

**ADB GEF PROJECT IMPLEMENTATION REPORT (PIR)**

(This report covers implementation period from July1,2022 to June30,2023 including recently closed projects covering the reporting period)

**ADB Official Project Title:** Urban Water Supply and Sanitation Sector Project (Additional Financing)  
**ADB Project Number:** 51271-003

**I. GEF PROJECT SUMMARY****Project Ratings:**

Development Objective Rating (DO): Satisfactory (S),

Implementation Progress Rating (IP): Highly Satisfactory (HS),

Risk Rating: Low Risk (L)

**Information on Progress, challenges and outcomes on project implementation activities**

Project progress during the reporting period acknowledging Consultant field work was delayed to August 2022 due to Covid-19 travel restrictions and a quieter activity period during December 2022 – January 2023, due to Christmas-New Year festivities, has been highly satisfactory. In the reporting period the project has made progress towards the first project outcome of ensuring a continuous, safe, and climate resilient urban water supply. The construction of Kongulai Water Treatment Plant (WTP) is the key activity that will support the quality and resiliency of water supply from Kongulai Spring through turbidity removal (Output 1.2). The Projects CESMP's were approved in Q2 2023 and the works contractor mobilised to site in April 2023. Progress onsite is significantly delayed but the Implementing Agency, Lead Ministry and the Board of Directors are meeting fortnightly to mitigate the chance of further delays. Through the activities under Output 5, the project supported analytical work in sustaining ground water resource management and addressing groundwater contamination as well as long-term watershed protection. In February 2023 water quality monitoring equipment was installed at 2 water sources and 7 sites and real time water quality monitoring has begun to better understand turbidity dynamics of the catchment area. Progress towards Water Protection Zoning is going well, a first draft of catchment zoning was prepared for the Kovi catchment and its linkage to the Kongulai spring. Under the catchment governance and coordination activities, progress is also progressing well, SW engaged the Nakau Programme Pty Ltd in November 2022 and they have begun community consultation for the design and start-up implementation of Payment for Ecosystem Services (PES) activities in Honiara's water supply catchments under the project's water supply catchment protection program.

**Information on Progress, challenges and outcomes on Environment and Social Safeguards**

A community consultation for the upcoming works at Kongulai catchment took place on 12 January 2023 to provide awareness of the upcoming construction works as well as inform community of CESMP mitigation measures and the community grievance redress mechanism. This meeting was attended solely by Kongulai landowners including men, women and children, REAN's management team, SW's Chief Operations Manager, the SW PM responsible for the WTP subproject, and PMU safeguards staff. Also for the Involuntary Resettlement Plan (note the Kongulai LARP has been fully implemented), affected community members and landowners were consulted frequently between August-September 2022

through in-person meetings and written notices. It should also be noted that on 17 February 2023, the SW Safeguards team was called to the site to meet with the original owners regarding two issues raised which were promptly resolved by SW and the resettlement community by 3 March 2023.

**Information on Progress, challenges and outcomes on stakeholder engagement**

As highlighted in the stakeholder engagement plan, participation in fostering locally informed implementation is a crosscutting element of the project. Under the catchment governance and coordination activities, progress is progressing well. The first Catchment Management and PES coordination workshop with 21 participants was held on 7th February 2023. A high-level consultation workshop was also undertaken in February 2023 with central agencies. Historic disputes and conflicts with customary landowners in catchment areas for land issues and natural resources management is an ongoing threat to the project implementation. Findings from the PES baseline study carried out by NAKAU/Live and Learn in the first quarter of 2023 were presented in a Workshop in April and confirmed the complexity of customary and owner control over the target catchment areas and highlighted possible difficulties in identifying legally entitled recipients of PES payments. Proposed payments for investments on community level were also found to be difficult since the landowners are not located in village boundaries but live widely spread throughout the Honiara urban area. Output 5.2 activities has fostered dialogue between landowners through stakeholder meetings on specific issues such as land use issues in catchment areas, damage, and contamination to water intake points. Regular and ongoing communication, consultation and trust building activities with community landowners is integral to the success of the project activities.

