

Program Safeguard Systems Assessment

March 2015

SOL: Sustainable Transport Infrastructure Improvement Program

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A. Introduction

1. This is the Program Safeguards Systems Assessment (PSSA) for the proposed Solomon Islands Sustainable Transport Infrastructure Improvement Program (STIIP). The STIIP will support the execution of the Ministry of Infrastructure Development (MID) work program derived from the National Transport Plan (NTP) and funded through the National Transport Fund (NTF). The outcome of the program is improved transport infrastructure for nationwide access to social services and inclusive growth. The outputs are: (i) rehabilitated and maintained safe gender responsive and climate-and-disaster-proofed transport infrastructure for all users; (ii) improved competency and capacity of government agencies to implement NTP using strengthened country systems; and (iii) strengthened MID to supervise and manage NTP work program. The infrastructure works comprise maintenance or rehabilitation of roads, bridges, and wharfs. The program will adopt a results-based lending (RBL) approach.

2. The objective of the PSSA is to: (i) identify the level of environmental and social risks of STIIP and the current implementation capacity of MID with respect to managing the risks; (ii) identify good practices as well as gaps between Solomon Islands country safeguards system (CSS)¹ and the Asian Development Bank (ADB) Safeguard Policy Statement 2009 (SPS); and (iii) recommend actions to strengthen MID and its Central Project Implementation Unit (CPIU) capacity to promote good practices and address the gaps through gap-filling measures.

3. The PSSA is based on review of CSS, current practices and experiences with a range of projects of different complexity including the recently completed first and second Solomon Islands Road Improvement Projects (SIRIP 1 and 2), the ongoing Transport Sector Development Project (TSDP) and the CSS strengthening Technical Assistance (TA). The TA reviewed the CSS legal framework and current implementation practices and procedures in the transport sector, including the capacity of the MID/CPIU, the Environment and Conservation Department (ECD) of the Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM) and the Ministry of Lands, Housing and Survey (MLHS).

4. The existing CSS processes and strengthened procedures have been pulled together and compiled in the Safeguards Procedures Manual (SPM) to further support MID effectively implement environment and land acquisition and resettlement (LAR) safeguards. The SPM will be applicable to all works under the NTF.

5. **Structure of the report.** The PSSA first identifies the environmental and social risks of STIIP, then discusses the SPS principles that will be triggered by the program and identify any gaps between the CSS and the SPS based on the findings of the CSS TA and the further review of the current practices.² It then analyses the various issues and goes onto recommend safeguard actions for the STIIP in order to promote good practices and fill the gaps.

B. Program Environmental and Social Impacts and Risks

6. **Screening of STIIP Activities.** The STIIP outputs 2 and 3 are related to improving country systems and institutional capacity, so do not involve physical activities. Only output 1 includes physical infrastructure works with the following targets: (i) maintenance of 640km of unsealed roads and 159km sealed roads; (ii) rehabilitation of 19km sealed roads; (iii)

¹ The CSS and PSS are used interchangeably in this report. The CSS comprises national level safeguards systems that apply across sectors and across projects, but the report focuses only on aspects of the CSS that are relevant in the Program's context that may be called PSS.

² ADB.2012. *Technical Assistance for Strengthening Country Safeguard Systems in Transport Sector in Solomon Islands* (JFPR grant for \$600,000, TA 8217-SOL).

maintenance of 130 bridges; (iv) maintenance of 60 wharfs; (v) reconstruction of six additional wharfs; and (vi) building six small-scale gender responsive facilities.

7. It is estimated that the majority of program activities will constitute maintenance works (either labor based or machine based) and only a small portion will be rehabilitation/reconstruction activities. On a preliminary basis the outputs of STIIP have been screened and categorized according to the type of activity and likely environmental and social effects. The screening allows the activities to be grouped into one of the following three tiers based on their level of environmental and social complexity (starting with the least complex).

- Tier 1 - Labour-based equipment support (LBES) or community-based routine maintenance contracts, mainly for roads, including clearing drains/culverts/outlets, patching potholes, cutting grass, etc.
- Tier 2 – machine based maintenance contracts (MBMC), mainly for maintenance of roads, includes repairing damage, refilling and/or compacting base materials, sealing, etc.
- Tier 3 - includes rehabilitation or reconstruction (roads and wharves) which have been badly neglected and have fallen into dis-repair and/or damaged by extreme weather events or other natural disasters. The works will include resurfacing or re-sheeting roads, repairing jetty/wharf slabs or piles, rebuilding/repairing/replacing damaged bridges and large culverts, building new water crossings or rehabilitation of roads. In some cases wharves or jetties will be constructed at new locations.

B.1 Environmental Impacts and Risks

8. Activities that would be categorized as category A under SPS are specifically excluded from the program.³ Impacts of STIIP will be similar in extent and scale to the ongoing and recently completed transport projects mentioned above. The impacts and risks will be site-specific, few if any will be irreversible, and readily mitigated and managed.

9. Reflecting the nature of activities and impacts and complying with CSS, the CPIU has adopted and implements a three tier environmental management system (EMS). As noted above, majority of STIIP activities will be LBES referred to as Tier 1 activities and MBMC referred as Tier 2 activities. For both of these activity groups the environmental impacts and risks are considered low and can be managed with fairly simple tools that have been developed, and refined through use, under TSDP. For Tier 1 activities smaller scale effects can be addressed through environmental, health and safety guidelines and checklists (which have been developed by CPIU) included in the civil works contract, training for contractors' awareness, and monitoring of contractors' compliance. For Tier 2 activities, contractors are required to prepare a site-specific construction environmental management plan (CEMP).

10. Under the CSS, Tier 1 and the majority of Tier 2 works are not listed as 'prescribed activities' and are therefore waived from requiring a development consent issued under the Environment Act 1998.

³ Projects are assigned to one of the following four categories: (i) Category A - a proposed project is classified as category A if it is likely to have significant adverse environmental impacts that are irreversible, diverse, or unprecedented. These impacts may affect an area larger than the sites or facilities subject to physical works; (ii) Category B - a proposed project is classified as category B if its potential adverse environmental impacts are less adverse than those of category A projects. These impacts are site-specific, few if any of them are irreversible, and in most cases mitigation measures can be designed more readily than for category A projects; (iii) Category C - a proposed project is classified as category C if it is likely to have minimal or no adverse environmental impacts.

11. There will be a small number of rehabilitation or reconstruction works which will comprise Tier 3 activities; also these are 'prescribed activities' under the Environment Act. While the impacts of Tier 3 activities (equivalent to category B under SPS) and ways to mitigate and manage them are generally well understood, as a result of more extensive works and the larger footprint, effects of these activities require environmental assessment. . In compliance with the Environment Act 1998 Tier 3 activities require the preparation of a Public Environment Report (PER), the level of which is more or less equivalent to an initial environmental examination (IEE) under the SPS.

12. **Climate change.** Climate change risks to bridge, road, and wharf facilities will continue to be rated as high likelihood and high impact. As set out in the Environment Regulations 2008, climate change risks are included in the range of the issues that require assessment.

13. **Social impacts in environment assessment process.** While social impacts related to LAR are dealt with in the social safeguards section, other social impacts, such as employment, community impacts, cultural impacts, health and safety, are addressed as part of appropriate level environmental management tools included in contracts (Tier 1 and Tier 2) or in the environmental assessment (Tier 3). The social impacts of the maintenance activities (Tier 1 and Tier 2) are generally low risk and mostly positive. Concerns raised by communities or participants in LBES contracts are addressed through CPIU procedures for establishing and maintaining community advisory committees (CAC).

B.2 Land Acquisition and Resettlement Impacts and Risks

14. **Tier 1: LBES or Community-Based Maintenance Contracts.** Tier 1 activities are expected to be done within the existing right of way (ROW). Nevertheless, routine maintenance such as clearing vegetation on each side of the existing carriageway require temporary, short-term and intermittent access to adjoining land which can be freehold or under customary ownership. Clearance can affect naturally growing and cultivated trees overhanging the existing infrastructure. Built structures can be affected such as fences, gates, straddling the carriageway or drains. Temporary or permanent covers placed over the drains by residents to enable access to and from the carriageway may have to be removed to facilitate repair of shoulders and drains, cleaning of side drains and outlets, and reshaping road rains and mitre drains. Since the communities will be LBES contractors, temporary access to adjoining land and clearing of vegetation or replacement of some structures such as fences, etc. will be managed locally and these activities are not expected to generate livelihood risks or displacement of people.

