

Semi-Annual Environmental and Social Safeguards Monitoring Report

January 2018

VAN: Port Vila Urban Development Project

Prepared by Ministry of Infrastructure and Public Utilities for the Asian Development Bank.

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Semi-Annual Environmental and Social Safeguards Monitoring Report

Project Number: 42391

ADB Loan: .2832-VAN (SF)/G0275-VAN/G0276-VAN

Contract No. VAN005

PORT VILA URBAN DEVELOPMENT PROJECT

Period: July – December 2017

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ACRONYMS

ADB	Asian Development Bank
CBD	Central Business District
CCECC	China Civil Engineering Construction Corporation
CEMP	Construction Environment Management Plan
CSF	Communal Sanitation Facilities
DDR	Due diligence report
DEPC	Department of Environmental Protection and Conservation
DSCD	Design and Supervision Consultant
EA	Executing Agency
EMP	Environment Management Plan
ESMO	Environment and Social Mitigation Officer
GKD	George Kalsakau Drive
GoV	Government of Vanuatu
HIV	human immunodeficiency virus
IA	Implementing Agency
IEC	Information Education Communication
IEE	Initial Environment Examination
KAP	Knowledge Attitude Practices
MIPU	Ministry of Infrastructure and Utilities

MFEM	Ministry of Finance and Economic Management.
MLNR	Ministry of Land and Natural Resources
MOU	Memorandum of Understanding
NGO	Non-Government Organization
PAM	Project Administration Manual
PHAST	Participatory health and sanitation
PSF	Public Sanitation Facility
PWD	Department of Public Works
PVMC	Port Vila Municipal Council
PVUDP	Port Vila Urban Development Project
R&D	Roads and Drainage
RI	Roughton International
RP	Resettlement Plan
SEMP	Site Environment Management Plan
SPS	Safeguard Policy Statement
STI	Sexual Transmitted Infection
STP	Septage Treatment Plant
TOT	Training of Trainers
USD	United States Dollars
VPMU	Vanuatu Project Management Unit
VUV	Vatu (currency)
WV	World Vision

I. INTRODUCTION

A. Background & Purpose of Report

1. The Port Vila Urban Development Project (PVUDP) under the ADB Loan: 2832-Van (SF)/G0275-Van/Go276-Van, commenced in February 2013. The Ministry of Finance and Economic Management (MFEM) is the project executing agency (EA). The Public Works Department (PWD) under the Ministry of Infrastructure and Public Utilities (MIPU) and the Department of Environmental Protection and Conservation (DEPC) are the key implementing agencies (IA). Project management is being delivered by the Vanuatu Project Management Unit (VPMU) assisted by the Design Supervision and Capacity Development (DSCD) consultant, Roughton International in association with Qualao Consulting Ltd (RI).
2. The DSCD was established in the latter part of 2013 and also consists of Gender & Community Participation Specialist (GCPS), Community Liaison Officer (CLO), an International Environmental Specialist (IES), National environmental Specialist (NES) and an International Resettlement Specialist (IRS).
3. Specifically, the Project Administration Manual (PAM) outlines under Safeguards Monitoring and Reporting that: “The Borrower shall do the following or cause the Project Executing Agency to do the following:
 - Submit semi-annually Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons promptly upon submission;
 - If any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the IEE, the resettlement plan or the indigenous people’s plan, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the events and proposed corrective action plan; and
 - Report any actual or potential breach of compliance with the measures and requirements set forth in the EMP, the resettlement plan or the indigenous people’s plan promptly after becoming aware of the breach.
4. This report is the fourth semi-annual Environmental and Social Safeguards Monitoring Report prepared for the PVUDP. The overall safeguards requirements are set out in a number of documents including laws of Vanuatu (including any conditions on permits issued), the loan agreement, initial environmental examination (IEE).
5. A monthly environmental monitoring report of each sub-project is being provided by the DSCD IES and NES to the VPMU Environment and Social Mitigation Officer (ESMO). A quarterly social safeguards monitoring report is also provided by the GCPS to VPMU ESMO. VPMU will then submit a semi-annual report to the government and ADB as part of its monitoring commitment under the project.
6. Since early August 2017 the ESMO role within VPMU has been vacant following the resignation of the incumbent officer. At the time of writing this report a replacement ESMO has not yet been appointed by VPMU. Since August the ESMO tasks have been undertaken by environmental consultants (one

international and one national) appointed in June 2017 to support the ESMO through a Grant funded under the Vanuatu Interisland Shipping Support Project. (See section V).

B. Description of the Project

7. The Port Vila Urban Development Project has been established to contribute to the sustainable urban development of Port Vila. The Project outcome will be the improvement of the infrastructure for Port Vila and the improvement of the mechanisms which are to assist the Government to efficiently manage its infrastructure. The outcome will be realized through the following Project outputs;

- Output 1 : The Government has improved the road network and drainage system in greater Port Vila.
- Output 2 : The Government has improved the sanitation system in greater Port Vila.
- Output 3 : Central area and settlement communities use improved hygiene facilities.
- Output 4 : Government agencies and community user organizations have the capacity to effectively and efficiently manage sanitation, roads, and drainage systems
- Output 5 : Efficient project management services will be provided.

