



Additional Financing Report

PUBLIC

Project Number: 52031-002
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Administration of Grant Republic of Vanuatu: Greater Port Vila Urban Resilience Project – Additional Financing

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 11 March 2022)

Currency unit	–	vatu (Vt)
Vt1.00	=	\$0.0089
\$1.00	=	Vt1111.97

ABBREVIATIONS

ADB	–	Asian Development Bank
GEF	–	Global Environment Facility
GPV	–	Greater Port Vila
ITF	–	Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States
MOIA	–	Ministry of Internal Affairs
PAM	–	project administration manual
PVMC	–	Port Vila Municipal Council
RUDSAP	–	Resilient Urban Development Strategy and Action Plan

NOTE

In this report, “\$” refers to United States dollars.

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PROJECT AT A GLANCE

1. Basic Data		Project Number: 52031-002	
Project Name	Greater Port Vila Urban Resilience Project - Additional Financing	Department/Division	PARD/PAUW
Country Recipient	Vanuatu Republic of Vanuatu	Executing Agency	Ministry of Finance & Economic Management
Country Economic Indicators Portfolio at a Glance	https://www.adb.org/Documents/LinkedDocs/?id=52031-002-CEI https://www.adb.org/Documents/LinkedDocs/?id=52031-002-PortAtaGlance		
2. Sector	Subsector(s)	ADB Financing (\$ million)	
		Total	0.00
3. Operational Priorities		Climate Change Information	
<ul style="list-style-type: none"> ✓ Addressing remaining poverty and reducing inequalities ✓ Accelerating progress in gender equality ✓ Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability ✓ Making cities more livable ✓ Strengthening governance and institutional capacity 		GHG reductions (tons per annum)	0.000
		Climate Change impact on the Project	High
		ADB Financing	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		Cofinancing	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
Sustainable Development Goals		Gender Equity and Mainstreaming	
SDG 1.5 SDG 5.c SDG 10.4 SDG 11.1 SDG 13.a		Gender Equity (GEN)	✓
		Poverty Targeting	
		General Intervention on Poverty	✓
4. Risk Categorization:	Low		
5. Safeguard Categorization	Environment: B Involuntary Resettlement: C Indigenous Peoples: C		
6. Financing			
Modality and Sources		Amount (\$ million)	
ADB		0.00	
None			
Cofinancing		2.99	
GEF-Least Developed Countries Fund - Project grant (Full ADB Administration)		2.294	
Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States - Project grant (Full ADB Administration)		.7	
Counterpart		1.40	
Government		1.40	
Total		4.39	
Currency of ADB Financing: US Dollar			

I. BACKGROUND

1. **Ongoing project.** The ongoing project will improve urban resilience in Greater Port Vila (GPV) through capacity building, institutional strengthening, and the construction of two multipurpose emergency shelters. It was approved on 7 December 2020 and declared effective on 5 February 2021. The project closing date is 15 June 2026. ADB is providing a grant of \$9.64 million from ADB's Special Funds resources. The government will provide counterpart funding of \$2.13 million equivalent for taxes and duties applicable in Vanuatu, land acquisition, and other in-kind costs. The project executing agency is the Ministry of Finance and Economic Management, and the Ministry of Internal Affairs (MOIA) and the Port Vila Municipal Council (PVMC) are the implementing agencies.

2. The ongoing project is performing as planned and its performance rating was *on track* as of the fourth quarter (Q4) of 2021. Two consulting services contracts with an aggregate cost of \$2.57 million have been awarded and disbursements of \$0.79 million are expected in Q2 2022 which is in line with the projections. The safeguards policy requirements have been met. The project is performing well following the project performance metrics stipulated in ADB's additional financing policies. To date, project activities have focused on the recruitment of consultants for project implementation assistance and engineering design and construction supervision.

