normal understanding of destination, but it is a set of wishful characteristics of a future system (Hansa, 2007).

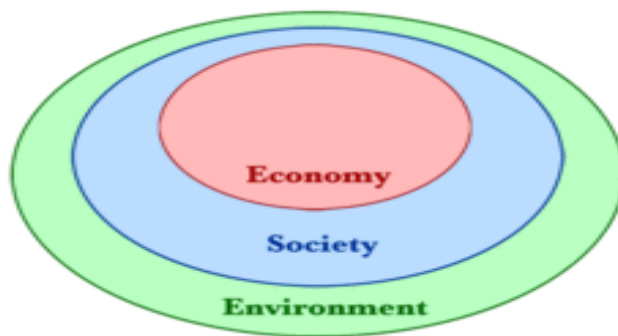


Fig 1: A diagram showing the triple bottom line of sustainability; environmental sustainability, social or society sustainability and economic sustainability.

Let me be quick to state here that, the triple bottom line of sustainability as defined by the United Nation is not widely accepted and it has assume various interpretations. In fact for many environmentalists, sustainable development is an oxymoron because there cannot be a development without environmental degradation (Redclift, 2005). From this viewpoint, the economy is seen as a subsystem of human society, which in itself is a system of the biospheres and a gain in one section means an equivalent loss in the other section (Porritt, 2006). This is illustrated in the diagram below in figure 2

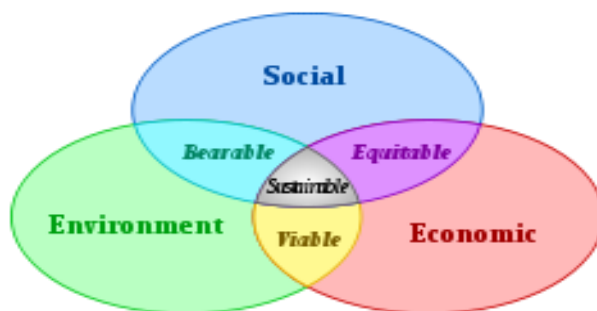


Fig 2

In summary, there is no universal acceptable concept of sustainability because the term is often incorporated with 'sustainable development' and 'sustainable agriculture' within an anthropocentric perspective. Sustainability in its simplest meaning is define as "improving the quality of human life while living within the carrying capacity of supporting eco-systems" (Markus et al., 2006). This definition of sustainability though vague, establishes the notion of sustainability having a quantifiable limit. Sustainability is also a call to action and a task in progress and it is therefore a political process. Because it can assume a political process, some definition therefore incorporates common goals and values (IUCN/UNEP/WWF 1991).

Sustainability can assume many forms and range and it is not limited to human sustainability but to many situations and context from local to global balance of production and consumptions. Sustainability can also be applied to future intensions. From these perspectives, sustainability is perceived in two dimensions. First of all, it is seen as a buzzword with little understanding (Dunning, 2006; Marshall et al., 2005). Secondly, sustainability can be seen as an important but unfocused term such as 'justice' or 'liberty' (Blewitt, 2008).

I will shift my focus at this point to human population growth. Humans are growing at an astronomical rate, there will therefore be the to make sure each person on earth is adequately taken care of but most importantly, the resources available to the present generation, does not have to be over-exploited to the detriment of future generation. The United Nations 2008 Population Estimate and Projection estimated that the world population is to reach 7 billion in 2012. Most of this increase is expected to be in developing countries. The population in developing countries is expected to increase from 5.6 billion in 2009 to 7.9 billion in 2050. And this increase is also expected to be distributed within the ages of 15-59. The population in developing countries in contrast is expected to increase slightly from 1.23 billion to 1.28 billion. This increase is due to the net migration from developing to developed countries (United Nations Department of Economics and Social Affairs, 2008). It is therefore a combination of astronomical increase in population in developing countries coupled with population increase in developed countries that posses major challenge to sustainability. From a

developing country perspective, there is the need to address carefully the increase in population so as not to deplete the earth and its resources (Garver, 2011).