8. The project is classified as category B for environment and category B for involuntary resettlement. Social and environmental safeguards due diligence following SPS and country safeguard systems has been completed and approved by the government and ADB.

9. The PVUDP comprises of the following sub-projects for civil works, as presented in the tables below;

Table 1. Description of Sub-Project

	Site	Scope of Sub-Project
1	George Kalsakau Drive (GKD)	Rehabilitation and upgrading of the existing GKD, including supply and installation of new drainage, new concrete kerb and channel, new coronous base-course to road pavement, new concrete pavement to carriageway and parking areas, new concrete speed-tables and disabled-access ramps, all road furniture and pavement markings.
2	Roads and Drainage Phase 1 (R&D Phase 1)	Road and drainage improvements; 13 km of roads and footpaths and traffic facilities and approximately 4.5 km of improved drainage, soakaways utilizing natural land depressions for detention and infiltration that have been designed to discharged into existing government land.

	Site	Scope of Sub-Project
3	Community Sanitation Facilities (CSF)	The CSFs are located in the urban and peri-urban areas of Port Vila. The recommended and approved sites are for refurbishment of 4 existing multi-purpose CFS (Seaside Paama, Seaside Futuna and 2 facilities for Seaside Tongoa, construction of 4 new CSF facilities (1 in Blacksands Tongariki and 3 small CSF facilities in Waisisi).
	Community Engagement Facilities (CEF)	The CEFs are located in Port Vila settlements of Ohlen Nabanga and Tokyo Buninga. These are community constructed facilities; 9 semi-private toilet/shower blocks in Tokyo Buninga and 1 Community Hall with sanitation facilities in Ohlen Nabanga.
4	Septage Treatment Facility (STF)	The STF is located 9.8 km from the CBD. There is a need to improve the ability to hygienically and effectively dispose of and process sewage. A total area of approximately 2 hectares is required to construct 2 primary and parallel lagoons or pools to contain the sewage material.
5	Public Sanitation Facilities (PSF)	The PSFs are located public areas of Port Vila. The recommended and approved sites are for refurbishment of existing facilities in the Maternity Wards & Family (peri-natal) Clinic at Vila Central Hospital and new facilities at Fatumaru Bay (associated with VTIP improvements) and Independence Park.

C. Compliance With Statutory Requirements

10. The PVUDP has adopted and complied with relevant in-country and donor safeguard requirements, within this reporting period, and which are applicable to all the sub-projects, namely the George Kalsakau Drive and Concourse, Roads and Drainage, Septage Treatment Facility, Community Sanitation Facilities and Community Engagement Facilities. Refer to Annex C for list of statutory requirements.
11. Within this reporting period, there have been two instances where the works and activities of Contractors has been in breach of the identified legislation and regulations (refer to Table 3 below). These issues have not been properly addressed by the Contractor. Whilst there have been no sanctions or penalties made against the Contractors to date, VPMU is currently considering such action. A number of environmental/community safety issues have also been identified and raised with the Contractor for corrective action and/or explanation.

Table 2. Environmental Category

	Site	Category	IEE Submitted/Approved	CEMP Submitted/Approved
1	George Kalsakau Drive and Concourse	B	IEE approved by the DEPC on 3 rd August 2015.	CEMP Approved by Employer on 16 th May 2016. CEMP approved by the Resident Engineer on 29 th January 2016.
2	Roads and Drainage Phase 1	B	IEE approved by the DEPC on 8 th February 2016.	CEMP approved by the Resident Engineer on 18 th May 2016.
3	Community Sanitation Facilities	B	IEE approved by the DEPC on 16 th December 2015.	CEMP Approved by the Resident Engineer on 16 th May 2016.
4	Septage Treatment Plant	B	IEE approved by the DEPC on 15 th December 2015.	CEMP Approved by the Resident Engineer on 16 th March 2016.
5	Public Sanitation Facilities	B	Not yet submitted	Not yet submitted

Table 3. Involuntary Resettlement Category

	Site	Category	Resettlement Action Plan/Due Diligence Report Submitted/Approved
1	George Kalsakau Drive and Concourse	C	Due Diligence Report approved.
2	Roads and Drainage Phase 1	B	Resettlement Action Plan being revised.
3	Community Sanitation Facilities	C	Due Diligence Report approved.
4	Septage Treatment Plant	B	Resettlement Action Plan approved.
5	Public Sanitation Facilities	C	Due Diligence Report not yet submitted

II MONITORING ACTIVITIES AND STATUS OF SAFEGUARDS COMPLIANCE DURING REPORTING PERIOD

Monitoring of environment and social safeguard activities was conducted by the DSCD through the following methods:

1. Spot checks
2. Baseline (benchmarking) of important conditions
3. Site visits
4. Inspection of the works, using CEMP compliance checklists

For each of the five subprojects VPMU reviewed the various safeguards monitoring reports prepared by the DSCD's safeguards team. These reports include:

1. Gender reporting quarterly reports plus the annual GAP progress report in the updated format
2. Environmental reporting through the monthly checklist reports (April report just submitted)
3. UR&D access and consultation items captured in the DSCD weekly report.
4. UR&D safeguards issues captured in HELP DESK, particularly disputes and grievances
5. Community Liaison Committee meetings reported through circulated minutes

The tables below summarize the status of environmental and social compliance issues for each subproject during the reporting period as identified in the reports above.

