

# Land Acquisition/Resettlement Plan

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September 2017

## VANUATU: Energy Access Project Brenwe Hydro Power Subproject



## CURRENCY EQUIVALENTS

(as of 9 August 2014)

Currency Unit - Vanuatu Vatu

VND \$1.00 = US\$ 0.01053

US\$ 1.00 = Vatu\$ 92.00

## ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	Affected Household
AP	–	Affected Person/People
BSC	-	Brenwe Steering Committee
CBO	–	community based organisation
CCPP	-	Communication, Consultation and Participation Plan
DD	–	Due diligence
DOE	–	Department of Energy
DMS	–	Detailed Measurement Survey
EA	–	Executing agency
EAP	–	Energy Access Project
GAP	–	Gender Action Plan
GDP	–	Gross Domestic Product
GRM	–	Grievance Redress Mechanism
GWh	–	Gigawatt per hour
HH	–	Household
HIES	–	Household Income and Expenditure Survey
IA	-	Implementing Agency
IR	–	Involuntary Resettlement
MWh	–	Megawatt per hour
M&E	–	Monitoring and Evaluation
MLNR	–	Ministry of Lands and Natural Resources
MoCC	-	Ministry of Climate Change
MPG	-	Malampa Provincial Government
NGO	–	Non-government organisations
NSO	–	National Statistics Office (Vanuatu)
PMU	–	Project Management Unit
PPTA	–	Project Preparatory Technical Assistance
RP	–	Resettlement Plan
SPS	–	Safeguard Policy Statement
TOR	–	Terms of Reference
TA	–	Technical Assistance
USD	–	United States Dollar
VG	–	Valuer General
VT or VUV	–	Vanuatu Vatu
ZOI	–	Zone of Influence

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## I. EXECUTIVE SUMMARY

1. ADB's Energy Access Project (the project) will assist the Republic of Vanuatu's (the Government) efforts to reduce the country's heavy reliance on imported fossil fuels for power generation by providing a secure, sustainable and environmentally sound source of electricity for private and commercial consumers. The impact of the project will be the livelihoods of households in Malekula and Espiritu Santo have improved. The outcome of the project will be Government has increased supply of clean renewable electricity to households in Malekula and Espiritu Santo.

2. The project will have the following outputs: (i) distribution grid extension in Santo and Malekula islands, (ii) Brenwe Hydropower plant (HPP) in Malekula, (iii) capacity building, and (iv) efficient project management services. The feasibility study was undertaken in 2014 under Project Preparatory Technical Assistance (PPTA) funded by the Asian Development Bank (ADB) with further investigations which took place in early 2016.

3. This Resettlement Plan (RP) has been prepared for the Brenwe subproject in Malekula, Malampa Province. The subproject requires about 44,100 m<sup>2</sup> (4.41 ha) of land area to construct the hydropower facilities. The transmission line and grid extension will follow the existing provincial road corridor and/or access road and it is not expected to require land acquisition. The land access for these components will be guided by the applicable government laws such as Electricity Act and obtain necessary consent and agreement from all the landowners.

**Table E1. Land Requirement and Affected Persons in Brenwe<sup>1</sup>**

Parameter	Malekula
	Brenwe
Ownership/type of land	Customary land
Type of land use	Bush land and high slopes. Not used for any residential or agriculture purpose.
Land requirement m <sup>2</sup> (ha)	44,100 m <sup>2</sup> (4.41 ha)
Number of Identified Households having claims to the land	TBC
Estimated total subproject APs	TBC
Number of Female-Headed Households	None
Affected households losing 10% or more land	None
Other Affected Assets	Tree cutting along transmission line that can be determined only after detailed design.

Source: PPTA.

4. The Brenwe subproject is not expected to have impacts of physical displacement and/or loss of major income source. The hydropower site will require a total of 4.41 ha of bush or idle land<sup>2</sup> and it will not impact livelihoods of landowners/claimants or affected persons (APs) since the site is bush land with high slopes that is not used for any residential or agriculture purpose. The APs view the development of hydropower as an opportunity to access power supply as well as compensation for land, thus maximising their benefits out of an otherwise unproductive or unused land. Although transmission line and grid extension are not expected to require land acquisition, it will require cutting of trees affecting households that can be determined only during the detailed design stage.

<sup>1</sup> Data on land are preliminary estimates based on PPTA. These are subject to confirmation during the implementation. The updated RP will provide final data on land requirement and APs, including those to be affected by tree cutting along the transmission lines.

<sup>2</sup> "Idle land" in this report means that the land is not used by APs for any purpose such as agriculture, housing, etc. Other trees are naturally grown.

5. In the early 90's a foreign company had almost completed the development of a hydropower project within the same area and only failed because of the lack of financing and disputes with local communities regarding the transmission lines which would traverse across rich agricultural lands adversely affecting local people. The said project was then abandoned and the project was never operational; land was not acquired.

6. Based on this lesson, the proposed subproject will acquire and compensate for the land for the hydropower site and the transmission lines will follow the existing provincial road to avoid and minimize impacts. The grid extension will also follow the existing road access and will only take place where there are landowners consent and negotiated agreement on the use of land including if it will traverse across a customary land. This component will be governed by the government's existing laws and policies on public utilities such as Electricity Act. While the local communities had unwanted experience over the past attempt to develop hydropower, a constant dialogue by government representatives and the pressing need of electricity in the area as well as the assurance that the transmission line will be located alongside the existing road has resulted in the expression of a strong support by the local communities for the subproject. During interviews, all consulted APs/communities expressed strong need for the subproject and willingness to support and allow the government to acquire the land.

7. The project will follow ADB's Safeguard Policy Statement (SPS, 2009) and Vanuatu's applicable laws on land acquisition and compensation. The table below summarises the entitlement for APs.

**Table E2. Entitlement Matrix**

<b>Type of Impact</b>	<b>Entitled Persons</b>	<b>Entitlements</b>
Loss of land	Land owners/users	Compensation at replacement cost based on current market price (most recent transaction of comparable value) will be paid for the land to be acquired.
Loss of trees, crops	All APs regardless of legal status	It will be agreed with APs that any crops on affected land will be harvested by them before site clearance. If APs are not able to harvest crops, they will be paid compensation at replacement cost based on market prices. Fruit trees including any loss of production will be compensated at replacement cost or market/comparable price.
Impacts on vulnerable groups	Vulnerable groups including include women, youth and poor households	i) training and project generated employment on priority basis to the affected households; and ii) assistance to vulnerable households for income restoration.
Unforeseen or unintended impacts	Concerned affected people	These will be determined as per the principles of this RP and ADB's SPS.

8. The RP has been prepared based on assessments and consultations undertaken during the PPTA. The RP has been endorsed by the EA, disclosed to APs, and posted on ADB website before the project appraisal. The RP will be update, first after the inventory of losses has been completed for the hydropower site and second, after the detailed design has been completed for the transmission line and grid extension during implementation.

9. The following is the implementation schedule for land acquisition/resettlement activities:

**Table E3. Implementation Schedule**

<b>N°</b>	<b>Activities</b>	<b>Schedule</b>
1	Confirmation of land requirement and consultation/information disclosure with landowners/APs	Month 1
2	Land survey and valuation	Month 2
3	Confirmation of landowners by CLMO	Month 2
4	Submission to Department of Lands (DOL) of land survey report and to prepare for formal negotiation with landowners/APs and budget allocation for land acquisition	Month 3-4
3	Negotiation with landowners/APs: consultation with affected landowners to negotiate for land acquisition/purchase.	Month 3-6
5	Agreement on land acquisition/purchase and approval by the government on allocation and release of fund for land compensation payment	Month 7-9
6	VPMU in coordination with Department of Energy (DOE) and DOL updates the RP including agreements on compensation rates with landowners, and discloses updated RP to APs.	Month 9
7	VPMU submits the updated RP to ADB for approval and posting on ADB website	Month 10
8	Execution of land acquisition and payment of compensation	Month 11-13
11	VPMU submits to ADB a land acquisition and compensation completion report	Month 14
12	VPMU submits safeguard monitoring report	Six-monthly

## **II. PROJECT DESCRIPTION**

### **A. Background and Rationale**

10. Vanuatu is a South Pacific island nation composed of more than 80 islands with a total land area of about 12,190 km<sup>2</sup> spread over an ocean area of 612,300 km<sup>2</sup> in the South Pacific stretching from Hiu Island in the north to Mathew and Hunter Islands in the south. Most (around 60%) of these islands are permanently inhabited, and around half are mountainous and densely forested with narrow strips of farming land on the coasts. Five volcanoes are still active and volcanic eruptions are not uncommon. In 2009, the country had a total population of 234,0283 in 47,373 households with almost 80 per cent of them living on the twelve largest islands. The two main cities are Port Vila (44,039 people) and Luganville (13,156 people).

11. Vanuatu's economy is primarily agriculture-based. More than three-quarters of inhabitants live in rural areas and rely on traditional subsistence farming methods. Vanuatu's economy has been unable to grow quickly enough to meet the needs of its expanding population. A significant consequence is a high rate of youth unemployment. The main exports are copra (35 per cent), coconut oil, cocoa, coffee, kava root, cattle and timber. The country's tax haven status and unspoilt natural beauty has led to a growing reliance on the finance and tourism industries. Overseas aid from Australia, New Zealand, France and Britain is also important.

12. Vanuatu has no known developable fossil fuel reserves though the country is relatively rich in renewable energy resources which include geothermal, hydro, solar, bio-energy and wind. Electricity generation and transport are still mainly based on imported fossil fuel though both electricity generation and transport have significant potential for further conversion to renewable energy in the future. Per estimate, around 65% of petroleum imports are used for transport, 30% for electricity generation and 4% for household use. About 7% of rural dwellers have access to any sort of electrical services other than portable lights and radios powered by dry cell batteries.

13. The government wants to reduce imports of fossil fuels since the cost of petroleum product imports typically exceeds 50% of the total value of Vanuatu's exports. The ADB has provided PPTA to

<sup>3</sup> Source: Vanuatu National Statistical Office (2009), Port Vila. 2009 National Population and Housing Census, Vol. I & II

the Government of Vanuatu for the Energy Access Project to increase energy access to households and businesses across Vanuatu through expansion of existing distribution grids and the development of low cost renewable energy generation from hydropower.

14. The impact of the project will be the livelihoods of households in Malekula and Espiritu Santo have improved. The outcome of the project will be Government has increased supply of clean renewable electricity to households in Malekula and Espiritu Santo.

## **B. Project Outputs**

15. The project will have following outputs: (i) distribution grid extension in Santo and Malekula islands, (ii) Brenwe Hydropower Plant (BHPP) in Malekula, (iii) capacity building, and (iv) efficient project management services.

## **C. Scope of Work of Brenwe HPP Subproject**

16. The Brenwe subproject is located along the Brenwe River system in the island of Malekula in Malampa Province. The main islands of Malekula, Ambrym and Paama comprise the province of Malampa. Malekula is the second largest of Vanuatu's islands. Its capital is Lakatoro but the airport is located some 5 km away in Norsup.

17. The hydropower site is located approximately 20 km from Lakatoro the provincial administrative centre and 15 km from Norsup. The subproject will harness the flow of the Brenwe River to generate hydro-electric power. The layout follows the footprint of the partially constructed Brenwe hydropower project which was abandoned in the mid-90s.

18. The intake of the run-of-river scheme is located at RL160 m above sea level about 5 km NNW of Unmet village and comprises a low weir with a single gated sluice on the left side. Water is diverted into a side intake and sand trap on the left bank before being conveyed along a south trending headrace canal for approximately 1 km. The headrace canal passes alongside a gorge where it is cut into a steep to sub vertical slope. Along the gorge the river drops nearly 100 m over less than 1 km. The canal discharges into a forebay (16 m x 4 m). A 150 m steel penstock conveys water from the head pond west to the powerhouse (15 m x 8 m) located on the left bank of the Brenwe River at elevation RL 80 m above sea level which will provide an output of up to 600 kilowatt (kW) with a design flow of 0.8 to 1.3 m<sup>3</sup>/s.

19. Access to the site from Lakatoro is via the existing northwest Malekula Provincial Road which crosses the Brenwe River about 400 m upstream of the intake site. Previously constructed access roads from the Provincial road to the intake, powerhouse and forebay sites will be used for this project. The access roads are dilapidated and overgrown with vegetation and will have to be cleared and rehabilitated.

20. An approximately 23 km long 20 kV transmission line<sup>4</sup> will be constructed from the powerhouse to Lakatoro where it will connect to UNELCO's existing grid. The line route will be within the corridor of the powerhouse access road and the northwest Malekula Provincial public road to Lakatoro (existing 10m wide corridor).

21. Construction of the Brenwe River hydropower scheme will involve construction activities consisting of largely manual labour under the supervision of trained personnel. The site is accessible by access roads and transportation of construction material is not an issue. Civil works will require both skilled and unskilled workers. Construction of the subproject will provide the opportunity for capacity building for future maintenance. The use of prefabricated equipment, reinforced concrete and masonry, minimises the quantities of building materials. It is estimated that temporary employment of 50 to 80 workers (60% skilled) will be required for the Project over the construction period of about 24 months.

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<sup>4</sup> 20 kV is a distribution voltage and is mounted on poles and aligned along existing road corridors. It does not require a clearance corridor typical of high voltage transmission lines. However, for the purposes of this project the 20 kV line performs a transmission function and is therefore referred to throughout this report as a transmission line.



22. The existing access roads to intake, forebay and powerhouse sites will be cleared of overgrown vegetation and rehabilitated / graded as necessary. This will be followed by demolition and removal of the existing facilities, namely the abandoned weir, forebay and powerhouse structures. As much as possible waste materials (concrete, masonry, etc.) will be reused as construction materials.
23. At the head works site a temporary coffer dam and channel diversion will be constructed to allow for construction of the intake works. This will be followed by largely manual excavation of soil rock and boulders to form the head works. As much as possible excavated material will be used as backfill with surplus material disposed of as required. The intake structure will be manually constructed with reinforced concrete.
24. Vegetation clearance and excavation of the headrace canal, head pond and penstock route will be followed by construction of the stone masonry or concrete canal and forebay structures and concrete support piers and anchor blocks for the penstock.
25. Powerhouse and tailrace construction will commence with site clearance followed by excavation of discharge pit and concrete slab foundation for the powerhouse. River bank protection works adjacent to the tailrace will involve placement and filling of gabion baskets.
26. The 23 km long 20 kV transmission line will be built using insulated Aerial Bundled Cables (ABC) to minimize vegetation clearance. However, it will require i) minimum vegetation trimming in along a few sections of the road corridor; ii) transporting 12 m steel or concrete poles to the road side; iii) erection of poles; iv) stringing of cables; and v) installation of transformers. These sequential activities are primarily manual activities involving a small team with minimal use of mechanical equipment. No excavation is required other than manual or machine digging for the pole footing. Concrete foundations will be provided in some locations for the pole footings.
27. The grid will be extended to an estimated additional 1,050 households in Malekula and Espiritu Santo. The project will finance 79 km distribution lines, step-down transformers and poles.
28. The executing agency (EA) will be the Ministry of Finance and Economic Management (MFEM) and the implementing agency (IA) will be the Department of Energy (DOE) assisted by the Vanuatu Project Management Unit (VPMU).
29. This Resettlement Plan (RP) is based on the findings of the assessment of the selected site in Malekula in Malampa Province carried out under the PPTA. The RP has been prepared following ADB's Safeguards Policy Statement (SPS) and applicable laws of the Republic of Vanuatu. The RP follows the following outline as prescribed by SPS: (i) Executive Summary; (ii) Project Description; (iii) Scope of Land Acquisition/Resettlement; (iv) Socioeconomic Information and Profile; (v) Information Disclosure, Consultation, and Participation; (vi) Grievance Redress Mechanisms (GRM); (vii) Legal/Policy Framework; (viii) Entitlements, Assistance and Benefits; (ix) Income Restoration; (x) Budget and Financing; (xi) Institutional Arrangements; (xii) Implementation Schedule; and (xii) Monitoring and Reporting.

### III. SCOPE OF LAND ACQUISITION/RESETTLEMENT

#### A. Scope of Land Acquisition Requirements

30. The Brenwe subproject includes the development of hydropower facilities and infrastructure (water intake, headrace, forebay, canal, power station) with a maximum total capacity of 600 kW though initially constructed for 450 kW. It will include the improvement of an access road from the power plant to the existing Provincial road and construction of a 20 kV power transmission lines to connect the power station to the existing Norsup/Lakatoro gridline. In summary:

- 4.41 hectares for hydropower site
- Access road from existing road
- Road reserve for 22km transmission line

31. It requires about 44,100 m<sup>2</sup> (4.41 hectares) of land area to develop the hydropower facilities. The transmission line will follow the existing provincial road corridor and it is not expected to involve land acquisition but will require cutting of trees that can be determined only during the detailed design. The hydropower site of the Subproject is located within the same area where the development of hydropower was attempted by a foreign company in 1990s but never completed and later abandoned. Since no land was acquired for the past project, the present project will undertake full land acquisition and compensation for the hydropower facilities following the required ADB and GOV processes and procedures.

32. Two custom lands were with multiple landowners were identified as the land required to accommodate the hydropower facilities: Wiaru and Tervaut. The access road crosses Tervaut and Timbun custom lands. Custom lands and APs along transmission line have not yet been determined.

33. Consultation was held in 2014, 2016 and 2017 on the land requirement of the subproject. The custom landowners and their representatives were informed of the scope of land requirement of 4.41 ha of idle and unproductive land owned/claimed by them.

34. Determining the rightful customary landowners will require a process that will be undertaken by Customary Land Management Office (CLMO) according to applicable laws of Vanuatu. The CLMO with the help of tribal chiefs will review the customary ownership claims through examination of anecdotal history of generations of users and decide who the rightful owners are. The final RP will include the complete list of APs once the landowners for hydropower sites are determined and detailed design is undertaken determining the requirement of tree cutting for the transmission line along the existing Provincial road.