II. ADDITIONAL FINANCING

A. Rationale

3. **Climate change impact.** Vanuatu, with a population of 302,000,¹ was assessed as the economy with the highest exposure, vulnerability, and susceptibility risks to natural hazards in 2020.² Port Vila, Vanuatu's capital and largest urban center with a population of 49,600, is highly vulnerable to extreme weather events due to climate change impacts. In 2015, Tropical Cyclone Pam, a category 5 cyclone, caused an estimated total loss of about \$450 million—equivalent to 64% of the gross domestic product of Vanuatu. Port Vila is also vulnerable to earthquakes.³

4. Future climate change will bring more disaster risks in Vanuatu caused by: (i) an increase in both average annual rainfall and the intensity and frequency of extreme rainfall events; (ii) sea level rise; (iii) storm surge; (iv) increased temperatures; and (v) changes in wind and wave climate, resulting in potential increases in extreme wave heights, and ocean acidity. Climate change science is evolving rapidly, and urban strategy and plans should be based on updated climate change models. Much of the coastline around Port Vila harbor and adjacent Mele Bay is subject to erosion, and vulnerable to significant damage during large sea surges, such as occurred in 2015 during Cyclone Pam. Nature-based approaches offer cost-effective solutions during extreme climatic and weather-related events and are aligned with the Vanuatu Climate Change and Disaster Risk Reduction Policy 2016–2030 and the Ifira Marine Protected Area Management Plan.⁴

¹ Vanuatu National Statistics Office. [Vanuatu 2020 National Population and Housing Census Preliminary Results](#).

² Bündnis Entwicklung Hilft and Ruhr University Bochum – Institute for International Law of Peace and Armed Conflict. 2020. *World Risk Report 2020*. Bochum.

³ Sector Assessment Summary (accessible from the list of linked documents in Appendix 2).

⁴ Ifira Marine Management. 2020. *Ifira Marine Protected Area Management Plan*. Port Vila. Ifira is an island just offshore from GPV. Government of the Republic of Vanuatu. 2015. [Vanuatu Climate Change and Disaster Risk Reduction Policy 2016-2030](#). Port Vila.

5. **Importance of emergency shelter centers.** The National Disaster Management Office, under the Office of the Prime Minister, is responsible for the designation of emergency shelters with the assistance of the Vanuatu Shelter Cluster. There are about 55 buildings that are used as multipurpose emergency shelters in GPV as of July 2021.⁵ These include schools, churches, and community buildings. The capacity of the listed shelters during emergencies is unknown but is unlikely to exceed 10,000 which is far below the capacity required during disasters such as Cyclone Pam. Many of the emergency centers do not meet Vanuatu's evacuation center guidelines or building code requirements, particularly in relation to design for wind and earthquake loading.⁶ Additional challenges with such evacuation centers include the high cost of cleanup and restoration of facilities after use, the urgent need for the facilities to resume normal operations, limited capacity and access to centers, and poor connectivity to hospitals and emergency services.

6. The government recognizes the need for more emergency shelters in GPV and that such shelters must be available for alternate revenue-generating uses to meet the cost of operating and maintaining the shelters. The government also recognizes the need to increase the number of designated emergency shelters, particularly for the poor and vulnerable people. The ongoing project responds to the need and focuses on the provision of multipurpose emergency shelters that are fully compliant with Vanuatu's evacuation center guidelines and provide sufficient water, sanitation facilities and cooking facilities, with specific consideration for the needs of women and children, during emergencies.

7. Cofinancing from the Global Environment Facility (GEF) and the Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States (ITF) were originally planned to be approved as part of the ongoing project. Due to delays in obtaining GEF approval of their grant and the needed approval of the ongoing project grant, which was sourced from the Asian Development Fund 12 in 2020, the GEF and ITF grants are being processed as additional financing. The proposed additional financing meets the eligibility criteria for an additional financing to scale up the project. First, the project is assessed as performing well. Second, the overall project remains technically feasible, economically viable, and financially sound, and is a high priority of the government. Third, the project is aligned with the government's Greater Port Vila Resilient Urban Development Strategy and Action Plan. Finally, the project is also aligned with: (i) ADB's Strategy 2030 and its operational priorities of making cities more livable and tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability;⁷ and (ii) the second strategic pillar of ADB's Pacific Approach 2021–2025 of managing risks from natural hazards, and climate change impacts by strengthening institutional capacities and promoting sound public sector management; building resilience to climate change and natural hazard; safeguarding sensitive natural resources; and improving health and social protection services.⁸ The project is also aligned with the Fragile and Conflict-Affected Situations and Small Island Developing States Approach.⁹

⁵ The list was compiled by International Organization for Migration in 2021.

