



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

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**I. BASIC INFORMATION****A. Basic Operation Data**

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P508550	Investment Project Financing (IPF)	PHIT	2026
Operation Name	Pacific Healthy Islands Transformation project		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
PNG & PI	Fiji, Kiribati, Tonga, Tuvalu	EAST ASIA AND PACIFIC	Health, Nutrition & Population
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Ministry of Finance and Economic Development, Ministry of Finance and Economic Development, Ministry of Finance, Ministry of Health and Medical Services, South Pacific Community, Ministry of Finance, Strategic Planning, National Planning & Development	Ministry of Health and Medical Services, South Pacific Community, Ministry of Health and Social Welfare, Ministry of Finance, Strategic Planning, National Development and Statistics, Ministry of Health	16-Jun-2025	28-Aug-2025
Estimated Concept Review Date	Total Project Cost		
30-Jan-2025	290,000,000.00		

Proposed Development Objective

Improve access to quality health services within Pacific Small Island Developing States, with a focus on NCD prevention and control.



B. Is the operation being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project Activities

Pacific Small Island Development States (SIDS) experience some of the highest rates of non-communicable diseases (NCDs) globally, leading to significant overall mortality and acquired disability. In isolation, small island states cannot achieve the scale needed to meet and mitigate the negative health outcomes and disabilities that impact the working-age population and hurts the economy in the long-run. The proposed Pacific Healthy Islands Transformation project (PHIT, pronounced “fit”), is a transformational investment to strengthen resilience and improve access to comprehensive quality health services within the region, with a focus on NCD prevention and control. It will serve as a regional platform for enabling scalable solutions for improved access to integrated, quality healthcare services, with regional centers of excellence for telehealth, improved continued medical education and workforce accreditation as well as regional capacity building and learning for sustained health systems improvements. All elements are inter-linked, aiming to address the evolving demographic and epidemiological shifts across the life course. The PHIT project is the Pacific flagship to advance the World Bank goal to expand affordable health services to 1.5 billion people by 2030.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

Pacific Island Countries (PIC) have reached catastrophic levels of non-communicable diseases (NCD), which cause the majority of overall mortality and disability in the Pacific. Healthcare systems in PIC are neither appropriately structured nor equipped to prevent and manage the alarming disease burden. In isolation, small island states cannot offer the services needed to meet the population disease burden. The project will serve as a regional platform for improving health outcomes.

Fiji serves as a crucial medical hub in the region. The project will initially focus on Fiji, Tuvalu and Kiribati with the potential to include other PICs. Tuvalu and Kiribati are fragile states with modest economies, vulnerable to extreme weather events due to their low-lying coastal locations. Fiji, recognized as a biodiversity hotspot, faces threats from pollution, deteriorating water quality, deforestation, and other anthropogenic activities.

Project beneficiaries: i) PIC healthcare workers through training, improved coordination and upgraded medical and digital equipment and facilities; ii) PIC rural urban and remote island communities; iii) PIC patients and healthcare workers who access specialist referral services; iv) teaching hospitals and academic institutions. The implementation of PHIT benefits all members of Fiji’s population and generates significant regional benefits, particularly to PICs that depend on Fiji for healthcare building and access to specialized health services.

This project will support the following activity typologies: i) refurbishment, relocation, and construction of healthcare facilities; ii) capacity building for healthcare professionals and wellness initiatives for PIC communities; iii) digital infrastructure to improve ICT connectivity across public health authorities and facilities; iv) scale-up community outreach programs and data collection systems; and v) technical assistance to support design packages for healthcare services.



D.2 Overview of Borrower's Institutional Capacity for Managing Environmental and Social Risks and Impacts

Project implementation arrangements are complex involving three government departments and one regional organization. The Fiji Ministry of Finance (MOF) will likely serve as the Executing Agency. Pacific Community (SPC) will oversee regional coordination as a Project Management Unit (PMU) with Project Implementation Units (PIU) to be established within the Ministry of Health in Fiji, Kiribati and Tuvalu. PIUs will oversee day-to-day execution and oversight.