Table 3. Status of Environment Safeguards Compliance During the Reporting Period

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
1a. George Kalsakau Drive (GKD)	GKD Project Completion Certificate issued 16 January 2017	None. Completion Certificate issued 16 January 2017	N/A	N/A	N/A
1b. George Kalsakau Drive Concourse (GKDC)	Monthly environmental monitoring using checklist commenced at start of works September 2017	None, Contractor has shown consistent compliance with CEMP.	N/A	N/A	N/A

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
2. Septage Treatment Facility (STF)	<p>Project completed Oct 2016. Facility commenced operation on 1 Sep 2017 under 6 months maintenance contract supervised by DSCD as per contract variation.</p> <p>VPMU undertook site inspection of STF operations early Nov 2017. A number of observations were made and issues identified for clarification/action by the operator.</p>	<p>Waste containing run-off from the Societe de Services Petroliers (SSP) wash down pad was discharged at the STF in late October.</p> <p>STF Operations Field Manual (OFM) states that discharges from “Bulk Fuel Depots” should not be disposed of at the STF.</p> <p>However, liquid discharges from service stations are among liquid wastes suitable for the STF according to OFM.</p>	<p>STF operations Contractor provided detailed investigation report in response to inspection.</p> <p>Key findings & actions taken to resolve issue as per investigation report:</p> <ol style="list-style-type: none"> Initially there was fuel odour in the vicinity of lagoon #2 at STF after SSP material dumped. This soon dissipated. No discernible fuel odour or visual evidence of any fuel waste in the STF lagoon within one week of waste dumping. Investigations confirmed waste taken to Bouffa was wash down sump liquid and sludge (dirt) from SSP Bulk Fuel Depot that had been through an oil separator which removes 98% to 99% of the hydrocarbons Liquid was mainly water from which all but a few 	<p>Investigation report noted that the question remains of how to address the next SSP sump accumulation, and the needs of any other businesses that have hydrocarbon waste they wish to dispose of.</p>	<p>Previously hydrocarbon waste from Vanuatu was shipped to Noumea, but New Caledonia no longer takes waste oil, their philosophy being that each country should look after its own waste and not send it elsewhere for dumping.</p> <p>Future treatment of hydrocarbons are matters for PVUDP/VPMU/PVMC consideration.</p> <p>Possible options as identified in the investigation report include:</p> <ol style="list-style-type: none"> Create a lined pond with oil separator somewhere at Bouffa (or even within the STF to enable better control of its use), Establish a facility to incinerate waste oil or

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
			<p>percent of hydrocarbon had been removed, and heavier than water plus sludge (dirt).</p> <p>3. Reinforcement of notification to septic operators that material containing oil or other hydrocarbons could not be dumped at STF.</p> <p>4. Reinforcement of power of STF site staff to refuse loads when necessary.</p> <p>5. VPMU instructed DSCD to facilitate removal of service station waste from OFM list of approved wastes for acceptance at STF.</p>		<p>other unwanted hydrocarbons.</p> <p>3. Determine a location to receive such material (may be at Bouffa or elsewhere)</p>
3. Road and Drainage Project (R & D)	<p>Monthly environmental monitoring using checklist.</p> <p>Reviewed PEA application for Asphalt plant and confirmed conformance with CEMP</p> <p>Confirmed that all statutory approvals for Asphalt Plant</p>	<p>Minor non-compliances (1-4)</p> <p>1. Silt/sediment management measures at times not adequately implemented.</p> <p>2. At times safety signage for pedestrians was</p>	<p>Issues 1,2,3,4. Formal letter sent to Contractor in Sep advising of non-conformance and requesting contractor to raise NCR and CAR.</p> <p>-Since formal notification and during December it is noted that the Contractor has improved</p>	<p>Issues 1,2,3,4: At the end of reporting period (December) significant improvements in environmental performance were noted.</p> <p>5. Contractor does not have permit for</p>	<p>Continued vigilance on issues 1-4 by PIT environmental team is required to ensure Contractors improved performance is maintained.</p> <p>VPMU to support DSCD as far as</p>