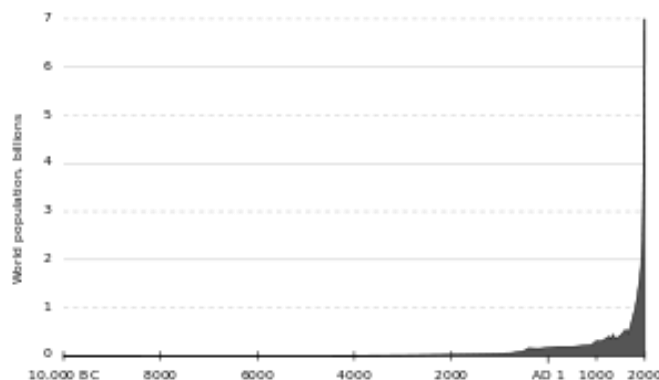


Fig 3: A graph showing human population growth from 10 00 BC to 2000 AD, illustrating current exponential growth.

At the current global growth scale, humans are living beyond the carrying capacity of the earth. This evidence is supported in detail in the Millennium Ecosystem Assessment and Planetary Boundaries Framework.

One important thing to consider in terms of population growth and carrying capacity is ecological footprint. This measures human consumption in respect of the land needed to provide these resources and to absorb the waste from the average citizen. Human ecological footprint has witness an increase in that; in 2008, it requires 2.7 global hectares per person, which is an increase in 30% more than the natural biological capacity of 2.1 global hectares (World Wide Fund for Nature, 2008). The sustainability goal is to increase the standard of living globally without increasing the use of natural resources beyond the carrying capacity of planet Earth.

According to the millennium development goals and the Brundtland Commission reports, a major breakthrough to achieving sustainability or sustainable development is the alleviation of poverty (Millennium Development goals, 2011) . In fact, poverty is one of the major causes of environmental degradation. In this regards, it is therefore very futile to tackle sustainability without addressing the broader issue of poverty reduction. People living in poverty tend to rely on the local ecosystem for the provision of their basic needs and services. According to the United Nations Poverty fund, there is a strong correlation between high fertility and poverty, and the world's poorest countries unfortunately have the highest fertility and population growth rate (United Nation Population Fund, 2011). There is a major debate between developed and developing countries on the use of natural resources to meet the need of their population. It is believed that developed countries over-exploited the planets natural resources to their benefits, and developing countries are of the view, they also have the right to use their natural resources to enrich themselves. This is creating major tension.

One major source of concern in terms of sustainability is human settlement. There has been a number of strategies aim at reducing over-exploitation in the context of human settlement. The first strategy is the creation of self reliance communities based on the principle of simple living. The principle of self reliance basically maximises self sufficiency in the context of food production. This principle in other words underpins the principle of bioregional economy (Sale, 2006). Secondly, there is the notion of reducing environment degradation by altering the built environment to come up with sustainable cities which promote sustainable transport. This principle is based on the fact that, residents living in compact environments tend to travel less, thereby reducing their environmental impact as compared to neighbourhoods with sparse settlements (Ewing, 2009). Another important principle on a larger or global scale is the principle of eco-municipalities (LaColla, 2009). The principle of eco-municipalities employs a systematic approach where each municipality includes a common principle of sustainability in their municipal operation. This process is participatory and it involves community members in a bottom-up approach.