Face-to-face briefings targeting forest and non-forest sector stakeholders in Solomon Islands began with high level consultations with key institutional stakeholders conducted in February – March 2023. Ensuring sustainability of water resources and water-related service will require a collaborative mechanism that brings together landowners, SW and government departments working across sectors affected by and linked to water security in Solomon Islands - including water, sanitation, drainage, water resources, agriculture, energy, industry, and urban development—as well as the ministries of economy and finance. To strengthen the integrated approach, a steering committee (or technical working group) bringing together all the sectoral ministries is a first step toward the creation of a national platform that is focused on addressing future water security challenges in Solomon Islands. However, effective management of water resources through a proposed Working Group on Watershed management is yet to be realized in this reporting period.

**Information on Progress on gender-responsive measures**

3 trainings targeting gender responsive measures were conducted during the reporting period. The training course, 'Gender equality and gender-based violence', was delivered by the Family Support Centre (FSC), in 2021 and was attended by 53 SW employees (19 women and 34 men), covering the whole organization, for a total of 690 hours. Two CESMP implementation training workshops were held in March 2023 for all SW's contractors and subcontractors. This provided the opportunity for the DPs and SW to emphasize the importance of ensuring gender equality within the projects. Trainings on WASH and hygiene awareness in affected communities which aim to include at least 50 % women, are scheduled to be conducted during the next reporting period.

**Knowledge activities/ Products**

Implementation activities commenced for 4 of the 7 knowledge management products with knowledge dissemination occurring at the community and institutional stakeholder level. For the catchment management group, an initial assessment of potential members of a multi stakeholder catchment working group was carried out with in-person consultations during 3rd and 4th quarter of 2022 with various government ministries and departments and other project teams. This was a participatory process where topics represented, TOR for the group and working groups models were shared. For the catchment management plans, to date knowledge of this task and the planned activities were shared with landowners, community members and relevant stakeholders during community consultations held between Q4 2022 and Q1 2023. Field visits and consultations with families at their respective lands and working through the community focal points to disseminate knowledge, has so far proved successful. The baseline study by Nakua identified PES for water services, forest carbon storage and biodiversity as potential funding sources. The forthcoming (next reporting period) community consultations and stakeholder consultations will seek feedback in a participatory process as to which of these schemes could be realistically applied in the Honiara water catchment context.

**Grievances**

Solomon Water has established a GRM to deal with grievances from the public and affected persons in relation to all SW managed projects and covering all stages of SW's projects' cycle. The GRM covers both social and environmental grievances and care has been taken to ensure confidentiality for those making complaints. The focal point of contact for the GRM will be the social safeguards officer and the Community Liaison Officer (CLO). The existence of this GRM has been communicated to communities during project consultation with the names and contacts of the focal points also made available to the communities during consultations.

Two grievances were registered during this reporting period July 2022 – March 2023.

- First grievance was raised during the vegetation clearance for the Kongulai WTP, some of the trees that were felled at the western end of the construction site, landed over the boundary and damaged seven betel nut trees belonging to 2 community members. This required the contractor to compensate the owners based on rates that SW provided to REAN, who met with the owners. They accepted the payment and considered the issue resolved. This event which took place on 3rd March 2023 was witnessed by other residents and customary owners of Kongulai.
- Second was received by Pacific Engineering Projects Limited (PEP), the contractor for the Trunk Mains, and was resolved immediately. The grievance was raised by a shop owner regarding a boundary location. The Ministry of Infrastructure and Development (MID) was able to clarify to the shop owner that the area in question is within the road reserve and therefore gave the clearance for the pipeline route to be installed in that location. The shop owner was also happy with the explanation. Note this grievance is under the baseline UWSSSP project but is not financed by GEF/LCDF.