15. **Tier 2: Machine-based Maintenance Contracts.** With the possible exception of the construction of line drainage, Tier 2 activities will be undertaken on the carriageway or within the existing ROW. The construction limit, however, may extend outside the ROW, principally for staging equipment and storing materials. The impact is temporary, and the contractor is obliged to restore the land to its former condition and uses after completion of works. However, the line drainage may have a permanent impact and it also requires intermittent access for cleaning and other maintenance and will amount to minor effects distributed across different land owners along the road alignment. These activities are not expected to involve livelihood risks or displacement of people, but will require temporary access agreements, restoration of land and compensation for any damages to land or assets by contractors.

16. **Tier 3: Rehabilitation Works.** Tier 3 activities are expected to create LAR impacts. For roads, the impacts may arise from needing to work beyond the ROW for shape correction, realignment, widening in rural areas, or adding lanes and/or footpaths or adjusting

roundabouts/intersections to roads in urban areas. . Additional land acquisition may be required for the relocation of community facilities or utilities (power poles or water pipes).

17. For bridges, the impacts will arise from upgrading small crossings to bridges or widening existing bridges and their approaches, or realigning/shifting bridges and approaches to prevent flood damage or to improve safety.. These works will have a range of impacts including permanent land access or outright purchase as well as temporary use of land for detour roads and temporary bridges, and intermittent access for equipment during civil works and maintenance.

18. For wharves, building of wharves or jetties at new locations or expanding the footprint of existing wharves may also require additional land or land access.

19. Tier 3 activities may also involve small scale economic impacts due to loss of productive trees, crops, and other assets. In a few cases on-site relocation or shifting back of some structures may be needed.

20. Land-related risk may also arise from any pre-existing disputes with landowners. STIIP activities on such infrastructure can re-activate and intensify any such disputes and these will need to be resolved through the mediation process which is common in Solomon Islands and reflected in the grievance redress mechanism (GRM) recommended for the program.

C. Safeguard Policy Principles Triggered

21. The SPS consists of three safeguard policies: (i) environment, (ii) involuntary resettlement, and (iii) Indigenous Peoples. Each of the three safeguards includes a number of policy principles. An RBL program (through CSS and gap-filling measures) should adhere to relevant SPS principles that are triggered according to the nature of the program activities.

C1. Environment

22. Environmental safeguard comprises 11 policy principles. The STIIP will trigger nine of the eleven principles which are presented in Table 2.

Table 1: Environmental Safeguard Policy Principles Triggered

| Environment Principles | Triggered Yes /No | Description |
|---|-------------------|---|
| 1. Use a screening process for each proposed project, as early as possible, to determine the appropriate extent and type of environmental assessment so that appropriate studies are undertaken commensurate with the significance of potential impacts and risks. | YES | The STIIP will include a screening process. MID prepares a project description and submits an application to ECD/MECDM. ECD reviews the application against a list of prescribed activities (based on project description) to determine next steps in the process i.e. determine level of assessment (if any) required or exemption from development consent. |
| 2. Conduct an environmental assessment for each proposed project to identify potential direct, indirect, cumulative, and induced impacts and risks to physical, biological, socioeconomic (including impacts on livelihood through environmental media, health and safety, vulnerable groups, and gender issues), and physical cultural | YES | Based on the project description, environmental assessments will be completed for all activities defined as category B in SPS and prescribed activities; these include some Tier 2 activities and all Tier 3 activities. The environmental assessment is prepared as |

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| resources in the context of the project's area of influence. Assess potential trans boundary and global impacts, including climate change. Use strategic environmental assessment where appropriate. | | part of feasibility study (FS) . Category A activities will be excluded from STIIP; environmental assessments will be PER/IEE level. |
| 3. Examine alternatives to the project's location, design, technology, and components and their potential environmental and social impacts and document the rationale for selecting the particular alternative proposed. Also consider the no project alternative. | YES | The FS and environmental assessment processes examine alternatives including the no project alternative |
| 4. Avoid, and where avoidance is not possible, minimize, mitigate, and/or offset adverse impacts and enhance positive impacts by means of environmental planning and management. Prepare an environmental management plan (EMP) that includes the proposed mitigation measures, environmental monitoring and reporting requirements, related institutional or organizational arrangements, capacity development and training measures, implementation schedule, cost estimates, and performance indicators. Key considerations for EMP preparation include mitigation of potential adverse impacts to the level of no significant harm to third parties, and the polluter pays principle | YES | Prescribed activities, as part of the environmental assessment, require the preparation of an EMP under the Environment Act and Regulations. In addition, under the current MID three tier EMS Tier 1 requires completion of an environmental, health and safety checklist, Tiers 2 and 3 require site specific CEMPs (simple for Tier 2 and fully developed through PER/IEE for Tier 3). |
| 5. Carry out meaningful consultation with affected people and facilitate their informed participation. Ensure women's participation in consultation. Involve stakeholders, including affected people and concerned nongovernment organizations, early in the project preparation process and ensure that their views and concerns are made known to and understood by decision makers and taken into account. Continue consultations with stakeholders throughout project implementation as necessary to address issues related to environmental assessment. Establish a grievance redress mechanism to receive and facilitate resolution of the affected people's concerns and grievances regarding the project's environmental performance. | YES | Meaningful consultation will be necessary and included in all components of the proposed RBL program. Communications and Consultation Plan (CCP) will be prepared based on the TSDP and refined as required. CAC guidelines have been established and will be implemented for STIIP. A GRM has been developed by the CPIU which will also be used for STIIP. Tier 1, 2 and 3 EMP provisions establish requirements for contractors to undertake and/or support consultation, training, GRM and CAC. |
| 6. Disclose a draft environmental assessment (including the EMP) in a timely manner, before project appraisal, in an accessible place and in a form and language(s) understandable to affected people and other stakeholders. Disclose the final environmental assessment, and its updates if any, to affected people and other stakeholders. | Yes | Both draft and final versions of relevant environment assessment reports, PER or EIS, will be disclosed. |
| 7. Implement the EMP and monitor its effectiveness. Document monitoring results, including the development and implementation of corrective actions, and disclose monitoring reports. | YES | Based on the existing EMS which includes checklists and corrective action notices, STIIP will include provisions in the appropriate level EMP for monitoring of activities and EMP implementation.. Monitoring reports will be produced and disclosed. |
| 8. Do not implement project activities in areas of critical habitat, unless (i) there are no measurable adverse impacts on the critical habitat that could impair its ability to function, (ii) there is no reduction in the population of any recognized endangered or critically endangered species, and (iii) any lesser impacts are mitigated. If a project is located within a legally protected area, implement additional programs to promote and enhance the conservation aims of the protected area. In an area of natural habitats, there must be no significant conversion or degradation, unless (i) alternatives are not available, (ii) the overall benefits from the project substantially outweigh the environmental costs, and (iii) any conversion or degradation is appropriately mitigated. Use a precautionary approach to the use, | NO | It is not anticipated that the RBL program – given emphasis on small-scale maintenance activities - will include any locations considered critical habitats and the principle is unlikely to be triggered. Critical habitat will also be avoided by applying Principle 3 on examination of alternatives. To ensure that category A activities are excluded, this will be 'no go' under the program. |

