



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 12-Apr-2024 | Report No: PIDISDSA37469



BASIC INFORMATION

A. Basic Project Data

Country Vanuatu	Project ID P181577	Project Name Vanuatu Climate Resilient Transport Project Additional Financing II	Parent Project ID (if any) P167382
Parent Project Name Vanuatu Climate Resilient Transport Project	Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 04-Apr-2024	Estimated Board Date 07-Jun-2024
Practice Area (Lead) Transport	Financing Instrument Investment Project Financing	Borrower(s) Republic of Vanuatu	Implementing Agency Ministry of Infrastructure and Public Utilities

Proposed Development Objective(s) Parent

To improve the climate resilience of the Recipient's road network, with emphasis on the selected project road, and in the event of an Eligible Crisis or Emergency, to provide an immediate response to the Eligible Crisis or Emergency.

Components

- Component 1: Sectoral and Spatial Planning Tools
- Component 2: Climate Resilient Infrastructure Solutions
- Component 3: Strengthening the Enabling Environment
- Component 4: Contingent Emergency Response

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	30.00
Total Financing	30.00
of which IBRD/IDA	30.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	30.00
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IDA Credit	15.30
IDA Grant	12.60
IDA Shorter Maturity Loan (SML)	2.10

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **The Republic of Vanuatu is a small island nation located in the South Pacific about 2,000 km to the east of Australia.** Comprising of a population of 330,000¹, entirely Melanesian, living across 83 islands, Vanuatu has a total land area of 12,200 km² scattered over an exclusive economic zone of about 827,000 km², making it the fourth largest country in the Pacific. According to the International Monetary Fund (IMF), Vanuatu’s per capita gross domestic product (GDP) in 2023 was US\$3,490², surpassing the level of 2020 before COVID-19 driven of US\$3,340. This was driven by the recovery of the tourism, hospitality and service industry, which account for 67 percent of Vanuatu’s GDP and around 30 percent of total employment. Other major economic sectors include agriculture (22 percent), and industry (11 percent).

2. **As a Pacific Island country, Vanuatu is one of the most vulnerable countries in the world to climate change and natural disaster risks,** with an average 6 percent annual losses of its GDP caused by climatic and natural hazards³. About 70 percent of population and most critical infrastructure are located within one kilometer of the coast, threatened by long-term sea-level rise and local tectonic movements. Particularly, the increasing risk from tropical cyclones puts the socio-economic development of Vanuatu under significant threat. Cyclones bring coastal and flash flooding even when only passing in the vicinity of the islands. According to Vanuatu’s Second National Communication to the United National Framework Convention on Climate Change (UNFCCC), around 20–30 cyclones pass over Vanuatu every decade, around 3–5 of which will cause severe damage. In 2015 Cyclone Pam, a category 5 tropical cyclone, struck Vanuatu killing 11 people, destroying or damaging over 17,000 buildings resulting in economic damages equivalent to around 64 percent of GDP. In 2020 another category 5 cyclone Harold caused an estimated US\$617 million (66 percent of 2020 GDP) in economic impacts⁴. Beyond these two most damaging cyclones in Vanuatu’s history, there have been five more tropical cyclones above category 4 striking Vanuatu between 2015 and 2023, including category 5 cyclone Yasa in 2020, and category 4 cyclones Kevin, Judy and Lola in 2023.

¹ International Monetary Fund, country data – Vanuatu, 2024.

² International Monetary Fund, country data – Vanuatu, 2024.

³ World Bank, Climate Change Knowledge Portal, 2024.

⁴ Government of Vanuatu. Vanuatu Post-Disaster Needs Assessment. Port Vila: Government of Vanuatu, 2015, 2020.



Sectoral and Institutional Context

3. **Vanuatu has a road network consisting of 2,655km rural roads and 304km of urban roads across six island provinces.** With only about 350km of roads sealed, road accessibility is frequently disrupted during wet seasons, particularly in rural areas where 76 percent of population reside. In addition to a low sealed pavement coverage, road infrastructure in Vanuatu faces a range of risks from physical climate and disaster vulnerability: (i) coastal exposure to sea-level rise, storm surge, and wave action during cyclones and tsunamis; (ii) flooding and landslides associated with extreme rainfall events; (iii) accelerated pavement deterioration due to extreme weather and rising water tables; and (iv) damage from earthquakes. The Public Roads Strategy (PRS) adopted by the Government of Vanuatu in 2023 lays out a vision to seal 230km core urban roads by 2030 and 470km core rural roads by 2040, using long-lasting materials and prioritize road maintenance to preserve connectivity.