⁶ Government of Vanuatu, Ministry of Climate Change Adaptation. 2016. *Republic of Vanuatu National Guidelines for the Selection and Assessment of Evacuation Centres*. Port Vila.

⁷ ADB. 2018. *Strategy 2030 Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

⁸ ADB. 2021. *Pacific Approach, 2021–2025*. Manila.

⁹ ADB. *Fragile and Conflict-Affected Situations and Small Island Developing States Approach*. <https://www.adb.org/documents/fragile-conflict-affected-sids-approach>.

B. Project Description

8. The additional financing is aligned with the following impact: Greater Port Vila is a safe, inclusive, resilient, and vibrant economic hub based on sustainable development.¹⁰ The outcome of the overall project remains unchanged as urban resilience in Greater Port Vila improved.¹¹ The additional financing will expand the ongoing project's Outputs 1 and 3 and will introduce a new output (Output 5)—Nature-Based Coastal Protection in Port Vila Piloted (paragraphs 9–11).

9. **Output 1: Resilience in urban planning and management is strengthened.** Climate change modeling will be incorporated in the updated Urban Resilient Development Strategy and Action Plan and Livable City under Output 1 to better accommodate potential climate change impacts, particularly flooding and extreme wind.

10. **Output 3: Resilient urban infrastructure constructed in Greater Port Vila.** Output 3 will include a third multipurpose and gender-responsive emergency shelter in the GPV. The shelter, to be located at Tasariki in the Freshwota-Tasariki ward, will serve as a market building. The facility will meet the requirements of Vanuatu's guidelines for emergency shelters (footnote 7) and will have capacity to house 153 people during emergencies. The facility will be operated and maintained by PVMC.¹²

11. **Output 5 (new output): Nature-based coastal protection piloted in Port Vila.** Coastal protection utilizing nature-based solutions (planting of mangroves) and construction of low rock revetments will be piloted on a 400-meter section of the Fatumaru Bay foreshore. The project will recruit a Vanuatu-based nongovernment organization to mobilize community participation to deliver the works under the guidance of a coastal protection specialist (engaged under the project). Output 5 will also deliver awareness training and workshops on the management of coastal resources to project stakeholders.

C. Value Added by ADB

12. The overall project will enhance ADB's ongoing support for urban development in Vanuatu by bringing in cofinancing from GEF and ITF and will help improve Port Vila's climate and disaster resilience. The ongoing project's approach to urban development strongly emphasizes capacity building and institutional strengthening, and the application of the GPV Resilient Urban Development Strategy and Action Plan (RUDSAP) in planning and financing infrastructure to help build urban resilience and address the causes of fragility. The approach supports the government's decentralization framework for urban service delivery and governance through integrated ward-level urban resilience planning. The approach also responds to coronavirus disease (COVID-19) pandemic, and Tropical Cyclone Harold by focusing on localized readiness for response and recovery from disasters.

D. Summary Cost Estimates and Financing Plan

13. The overall project is estimated to cost \$16.17 million (Table 1). Detailed cost estimates by expenditure category and by financier are included in the project administration manual.¹³

¹⁰ Government of Vanuatu, Ministry of Internal Affairs. 2020. *Greater Port Vila Resilient Urban Development Strategy and Action Plan*. Port Vila. The RUDSAP was prepared with ADB technical assistance (ADB. 2017. *Technical Assistance for the Pacific Urban Development Investment Planning and Capacity Development Facility*. Manila).

¹¹ The design and monitoring framework is in Appendix 1.

¹² PVMC will collect market vendor fees to cover the facility's operations and maintenance costs.

¹³ Project administration manual (accessible from the list of linked documents in Appendix 2).