II. What Is Social Impacts Analysis & Its Role In Achieving Sustainability

SIA's are much broader than the limited issues consider under Environmental Impact Assessment (EIA) such as job issues, demographic changes etc. SIAs are also much more intense than the prediction step of any assessment framework. SIA analysis consists of all issues that affect people either directly or indirectly. Vanclay (2002: 389) (building on Armour, 1990) identify the following classification of impacts:

- "People's way of life – that is, how they live, work, play and interact with one another on a day-to-day basis;
- Their culture – that is, their shared beliefs, customs, values and language or dialect;
- Their community – its cohesion, stability, character, services and facilities;

- Their political systems – the extent to which people are able to participate in decisions that affect their lives, the level of democratisation that is taking place, and the resources provided for this purpose;
- Their environment – the quality of the air and water people use; the availability and quality of the food they eat; the level of hazard or risk, dust and noise they are exposed to; the adequacy of sanitation, their physical safety, and their access to and control over resources;
- Their health and wellbeing – health is a state of complete physical, mental, social and spiritual wellbeing and not merely the absence of disease or infirmity;
- Their personal and property rights – particularly whether people are economically affected, or experience personal disadvantage which may include a violation of their civil liberties;
- Their fears and aspirations – their perceptions about their safety, their fears about the future of their community, and their aspirations for their future and the future of their children’’. (Vanclay 2002: 389).

Barrow (2002) made an important accession that a proper social impact analysis should at least include 3 primary elements. First of all, the particular social analysis being undertaken should be clearly defined and that it should include a clear social outcome to be achieved. Secondly, the social analysis should at least identify three basic indicators that will be in line or corresponded with the particular desired social outcome being undertaken. Thirdly, the social analysis should explain how the chosen indicator will be tracked during the entire stage of the said project.

The statement above is a very practical and proactive process which will help achieve sustainability when it is properly followed. This is because; it puts organisations under their toes and forces them to adhere to a particular standard of operation that will be of immense importance to themselves and to the protection of the environment as well as the future generations

III. Importance Of SIA

SIA is an important tool when properly applied can bring about a more sustainable development in Ghana and in fact any developing and developed country of the world. This is because the main aim of SIA is to bring about a sustainable socio-cultural, ecological and economically sustained environment. This process promotes community empowerment and development and builds capacity of local community. This is true because every project takes place in a local community and the communities’ participation and consent is highly needed in the design of any project. To come up with a sustainable project therefore, there will be the need to thoroughly engage the community, as they will feel a part of the said project being undertaken. This process will ensure that the said project is designed to suit the local condition of the community with sustainability in mind. Community involvement in the SIA process also affords the opportunity for policy makers to explain to the community the reason behind the development of such a project.

The focus of SIA is not just the identification or amelioration of unintended outcomes of a project but a proactive stance to development and better development outcome. This process enables communities to come up with development goals and also to ensure that positive aspects of the projects are enhanced. This can be a more important outcome than minimising harm from negative impacts. To come up with a development that is sustainable, there will be the need to develop a project that will enhance the positive development of a project and SIA is the best tool to ensure these requirements are met. The proactive stance to development taken by SIA ensures that projects that will promote the development of the community is undertaken. This is a huge step of ensuring sustainability in project.

SIA also ensures that biophysical, economic and social impacts are inherently connected, thus; a change in any one factor will cause a corresponding change in other factor. To ensure this equity, SIA develops an understanding of these impacts pathway that are formed when a change in one factor creates a change in another factor. This process ensures that during any changes, priority is given to changes that will cause greater damage. Thus, SIA is the right tool for ensuring a project is undertaken with sustainability in mind, because it incorporates the triple bottom line in projects and ensures that a project meets the needs of the current generations without compromising on the future generation. More importantly, SIA recognises the notion of cumulative effect, in that, a change in for instance the environment will have a reciprocal effect on the society (social) as well as the economy. This is a basic principle of sustainability and its implementations ensure a project meet the needs of the current without affecting the future generations.

SIA as a process is prone to growth and learns from experience. One factor of SIA is that it is adaptive in its processes in that, it learns from past project. That is; SIA’s analysis impacts that occurred as a results of past projects. This ensures that, the process learns from past project and becomes adaptive to future projects in terms of impact analysis and evaluation. Even though SIA is generally applied in planned interventions, the SIA process and method is also very useful in addressing important social events such as demographic change, epidemics and other disasters.

