

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: 89026

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Project Name	Community Governance and Grievance Management Project
Region	East Asia Pacific
Country	Solomon Islands
Sector	Public Administration, Law and Justice
Lending Instrument	Small Recipient-Executed Trust Fund Grant
Project ID	P147005
<i>{If Add. Fin.}</i> Parent Project ID	
Borrower(s)	Solomon Islands Government
Implementing Agency	Ministry of Provincial Government and Institutional Strengthening
Environmental Screening Category	B
Date PID Prepared	2 June 2014
Estimated Date of Appraisal Completion	18 July 2014
Estimated Date of Board Approval	N/A
Decision	N/A
Other Decision <i>{Optional}</i>	N/A

I. Country Context

While there has been substantial economic and political progress in Solomon Islands since 1998, the underlying causes of the civil conflict remain largely unaddressed. A decade after the initial deployment of the 15 nation Regional Assistance Mission to Solomon Islands (RAMSI), basic security and core state institutions have been restored, several mostly peaceful political transitions have occurred, and GNI per capita has risen from USD \$1740 in 2002 to US \$2170 in 2013. However, the underlying causes of civil conflict between 1998 and 2003 remain largely unaddressed and in some instances are becoming more pronounced. Income per capita remains below 1998 levels, a viable model for service delivery and political representation remains elusive and there are marked geographic disparities in access to security, livelihoods and services. Future sources of growth are likely to concentrate in the capital, Honiara, or around natural resource enclaves and thus compound grievances about unequal livelihood prospects. While revenues from logging, the mainstay of the economy since the 1990s, are projected to flatten off, prospective investments in mining will likely outstrip the regulatory capacity of public authorities.

There is a widespread perception that since independence in 1978 the state has been steadily ‘retreating’ from rural Solomon Islands. With the suspension of the lowest level of government, Area Councils, in 1998, governance arrangements that provided a modicum

of political representation, administrative presence and adjudication of disputes below the provincial level have been withdrawn. The country's archipelagic nature, dispersed settlement pattern and low population density make communication costly and time consuming—and thus neither regular nor reliable. Although this is changing with the expansion of mobile phone coverage, this does not alleviate the challenges posed by geography on the state's ability to project its authority and services. The structures of colonial authority that are remembered with some nostalgia—the courts, police, and local-level institutions that provided some degree of representation and administrative outreach—are no longer present in rural areas. Nor have local authorities (of a chiefly, religious and customary nature) in many places been able to adequately substitute. Reliable surveys of attitudes to public authorities—whether of state, chieftainship, custom or religion—indicate that while the situation is variable across the country, many people feel these are 'broken', perhaps irredeemably.

Moreover, a political reordering is occurring in Solomon Islands, which is changing the ways that state authority is being projected at the local level. Under the guise of 'decentralization', this has favored the central political executive while at the same time increased the political significance of fragmented rural parliamentary constituencies. Sub-national government, comprised of nine provincial governments, suffers from chronic fiscal and administrative weaknesses, and their mandate is contested by central government politicians who collectively control a growing share of public wealth through discretionary Constituency Development Funds (CDFs). Although the central government retains responsibility for service delivery, health, education, justice and policing are heavily augmented by aid flows and technical assistance and it has proven difficult to positively impact on the political accountability of elected leaders for these and other core government functions.

A substantial reallocation from central administrative budgets to CDFs has occurred over the last three years. This accords with strong desires to decentralize economic development, arrest urban growth, and distribute the rents and returns from development to people more directly. It is increasingly welded to popular norms (e.g., the need for direct links between 'the village' and the center, and familiar 'big man' leadership) and has largely garnered bipartisan support in parliament and across generations of politicians, but locally, competition around access to these and other forms of development funding are potential sites of conflict.