C. Proposed Development Objective(s)

Original PDO

To improve the climate resilience of the Recipient's road network, with emphasis on the selected project road, and in the event of an Eligible Crisis or Emergency, to provide an immediate response to the Eligible Crisis or Emergency.

Current PDO

As per the original.

Key Results

The PDO Result Indicators of the VCRTTP are updated from the original project through a restructuring to the following:

- a) Identified planning tools adopted and being used to improve climate resilience of roads;
- b) Length of road upgraded with climate resilience measures;
- c) Number of bridges constructed with climate resilience measures;
- d) Number of people that benefit from improved access to sustainable transport infrastructure and services; and
- e) Number of people with enhanced resilience to climate risks due to gained access to climate-resilient infrastructure.

D. Project Description

4. **The Vanuatu Climate Resilient transport Project (VCRTTP) focuses on rehabilitating 65km South Santo Road (SSR) located on the Island of Espiritu Santo.** Espiritu Santo (Santo) is, the largest island in land area in Vanuatu and the second largest in population (about 40,000, over 12 percent of national population). SSR is the backbone of the core road network for Santo, as defined in the PRS. It is the only road connecting the southern and western part of the island with the island's capital, Luganville. SSR serves as a critical link for fishing and agricultural products to reach markets in Luganville, and provides rural communities in Santo with access to health, education, and social services. SSR was severely damaged by Tropical Cyclone (TC) Harold in 2020, which crossed the coast of Espiritu Santo where SSR is located, with storm surges and waves exceeding 30 feet and top winds at 130 mph. As a result, the conditions of roads and bridges along the SSR deteriorated heavily compared with in 2019 when VCRTTP was appraised. The first AF was to fill a cost overrun anticipated to rehabilitate a more deteriorated SSR.



5. **VC RTP is consistent with the World Bank Group’s Pacific Islands - Regional Partnership Framework (RPF) FY17-FY21⁵** (Report 120479) covering nine Pacific Island countries, including Vanuatu, specifically the RPF Objectives of *Increased access to basic services and improved connective infrastructure (Objective 4.2)*, and *Strengthened resilience to natural disasters and climate change (Objective 3.1)*. VC RTP contributes to the WBG’s mission, *to end extreme poverty and boost shared prosperity on a livable planet* by extending the benefits of climate-resilient road accessibility and transportation services to more than 40,000 people residing on the Island of Espiritu Santo, 10 percent of the national population. It will also help agricultural products from rural Santo to easily reach markets in the island’s capital Luganville and connect with international logistics for export. VC RTP directly contributes to the GoV’s National Sustainable Development Plan 2016 to 2030 and the newly adopted Public Road Strategy.

6. **VC RTP was approved by the World Bank Board of Executive Directors on January 23, 2020, with financing from the International Development Association (IDA) of US\$66 million** (IDA Credit 65310-VU, IDA Grant D5500). The original project (OF) was declared effective on March 6, 2020. The First Additional Financing (AF-I) to the OF was approved on December 10, 2021, to bridge an anticipated cost overrun. AF-I was declared effective on January 31, 2022, with a total amount of US\$46.80 million (IDA Credit 69990-VU, IDA Grant D9260), making the current total project financing US\$112.80 million equivalent. On August 22, 2023, an amendment to original IDA Credit 6531-VU provided for retroactive financing of SDR 180,000 and a reallocation between disbursement categories to reallocate SDR 180,000 from the undisbursed amount of SDR 819,637.28 under Category 3 ‘Refund of Project Preparation Advance’ to Category 1 ‘Goods, works, non-consulting services, and consulting services, training, and operating costs for Part 1, 2, and 3 of the Project’.

7. **To ensure the completion of the project activities, the Second Additional Financing (AF-II) in the amount of US\$30 million equivalent is proposed to cover a cost-overrun** resulting from higher bid prices. There is no change to the project scope nor physical footprint. The AF-II will also include contingency allocation for potential variations from the ongoing road works as well as for SDR/USD exchange rate fluctuation. In addition to the additional financing, a restructuring to the original project is proposed. The proposed restructuring includes:

- a. Extend the project closing date by twelve-months, from the original closing date of December 31, 2025, to December 31, 2026. The total project implementation period is thereby extended from six-years to seven-years. The extension is proposed in order to allow sufficient time for civil work construction.
- b. Revise the technical assistance activities to align with the project timeline, and the latest developments in country and the GoV’s priorities, reinforcing the focus on road asset management, safety and resilience..
- c. Update the original project result framework to better monitor and measure progress and impact.