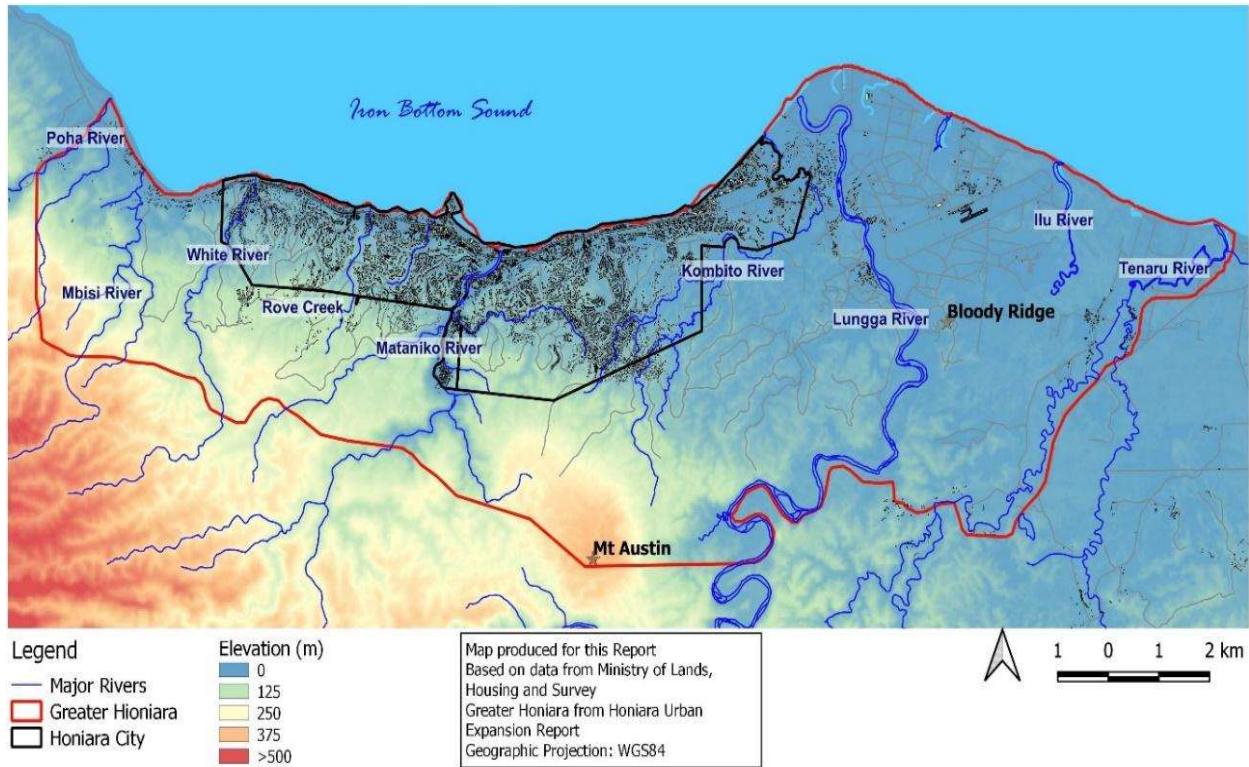
Formal progress reporting for Q2 2023 (April – June 2023) has not been submitted to ADB therefore grievances during the past 3 months will be reported on during the next PIR.

**GEO LOCATION INFORMATION**

Location Name	Latitude	Longitude	GEO Name ID	Location	Activity
Guadalcanal Province	9.633333	160.2	Guadalcanal Province	-	-
Kovi & Kongulai water catchment area	9.483333	159.9	Water Pump (Honiara)	14 kilometers (8.7 mi) square area which supplies water for Honiara from the Kovi and Kongulai rivers	Catchment management plan, watershed protection activities.