Let me be quick to emphasize here that, SIA's cannot be done by a single person or individual but requires a team approach. This is because SIA is basically an embodiment of every impact that affects human beings as well as the relationship between humans and their community and how they interact with biophysical, and economic as well as their social-cultural surroundings. SIA is basically impact assessment concerning people and every impact analysis has as its core principle, the promotion of human development. SIA therefore is a core principle in any assessment. In this regard, it can be said that SIA has a strong link with a variety of specialist subfields including the assessments of areas such as archaeological and cultural heritage impact, demographic impact, development impacts, gender impacts, economic impacts, mental health, infrastructure impacts, leisure and tourism impacts, social and human capital impacts as well as on political impacts such as human rights, governance, democratisation etc.

IV. The Role Of Poverty Impact Assessment In Promoting Sustainability

Poverty Impact Assessment (PIA) is defined by the Department of Social Inclusion as "the process by which government departments, local authorities and State Agencies assess policies and programmes at design, implementation and review stages in relation to the likely impact that they will have or have had on poverty and on inequalities which are likely to lead to poverty, with a view to poverty reduction" (www.socialinclusion.ie/pia.html). As discussed above, poverty is one of the main causes of environmental degradation as the poor tend to over depend on their local ecosystem for their basic needs and services. To better understand the poverty level of a particular community, there is first of all the development of a poverty profile

POVERTY PROFILE

Poverty profiles are analytical tools that summarize poverty related information and attempt to answer the following questions: "who are the poor, where do they live, what are the main characteristics of their poverty and finally, why are they poor" (Lok-Dessalien, 1999).

The information needed for the development of a poverty profile is normally from a country's policy framework and from service records and surveys. In as much as a poverty profile is formulated based on a specific community or country, there are generally three main steps that can be followed in formulating a poverty profile irrespective of where it is being formulated

1. Analyzing available information on poverty with the aim of answering the four questions on poverty profiles such as; who are the poor, where do they live, what are the characteristics of the poor and why are they poor.
2. Determining poverty trends; both short and long term
3. Relating this information to the assessment of the national, economic, social and institutional framework from the perspective of the poor

PIA basically improves decision making for development purposes. Ex ante Poverty Impact Assessment assists in modifying the design of interventions to improve pro-poor impacts by identifying key areas for monitoring and evaluation. PIA is also a process which actually helps policy makers to have a clear understanding of their intended and unintended consequences of their intervention. This process helps governments and their donor partners to understand that a good design of an intervention should have a direct effect on diverse social groups, actors and institutions including those not targeted by the intervention. Ex ante PIA helps donors and their partners understand and maximise the poverty reducing impacts of their interventions. It can identify interventions with high impact on poverty reduction and pro-poor growth as well as mitigating measures to protect the poor. PIA also involves people in different disciplines in its policy formulation because it involves government, donor agencies and other stakeholders. This approach helps save resource and designs interventions that will better help address their intended purposes and reduce negative consequences of interventions. This process also helps in strengthening the transparency and accountability of democratically elected government and it also encourages consistency of policy-making process across policy areas. PIA is more or less a stand-alone principle that assesses or analyses the poverty outcomes at project and programme level. Let me be quick to emphasize here that, PIA can also be used at the initial stages of sector or policy reforms to identify requirements for a full scale Poverty and Social Impact Analysis (PSIA). The PIA process thus reduces cost because a full PSIA is very expensive and in order to start with that process, the PIA can tell whether or not it is necessary to go that far.

V. Poverty And Social Impact Analysis (PSIA)

Poverty and Social Impact Analysis is an analytical tool that helps in analysing the social impacts of public policies with special emphasis on the vulnerable and poor in a society. PSIA uses ex ante analysis; that is, it is a tool that is used to predict an impact before the implementation of a policy. This therefore serves as an important tool that informs policy makers in their decision making process and their policy debates and dialogues.