8. **The revised component description and financing allocation is presented below:**

- (a) **Component 1: Sectoral and Spatial Planning Tools (US\$2.00 million equivalent)** finances (a) the upgrading the existing road inventory management system at PWD and affiliated data collection tools to a road asset management system, which systematically integrates climate and disaster risk profiles

⁵ Extended by the Board of Executive Directors on February 6, 2020 to FY23.



of road assets; and (b) building the institutional capacity of the PWD to operationalize and utilize the road asset management system once it's developed.

- (b) **Component 2: Climate Resilient Infrastructure Solutions (US\$134.21 million equivalent)** finances design, physical works, and maintenance of South Santo Road to improve its resilience to climate-related hazards and seismic disasters. The investments include: (i) sealing of the existing 60 kilometers of gravel road between Saint Michel and Tasiriki to enhance road resilience and connectivity during rainy seasons; (ii) resurfacing a 5-km road section between Sarakata Bridge and Saint Michel⁶; (iii) construction of ten new bridges (including large box culverts), repairing of three existing bridges and replacement of one existing bridge⁶, and reconstruction of one existing bridge to address the loss of connectivity resulting from previous climatic and seismic disasters and improve traffic safety (including procurement and installation of Bailey bridges during the construction phase for traffic diversion and emergency response); (iv) construction box and pipe culverts to adapt to the forecasted increase in rainfall volumes and intensities; and (v) construction of ancillary structures to improve climate resilience, such as coastal protection, masonry covered drains, unvented drifts, and gabion retaining walls. The investments are accompanied by consulting services for detailed design and supervision of civil works.
- (c) **Component 3: Strengthening the Enabling Environment (estimated cost US\$6.59 million equivalent)** provide (i) technical assistance to PWD on key sectoral issues as well as (ii) project implementation support:
 - (i) **Sub-component 3.1: Technical Assistance (US\$1.52 million equivalent)** provides technical assistance to strengthen the institutional and regulatory capacity of MPIU on road sector management, including: (i) establishing climate resilient road asset management practices; (ii) improving road safety; (iii) enhancing road construction supervision and monitoring; and (iv) mainstreaming actions to address gender gaps at MIPU and the broader transport sector.
 - (ii) **Sub-component 3.2: Project Implementation Support (US\$5.07 million equivalent)** finances the Project Implementation Unit (PIU)/Project Support Team (PST) contracted staff and operating costs associated with implementation of the project, and yearly audits of the project accounts.
- (d) **Component 4: Contingent Emergency Response (CERC, US\$0 million)** is a zero-dollar component designed to provide swift response in the event of an eligible crisis or emergency, by enabling the RGC to request the World Bank to reallocate project funds to support emergency response and reconstruction.

Table 1: Proposed Financing Allocation Across VCRTS Components with the AFII (in US\$ million)

Project Components	Original Allocation (Original + AF-I)	Cost-overflow /Proposed AF-II	Total
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⁶ This activity is appraised by the AF-I. Details refer to the AF-I Project Paper.



Component 1: Sectoral and Spatial Planning Tools	0.28	1.72	2.00
Component 2: Climate Resilient Infrastructure Solutions	107.55	26.66	134.21
Component 3: Strengthening the Enabling Environment	4.97	1.62	6.59
▪ Sub-component 3.1: Technical Assistance	1.52	-	1.52
▪ Sub-component 3.2: Project Implementation Support	3.45	1.62	5.07
Component 4: Contingent Emergency Response	0.00	-	0.00
Total	112.80	30.00	142.80

9. **There is no change to the existing project implementation arrangements and requirements**, including the implementing agencies, PIU/PST, the project’s procurement and FM arrangements including reporting requirements, and legal covenants. The Project Operations Manual (POM) was approved by the Minister of MIPU on January 18, 2021, and remains sufficient and applicable to the proposed AF-II.