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| development, and management of renewable natural resources. | | |
| 9. Apply pollution prevention and control technologies and practices consistent with international good practices as reflected in internationally recognized standards such as the World Bank Group's Environmental, Health and Safety Guidelines. Adopt cleaner production processes and good energy efficiency practices. Avoid pollution, or, when avoidance is not possible, minimize or control the intensity or load of pollutant emissions and discharges, including direct and indirect greenhouse gases emissions, waste generation, and release of hazardous materials from their production, transportation, handling, and storage. Avoid the use of hazardous materials subject to international bans or phase outs. Purchase, use, and manage pesticides based on integrated pest management approaches and reduce reliance on synthetic chemical pesticides. | NO | Appropriate level EMPs to be prepared under STIIP will address nuisance impacts such as dust, noise generation and waste management. The types of activities and mitigation approaches used in current practice do not require pollution prevention approaches normally associated with this principle and as such the principle is not triggered. |
| 10. Provide workers with safe and healthy working conditions and prevent accidents, injuries, and disease. Establish preventive and emergency preparedness and response measures to avoid, and where avoidance is not possible, to minimize, adverse impacts and risks to the health and safety of local communities | YES | The program will include mitigations to address this principle for all tiers of activity through the EMS requirements (which will be strengthened for the program). The majority of the activities are Tier 1 sub- projects. These include a routine checklist to be monitored by CPIU which is focused on developing contractor compliance with health and safety (H&S) requirements as well as environmental mitigation. Tiers 2 activities have site specific requirements. Tier 3 requires more detailed H&S plan as part of EMP and World Bank EHS Guidelines will be applied. |
| 11. Conserve physical cultural resources and avoid destroying or damaging them by using field-based surveys that employ qualified and experienced experts during environmental assessment. Provide for the use of "chance find" procedures that include a pre-approved management and conservation approach for materials that may be discovered during project implementation. | YES | Due to the structure of STIIP program being involved mainly in maintenance with limited major rehab or new proposals, this principle is only partially triggered but the likelihood of occurrence is considered to be low even though its impact may be high. For Tier 2 and Tier 3 activities, there are requirements for the CEMP to address and contain 'chance find' provisions. |

C2. Indigenous Peoples

23. The ADB's Indigenous Peoples (IPs) safeguard principles are triggered if a program or project directly or indirectly affects any **distinct** and **vulnerable** groups of IPs in terms of (i) their dignity, human rights, livelihood systems, or culture, and (ii) territories which such IPs own and use, occupy, or claim as an ancestral domain or asset.

24. The country's population is composed of Melanesian (95.3%), Polynesians (3.1%), Micronesians (1.4%), and other groups (i-Kiribati Gilbertese/Micronesian, Chinese, etc.). The Melanesian population meet two out of the four characteristics of IPs in the ADB SPS definition.⁴ Melanesian customary, cultural, economic, social, and political institutions dominate the

⁴ The four characteristics are: i) self-identification as members of a distinct indigenous cultural group and recognition of this by others; (ii) collective attachment to geographically distinct habitats and ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (iv) a distinct language often different from the official language of the country or region.

country's society and culture at large. While having many dialects in the different island provinces and areas within provinces, Melanesians communicate in Pidgin that is the official language of the country. For these reasons, they cannot be deemed disadvantaged, excluded, or vulnerable. Other ethnic groups in the Solomon Islands exhibit some characteristics of IPs, but lack the (ii) criteria under ADB SPS definition. They are migrants or descendants of migrants, and therefore have no collective attachment to geographically distinct habitats or ancestral territories in the project area and to natural resources in these habitats and territories.

25. Finally, by the kind of activities proposed under the STIIP, the dignity, human rights, livelihood systems, or the cultures of Melanesians and other ethnic groups will not be negatively affected, directly or indirectly. None of the proposed works under STIIP would fall within the three types of activities⁵ enumerated in Policy Principle 4 of the IP safeguards which require consent of IPs. On the contrary, by increasing mobility and enhancing access to socio-economic opportunities, the STIIP activities contribute to the socio-economic development of all ethnic groups in the country.

26. For the above reasons, namely the lack of vulnerability of IPs and the kind of impacts of the STIIP will have on different ethnic groups, the IP safeguard is not triggered.

C3. Involuntary Resettlement

27. The ADB's involuntary resettlement safeguard is triggered where the program will cause physical and economic displacement resulting from (i) involuntary acquisition of land or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. Physical displacement means a loss of residential land or loss of shelter thereby forcing the affected person to relocate elsewhere. Economic displacement is the loss of land, other assets, and access to these assets, incomes sources, and means of livelihoods.

28. An examination of the proposed activities under STIIP indicates the possibility of small scale economic displacement, but physical displacement is highly unlikely.

29. Activities or projects are classified as category A for resettlement if they physically or economically displace 200 people or more with major impacts i.e. relocation or the loss of 10% or more of productive assets. While category A projects are excluded from the program, the majority of STIIP activities will affect fewer than 200 people and cause losses of productive assets below the threshold and will be category B, and even category C in some cases. All 12 policy principles of the resettlement safeguards are triggered for STIIP, but the extent of resettlement impact is likely to be minor and will be managed in a way commensurate with the level of impact.

Table 2: Resettlement Safeguard Policy Principles Triggered

| Resettlement Safeguard Principles | Triggered Yes /No | Description |
|---|--------------------------|--|
| Principle 1 - Screen activity early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including gender analysis, specifically related to resettlement impacts and risks. | Yes | The STIIP will have a screening and scoping mechanism, based on existing practices, and to be strengthened. . The screening will identify: (i) location of the activity (within ROW or outside ROW); (ii) ownership of the site where activity will be undertaken; (iii) presence of structures and improvements of the land; (iv) ownership of these structures and improvements; (vi) land access or acquisition required (temporary or permanent) ; (v) the |

⁵ These activities include: (i) commercial development of the cultural resources of the IPs; (ii) physical displacement from traditional or customary lands; (iii) commercial development of the natural resources within customary lands under use that would impact the livelihoods or the cultural, ceremonial, or spiritual uses that define the identity and community of IPs.

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| | | necessity for restrictions on certain uses or activities on the land; (vii) resulting impacts of access/acquisition or restrictions, i.e. physical and economic displacement; (vii) number of people affected and extent of asset and livelihood losses. |
| Principle 2 Carry out meaningful consultations with all APs, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their planning, implementation, and monitoring and evaluation of the resettlement programs. Pay particular attention to the needs of vulnerable groups especially those below the poverty line, the landless, the elderly, women and children, IPs, and those without legal title to land and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase. | Yes | Meaningful consultations, information disclosure, participation of affected persons/local communities and grievance redress mechanism are relevant for all program activities. In LBES, probability is high that the communities--who are the owners of the affected land and the assets on the land--will be involved in the maintenance contracts. They will also be a party to observe and enforce any restrictions on land use and activities. This assures not only consultation but direct participation in decision making regarding access to and use of the land. The contracts also contain provisions for prioritizing employment of the poorer members of the community, women, and landless. The principle will be applied to rehabilitation and new works. The GRM and CAC requirements of TSDP will be adapted and applied. |
| Principle 3 Improve or at least restore livelihoods of all APs through (i) land based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods; (ii) prompt replacement of assets with access to assets of equal value or higher value; (iii) prompt compensation at full replacement cost for assets that cannot be restored; and (iv) additional revenues and services through benefit sharing schemes where possible. | Yes | Physical displacement is highly unlikely. Economic displacement is likely but minor because of the nature of STIIP activities. The majority of STIIP activities will only require temporary access while for some, restrictions on certain activities and uses on land adjoining the infrastructure. Any assets on the land which will be lost and cannot be restored as a result of program activities will be compensated at full replacement cost. |
| Principle 4 Provide physically and economically displaced people with needed assistance, including: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training or employment opportunities; and (iii) civic infrastructure and community services, as required. | Yes | The probability of physical displacement and relocation is very low. Any relocation will involve setting back or reorganizing housing within the same parcel. Economic displacement is probable but anticipated to be minor. APs will be provided with transitional support and income generation opportunities in such cases. |
| Principle 5 Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas, provide them legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing. | Yes | Maintenance and rehabilitation contracts will include affirmative action provisions for the displaced poor and vulnerable groups, including women, in the communities around the sites. The design of the LBES, MBMC, and rehabilitation works already contain affirmative action measures such as employment of the local community who are also the likely owners of the land adjoining the infrastructure and of assets which will be cleared. APs have access to land, resources, and housing. |
| Principle 6 Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status. | Yes | This will apply to routine, preventive, and rehabilitation works where safeguards for temporary and intermittent access will be incorporated in the LBES and MBMC contracts. For works with additional land requirements, the MOA process in TSDP will be used. The SPM will include detailed process. |
| Principle 7 Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible to resettlement assistance and compensation for loss of non-land assets. | Yes | Though physical displacement is highly unlikely, some activities may impact non-titleholders. The SPM will include detailed measures on this, including compensation for such APs. |
| Principle 8 Prepare resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, | Yes | Resettlement plan (RP) will be prepared in case of formal acquisition of land/or involuntary resettlement impacts. For works involving use of land through voluntary agreements, a due diligence report (DDR) will be prepared. |