PSIA helps governments to understand the impact that their policy have on the poor and vulnerable. With this prior knowledge, governments can formulate strategies to mitigate these negative feedbacks. PSIA also serves as a platform where individuals or groups that are most affected by governments policies can voice out their grievances and be heard.

VI. Case Study

Poverty and Social Impact Analysis of Electricity Tariffs in Ghana

At this point, I would like to use a case study to further buttress my points on PSIA. This case study was undertaken by the Energy Sector Management Assistance Program (ESMAP) in 2005. The Energy Sector Management Assistance Program (ESMAP) is essentially a kind of partnership between the World Bank and bi-lateral donor officials. It has been in existence since 1984. The core goal of the ESMAP is the reduction of energy through the promotion of energy to enhance economic growth in a sustainable manner without harming the environment. ESMAP works in developing, emerging and low income countries and it works to assist these countries to achieve internationally agreed upon development goals. The activities of ESMAP are concentrated in four key development areas, namely: renewable energy, energy security, governance and energy-poverty and market efficiency. They also provide interventions in knowledge areas such as the provision of free technical assistance, initiation of pilot projects, advisory supports, workshop and seminars, conferences and round table discussions as well as publications.

The government of Ghana in May 2003 put together a Ghana Poverty Reduction Strategy (GPRS) and during the process of the GPRS formulation, there was a proposal for the formulation of a Poverty Reduction Strategy Credit (PRSC). This seems right and in the process of the PRSC formulation, key stakeholders were consulted and it was agreed that for the PRSC to better address social and poverty issues affecting the ordinary Ghanaian, there is the need for a full scale Poverty and Social Impact Analysis to be undertaken. One key area or sector that will receive a full scale PSIA is the energy sector which has to deal with the issues of electricity tariffs. The World Bank agreed to sponsor this particular sector

Ghana as a developing country is facing serious problems in terms of electricity generation and the country is most of the time plunge into darkness. Due to this, anytime there is a tariff increase of electricity it is met with serious public criticism. Obviously, the public expect an efficient and constant power supply in correspondence to any price increase

From August 2002 to May 2003, there was a 72% increase in end-user electricity tariff in Ghana. Immediately after this, there was an enactment of an automatically adjusting tariff formula for electricity. These changes raised a lot of public concerns in Ghana and PSIA was initially proposed. However, after consultation with stakeholders the PSIA was narrowed down to whether the lifeline tariff (households consuming below 50 kWh per month receive a government subsidy) was an effective tool in protecting the poor from tariff increases and, on an indicative basis, to assess how consumers were coping with the higher tariffs. This analysis was very necessary, because the automated tariff formula at the time, will lead to an increase in tariff which will further put strain on poor and vulnerable Ghanaian.

This increase in electricity tariff was justified in that by 2002, the total fiscal drain of the electricity sector in Ghana has become very huge. For instance, in 2002 alone the three electricity companies in Ghana, namely the Electricity Company of Ghana (ECG), the Northern Electricity Department (NED) and the Volta River Authority (VRA) have deficit nearing 11% of the governments total spending. This totals about 4% of the country's gross domestic product which is approximately US\$204 million. It is interesting to note that, US\$124 million out of this deficit alone was accrue from interest and exchange rate losses. It was estimated that, these losses will increase to 17% of the total government spending in 2003. These are some of the actors that affected the quality of electricity being supplied to the general public

I should state categorically that, the issue of tariff adjustment is not a new phenomenon. In fact, between 1994 and 1997, the Government of Ghana has increase electricity tariff a couple of times to reflect changes basically in exchange rate and fiscal deficits. However in May 1997, an increase of electricity tariff of over 300% triggered nationwide protest with the Association of Ghana Industry (AGI), Trade Union Congress (TUC), and the Civil Servant Association (CSA) at the forefront of the protest. In response to the nationwide protest, draft legislation was promulgated to establish an independent regulatory body that will oversee utility increases in the country. The Public Utility Regulatory Commission (PURC) bill was promulgated and this bill became law shortly after when an eight member committee was sworn in.