E. Implementation

Institutional and Implementation Arrangements

10. **The overall institutional and implementation arrangements remain unchanged as the parent project.** Minister of Finance and Economic Management is the Recipient’s Representative, and the Ministry of Infrastructure and Public Utilities (MIPU) is the Implementing Agency of the project. The Project Implementation Unit (PIU) is embedded in MIPU’s Public Works Department (PWD). A Project Support Team (PST) consists of international specialists to support the PIU on project’s procurement, road and bridge engineering, financial management (FM), and environmental and social safeguard implementation. The existing implementation arrangements on FM and procurement will continue being used for the proposed AFII, and the environmental and social safeguard policies and instruments will remain applicable for the proposed AFII.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project is located on Espiritu Santo Island in Sanma Province. South Santo Road starts at Luganville, Vanuatu’s second largest city, and runs along the lowland area of the south coast before turning inland. The Road goes west through more hilly terrain before reaching Tasiriki on the south west corner of the island. Along the length of the Road, the land has been heavily cleared for subsistence gardening, cattle farming, coconut plantations, and settlements. Natural disasters such as TC Harold in 2020 have also contributed to the altered state of the vegetation along the Road. The Road crosses several rivers that have their origins in the highlands to the north. Santo’s shape with two northward extending peninsulas means that most rivers have small catchments. The south-easterly trend in drainage pattern is controlled by prominent features of the mountain ranges. Rivers draining the south of the island have extensive lowland valley sections, with meandering alluvial channels that have built floodplains and terraces comprising fine sediments. Navaka is an example of a braided river. Navaka River, the location of the quarry site, consists of numerous wide, shallow and fast-flowing sediment transporting channels that subdivide and re-join repeatedly around bars



and islands, forming an intertwining structure. The active depositional nature of the Navaka River is attributed to the combination of several factors: (i) The geologic setting (lithology and structures) of the headwater of the catchment; (ii) The presence of numerous landslides (sources of new materials) in the watershed due to frequent earthquakes; (iii) Seasonal flooding causes very high river flow able to mobilize sand, gravel, and boulder size sediments into the alluvial plain; and (iv) The rapid uplift rate induces the downcutting of river channels. The project alignment traverses through land that is under customary land ownership. Vanuatu is an ethnically diverse country with 113 indigenous languages being used. In Vanuatu, all land access and public infrastructure works consider the fundamental right that under the nation’s constitution all land in Vanuatu belongs to the indigenous custom owners and their descendants. Roads often also sit within a complex social structure and environment as they run through villages and provide access to shared natural resources.

G. Environmental and Social Safeguards Specialists on the Team

Vivianti Rambe, Environmental Specialist
 Craig Andrew Clark, Social Specialist
 Rachelle Therese Marburg, Social Specialist
 Rosemary Alexandra Davey, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	Yes	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	Yes	
Involuntary Resettlement OP/BP 4.12	Yes	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	



KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Similar to the parent project (VC RTP), the VC RTP- AFII is a category B project under the World Bank Safeguards Policy. Activities and investments are not likely to cause significant or irreversible environmental impacts, or negative social impacts. Potential environmental and social (E&S) impacts can be mitigated.

The E&S safeguards profile, potential impacts, and management approach for the AFII remain the same. Location and type of infrastructure to be built remain the same as previously assessed by the current Environmental and Social Impact Assessment (ESIA) and Abbreviated Resettlement Action Plan (ARAP) under the parent project VC RTP. The project's ESIA and ESMP have been updated, approved, and disclosed to accommodate changes in design. The ARAP is being updated by contract package based on the detailed designs and disclosed following the World Bank review and clearance. The approved ESMPs have been included in the bidding documents.

An Environmental Impact Assessment (EIA) for the extraction of materials from Navaka River for Package 1 was prepared by MIPU, and approved by the World Bank in December 2023. The EIA report is supplementary to the project's ESIA, and impact assessment is focused on material extraction in the Navaka River. The assessment highlights the following potential impacts, among others:

1. Depletion of geologic resource. This is a residual impact as a consequence of the consumption of any geological and mineral resources. However, this impact is low for Navaka River considering that the volume of material that will be extracted under this project is less than 5 percent of the material materials in the middle and lower reaches of Navaka River. For sustainable management, the contractor shall only extract the permitted volume of aggregate, i.e., 100,000 cu m, and will implement the mitigation measures.
2. Change in river hydrology. Quarrying has the potential to alter river hydrology, like changing the flow pattern. The Navaka Quarry addresses this risk by quarrying only the dry braid islands and observing a 10 m buffer between the edge of quarry and riverbank or river flow channel.
3. River of bank stability. Unplanned/random quarrying can cause bank instability. To prevent impacts on riverbanks the contractor shall plant native trees on the banks, and if necessary, install an aggregate berm or embankment.
4. Risk of pollution of river water (water quality). Although materials extraction will be confined within dry braid islands, the risk of pollution and siltation exists. To manage this risk, mitigation measures are presented among these are: prohibition of equipment crossing through active flow channels; no servicing of equipment in the quarry site; there shall be no storage of fuel or oil in the quarry site; materials extraction shall observe the 10 m buffer from active flow channel and riverbank. River water quality monitoring upstream and downstream of the quarry site will be done and if there is indication of pollution, operations will be urgently reviewed to identify source of pollution. Change in