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| budget and time bound implementation schedule. | | |
| Principle 9 Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an access | Yes | RPs or DDRs will be disclosed in a manner prescribed by this principle. |
| Principle 10 Conceive and execute IR as part of a development project or program. Include the full costs of resettlement in the presentation of project's cost and benefits. For a project with significant involuntary resettlement impacts, consider implementing the IR component of the project as a stand-alone operation. | Yes | All resettlement costs will be included in and financed by the program. Payment for damages of structures and other assets by the contractors are included in the LBES contracts. This will be similarly done in MBMC and rehabilitation works contracts. |
| Principle 11 Pay compensation and provide resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation. | Yes | Assets which will be cleared as a result of and in the course of maintenance and rehabilitation activities will be paid before removal. Land, assets, and means of livelihood affected by new works will be paid before physical and economic displacement. |
| Principle 12 Monitor and assess resettlement outcomes, their impacts on the standard of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring results. | Yes | CPIU safeguard specialists will undertake monitoring and evaluation. Results of monitoring and evaluation will be disclosed, including posting on the website. |

D. Diagnostic Assessment

D1. Assessment Methodology and Resources

30. **Review of documents.** A desk review of relevant policy documents, project documents and reports was undertaken. This included key reports prepared under *TA for Strengthening Country Safeguards in the Transport Sector in Solomon Islands*.⁶ The findings and recommendations of the TA were directly relevant for the PSSA for STIIP.

31. The PSSA studied practices implemented for SIRIP 1 and 2 and TSDP in order to identify lessons learnt. In addition there has been extensive discussion with the Safeguards Team, Asset Management Team, LBES and MBMC Planning & Implementation Teams within the CPIU/MID which has a mix of consultants and MID staff. The PSSA is based on discussion of current good systems/practices involving institutional arrangements, current procedures concerning the interaction of MID and MEMCD and internal MID procedures followed by an analysis which considered the gaps/risks identified and the necessary gap filling measures to be included in the MID Safeguard Procedures Manual (SPM). The findings of the analysis are briefly described below.⁷

32. **Consultations.** Consultations have been undertaken with MECMD, MID, MLHS, Ministry of Women, Families, Youth & Children (MWFYC) and development partners. The draft PSSA has been discussed in a stakeholder workshop on 18 February 2015, and **disclosed publicly**.

⁶ See footnote 1.

⁷ Annex 1 provides further details.

D2. Environmental Safeguards Assessment

a. Policy and Legal Framework

33. The Environment Act 1998 and the Environment Regulations 2008 provide the legal basis of CSS for environmental safeguards. The regulations outline the necessary steps for environmental assessment procedures for obtaining a development consent. Also relevant is the legislation on nature protection, forestry, occupational health and safety, town and country planning and legislation from the line ministries which may be taken into account by ECD while reviewing the assessment.

34. The legal analysis from TA 8217 showed that the legislation of Solomon Islands is fully or partially equivalent with about 70% of the key elements of the ADB's environment safeguards and not equivalent with about 30% of the key elements. The gaps identified and recommendations for strengthening mostly related to the development consent and environmental assessment procedure. There were a number of recommendations for the environmental impact statement (EIS) process which is relevant for larger projects with higher level of impacts. Since category A projects will be excluded under STIIP, the current regime with further strengthening of procedures within MID (including adoption and implementation of the SPM) and enhanced coordination with ECD will be sufficient to manage environmental impacts under the program.

b. Institutional Arrangements

35. **Regulatory agency.** The MECDM (and ECD within it) is the central regulatory agency with mandate for implementing the Environment Act. The ECD coordinates with many line agencies (including MID and MLHS), particularly as related to the development consent application and review. The ECD experiences significant staff capacity constraints in carrying out its mandate. There are five officers, including the Director, available to service the environmental assessment and management system for the entire country.

36. **Line Ministry/Implementing Agency.** The MID is the lead agency in charge of implementing the NTP, including managing environmental impacts in the transport sector. The CPIU has been structured to support implementation of the NTP through the NTF regardless of the funding source of individual projects or investments in the transport sector. The CPIU manages environment screening, assessment, mitigation and monitoring of environment issues related to activities under the NTF. The CPIU Safeguards Team—to support TSDP implementation--presently comprises five permanent and one half time position. This includes one national consultant responsible for environment, one for social development, two for community liaison, one for community education and governance and a half time position for community education and gender development. The team is supported by an intermittent international specialist.

37. Recently, within the MID structure (staff as opposed to project-based), a Grade 8 Social Safeguards Officer position has been created and appointed, and another safeguards officer has been approved by the Public Service Commission but is yet to be recruited by MID. MID has applied for a third safeguards position, this is awaiting approval by the Public Service Commission.

c. Current Procedures and Practices

38. **CSS requirements.** In general terms, all development activities are subject to formal development consent procedures unless a project proponent has applied for, and received, an exemption certificate from ECD. The Schedule to the Environment Act lists the 'prescribed activities' and the Environment Regulation establishes the procedures for undertaking the environmental assessment of those activities. The developer is required to first submit a development proposal application (including an activity description).

39. The current MID activities that are listed in the Schedule to the Environment Act include those identified as Activity 3 non-metallic industries - (d) extraction of aggregates stone or shingles; and Activity 9 public works sector - (b) infrastructure developments, (g) airport developments, and (k) ports and harbors.

40. Tier 1 and 2 activities under MID are generally granted an exemption by ECD/MEMCD. Tier 3 activities require development consent in accordance with the procedures set out in the Environment Regulation. For Tier 3 activities, based on the information provided in the development application (project description) MECMD determines whether (i) no further assessment is required (ii) a PER is required, or (iii) if major projects are considered, an EIS is required. To date MID Tier 3 sub- projects have required only a PER level assessment, no EIS. Following approval of the PER, ECD/MEMCD issues a development consent. No construction work can commence until the development consent is issued.

41. **MID/CPIU procedures.** MID/CPIU has established the EMS to comply with the national environment legislation as well as its development partners requirements. There are a number of guidelines, either approved or drafted by CPIU, covering: (i) Tier 1 Implementation Guidelines (approved); (ii) Tier 2 Implementation Guidelines (draft); (iii) ECD's Environmental Assessment Handbook (applies to Tier 3 activities ECD); (iv) CAC Guidelines (approved); and (v) Guidelines for Sourcing Road Construction Materials (drafted under SIRIP and covering quarry management and river gravel and coronus extraction and use). .

42. The safeguards procedures implemented by MID/CPIU for TSDP are built upon those established under previous projects and which has evolved into the EMS for the transport sector. As noted above, this includes the process whereby the activities are: (i) screened and categorised; and (ii) appropriate level assessment and management requirements established, being simple mitigation and management instruments for Tier 1 and Tier 2 activities (guidelines and CEMP, respectively), while Tier 3 activities go through the more rigorous assessment, review and EMP process. An important element of the EMS is the requirement for a subproject request to procure a "birth certificate" –so that all activities receive sign-off from all sections within the CPIU including the Safeguards Manager. The birth certificate in effect verifies that all mandatory requirements (feasibility study, safeguards, bid and contract documentation) have been completed, confirmed, and may proceed to procurement. This process is set out in more detail in the SPM.

43. The CPIU has established the consultation, participation and GRM requirements for different steps of screening, assessment, planning, implementation, and monitoring. In summary the process involves:

- initial stakeholder engagement, including disclosure of project activities, awareness raising and training of potential contractors
- establishment of CAC and sub-project scoping (explain scope of project to community and seek feedback on issues)

- project screening in consultation with ECD/MECDM
- compilation of information about the site and location (including feasibility baseline studies as necessary)
- preliminary project design with environment/social assessment and development application and issue of exemption or development consent
- detailed design with updated assessments and procurement (includes request to procure or “birth certificate” process);
- integration of relevant/appropriate level EMP in contract documents; and
- Implementation including EHS guidelines/checklist, CEMP, construction supervision and monitoring.

d. Gaps, Risks and Additional Measures

44. Although MID/CPIU has a number of guidelines as part of its EMS, these are not fully implemented for various reasons. NTP had a provision to develop the SPM covering both social and environmental safeguards, but such a manual has not been prepared or adopted so far. For STIIP, it is proposed that the SPM to be prepared will integrate all relevant guidelines, checklists and the like into a single compendium in order that all relevant MID staff, contractors, CAC officials, community, and supervisors have easy access to and have a better understanding of, the requirements, including through awareness training.