II. Sectoral and Institutional Context

World Bank analytical work has documented the stresses arising from economic transformation and political reordering and how these are outstripping the capacity of public and community institutions to handle grievances and disputes, and the impact this has on economic development, welfare and social cohesion across the country. As expressed by rural Solomon Islanders, who account for 80 percent of the country's population, these grievances and disputes relate to, or are generated by, three kinds of problems:

- (a) **The regulation of market transactions, in particular those involving land and the commodification of natural forests,** is the single most significant predictor of

community cohesion and disharmony. Community expectations at the time the deal is negotiated often bear little or no relation to what happens subsequently. This is not simply due to a lack of information about the environmental, social and other consequences of exploiting community assets—that is, factors that might be remedied by information, procedural advice or legal aid. More significantly, it is due to the fact that local leaders—predominantly chiefs and relatively educated men—actively collude with investors and government officials to blur accountabilities, so as to create socially exclusive compacts. Additionally, is the difficulty of monitoring the terms of the deal, and reviewing, amending or triggering any kind of corrective measure to deal with inequities. Recent analytic work predicts that an anticipated upsurge in mining will intensify contestation about how benefits and costs are distributed, and similarly threaten the viability of this source of future economic growth.

(b) **Disputes around accessing and spending royalties, rents or access fees feed directly into rising *social order* problems.** Social order problems include: the increasing prevalence of drugs and alcohol in communities and the frequent violence accompanying their use; the disintegration of long-standing norms about marriage and obligations between men and women, particularly adultery and domestic violence; and the changing relationships between youth and elders. While this is a consequence of globalization and rapid rural change everywhere, in Solomon Islands, the pace of social disintegration is amplified by the involvement of chiefs and local leaders in drugs and alcohol and disputes relating to land and natural resource transactions. Though unresolved disputes are socially corrosive everywhere, most toxic are those that leave people feeling that time-honored *kastom* institutions responsible for social order receive very little trust and respect.

(c) ***Competition for development spending.*** Grievances and disputes arise in response to perceived geographic inequality, and as a consequence of the multiple ad hoc channels through which public resources, including aid, are spent. Analytic work by the Bank has revealed that access to services and opportunity is indeed highly uneven across the country, within islands, and even within Honiara, where many go precisely because things seem better there. As the gap between service standards and expectations has further outstripped the performance of mainstream line ministries, national politicians, donors and NGOs have created arrangements to direct and spend funds in parallel to the core government machinery for service delivery. The combined effects of unrealized expectations and fragmentation of spending instruments—ranging from rapidly growing CDFs to aid-funded projects—has greatly intensified ongoing disputation in ways that severely hamper development effectiveness and heighten conflict.

National Parliament consists of 50 Members of Parliament (MPs) elected from single-member constituencies. The country's nine provinces nominally provide the most proximate level of political representation, with elected members (MPAs) each representing a single ward (of which there are 172 across the country). Collectively, MPAs from each province form a Provincial Assembly. The Ministry of Provincial Government and Institutional Strengthening (the MPGIS) is primarily responsible for administering the

Provincial Government Act 1997 to ensure effective, efficient, and accountable provincial government.

There is widespread dissatisfaction with the ability of local authorities or government agencies to provide fair, timely or enforceable resolution of disputes. Local authorities (including chiefs, a variety of village committees, church leaders and church/chiefly collectives) and government agencies (including line ministries responsible for regulating economic transactions, development spending, and the courts and police) are, in many instances, failing to address these disputes and this is undermining their legitimacy. Most citizens want to see the capability and legitimacy of public and local authorities reasserted in conjunction with more effective linkages between local and state institutions providing the primary venues through which disputes can be handled.

While these problems manifest at the community level, it is a mistake to see these simply as ‘local’ disputes. This is most evident in respect of land and natural resource conflicts, and competition around aid and public spending where local actors are competing to control linkages with external players—investors, donor representatives, political leaders—and opportunities including discretion over spending, loyalties and networks, or jobs and livelihoods. However, the entanglement of local leaders, particularly chiefs, in these fractious disputes has diminished their credibility, and thus their effectiveness in resolving local disputes.

The institutional context varies considerably across Solomon Islands. The disconnect observed between local and state institutions, the fragmentation of institutions, and the extraordinary degree of gender bias are characteristic nationwide. But how social contests around these three kinds of dispute are handled varies greatly between communities, islands and provinces. In locations in close proximity to the provincial capital, administrative officials, the police and, to some degree, the courts, may play a greater role – although, despite some nostalgic memories about how these institutions functioned during the colonial period, it cannot be said that citizens have confidence in the police, or that the courts are relevant in everyday dispute resolution. In several provinces there exists a range of province specific arrangements that interweave chiefly, *kastom*, administrative and religious sources of legitimacy. Responses seeking to work in this space need to take into account this variation and require considerable local ‘tailoring’ so as to integrate with specific local governance arrangements.