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
	<p>obtained and permit conditions conform with CEMP.</p> <p>Investigated Contractor's change in spoil dump location and prepared Addendum to IEE/SEMP in response to Contractor's change in spoil dump location from Bouffa landfill to Vanuatu Institute of Technology (VIT) vacant land adjacent to cemetery.</p>	<p>inadequate resulting in risks to community.</p> <p>3. Lack of workers using PPE.</p> <p>4. Construction waste not removed from site in timely manner giving rise to safety risks to public.</p> <p>5. PVUDP / VPMU / PVMC / DEPC not informed by Contractor of new spoil dump arrangements which commenced operation in June 2017.</p> <ul style="list-style-type: none"> - No permits obtained for new dump site. - steep unstable embankment created giving rise to safety hazards (landslip, erosion/sedimentation) adjacent to walkway and cemetery 	<p>overall performance in environmental management</p> <p>5. PIT team undertook the following actions:</p> <ul style="list-style-type: none"> -formally advised VPMU of issue (Sep) and advised PVMC. PVMC then requested VIT/Contractor complete a formal application to develop land - assessment and formal meetings with contractor to address permitting conditions, site stabilisation/compaction and erosion/sedimentation control plans to ensure safety to public and consistency with CEMP - Contractor undertook remedial measures to compact and stabilise dump site, removed potentially hazardous boulders, reinforced sediment control measures. - early December Contractor submitted application to PVMC to 	<p>development of VIT site including fill placement. There are irregularities in the Contractor's land use agreement with VIT.</p>	<p>possible in enforcing contractor compliance using available contractual means eg) withholding progress payment.</p> <p>5. VPMU to instruct Contractor to i) obtain development permit for spoil disposal at VIT site; ii) rectify irregularities in land use agreement with VIT; iii) prepare a plan for removal of all spoil material from VIT site to approved dump site by 25 Jan;</p>

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
			develop land at dump site (ie permit to dump spoil). - since 16 December Contractor has ceased dumping at the site until permit obtained from PVMC		
4a Community Sanitation Facilities (CSF)	CSF completed 31 July although extensive defects required remediation Sep-Nov. Monthly environmental checklist continued through defects remediation period.	None. Monthly monitoring reports indicate Contractor substantially met CEMP conditions.	N/A	N/A	N/A
4b Community Engagement Facilities	Monthly environmental monitoring using checklist.	None. Monthly monitoring reports indicate Contractor substantially met CEMP conditions.	N/A	N/A	N/A
5. Public Sanitation Facilities (PSF)	Updated IEE submitted to and approved by ADB in August.	Work not yet commenced. IEE recommended that PSF designs be reviewed in light of WQMP FR which indicated significant faecal contamination of Fatumaru Bay most likely due to ground water contamination from surrounding septic tanks.	Fatumaru Bay PSF design was reviewed by DSCD sanitation specialist who concluded that the risk of septic tank overflow from Fatumaru Bay PSF can be mitigated by ensuring Vanuatu Building Code for design septic tanks is followed	None	N/A

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
			and provision of an operations manual with appropriate drainage field management instructions.		
6. Water Quality Monitoring Program (WQMP)	WQMP Final Report submitted to VPMU in July.	<p>Key findings:</p> <ol style="list-style-type: none"> 1. Sewage contamination of several storm water drains 2. Widespread detection in the harbor of bacteria at concentrations of concern 3. Marine results for nutrients within guidelines except Fatumaru Bay. 4. Freshwater (storm water) N levels elevated around CBD. 5. Ammonia levels of concern (aquatic toxicity) 6. Localised Phosphorus detection around Market/Grand Hotel 	<ol style="list-style-type: none"> 1. Report findings presented to VPMU Steering Committee by report author in Nov including recommendations for actions. 2. SC requested VPMU to coordinate implementation of WQMR priority recommendations among relevant government agencies (DEPC, DOWR, PVMC) for duration of PVUDP. 3. VPMU convened initial meeting with DEPC, DOWR and PVMC 14 Dec to identify priority actions and facilitate strategy to implement priority actions including designation and agreement of 	VPMU will continue to coordinate action plan to be developed by the lead agency DEPC with support from VPMU and DOWR.	<p>VPMU to continue co-ordinating strategy and action plan for duration of PVUDP. Immediate actions planned as follows.</p> <ol style="list-style-type: none"> 1. On 22 Jan 2018 DEPC / VPMU to present costed Work plan to SC to implement recommendations of WQMR along with findings of water quality testing undertaken on 22 Dec. 2. On 29 Jan 2018 DEPC presentation of work plan, test results and advisory to Government.

Sub-Project	Key environment safeguards Activities Implemented During the Reporting Period (Jul – Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
			responsibilities of each agency. 4. As an initial activity DOWR undertook a round of water quality monitoring and testing in Port Vila harbour on 22 Dec to confirm the results of the WQMR.		

Table 4. Status of Social Safeguards Compliance During the Reporting Period

Sub-Project	Key Social Safeguards Activities Implemented During the Reporting Period (July - Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
Sanitation Hygiene & Awareness Raising	Refer to details attached in Appendix 1. A	None	N/A	N/A	N/A
Gender & HIV Mainstreaming					
1a. George Kalsakau Drive (GKD)	GKD Project Completion Certificate issued 16 January 2017	None. Completion Certificate issued 16 January 2017	N/A	N/A	N/A
1b. George Kalsakau Drive Concourse (GKDC)	The Contractor has been pro-active in terms of gender activity; hiring women as 2 of 9 labourers employed on GKD Concourse	The Australian High Commission has suspended the use of the Gender Handout.	N/A	N/A	N/A