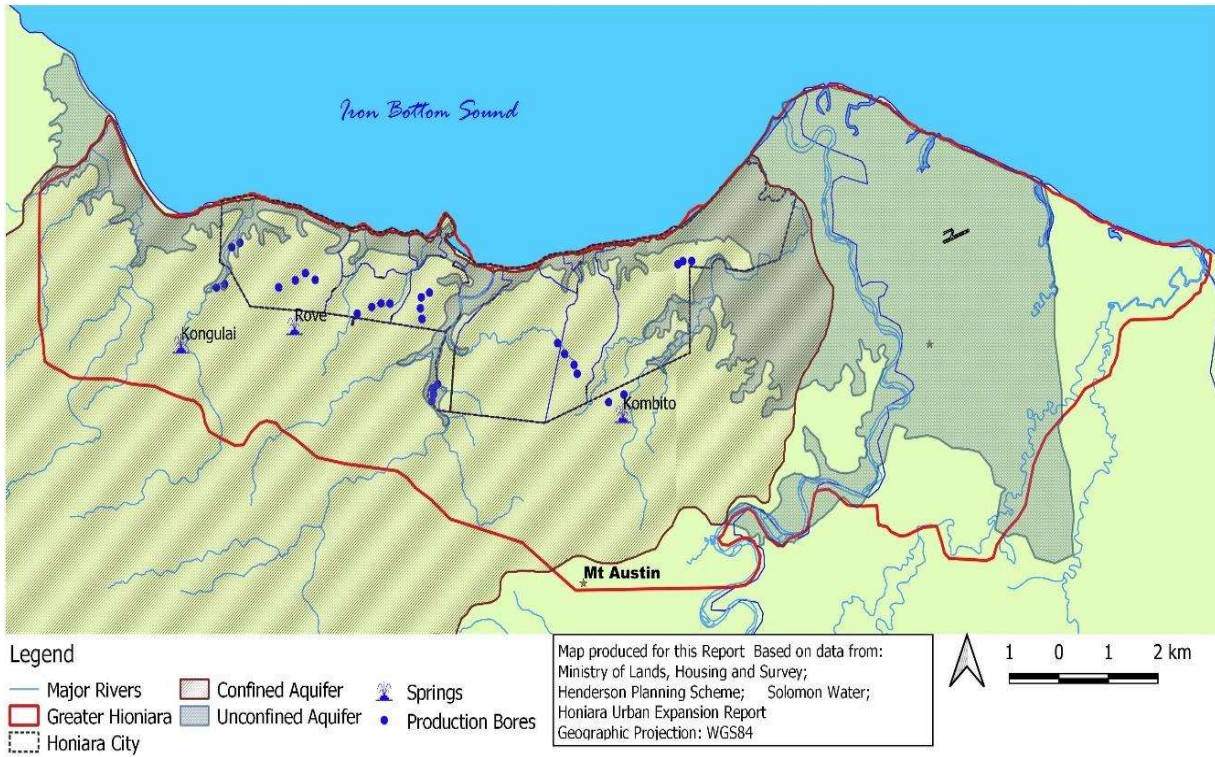
**Project map and coordinates**

**Map of Honiara City and Greater Honiara Area**



**Boundaries of Aquifers in Greater Honiara Area**





**PROJECT MINOR CHANGE IN SCOPE/MINOR AMMENDMENTS**

- Results framework
- Components and cost
- Institutional and implementation arrangements
- Financial management
- Implementation schedule
- Executing Entity
- Executing Entity Category
- Minor project objective change
- Safeguards
- Risk analysis
- Increase of GEF project financing up to 5%
- Co-financing
- Location of project activity
- Other

NONE

**FOR SCCF/LDCF INDICATORS: (Provide information if applicable)**

DESCRIPTION	TARGET	ACTUAL
Total Number of Beneficiaries	Male: 44,720 Female: 41,280	No Change
Area of land managed for climate resilience (ha)	16,500 ha	No Change
Total no. of policies/plans that will mainstream climate resilience	2 catchment management plans – one for the Kongulai, Kovi, and Kohove catchments and the other for the Komarindi sub-catchment.	0 catchment plans developed during the reporting period, but knowledge dissemination and consultation activities commenced. ON track to being achieved.
No. of risk and vulnerability assessments, and other relevant scientific and technical assessments carried out and updated	-	-
Total number of people trained	Male: 49 Female: 41  A total of 90 people (45% female) will benefit from targeted training, mostly at the community level related to improved land management. This is in addition to the hygiene awareness and education program, to be implemented through the baseline project	Male: 0 Female: 0  Training for hygiene awareness to be conducted next reporting period. Targeted trainings at community level not yet commenced.
No. of people trained to identify, prioritize, implement, monitor and/or evaluate adaptation strategies and measures	-	
No. of regional, national and sub-national institutions with strengthened capacities to identify, prioritize, implement, monitor and/or evaluate adaptation strategies and measures	-	
Contribute towards public awareness of climate change impacts, vulnerability and adaption (Tick if relevant)	-	
Expand access to improved climate information services (Tick if relevant)	-	
Expand access to improved climate related early-warning information (Tick if relevant)	-	
No. of regional, national and sector-wide policies, plans and processes developed or strengthened to identify, prioritize and integrate adaptation strategies and measures	-	
No. of sub-national plans and processes developed or strengthened to identify, prioritize and integrate adaptation strategies and measures	-	