Table 1: Summary Cost Estimates
(\$ million)

Item	Current Amount	Additional Financing ^b	Total
A. Base Cost^a			
1. Output 1: Resilience in urban planning and management is strengthened	0.32	0.17	0.49
2. Output 2: Urban resilience enhanced through local partnerships	0.17	0.00	0.17
3. Output 3: Resilient urban infrastructure constructed in Greater Port Vila	6.25	3.50	9.75
4. Output 4: Asset management and institutional capacity strengthened	3.59	0.00	3.59
5. Output 5: Nature-based coastal protection piloted in Port Vila	-	0.65	0.65
Subtotal (A)	10.33	4.32	14.65
B. Contingencies^c	1.44	0.08	1.51
Total (A+B)	11.77	4.40	16.17

^a Includes taxes and duties of \$1.33 million comprising \$1.01 million for the ongoing project and \$0.32 for the additional financing. The government will finance taxes and duties through exemptions. Such amount does not represent an excessive share of the project cost.

^b In mid-2021 prices as of 20 September 2021.

^c Physical and price contingencies, and a provision for exchange rate fluctuation are included.

Source: Asian Development Bank estimates.

14. The summary financing plan is in Table 2. GEF will provide grant cofinancing of \$2,293,578 from its Least Developed Countries Fund, administered by ADB, to finance the additional components under Output 1 and Output 3. The ITF will provide grant cofinancing of \$700,000, administered by ADB, to finance Output 5 components. The Government will contribute an additional \$1.40 million through waivers of taxes and duties and provision of land.

Table 2: Summary Financing Plan

Source	Current ^a		Additional Financing		Total	
	Amount (\$ million)	Share of Total (%)	Amount (\$ million)	Share of Total (%)	Amount (\$ million)	Share of Total (%)
Asian Development Bank						
Special Funds resources (ADF Grant)	9.64	81.9	0.00	0.0	9.64	59.6
GEF			2.29	52.2	2.29	14.2
ITF			0.70	15.9	0.70	4.3
Government of Vanuatu	2.13	18.1	1.40	31.9	3.53	21.8
Total	11.77	100.0	4.40	100.0	16.17	100.0

GEF = Global Environment Facility, ITF = Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States.

^a Refers to the original amount.

Source: Asian Development Bank.

E. Implementation Arrangements

15. The implementation arrangements for the ongoing project will remain unchanged. The Ministry of Finance and Economic Management will be the executing agency for the overall project. The MOIA and PVMC will be the implementing agencies for the overall project. The project coordination unit under MOIA will continue to provide project management and supervision of project activities. The strategic procurement developed by ADB and the MOIA for the ongoing

project has been updated for the additional financing activities. Procurement will follow the ADB Procurement Policy (2017) and the Procurement Regulations for ADB Borrowers (2017). The proceeds of the GEF and ITF grants will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time).

F. Due Diligence

16. The project remains technically viable and will strengthen resilience to natural hazards in GPV. Standard cost-benefit analysis is not applicable for this project, because the quantifiable benefits, in the form of avoided deaths and disabilities of residents, that could result from the establishment of shelters would yield disproportionately low benefits relative to investment costs. The third emergency shelter will help 153 people avoid death, disability, and diseases during disasters. A least cost analysis was conducted for the appraisal of the ongoing project and the additional financing as it is the optimal analytical approach to determine the cost-effective option in the construction of cyclone shelters.

17. A financial management assessment was undertaken for the ongoing project and concluded that the pre-mitigation financial management risk was substantial. Key financial management risks include: (i) the diversion of operations and maintenance funds to other higher-priority uses, and (ii) MOIA and PVMC have limited experience implementing large projects and lack familiarity with ADB financial and procurement processes. Fees earned from the use of the emergency shelter during normal times will not cover the full investment costs. An incremental recurrent cost analysis was conducted, which is in line with ongoing project analysis, that shows the user fees will cover the emergency shelter operations and maintenance cost with a surplus. The surplus will be kept in the major maintenance reserve account for future repairs and rehabilitation. Adequate funds will be available to cover the full operation and maintenance cost of the shelters and ensure the financial sustainability of their operations.

18. The gender classification of the additional financing, *gender equity theme*, remains unchanged from the ongoing project. . The project will promote gender equality and women's empowerment through meaningful participation and inclusion of women in leadership and decision-making opportunities; training opportunities for women; specific measures to respond to gender-based violence, including public campaigns and gender-based violence referral pathways; and gender-responsive resilient emergency shelters.