#### B. Land Acquisition Impacts and Affected Household/Persons (APs)

35. As stated above, the subproject requires 4.41 ha of land for the hydropower facilities. The land is located within a rugged and steep terrain with the major portion bounded by very steep ridges (almost vertical) dropping down to the river bed. No economic use of the area is undertaken within the said parcel of land.

36. Accordingly, the affected land is not a major source of subsistence or income for APs. APs will not be vulnerable to loss of homes/incomes, unemployment or food insecurity resulting from the subproject. Instead, they are likely to benefit from the subproject through access to power supply as well as potential benefits from income opportunities; e.g. employment during subproject construction. From site inspections and interviews with landowners, traditional leaders and Island Council members, it is assessed that no APs will lose 10 per cent or more of their land or income due to the subproject. Interviews with APs also confirmed availability of lands on other parts of the island that APs have access to for food and income. APs expect to benefit from the subprojects through regular power supply using renewable energy. The exact extent of need for clearing of trees and vegetation on the proposed sites particularly transmission lines will be determined after the detailed design study. **Table 1** below provides

a summary of features of the subproject including estimated land requirement and numbers of APs in the subproject site:

**Table 1: Subproject Features and Land Requirements<sup>5</sup>**

<b>Feature</b>	<b>Brenwe Subproject</b>
Number of Total Households in Malekula	4,928 HH (2009 Census)
Geographical Location	Northwest of Malekula Island in Malampa Province
Proposed Interventions	Construction of hydropower facilities including access road and transmission line
Location of proposed site for subproject	Upstream of Brenwe River
Ownership of proposed land	Customary
Type of land use	Bush land and high slopes. Not used for any residential or agriculture purpose.
Land requirement m (ha)	4.41 ha
Weir (10 m x 20 m)	200 m <sup>2</sup>
Settling Basin (15 m x 30 m)	450 m <sup>2</sup>
Head Race Canal Corridor (8 m x 900 m)	7,200 m <sup>2</sup>
Forebay (15 m x 30 m)	450 m <sup>2</sup>
Penstock Corridor (8 m x 100 m)	800 m <sup>2</sup>
Switch Yard (20 m x 30 m)	600 m <sup>2</sup>
Power House (20 m x 30 m x 3)	1,800 m <sup>2</sup>
Accommodation (20 m x 30 m)	600 m <sup>2</sup>
Access Roads Corridor (15 m x 2,000 m)	30,000 m <sup>2</sup>
Storage and Site setup (40 m x 50 m)	2,000 m <sup>2</sup>
Number of Identified AP households	TBC
Estimated total subproject APs (based on household size)	TBC
Affected households losing 10% or more land	None
Other Affected Assets	Tree cutting along transmission line that can be determined only after detailed design.

Source: PPTA.

37. The list of land claimants is shown in **Table 2** below:

**Table 2: List of APs**

<b>Land for hydropower facilities (Tervaut)</b>	<b>Land for hydropower facilities (Wiaru)</b>	<b>Transmission line<sup>6</sup> (tree cutting)</b>
Josaia Nato Tamat and his brothers (3 HHs) Kemuel Harry (1 HH) Walter Jonas (3 HHs)	TBC	Numerous HHs along roadside are likely to be affected (can be determined only after detailed design)

Source: PPTA.

38. The subproject tried to minimise land requirements during PPTA design. The subproject will follow appropriate engineering designs during detailed design to try to further minimise land acquisition and resettlement impacts, wherever possible, particularly along transmission lines. The measures include:

<sup>5</sup> Data on land are preliminary estimates based on PPTA. These are subject to confirmation and might change during the implementation. The updated RP will provide final data during implementation.

<sup>6</sup> The extent of impact will depend on whether the road is formally gazette under the Road Act 2013 or a mutual agreement between parties is made.

- 1) Appropriate siting of hydro facilities including use of existing locations of previous works along the river system.
- 2) Utilise existing public roads to access the project sites to minimise land acquisition requirement.
- 3) Utilise existing road right of way (ROW) as site for the location of the transmission lines and/or existing road access for grid extension.
- 4) Use of insulated cables for transmission lines to minimize vegetation clearance.

39. While no APs will be physically displaced or expected to lose 10% or more of their land or income, a number of households will be affected by land acquisition for hydropower facilities. The subproject is classified as Category B in terms of land acquisition/involuntary resettlement impacts.

40. Additional households will be partially affected due to tree-cutting along transmission line and grid extension (actual number to be determined later). Since the ROW (or road reserve) has not been officially gazetted or declared, this will influence resettlement impacts. At present a 4-6m road carriageway exists, exclusive of road shoulders. Current practice for transmission lines in Malekula is 3 metres from the edge of the road with 15m right of way (ROW), which was acceptable to the local community. However, rather than receiving compensation for loss of crops and trees within the 3m shoulder, landowners and residents were paid for casual labour instead. Consultation with the Road Administrator and Director General of Ministry of Infrastructure Public Works Utilities (MIPWU) and the Malampa Provincial Public Works Department (PWD) will determine the exact ROW to be used for BHPP.

#### **IV. SOCIOECONOMIC INFORMATION AND PROFILE OF AFFECTED PERSONS AND SUBPROJECT COMMUNITIES**

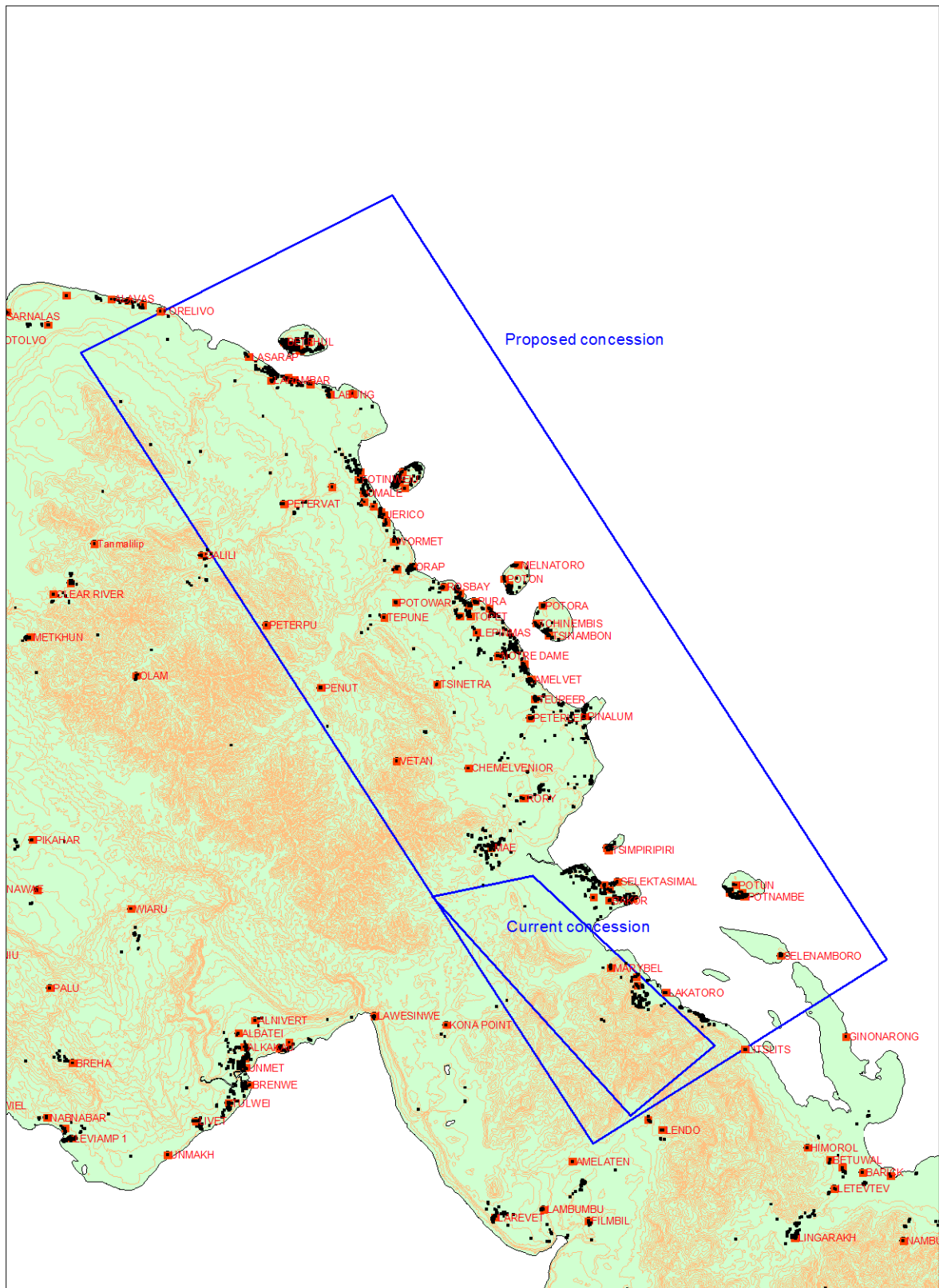
##### **A. Subproject Communities**

41. Meetings with key leaders such as the Provincial Council members including the Secretary General, and community leaders, key respondent interviews of APs and site visits as well as collection of available reports were conducted by PPTA to collect socioeconomic data of the subproject communities and APs. Surveys took place in communities around the Brenwe river and Unmet, Brenwe and Uri villages within the influence zone of Brenwe HP Subproject.<sup>7</sup>

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<sup>7</sup> The survey covered 75 households in addition to APs and this was undertaken to collect baseline socio-economic data as part of the poverty and social assessment (PSA).

Figure 1: Current Concession Area



## B. Profile of Subproject Communities - Malekula Island and local villages

42. In 2009, the total population of the Malekula Island was 22,528 composed of 4,928 households. The male ratio was slightly higher than female at 51:49 while average household size was 4.3, which was much lower than the national average of 4.9. The province including its capital Lakatoro is considered primarily rural. The population is predominantly Ni Vanuatu Melanesian. In 2014/15 the population of Malekula was estimated at 7,448 households including 4,623 in North-West Area Council.

43. Lakatoro is the main provincial and government administrative centre of Malampa Province and receives visits by people from the other areas of Malekula for short periods mainly for the purpose of access to banking facilities, hospital, shops, airport, and markets to sell their produce. According to the 2009 census, the annual urban growth rate is 1.9 % compared with the national average of 3.5%.

44. Approximately 90% of households in Malekula own their houses while 80% are customary owners of the land where their houses are. The rest either are renting their houses as well as the land where the house is or they are occupying the land where their house is covered by informal agreement.

45. Per Census 2009 result, only about 10% of households in the island are reported to use the electricity grid with the majority (71%) using kerosene lamp as main source of lighting. The rest use solar, torch, candle, wood, gas or Coleman lamp as their primary source of light. A few HHs reported using small petrol generators as their source of light and power also. UNELCO, the power concessioner in the area, supplies electricity within the Lakatoro - Norsup grid where only about 526 customers (year 2012) are connected, i.e., only 21% of the potential customers within the service area of the UNELCO power plant. In the December quarter of 2014, the total electricity consumption was 171,000Kwh (UNELCO).

46. In terms of drinking water source, about 35% of households have shared pipe system, 16% shared village tank, 13% from river/spring or lake, household tank for 10% and protected well for 9%. But some 10% reported having their own private pipe system. The rest source their drinking water either from village stand pipe, unprotected well, bottled water or other unspecified sources.

47. The following health facilities in Malampa were reported 2009: hospital (1); health centre (8); dispensaries (19); and aid post (44).

48. The educational facilities of the province are composed mainly of primary and secondary and vocational schools as shown in **Table 3** below.

**Table 3: Schools in Malekula Subproject area as of 2014**

School Name	School ID	Enrolment		
		M	F	Totals
Leviamp	042936	142	108	250
Brenwe	042912	65	44	109
Unmet primary	042978	104	107	211
Unmet Secondary	0429379	57	56	113
Lambubu 2013	042931	61	62	123
Lakatoro primary	042927	85	90	175
Lakatoro secondary	0329301	134	125	259
Norsup primary	042956	78	90	168
Norsup secondary	0329304	121	115	236
Tautu	042972	75	58	133
Ste Therese de Mae (Unmet)	042944	60	50	110
Lalkoko (Mae Sirbulbul)	0429317	33	22	55

Source: PPTA.

49. In 2009, of the population in Malekula 15 years and above regardless of sex, 27% was reported to have completed primary education; another 22% had some primary education; 10% had trio certificate

and 7% senior secondary. Approximately 15% had no schooling at all while almost 3% and 2% had some college degree and completed bachelor's degree respectively. A few either had post graduate or vocational degrees. The literacy rate of the province was reported to be about 94.3% with the women (95.6%) having higher literacy rate than male (93%) population.

50. In terms of toilet facility, majority (68%) of Malekula households use the pit latrine (either individual or shared). Only about 16% reported the use of water sealed toilet either individual or shared while less than 1% of households use the flush type toilet. Likewise less than one percent reported having no toilet at all.

51. The 2009 Census reported that main sources of income of majority (53%) of Malekula households are sale of agriculture, fishery or handicraft products. About 15% derived their cash income from salaries and wages while 12% from operating their own business and 11% from unspecified sources. However, about 9% reported having no cash income at all.

52. Per HIES 2010 Report, the average monthly income of Malampa households was VUV 62,200 with an average per capita income of VUV 13,800. Approximately 56% of household incomes are from cash sources; on the other hand, 34% of total household expenditures is in cash. The proportion of households below BNPL in 2010 was 8.3%, slightly lower than the 9.0% reported in 2006.

53. One important village located close to Brenwe HPP site is Unmet. It is approximately 5 km from the Brenwe HPP and 23 km from Lakatoro. It is bigger than Lakatoro in terms of population size. The village has both French and English speaking population and it has both a primary and secondary schools. French and English are taught in the secondary schools and it has strong 'kastom' influence.

54. The village has also its own church, dispensary, small market and most of the households in the community depend on agriculture as their means of livelihood and subsistence. Coconut, cocoa and seasonal vegetables are primary crops they cultivate and their produce is usually marketed in Lakatoro. However, for coconut and copra a ship from Luganville occasionally comes to purchase them directly from the growers.

## C. Socioeconomic Profile of Affected Households/Persons

55. Seven households (comprising 36 persons) among landowners/claimants on Tervaut custom land from the surrounding villages of the proposed Brenwe HPP were identified as affected persons (APs). Their socioeconomic status and profile based on selected indicators is discussed below.

### 1. Demographic Profile

56. Of the total (36) members of affected households in Brenwe subproject, 39% are composed of female while 61% are males. Households have an average size of 5.1 members. All are Ni Vanuatu Melanesian in ethnicity (**Table 4**).

**Table 4: Population of Affected Households of Brenwe Subproject**

Indicators	N°	%
Number of affected households	7	100
Number of total persons in HH	36	100
Of which, # of female members	14	39
Of which, # of male members	22	61
Average # of persons in HH	5.1	-
HH by Ethnicity – Ni Vanuatu	7	100

57. In terms of the residency profile, all affected households have been living in the area for more than 10 years. On average the residence of the households is about 1 km away from an existing road, 1-3 km away from school and about 1-3 km away from the public health centre and about 17 km from the major market in Lakatoro. In terms of physical characteristics of their houses, majority of houses is

made of light traditional materials. All households have their own toilet. All own their house and about half of HH own the land where the house stands. Energy source (for lighting) mostly comes from traditional sources. **Table 5** shows the source.

**Table 5: Status of Residency of Affected Households of Brenwe Subproject**

Status of Residence		No	%
<i>Length of Stay in place</i>			
	Over 10 years	7 HH	100
Physical characteristic of house			
<i>Average distance from nearest facility (KM)</i>			
	Road		< 1 km
	Market		17 km
	School		1-3 km
	Health centre		1-4 km
<i>No of HH by house type</i>			
	Traditional light material	7	100
<i>No of HH by tenure status - house</i>			
	Owner w/title	7	100
<i>No of HH by tenure status –land where house is</i>			
	Owner w/title	3	43
<i>No of HH by power/energy sources</i>			
	Power Grid	2	29
	Solar	1	14.3
	Others	2	29
	Not stated	2	29
<i>No of HH by having Toilet</i>			
	Owned	7	100
<i>Water Source</i>			
	Piped	Two-thirds	71

## 2. Education

58. There is a high proportion among household heads without any formal schooling (43%). Only one AP head has attained secondary level education while 3 had primary level education (**Table 6**).



**Table 6: Educational Attainment of Heads of Affected Households of Brenwe Subproject**

<b>Education Level Attained</b>	<b>Brenwe</b>	
Illiterate / No Schooling	2	29%
No Schooling but can read and write	1	14
Primary education	3	43
Secondary education	1	14
<b>Grand Total</b>	<b>7</b>	<b>100</b>

### 3. Local economy

#### a. Occupation and Income

59. The PPTA socioeconomic survey showed that majority of affected household heads' major occupation is agriculture, off farm labour, civil service, private sector employment, and business. See **Table 7** below.

**Table 7: Occupation of Head of Affected Households, Malekula**

<b>Occupation</b>	<b>Total (multiple responses)</b>	
	<b>N°</b>	<b>%</b>
Subsistence farmer	6	86
Business	3	43
Private Sector employ	2	29
Civil Service	1	14

Source: PPTA

60. The average annual income of affected households is reported to be VUV315,005. On monthly basis, income of households is VUV26,250; per capita monthly income is estimated to be VUV5,147.

61. The major contributors to total annual household income are agriculture (root crops; vegetable; fruit and animal husbandry) with harvest of forest product also contributing substantially. Salaries and wages from employment and trading are also major contributors to household income.

#### b. Household Expenditures

62. The average annual total expenditure of affected households in Brenwe subproject is about VUV424,065. The reported expenditure is more than the reported income, which may be due to unreported remittances that households receive from family members working outside their villages.

### 4. Assessment of Impacts

#### a. Extent of Loss and Impacts from Land Acquisition

63. There is no expected risk of landlessness, loss of home, and/or loss of major income source due to the subproject's land acquisition.