## II. Project Profile

<b>1. General Information</b>	<b>1</b>	<b>GEF ID</b>	<b>10746</b>
	2	Focal Area(s)	Climate Change
	3	Region	Pacific
	4	Country	Solomon Islands
	5	GEF Project Title	Strengthening Resilience of Water Supply in Honiara
	6	Project Size (FSP; MSP)	FSP
	7	Trust Fund (GEFTF; SCCF; LDCF)	LDCF
<b>2. Milestone Dates</b>	8	GEF CEO Endorsement Date (mm/dd/yy)	05/17/2021
	9	ADB Approval Date if the GEF Fund (mm/dd/yy)	09/29/21
	10	GEF Grant Signing of the GEF Fund (mm/dd/yy)	10/29/21
	11	Implementation Start Date of the Project and of the GEF Component (mm/dd/yy)	02/03/22
	12	Date of 1st GEF Grant Disbursement (mm/dd/yy)	11/14/22
	13	Final date of GEF Grant Disbursement (mm/dd/yy)	-
	14	Proposed/Revised Implementation End (mm/dd/yy)	12/31/27
	15	Expected Financial Closure Date (mm/dd/yy)	NA
	16	Actual Financial Closure Date (mm/dd/yy)	06/30/28
<b>3. Funding</b>	18	PPG/PDF Funding (USD)	\$0.00
	19	GEF Grant (USD)	\$4,587,156.00
	20	Total GEF Fund Disbursement as of 30 June 2023(USD)	\$509,372.30
	21	Confirmed Co-Finance at CEO Endorsement (USD)	\$92,817,000.00
	21	Materialized Co-Finance at project mid-term (USD)	-
	22	Materialized Co-Finance at project completion (USD)	-
	23	Proposed Mid-term date (mm/dd/yy)	05/01/24
	24	Actual Mid-Term date - if applicable (mm/dd/yy)	NA
<b>4. Evaluations</b>	25	Proposed Terminal Evaluation date (mm/dd/yy)	07/01/27
	26	Actual Terminal Evaluation Date (mm/dd/yy)	-
	27	Tracking Tools Required (Yes/No/ Focal Area TT)	-
	28	Tracking Tools Date - if applicable (mm/dd/yy) Midterm Tracking Tool Terminal Evaluation Tracking Tool	-



### III. Project Implementation

#### A. Project Description:

The overall Project objective is to improve efficiency, accessibility, climate change and disaster resiliency, and sustainability of safe water and sanitation in Honiara. The GEF/LDCF funds are being used to help Solomon Water make Honiara's water supply more resilient to climate change, particularly more extreme rainfall. This is aligned closely with the ADB's ongoing Urban Water Supply and Sanitation Sector Project (UWSSSP), the project will:

- Address turbidity spikes at Honiara's main water source through an engineering solution to remove turbidity, thereby mitigating the impacts of increased erosion and sediment transport during heavy rainfall events. This will be done as a resilience-building measure to the baseline investment under the UWSSSP (baseline project) Outcome 1.
- As an additional outcome (Outcome 5), the project will create a sustainable nature-based mechanism to protect the catchment areas that are vital to Honiara's climate resilience and current and future water supply. Management of Honiara's watershed area strengthened and made resilient to climate change) through three distinct but interrelated outputs. This mechanism will address turbidity at the source, and if scaled up, would also be an important component of Honiara's flood control and disaster management strategy to protect infrastructure for decades to come. This includes the water supply and sanitation infrastructure that will be constructed and rehabilitated under the baseline project.

Treating turbidity at Kongulai and improving watershed management will help ensure that safe water can be provided to Honiara residents continuously, including during high rainfall events. A key part of achieving this objective is ensuring that communities in charge of the catchment areas have a steady income other than the proceeds from logging operations, which threaten the water supply.

The project therefore supports natural resources management practices that will improve resilience to climate change with livelihood elements. The project will not only seek to reduce the vulnerability of communities and improve resilience during the global pandemic, it will also have the potential to boost economic activity, generate income, create jobs, and reduce inequalities, which are all important aims during COVID-19 recovery and will tie into ADB's already-significant COVID support for the Solomon Islands.

#### B. Implementation Progress (IP) Rating:

**The overall IP rating is (HS).** Refer to the Semi-Annual Monitoring and Evaluation Report attached for a more detailed analysis and status of project outputs.

Under the baseline project Outcome 1, (Continuous, safe, and climate resilient urban water supply) Output 1.2 (Improved quality and resiliency of water supply from Kongulai Spring through turbidity removal) is financed by GEF. Outcome 5, (Management of Honiara's watershed area strengthened and made resilient to climate change Implementation) and its various outputs is entirely financed by GEF/LCDF. Implementation progress, challenges and proposed mitigation where necessary of these activities specific to GEF/LCDF financing is provided in more detail below.