19. The safeguard categorizations for the additional financing are environment (B), involuntary resettlement (C), and indigenous peoples (C). Climate and natural hazard risk screening has been completed and the climate and natural hazard is rated medium risk. The additional financing components are assessed as having minimal and site-specific impacts. The ongoing project's initial environmental evaluation and a resettlement plan have been updated specifically to cover the new activities under Outputs 3 and 5.

III. THE PRESIDENT'S DECISION

20. The President, acting under the authority delegated by the Board, has approved the administration by the Asian Development Bank of a grant not exceeding the equivalent of \$2,293,578 provided by the Global Environment Facility and a grant not exceeding the equivalent of \$700,000 provided by the Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States to the Republic of Vanuatu for the additional financing of the Greater Port Vila Urban Resilience Project.

REVISED DESIGN AND MONITORING FRAMEWORK

The revised design and monitoring framework strikes out content for deletion and underlines content to be added.

Impact the Project is Aligned with			
Greater Port Vila is a safe, inclusive, resilient, and vibrant economic hub based on sustainable development (Greater Port Vila Resilient Urban Development Strategy and Action Plan) ^a			
Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
Outcome Urban resilience in Greater Port Vila improved	By 2026: a. At least 45,500 <u>20,400</u> people, of whom at least 7,200 <u>9,500</u> are women, benefit from more resilient urban assets and services (2020 baseline: 0) (OP 4.1, 2.1.4) b. Resilient urban planning, management, and financial sustainability functions of the MOIA and PVMC improved (2020 baseline: Not applicable) (OP 4.2, 6.1) c. Urban environment, climate resilience, and disaster risk management of two wards improved (2020 baseline: Not applicable) (OP 4.3) d. At least 75% of women who access multipurpose emergency shelters report infrastructure meets their needs (2020 baseline: Not applicable)	a.–d. Census, project performance reports, baseline and project completion surveys, PVMC business plans and O&M plans, and training records	R: Project commencement is delayed because of the COVID-19 pandemic.
Outputs 1. Resilience in urban planning and management is strengthened	By 2025: 1a. PVMC includes urban resilience and gender commitments in corporate plans (2020 baseline: Not applicable) (OP 2.3.2) 1b. GPV RUDSAP update and the Greater Port Vila Livable City Action Plan are approved <u>with consideration of the updated climate change model outputs</u> (2020 baseline: Not applicable) (OP 2.3.2, 3.2.4, 4.2.1) 1c. Leadership and decision-making training provided to at least 20 staff in the MOIA and PVMC, of whom at least 30% are women (2020 baseline: 0) (OP 2.3.1, 6.1.1) ^b 1d. At least 95 government officials, of whom at least 40% are women, trained in urban planning, development, climate and disaster resilience, and municipal finance concepts (2020 baseline: 0) (OP 6.1.1) ^b	1a.–1d. Project performance reports, PVMC business plans, regulations, and participation records	R: The MOIA has limited experience implementing large projects. R: The MOIA and PVMC have limited experience and familiarity with ADB financial and procurement processes. R: O&M funds are diverted to other higher-priority uses.

Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
2. Urban resilience enhanced through local partnerships	<p>By 2025:</p> <p>2a. Five public campaigns held on topics of disaster risk and climate change adaptation (2020 baseline: Not applicable) (OP 2.2.3, 4.3.2)</p> <p>2b. One disaster preparedness plan prepared for each shelter (2020 baseline: 0) (OP 2.3.2, 4.3.2)</p> <p>2c. At least 18 people, of whom at least 50% are women, trained in climate and disaster resilience in wards (2020 baseline: 0) (OP 4.3.2) ^b</p>	2a.–2c. Training records, and project performance reports	
3. Resilient urban infrastructure constructed in Greater Port Vila	<p>By 2025:</p> <p>3a. <u>At least three</u> Two multipurpose emergency shelters constructed (2020 baseline: 0) (OP 1.2, 2.5.2, 3.2, 3.2.5, 4.1.2)</p> <p>3b. <u>At least three</u> Two multipurpose emergency shelters include gender-inclusive design elements and features and offer information, training, and potential to be first point of contact in a GBV referral system and in triage for health emergency response (2020 baseline: 0) (OP 1.1.2, 1.2, 2.2.3, 2.5.2, 3.2, 3.2.5, 4.1.2)</p>	3a.–3b. GPV RUDSAP, feasibility studies, appraisal reports, detailed designs, and project performance reports	
4. Asset management and institutional capacity strengthened	<p>By 2025:</p> <p>4a. 100% of project-financed investments have an O&M plan as per the Asset Management Strategy (2020 baseline: 0) (OP 4.2.2, 6.2.2)</p> <p>By 2021:</p> <p>4b. A dedicated major maintenance reserve account established by PVMC (2020 baseline: Not applicable)</p> <p>By 2025:</p> <p>4c. At least 150 government officials, of whom at least 40% are women, trained in project development, implementation, and monitoring (2020 baseline: 0) (OP 6.1.1) ^b</p>	4a.–4c. PVMC business plan, project performance reports, training records, feasibility studies, appraisal reports, and detailed designs	
5. <u>Nature-based coastal protection piloted in Port Vila</u>	<p><u>5a. At least 400 m of the Port Vila foreshore is strengthened using nature-based solutions (2022 baseline: 0) (OP 3.3.3)</u></p> <p><u>5b. At least 20 people, of whom at least 40% are women, trained for the management of coastal resources (2022 baseline: 0) (OP 2.3.1) ^b</u></p>	<u>5a.–5b. Project monitoring reports</u>	

Key Activities with Milestones

1. Resilience in urban planning and management is strengthened

- 1.1 Review and update the capacity development plan, as needed (Q1 2022, annually until 2025).
- 1.2 Develop an annual training plan based on the capacity development plan and implemented to address priority training needs and the planned activities for the year (Q2, 2022; updated annually to Q2 2025 for implementation until Q4 2025).
- 1.3 Review and include urban resilience actions and gender actions (e.g., actions support women in the workplace, including women in leadership and technical roles, based on sex-disaggregated data and analysis) (Q4 2022–Q1 2023; annual review during the same period).
- 1.4 Review and update property value register, including PVMC's existing revenue streams; make recommendations for discussion and agreement (Q2 2022–Q1 2023).
- 1.5 As part of the GPV RUDSAP updating, review and revise geographic information system hazard risk maps and Greater Port Vila Zoning and Development Control Plan to ensure regular alignment with the GPV RUDSAP (Q4 2022–Q1 2023, Q2–Q3 2025).
- 1.6 Develop a Greater Port Vila livable city action plan that includes specific safety and access measures for women, children, and people living with disabilities (Q4 2023–Q4 2024, approval Q2 2025).
- 1.7 Establish information network between PVMC and other municipalities (Q4 2021–Q4 2025).
- 1.8 Obtain the results from running the updated climate change model for greater Port Vila, and update GPV RUDSAP and the Greater Port Vila Livable City Action Plan (Q4 2023).

2. Urban resilience enhanced through local partnerships

- 2.1 Hold socially inclusive and gender-responsive public awareness campaigns on DRR, CCA, and the impact of disasters. Topics include GBV, DRR, CCA, COVID-19, menstrual hygiene management, and handwashing hygiene (Q3 2022–Q2 2025).
- 2.2 Prepare a gender-responsive disaster emergency preparedness plan for each shelter in output 2 (Q3 2022–Q3 2023).
- 2.3 Develop and implement an annual training plan that addresses climate and disaster resilience priorities following the capacity development plan (Q3 2022, Q3 2023, and Q3 2024).

3. Resilient urban infrastructure constructed in Greater Port Vila

- 3.1 Detailed designs of Freshwota Market shelter, Seaside Showground shelter, and Tasariki Market shelter include a market area and separate sanitation facilities for women and men (Q1–Q3 2022).
- 3.2 Review feasibility studies, and complete detailed design, procurement, contractor selection, and civil works for Freshwota Market shelter, Seaside Showground shelter and Tasariki Market shelter (Q1 2022–Q2-2023 Q1 2024).
- 3.3 Establish and strengthen GBV referral and triage pathways as part of each O&M plan for project assets (Q3 2022 onward, reviewed quarterly).
- 3.4 Procure the Tasariki emergency shelter construction contract (Q1 2023).