64. The APs on hydropower sites will lose a total of unproductive 4.41 ha of bush or idle lands. It will not impact livelihoods of affected persons (APs) since the site is pre-disturbed bush land with high slopes. Interviews with affected villages' leaders and APs as well as visual observation during site visits revealed that affected parcels of land are not used for residential or agricultural activities. The terrain is rugged and steep and land is undulating and unsuitable for future habitation or gardening. The area is covered by wild vegetation and invasive trees and is generally bush in appearance. Hardly any economically useful trees and vegetation were observed. The project sites are located quite far from villages and communities. People do not have their food gardens close to the site, however some are located

adjacent to the roadside. Furthermore, there is no plan in the immediate future to use the area for any development by the village communities.

65. The impacts of the transmission line and grid extension can only be determined during the detailed design stage. Assessment will be part of the updated RP following the detailed design for these components.

66. The loss for APs is not expected to be more than 10% of total land and income reported by APs. The initial estimation was done through interviews and/or discussions with APs and key community leaders. APs and their representatives reported that although they are unable to provide exact amount of land they own, they said that they currently have access to adequate lands in other parts of the island for food production or income.

#### **b. Views of APs on Impact of Loss of Land**

67. Commonly all interviewed APs view the loss of their land as insignificant since the site is generally unsuitable for cultivation, this being within a steep and rugged terrain. There are other available and more accessible plots for agriculture. Majority of landowners and residents view the development of the site for hydro facilities as an opportunity to stabilise power supply thus maximising an otherwise unproductive or currently unused land. All APs expect cash compensation for affected land.

68. All consulted APs and village and provincial councils support the project and do not want to deter project realisation by withholding access to land for further investigation and development. Consistently APs and village and provincial councils expressed keen interest for the project.

#### **c. Agreement on land access**

69. During interviews, all consulted APs expressed strong support to allow the government to acquire the proposed site for the project. Potential benefits of improved access to power and employment opportunities as well as cash compensation for land are key considerations for APs' and community leaders' support to the sub-project and willingness to sell the land. A copy of an initial memorandum of agreement (MOA) on willingness to support and allow the project access to site is in **Appendix 1**.

#### **d. Poverty Status of Affected Households in Project Area**

70. Per findings of the SES, poverty incidence among the affected households in Brenwe subproject is as follows.

71. The average monthly income of affected households as derived from the average annual income is VUV26,250. The monthly per capita income is derived by dividing average monthly income by average size of household (5.1); this is equivalent to VUV5,147. The average per capita income per week of the APs is VUV1,286. The Basic Needs Poverty Line in Vanuatu in 2110 was VUV 1,761 per capita income per week or VUV 1,900 per capita income per week adjusted for inflation in 2013.<sup>8</sup> Of the 7 affected households, 4 have a weekly per capita income below the BNPL; one household did not report his income while 2 have income above the BPNL.

#### **e. Impacts on Women and Poor**

72. The women and the poor will be the major beneficiary of the Project. Improvement in access to reliable power will facilitate provision and availability of health educational services as well as improve safety condition for women and girls during night time. Power will also open up opportunities for livelihood generation which will improve the poor's (men and women) access to cash income.

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<sup>8</sup> Inflation in Vanuatu from 2010 to 2013 were as follows: 2010 – 3.0; 2011 – 1.0 and 2012 – 1.4 (ADB)

73. There are no prominent gender issues among APs identified in this subproject as the Council of Women has not yet been consulted. There are no recorded female-headed household APs identified during PPTA consultations.

74. Key priorities identified by women APs include (i) stable and cheaper power supply and (ii) access to skills and employment during construction.

75. Household activities may increase for women/girls due to availability of better lighting; gender issues are addressed in detail in the gender action plan.

#### **f. Indigenous Peoples or Cultural Heritage**

76. The local people in the project sites do not meet the ADB criteria (distinctiveness and vulnerability) of Indigenous Peoples. The APs in the project sites are part of mainstream Ni-Vanuatu Melanesian society and are not considered to have a distinct culture from the mainstream society and are not discriminated upon by any other groups due to their language, skin colour and education level thus requiring protection and special attention from the project. Although they have dialect distinct from other outer islands, as other Melanesian they communicate with one another using either Bislama, French or English as the official languages of Vanuatu. However, communities in the project area are known to be strong in 'kastom' beliefs and cultural practices with various local languages. Nasaras and tabu places are yet to be identified.

77. There are no expected adverse impacts on cultural heritage of the APs resulting from land acquisition.

### **5. Conclusion**

78. Based on the result of the household survey, access of households to grid electricity in the area is poor. Power is mainly sourced from solar and generator. However, majority of the households wants to have access and connection to grid electricity and are willing to pay for the service as long as it is affordable. It is also expected to contribute to the general improvement of the general social economic status including improvement in the availability of basic social services such as health and education. Availability of public lighting at night would minimise safety concerns especially for women and girls.

## **V. INFORMATION DISCLOSURE, CONSULTATIONS, AND PARTICIPATION**

### **A. Stakeholders**

79. There are several categories of project stakeholders: government and non-government. Landowners, traditional leaders, private sector, non-government organisations (NGOs) and communities groups including women and youth are non-government stakeholders as well as relevant government agencies or stakeholders.



*Figure 2: Traditional governance structure in Malekula<sup>9</sup>*

80. The government agencies are committed to providing support in achieving government's target of increasing renewable energy source for the country; thus are willing to provide necessary support to acquire required land for the subproject. The Government is committed to develop an alternative energy source to lessen dependence on imported oil and be able to sustain viability of its investment.

81. Key stakeholders' specific interests are:

- 1) Provincial government/council - Supportive of the proposed hydropower subproject. Would like to see the subproject to start as soon as possible. Consultations have been going on for some time.
- 2) Affected landowners/claimants - Interested to benefit from access to power and compensation for affected land.
- 3) Women's groups - Inclusion in accessing power and employment/income opportunities.
- 4) Communities around the sites - Supportive of the governments' project to develop alternative sources of reliable and affordable power supply to stabilise power tariffs.
- 5) Youth groups - Access to information, skills and employment opportunities.
- 6) Business groups – Access to cheaper and reliable source of power supply.
- 7) DOE/DOL – Securing land access and acquisition as well as the support of community and landowners/APs for the power project.

## **B. Community Consultations Held**

82. As part of social surveys and assessments during PPTA, stakeholders and community consultations were carried out during field visits over March - April 2014 with follow-up in February 2016 and continuing in 2017. Stakeholder consultations were carried out through meetings with key officers at offices of different government and non-government agencies in Lakatoro as well as at village council offices. Key respondent interviews, focus group discussions and questionnaire surveys were also used.

83. More than 10 stakeholder consultation meetings were conducted in Malekula during the PPTA involving at least 200 officials/participants from various agencies, i.e., Lands Department, Environment Authorities, Statistics Office, utility offices, landowners/claimants/APs, women groups etc. The list of officials/stakeholders consulted is presented in **Appendix 2**. The consultations included both discussions with stakeholders and discussions with community/island/provincial level authorities including APs, traditional and elected leaders and women's groups from the subproject sites.

<sup>9</sup> Note: there may also be 'custom area council of chiefs' depending on how local leaders have decided to structure themselves.

84. During PPTA Safeguards Team site visit, the village councils in Unmet and Brenwe areas and the island (Malekula) and Malampa provincial councils confirmed general awareness of the proposed hydro subproject and general site locations. Details of consultations carried out during PPTA field visits are presented in **Table 9** following.

**Table 9: Stakeholder/ Community Consultations during Visits of Subproject Sites**

<b>Date / Venue</b>	<b>N° of participants/ organisations</b>	<b>Activities/Issues discussed / remarks<sup>10</sup></b>
19 March 2014 – Malampa Provincial Office	12 officials of province	Discussion of objectives and concerns of Project; requirement for support in terms of data /site access.
19 March 2014 at open ground in Unmet village	More than 100 participants – women health/school teacher, chief, farmers, villagers	Re Brenwe HP, Environmental and Social Safeguards, scope of land acquisition and willingness to participate in the project. Concerns on benefits for the community.
April-May 2014 at provincial and community levels	Various informants: landowners/claimants, lease holders, officials, women groups, etc.	Socio economic concerns; demand/need for projects, satisfaction with power services, etc.
29 April 2014 – Malampa Provincial Office	4 officials of province including Secretary General Samuel +3, Chairman Council of Chiefs, Brenwe land owners	Brief on scope of project; clarifications with land owner and council of chiefs, emphasis on clear resolution of land issues and requirement to have formal MOA agreeing in principal to access to sites and negotiations to procure land for the Brenwe HPP
First week of May 2014- communities within Brenwe HPP	4 Focus Group Discussions composed of 10-15 people per group	Environment and social issues; concerns on land acquisition and compensation, community development issues such as livelihood and income opportunities, gender and participation concerns, access to power and willingness to participate in the project
First week of May 2014 - communities within Brenwe HPP	60-80 Sample households including APs	Socioeconomic profile of households, issues and concerns re environment and land acquisition and willingness to participate
February 2016	30 persons including officials and landowners	Follow up meeting on proposed project and land issues around hydro site.

85. Overall, the landowners/APs and village and island leaders have expressed support for the project during PPTA consultations. APs are willing to allow the Government to acquire their land to construct hydropower infrastructures. Their willingness is due to a desire to benefit collectively from access to stable power as well as an expectation to receive compensation for unproductive land. A copy of an initial memorandum of agreement (MOA) on willingness to support and allow the project's access to the site is shown in **Appendix 1**.

86. On issues raised, some stakeholders were concerned about the location of the transmission line. The aborted past project in 1990s by a foreign developer had attempted to short-cut the connection of transmission lines from the power plant to the Norsup-Lakatoro road cutting across rich agricultural lands resulting in the cutting and loss of valuable crops and trees. The resulting conflict had ended up in the stoppage of the project which resulted in the foreign developer pulling out of the area abandoning works. During consultations during PPTA communities were assured that the current design plans to locate the transmission lines alongside the existing Provincial road to avoid traversing across rich

<sup>10</sup> Queries raised by people were answered to their satisfaction and it was assured that their concerns would be addressed in the process of project design.

plantation areas. Given such assurance the local communities have expressed strong support for the project.

### **C. Consultation on RP Preparation**

87. This RP has been prepared in close consultation with representatives of the affected parties. The project team has also visited the affected site. The following consultations were conducted:

- Meetings undertaken on May 2014 with provincial and villages officials as well as concerned landowners/claimants on the need for agreement (MOA) on allowing access to site and willingness to sell affected land for the project.
- Meeting with representatives of the affected landowners/claimants, villages leader, provincial council (April- May 2014) - Issues discussed are presented in Annex 3.
- Meeting with representative of Department of Lands in April 2014 in order to discuss the processes by which the Government acquires the land according to the laws of Vanuatu.
- Consultation with the Valuer General's office regarding compensation entitlements and valuations.
- Update the MOA in February 2016 with landowners and claimants in Lakatoro, including meeting with representatives from CLMO, DoL and Provincial Government.

88. During the detailed design and updating the RP, further AP surveys and AP/community information/consultation will be carried out to ensure full stakeholder participation in project preparation as per Communication, Consultation and Participation Plan (CCPP). In particular, the landowners and communities along the transmission line and grid extension sites will be consulted during the detailed design and update of the RP. This task will be carried out by safeguard specialists engaged for updating the RP in coordination with the DOE, Department of Lands (DOL) of the Ministry of Lands and Natural Resources (MLNR), Valuer Generals Office, and other relevant authorities who are responsible for the land acquisition and compensation processes under the laws of Vanuatu.

### **D. Disclosure of Draft RP**

89. The RP was prepared based on PPTA findings and consultations with concerned stakeholders particularly the 7 AP households. As soon as a draft had been prepared the discussion with the APs on related issues was carried out during a meeting conducted in Unmet in May 12, 2014. A formal discussion on the draft RP had been also undertaken with the provincial government and other local stakeholders during the preparation of the Memorandum of Agreement (MOA) between the provincial officials and the landowners/claimants on allowing access to the site by the project team as well as the intent on land acquisition. The MOA (see Appendix 1) was signed by all concerned on 17 February 2016.

90. The RP will be disclosed to affected parties in English, with the notices including a summary of land acquisition information translated to other two official local languages - Bislama and French as required by Vanuatu law. A copy of the RP will be made available at the DOE and DOL offices in Port Vila and provincial government offices in Malekula. If an affected party requests, the summary of the RP may also be translated into French and/or Bislama. The draft RP will be posted on ADB website as well.

91. During the updating this RP, the DOE assisted by DOL with provincial council will be responsible for the disclosure, including:

- 1) A notice of intent to acquire land will be disclosed on the site 30 days prior to the RP completion and approval;
- 2) Updated RP following the inventory of losses and detailed design will be provided to APs and stakeholders;

- 3) The updated RP will similarly be disclosed on the ADB Website.
- 4) At each stage consideration will be given to disclosing the RP and its updates through awareness sessions in affected communities in order to ensure the illiterate community residents are kept informed.

## **E. Consultations and Information Disclosure during Project Implementation**

92. A Communications, Consultation and Participation Plan (CCPP) is included in Appendix 3. Consultations will continue at next stages i.e. during the detailed design and updating of the RP before start of the civil works construction as well as at the implementation stage. VPMU/DOE with DOL and provincial representatives will continue consultations with leaders in the Island Councils, village leaders including traditional chiefs, affected landholders/APs and all other interested members of the community. Separate meetings will also be organised with women to continue to understand and discuss their preferences and concerns at that stage.

93. DOE in coordination with DOL and provincial government will finalise the size of affected land and the boundaries of parcels will be marked and recorded in the presence of APs. DOE and DOL will also inform affected landholders/claimants about the policies and procedures regarding land acquisition and compensation according to the RP. Specific terms of land acquisition and compensation rates as well as grievance redress procedures will be explained to APs. In addition, DOE/DOL and Councils will inform the landowners when and how compensation will be paid.

94. During project implementation, AP/public consultation and awareness will be continued through regular meetings organised by the resettlement specialists. These will be used to ensure that APs are aware of the construction implementation plans, detailed design and updated RP implementation. They will also identify with the APs any RP implementation problems and will undertake timely remedial actions.

## **VI. GRIEVANCE REDRESS MECHANISM**

95. There are traditional village level mechanisms as well as legal systems to address local issues. Council of chiefs or community leaders play key roles in resolving community or social disputes at local level. There are courts including a Customary Land Tribunal set up at the provincial level to formally hear and adjudicate on matters related to customary land. The project will use or adapt existing mechanisms to resolve local social and land ownership issues as well as set up a project level grievance redress mechanism (GRM) to resolve project specific grievances. The key functions of the GRM are to (i) receive, record and prioritize the grievances; (ii) settle the grievances in consultation with complainant(s) and other stakeholders; (iii) inform the aggrieved parties about the solutions; and (iv) forward the cases to appropriate levels.

### **A. Community Level Mechanism**

96. The project will coordinate with council of chiefs to resolve matters related to internal village affairs such as distribution of compensation among family members. To support and supplement the roles of council of chiefs, a community-level Committee made up of community leaders, landowners/APs representatives and representative of provincial/island councils will be set up. The committee will elect a Chair which is expected to be a senior village chief to coordinate its matters. Any community related complaints are to be submitted to the Committee through the Chair, who will inform the VPMU verbally or in writing of complaints/grievance referred to it. The committee will meet in the case a complaint is lodged.<sup>11</sup> VPMU staff may facilitate but will not take any side in the committee deliberation. The meeting will be chaired by the village chief; proceedings and outcome of meetings will be fully documented and VPMU staff may assist in this process. The Committee will decide on a particular case within 1 month

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<sup>11</sup> A complaint may be lodged with the VPMU if the complaint is to be lodged prior to a committee being set-up, which in this case, the VPMU will be obligated to set up the community level committee to hear the Grievance. The VPMU will set up the Community level committee immediately within 5 days of the complaint submission.

of the complaint being lodged. In the event that the Chair himself is a party to a case being reviewed, the committee meetings on this particular case will be chaired by a senior committee member.

97. In addition to resolving disputes, the PMU will also work with the community-level committee to develop community consensus and to ensure local support to the subproject.

## **B. Project-Level Mechanism**

98. In order to receive and facilitate the resolution of APs' any concerns, complaints, or grievances about the project's social and environmental safeguards performance, a subproject level GRM will be established at the subproject level. The GRM will address AP's concerns and complaints promptly and transparently and this will be gender responsive and readily accessible to all APs at no costs. It will not however impede APs access to Vanuatu's traditional as well as legal remedies.

99. The VPMU's subproject manager supported by its staff and consultants will be the grievance focal point to receive, review and address project-related concerns and to facilitate resolve land related disputes in coordination with the government authorities. When subproject implementation starts, a sign will be erected at all sites providing the public with updated project information and summarizing the GRM process including contact details of relevant person at the VPMU.

100. All project-related complaint will be recorded and investigated by the VPMU in coordination with relevant authorities. The VPMU will inform DOE and provincial government soon after any complaint it receives. A complaints register will be maintained which will show the details and nature of the complaint, the complainant, the date and actions taken as a result of the investigation. All corrective actions and complaints responses carried out on site will be documented. The VPMU will include this information in its progress reports to the ADB as well.

101. Any APs or village leader/chief can take a grievance to the VPMU or its site office. On receipt of a complaint in any form (in person, telephone, written), the VPMU focal officer for respective site/subproject will log the details in a complaints register. The VPMU will review and find a solution to the problem within two weeks in consultation with village or traditional chief and relevant stakeholders. Then VPMU will report back the outcome of the review to the village/traditional chief and APs. If the complainant is dissatisfied with the outcome at the VPMU level, or have received no advice in the allotted time period, he or she can take grievance to DOE. The DOE will review the grievance and report back the outcome of the review within a month. The VPMU or DOE will not impede APs access to legal system; at any time complainants can take the matter to appropriate court.