Sub-Project	Key Social Safeguards Activities Implemented During the Reporting Period (July - Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
	<p>works. In addition to meeting employment targets, Wan Smolbag was subcontracted to conduct a Gender and HIV awareness for Contractor personnel and the general public close to site. Contractor also invited local business houses to attend the awareness session. In total 34 men and 9 women attended the awareness, which focussed primarily on helping participants to understand the issues of gender inequity and the importance of supporting women's employment and empowerment.</p> <p>DSCD team worked with Wan Smolbag to develop a Gender Handout in Bislama. This is the first time that Wan Smolbag have been able to distribute Gender Awareness materials in Bislama.</p>	The GCPS is awaiting feedback from Aus HC to implement required improvements to the Gender Handout.			
2. Septage Treatment Facility (STP)	Facility commenced operation on 1 Sep 2017 under 6 months maintenance contract supervised by DSCD as per contract variation. 2017. 2 of 4 STF staff are women.	N/A	N/A	N/A	N/A
3. Road and Drainage Project (R & D)	1. RMS coordinated 2 HIV/STI awareness in July and 1 in Nov 2017 for RMS personnel and for the general public; Condoms and IEC materials are now available at Manples Market and are available at all times at the RMS workshop.	1 N/A	1 N/A	1 N/A	1.N/A

Sub-Project	Key Social Safeguards Activities Implemented During the Reporting Period (July - Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
	<p>2. RMS has been proactive in providing employment opportunities for women, with 17% of Ni Vanuatu and 19% of Expatriate personnel being women. Ni-Vanuatu women have received training as traffic controllers as well as on the job skills training in setting concrete, using road compaction machinery and levelling footpaths.</p> <p>3. Community consultations undertaken to ensure that the general public, government and private sectors are well informed about possible traffic interruptions.</p>	<p>2. RMS female traffic controllers have received verbal and physical abuse from drivers.</p> <p>3. There were a total of 17 Notifications for road closures and traffic interruptions during the period. In Q3 some business houses complained about the lack of notification.</p>	<p>2.RMS management supported traffic controllers elevating complaints to Police & VPMU. Police imposed fine on one driver to date. VPMU agreed to liaise with Police to sign an MOU to ensure action is taken regarding assaults against traffic controllers</p> <p>3. A total of 6 Corrective Action Requests (CAR) were issued to the Contractor during the period. CAR011 sets a restriction that the Contractor is not to close roads to traffic without the prior written consent of the Engineers Representative. 48 hours' notice for planned works and 24 hours for ad-hoc works is the minimum requirement for notice.</p>	<p>2 VPMU has not yet signed the MOU with police</p> <p>3. The CAR011 remains in place at the time of report writing along with the 5 other CAR with respect to traffic control.</p>	<p>2 VPMU to sign MOU with police as soon as possible</p> <p>3.RMS need to implement corrected action and revise their non-conformance reports to the satisfaction of the Engineer.</p>
4. Community Sanitation Facilities (CSF)	<p>Contract completed 31 July 2017.</p> <p>End of Contract Social Safeguards (EOCSS) Report finalized November 2017</p>	Refer to EOCSS Report catalogues serious social safeguards issues with regard to contractor. See Appendix B	See Appendix B	See Appendix B	At the time of writing this report a briefing note was being prepared by the DSCD Team Leader

Sub-Project	Key Social Safeguards Activities Implemented During the Reporting Period (July - Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
					recommending penalties against the PSF Contractor of the serious issues identified. It is recommended that VPMU present recommendations to SC for action.
5 Community Engagement Facilities (CEF)	<p>DSCD mobilized CEF at Ohlen Nabanga. Supplier selected through tender and community will provide labour.</p> <p>CSTO coordinated an HIV&STI awareness for construction personnel and community members at Ohlen Nabanga in early August with 36 women and 19 men in attendance. The awareness was delivered by Shefa Provincial Health and included the provision of condoms and a condom dispensing machine for the community.</p> <p>Hand washing awareness undertaken for 70 children at Ohlen</p>	CEF Construction works at Ohlen Nabanga were stalled for more than 3 months Aug-Nov due to problems with necessary funding for, and delivery of materials.	Variation order requested for necessary materials and processed in November allowing work to resume.	None	

Sub-Project	Key Social Safeguards Activities Implemented During the Reporting Period (July - Dec 2017)	Issues, if any	How They Were Resolved?	Outstanding Issues, if any	Way Forward (How, who and when)
	Nabanga and for 63 children at Tokyo Buninga in September.				
6. Public Sanitation Facilities (PSF)	Contract for PSF was awarded to Downer Vanuatu Ltd with a letter of acceptance signed 17 October 2017 and contract signing on 9 th January 2018. Works will commence in Q1 2018.	In November 2017 a meeting was held with Downer and key personnel within Vila Central Hospital and the Maternity Ward. The particular challenges of refurbishments within the maternity ward and maternity extension were discussed. GCPS will continue to monitor works closely to ensure the specific needs of women and enfants are met.			

III. GRIEVANCE REDRESS ISSUES

No grievance redress issues arose during the reporting period.