It is against this backdrop that a new institutional form, ‘Community Officers’, was introduced by Solomon Islands’ police in around 20 communities across the country in late 2009. The ‘Community Officer pilot’ involved the selection and appointment of individual male community members, typically of some standing, to act in a quasi-policing role, working closely with local authorities in support of their dispute management role and acting as a link with local police. The pilot, evaluated by the Bank in 2012, has since ceased functioning owing to a number of fundamental design problems and a lack of support. The Community Governance and Grievance Management project builds on the lessons of the earlier police-led efforts. It is envisaged that disputes around the three sets of problems detailed above comprise the potential scope of engagement by Community Officers, although

their greatest potential influence will entail addressing issues that have origins in the ‘local’, such as the growing social problems that many communities are facing.

III. Project Development Objectives

The Project Development Objective (PDO) is to strengthen community grievance management capabilities and enhance the effectiveness of linkages with government in targeted communities.

IV. Project Description

The project will initially begin in two provinces, and will be extended to a further two provinces by the end of the project. Within each province, it is anticipated that ten communities will be selected in the first year of participation and an additional ten communities will be selected in the second year of participation, in which Community Officers will be recruited. Communities will be selected by participating provincial governments based on factors including accessibility, willingness of communities to host Community Officers, existing community institutions with which the Community Officer would work, population coverage and similar ongoing assistance from other donor-financed programs.

The three components of the project are:

Component 1: Revitalizing Government-Community Linkages

The objective of this component is to revitalize linkages between government and target communities. Both provincial and central governments regard Community Officers as valuable in supporting and strengthening their outreach and extension activities. Necessarily, given the role of the Community Officers, this will be achieved primarily through working with relevant departments of participating provinces, but linkages will also be fostered with central government agencies responsible for policing, land and natural resources and development financing. This objective will also be achieved by assisting provincial governments to fulfill key responsibilities associated with the selection, contracting, remuneration, coordination, reporting, performance management and supervision of Community Officers.

A feature of the component will be a facilitated process of working with participating provinces to engage with communities in order to reach a common understanding around how Community Officers’ work will be tailored to the local context and how Community Officers will interact with relevant community institutions and actors and with government authorities. Through this process, it is expected that provincial staff, assisted by the project, will assess the most significant problems facing communities (including the nature of disputes, and gender-specific issues) and how well existing mechanisms are responding to these issues. Agreement would then be reached around where Community Officers ‘fit in’: who they interact with locally, what disputes and grievances they would focus on, how they are expected to behave and what kinds of accountability, locally and with government, should be defined, so as to tailor the Community Officers’ activities to

particular contexts. As part of this process, the provincial staff, assisted by the project, will collect baseline data on existing use of community grievance mechanisms and community satisfaction with the management of grievances by these mechanisms and existing levels of government-community linkages.

This component would also support the provinces to raise public awareness of the roles and responsibilities of Community Officers in the context of existing community governance arrangements; and formalize systems to ensure that Community Officers, local interlocutors and provinces are held accountable for their actions, including mechanisms for community feedback and grievance redress. Under this component, the relevant provincial department will be provided with the necessary office and communication equipment to enable them to effectively carry out their roles.

Component 2: Strengthening the Capabilities of Community Officers and Local Authorities

The objective of this component is to ensure that Community Officers and the local actors with whom they interact are adequately equipped with the knowledge, skills and tools to perform their agreed roles. To ensure the relevance and impact of capacity development investments, it is envisaged that the project will employ a learning-by-doing approach through the provision of short-term training and on-the-job mentoring. This will be planned and implemented by the MPGIS in collaboration with provincial authorities. The development of a standard training package will be a feature of this component. Training will principally be delivered through regular support and supervision visits to host communities involving a number of provincial and national officials. In addition, group training events will take place in provincial capitals involving all Community Officers within the province. Certain training activities will be extended to include relevant provincial government staff, civil society including local actors (eg. chiefs and leaders), and local representative bodies that exist in some provinces such as Ward Development Committees and Councils of Chiefs.