45. The EMS has gradually improved the practices within MID and amongst contractors, but it is yet to be applied consistently across NTP activities. There have been instances, largely prior to the current EMS procedures, where activities proceeded without due implementation of the EMS including application for development consent. Implementation gaps also relate to the supervision and monitoring of CEMPs. The roles of job manager, site supervisor and safeguards team have not been clearly articulated. Also, there has been insufficient environmental staff to carry out routine quality assurance checks on CEMP compliance and broader monitoring. The weakness in the understanding of MID job managers and site supervisors need to be addressed by clarifying these roles in SPM, and ensuring that the procedures are understood and implemented correctly. The role of environment staff need to be strengthened, including further clear guidelines on monitoring as well as providing adequate resources.

46. The gaps also result from lack of regular coordination with the ECD as main regulatory agency. Tier 3 (and some Tier 2) activities require development consent and therefore greater collaboration is needed between ECD and MID-CPIU. It is recommended that MID and ECD develop a coordination mechanism for this.

47. Capacity building and training of all stakeholders particularly at community level is also needed.

e. Conclusion: Capacity to Manage Environmental Risks for STIIP

48. It is concluded that the country’s environmental legislation and the MID’s EMS, with some strengthening and gap filling measures, will be sufficient and adequate to meet the nine SPS environmental principles triggered for STIIP.⁸ MID needs to strengthen coordination with ECD as well as to ensure consistent and strengthened application of the EMS. To reduce the

⁸ STIIP will also benefit from the implementation of parallel CSS strengthening TA 8737-SOL: Supporting Good Governance through Safeguards, that is under implementation in coordination with ECD and MLHS.

risk of non-compliance with environmental provisions, monitoring and enforcement, the capacity of safeguards staff needs strengthening.

49. A number of Program Safeguards Actions for environment as well as LAR safeguards are listed in Section E.

D3. Land Acquisition and Resettlement Safeguards

a. Policy and Legal Framework

60. The Lands and Titles Act (LTA) 1996 sets out the fundamental principles and procedures for the government's acquisition of both alienated and customary land: Sections 71 through 85 of the Act deal with compulsory acquisition of land for public purposes; Sections 60-70 deal with the voluntary purchase and lease of land; and Part XV on easement. The LTA (sections 60-70) has an elaborate consultative process to purchase or lease land. The process is time-consuming and prone to delays due to the mandatory period of legal appeals and potential breakdowns in negotiation. The government does not want to compulsorily acquire customary land due to the high risk of landowners' resistance and backlash. TA 8217 recommended modifications to introduce transparency and update the process for acquiring land through negotiation, and the follow-on TA (see footnote 7) will further support building the capacity of the MLHS to implement this modified process.

61. Another law which allows acquisition of land--the Roads Act 1996—is also directly relevant. The Roads Act empowers the Minister of Infrastructure Development to declare land adjoining to road, street, or thoroughfare as part of a public road and negotiate with the owner for compensation of the land and assets on the land. If the two parties are unable to reach agreement, the process of acquisition continues under the LTA. An Infrastructure Management Bill, which would replace the Roads Act, has been finalized and is due to be submitted to the National Parliament.

b. Institutional Arrangements and Capacity to Manage LAR

62. Social development, community participation and professionalism figure prominently in the Vision and Mission of the MID.⁹ The NTP states the government's commitment to implement social safeguards to meet the country's legislative requirements as well as its development partners' requirements. It has also committed to produce SPM to guide the preparation, implementation, and monitoring and evaluation of NTF-funded projects, including social safeguards.

63. As noted at para. 36 and 37, the CPIU includes a Safeguards Team of six personnel, including a manager and an international safeguards consultant. The two Community Liaison Officers and the Community Education Officer are directly involved in, or facilitate, community consultations, orientation of bidders, trainer's training of contractors, operations of the CAC, and negotiating with affected people on land use agreements.

⁹ Vision: "An effective transport infrastructure and transport services to support sustainable economic growth and social development in Solomon Islands." Mission: To enhance the prosperity and participation of the Community (through the implementation of the Community Advisory Committee guideline) by providing an integrated, efficient and affordable infrastructure and transport system supported by ethical, professional and valued staff.

c. Current Implementation Practice and Procedures

64. MID implements a screening process to identify and group activities into the appropriate tier. Scoping is undertaken to assess the extent of works needed and classify if these were labour based maintenance, machine based, major rehabilitation and new works, and to identify the LAR effects and planning requirements.

65. **Land Acquisition.** Although the government has legal recourse to compulsory acquisition of land for public purposes, to date it has not exercised this right. There is strong landowner resistance to losing their land and the land acquisition processes under the LTA are cumbersome, time-consuming, and prone to indefinite disputes, mainly from legal challenges.

66. **Memorandum of Agreement for Land Use.** Because of the shortcomings of the formal land acquisition process, the MID/CPIU has established a process of gaining access to land which does not require it to undergo the process under Part V or Part XV of the LTA. Instead, the CPIU/MID enters into a MOA with landowners for the latter to grant voluntarily an access to land adjoining the current transport infrastructure for the conduct of civil works including carriageway expansion, installation of drains, etc. The customary owners will allow MID unimpeded use of, and access to, the affected land without its purchase. In exchange, the landowners will be paid compensation for non-land assets, including crops, fences and graves. If applicable, transfer of temporary structures and business disruption allowance will also be paid. Land ownership will be retained by the present landowners. Thus far, four NTP-projects have MOAs, one of which is a Tier 3 project.

67. The MOA does not encounter the problems usually encountered in following the LTA procedures because :

- (i) It encourages participation of the provincial government which has specific responsibilities for information, identification of the rightful owners;
- (ii) It relies heavily on community consultations and participation in project processes, including LAR activities, through the CACs;
- (iii) It includes compensation for all non-land assets, transfer allowances, income losses due to business disruption and benefit sharing through employment by the project;
- (iv) It includes a transparent and documented multi-level GRM which emphasizes local level mediation and dispute resolution through the CAC;
- (v) It requires third-party validation to ascertain if the grant of an access was given voluntarily and with a free and prior informed choice of the affected people.

68. **LAR frameworks.** In addition to the MOA process, MID/CPIU has also adopted project-specific resettlement frameworks that provide for: (i) screening of LAR impacts during pre-feasibility stage; (ii) consultations with and participation of affected persons and communities; (iii) disclosure of information; (iv) grievance redress mechanism; (v) assessment of impacts and preparation of RP during the feasibility stage; (vi) updating the assessment and planning document after the detailed design; and (vii) monitoring and reporting. In the process of implementation of the projects, the MID/CPIU has evolved good practices in the integration of LAR requirements as part of project preparation and implementation.

69. **Consultation.** In terms of consultation and information disclosure, MID/CPIU has prepared and implemented a CCP under ongoing TSDP. The CPIU safeguards team disseminates project information to local stakeholders at the initial phase of all Tiers of activities.

They also publicizes the request for Expression of Interest (EOI) for LBES contracts among communities living in the project site, informing the latter of the works and increasing the probability of poor and vulnerable groups to participate. The Safeguards Team also provides training to potential contractors on relevant project requirements.

70. One element in the CCP is the establishment of CAC. The role of the CAC is currently set out in the CAC guidelines which have been adopted by MID. Across Tier 1 and 2 activities, LBES or MCBM contractors are required to form CAC prior to construction mobilization. For Tier 3, the CPIU team organizes, builds the capacity and facilitates the operation of CAC before the contractor is selected. The CAC is the first level of the grievance redress mechanism and consists of representatives selected by the community and serving on a voluntary capacity. A GRM has been adopted for a number of ongoing projects and the same mechanism will be used under STIIP II.

71. **Addressing LAR impacts.** The scope of mitigation of LAR impacts varies across types of activities. Some activities can be accommodated within the existing footprint, but they may require temporary and intermittent access to land outside the ROW during construction. The LBES, MBMC and a number of rehabilitation activities fall under this category. Few other activities require permanent expansion of the footprint outside the ROW.