IV. STAKEHOLDER CONSULTATIONS

DSCD Consultants are conducting quarterly presentations to the Port Vila Municipal Council to ensure that physical planning and public works department as well as the Town Clerks office are fully informed and are actively consulting on each subcomponent of the project. DSCD Consultants have developed a communications strategy, which is being implemented to ensure that the general public, government departments and the private sector are fully aware of the project objectives and progress against outcomes. Key activities being implemented within the strategy include; monthly newsletters, public notice board, traffic management working group, community liaison committee, regularly scheduled radio program and active engagement with the news media.

During the reporting period there were 8 advance notices for road works printed in the Daily Post. The Daily Post also printed 3 articles covering the opening of the STF, one article on the CEF Ground Breaking in Ohlen Nabanga, 3 articles on project activities at the community level and 2 center-sections on the changes to the intersection at Europe Corner. There were 2 negative commentaries published by VCCI, 1 negative article from Daily Post on the poor state of footpaths during construction and 2 regarding Freshwater Roundabout. On a positive note, PVMC has begun to raise awareness with the media on the importance of the public and bus drivers using bus bays and respecting road rules.

Infrastructure and priorities for the intersection at **Europe Corner** were changed on 22 July 2017. DSCD team implemented a multi-pronged approach to ensure that all drivers were aware of the changes taking place. Details as follows:

- a) Daily Post center section July 21st in English
- b) Daily Post center section Saturday July 22nd in Bislama
- c) 1200+ pamphlets handed out July 21st targeting buses, taxis and G-cars
- d) Radio awareness on Buzz FM July 21st 11:05-11:30
- e) English and Bislama PDF's via email to PVUDP distribution list, police contacts and VCCI
- f) English PDF distributed through Island Life online magazine
- g) English and Bislama PDF widely shared on Facebook and Twitter
- h) OGCIIO e-distribution 21st July in English, French and Bislama to 3000 civil servants
- i) VCCI e-distribution 25th July in English and Bislama to all registered Chamber of Commerce members

Infrastructure and priorities change for **Freshwater intersection** were originally planned for implementation in September 2017. DSCD developed an information handout in 3 languages which was distributed through:

- a) OGCIIO network of 3000+ employees
- b) 1000+ hand delivery flyers
- c) Email network of 450+ direct recipients
- d) VCCI e-distribution
- e) Roundabout design and information in the September newsletter

- f) Design and traffic notice printed in the Daily Post

The contractor failed to implement the changes in September and the plan was revised for December implementation. DSCD revised the information handout and distributed as:

- a) OGCI network of 3000+ employees
- b) 1000+ hand delivery flyers
- c) Email network of 450+ direct recipients
- d) VCCI e-distribution

The Contractor eventually implemented the required changes in January 2018.

DSCD Safeguards Team facilitated a Community Liaison Committee Meeting in August to discuss issues and public concerns around UR&D PH1. There were 8 males, including 1 disabled male and 2 females in attendance.

DSCD team has begun meeting regularly with Ministry of Internal Affairs and the Land Transport Authority (LTA). The LTA has in turn facilitated access to bus and taxi drivers through Department of Tourism training activity. During Q3 DSCD team met with Executive Members of the Port Vila Efate Land Transport Association for an in-depth discussion on the preferred location of pedestrian crossings and bus bays in the CBD. In Q3 DSCD team presented a traffic awareness and consultation with 140+ bus drivers in cooperation with LTA and the Department of Tourism.

A Traffic Management Task Force has been established by VPMU. July 2017 Task Force meeting (involving 13 males and 2 females) VPMU and Police agreed to finalize and sign an MOU to formalize support and protection for traffic controllers. The Task Force met again on 1st November 2017 (involving 8 males). During the reporting period another driver physically assaulted a Traffic Controller. RMS reported the incident to police who are investigating the matter. DSCD are still awaiting the signing of the MOU between Police and VPMU.

Extensive consultations were undertaken during the period to address resettlement concerns and social safeguards for the Central Market Craft Mamas. Consultations were conducted with Tourism Office, Department of Tourism, PVMC, UN Women Markets for Change, and the Craft Mama's. During the period the Central Market sanitation plans were removed from the scope of the project. Subsequent consultations were held to ensure that all stakeholders, including PVMC, Craft Mama's and Restaurant and Green's Mamas were informed about the change in scope. During the period there were a total of 84 women and 44 men consulted.

V. INSTITUTIONAL STRENGTHENING AND TRAINING

ADB commenced provision of environmental safeguards support to PVUDP (and other VPMU projects) through a Grant funded under the Vanuatu Interisland Shipping Support Project (VISSP). Under the Grant an international environmental specialist (IES) and a national environment specialist (NES) were engaged by VPMU in June 2017 for 7 months and 12 months input over 14 months respectively. The purpose of the

assignment is specifically to build capacity in implementation of environmental safeguards within VPMU and the various projects under its purview.