operations will be done as needed and clean-up will be conducted. In case water sources of residents on the riverbank is affected by pollution, the Contractor shall be responsible for supplying the community with clean water. Further, losses in income from farming and fishing due to pollution will be compensated by the Contractor.

5. Impacts on terrestrial biodiversity resources. Quarrying is expected to affect a modified terrestrial environment with low biodiversity significance as the quarry site is bare or with grass and brush vegetation. The Contractor shall restore the vegetated braid islands by revegetating using native species after completion of the quarrying.

6. Risk of impacts to freshwater biota due to adverse impacts on fluvial features such as riffles, pools, eddies, and runs. To mitigate this risk, materials extraction from active riverbeds is prohibited and so is equipment crossing active flow channels. Pipe culverts will be installed across active flow channels to prevent trucks from fording the active channels and disturbing the riverbed habitats.

In terms of involuntary resettlement, there is no change in expected general project footprint compared to when the ARAP was prepared for the parent project. While detailed designs are providing more precision of the locations of land requirements, the overall typology of involuntary resettlement impacts remains the same compared to when the project was prepared. Severe impacts in terms on displacement of housing or severe loss of productive resources are not anticipated. While impacts are not expected in relation to the surfacing of existing roads, due diligence during ARAP updating will reassess this and apply ARAP entitlements as needed. The surfacing on the 5km within the South Santo Road network does not divert from this approach. To date, the ARAP for Package 1, with the more significant impacts has been updated, cleared and disclosed and the ARAPs for the other two contract packages are expected to be updated by the end of April 2024. Project and safeguard instrument design and implementation incorporates a consultative process with local traditional leaders and communities as guided by the Stakeholder Engagement Plan. Project information material is disseminated in locally used languages as well as presented in local community meetings.

An operational Grievance Redress Mechanism (GRM) has been established and is supported by a Community Liaison Officer (CLO). The CLO provides training to responsible persons, and maintains the logging and tracking systems and disseminates information regarding the GRM to make it accessible.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area: Similar to the parent project VCRTTP, potential long-term impact due to anticipated future activities under VCRTTP-AFII is related to climate vulnerability. Vanuatu, like many other Pacific island nations, is already experiencing the effects of increased temperatures and rising sea level. Climate change projections for 2030, 2055 and 2090 were reviewed by the Pacific Climate Change Science Program to determine the most plausible representations of future climate in the Pacific. The program makes the following climate change predictions for Vanuatu: increases in temperatures, more very hot days – increases in average temperatures will also result in a rise in the number of hot days and warm nights and a decline in cooler weather, changing rainfall patterns – projections generally suggest a decrease in dry season rainfall and an increase in wet season rainfall, more extreme rainfall days, and less frequent but more intense tropical cyclones.

The design life for the South Santo Road was twenty years. Therefore, the climate change projections for 2055 best reflect the scenario that the entire investment most adequately. Along the length of the road, the majority of runoff from rain events goes to natural soakage and this does have implications for localized flooding depending on



impermeable surfaces and the ability of the rainfall to percolate into the ground. To address this, the project road has been designed with culverts to take the cross-flow, side drains to take the longitudinal flows and bridges across permanent river flows.

South Santo Road is mostly coastal; and the design solution considers the likely future impact on the coastline where it runs along South Santo Road with solutions to provide climate resilience.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

Without upgrade and sealing work to South Santo Road to provide sealed and uninterrupted access between Luganville and Tasiriki (including all river crossings), the communities of south and west Santo will continue to suffer from periods of time where they are unable to travel the road and will remain cut off from the main urban, administrative and economic center of Santo. Economic and social development of the southern and western areas is dependent on that access to Luganville (and beyond via the airport and port). Without the VCRTTP works, this development will be hampered and extremely difficult in the face of increasing impacts from climate change. The 'No Project' option is not considered to be a viable alternative.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The implementation arrangement remains the same as the parent project VCRTTP. The Government of Vanuatu (GOV) has delegated the delivery and management of VCRTTP and the AF2 to a dedicated Project Implementation Unit (PIU) within MIPU-PWD which has been resourced with personnel specifically tasked to manage project implementation. The Ministry of Public Utilities (MIPU) is the implementing agency of the project. Public Works Department (PWD) within MIPU is responsible for the road network, staffed with 153 personnel of which 31 are based at the Head Office in Port Vila and 122 are spread across the six PWD's provincial divisions.