72. These activities are handled by the CPIU Safeguards Team in cooperation with CACs and maintenance contractors. The impacts are minor and are addressed through provisions included in the LBES, MBMC, and rehabilitation works contracts. In case of LBES, the contractors are often also the customary owners of affected land and trees, crops, plants and structures. The compensation budget is included in the contract, and as contractors, the communities and landowners are paid to undertake the clearing of their own properties. The owners keep the salvaged materials. In MBMC, while contractors are not often from the communities, they do employ customary owners, providing a stake in both the works and safeguards implementation. The CPIU and MBMC contractors work together to gain voluntary provision for temporary access to land outside the ROW. Relevant costs are included in MBMC contracts. Since Tier 1 and 2 activities do not require any land acquisition, and an access to adjoining land is only temporary or intermittent, a resettlement plan (RP) is not needed for these activities.

73. For activities that need permanent land access outside ROW, the CPIU undertakes negotiations with the landowners to obtain access through the MOA process (discussed above).

74. For Tier 3 works, as required, the CPIU Safeguards Team prepares the RP documenting the MOA process. The RP is prepared and disclosed by the MID/CPIU. For the Naro-Lambi road, the only Tier 3 project under TSDP, the safeguards team undertook organizing and training the CAC, assisting in the consultation, conducting the inventory of losses and valuation of the affected assets, and facilitating the signing of the MOA.

75. In terms of implementation, all civil works contracts include safeguards responsibilities financed through an item in the Bill of Quantities (BOQ). The safeguards manager checks for the inclusion of all the relevant safeguards provisions in the tender documents and signs-off before these are issued to bidders. The MID/CPIU safeguards team provides orientation training on these responsibilities to bidders during the pre-tender conference.

76. Post-award, the safeguards team conducts training of trainers for the contractor, who in turn, trains the CACs in the conduct of consultations, grievance redress and dispute resolution, and monitoring and evaluation, among others. The safeguards team has developed detailed guidelines for the operation of the CAC, which is periodically updated as lessons are learned. These guidelines include the safeguard responsibilities of the CAC.

77. The enforcement of the contract conditions is the responsibility of the job managers, with the safeguards team helping in the resolution of safeguards and other social issues.

78. Since no Tier 3 activities with RP have reached implementation, resettlement monitoring reports are yet to be prepared.

d. Gaps, Risks and Additional Measures

79. Although there have been project-specific resettlement frameworks, MID is yet to prepare the SPM (providing guidelines for preparation, implementation and monitoring of NTF-funded projects, including LAR safeguards) that was a requirement of the NTP. The SPM will be prepared as part of STIIP and will integrate the MOA process as well as all relevant aspects of LAR safeguards across the different activities during the steps of the project cycle, including (i) screening; (ii) consultation, participation and information disclosure; (iii) grievance redress; (iv) assessment of impacts and LAR planning and documentation; (v) implementation and assistance to APs; and (vi) monitoring and reporting. For Tier 3 projects, where customary land is involved and customary landowners do not agree to grant an easement or access, the MOA process may not be adequate. The SPM also needs to incorporate the modified land acquisition process under LTA for those activities that may require measures beyond the MOA process

78. The MID/CPIU Safeguards Team currently does not have a person focusing exclusively on LAR, since almost all of its contracts to date are LBES and MBMC with no land acquisition. Consequently, the current Safeguards Team does not have much experience in the preparation, supervision, and monitoring of Tier 3 projects involving land acquisition. Given a possibility that Tier 3 projects may increase in the future, the absence of a safeguards specialist with LAR experience will be a major gap. It is recommended that the technical assistance to CPIU includes an LAR specialist.

79. The current work of the Safeguards Team is front-loaded and focuses on the feasibility and procurement stages. Due to their small number they have had limited participation in contract supervision and safeguards monitoring. The need for supervision and monitoring function is likely to increase and CPIU needs support for this task and responsibility as well.

80. There is risk of legal challenges to the MOA if a proper process is not followed. Therefore, the current MOA process requires improvement in several areas, including: (i) provision of a professional valuer to undertake valuation; (ii) timely payment of compensation payment; and (iii) adjustment of the payments to inflation in the case of delays.

81. The budget for CAC operations is currently part of BOQ of the works contractor. If there is any delay in the procurement process, the CAC's organization and operation may be hampered. For Tier 3 projects that involve LAR impacts, the LAR must be undertaken before the contract is awarded but there may be no budget available for CAC tasks before the contract is awarded. Therefore, CPIU must identify and budget for keeping CAC engaged and updated while tendering is in progress.

82. Further, the CPIU has no procedures to deal with physical displacement and off-site relocation, if needed in the future. The SPM needs to provide these procedures.

83. **Conclusion.** Given that most STIIP activities are Tier 1 and 2 only requiring temporary access during construction and there are only few Tier 3 activities requiring permanent land access outside existing corridor, it is concluded that current procedures and practices, with additional strengthening measures through the preparation, adoption and implementation of the SPM, would be adequate to manage LAR risks for STIIP. The Program Safeguards Actions in the next section summarizes the key actions for LAR safeguards.

E. Program Safeguard Actions

84. Since the proper organization of the CPIU Safeguards Team, there has been a gradual improvement in the consistency and quality of safeguards implementation. MID/CPIU has developed a number of good practices which have been applied to projects and gradually evolved into the EMS and LAR procedures of the CPIU. STIIP has an opportunity to build on this positive experience not only to ensure that STIIP activities are successfully implemented in compliance with both CSS and SPS, but also to promote good safeguard practices for all projects under MID.

85. The PSSA has identified some gaps and measures to fill such gaps (discussed in the preceding sections). To comply fully with relevant SPS principles, the program needs to implement the following key actions:

- (i) MID's adoption of SPM as part of the NTP. The SPM to bring together all PSS requirements including EMS, LAR process, guidelines for implementation of Tier 1-3 activities, Climate Change Manual, CAC guidelines, and the Sourcing Road Construction Materials Guidelines. The SPM is to also specify measures to remedy gaps in current EMS and LAR processes identified in the diagnostic above.
- (ii) All civil works contracts to require contractors to comply with relevant provisions of the SPM.
- (iii) MID/CPIU to strengthen enforcement of compliance during implementation and to prepare periodic safeguards monitoring reports (at least, six-monthly for Tier 3 activities and annually for Tier 1 and 2 activities).
- (iv) Provision of a strengthened full time MID/CPIU Safeguards Team, comprising specialists on environment, social/LAR safeguards, community facilitation and gender. Intermittent inputs of international safeguard specialists over the life of the program to support the MID/CPIU Safeguards Team;
- (v) Implementation of CCP during planning and implementation of projects.
- (vi) Training to all MID engineers, job managers and safeguards personnel involved in program planning on the scope and procedures set out in the SPM;
- (vii) Training to contractors focusing on their key safeguards responsibilities and commitments to the PSS;
- (viii) Training and capacity building of CACs about their role particularly in relation to supervision of contractor agreements with groups and individuals and providing feedback on contractor performance;
- (ix) Coordination with CSS TA which will be working with MID, ECD and MLHS to implement recommendations of TA 8217.