4. Asset management and institutional capacity strengthened

- 4.1 Appoint one gender focal in project coordination unit and project implementation unit to coordinate implementation of the gender action plan (completed).
- 4.2 Review and amend, as needed, the Asset Management Strategy, O&M plan requirements, and PVMC's asset management registry (Q2–Q3 2022, annual review).
- 4.3 Establish the major maintenance reserve account (Q3–Q4 2021) and audit annually (Q4 2023, Q4 2024, and Q4 2025).
- 4.4 Develop an annual training plan based on the capacity development plan and implement it to address priority training needs in project development, implementation, and monitoring, including O&M and gender awareness-raising (Q2 2022; updated annually to Q2 2024 for implementation until Q1 2025).
- 4.5 Prepare, implement, and annually review O&M plans for shelters (Q2 2022, Q2 2023, Q2 2024, Q2 2025 and implementation to Q4 2025).
- 4.6 Establish a project performance monitoring system with sex- and ward-disaggregated data (Q1–Q2 2022) and submit annual project performance monitoring and evaluation reports to ADB (Q1 2023, Q1 2024, Q1 2025, and Q1 2026).

5. Nature-based coastal protection piloted in Port Vila

- 5.1 Recruit the NGO to implement coastal protection pilot (Q2 2022–Q4 2022).
- 5.2 Conduct training on management of coastal resources (Q2 2023–Q1 2025).
- 5.3 Implement the coastal protection pilot (Q1 2023–Q3 2024).

Project Management Activities

Recruit project implementation assistance consultants, nongovernment organization, contract manager, and design and supervision consultants; establish project coordination unit and project implementation unit (completed); implement and monitor gender action plan; implement environmental management plan; submit quarterly project progress reports (including financial reports) to ADB; prepare and submit semiannual safeguard monitoring reports to ADB; implement communication strategy; conduct annual audits of financial accounts; prepare inception, annual, and midterm reports; prepare project completion report; and conduct ADB–government joint review missions on project progress and administration (at least twice a year).

Inputs

ADB: \$9.64 million ADF grant (includes \$5.13 million allocation from ADF 12 disaster risk reduction)

GEF: \$2.29 million

Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States: \$0.7 million

Government of Vanuatu: \$4.40 million (estimated, in-kind)

ADB = Asian Development Bank, ADF = Asian Development Fund, CCA = climate change adaptation, COVID-19 = coronavirus disease, DRR = disaster risk reduction, GBV = gender-based violence, GEF = Global Environment Facility, GPV RUDSAP = Greater Port Vila Urban Resilient Development Strategy and Action Plan, m = meter, MOIA = Ministry of Internal Affairs, NGO = nongovernment organization, O&M = operation and maintenance, OP = operational priority, PVMC = Port Vila Municipal Council, Q = quarter, R = risk.

^a Government of Vanuatu, Ministry of Internal Affairs. 2020. *Greater Port Vila Resilient Urban Development Strategy and Action Plan*. Port Vila.

^b For targets 1c, 1d, 2c, 4c, and 5b, an end-of-seminar or training survey will be conducted for all training and seminars to determine improvement in the knowledge on the subject matter among the participants.

Contribution to Strategy 2030 Operational Priorities

Expected values and methodological details for all OP indicators to which this operation will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 2 of the report and recommendation of the President).

Source: Asian Development Bank.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/RRPs/?id=52031-002-2>

1. Grant Agreement – Global Environment Facility
2. Grant Agreement – Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States
3. Sector Assessment (Summary): Water and Other Urban Infrastructure and Services
4. Project Administration Manual
5. Summary of Project Performance
6. Economic and Financial Analysis
7. Summary Poverty Reduction and Social Strategy
8. Risk Assessment and Risk Management Plan
9. Gender Action Plan
10. Initial Environmental Examination
11. Social Safeguards Due Diligence Report
12. Contribution to Strategy 2030 Operational Priorities
13. Strategic Procurement Plan Report