A mechanism for sharing lessons learnt across provinces (and potentially with neighboring countries, e.g. Bougainville/PNG) will be supported, for example by cross-provincial visits and joint review activities. Job-related equipment (eg. uniforms, mobile phones/two-way radios, office supplies) will be provided to Community Officers under this component to enable them to effectively undertake their roles and apply the skills promoted under the project.

Component 3: Project Management

The objective of this component is to provide support to MPGIS to effectively implement the project, to ensure that it is carried out in accordance with government and Bank processes and guidelines. The component will be the responsibility of MPGIS and will include: (i) the management of the project, including technical, financial, procurement, social and environment safeguards, monitoring and evaluation, communications, and grievance redress; (ii) project monitoring and reporting, periodic, at mid-term and completion; and (iii) annual project audits and performance reviews.

V. Financing

Source: Australian Department of Foreign Affairs and Trade (\$US3.08)
Recipient: Solomon Islands Government

Total
[3.08million]

VI. Implementation

The implementing agency, the Ministry of Provincial Government and Institutional Strengthening (MPGIS), will be responsible for the overall coordination and implementation of the project at the national level. The project will operate through a Project Management Unit (PMU) established within the Governance Division of the Ministry with the Permanent Secretary of the MPGIS acting as Project Director. The PMU will be staffed by a full-time Project Coordinator, a Finance Officer and a Community Outreach and Training Specialist. Other specialized technical assistance will be engaged as required (eg. monitoring and evaluation adviser, procurement officer, training curriculum specialist). Project staff will work jointly with staff of the Governance Division in carrying out proposed project activities.

Responsibilities of the MPGIS will include: strategic planning; monitoring and evaluation; the procurement of goods and services; financial management; developing and coordinating training and supervision activities and intra-governmental policy dialogue. The Bank will assist the MPGIS in meeting its fiduciary requirements, including training staff in Bank procurement/consultant guidelines.

Provincial governments—as the most proximate level of government to Community Officers—will be responsible for meeting the recurrent staffing costs of Community Officers and for playing an oversight and support role for Community Officers within their province. In relation to the first two provinces, the Community Governance and Social Services Division of Makira Ulawa province and the Office of the Provincial Secretary in Renbel province, will be responsible for implementation of the proposed project at the provincial level. Provincial Coordinators have been identified by provinces for the project – the Head of the Community Governance Division in Makira Ulawa province and the Deputy Provincial Secretary in Renbel province. Both officers will act as the project focal points in their respective provinces. Their main responsibilities will encompass: reviewing and consolidating reports received from individual Community Officers; drafting job descriptions for Community Officers in their province; organizing and undertaking periodic in situ supervision/training visits, organizing and facilitating provincial-level training activities, monitoring the performance of individual Community Officers, reporting on Community Officer performance to the Provincial Secretary and overseeing the project feedback and grievance redress mechanism. In many instances these responsibilities will be carried out in partnership with the MPGIS.

Formally, Community Officers will ultimately be answerable to Provincial Secretaries who will make decisions in relation to their engagement, discipline, dismissal and renewal of contract, and will be responsible for facilitating the linkages with other provincial departments.

VII. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Piloting the Use of Borrower Systems to Address Environmental and Social Issues in Bank-Supported Projects (OP/BP 4.00)		√
Environmental Assessment (OP/BP 4.01)	√	
Natural Habitats (OP/BP 4.04)		√
Pest Management (OP 4.09)		√
Physical Cultural Resources (OP/BP 4.11)		√
Involuntary Resettlement (OP/BP 4.12)	√	
Indigenous Peoples (OP/BP 4.10)	√	
Forests (OP/BP 4.36)		√
Safety of Dams (OP/BP 4.37)		√
Projects in Disputed Areas (OP/BP 7.60)*	not eligible for piloting under OP 4.00	
Projects on International Waterways (OP/BP 7.50)	not eligible for piloting under OP 4.00	

VIII. Contact point at World Bank and Borrower

World Bank

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* By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas

Implementing Agency

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