A Project Support Team (PST) has been established and embedded in the PIU to support MIPU in the implementation of the project. The team consists of international specialists: a Procurement Specialist, an Environmental Safeguards Specialist, a Social Safeguards Specialist, and an Financial Management Specialist. The role of the international specialists is to provide project operational support to MIPU-PWD, capacity development to the other PIU members and technical assistance on system development. The environmental and social safeguards specialists (international and national) of PIU/PST are responsible for the overall performance of the project's safeguards implementation ensuring that the World Bank's safeguards policies as well as the GOV regulations are adequately met. A design and supervision consultant (DSC) was hired in November 2020, which provide services in two phases – Phase 1 between November 2020 to February 2024 for the detailed design, and Phase 2 from December 2022 till the project end for construction supervision.

Safeguards performance of the parent project VCRTTP has been Moderately Satisfactory (MS) mainly due to (i) weak performance of the DSC, and (ii) inconsistent implementation of CESMP by the contractor. The PIU/PST has put in place adequate resources to monitor the implementation of E&S safeguards, including: an international environmental specialist, and international social specialist, a national environmental safeguards specialist (NESS), a national social safeguards specialist (NSSS), and a national gender and community liaison specialist. The DSC team includes an environmental safeguard specialist and a social specialist; however, it has been identified that the current work arrangement and provision is considered inadequate. The PIU is revising the ToR for the DSC to increase the time inputs for both the environmental and social safeguards specialists, including that the DSC should have a full-time



Santo-based Environmental Specialist. These changes are being addressed through a contract amendment. The PIU will provide regular environmental inspections to support DSC performance, until the issue is addressed through a contract amendment to the DSC contract.

Successful implementation of the project will depend, among others, on the effective implementation of the environmental and social management measures outlined in the ESMP. Training and capacity building will be necessary for the key stakeholders in order to ensure effective implementation of the ESMP. List of capacity building and budget provision has been identified by PIU and included in the ESIA and ESMP; which include: (i) Awareness-raising: for stakeholders who need to appreciate the significance/relevance of environmental and social issues throughout the project life cycle; (ii) Sensitization: for stakeholders that need to be familiar enough with the issues so that they can make informed and specific requests for technical assistance and (iii) Technical training: for stakeholders who will need to use the ESMP tools, analyze potentially adverse environmental and social impacts, to prescribe mitigation approaches and measures, and to prepare and supervise the implementation of management plans.

It is the responsibility of the Contractor to ensure that all workers have sufficient technical training to be able to implement the provisions of the ESMP through their CESMP. The Contractor is to ensure that they have the budget provision to conduct identified training for their workers and that sufficiently skilled resources are made available to deliver the relevant training. The DSC and the PIU monitor the Contractor's implementation of the CESMP through the contract provisions.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders are: (i) those in close proximity to South Santo Road, including traditional leaders, chiefs, customary land owners, small business holders/market stall holders and others; (ii) those living on Santo, especially the communities along the project road; and (iii) affected persons, including landowners, land users, those whose property will be affected or livelihoods disrupted.

A Stakeholder Engagement Plan (SEP) has been prepared to guide the project in its consultation and communication requirements through various phases of the project design and implementation. Modes of consultation, information dissemination and disclosure include public consultation meetings, specific group/individual consultations, public media including newspapers, radio and notice boards.

The Grievance Redress Mechanism (GRM) has been established and is operational. GRM registration and tracking reporting indicates that the GRM is accessible and functioning.

The PIU has engaged a Community Liaison Officer (CLO) to guide and oversee consultation and communication activities as well as ensure the functioning of the GRM. Consultation activities are ongoing to inform communities and affected persons of works planning and implementation schedules as well as provide information on mitigation measures.

Cleared and updated environment and social instruments, including the EIA, ESMP and ARAPs are publicly disclosed on the World Bank and Government websites.



B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
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"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission for disclosure
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"In country" Disclosure

Indigenous Peoples Development Plan/Framework

Date of receipt by the Bank	Date of submission for disclosure
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"In country" Disclosure

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)



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APPROVAL

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