Solomon Islands: Tina River Hydropower Project

Project Name	Tina River Hydropower Project	
Project Number	50240-001	
Country	Solomon Islands	
Project Status	Proposed	
Project Type / Modality of Assistance	Grant Loan	
Source of Funding / Amount	Grant: Tina River Hydropower Project	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 12.00 million
	Loan: Tina River Hydropower Project	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 18.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development	
Sector / Subsector	Energy - Large hydropower generation	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description		
Project Rationale and Linkage to Country/Regional Strategy		
Impact		
Outcome		
Outputs		
Geographical Location	Nation-wide	
Safeguard Categories		
Environment	А	
Involuntary Resettlement	А	
Indigenous Peoples	C	

Summary of Environmental and Social Aspects

The project has been classified as category A for the environment following ADB's Safeguard Policy Statement Environmental Aspects (2009). An environment and social impact assessment has been prepared and disclosed on ADB's website. Aquatic and terrestrial flora and fauna and habitat surveys and impact assessments were conducted, and project-affected communities were consulted extensively. The main potential environmental impacts during construction are increased sedimentation, the inundation of 30.5 hectares (ha) of the reservoir, the removal of 115 ha of modified and natural habitat, and minor impacts on fauna. The main potential impacts during operation are induced impacts on terrestrial flora and fauna from increased human access to the upper catchment, and impacts on aquatic fauna due to reduced water flow in the bypassed river section. The SPC will prepare and implement a biodiversity management plan targeting no net loss of biodiversity for identified species, including an offset program to rehabilitate modified habitat. The project design includes an environmental flow of 1 cubic meter per second in the bypassed river section. The SPC will update the environmental and social impact assessment, environmental and social management plan, and other management plans as required in the environmental and social impact assessment. The TRHPO will monitor and supervise compliance with the approved environmental and social management plan during construction. A climate change risk evaluation was conducted and the findings considered in the project design.

Involuntary Resettlement	The project is classified as category A for resettlement following ADB's Safeguard Policy Statement. The government has acquired 428.8 ha of customary land for key project infrastructure using compulsory acquisition. The project will have an economic impact on tribal landowner groups and users mainly due to a lack of access to commercial timber and non-timber resources, although there will be no physical displacement. ADB confirmed that the land acquisition processes for the core land meet the safeguard policy requirements of the government and ADB. Although the appeals period has ended, compensation has been formally agreed upon, funds have been disbursed to a trust account, and the land title has been transferred to the lands commissioner, two of the five landowner groups have not yet accepted compensation. The benefits package includes royalties and the establishment of a benefit-sharing mechanism. Approximately 32.6 ha of private land has yet to be acquired for a power transmission corridor. A land acquisition and livelihoods restoration plan will provide compensation and benefits to affected persons, and the plan has been disclosed on ADB's website. Although the Policy on Indigenous Peoples has not been triggered, all necessary measures to minimize adverse impacts on tribal communities are consistent with ADB requirements and in place. The SPC will implement a community development plan, overseen by TRHPO and supported by safeguard specialists.
Indigenous Peoples	The project is classified as category C for indigenous peoples following ADB's Safeguard Policy Statement.
Stakeholder Comm	nunication, Participation, and Consultation
During Project Design	The TRHPO has prepared the Stakeholder Engagement Policy (SEP) dated April 2017, which outlines the proposed communication strategy with stakeholders. A Consultation and Participation Plan (CPP) will be prepared based on the strategy and will detail consultation activities to be undertaken at different stages of the project cycle. The CPP will includes proposals to strengthen civil society participation. The CPP will include: a stakeholder analysis, a communication strategy (for disclosure, information sharing and community feedback), and an outline of resources to be allocated. Key stakeholders such as affected people, community members, women, and low-income householders, as well as provincial government officials, politicians, government staff, traditional leaders and any civil society organizations will be consulted throughout the project cycle.

During Project Implementation

Business Opportunities

Procurement Engineering, procurement, and construction and operation and maintenance contracts. The SPC will engage an EPC contractor to construct the Tina River Hydropower Plant and access road under an EPC contract. The TRHPO will engage an owners engineer to supervise the EPC contract, and the SPC will engage a contractor to operate and maintain the plant and access road. Solomon Power will be responsible for procuring contractors to construct the transmission line. Drafts of the EPC and O&M contracts have been negotiated, but have yet to be finalized.

Responsible ADB Officer	Maxwell, Anthony
Responsible ADB Department	Pacific Department
Responsible ADB Division	Transport, Energy and Natural Resources Division, PARD
Executing Agencies	Ministry of Finance and Treasury P.O. Box 26 Honiara, Solomon Islands

Timetable	
Concept Clearance	24 Mar 2017
Fact Finding	29 May 2017 to 02 Jun 2017
MRM	07 Jul 2017
Approval	-
Last Review Mission	-
Last PDS Update	28 Sep 2017

Project Page	https://www.adb.org/projects/50240-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=50240-001
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