102. Table 4 below sets out the process to resolve any project related grievances.

**Table 4: Grievance Redress Process**

Stage	Process	Duration
1	Affected Person (AP)/village elected or traditional chief takes grievance to VPMU	Any time
2	VPMU reviews and finds solution to the problem in consultation with village or traditional chief and relevant agencies	Within two weeks
3	VPMU reports back an outcome to village/traditional chief/AP	1 week
If unresolved or not satisfied with the outcome at VPMU level		
4	AP/village or traditional chief take grievance to DOE	Within 1 month of receipt of decision in step 3
5	DOE reviews and find a solution	1 month
6	DOE reports back the solution/decision to AP/village or traditional chief	1 week
If unresolved or at any stage if AP is not satisfied		
AP/village or traditional chief can take the matter to appropriate court		As per judicial system



### **C. Judicial System: Customary Land Tribunal and Courts**

103. If not satisfied with the Project level decision or at any time, the complainant may choose to appeal to the legal or judicial system as per the Vanuatu law. Under the law and current procedures in Vanuatu, the complaints procedure can last up to 30-days. The decision of the tribunal or court is generally final, unless the decision is appealed. Appeals may be made to the court at a higher level in the case that the customary tribunal or local court procedures were faulty in the specific case. The judicial system or the judiciary is the last level where the aggrieved party may raise his complaint.

104. The jurisdictions of courts are described in below:

- Customary land tribunals (Nakamal and Area Land Tribunal) have jurisdictions on the customary land ownership and related matters.
- The Island Court has jurisdiction over causes or matters in which all the parties are residents or within the territorial jurisdiction of the court. It cannot hear and decide civil cases relating to lands, except for appeals over tribunals' decisions.
- The Magistrate Court has jurisdiction to try and decide civil proceedings where amount or value of property involved is not more than 1 million vatu. It can also hear and decide criminal complaints.
- The Supreme Court has unlimited jurisdiction to hear and decide civil and criminal cases, but will not hear customary landownership cases according except for appeals over lower courts' decisions.
- The Court of Appeals - Decisions of the Supreme Court may be appealed to the Court of Appeals except on cases that originate from the Island court.

105. The project's land related disputes, if not resolved at community-level, will be resolved by the customary land tribunal. The government has recently set up a customary land management office including in Malekula and the VPMU will coordinate with this office to arrange determination of the land ownership of the hydropower site before the RP is updated.

## **VII. LEGAL AND POLICY FRAMEWORK**

106. The policy framework for the Project is based on the ADB's safeguard requirements on involuntary resettlement as embedded in the Safeguards Policy Statement (SPS) and the laws of Vanuatu. Where differences exist between the local laws and ADB requirements, the resettlement policy will be resolved in favour of the latter.

### **A. Vanuatu Laws on Land Acquisition and Resettlement**

107. Land acquisition, resettlement and associated land issues are recognised in legal terms in Vanuatu by the Constitution and more than 10 laws (or Acts). This section presents a brief overview of the salient national legal instruments pertaining to land acquisition and resettlement.

#### **1. Constitution of Vanuatu**

108. The Constitution of the Republic of Vanuatu came into being on 30 July 1980. The Constitution, "as the supreme Law of Vanuatu", contains 2 relevant sections which have relation to land acquisition and resettlement.

109. Chapter 5, Articles 29 to 32, of the Constitution refers to the "National Council of Chiefs". Of relevance is the Article 30 which recognises the National Council of Chiefs membership having the competence to discuss, and may be consulted on, any issue related to customs, culture and its preservation in any matter, as required by the National Government.

110. Although a very short Chapter, considering the traditional ties between Vanuatu nationals and the land, Chapter 12 of the Constitution of the Republic of Vanuatu is devoted to land. Most discussions related to land have centred on Articles 30 (in Chapter 5) and Articles 73, 74, 75 and 76 of Chapter 12. Nine articles from 73 to 81 are relevant to land acquisition and resettlement depending upon the situation. This states that all land is owned by its traditional, customary owners; parliament prescribes the criteria for compensation payment for land; the Government may own and acquire land for State interest and may redistribute land away from traditional owners, in such cases as informal settlements and relocating of residents from other islands; and disputes in land ownership will be resolved through appropriate process.

## **2. Legal Acts Pertaining to Land Acquisition and Resettlement**

111. As previously mentioned, there are several Acts related to Land Acquisition and Resettlement. The primary ones included herein relate to the land acquisition and land ownership/development/usage include as follows:

- 1) The Land Acquisition Act N° 5 of 1992 (Amendment Act N° 34 of 2000) is the key law directly related to land acquisition. This Act gives the Minister for Lands and Natural Resources (MLNR) powers to acquire land on the Government' behalf for public purpose. It provides for the compensation for damages made during the process of land valuation, compensation entitlements for land and for rents and business losses (s9), basic rights for grievance and appeals, and notice periods. This Act does recognise market value compensation for land. Section 12 provides a judicial appeal mechanism to the Supreme Court for cases where affected landowners are not satisfied with the compensation.
- 2) Land Reform Act 35 (1980 and updated 1981, 1983, 1985, 1992, 2000 & 2013) : This Act specifies that all land titles will be customary or transferred to the traditional owners, whose percentage can be traced back locally to 200 years. It outlines specifically about indigenous owners and the non-indigenous land users.
- 3) Customary Land Management Act No 33 of 2013: This Act details management of customary land including the dispute resolution through Nakamal and Customary Area Land Tribunals (CALT) and process for affected persons to appeal the Nakamal and CALT decisions. Division 2 outlines procedures for determination of custom owners and Part 4 details the process for determination of land disputes by a nakamal.
- 4) Valuation of Land Act N° 22 (2002) relates to the organisation of the "Valuer General" Office and their role. The Act does not stipulate approach to valuation of the land, structures, etc, which is more directly related to the "Land Acquisition Act".
- 5) Land Surveyors Act N° 11 (1984): This is basically a code of conduct, or a terms of reference for registered land surveyors, whom must be registered through the Land Surveyors Board.
- 6) Land Leases Act (1983) and Amendment (2014): The Act details the rights and obligations of person or entities entering into an arrangement or agreement with another person and/or entity for the use of land under a lease or rent agreement. Land can be leased for up to 75 years, administered by the Government on behalf of the customary landowners and registered in the Land Leases Register. Leases for development on customary land require the free, prior and informed consent of the custom owner group.
- 7) Public Road Act 2013: This Act defined the road reserve as (i) 15 metres either side of the centreline for an arterial road; or (ii) 10m either side of the centreline for a feeder or an urban road where boundaries are not clearly defined or recorded by DoL (Part 1, s1). Section 6(3) states that the Director General of the Ministry of Infrastructure and Public Utilities (MIPU) may classify a public road according to its function, that is:
  - (a) *a public road whose main function is to link nationally important industries to ports and markets or which facilitate regionally based trips are more likely to be classified as*

**arterial roads;**

*(b) a public road in a Local Government area whose main function is to facilitate local trips within communities, or to link to local services or markets or link to an arterial road, are more likely to be classified as **feeder roads**;*

*(c) a public road in a Municipal Council areas whose main function is to facilitate local trips within the Municipal Council, or link to local services and markets or link to an arterial road, are more likely to be classified as **urban roads**.*

- 8) Once roads are declared and/or gazetted they are assigned a level of government to be responsible for the upkeep and maintenance. Part 5 also outlines procedures for regulating access, utilities and encroachments on public road reserve that is directly applicable to BHPP

### **3. Current Practices in Land Acquisition and Resettlement for Public Purposes in Vanuatu**

#### **a. Identification of areas for acquisition**

112. A majority of Government's land acquisition in Vanuatu has been for smaller social services projects such as for village health facilities and educational institutions. More recently, apart from Tanna airport, in Port Vila the Government has acquired land along the river at Freswota in order to maintain a level of river protection and reduce urban encroachment issues. The Sarakata HPP land acquisition and compensation is the most significant experience in the power sector. A separate Due Diligence/Social Compliance Audit Report for Sarakata HPP provides a comprehensive documentation of the process and outcome.

113. In the year prior to an infrastructure development project, each Ministry and other Government agencies develop their work plans for the following fiscal year. This is inclusive of the other feasibility study requirements such as budgeting, environmental, engineering etc. At this time proposals for projects where land acquisition is involved should be submitted. This is subject to the approval of the Council of Ministers. There is no minimum standard that requires the projects to minimise land acquisition and impact on the community.

114. The government is in the process of customary land management offices including land tribunals in each province of the country especially to assist in settling customary land disputes. Customary lands identification is still an ongoing process since 1980 given that there are limited records to prove the ties of people to a certain plot(s) of land that must show to go back over 200 years.

#### **b. The process for land acquisition**

115. On an annual basis, the Government allocates in its National budget 200 million Vatu for Government Land Acquisition projects. According to MLNR, if the budget is not spent the remaining amount accrues on top of the normal, annual 200 million Vatu budget. In the event that the budget is used up but finances still required, the Government and Ministry executing a project is responsible to find further finances to cover the necessary Land Acquisition budget requirement.

116. Once an area of land is selected by the Government for the government project, a notice signed by the Minister of MLNR is provided to the customary owners/title holders and a public notice is erected in full public view. The notice is made for a minimum of 30 days.

117. After this period, the land is assessed and valued. The land valuation is stipulated by Land Acquisition Act that generally involves the following:

- 1) Lease type – residential/agricultural/commercial/special industrial.
- 2) Marketability – number of properties marketed nearby in recent times and price range of those transactions
- 3) Physical characteristics – terrain, vegetation, soil type, improvements made and area.
- 4) Intangibles – interest, customary and other resource rights attached.

118. According to the MLNR, valuations include both Land and structures affected and may include value of income produced from land. However, this does not include “non-land producing” incomes such as income from shop business etc.

119. Any damage to the land, caused by valuation investigations is liable for compensation to the existing owners. Once the valuation has been made and signed by the Minister, the owners have 30 days to file objections. At the same time, the MLNR must disclose information on the valuation and proposed land acquisition over a 30-day period by Radio at least 3 times on separate occasions, in one national newspaper each week, on the main notice boards and on the land itself. Objections must be lodged within this 30 days period. On the decision by the Minister, the objector may appeal the Ministers decision through the Supreme Court of Vanuatu. However, if the issues are related to tradition and custom, then the National Council of Chiefs may be consulted if necessary.

#### **c. Carrying out the acquisition of land/structures**

120. After a 30 day notice period, and as long as all conflict claims and complaints are resolved, the actual compensation processes can then commence. The Ministry of Lands is responsible for this process, monitored by the Ministry of Finance and Economic Management (MFEM). However, this stage may include complaints about the process of valuation to compensation itself; and process of the assessment of disputes. This is generally supposed to be settled through the Customary Lands Tribunal or if unresolved through the Supreme Court system.

#### **d. Negotiation process in land acquisition**

121. The Land Acquisition Act No. 5 of 1992 (amendment) Act No.34 of 2000 stipulates the processes and procedures on negotiation for land acquisition. It involves the following:

- The Government to serve a 30-day notice of its intention to acquire land.
- The Notice would be posted in public conspicuous places near the land to be acquired in 3 languages (Bislama, English and French) as well as published in newspaper both local and national.
- The notice will include specification that if there are objections to the proposed acquisition such would have to be conveyed to the land officer not less than 30 days from the date on which such notice is given.
- Furthermore the notice will state that claims for compensation for the acquisition of that land or easement may be made to the acquiring officer;
- In case there are conflicts in terms of land ownership and claim, the issue shall be referred to the local land tribunal for review and resolution. A notice is given to the landowners/claimants to make known their claim to the local land tribunal. At the end of the specified period the land tribunal proceed to make its decision on who the rightful customary landowners are.
- The Government through the acquiring officer will request the customary landowners to propose compensation taking into consideration market value of land during the time of publication of notice, damage made to the land resulting from the activities undertaken in regard to land acquisition objective, loss of income as result of the loss of land as well as displacement or relocation as a result of land acquisition. The acquiring officer through his principals shall likewise prepare his own estimate.
- The Government would compare the requested compensation package of the customary landowners with that of the Government (Valuer General). The estimate to be provided by the Valuer General is the final valuation of the Government; if the custom owners still reject the said valuation their recourse is to appeal to the Supreme Court.
- If a determination on compensation is made and no appeal is made, the decision of the acquiring officer is final.

### **e. Use of Custom Owners Trust Account**

122. The Custom Owners Trust Account (COTA) is a trust account being managed by the Director General of the Ministry of Finance and Economic Management intended for the purpose of keeping land acquisition payment while customary ownership of the land is in dispute. Funds may be withdrawn from the COTA and paid to the custom owner of the land that have been determined as the custom owner under the Custom Land Management Act No. 33 of 2013. The use of COTA will apply to those project sites with existing land disputes. The use of COTA under the project has been agreed with the landowners through a Memorandum of Agreement.

### **B. ADB's Policy on Involuntary Resettlement**

123. The ADB Safeguards Policy Statement (SPS) requires ADB-assisted projects to (i) avoid resettlement impacts wherever possible; ii) minimise impacts by exploring project design alternatives; iii) enhance, or at least restore the livelihoods of all APs in real terms relative to pre-project levels; and iv) improve the standards of living of the affected poor and other vulnerable. It covers both economic and physical displacement.

124. The key principles of the ADB safeguards policy on resettlement are as follows:

- 1) Screen early the projects resettlement impacts and risks.
- 2) Carry out meaningful consultations with participation of APs, inform all APs of their entitlements and resettlement options paying particular attention to the needs of vulnerable groups.
- 3) Establish a grievance mechanism.
- 4) Improve, or at least restore the livelihoods of all APs through (i) land-based resettlement or cash compensation at replacement value as relevant, (ii) prompt replacement of assets, iii) Prompt compensation at full replacement cost, and iv) additional revenues and services through benefit sharing schemes where possible.
- 5) Provide APs with needed assistance including: i) if there is relocation, secured tenure to relocation and better housing; ii) transitional support and development assistance; and iii) civic infrastructure and community services as required.
- 6) Improve the standards of living of the affected poor and vulnerable groups to at least national minimum standards.
- 7) Develop procedure in a transparent, consistent and equitable manner if land acquisition is through negotiated settlement.
- 8) Ensure that APs without titles are eligible for resettlement assistance and compensation for loss of non-land assets.
- 9) Prepare a RP elaborating on APs entitlements, income and livelihood restoration strategy and so on.
- 10) Disclose a RP in an accessible place and a form and languages understandable to the APs and other stakeholders.
- 11) Conceive and execute resettlement as part of a development project or program.
- 12) Provide compensation and other entitlements before physical or economic displacement.
- 13) Monitor and assess resettlement outcomes and their impacts on the standards of living of APs.

### **C. Policy Differences and Reconciliation**

125. A comparison between ADB policies and the laws and practices of land acquisition and resettlement used by the Government of Vanuatu has been conducted and a summary follows in **Table**

10. Any differences between the laws and practices of the Government of Vanuatu and ADB SPS will be resolved in favour of the latter by adopting the gap filling measures.

**Table 10 - Comparison of Land Acquisition and Resettlement in Vanuatu and ADBs SPS 2009**

SN	ADB SPS 2009 Safeguards	Comparisons to Vanuatu Law	Gap filling measures
1	Avoid resettlement impacts wherever possible.	There is no minimum standard that requires the projects to avoid resettlement impacts.	The Project will ensure that resettlement and land acquisition impacts are avoided, wherever possible.
2	Minimise impacts by exploring project design alternatives	There is no minimum standard that requires the projects to minimise land acquisition and impact on the community	The Project will ensure resettlement and land acquisition and impacts are minimised wherever possible by exploring design options.
3	Enhance, or at least restore the livelihoods of all APs in real terms relative to pre-project levels.	Compensation is determined based on issues including land type, crops etc. However, this does not include "non-land producing" incomes such as income from shop business etc. It also does not necessarily require that conditions of the APs be the same or better than pre-project situation.	The project is not expected to impact any businesses. If any, they and their employees (if any) will be compensated.  The RP adopts the objective that APs living standard is restored or improved.
4	Improve the standards of living of the affected poor and other vulnerable. It covers both economic and physical displacement	Laws and practices in Vanuatu do not recognise the standards of living of the poor and vulnerable, in determining compensation for land acquisition and resettlement per-se.	The RP will include assistance for vulnerable APs to improve living standards.
5	Screen early, the projects resettlement impacts and risks	Laws and practices in Vanuatu relating to Government Capital Works Projects require that the Project budget considers and includes associated resettlement and land acquisition costs. However, there are no other assessments of resettlement impacts required prior to budget approval, hence capital works commencing.	The project has screen the resettlement impacts and prepared the RP.
6	Carry out meaningful consultations with participation of APs inform all APs of their entitlements and resettlement options. Pay particular attention to the needs of vulnerable groups.	The law and current practices require the land acquisition and relocation notices to be disclosed several times over radio and in the printed media over a 1-month period, as well as display on-site. However, there is no recognition of vulnerable groups nor the consultation with or participation of APs at any part of the process, except in the case of people given opportunity to make objections	The RP includes measures on consultation and disclosure, including particular attention to vulnerable groups.
7	Establish a grievance mechanism	Vanuatu already has traditional grievance redress system for general village matters. MLNR has also recently been set up at Provincial level a Customary Land Tribunal.	The project will use the existing systems as well as establish project level grievance redress system. This will allow AP participation, relatively rapid action and results, and coordinate with existing grievance procedures.