Diagnostic Assessment

A. Environment Safeguards

| ADB SPS Principles | Trig ger ed | Current Good System/Practices | Gaps | Additional Measures |
|--|-------------------|---|---|---|
| 1. Use a screening process for each proposed project, as early as possible, to determine the appropriate extent and type of environmental assessment so that appropriate studies are undertaken commensurate with the significance of potential impacts and risks. | Yes | Under environment regulation 2008 all development activity is subject to development consent by ECD/MECDM unless an exemption has been granted by the Director ECD. MID has current screening process to separate all activities by Tier. Both Tiers 1 and 2 apply for exemption which is normally granted. Responsibility for environmental management is still required in accordance with the Environmental regulation even though exemption is granted. | There are no regular coordination meetings with ECD/MECDM to discuss screening and decision-making. | <p>The screening procedures to be formalized in the SPM to continue and strengthen the practice.</p> <p>Capacity building and training to improve regular coordination with ECD/MEMCD including both MID and MEMDC staff.</p> <p>Training for job managers and site supervisors using the SPM so that the screening and development consent procedures are understood and implemented consistently.</p> |
| 2. Conduct an environmental assessment for each proposed project to identify potential direct, indirect, cumulative, and induced impacts and risks to physical, biological, socioeconomic (including impacts on livelihood through environmental media, health and safety, vulnerable groups, and gender issues), and physical cultural resources in the context of the project's area of influence. Assess potential trans boundary and global impacts, including climate change. Use strategic environmental assessment where appropriate. | Yes | Current practice is that all Tier 3 sub - projects carry out an environmental assessment. These include major rehabilitation & new sub projects. Tiers 1 and 2 sub projects are screened as in principle 1 and generally processed as exempt from development consent. | There are no regular coordination meeting with ECD/MECDM to discuss screening and EA decision-making | <p>The procedures to be set out in the SPM to ensure all MID staff fully understand EA process currently in place.</p> <p>Capacity building and training to improve regular coordination with ECD/MEMCD including personnel from both MID and MEMDC.</p> |
| 3. Examine alternatives to the project's location, design, technology, and components and their potential environmental and social impacts and document the rationale for selecting the particular alternative proposed. Also consider the no project alternative. | Yes | All Tier 3 activities currently require a feasibility assessment including an environmental assessment, which is required to assess alternatives, including no project alternative. | There is no GAP | None Needed. |
| 4. Avoid, and where avoidance is not possible, minimize, mitigate, and/or offset adverse impacts and enhance positive impacts by means of environmental planning and management. Prepare an environmental management plan (EMP) that includes the proposed mitigation measures, environmental monitoring and reporting requirements, related institutional or organizational arrangements, capacity development and training measures, implementation schedule, cost estimates, and performance indicators. Key considerations for EMP preparation include mitigation of potential adverse impacts to the level of no significant harm to third parties, | Yes | All Tier 3 sub projects require the preparation of an EMP under the Environment Act & Regulations. Under the current internal MID Three Tier Environmental Management System (EMS) a Construction Environmental Management Plan (CEMP) is also required for Tier 2 Machine Based Maintenance sub- projects even though it may be exempt from development consent procedures. | The current weakness has been the supervision and monitoring of CEMP's particularly under Tier 2 sub- projects. The roles of job manager, site supervisor and safeguards team have not been clear. There has not been sufficient available environmental staff to carry out routine check on CEMP compliance. | <p>SPM to spell out roles and monitoring procedures for CEMP monitoring and supervision.</p> <p>Capacity building & training of MID Job managers, site supervisors and contractors on required monitoring and compliance enforcement procedures. An additional local environment specialist will improve the ability to adequately supervise and monitor and carry out routine quality control and assurance procedures</p> |

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| and the polluter pays principle | | | | |
| 5. Carry out meaningful consultation with affected people and facilitate their informed participation. Ensure women's participation in consultation. Involve stakeholders, including affected people and concerned nongovernment organizations, early in the project preparation process and ensure that their views and concerns are made known to and understood by decision makers and taken into account. Continue consultations with stakeholders throughout project implementation as necessary to address issues related to environmental assessment. Establish a grievance redress mechanism to receive and facilitate resolution of the affected people's concerns and grievances regarding the project's environmental performance. | Yes | <p>MID/CPIU has prepared a comprehensive communication and consultation plan (CCP), which is being implemented under TSDP. One element of the community consultation process is the establishment of a Community Advisory Committee (CAC) and has been found to have significantly improved the relationship with affected communities.</p> <p>The role of the CAC is currently set out in the CAC guidelines which have been adopted for all sub- projects by MID.</p> <p>A Grievance Redress Mechanism (GRM) has been adopted by the NTF Board and CPIU.</p> | <p>As CAC guidelines have only been in place for one year, there are still sub- projects which have been let previously which do not have a CAC.</p> <p>There have been issues associated with the Tier 1 sub projects where employment and sub-contract agreements with community groups and individual families have not been transparent and have led to grievances according to a review by CPIU.</p> | <p>CAC guidelines will be incorporated in the SPM to address the equity and transparency issues.</p> <p>The SPM to incorporate the GRM that has been adopted by the NTF Board/CPIU.</p> <p>Training of contractors and CAC representatives to improve the clarity of roles and governance within the CAC.</p> |
| 6. Disclose a draft environmental assessment (including the EMP) in a timely manner, before project appraisal, in an accessible place and in a form and language(s) understandable to affected people and other stakeholders. Disclose the final environmental assessment, and its updates if any, to affected people and other stakeholders. | Yes | <p>Current PSS requires both draft and final versions of relevant environment assessment reports, PER or EIS, to be disclosed for Tier 3 sub projects.</p> <p>Tier 1 & Tier 2 activities do not have EA reports for disclosure, but CPIU staff disclose information about the project at the initial stage when an Expression of Interest (EOI) is issued. The establishment of a CAC is required to facilitate consultation and disclosure during implementation.</p> | No gap. | None required |
| 7. Implement the EMP and monitor its effectiveness. Document monitoring results, including the development and implementation of corrective actions, and disclose monitoring reports. | Yes | <p>For Tier 1 activities, CPIU has adopted guidelines for implementation of environmental, health, safety and community aspects. This includes an environmental checklist to be used by the contractors for mitigation as part of the construction contract.</p> <p>For Tier 2, guidelines have been drafted to implement environment, health, safety and community aspects.</p> <p>All contractors under Tier 2 and 3 are required to implement CEMP.</p> | <p>The current weakness has been the supervision and monitoring of CEMP's particularly under Tier 2 sub- project category. The roles of job manager, site supervisor and safeguards team have not been clear. There has not been sufficient available environmental staff to carry out routine quality assurance checks on CEMP compliance.</p> | <p>SPM to spell out roles and monitoring procedures for supervision, quality control and quality assurance.</p> <p>SPM to incorporate CPIU guidelines on implementation of environment, health, safety and community aspects.</p> <p>Capacity building & training of MID Job managers and site supervisors and contractors on required monitoring and compliance enforcement procedures.</p> |

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| 8. Do not implement project activities in areas of critical habitat, unless (i) there are no measurable adverse impacts on the critical habitat that could impair its ability to function, (ii) there is no reduction in the population of any recognized endangered or critically endangered species, and (iii) any lesser impacts are mitigated. If a project is located within a legally protected area, implement additional programs to promote and enhance the conservation aims of the protected area. In an area of natural habitats, there must be no significant conversion or degradation, unless (i) alternatives are not available, (ii) the overall benefits from the project substantially outweigh the environmental costs, and (iii) any conversion or degradation is appropriately mitigated. Use a precautionary approach to the use, development, and management of renewable natural resources | No | It is not anticipated that the STIIP will include any locations considered critical habitats and is not triggered. If there were a sub- project involving critical habitat and thus be category A it would be excluded from the STIIP program. | N/A | N/A |
| 9. Apply pollution prevention and control technologies and practices consistent with international good practices as reflected in internationally recognized standards such as the World Bank Group's Environmental, Health and Safety Guidelines. Adopt cleaner production processes and good energy efficiency practices. Avoid pollution, or, when avoidance is not possible, minimize or control the intensity or load of pollutant emissions and discharges, including direct and indirect greenhouse gases emissions, waste generation, and release of hazardous materials from their production, transportation, handling, and storage. Avoid the use of hazardous materials subject to international bans or phase outs. Purchase, use, and manage pesticides based on integrated pest management approaches and reduce reliance on synthetic chemical pesticides. | No | The current mitigation practice does not require pollution prevention approaches normally associated with this principle and as such the principle is not triggered. | N/A | N/A |
| 10. Provide workers with safe and healthy working conditions and prevent accidents, injuries, and disease. Establish preventive and emergency preparedness and response measures to avoid, and where avoidance is not possible, to minimize, adverse impacts and risks to the health and safety of local communities | Yes | MID procedures and contracts include workers' health & safety aspects. These include a routine checklist for Tier 1 & 2 to be monitored by CPIU which is focused on developing contractor compliance with health and safety (H&S) requirements as well as environmental mitigation. Tiers 2 activities have site specific requirements. World Bank EHSG are to be applied, all tiers required H&S to be addressed. Tier 3 requires more detailed H&S plan as part of EMP. | The current weakness has been the supervision and monitoring of CEMP's particularly under Tier 2 sub- project category. The roles of job manager, site supervisor and safeguards team have not been clear. There has not been sufficient available environmental staff to carry out routine quality assurance checks on CEMP compliance. | SPM to spell out roles and monitoring procedures for supervision, quality control and quality assurance. Capacity building & training of MID Job managers and site supervisors and contractors on required monitoring and compliance enforcement procedures |