Ghana's residential tariff system is based on the level of consumption of electricity and the lowest group known as the lifeline are those who consume 50KWh per month or less. Those who consume at this lifeline level are presume to be the poor and vulnerable. The Government of Ghana therefore implemented a subsidy measure to lessen the amount of tariff those groups of people will pay. When the automatic adjustment formula was set out in 2002, the Government of Ghana accordingly increased the subsidy to augment or cushion this increase.

Like most policy problems, the PSIA process began first of all with stakeholder consultations. The committee responsible for undertaking the PSIA process was headed by the Minister of Energy who doubled as the chairman of the committee, Chief Executive of the National Development Planning Commissions and lastly the Minister of State and Economic Planning. To ensure transparency and accountability, the Volta River Authority which is a government owned electricity generator was tasked with monitoring the PURC and the GPRS process.

Ghana has three ecological areas namely the coastal zone, the savannah zone and the forest zone. The fieldwork for this project was therefore mapped out based on these ecological zones; thus, Accra, Northern Ghana and Kumasi (Ashanti Region) of Ghana were selected respectively. Those interviewed were selected from the database of the ECG based on consumption, current bill and arrears.

Most Ghanaian's live in compound houses. Compound house is where four or five houses are located on the same piece of land, usually the residents share the same toilet and bathroom, kitchen as well as electricity and water. Policy makers were therefore worried that the residence of compound houses may not fully benefit from lifetime tariffs decrease though they were among most vulnerable and were included during the research and analysis phase.

The methods used were used:

- Intense group discussion with people residing in compound houses, rural as well as peri-urban dwellers
- In order to access how people react to tariff increases, secondary or existing data from a 1990/1998 Core Welfare Indicator questionnaire was analysed
- There was also a quantitative survey which was administered to urban, slum, compound house dwellers and to landlords
- There was also an interview with key stakeholder groups such as district technical offices of ECG, NED officers, commercial consumers, disconnected consumers as well as producers of alternative energy producers (LPG, fuel wood, solar, kerosene etc. Illegal consumers of electricity were also not left out of the interview process
- Finally, financial analysis was undertaken using the utility's base financial model

By 1998/1999 Ghana was able to reduce its poverty incidence drastically by 42% and this was a rare achievement in terms of poverty reduction. This drastic reduction was due in part by a massive economic growth rate of around 5% by the end of the 1990's. Unfortunately this poverty reduction was not uniform as the savannah belt of the country (Northern Region, Upper East, and Upper West) saw absolutely no increase in growth. According to Demery (2003) the Northern Region, Upper East and Upper West of Ghana has the lowest opportunity to access electricity, water and proper health care facilities. From these reflections, poverty in Ghana largely remains rural phenomenon with 80% of the poor living in rural areas

The first assumption made during the PSIA process was if the poor indeed have electricity or not. This is to test whether the lifeline tariff reduction is really targeted or being benefited by the poor. A review of the national household survey however shows otherwise. It showed that those who fall below the poverty line and residing in rural areas unfortunately do not have access to electricity. It was found that, the percentage of poor people who uses electricity for lightening is only 7% while those who use kerosene are astonishingly 95%. Also about 54% of poor people residence in urban areas uses electricity for lightening. In summary therefore, rural people in general are much more affected by an increase in kerosene price than an increase in electricity because they rely less on electricity. The PSIA further found that, the electricity gap in the three Northern Regions of Ghana are the widest even though there is an existence of Self Help Educational Program (SHEP) that is meant to provide very low electricity connection fee to rural areas within 20km of the network.