**Progress towards the implementation Outcome 1, Output 1.2:**

- For Kongulai Water Treatment Plant (WTP), civil works contract awarded to Rean for USD 15,646,656 with a start date of 5th May 2022 with a construction period of 60 weeks and the Intended Completion Date of 29th June 2023.
- The groundbreaking ceremony for the Kongulai water treatment plant and pipeline was conducted on 3 February 2023.
- The Contractor is significantly behind schedule but has progressed most preparatory items and commenced site earthworks by April 2023. It is anticipated that the Contract is at least 10 months behind schedule.
- Delays were due to late submission of the contractor's CESMP, Insurances and Design. The issues which have hindered contractors obtaining insurances for the works are now being resolved with the assistance of Solomon Water (SW). SW engaged an environmental specialist to assist the contractors to submit CESMP documents which meet SW and development partner requirements.
- Solomon Water is continuing to notify the contractor of fundamental breaches of Contract. The Board of Directors is continually being notified of this and delays to schedule and options to resolve were discussed at both the August 2022 and May 2023 Board meeting. At this stage ongoing mitigation measures (including but not limited to more regular project team meetings, additional support provided by SW, ongoing communications with board management) are being implemented by the PMU Staff supported by the Board.
- At this stage there is no change in Project scope as it is anticipated works will be completed during the project implementation period, however revised contractual work plans between Solomon Water and the Contractor and delays at the sub-project level should be noted.

**Progress towards the implementation of Outcome 5:****Output 5.1: Capacity for planning and informed decision making is strengthened through improved understanding of watershed biophysical and social boundaries, resources, and processes.**

- Activities under Output 5.1 are progressing well. The University of Queensland (UQ) visited Honiara in February 2023 to install water quality monitoring equipment at Kombito and Mataniko, investigate the local turbidity source of water discharging into the Tarona cave network, conduct further dye tracing surveys in the Kovi sinkhole network, and support SW hydrologic monitoring activities and associated data management.
- The real-time water quality monitoring stations to support an increased understanding of the turbidity dynamics and sources at the Kombito source, since installed, the equipment has been regularly maintained by SW, and data collected at seven site and published on the dashboard regularly.
- The interim web data dashboard has been established by UQ and is providing live real time access to the hydrological and water quality monitoring data from Lungga, Tamuni, Kongulai Source, Kovi Sinkhole and Kovi Spring. Over the coming months SW/UQ plan to rationalize the existing monitoring network and make decisions on mechanisms for future financing for long term sustainability of this infrastructure.
- Preliminary consultations had been held in 2022 with The Nature Conservancy (TNC) to develop a watershed (physical model) otherwise no work on this activity was carried out during the reporting period.

**5.2 Interagency and intersectoral coordination and governance mechanisms support development of integrated, climate-responsive catchment management plan**

- Progress towards Water Protection Zoning is going well, a first draft of catchment zoning was prepared for the Kovi catchment and its linkage to the Kongulai spring based on internationally applied methods (e.g. EPIK) and the findings of the hydrological monitoring by UQ a reported under Output 5.1 above.
- Under the catchment governance and coordination activities, progress is also progressing well. The first Catchment Management and PES coordination workshop with 21 participants on was held on 7th February 2023. This workshop also provided first information for key stakeholders of the catchment management and Paid Ecosystems Services components of UWSSSP.
- A potential issue and risk to the successful implementation of the watershed protection works is the establishment of a catchment fund for restoration works. First cost assessments were undertaken by the International Catchment Expert of required funds for compensating customary user groups for possible restrictions on logging, on processing of timber and marketing. These suggest that forest carbon-based PES systems may only be sufficient for a full compensation in cases where logging is carried out in partnerships with companies. In cases where user groups control the complete value chain up to the marketing of timber such PES payments may not be sufficient. It appears currently that restoration and reforestation work may have to be funded from other sources. A report has been submitted to SW management and ADB by the consultant to discuss possible resolution measures. Discussions are ongoing following a mission to Solomon Islands by the ADB's Climate Change Specialist in June 2023 to meet with SW and other project stakeholders.