SN	ADB SPS 2009 Safeguards	Comparisons to Vanuatu Law	Gap filling measures
8	Improve, or at least restore the livelihoods of all APs through (i) land-based resettlement or cash compensation at replacement value as relevant, (ii) prompt replacement of assets, (iii) Prompt compensation at full replacement cost, and (iv) additional revenues and services through benefit sharing schemes where possible.	<p>In Vanuatu valuation of land is stipulated by Law and is conducted based on several factors regarding that specific plot of affected land such as lease and ownership type; location of property; amenities; market price of nearby properties; physical land characteristics; and intangibles.</p> <p>The law specifically points out times for disclosure prior to valuation, time for objection to valuation and acquisition of lands and assets. However, the law does not provide any clauses for compensation, income restoration and entitlements to be provided to the AP in "prompt" manner.</p>	<p>Land is valued by Valuer General in MLNR. The VG will be used to determine compensation requirements relating to land, land-based income losses. All compensation will be at replacement cost based on existing market rates.</p> <p>Compensation will be provided promptly.</p>
9	Provide APs with needed assistance including i) if there is relocation, secured tenure to relocation and better housing; ii) transitional support and development assistance; and iii) civic infrastructure and community services as required.	In Vanuatu, land acquisition, resettlement and compensation for land-based losses are included under the law. However, impacts on business and their employees are less clear and there is no recognisable transitional support mechanism under the law.	ADB SPS 2009 will be enforced in supplementing the Law of Vanuatu by covering transition assistance, compensation for business and employees (if impacted) in the RP.
10	Develop procedure in a transparent, consistent and equitable manner if land acquisition is through negotiated settlement	Vanuatu laws provide procedures on negotiation for land acquisition, lease or purchase.	Vanuatu laws and practices as well as SPS provision on negotiations will be followed by the project.
11	Ensure that APs without titles are eligible for resettlement assistance and compensation for loss of non-land assets	Laws have no clauses that recognise encroachers in any way to be entitled or NOT entitled to compensation or rehabilitation.	ADB SPS 2009 will be enforced to recognise encroachers (if any) who are affected at the time of the census/detailed measurement survey conducted for the RP.
12	Prepare an RP elaborating on APs entitlements, income and livelihood restoration strategy and so on	Under Vanuatu Law, land acquisition and resettlement and compensation is carried out focusing on households affected and the values of the land a structures affected. However, an RP per-se is not necessarily required.	An RP is prepared and will be updated at the time of detailed design.
13	Disclose a RP in an accessible place and a form and languages understandable to the APs/DPs and other stakeholders	Although the Law does not require an actual RP to be prepared, its clauses do necessitate notices and official valuations by the MLNR to be prepared. The law and current practices also require that land acquisition and relocation notices for a specific site be disclosed several times over radio and in the printed media over a 1-month period, as well as display on-site. However, only the radio would be useful for the illiterate to become informed of any pending land acquisition and resettlement activity on a specific site.	This practice will be followed in addition to the disclosure of the RP at local level as well as posting on the ADB website. For illiterate APs, further disclosures through public meeting will be held.

SN	ADB SPS 2009 Safeguards	Comparisons to Vanuatu Law	Gap filling measures
14	Conceive and execute resettlement as part of a development project or programme	The MLNR does have a 200 Million Vatu budget for Land acquisition and resettlement for Capital Works Projects allocated on an annual basis. The year prior to an infrastructure development project, Government agencies will develop their work plans for the following fiscal year. At this time proposals for projects where land acquisition is involved should be submitted. This is subject to the approval of the Council of Ministers.	DOE will ensure that the RP costs are included in its annual budget and approved by the government on time.
15	Provide compensation and other entitlements before physical or economic displacement	Compensation is to be provided after a period of disclosure and a period for objection has finished. However, legislation does not clearly state that compensation will be provided prior to commencement of construction, which would force physical / economic displacement impacts to occur.	ADB SPS 2009 will be enforced to ensure land acquisition, resettlement and / or compensation measures are completed prior to construction commencing. The RP includes this measure.
16	Monitor and assess resettlement outcomes and their impacts on the standards of living of APs.	There is no specific clause in the law of practice in Vanuatu that required Monitoring and assessment of APs during or after land acquisition and resettlement commences	ADB SPS 2009 will be enforced to ensure that monitoring is set up for this sub-project. The RP specifies the measure on monitoring.

## 1. Principles and Policies for the Project

126. Given the assessment of the Vanuatu laws and practices and the ADB policy differences referred to above, some additional measures have been made on top of the provisions set out under the Vanuatu laws in order to ensure consistency with the resettlement principles of the ADB's SPS requirements on land acquisition/resettlement. In preparing and implementation of resettlement activities under the project, the following project principles and policies will apply:

- 1) Involuntary resettlement and loss of land, structures and other assets and incomes shall be avoided and minimised by exploring all viable options.
- 2) APs shall be provided with compensation for their lost assets, incomes and businesses, and provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income levels and productive capacity.
- 3) Lack of legal rights to the assets lost will not preclude affected persons receiving entitlement in form of compensation for non-land assets and/or rehabilitation measures.
- 4) Affected land and assets shall be replaced or compensated at replacement cost based on their current market values.
- 5) Preparation of resettlement plans and their implementation shall be carried out with participation and consultation of affected people and the Vanuatu government and authority – Ministry of Lands and Natural Resources.
- 6) Schedule of budget for resettlement planning and implementation will be incorporated into DOE's budgetary cycle as required. This will require close consultation with MFEM, MLNR, DOE and approvals by the Council of Ministers of Vanuatu.
- 7) Payment of compensation or replacement of affected assets and any resettlement to new locations will be completed prior to civil works implementation. Payment for lands with outstanding land disputes or court cases will be deposited into the COTA according to the government mandated processes.
- 8) Rehabilitation measures will also be in place before start of civil works, but not necessarily completed, as these may be ongoing activities.



- 9) Compensation and rehabilitation assistance for socially disadvantaged such as households headed by women, the disabled and elderly will be carried out with respect for their cultural values and specific needs.
- 10) APs whose land or assets are temporarily taken by the works under the project shall be fully compensated for their net loss of income, damaged assets, crops and trees at replacement cost. The contractor shall also ensure that all temporarily acquired land and structures are returned in its pre-project state.
- 11) If any APs lose only part of their physical assets will not be left with a proportion that will not be viable to sustain its productive use. Such a minimum size will be identified and agreed with APs.
- 12) APs will be systematically informed and consulted about the Project, the rights and options available to them and proposed mitigating measures.
- 13) Adequate budget support will be committed and made available to finalize and implement the RP. Budgets also include activities such as formal detailed physical surveys and administrative functions associated with compensation and resettlement.
- 14) Any community facilities and infrastructure damaged shall be restored or repaired as the case may be, at no cost to the community.
- 15) While the Government has the option to pursue compulsory acquisition, negotiated land purchase or lease agreement shall be attempted first in acquiring land for the Project.

## **VIII. ENTITLEMENTS, ASSISTANCE AND BENEFITS**

### **A. Categorises of APs**

127. Affected Persons (APs) may include: (i) customary landowners of affected custom lands, (ii) tenants or users of customary land, (iii) resource owners of trees/crops and (iv) persons with customary access rights.

### **B. Eligibility for Compensation**

128. The initial identification of APs and affected land and the ensuing negotiation for land acquisition has started during the PPTA. The Department of Energy (DoE) in coordination with Department of Lands and provincial government will further consult with affected APs and undertake detailed land surveys, inventory of losses and investigation to collect detailed information. The date of land survey and investigation will be the “cut-off date” for eligibility for compensation. Payment for the land with existing land disputes will be deposited to the COTA as agreed with the land claimants. Following are the procedures summarising eligibility for compensation and other assistance to APs:

- 1) Landowners and/or users that have documented claims to the affected land, trees, etc. as of the cut-off date will be eligible for compensation and/or rehabilitation assistance as per the project policy.
- 2) Any person or group that occupies or uses the land identified for the subproject construction after the cut-off date will not be eligible for any compensation and/or assistance.
- 3) APs with legal rights or claims will receive compensation for land. If any, non-titled APs will receive compensation for assets attached to land and other assistance as required.

### C. Entitlements

129. **Table 11** summarises the entitlement matrix.

**Table 11: Entitlement Matrix**

<b>Type of Impact</b>	<b>Entitled Persons</b>	<b>Entitlements / Measure</b>
Loss of land	Land owners/ land users and tenants	Compensation at replacement cost based on current market price (most recent transaction of comparable value) will be paid for the land to be acquired.
Loss of trees, crops	All APs regardless of legal status	It will be agreed with APs that any crops on affected land will be harvested by them before site clearance. If APs are not able to harvest crops, they will be paid compensation at replacement cost based on market prices. Fruit trees including any loss of production will be compensated at replacement cost or market/comparable price.
Impacts on vulnerable groups	Vulnerable groups including include women, youth and poor households	i) training and project generated employment on priority basis to the affected households; and ii) assistance to vulnerable households for income restoration.
Unforeseen or unintended impacts	Concerned affected people	These will be determined as per the principles of this RP and ADB's SPS.

## IX. INCOME RESTORATION AND REHABILITATION

130. While the project is not expected to impact on APs major income source or any residential or business structures, the following assistance will be provided by IA to APs and vulnerable households in the subproject area: (i) skills training suitable for project construction; and (ii) priority employment in project works such as vegetation clearance and maintenance works. There are no female-headed households out of the initial identified APs. However, if continued consultations will identify any such affected households, they will be provided priority employment in these activities. The project design will reflect this and the updated RP will describe its details including special assistance to vulnerable groups.

## X. LAND ACQUISITION/RESETTLEMENT BUDGET AND FINANCING SOURCE

131. Necessary costs for the project's land compensation will be financed by the government as counterpart funds and the costs of consultants and experts to prepare and monitoring the RP will be funded under ADB grant/loan. These will include land acquisition costs, land survey, consultation costs, training and legal costs, monitoring, etc (see the table below). The costs for such activities for the subproject will be updated after the detailed design of the subproject and detailed assessments of land aspects. The government will release sufficient budget for implementation of land related activities in an appropriate and timely manner.

132. The project will adopt the principle that the compensation for affected land and other assets will be paid replacement costs based on current comparable market prices as discussed in previous section. The VPMU will inform affected landowners/APs about the policies and procedures regarding payment of compensation. In addition, it will also inform the landowners when and how compensation will be paid prior to project implementation.

133. A preliminary cost estimate was made by PPTA Consultant based on available data and most recent transactions provided by the Department of Lands on a similar project particularly the Sarakata HPP. The total budget is estimated at **USD164,403** to cover land acquisition and compensation and other necessary items (e.g. surveys, consultations, skills training, etc.). However, specific compensation amounts will be determined during the RP update according once the detailed land investigation, inventory of losses and valuation are completed and compensation rates and detailed terms of acquisition are agreed through negotiation between the government and landowners.

**Table 12: Estimated Budget – Brenwe HP Subproject**

N°	Items	Details	Cost (VUV )	Cost (USD) <sup>(1)</sup>
<b>A</b>	<b>Compensation</b>			
1	Compensation costs for Customary Lands	Lump Sum	8,750,000 <sup>16</sup>	95,108
2	For Ancillary assets (significant trees) affected	Lump sum = 1,000,000 vatu	1,000,000	10,870
	<b>Sub-Total (A)</b>		<b>9,750,000</b>	<b>105,978</b>
<b>B</b>	<b>Implementation</b>			
1	Land Survey (DMS)	1,000,000 (lump sum)	1,000,000	10,870
2	Consultations	1,000,000 (lump sum)	1,000,000	10,870
3	Legal Expenses, etc	1,000,000 (lump sum)	1,000,000	10,870
	<b>Sub Total (B)</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>32,609</b>
<b>C</b>	<b>Skills Training &amp; Gender Support</b>	<b>100,000 vatu (Lump Sum)<sup>(4)</sup></b>	<b>1,000,000</b>	<b>10,870</b>
	<b>A + B + C Total</b>	<b>13,750,000</b>	<b>13,750,000</b>	<b>149,457</b>
	Contingency (10%)	137,500	137,500	14,946
	<b>TOTAL VUV /USD</b>	<b>13,887,500</b>	<b>13,887,500</b>	<b>164,403</b>

Note: (1) Vatu:USD = 92:1 approximately as of 17 May 2014.

## **XI. INSTITUTIONAL FRAMEWORK**

### **A. Institutional Arrangements**

134. The MFEM will be the executing agency (EA) for overall guidance and DOE will be the Implementing Agency responsible for project implementation. The Project Management Unit (VPMU) will assist DOE in project implementation including safeguards. The VPMU will be supported by a team of international and national Design and Supervision Consultants (DSC). The VPMU together with the DSC will provide DOE technical support and coordination during implementation if the Project is eventually financed by ADB. The VPMU will also ensure compliance with assurances, including safeguards and preparing and submitting the resettlement plan update, reports, resettlement plan monitoring reports.

135. To ensure effective implementation of the land acquisition and resettlement aspects, one international and one national resettlement specialists will be recruited to assist the VPMU in this regard. The VPMU will submit safeguard reports on a twice annual basis to ADB and DOE.

136. The MFEM will work also together with the VPMU and the MLNR on the budget approval and disbursement for the RP implementation.

### **B. Implementation Arrangements for the RP**

137. The resettlement specialists will assist the VPMU to:

- 1) Update the resettlement plan, based on the inventory of losses and detailed design of the hydropower infrastructures including transmission line and grid extension.
- 2) Coordinate with MLNR Valuer General Office and DOL regarding land acquisition and compensations.
- 3) Implement, monitor and prepare monitoring reports to be submitted to ADB confirming compliance with the RP.

138. When the updated RP is finalised through identification of specific impacts and detailed compensation costs, a document will be signed with APs signifying their satisfaction on the compensation. The VPMU will prepare a pro-forma document to be used for the settlement of obligation in land acquisition and compensation.

139. Disbursement of cash will follow the approval of budgets for compensation. The VPMU assisted by resettlement specialists will inform the APs of the schedule of fund release. They will also advise the APs to produce relevant legal documents pertaining to their identification for claiming the compensation. It is the main responsibility of VPMU to ensure that all the compensations and entitlements have been paid to and settled with APs prior to clearing the construction sites. The DOE will arrange with the MFEM, as per the law of Vanuatu, for the compensation to be dispersed directly to APs on presentation of identification. APs will sign a document indicating the receipt of their compensation and entitlements. The compensation for any disputed landownership will be placed in COTA until the dispute is resolved by the court.

### C. Resettlement Database

140. All information concerning land acquisition including socioeconomic information, inventory of losses, compensation and entitlements, payments and relocation will be recorded by the VPMU. These records will form the basis of information for implementation, monitoring and reporting purposes and facilitate efficient management and monitoring of compensation distribution.

## XII. IMPLEMENTATION SCHEDULE

141. The following **Table 12** is the implementation schedule for updating the RP and implementation of land acquisition and compensation.

**Table 12: Implementation Schedule**

N°	Activities	Schedule	Responsibility
1	Confirmation of land requirement and identification of land owners/claimants	Month 1	CLMO, VPMU
2	Land survey and valuation	Month 2	DoL
3	Submission to DOE/DOL/Provincial council of land survey report and to prepare for formal negotiation with landowners and budget allocation for land acquisition	Month 3-4	DoE, DoL
4	Negotiation with landowners: consultation with affected landowners to discuss land acquisition through negotiated purchase or lease arrangement	Month 3-6	DoE, DoL
5	Agreement on land acquisition/negotiated purchase and necessary approvals by the Ministry of Finance and the Council of Ministers.	Month 7-9	MFEM
6	IA updates the RP including agreements on compensation rates with landowners, and discloses updated RP to APs.	Month 9	VPMU, DoE
7	IA submits the updated RP to ADB for approval and posting on ADB website	Month 10	VPMU, DoE
8	Execution of land acquisition and payment of compensation	Month 11-13	DoL

<b>N°</b>	<b>Activities</b>	<b>Schedule</b>	<b>Responsibility</b>
9	IA submits to ADB an land acquisition and compensation completion report	Month 14	VPMU
10	IA submits safeguard monitoring report	Six-monthly	DoE, VPMU

### **XIII. MONITORING AND REPORTING**


142. Based on the RP, EA and IA will monitor all activities associated with land acquisition and payment of compensation to APs. The scope of monitoring includes: (i) compliance with the agreed policies and procedures for land acquisition and compensation; (ii) prompt approval, allocation and disbursements of funds and payment of compensation to APs, including supplemental compensation for additional and/or unforeseen losses; and, (iii) remedial actions, as required. The monitoring will also cover whether APs are able to and restore, and preferably improve, their pre-project living standards, incomes, and productive capacity.

143. The DoE will maintain proper documentation of consultation process and keep relevant records of land acquisition and transaction. The resettlement specialists at VPMU will assist in documentation of the consultation, negotiation and transaction process.

144. The DoE will prepare and submit semi-annual progress reports to ADB as part of project performance monitoring. DoE will also submit a subproject land acquisition and compensation completion report to ADB following compensation payment before start of the civil works.

## XIV. APPENDICES

### Appendix 1: Copy of Memorandum of Agreement on Project Access

<p>MALAMPA PROVINCE</p> <p>SECRETARIAT OF MALAMPA PROVINCIAL GOVERNMENT COUNCIL LAKATORO, MALEKULA</p>		<p>PROVINS BLONG MALAMPA</p> <p>OFIS BLONG MALAMPA PROVINSEL KAVMAN KAONSEL LAKATORO, MALEKULA</p>
<p>SEVEM PIPOL BLONG MALEKULA, AMBRYM MO PAAMA</p>		

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**Memorandum of Agreement (MOA)**

This Agreement ('the Agreement') made on the 17<sup>th</sup> of February 2016 between:

- (i) the Provincial Government of Malampa through its Head Office in Lakatoro, Malekula
- (ii) Customary Landowners and land claimants
- (iii) Communities as represented by their chiefs within the Zone of Influence of the proposed Brenwe Hydropower project ('the Parties')

Whereas the Provincial Government and its constituents especially in areas not reached by rural electrification program recognize the need for development of alternative sources of energy.

Whereas the Brenwe River watershed has potential for the development of hydropower scheme.

Whereas there is recognition of the need and demand for electricity especially in areas not reached by the existing power grid in Lakatoro/Norsup.

By signing this agreement, the Parties agree and express their willingness to participate in the Brenwe Hydro Power Project being financed under ADB Vanuatu Energy Access Project (VAN EAP). In doing so they will:



- (i) Allow project teams including consultants and design teams to access the area to conduct technical studies and testing of the hydro
- (ii) Meet and discuss with the representatives of Government regarding the required steps and procedures for the acquisition of land to establish the facilities of the hydropower project
- (iii) Agree to meet with all interested parties and stakeholders to understand the issues and concerns on land, and agree on appropriate arrangements to address them prior to the construction of the hydropower structures and facilities including access roads and transmission lines
- (iv) Participation in, and meet regularly with, relevant project staff to ensure the project will proceed smoothly
- (v) Provide the necessary assistance to support the project as required
- (vi) Request that all notices and communications to stakeholders

Post Office Box 22 Tel : (678) 48491 Fax : (678) 48491 Email : [malpc@vanuatu.com.vu](mailto:malpc@vanuatu.com.vu)



- (vii) Raise any concerns or emerging issues during the design and construction phase to the Brenwe Steering Committee.