The second issue the PSIA process probe was whether those falling within the life line were actually poor National Survey did not however show those that fall within the life line band, therefore the PSIA researchers turned their attention to other factors such as income and poverty even though these factors may not be directly related to electricity. During the PSIA analysis, it was found that though the lifeline tariff may reach all poor households but approximately half of those electricity may find their way somehow into households that falls above the poverty line. Moreover, available KITE data also made an astonishing findings that showed that lifeline consumers may not be as vulnerable as were thought, that is, they are no more missing meals or selling their assets and secondly, vulnerable customers that is, customers who are unable to afford their children school fees, selling their assets to make ends meet, were equally likely to be consuming electricity above the stipulated life line. There is therefore no statistical difference between consumers who are vulnerable and those that are not vulnerable. It was therefore acknowledged that at the present, the lifeline tariff is an imperfect tool that can be employed to reach poor customers who uses electricity.

The following findings were found out during further discussion with stakeholders about these preliminary findings by the PSIA process:

- Lifeline customers consume only 2% of residential consumption and therefore financial cost from the lifeline is quite insignificant
- Originally, the introduction of the lifeline was not due to poverty reduction but just to minimise administrative cost of dealing with small accounts. Furthermore discussion with technical committee members showed that they are not particular willing to further lower the lifeline
- Finally, it was realised that households that are currently benefiting from the lifeline shows no statistically difference related to poverty in comparison with non-lifeline electricity consumers - this was true even of those at the lower end of the lifeline consumption bracket. Thus, while it is true that on a unit basis those at the lower end of the lifeline pay less, the larger poverty issues are that many who could do not take advantage of the lifeline, instead ending up in arrears or disconnected, and the majority of the poor do not have access to electricity.

This was a meaningful research and perhaps the most important findings from this PSIA analysis is the awareness of the existence of a lifeline tariff among residential electricity consumers. It was found out that the level of awareness among rural consumers was very low probably due to illiteracy and lack of information. Urban dwellers showed a better knowledge of the existence of the lifeline. Further findings also indicated that, among those who have knowledge of the lifeline, only half of them adopt a difference lifestyle so as to benefit from this lifeline. The best lifestyle they assume is predominantly the reduction of the use of electricity for lightening and nothing else

At the end of the PSIA analysis a couple of findings were made by the steering committee and they concluded that the lifeline tariff is an inadequate tool of addressing the between 5% to 20% vulnerable residential electricity consumers. They also found out that the current rate of the lifeline subsidy of about 1% of the ECG total revenue and therefore there is no motivation to follow this up and finally they made the accession that utility companies should promote public education on the reason why tariffs are increasing to prevent public agitations during such increases and that they should also educate the public on ways of saving electricity to help avoid the loss of electricity through careless usage.

VII. Conclusion

PSIA is an important tool that promotes sustainability in every respect. It does not only address poverty and social issues for the current generation, but also considers the future generation as well. The PSIA process involves various stakeholders and this promotes cohesion and ensures the project being undertaken goes a long way to benefit the community or people it is to serve. In the case study I have summarised above. The Government of Ghana thought it is helping their poor in terms of tariff reduction, but after the PSIA analysis it was found out that, the poor are actually not benefiting from the lifeline subsidy of electricity. The PSIA process also goes a long way in ensuring proper policies are formulated. After the PSIA analysis in Ghana for instance, the World Bank used the findings in the PSIA analysis to plan poverty reduction interventions focusing on the three Northern Regions.

Poverty and Social Impact Analysis is an important sustainability tool that ensures poverty and social issues in a community or country is adequately taken care of. It consider wider and bigger issues that EIA fails to address. A clear case study has been given above of how it is being applied. It will therefore be prudent for Governments and Non-Government Organizations to incorporate PSIA in their policies and programmes to ensure sustainable development in every context of the economy. We the current generation has a duty of care to make sure we leave behind a planet that is clean and safe with better opportunities so the future generation will not have to suffer for our actions and inactions.

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