During the reporting period VPMU's IES supported the PVUDP environmental team in the following activities:

- Review and update of PSF IEE including OTJ training of PIT on the technical requirements to meet ADB's safeguards policies in this regard. The updated IEE was approved by ADB in July and uploaded to ADB website. The IEE took account of and integrated the findings of the WQMR FR.
- Facilitated improvements to PVUDP PIT environmental supervision procedures and checklists through a series of roundtable meetings including TL, Contracts Manager (CM) and environmental experts. Included setting training exercise for environment experts and advice on establishing internal communication protocols to ensure environmental monitoring was achieving expected outcomes and following approved CEMP.
- Provided ongoing support to PVUDP environmental team in streamlining new monitoring procedures.
- Supported PVUDP safeguards team develop basic safeguards briefing to Community Engagement Facilities (CEF) construction teams
- Supported PVUDP safeguards team develop post-construction audit checklist for completed subproject components
- Provided feedback and advice to PIT on various environmental issues arising during construction activities.
- Facilitated VPMU actions in response to findings of PVUDP WQMR.
- Provided environmental advice to VPMU's inspection team on the operation of the STF.
- Reviewed various safeguards reports prepared by PIT and provided comments as needed.
- Assisted VPMU in obtaining clarifications from PVUDP Social Safeguards Expert (SSE) and TL regarding proper implementation of community consultation protocols associated with tree removal for Urban Roads and Drainage works.
- Participated in VPMU/PVUDP weekly progress meetings and provided advice when environmental issues arose.
- Facilitated DSCD in EP application for PVUDP Asphalt plant

VI. SUMMARY AND CONCLUSIONS

Throughout the four sub-project areas of the PVUDP, works have been progressing well. Updated environmental monitoring checklists and procedures implemented at the beginning of the reporting period (and described in the previous Semi-annual Safeguards Report Jan-Jun 2017) have worked well in properly aligning the checklists with approved CEMPs and contract management procedures. This has resulted in a more efficient and effective environmental monitoring and supervision process and overall improvement in environmental compliance by the Contractor. That being said, a significant breach in contract conditions by the Contractor has occurred in respect of the unauthorized dumping of spoil at the VIT site. This includes i) no permit for the development of the site including placement of fill, ii) no provision in the contract for spoil

disposal at sites other than Bouffa landfill, iii) irregularities in the Contractors land use agreement with VIT and iv) disposal methodology does not comply with specified contract requirements for embankments. VPMU is supporting DSCD in enforcing contractual requirements in respect of this issue.

VPMU have initiated an action plan with concerned government agencies following the WQMP Final report's findings and recommendations related to the widespread detection in the harbor of bacteria concentrations of concern.

VPMU are also closely monitoring the operation of the STF while it is under their jurisdiction prior to handing over to PVMC. This has led to strengthening of operational controls as well as instigating necessary amendments to the STF OFM.

Monitoring of social safeguards issues including implementation of the GAP by the DSCD social safeguards team has been robust throughout the reporting period. Key achievements include:

- a) **Consultation Informs Design:** Extensive consultation with key stakeholders has ensured that the voice of women, as well as men, has informed every step of project development; from site selection for community and public sanitation facilities to the initial design and subsequent revision of designs for both CSF and PSF. Persons living with disability have played a key role in sight inspections to ensure that facilities are fully accessible.
- b) **Maximising Women's Employment:** Overall employment under the project has seen 20% women's employment. There have been 113 men and 28 women employed under 5 construction contracts to-date on the project, which represents an overall number of 20% women's employment.
- c) **HIV Awareness:** All 5 construction contractors have complied with their responsibility to conduct HIV awareness through an authorised provider. To-date HIV awareness under the project has reached 392 men and 334 women including contractor personnel, community members and the general public.

Key challenges include: i) incidents of physical and verbal abuse of female traffic controllers in respect of Output 1 and ii) Serious social safeguards issues with regard to the CSF contractor, David's Construction namely. noncompliance with the labour laws of Vanuatu or the VNPF Act. Evidence suggests that the Contractor paid employees less than minimum wage and failed to provide employees with employment contracts. Available data indicates that the Contractor failed to fully comply with VNPF registration and may have underpaid VNPF contributions by as much as 33%. iii) Serious defects in some of the CSFs following completion such that some remain not in use until remedial works are completed.

APPENDIX A: Details of Sanitation and Hygiene Awareness and Education Program Undertaken during Reporting Period

A. July – September 2017

1. The project continues to provide capacity building support, training and education to 7 target communities through the Community Support and Training Officer (CSTO), a role which was established as part of the DSCD team in October 2016. The CSTO works closely with the 10 sanitation committees (SCs) as well as with the wider community. Key achievements and consultations for Q3 2017 are summarized below;
2. CSTO supported the SCs financial management and preparation of financial reports involving 24 women and 24 men.
3. CSTO coordinated a Cleaning Demonstration with support from Pacific Suppliers, involving 25 members of the SCs and community members of Mele Waisisi and Blacksands Tongariki. All SCs have received industrial strength cleaning products as well as boots and gloves and instruction on safety and cleaning practices.
4. CSTO worked with SC members to facilitate Children’s Hand-washing Education and Awareness activities involving 249 children during the September school break.
5. Overall sanitation and hygiene education program reach to date:
 - The overall sanitation and hygiene program reach to date (30 September 2017) is 3,701¹ women, 1,615 men, 3,075 girls and 3,242 boys.
 - During Q3 there were 27 facilitated Sanitation Committee meetings and 32 days of awareness and training.
 - The Sanitation Committees are comprised of 47 women and 34 men and engagement continues to focus on money management and roles and responsibilities in terms of operation and maintenance of the CSFs.