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| 11. Conserve physical cultural resources and avoid destroying or damaging them by using field-based surveys that employ qualified and experienced experts during environmental assessment. Provide for the use of "chance find" procedures that include a pre-approved management and conservation approach for materials that may be discovered during project implementation. | Yes | Chance find provisions are included in EMP's for Tier 2 and 3 sub- projects which would be more likely to encounter physical and cultural resources even though the risk is considered low. Tier 1 sub-projects do not use machinery so are unlikely to encounter such resources. | No gap identified. | None Required |
|---|-----|---|--------------------|---------------|

B. Land Acquisition and Resettlement (LAR) Safeguards

| SPS Safeguard Principles | Triggered | Current Good Practices | Gaps | Additional Measures |
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| Principle 1 - Screen activity early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including gender analysis, specifically related to resettlement impacts and risks. | Yes | MID has current screening process to separate all activities by Tier (1, 2 or 3). Scoping is undertaken by the engineers to assess the extent of works needed and classify if it is labor-based maintenance, machine based, major rehabilitation and new work. | Scoping of works is predominantly technical and does not include social considerations such as the boundaries of infrastructure and properties. The safeguards team does not participate in this stage. | Include the social safeguards team in scoping the works to identify early the communities which may be affected and the boundaries of their lands. |
| Principle 2 Carry out meaningful consultations with all APS, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their planning, implementation, and monitoring and evaluation of the resettlement programs. Pay particular attention to the needs of vulnerable groups especially those below the poverty line, the landless, the elderly, women and children, Indigenous Peoples, and those without legal title to land and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase. | Yes | <p>MID/CPIU has prepared a comprehensive communication and consultation plan (CCP), which is being implemented under TSDP. One element in the CCP is the establishment of a Community Advisory Committee (CAC).</p> <p>The role of the CAC is currently set out in the CAC guidelines which have been adopted by MID.</p> <p>A Grievance Redress Mechanism (GRM) has been adopted by the NTF Board and CPIU.</p> <p>The CPIU safeguards team publicizes request for Expression of Interest (EOI) for LBES contracts among communities living in the project site, informing the latter of the works and increasing the probability of poor and vulnerable groups to participate.</p> <p>Across all Tier 1 & 2 activities, contractors are required to form CAC prior to construction mobilization. For Tier 3, the CPIU team organizes, builds the capacity, facilitates the operation of CAC. The CAC is the first level of the grievance mechanism and consists of representatives selected by the community and serving on a voluntary capacity.</p> | <p>The budget for CAC operations is part of the BOQ of the works contractor. If there is failure in the procurement process, the CAC's organization and operation may be hampered, or worse, not realized.</p> <p>For Tier 3 projects if they involve significant resettlement impacts, the land acquisition and resettlement will have to be undertaken even as tendering in progress and there may be no budget available before the contract is awarded.</p> | For Tier 3 projects, CPIU to keep CAC engaged and updated while tendering is in progress. SPM to include measures on this |

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| Principle 3 Improve or at least restore livelihoods of all APs through (i) land based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods; (ii) prompt replacement of assets with access to assets of equal value or higher value; (iii) prompt compensation at full replacement cost for assets that cannot be restored; and (iv) additional revenues and services through benefit sharing schemes where possible. | Yes | For Tier 1 & 2, impacts are minimum and temporary and community people are involved as either contractors or construction workers. For Tier 3, MOA is signed with landowners which provides for use of land in exchanges of project benefits and compensation for non-land assets and any damages during construction. Compensation is based on schedules prepared by the Valuer General and the Ministry of Agriculture and Livestock Development for affected assets and crops, respectively. | The valuation is done by project safeguard staff (not a professional valuer) based on Valuer's Schedule, which is not updated on a frequent basis. | SPM to include provision of a professional valuer to undertake valuation for Tier 3 projects. |
| Principle 4 Provide physically and economically displaced people with needed assistance, including: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training or employment opportunities; and (iii) civic infrastructure and community services, as required. | Yes | Thus far no physical displacement has occurred for any of the works done by the CPIU. MOA for Tier 3 activities provide for shifting allowance and business allowances in addition to compensation for damages to non-land assets. | The CPIU has no procedures to deal with physical displacement and off-site relocation, if needed in the future. | SPM to provide for these procedures |
| Principle 5 Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas, provide them legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing. | Yes | The practice of publicizing EOI for LBES contracts provide opportunities for the poor and vulnerable groups to be employed by LBES contractors. Tier 2 contractors usually employ some locals. MOA for Tier 3 provides employment for affected members of the community. | LBES contracts do not require contractors to follow the transparent employment process and pay national minimum wages (or its equivalent in case of works measured by units). | SPM to include provisions of minimum wages and transparent employment process in LBS contracts. |
| Principle 6 Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status. | Yes | The resettlement frameworks and MOA under CPIU contain procedures for a negotiated settlement and provide for entitlements for affected people who enter into these agreements. | Resettlement Framework and the MOA procedures are project-specific, not CPIU/MID wide. These apply only to certain projects. For Tier 3 projects, where customary land is involved and customary landowners do not agree to grant an easement, the MOA process may not be adequate. | SPM to incorporate current procedures for negotiation including MOA process. SPM to also refer to the land acquisition process under LTA for those activities which require measures beyond MOA. |

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| Principle 7 Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible to resettlement assistance and compensation for loss of non-land assets. | Yes | The system and procedures recognize customary land ownership, even without titles. NTP-funded projects so far have not displaced persons without titles or any recognizable legal rights to land. The Resettlement Frameworks under CPIU have provision for these types of affected persons, although laws do not have equivalent provisions. | Resettlement Framework and the MOA procedures are project-specific, not CPIU/MID wide. These apply only to certain projects. | The SPM to incorporate measures on affected non-titleholders. |
| Principle 8 Prepare resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget and time bound implementation schedule. | Yes | Tier 1 & 2 do not require LARP. Resettlement frameworks under CPIU require LARP for Tire 3, and one is prepared for subproject elaborating entitlements, etc. Safeguards specialist in the CPIU team prepares the RP. | Resettlement Framework and the LARP are project-specific, not CPIU/MID wide. | The SPM to incorporate provision of LARP. |
| Principle 9 Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an access | Yes | Not relevant for Tier 1 and 2. Resettlement frameworks under CPIU require disclosure of LARP for Tire 3 projects. | Resettlement Framework and the LARP disclosure are project-specific, not CPIU/MID wide. | The SPM to incorporate procedures for the disclosure of the LARP. |
| Principle 10 Conceive and execute IR as part of a development project or program. Include the full costs of resettlement in the presentation of project's cost and benefits. For a project with significant involuntary resettlement impacts, consider implementing the IR component of the project as a stand-alone operation. | Yes | LAR is integrated in the CPIU structure through the Safeguards Team. Compensation payments are integrated in the BOQ of the contractors. Thus far, there has not been an NTP project with significant involuntary resettlement impacts. | LAR procedures are not integrated at MID level | The SPM to integrate all relevant procedures at MID level. |
| Principle 11 Pay compensation and provide resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation. | Yes | The responsibility for paying compensation is currently lodged with the contractors, including those involved in major rehabilitation. If delays in payments occur, the MOA specifies that valuation of affected non-land assets will be adjusted according to inflation with the prior approval of the Valuer General. | Delays in procurement of the civil works contractors also defer the payment of compensation and other entitlements. Depending on the length of the delay, a re-appraisal of the assets becomes necessary to meet replacement cost standards. Securing the Valuer General's approval can lead to further delays. | SPM to include provision of (i) a professional valuer for updating compensation amount; (ii) MID to pay compensation directly in case of any activity involving significant resettlement impacts. |
| Principle 12 Monitor and assess resettlement outcomes, their impacts on the standard of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring results. | Yes | Resettlement frameworks under CPIU provides for monitoring of LAR activities by the Safeguards team. The job managers and works supervisor are responsible to supervise contractors' compliance with the provisions of the contract, including relevant safeguards. Job managers are required to pass on reports about contractors' compliance to the safeguards team. | Resettlement Framework and the LARP monitoring are project-specific, not CPIU/MID wide. Monitoring of LAR for Tier 3 needs clear procedures and additional personnel. | SPM to include provisions of LAR monitoring. For Tier 3 projects involving significant resettlement impacts, if any, the provision of an external expert to monitor LAR aspects. In all tiers, the CAC will be trained to participate in monitoring activities. |