In recognition of this Agreement, the Parties and their representatives hereby sign:

For the Department of Energy

Name	Position	Signature	Date
ANANT EPRE	PSO URBAN ELECTRIFICATION		17/02/2016
CHRISTOPHER SIMELUM	A/ DIRECTOR		19/02/2016

For the Malampa Provincial Government

For the Malampa Provincial Government			
Name	Position	Signature*	Date
Edward Kallmet	Secretary General		19.02.2016
Lap. Kallmet	Project officer		19.02.2016

For the Customary Landowners/Claimants

[illegible]



## For the Communities

Name	Chief Represented	Village	Signature/Mark	Date
OPCANNY	UNVA Chief	UNVA		17/02/16
Kalsurir	PRENAGE Chief	PRENAGE		17/02/16
VIANBATH	PARANANT Chief	UNMET		17/02/16
ACHILLE NAKAR	Chief WIAPU	UNMET		17/02/16
KALMAN HAPAI	Chief BENAI	BENAI		17/02/16

## Witnesses

Name	Village	Signature	Date
Chief OTAK	TAUTU		17-2-16
Chief <del>OTAK</del>	Tautu		17-2-16
<del>Chief OTAK</del>	Tautu		17-2-16
Chief <del>OTAK</del>	TUTU		17-2-16
ALFRED JOEL DOE REP.	Tautu		17/02/2016



GOVERNMENT OF THE  
REPUBLIC OF VANUATU

**DEPARTMENT OF  
ENERGY**

PRIVATE MAIL BAG 9067,  
LINI HIGHWAY, METEO COMPLEX  
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E-GOV PH: 3900



GOUVERNEMENT DE LA  
REPUBLIQUE DU VANUATU

**DÉPARTEMENT DE  
L'ÉNERGIE**

SAC POSTALE PRIVÉE 9067,  
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TÉL: (678) 25201 / 533 3840,  
E-GOV PH: 3900

Our Ref:  
Notre Ref:

Date: 04/03/2016

**Brenwe Hydro Power Project Land Access Agreement**

\*\*\*Bislama translation \*\*\*

**Memorandum blong Akrimen (MOA)**

Akrimen ia i stap tekem ples long manis blong February long namba 17<sup>th</sup> wetem olketa ia:

- i) Provincial kavman blong Malampa tru long Hed Ofis blong em lo Lakatoro long aelan blong Malakula
- ii) Ol Kastom lan ona mo olketa we i kat klem lo graon
- iii) Ol komunitis we i gat jif representatif insaed long ol eria blong propos Brenwe Hydropawa projek (yumi kolem ol 'the Parties')

I tekem se Provincial Kavman mo ol constituens blong em espeseli long ol aerias we i no kat electriciti program lo em yet i luk save nid blong kat nara sos blong energy.

I luk save se Brewai River Watershed i kat wan potencial blong save developem hydropawa skim long em.

I luk save tu nid blong kat demand blong electriciti espeseli lo ol erias we exsisting pawa krid blong Lakatoro mo Norsup i no kasem yet.

Wetem ol stampa tingting antap, mifala, 'the Parties' I stap akri mo talem out gud tingting blong mifala blong sapotem mo tekem pat long Brenwe Hydro Pawa Projek (BHPP) we mbae mane blo em i kam long ADB Vanuatu Energy Access Project (VAN EAP). Mifala i stap:

- i) Letem ol projek tims we i inkludem ol consultens mo ol desasen tim blong kat raet blong ko mekem ol teknikal stadi mo testem hydro.
- ii) Akri blo mit mo toktok wetem ol represetatif blong Kavman long fasin blong karem kraon blong bildim hydropawa projek ia.
- iii) Akri blo mit wetem ol nara patis mo stekholdas blong adastanem gud ol isius mo konsens blong kraon, akri long ol stret fasin blong dil wetem bifo oli stat blong bildim hydropawa mo ol rod folem ol transmision laens.
- iv) Akri blong tek pat long evri miting we ol projek staf mbae i ranem blong mekem se projek i ron gud.
- v) Akri blong kivim eni sapot long projek taem i gat nid blong asistim mifala
- vi) Askem se i mas kat notis mo gud komunikesen i stap oltaem wetem ol key stekholdas blong projek ia.
- vii) Sipos i kat eni konsens we i stap kirap lo taem blong desasen mo konstraksen blong projek, Brenwe Steering Comitee I mas save.

Mifala i save gud ol tingting ia antap mo mifala, 'the Parties' I stap saenem akrimen ia wetem nems blong mifala olsem: [Signatories]

## **Appendix 2: Consultations**

### **Documentation of Consultations Conducted in Malekula Subproject site, Malampa Province, March – May 2014 - Provincial and Community Consultation**

1. Provincial and community consultations in respect of both environmental and social issues were undertaken in Lakatoro township and Unmet village on 19th March 2014. The project consultation personnel included the Consultant's international environment specialist (IES) and international and national social/resettlement specialists. Local logistical support was provided by the Malampa Provincial Assistant Planner. Key activities during the consultation visit included:

- Introductory meeting with Malampa Provincial Committee
- Consultation meeting with project affected land owners, interested stakeholders and community members at Unmet

2. The purpose of the provincial and community consultation was to disseminate basic project information and obtain the views and concerns of communities with respect to environmental issues related to the project with a view to addressing these issues in the project design and implementation. The consultations also provided the opportunity to gather relevant site specific information from the stakeholder's perspective on the physical biological and social environments of the project area.

3. **Malampa Provincial Council.** An initial meeting was held with the MPC to introduce the Safeguards team, explain the purpose of the visit and consultation process within the context of the overall TA objectives including ADB's safeguards requirements, obtain information relating to the community's readiness for the project including any issues of concern they might have, and to request the MPC's assistance in supporting the consultation process. Twelve members of the Provincial council attended the meeting. A list of the attendees is provided in Attachment 5, Table A5.2.

4. A power point presentation delivered by the IES provided the opportunity to inform the MPC of what the proposed Brenwe hydropower project entailed. The presentation included sketches of the key project components, a summary of potential environmental and social impacts and benefits arising from the project, and a preliminary assessment of the significance of such impacts and likely mitigation measures required to ensure impacts are minimised and acceptable.

5. The MPC were familiar with the key components of the hydropower project through their previous experience with the partially constructed and abandoned Brenwe hydropower project during the 1990s. The provincial council expressed overall support for the project. In respect of environmental issues one member queried the potential impact on downstream water quality in the Brenwe River and loss of water between the intake and powerhouse due to the project. These issues were clarified during discussions with the council. In particular they were advised that significant impacts on water quality downstream of the project were unlikely and any impacts associated with reduction of water between the intake and powerhouse will be investigated as part of the IEE with necessary mitigation measures proposed to ensure impacts are minimised and acceptable.

6. Other issues raised included questions on the proposed alignment of the transmission line; whether or not the transmission line will be routed to Lakatoro; whether or not the project would result in lower cost of electricity; and whether or not the partially completed and abandoned hydropower sites and facilities would be used.

7. Details regarding land acquisition issues discussed with the MPC are reported separately in the RP.

8. **Community consultation/information dissemination.** An outdoor meeting was held in Unmet Village and involved the participation of approximately one hundred community members including community leaders, affected landowners, school teachers and interested people. A significant proportion of the participants were women and youth.

9. The meeting commenced with introduction of the consultant team by the international social/resettlement specialist and outline of the teams proposed activities during the visit and the overall purpose of the stakeholder consultation process. This was followed by a brief description of the project by the IES and identification of the potential environmental and social impacts and benefits associated with the project.

10. Following the presentation, participants were asked to express any and every concern they might have regarding the project. Most of the queries and discussion centred around the proposed alignment of the transmission line including the need to consult closely with the community regarding the alignment as well as ensuring appropriate compensation to land owners. The community was also keen to ensure that their community would benefit from the electricity generated. The community's experience of the previous Brenwe hydropower project abandoned during construction in the 1990s due to conflicts over land and the transmission line alignment was foremost in their minds.

11. When specifically asked if anyone had any concerns over environmental issues associated with the project the response was "no". The community reported that there were no tambu sites in the vicinity of the project area, no-one actually lived within or close to the project footprint and no one relied on the water resources in the stretch of river that would have reduced flows between the weir and the powerhouse.

12. The communities clearly understood the concept of hydropower and were very familiar with what the project involved due to the previous project and they expressed a strong desire for the project to go ahead. Various comments were made regarding the community's need for electricity to enhance the existing and flourishing economic activity and population growth in the area including school facilities for the growing population. It was mentioned by a retired school teacher that this area of Malekula produces the most kava and cocoa of any region in Vanuatu and that cargo ships periodically anchor offshore of Unmet to load up these commodities.

13. **Conduct of FGD/HHSES/KII** – In addition to the above consultations, the Team undertook focus group discussions, socioeconomic survey of sample households and key informant interviews (KII). Four FGD attended by 10-15 participants per FGD, 80 households within the influence zone of Brenwe HPP as well as a number of KII were conducted. Results of these information gathering and consultations have been integrated in the the social and environmental reports as well. Consulted groups and persons are included in the list of persons consulted with at the Malampa Provincial Council on 19 March is provided below.

14. **Consultation with Affected Households –and concerned local officials on Land Acquisition Issues and Concerns.** In the conduct of various consultation activities land acquisition issues were discussed with local and provincial officials as well as the affected person/households.

15. Concerns raised were as follows:

- Customary landowners/claimant – Primary concerns raised was the compensation and other benefits that APs are entitled to; willing to give up land as the area required is uncultivable and not useful for agriculture but compensation issues/concerns must be addressed and agreed first.

- Other landowners/communities – Concerns on whether the transmission line will pass through the same areas originally traversed by the aborted Chinese project which will result in substantial loss of fertile agricultural land and massive losses of fruit bearing trees like coconut, cocoa and kava; worries that the previous experience with Chinese project will have detrimental impact on getting the current project approved. Strong support for the project expressed and willingness to give up (for cutting and trimming) some fruit trees along the road where the transmission line is proposed to pass.
- Local Officials – brought up the issues of benefit that the Project will get from the Project considering that the transmission line is planned to connect to the existing Norsup-Lakatoro grid; whether the communities near the Brenwe project will be covered and provided electricity as well.
- Provincial Officials – expressed full support to the project and will work with the national agency in facilitating land acquisition

**List of Attendees at Consultation Meeting with Malampa Provincial Government  
Lakatoro, 19 March 2014**

Name	Responsibility	Summary of Comments made
Lapi Kalmet	Assistant Planner	<ul style="list-style-type: none"><li>MPC familiar with the key components of the hydropower project through their previous experience of Brenwe hydropower project during the 1990s.</li><li>expressed support for the project.</li><li>one member queried the potential impact on downstream water quality in the Brenwe River and loss of water between the intake and powerhouse due to the project. These issues were clarified. MPC were advised that significant impacts on water quality downstream of the project were unlikely and any impacts associated with reduction of water between the intake and powerhouse will be investigated as part of the IEE with necessary mitigation measures proposed to ensure impacts are minimised and acceptable.</li><li>Other issues raised included questions on the proposed alignment of the transmission line; whether or not the transmission line will be routed to Lakatoro; whether or not the project would result in lower cost of electricity; and whether or not the partially completed and abandoned hydropower sites and facilities would be used.</li></ul>
Edna Paolo	Tourism Officer	
Melteras Salavina	Cultural Centre	
John Bongnaim	Customary Lands Tribunal	
Kevin Enrol	Malampa Province	
Toufau Kalsakau	Forestry Officer	
George Tusai	Agriculture Officer	
Samson M	Correctional Services	
Noel Nathan	Health Department	
Renjo Samuel	Education Officer	
Palen Ata	Provincial Planner	
Joanna Lingi	Women's Affairs	
<ul style="list-style-type: none"><li>List of Attendees of signing of MOA between Province and Landowners/Claimants – See MOA</li></ul>		

## 2016 Consultations

Date: 16 February 2016

Time: 10am

Venue: Malampa Provincial Government Office, Lakatoro

Attendees:	
Lapi Kalmet	Assistant Planner, MPG
Antony Garae	Off Grid Officer, DoE
Alfred Joel	On Grid Officer, DoE

Claire Forbes	ADB Consultant
Hannington Alatoa	VPMU
Collyne Tete	Clerk, Island Court
John Bongnaim	Custom Land Officer, CLMO
Edward Korty	Chairman, Malmatemvanu

Notes:

The team thanked the officials for attending the meeting and explained the project status – i.e. that it is still in the pipeline and ADB is a potential funder for the Project, and that it is high on the governments priority list and very important for the people of Malekula. The team explained the value of their role in land and managing custom lands which is important for project's success.

The Island Court representative explained custom lands of Timbun, Tervaut and Wiaru are relevant and Tervaut has a pending Supreme Court case (set for March).

The CLMO representative advised that his office was unaware of the Project and requested formal notification from DoE. DoE agreed to send a letter.

The Chairman of Malmatemvanu explained the Councils jurisdiction preceded over the Village Council of Chiefs, Area Council of Chiefs and Island Council of Chiefs. He is the Chair of Island Council of Chiefs and explained that the Area Council of Chiefs are nominated by their own people according to traditional customs and decisions are made by consensus.

Date: 16 February 2016

Time: 11am

Venue: Public Works Dept, Lakatoro

Attendees:	
Lapi Kalmet	Assistant Planner, MPG
Antony Garae	Off Grid Officer, DoE
Alfred Joel	On Grid Officer, DoE
Claire Forbes	ADB Consultant
Hannington Alatoa	VPMU
Mr Fred Siba	Division Manager, PWD

Notes:

The team met with the PWD Division Manager in Lakatoro to discuss current road projects and definition of road reserves. It was unclear whether the roads where the transmission line will run have been gazetted since the Road Act is still new (2014) and there has been recent change of government. Mr Siba comments that the road carriageway is typically 4-6m wide in Malekula and for the transmission line to Vao the community agreed to 3m from the edge of the road to be cleared. He also agreed that establishing a Brenwe Steering Committee would be a good idea.

Date: 17 February 2016

Time: 9am - noon

Venue: Malampa Provincial Government Office, Lakatoro

Attendees:	
Lapi Kalmet	Assistant Planner, MPG
Antony Garae	Off Grid Officer, DoE

Alfred Joel	On Grid Officer, DoE
Claire Forbes	ADB Consultant
Hannington Alatoa	VPMU
Multiple persons	Chiefs and land claimants

Notes:

The meeting was opened with a prayer by Remo Reuben.

The team explained their roles and the purpose of the visit to update the MOA on Land Access that was signed in 2014. The DoE representative thanks everyone for their attendance and explained the project is still in the pipeline and there are numerous steps to complete before construction could start on such a project. He explained the stages in project development, stating that feasibility had been completed in 2014/15. The team also highlighted the importance of understanding custom lands surrounding the old hydro site and the need for transparency between all parties.

Meeting attendees asked how long the process will take to complete, and the team responded explaining there is commitment to start the project but it will depend on cooperation with landowners and communities. Josaia Nato stated he was in full support of the project. One person asked whether the project could change its name since the site is not actually located at Brenwe (Brenwe village is downstream).

Comments were raised about communication and consultation and how people would be informed. The team raised the idea of a steering committee, explained how this first needs approval from DG, and that DoE will look at how to improve communications and information sharing in Malekula.

The custom lands of the project area were discussed amongst landowners, land claimants and their Chiefs. It was identified that the project site was located on Tervaut and Wiaru custom lands and the access road passed through Timbun land.

The team presented the updated MOA and read it aloud in English, then in Bislama and confirmed all meeting attendees understood the purpose of the MOA for Land Access. The MPG representative explained the need for signatures and proper representation to allow studies to continue to inform final design. The meeting attendees signed the MOA and the team explained a final copy would be distributed to them via MPG.

The team visited the Brenwe site that afternoon and collected additional signatures from those that did not attend the meeting (including Paramount Chief Virabaut in Unmet for Timbun land, Kalman Hapsai, Chief of Brenwe village and Chairman of Area Council of Chiefs; and Achille Nakar, Chief of Wiaru).

## **Appendix 3**

### **Communications, Consultation and Participation Plan for Brenwe Hydropower Project**

#### **Introduction**

This Communication, Consultation and Participation Plan (CCPP) has been developed for the Brenwe Hydro Power Project (BHPP) in Malekula, Vanuatu. The Department of Energy (DoE) within the Ministry of Climate Change (MoCC) is being supported by the Vanuatu Project Management Unit (VPMU) to implement this subproject funded under the Vanuatu Energy Access Project (VEAP). This plan has been developed in accordance with ADB's Public Communication Policy. This plan is a working document being implemented from Q1 2016.

#### **Purpose**

The purpose of this plan is to guide effective project-related consultation and engagement activities with stakeholders at all levels throughout the project cycle. It will also help to involve affected people in project design and implementation, and increase involvement of civil society, including a beneficiary-driven approach to facilitate long-term development goals.

#### **Objectives**

The objectives of the plan are to:

- Maximise the benefits brought about by the project
- Disseminate important project information and progress to communities and stakeholders in a timely manner to minimize misinformation, unnecessary disputes and disturbances
- Facilitate participation of communities and stakeholders in relevant project activities and developments, and be responsive to stakeholder feedback, concerns and input
- Establish a two-way communication channel that enables participation and feedback at all levels
- Build awareness of project activities (and timeframes) and community acceptance of the project
- Provide adequate notification to affected parties, communities and property owners during construction phase
- Establish a grievance redress mechanism for managing and responding to complaints
- Ensure transparency and accountability.