All participating countries have existing WB health projects and associated PIUs. SPC is also experienced with WB-financed projects. Nonetheless, existing PIUs in these countries are already at capacity and will require strengthening to manage current workload and the additional scope of this project. Moreover, despite that Fiji, Tuvalu, Kiribati, and SPC have experience implementing WB-financed projects and managing E&S risks, applying the ESF has historically been challenging due to capacity and system limitations in past operations.

During preparation the project will assess the PMU and PIU capacity to manage E&S risks per the ESF. PMU E&S Specialists should be recruited at the earliest and tasked with managing the consultancy that will prepare E&S instruments during project preparation, as well as conducting E&S screening and assessment of all project activities. E&S staffing arrangements will need to be discussed with Tuvalu and Kiribati, where investments in physical infrastructure are expected to be minimal compared to Fiji. Following further discussions the project will identify the types of activities and appropriate staffing arrangements regarding E&S staffing to the PMU and PIU. Capacity needs and TORs will be determined and prepared during the appraisal stage.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Substantial

A.1 Environmental Risk Rating

Substantial

The project is anticipated to generate long-term positive environmental and social impacts by modernizing and equipping health services, thereby promoting healthier living and enhancing the quality of life. These environmental risks are rated as 'Substantial' due to the potential scale and magnitude of certain project typologies, as well as the uncertainty surrounding specific activities and locations not only in urban, rural and remote areas in Fiji, but also Tuvalu and Kiribati. The primary environmental risks and impacts are predominantly associated with infrastructure investments in Component 1, which may encompass refurbishments, relocations, and new constructions of healthcare facilities. Identified risks and impacts may be direct, indirect, and cumulative, including dust, noise, erosion, sediment control, hydrocarbon spills, resource consumption, waste generation, worker health and safety, and hazardous waste disposal (e.g., infectious waste, asbestos, and contaminated oil). However, it is expected that the potential environmental impacts will be site-specific, predictable, and manageable through standardized environmental and social risk management practices. Under components 1 and 3, the project through various technical assistance will build the capacity of the health workforce, strengthen key clinical and management systems, and support the establishment of centers of excellence and learning across the region. No negative environmental



impacts are anticipated, instead these activities are likely to have downstream positive impacts, building a modern and resilient health system in the region.

Substantial

A.2 Social Risk Rating

The proposed project aims to deliver substantial social benefits to populations in Fiji, Kiribati, Tuvalu, and other PICs through technical assistance, capacity building, and infrastructure investment in the regional health care sector. Technical assistance will support regional coordination of primary health care services, patient data management, and workforce planning. Capacity building will target PIC health workers and communities through specialist training, wellness initiatives and support for implementing agencies. Infrastructure investments include renovation/expansion of Fiji's CWM hospital, renovation and new health centers and nursing stations in Fiji, Kiribati, and Tuvalu, and upgrading digital and medical equipment and infrastructure. These activities seek to improve health indicators in urban, rural, and remote populations across the South Pacific region. Initial social risk screening indicates the project will have 'substantial' social risks and impacts, which are temporary, predictable, and reversible in nature. Social risks associated with increased movement of medical students and patients domestically and internationally include the potential for SEA/SH, the spread of infectious diseases, exclusion of vulnerable groups and medical data breaches. Social risks associated with civil works include those relating to land access and use including the potential for physical or economic displacement, poor stakeholder engagement, labor influx and or inadequate worker protocols resulting in social tensions, increased incidents of SEA/SH and the spread of STDs. The project's capacity to manage social risk per the ESF is considered weak due to the projects complex implementation arrangements and PIUs track record. To mitigate these risks, the project will prepare framework instruments to guide country level plans: an ESMF, a LMF, and SEF. An ESCP will enforce commitments to SEA/SH actions and land use screening.