B. October - December 2017

6. The project continues to provide capacity building support, training and education to 7 target communities through the Community Support and Training Officer (CSTO), a role which was established as part of the DSCD team in October 2016. The CSTO works closely with the 10 sanitation committees (SCs) as well as with the wider community. Key achievements and consultations for Q4 2017 are summarised below;

¹ The summary reach to-date figures reported in Q1-3 2017 were inaccurate due to a clerical error in Q1 2017. The summary figures have been adjusted in Q4 2017. All detailed figures presented in quarterly reports were accurate, however, the summary ‘reach-to-date’ figures required correction.

7. Membership in the SCs has increased from 47 women and 34 men to 70 women and 44 men across 10 committees.
8. CSTO supported the SCs financial management and roles and responsibilities training involving 74 women and 32 men.
9. CSTO conducted a Hand-washing Education and Awareness activity involving 21 girls and 22 boys and 5 female members of the sanitation committee.
10. Overall sanitation and hygiene education program reach to date:
 - The overall sanitation and hygiene program reach to date (31 December 2017) is 2697 women, 1674 men, 3124 girls and 3201 boys².
 - During Q3 there were 13 facilitated Sanitation Committee meetings and 16 days of awareness and training.

APPENDIX B: Summary and Recommendations of CSF End of Contract Social Safeguards Report

1. There have been serious social safeguards issues with regard to the contractor, David's Construction. Data made available from the Contractor and Vanuatu National Provident Fund (VNPF) and through consultation with employees, indicates that David's Construction did not comply with the labour laws of Vanuatu or the VNPF Act. Evidence suggests that the Contractor paid employees less than minimum wage and failed to provide employees with employment contracts. Available data indicates that the Contractor failed to fully comply with VNPF registration and may have underpaid VNPF contributions by as much as 33%.
2. The Contractor failed to meet the social safeguards contractual obligations of producing monthly reports against gender and HIV action and staff lists. Furthermore, the contractor failed to provide a Community Liaison Officer and failed to provide a complaints mechanism for workers and community members.
3. The Contractor created employment opportunities for 9 women, but was reported to have not met the terms of their contracts. Six of the 9 female employees made statements that they were paid less than minimum wage and this was supported by data presented by the contractor. Three of 9 female employees presented VNPF statements which reflect that they did not receive their full VNFP entitlement. Four of 9 female employees were not registered with VNPF by the contractor.
4. The lengthy period of construction placed a strain on target communities, particularly for Seaside Tongoa PWMU who normally utilise income from CSF users to repay their loan for the land on which the facility sits.
5. It is the recommendation of this report that MIPU and the ADB should not engage David's Construction in any future development projects.

² The summary reach to-date figures previously reported were inaccurate due to a clerical error in Q1 2017. The summary figures have been adjusted in Q4 2017. All detailed figures presented in quarterly reports were accurate, however, the summary 'reach-to-date' figures required correction.

6. It is the recommendation of this report that Government and Donor tenders include a request for VNPF Clearance Letter to ensure that local contractors are in good standing with VNPF. Detailed monthly Employment and VNPF statements should be included as part of regular monthly reporting for all Contractors to ensure compliance.

APPENDIX C: List of Statutory Requirements

National requirements:

- Environmental Protection and Conservation Act 2002 (CAP 283 the Environment Act)
- Environmental Impact Assessment Regulations Order no. of 2011
- Foreshore Development Act: Volume 90 (CAP 90), which requires the written permission of the Minister to approve any development on the foreshore or coast;
- Ports Act (CAP 26), no. 11 of 1998 and no. 32 of 1999. Volume 26;
- Health and Safety at Work Act; Volume 47 (CAP 195);
- Land Acquisition Act of 1992 and 2000 which establishes procedures to acquire land for public purposes or easements, including compensation for acquiring land;
- Preservation of Sites and Artefacts; Volume 39 (CAP 39);
- Control of Nocturnal Noise Act (Cap.40)
- Custom Land Management Act (gazetted in 2015);
- Mines and Minerals Act 1986 (all quarried material must be from approved quarries only);
- Mines and Minerals Act, Quarry Permit Regulation. Order No. 8 of 2005;
- Maritime (Conventions) Act;
- Employment (Amended) Act 2010; and
- Road Traffic (Control) Act

International obligations:

Vanuatu is a signatory to a number of international agreements. Listed below are some of the more applicable agreements to the dredging and marine activities:

- The Convention on Biological Diversity (CBD); 1992;
- The United Nations Framework Convention on Climate Change (UNCCD); 1992;
- Agreement on International Dolphin Conservation Program – 2003;
- Agreement Establishing the South Pacific Regional Environment Programme (SPREP); 2005;
- Multilateral Treaty on Fisheries and Related Amendments; 2005;
- The Stockholm Convention on Persistent Organic Pollutants; 2005;
- International Convention for the Prevention of Pollution from Ships (MARPOL 73);
- London Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter; and
- Convention on the Elimination of all Forms of Discrimination Against Women