#### **Approach and Key Principles**

DoE is committed to a meaningful consultation process that:

- (i) Begins early in project preparation stage and is carried out on an ongoing basis throughout the project cycle;
- (ii) Provides timely disclosure of sufficient information that is understandable and readily accessible to all stakeholders (in local languages etc);
- (iii) Is undertaken without intimidation or coercion and gives adequate time for decision-making;
- (iv) Is gender inclusive and tailored to the needs of disadvantaged and vulnerable groups;
- (v) Incorporates the views of stakeholders into decision-making;
- (vi) Is documented to keep track of who has been consulted and the key issues raised; and



- (vii) Is responsive and reports back in a timely way to those consulted, with clarification of next steps.

These principles lay the foundation for a 'code of conduct' when carrying out consultation activities. Consultation activities will aim to secure 40% participation by women so as to ensure their full comprehension of, and participation in, the project implementation stages.

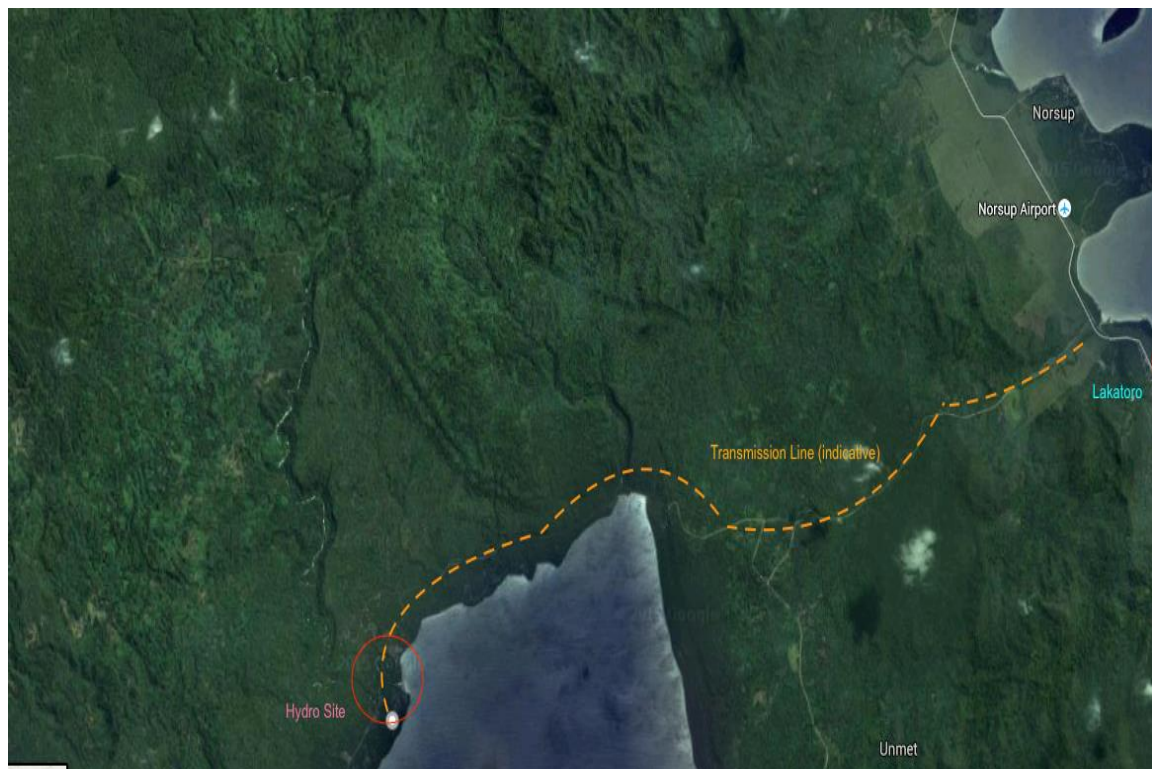
The consultation process involves four key stages:

- (i) Awareness-raising with broader community
- (ii) Identification of affected persons, households, villages and properties
- (iii) Targeted consultation sessions with affected villages and persons
- (iv) Formal notification of works commencement.

### Project Area

BHPP is located in North-West Malekula, approximately five kilometers north of the village of Unmet, one of the largest settlements outside the urban areas in Vanuatu. Project infrastructure will be established on the Brenwei River upstream of the village areas, and a transmission line will run along the access road, to the main road toward the provincial business center of Lakatoro.

*Figure 1 Project Location in Malekula*





**Table 1. Key Stakeholders**

<b>Level</b>	<b>Primary</b>	<b>Key Persons</b>	<b>Methods</b>
<b>National</b>	Ministry of Infrastructure and Public Utilities (MIPU)	Public Works Department	Meeting with DoE as needed
	UNELCO	Managing Director	Regular communication with DoE
	Dept of Water	Director General	Meeting with DoE as needed
	VPMU (within Prime Minister's Office)	Project Manager, Safeguards Specialists	Regular communication with DoE
	Dept of Lands (DoL)	Director General, Valuer General, Surveyor General	Meeting with DoE as needed
	Customary Land Management Office (CLMO)	Deputy Director	Meeting with DoE as needed
	Design and Supervision Consultant (DSC)	Project Manager/Team Leader	Regular meetings with DoE (and MPG if required), consultation with affected persons and communities
<b>Provincial</b>	Malampa Provincial Government (MPG)	Secretary General, Provincial Planner	Regular communication with DoE, Chairperson of Brenwe Steering Committee
	Public Works Department (PWD)	Division Manager	Attends Brenwe Steering Committee meetings
	Malampa Province Technical Advisory Committee (MPTAC)	Chairman, Secretary	Representative participates in Brenwe Steering Committee meetings
	Customary Land Management Office (CLMO)	Custom Land Officer	Attends Brenwe Steering Committee meetings
	Island Council of Chiefs (Malmetanvanu)	Chairman	Attends Brenwe Steering Committee meetings
	Council of Women	President	Attends Brenwe Steering Committee meetings
	Agriculture	Provincial Officer	Attends Brenwe Steering Committee meetings
	Industry and Trade	Provincial Officer	Attends Brenwe Steering Committee meetings
	Training and Vocational Education	TVET Centre (construction jobs)	Noticeboards
	UNELCO	Manager/Engineer (Lakatoro)	Regular communication with DoE and MPG
	Health, Education, Tourism, NGOs	Provincial Representatives	When needed
<b>Sub-district/A</b>	Contractor for construction	Site Manager	Reports to DoE, meetings with communities and affected persons as required

	North-West Area Council	Chairman	Via Brenwe Steering Committee Meeting with MPG
	North-West Council of Chiefs	Chairman	Via Brenwe Steering Committee
	Central Council of Chiefs	Chairman	Via Brenwe Steering Committee
	Central Area Council	Chairman	Via Brenwe Steering Committee Meeting with MPG
Local	Directly affected persons (customary landowners of Wiaru, Tervaut lands)	Landowners'	Community meetings Project Brochures Noticeboards Formal letters
	Residents along access road and transmission line (including Tervaut and Timbun lands)	Landowners and residents	Community meetings Project Brochures Noticeboards Formal letters
	Beneficiary communities and Villages in the greater Unmet area (Uri, Unmet, Brenwe, Leviam, Unvar, Wiaru)	Paramount Chiefs in North-West Malekula	Community meetings Project Brochures Noticeboards
	Village Councils	Chairman	Via Brenwe Steering Committee
	Women's Association(s)	Representatives from North-West and Central Area Council of Women	Community meetings Via Council of Women

## Project Phases

### **Phase One: Feasibility and Planning (2013-2015)**

During the feasibility stage of the project, ADB staff and consultants carried out consultation sessions with stakeholders through targeted and public meetings, sites visits, key informant interviews, focus groups and household surveys. Records of these consultations are captured in the environmental assessment and feasibility final report attached in Annex 4.

### **Phase Two: Design Phase (Community Preparation) [2016]**

During the design phase, a project steering committee will be established supported by the DoE, Malampa Provincial Government (MPG) and VPMU. Consultation sessions will become more frequency in the lead-up to construction phase.

#### *Key Activities*

- (i) Establishment of institutional mechanism responsible for community development/participation activities.
- (ii) Orientation workshop, focus group discussion and information dissemination activities including the communication and disclosure to affected people and other stakeholders of impacts and proposed mitigation measures.
- (iii) Setting up mechanism (e.g. Brenwe Steering Committee) for networking, liaison and coordination with partners and associated agencies.
- (iv) Establishment of grievance redress procedures at local, provincial to national levels.
- (v) Conduct of consultations and disclosure activities.

### **Phase Three: Implementation Phase (Construction/Community Mobilisation) [2016-2017]**

The structures that were set up for communication during the design phase will be utilized to provide adequate notification of works and upcoming activities.

The designated VPMU staff and safeguard specialists of the Design and Supervision Consultant will take the lead in coordinating and organizing the conduct of these activities with support and advice from MPG. This will also involve coordinating the participatory assessment/survey, data collection etc., related to land acquisition and watershed management and ensuring the conduct of information dissemination and full project disclosure anent to project impacts and mitigating measures. Additionally, consultation activities will result in increased awareness on the importance of electricity taking gender aspects into consideration. Discussion will also highlight the community's responsibilities particularly women in the project and activities that will mainstream awareness of gender concerns and issues.

#### *Key Activities*

- (i) Mobilization of community groups/members especially women's groups
- (ii) Conduct of consultations
- (iii) Orientation of various groups on gender issues and sensitivity to provide push to efforts in improving women's chances to socioeconomic benefit and improved quality of life
- (iv) Conduct of orientation/training and creation of demand for skills improvement to improve chances of success in engaging in income generating activities.

### **Phase Four: Commissioning and Handover Period (2017-2018)**

This Phase involves the preparation for the transfer of responsibilities in order to institutionalize mechanism for consultation and participation. VPMU and potentially the power utilities will be the main agencies eventually responsible for carrying out participatory programs and activities related to the Project. The Specialists and key persons trained during the Detailed Design Phase and initial stage of subproject implementation including the Operation and Maintenance (O&M) personnel for the system will now be able to carry out the project activities on their own.

#### *Key Activities*

- (i) Coordination and Linkages
- (ii) Institutionalization
- (iii) Conduct of regular project related activities
- (iv) Decide on the future role of Brenwe Steering Committee (if any)

### **Methods and Activities**

The methods of consultation are outlined in the Table 2 below. They include:

- Public Forums and Information Sessions (design and construction phase)
- Community Awareness-Raising
- Targeted Negotiation with Landowners and Tenants
- Targeted Consultation with Landowners, property owners and communities along the transmission line
- Formal disclosure activities of project documentation
- Steering Committee meetings

## Responsibilities

Table 2 outlines the roles and responsibilities for key government agencies and important stakeholders in project communications and consultation.

**Table 2                Roles and Responsibilities**

<b>Agency</b>	<b>Responsible Person</b>	<b>Responsibility</b>
Department of Energy	Director	Overall oversight of the project and reporting progresses and issues to Government through the Director General and the Hon. Minister of Climate Change
Department of Energy	On-grid Officer & Communication Officer	Directly responsible for day-to-day liaison and collaboration between all the parties involved in the project, regular meetings with VPMU, conducting awareness, preparing consultation materials (e.g. newsletter), facilitating duty exemptions and coordinating the meetings of the Brenwe Steering Committee.
VPMU	Safeguard Officer	Compliance with funding agreements and ADB safeguard procedures and updating the Office of the Prime Minister; updating safeguard documentation; developing consultation materials; focal point for land issues, facilitating and coordinating with Dept of Lands on land acquisition/leasing in compliance with ADB Safeguards.
Malampa Provincial Government (MPG)	Secretary General & Planner	Key Government focal point for communications and information dissemination to the landowners, property owners, communities, chiefs and women groups within the project areas. Responsible for hosting the Brenwe Steering Committee meetings and facilitating meetings with parties directly and indirectly affected by the project.
Department of Lands (DoL)	Director General, Valuer General, Surveyor General	Will be responsible to call meetings with regard to the project land, the right of ways and land easements. They will also survey and evaluate the land to be occupied by the project and to take lead in facilitating compensations.
Public Works Department	Division Manager based in Lakatoro	Will take the lead in upgrading the main roads towards the project site.
State Law Office	Attorney General	To review all agreements and give legal opinions prior to execution and also to assist Lands Department in land issues.
Agriculture Department	Officer based in Lakatoro	To assess value of cash crops, fruit trees, coconut trees, cocoa trees and trees for timbers.

Environment Department	Director (Port Vila)	To assist the project development by facilitating relevant environmental assessments.
Brenwe Steering Committee	Chairman (Secretary General of MPG)	Will be the backbone of the project to ensure that the project is implemented according to the design and timeframe, solve issues affecting the project, document all issues arising out of the project, provide regular reporting to VPMU and is the body responsible for putting out public information about the project.
Customary Land Management Office	Officer based in Lakatoro	To progress the identification of the true landowners of the project occupied areas and finalize their customary rights. Also assist Lands Department to issue land titles on the project lands.
North-west Area Council of Chiefs	Chairman	To be the liaising body with the Brenwe Steering Committee, to facilitate awareness activities and support the implementation of the project.
UNELCO	Managing Director	Will be collaborating with the DoE and the Consultant/Contract for inter-connecting the project into the UNELCO.
Tervaut Affected Landowners; Wiaru Affected Landowners	Nominated representative and identified landowner(s)	Directly liaising with the Customary Land Management Office and the Lands Department to identify the true landowners of the project occupied lands.
Other Affected Landowners	Nominated representative and identified landowner(s)	As above, as required.
Landowners, Property Owners & Communities along transmission line route	Chiefs, head of households, Nominated spokesperson	To participate in the awareness activities and facilitate clearing of access routes.
Consultant/Contractor	Project Manager/Team Leader	Be the main project implementing agency and collaborating with the Brenwe Steering Committee in the development of the project. Provide forth-nightly progress reporting to the Brenwe Steering Committee, the VPMU and the DoE.

### Grievance Redress and Complaints Management

The grievance mechanism presented here outlines a process for documenting and addressing project-related grievances (complaints) that may be raised by affected persons or community members regarding specific project activities, environmental and social performance, the engagement process, and/or unanticipated social and environmental impacts resulting from project activities. It describes the scope and procedural steps and specifies roles and responsibilities of the parties involved. The procedures are subject to revision based on experience and feedback from stakeholders.

The DoE will communicate the procedures in an understandable manner to affected stakeholder groups through consultation activities (e.g. toksave). Confidentiality will be respected and DoE will take all reasonable steps to protect parties from retaliation. Communities and affected persons should be advised of the procedures in the early stages of engagement, and be made aware of:

- How they can access the grievance mechanism (i.e. key people and complaint forms);
- Who to speak to and lodge a formal complaint;
- The timeframes for each stage of the process;
- The process being confidential, responsive and transparent; and
- Alternative avenues where conflicts of interest exist.

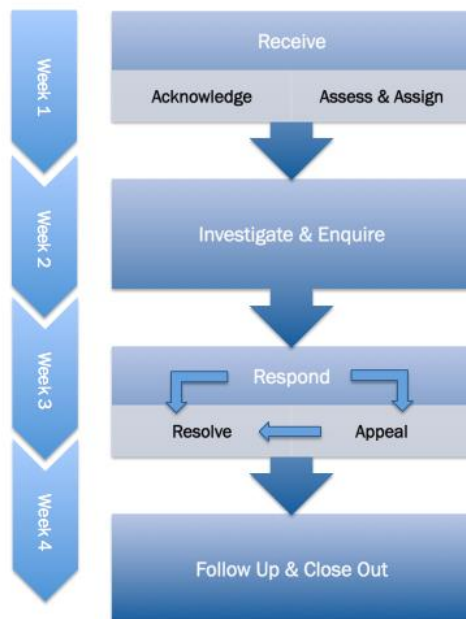
The procedures will utilise formal, informal and traditional grievance procedures suitable to the local context. Generally, complaints and disputes will be resolved at the community level as much as possible through the nakamal process. Grievances may be firstly referred to customary conflict mediation arrangements according to custom where appropriate, so long as they are not directly affiliated with traditional leaders who are party. If the issue cannot be resolved at this level, it will be raised to the next level and so on.

The grievance resolution process includes four key stages – (i) Receive; (ii) Investigate/Enquire; (iii) Respond and (iv) Follow up/Close Out as illustrated in Figure 2.

Relevant personnel (i.e. contractors, On-grid Officer and MPG) will be required to accept formal grievances and ensure avenues for lodging grievances are accessible to the public and affected persons. This may be in verbal or written form. The grievance should be formally documented on the grievance form, assessed on its level of urgency/severity and assigned to the appropriate person who then acknowledges within two days to the Complainant, that the grievance has been received and is under review.

The severity of each grievance and subsequent course of action shall be determined by the DoE Officer. If the issue is easily resolvable, the responsible party (e.g. Contractor) should endeavor to address the issue directly on site, and record the details for filing into the **Grievance database** managed by VPMU. If the grievance is a more complex issue, it may require additional meetings and further investigation. A formal response should be provided within a two-week timeframe or a timeframe that has been agreed to with the Complainant. If additional time is needed, the Complainant will be advised of this in advance.

**Figure 2:** *Stages in the Grievance Resolution Process*



## Reporting

Each consultation session will be recorded with a list of attendees. A template is provided in Annex 5. Updates on community consultation will be provided in progress reports of the consultants and VPMU.