B. Relevance of Standards and Policies at Concept Stage

B.1 Relevance of Environmental and Social Standards

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts

Relevant

Key E&S risks and impacts associated with the proposed infrastructure investments include direct, indirect, and cumulative effects like dust, noise, sediment control, hydrocarbon spills, resource consumption, waste generation including hazardous waste, worker health and safety, core labor standards including SEA/SH risks, and patient data breaches. Physical and/or economic displacement of non-titleholders may also present as a social risk given that the Project will utilize existing government lands. Project infrastructure will be designed to be climate-resilient to ensure sustainability and service delivery amidst increasing climate change impacts. To manage these risks, an ESMF, including a LMF and SEF will be developed. They will guide the preparation of country-level plans and include guides for construction works, waste management, and an exclusion list. An ESCP will also be prepared to ensure compliance with E&S requirements and manage risks such as SEAH and data breaches.

ESS10 - Stakeholder Engagement and Information Disclosure

Relevant

A Stakeholder Engagement Framework (SEF) and grievance mechanism (GM) will be prepared by the designated PMU E&S staff during project preparation to establish a structured approach for community outreach and two-way engagement with stakeholders, in appropriate languages, including the vulnerable and disadvantaged groups (poor, disabled, elderly, isolated communities), that is based upon meaningful, culturally sensitive consultation and



disclosure of appropriate information. The SEF will inform country level project SEPs to be prepared during project implementation and once Fiji, Tuvalu and Kiribati PIUs have established E&S staff.

ESS2 - Labor and Working Conditions

Relevant

Project activities will potentially involve, i) direct workers, including government workers and consultants in the PMU and PIUs, and ii) contracted workers such as administrators and specialists, and laborers involved in civil works and technical assistance. During project preparation, the implementing agency will determine whether engagement of primary supply workers for delivering civil works is likely. During preparation the Project will develop a Labor Management Framework (LMF) that describes how this regional project will ensure protection and support working conditions, manage worker relationships, establish a grievance mechanism for project workers, enforce a code of conduct to prevent and mitigate GBV, SEA/SH, and STIs, address incident reporting, and enforce procedures to exclude child and forced labor. Labor Management Plans will be developed for each participating country once in-country activities are defined and E&S personnel recruited to the PIUs.

ESS3 - Resource Efficiency and Pollution Prevention and Management

Relevant

Generated waste includes bulky (construction scraps), electronic, and hazardous waste (asbestos), requiring special handling, training, and disposal. Remote health facilities with likely inadequate waste management systems, may have presence of liquid contaminated waste (blood, and contaminated fluids) and infected materials (syringes) posing infectious risks to contractors. Medical waste and ACM will be transported to the Naboro landfill for special disposal with HCW incinerated first if medical incinerator is operational. Digital equipment may generate end-of-life waste. These risks are mitigated through the ESMF which mandates assessments and mitigation measures via sub-project-specific ESIA/ESMPs before activities commence. The ESMF and ESMPs will also include provisions for identifying and managing ACM. Mitigation measures will comply with national regulations, international standards, and the WB's EHS Guidelines.

ESS4 - Community Health and Safety

Relevant

Community H&S risks associated with the infrastructure investments include: i) exposure to physical hazards on sites causing injuries or fatalities; ii) labor influx and inadequate worker protocols, which may result in social tensions, increased incidents of GBV and SEA/SH, as well as the spread of STDs, including HIV/AIDS; iii) communicable diseases (e.g., COVID-19 or related outbreaks) from transferred patients and workforce; iv) noise and dust; v) health impacts from poor management of hazardous materials (e.g., ACM) and vi) data breaches associated with the transfer of personal health data between health centers and countries. The ESMF will address mitigation measures associated with these risks and the ESCP will mandate community health and safety risk management, guiding sub-project E&S assessments and management plans. Moreover, a Personal Data Privacy Policy will be streamlined throughout the Project Operations Manual and required within the ESCP.

ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Relevant

The project is expected to involve civil works including renovation and expansion of Fiji's Colonial War Memorial Hospital (CWMH), upgrading and the construction of new nurse stations and health centers in Fiji, Tuvalu and Kiribati. At the time of Concept Review, the extent of works in terms of number and location of activities is yet to be defined. The Project intends to utilize existing government lands in Fiji, Kiribati and Tuvalu. The Project will utilize the ESCP to



require land screening of all potential sites to confirm the status of land ownership and use. Land screening will also be used to determine the potential for temporary or permanent physical or economic displacement impacts. In the event that impacts are identified, the ESCP will require the project to develop a Resettlement Action Plan. The Project will not acquire new lands given land scarcity and complexity associated with acquiring customary and freehold lands within the project countries.

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

The proposed physical works for upgrading healthcare facilities may involve civil works across multiple locations, including urban, rural, and outer islands in Fiji. Over time, infrastructure investments may also extend to Kiribati and Tuvalu. In Fiji, the specific locations and types of civil works activities are yet to be determined, so there are uncertainties regarding the biodiversity aspects of these sites. Nevertheless, the potential risks and impacts anticipated include vegetation clearance, habitat disturbance, and the introduction of pollutants mainly increased volumes of greywater from construction sites into waterways or the ocean. The ESCP will require the selection of appropriate technical design standards and site locations, incorporating criteria or exclusion lists to prevent investments in areas with sensitive biodiversity or environmental significance in the selected locations and islands.

ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

Relevant

From a country level perspective however, only Fiji meets all four Indigenous Peoples (IP) criteria set out within ESS7. In lieu of a standalone Indigenous Peoples Planning Framework or Indigenous Peoples Plan, the project will streamline mitigation measures to address potential risks and impacts to Indigenous People through the project instruments. Mitigation measures will be particularly emphasized within the ESMF, SEF and LMP; and enforced within the ESCP. Fiji country level plans will commit the project to raising awareness and conducting stakeholder engagement with disadvantaged or vulnerable individuals and groups across the Fijian population, including across diverse ethnic groups. Awareness raising and stakeholder engagement will be adapted to account for such groups or individuals' particular sensitivities, concerns and cultural sensitivities.

ESS8 - Cultural Heritage

Relevant

ESS 8 is currently deemed relevant due to the undetermined locations of project activities. The project intends to utilize government-owned land for any new constructions, which are anticipated to be previously disturbed sites with no cultural significance; however, this will need to be verified. Appropriate screening will be conducted, and relevant mitigation and management strategies will be developed for investments in PHC infrastructure. As a precautionary measure, cultural heritage sites will be proactively avoided through a site-specific screening process, including consultations to identify key sites. The ESCP will mandate that contractors implement Chance Find Procedures and Exclusion list to prevent impacts on cultural heritage. The ESMF will also include a Chance Find Procedure to manage unexpected discoveries of archaeological, historical, or cultural materials during project construction or operation.

ESS9 - Financial Intermediaries

Not Currently Relevant



B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways

No

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

TBD

The Project will potentially lean on Borrower frameworks for in-country activities once the scope of works is defined. This will be decided during the preparation period and if so, inform the preparation of country level E&S plans to developed during implementation.

Use of Common Approach

No

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by Appraisal?

The Fiji Ministry of Health will be leading the preparation of project documents and will assign environmental and social risk management specialists to assist with development of the following instruments prior to Appraisal. Institutional arrangements will be clarified prior to Appraisal to determine the legality of how E&S instruments will be managed and implemented:

- Environmental and Social Commitment Plan (ESCP)
- Environmental and Social Management Framework, inclusive of exclusions list, waste management guidelines, chance find procedures, and an E&S code of practice for construction (ESMF)
- Labor Management Framework (LMF), inclusive of project worker grievance mechanism (appendix to ESMF)
- Stakeholder Engagement Framework (SEF), inclusive of grievance redress mechanism (appendix to ESMF)
- Environmental and Social risk inputs to Project Documents
- Terms of Reference for ES project Specialists and Officers

III. CONTACT POINT

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