**Table 3 Consultation Activities**

Activity	Target Stakeholders	Method	Objectives	Budget Source
Project Orientation	Government officials, officers, and VPMU staff (Port Vila)	<ul style="list-style-type: none"> <li>Meeting with power point</li> </ul>	<ul style="list-style-type: none"> <li>Introduce the Project</li> <li>Demonstrate the link between watershed protection and improved water resource supply for hydro and reliability of power supply</li> <li>Discuss roles and accountabilities of various government units</li> <li>Discuss issues related to use of land acquisition, temporary resettlement, and environmental clearances and permits</li> <li>Mitigate potential problems</li> <li>Discuss gender issues and concerns and how to optimize women participation</li> <li>Gather recommendations</li> </ul>	DoE and Project Consultants, Port Vila VPMU
Project Orientation	Provincial Govt, UNELCO, Brenwe Steering Committee (Malekula)	<ul style="list-style-type: none"> <li>Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Project description and scope</li> <li>Key responsibilities</li> <li>Timeframe</li> <li>Current demand load and forecasts</li> </ul>	DoE, VPMU
Public Information Session	Communities in/near the project area; service users	<ul style="list-style-type: none"> <li>Public forum (nakamal and Lakatoro market)</li> <li>Energy Forum</li> </ul>	<ul style="list-style-type: none"> <li>Introduce the Project, highlighting its importance and benefits to the community</li> <li>Demonstrate the link between watershed protection and project continuity</li> <li>Gather concerns and views related to electricity</li> <li>Gather recommendations</li> </ul>	DoE, VPMU , Brenwe Steering Committee VPMU
Targeted consultation	Affected Persons: Landowners, local officials (nakamal, Lakatoro)	<ul style="list-style-type: none"> <li>Nakamal</li> <li>Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Discuss potential Project impacts (temporary and permanent)</li> <li>Solicit the views of affected persons on avoidance/mitigation strategies</li> <li>Agree on mitigating measures</li> <li>Agree on impacts that may require compensation or assistance</li> </ul>	VPMU, Brenwe Steering Committee VPMU
Formal notification and negotiation on land (hydro site)	Landowners and land claimant, CLMO, DoL rep.	<ul style="list-style-type: none"> <li>Letter</li> <li>Poster notification (DoL)</li> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Discuss project footprint and potential impacts to custom lands</li> <li>Correctly identify landowners</li> <li>Agree on compensation measures</li> </ul>	DoE, DoL, CLMO VPMU MoCC



	Dept Agriculture	<ul style="list-style-type: none"> <li>• Site visit</li> </ul>			
Formal notification (transmission line)	Landowners, land claimants, resource owners, Dept Agriculture	<ul style="list-style-type: none"> <li>• Letter</li> <li>• Meetings</li> <li>• Site visit</li> </ul>	<ul style="list-style-type: none"> <li>• Discuss project footprint and potential impacts to trees, crops</li> <li>• Correctly identify resource owners</li> <li>• Agree on compensation measures</li> </ul>	DoE, VPMU, Dept Agriculture	MoCC
Document disclosure (RP/IEE/EMP)	Communities in/near the project area Affected persons and households	<ul style="list-style-type: none"> <li>• Report Summary in Bislama</li> <li>• Report available in Lakatoro MPG Office</li> <li>• Brief meeting (as needed basis)</li> </ul>	<ul style="list-style-type: none"> <li>• Disclose details of the RP and EMP particularly with regards to various mitigating measures</li> </ul>	VPMU, MPG	VPMU, Civil work contractor
Gender activities	Council of Women representatives, Brenwe Steering Committee	<ul style="list-style-type: none"> <li>• Gender training</li> </ul>	<ul style="list-style-type: none"> <li>• Awareness of gender concerns/issues</li> <li>• Gender action plan implementation</li> <li>• Skills development for women groups</li> </ul>	VPMU, MPG	VPMU
Consultation on opportunities for business/industry	Business sector; Brenwe Steering Committee; TVET	<ul style="list-style-type: none"> <li>• Focus Group Discussion</li> <li>• Energy Forum</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce the Project</li> <li>• Demonstrate the link between improved electricity supply and income generating activities, women's empowerment, and improved access to social services</li> <li>• Mitigate potential resistance to the project</li> <li>• Gather recommendations</li> </ul>	VPMU in cooperation with business group organization	VPMU
Brenwe Steering Committee Meetings	Brenwe Steering Committee members	<ul style="list-style-type: none"> <li>• Monthly meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Project progress updates</li> <li>• Carry out actions from meetings</li> <li>• Liaise and disseminate information to project stakeholders</li> </ul>	MPG	DoE
Vanuatu Project Management Unit	VPMU, DoE	<ul style="list-style-type: none"> <li>• MeetingsBi-monthly meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Review compliance with social safeguards, environment, and gender frameworks and plans</li> <li>• Discuss progress in implementation, including problems encountered and means to mitigate/address them</li> <li>• Regularly report on the progress of implementation</li> </ul>	VPMU, DoE, ADB	VPMU, DoE

Annex 1. Brenwe Steering Committee

Annex 2. Work Plan

Annex 3. Information Sheet and Flowchart

Annex 4. Meeting Minutes Template

## **Annex 1**

### **Brenwe Steering Committee**

#### **Terms of Reference**

##### **Introduction**

The National Energy Roadmap (2013-2020) forecasts up to 65% of electricity generated in Vanuatu from renewable sources by 2020, and result in achieving supply-side efficiency targets, increase reliability of supply, and improve affordability of electricity, particularly in rural areas. The Brenwe Hydropower Project (BHPP) in Malekula was identified as a key renewable energy project that will generate 400kW using a run-of-river design connecting to the main grid in Lakatoro.

The Brenwe Steering Committee (BSC) is being established by the Department of Energy (DoE) in partnership with the Malampa Provincial Government (MPG). Since the Brenwe Hydropower Project (BHPP) is a significant project for Malekula and DoE has no formal presence at the provincial level, all parties have agreed that setting up a Steering Committee would be an important step and allow for regular communications regarding the project's progress. The BSC also forms a fundamental part of the Brenwe Communication, Consultation and Participation Strategy.

##### **Objective**

The Brenwe Steering Committee is established to ensure a two-way communication process between key stakeholders at all levels throughout the life of the project.

##### **Functions**

The Brenwe Steering Committee will support the active participation and proactive consultation of stakeholders for the Brenwe Hydropower Project in North-West Malekula. The BSC will function in coordination with the Department of Energy in Port Vila, regarding the planning, management and implementation of project activities. The Committee will:

- i) Provide project updates to key stakeholders at the Area Council and village levels
- ii) Build awareness and manage stakeholder expectations about what the social and economic changes brought about by the project
- iii) Provide notification to custom landowners of the project schedule and when access shall be required (particularly in the construction phase)
- iv) Host forums and meetings with stakeholders on Malekula as the need arises, and in coordination with Department of Energy (Port Vila)
- v) Regularly communicate with Department of Energy (Port Vila) and provide feedback to the DoE as required
- vi) Facilitate and encourage dialogue between key stakeholders and identify opportunities for participation in the project
- vii) Address any concerns or grievances arising in the project area or among stakeholders in consultation with Department of Energy (Port Vila) as required

## Membership

Members of the BSC will comprise two-tiers – core members and associate members made of stakeholders in Lakatoro and Unmet.

<b><i>Core members (compulsory attendance)</i></b>	<b><i>Associate members (on as needs basis)</i></b>
Malampa Provincial Government	Agriculture
Public Works Department	Business, Industry and Trade
Department of Lands	Agriculture
Customary Land Management Office	Education and TVET Centre (construction jobs)
Council of Women	Health
NW Area Councilor	UNELCO
Central Area Councilor	Environment
Village Council of Chiefs	
Department of Energy	
Consultant/Contractor	

## Membership Eligibility

Requirements:

- All core members shall serve on the Committee for a period of three years.
- Members shall be recommended and approved by the Department of Energy and/or the Provincial Government based on suitability for the role and fair representation.
- Core members shall reside in the Province and be present to attend all meetings.
- The member shall be an active participant in the community.

## Structure and Responsibility

Chairperson (SG of MPG): Will chair the meetings and facilitate discussion based on meeting agenda and action items; follow up with members on action items.

Secretary: Confirm availability of committee members to attend scheduled meetings; write meeting minutes; prepare meeting agenda; distributes meeting minutes to key stakeholders (DoE, Malampa Provincial Technical Advisory Committee etc).

Committee Members: attend scheduled meetings at the request of Chairmen and Secretary; reach mutual agreement on specific issues; and carry out actions as requested by the Chairman and documented in meeting minutes.

## Charter

The BSC is the main representative body for the Project in Malampa Province. The Charter is as follows:

- Meetings shall be held monthly on the \_\_\_\_\_ of the month;
- The Committee shall be in regular contact with the DoE and Technical Advisory Committee (TAC) regarding project updates and information that needs to be disseminated to key stakeholders in Malekula;

- (iii) The Committee will record minutes of all meetings and send copies to DoE and the TAC (including list of actions to be reported on each meeting);
- (iv) The Committee will make a note of any complaints or grievances related to the Project and inform DoE (and respond where appropriate);
- (v) The Committee shall disseminate project information and respond to queries and concerns in a timely manner;
- (vi) The Committee will facilitate and host (where necessary) public information sessions on the Project with community members;
- (vii) The Committee will action any meetings with key stakeholders in the Province as required by DoE;
- (viii) Ensure stakeholders have proper understanding of project information, milestones and key dates (in local languages as required);
- (ix) Encourage the participation of women in all meetings and public information sessions;
- (x) The Committee will advise DoE (and relevant parties) of stakeholder views and seek opportunities to maximize benefits of the Project.

## Annex 2

### Work Plan

## 5) Work Plan for Consultation Activities

[illegible]

### **Annex 3**

#### **Information Sheet and Flowchart**

##### **Information Sheet**

The National Energy Roadmap (2013-2020) was developed by the Government of Vanuatu (GoV). It identified that there is potential for 65% of electricity generated in Vanuatu to come from renewable sources by 2020. This will reduce reliance on unsustainable and expensive fossil fuels such as diesel, particularly in rural areas.

The Asian Development Bank (ADB) is supporting the Government of Vanuatu (GoV) through the Department of Energy (DOE) to develop reliable and sustainable supply of electricity in Malekula to assist economic growth and increase the capacity to support greater access to electricity for local residents, businesses and industry.

The project will increase capacity to meet growing electricity demand for the next twenty-five or so years. The electricity generated from this plant is essential for improving the affordability of electricity on Malekula<sup>12</sup>. Once the project is established it is expected to displace most of the diesel generation in the concession area.

The proposed Brenwe Hydropower Project (BHPP) is located in northwest Malekula Island, Malampa Province approximately 20 km WNW of Lakatoro, the provincial administrative centre. The Project will harness the natural flow of the Brenwe River to generate hydro-electric power. The layout follows the footprint of the partially constructed Brenwe hydropower project which was abandoned in the mid-90s.

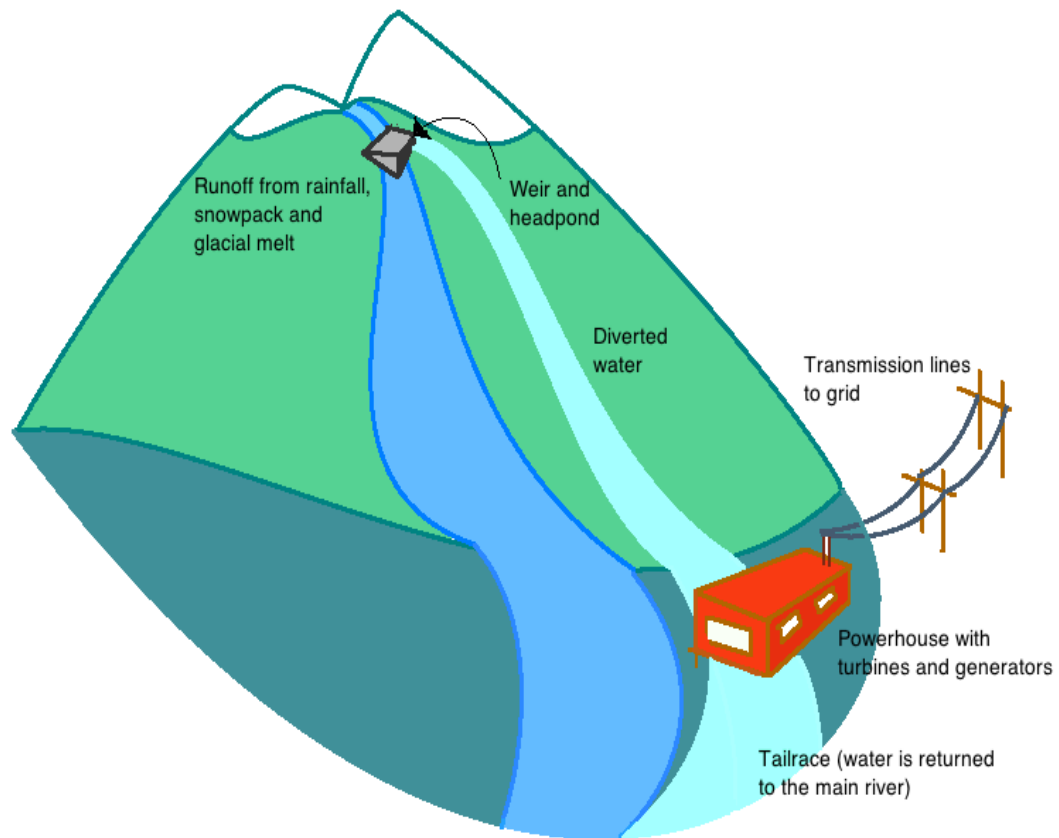
The intake of the run-of-river scheme is located at 160 m above sea level about 5 km north-west of Unmet village and comprises a low weir. Access to the site from Lakatoro is via the northwest Malekula Road which crosses the Brenwe River about 400 m upstream of the intake site. The existing access road from the public road to the intake, powerhouse and forebay sites will be used for this project and rehabilitated. An approximately 23 km long 20 kV transmission line will be constructed from the powerhouse to Lakatoro where it will connect to the existing grid.

##### **How does Run-of-River work?**

Small hydro is referred to as 'run-of-river'. This technology is capable of yielding lower costs per kWh than other sources, such as polluting diesel generators. The design utilizes the energy in flowing water to generate electricity. Running water is diverted from a river and guided down a narrow penstock (channel) to a generating house. The force of the flowing water spins a turbine which drives a generator. No water is stored in this process and the water is fed back into the main river downstream. In drought and periods of low rainfall the system is unlikely to work since there is not enough flow of water. In periods of high rainfall the system will produce more electricity.

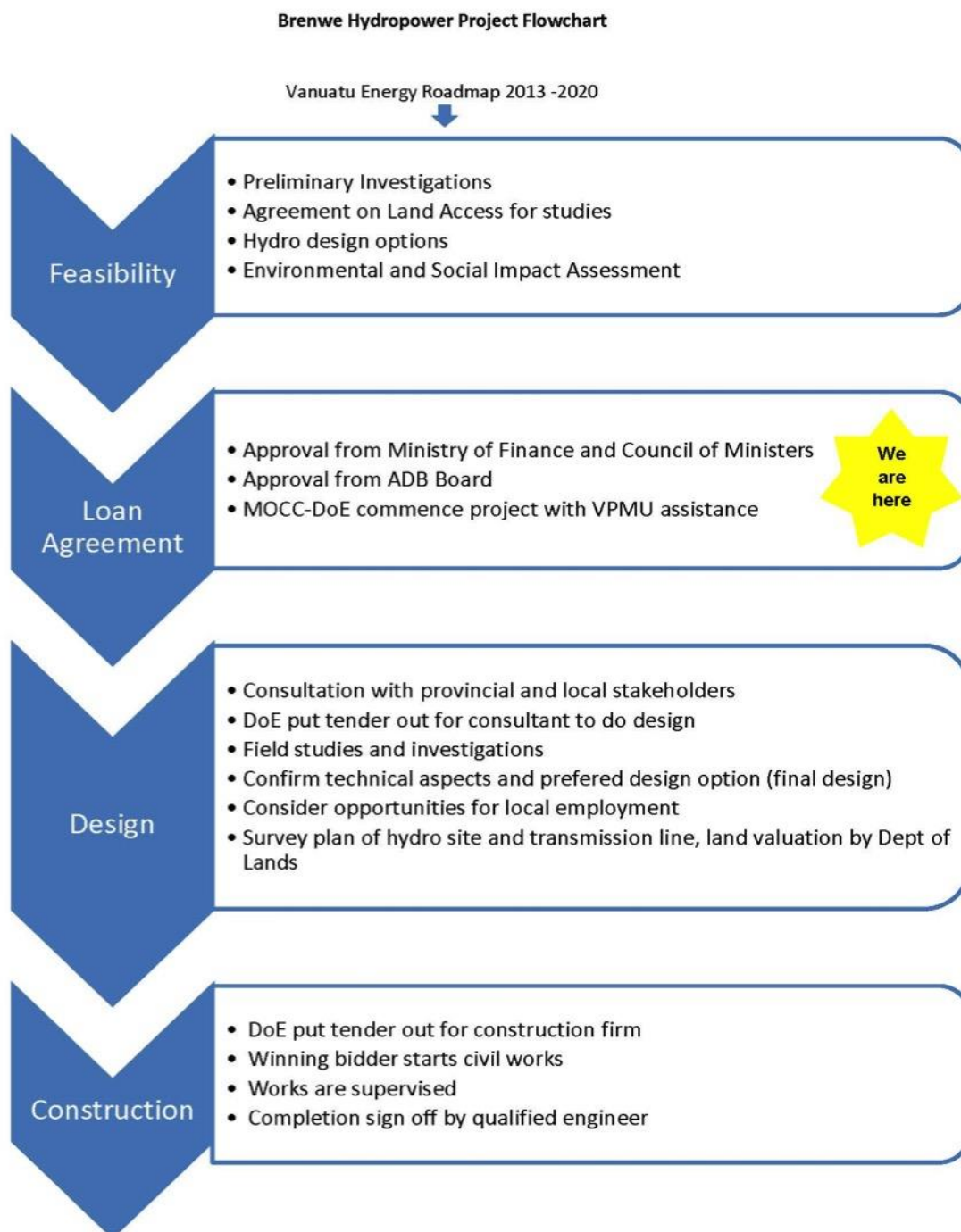
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<sup>12</sup> The levelised cost of electricity generated from the hydro plant is estimated to be 29.5VUV/kWh, which is below the levelised cost of diesel-generated electricity of VUV33.3





## Flowchart



**Annex 4**  
**Meeting Minutes Template**

Date                                      Time                                      Venue

Purpose of Meeting

Attendees

Apologies (absentees)

Chairperson

Agenda/Discussion Topics

- .
- .
- .

Issues Raised

Issue	Raised by

Outcomes

Action/Resolution	By Who