### 5.3 Communities empowered to implement on-the-ground climate change adaptation solutions for effective management, protection, and restoration of the forest and riparian habitats of the watershed.

- For Output 5.3, An international consultant and an NGO commenced work in December 2022 to develop a forest carbon PES project and a community livelihoods strategy for income generation for customary landowners of the target catchments. A high-level consultation workshop was undertaken in February 2023 with central agencies and research into Kongulai land owner groups, the land titles registry and relevant court cases was completed and workshopped late April.
- SW signed a contract with the Nakau Programme Pty Ltd on 14 November 2022 (aforementioned NGO) to design and start up implementation of Payment for Ecosystem Services (PES) projects to promote watershed protection and restoration through alternate livelihood activities to logging for communities within SW water supply catchments in Honiara.
- Historic disputes and conflicts with customary landowners in catchment areas for land issues and natural resources management is an ongoing threat to the project implementation. A constructive dialogue has to be continued and financially and socially viable compensation. Under Output 5.23 and 5.3, Coordination between key stakeholders for catchment management was improved through regular workshops and cooperation in various fields of work (nursery production, assessment of logging applications, settlement expansion etc.) as well as more consistent communications.

#### Ongoing Issues and Mitigation Measures:

- For the Kongulai WTP sub-project progress is slow with the Contractor (Rean) understood to be struggling with Cash-flow. Delay of this Contract is now well beyond what is considered reasonable. Following recent (January 2023) representations by the contractor and promises of renewed effort, SW management and directors have allowed the Contractor to continue despite Contract breaches. There is a risk of the Contract becoming frustrated due to rising costs and underpricing of major items.

- Pacific Games in November 2023. Lack of in country resourcing is becoming an issue for Contractors. With the lead up to Pacific Games and a backlog of work because of COVID 19-related effects the local construction market is stretched. Resourcing for Safeguards and Technical roles is becoming extremely difficult to secure which is leading to high burdens on Contract staff and Contractors progress being limited.
- Establishment of a Catchment Fund: A review of International literature on best practices for catchment funding was carried out with the following findings and recommendations in the SI context: i) No best practice could be identified for situations comparable to the complicated land ownership system found in the target catchment areas; ii) Up to date limited enforcement of legal restrictions on activities causing severe water quality issues in catchment management (road construction, sewage and waste water treatment, land use restrictions particularly outside urban areas ); iii) None of the possible government stakeholders have subsidy schemes in place to support protection measures caused by such activities (e.g. subsidy support for soil conservation) which could be included as a leverage element of the overall funding strategy.
- Catchment Protection Work: Initial cost estimates suggest that forest carbon-based PES systems may only be sufficient for full compensation in cases where logging is carried out in partnerships with companies. In cases where user groups control the complete value chain up to the marketing of timber, such PES payments may not be sufficient. It appears currently that restoration and reforestation work may have to be funded from other sources. The PES baseline study by Nakua identified PES for water services, forest carbon storage and biodiversity as potential funding sources. The forthcoming (next reporting period) community consultations and stakeholder consultations will clarify, which of these schemes could be realistically applied in the Honiara water catchment context. The baseline and planning work by Nakau will contribute considerably to this component (as well as the catchment fund) also by identifying further funding opportunities and respective ways for fund operations by the proposed catchment management group.
- Non-revenue water (NRW) is a serious challenge for SW. In 2022, the average NRW for all SW water supply networks was 60% and 58% for the Honiara network and trending upwards (the average NRW for the Honiara network NRW in 2021 was 55%). ADB estimates that potential revenue forgone in 2022 due to NRW amounted to SBD160 million (US\$20 million equivalent). To achieve the 30% NRW, SW will need to substantially increase its investments in pipe renewals and expand its NRW management capacity. During an ADB mission in May 2023, it was encouraged for SW to prioritize (and possibly increase) UWSSSP investments to manage NRW. ADB and co-financing partners are working with SW on a reprioritization of sub-projects which prioritizes investment in NRW and ultimately support SW financial sustainability and water resilience in the immediate future.

#### **a. GEF Grant Disbursement**

The first disbursement was made on 19 September 2022 in the amount of US\$7,764 for the services of Bernhard Mohns, Catchment Management Specialist, contract#0001. Total GEF disbursement from 1 July 2022 to 30 Jun 2023 was US\$509,372.30. There have been no delays in disbursements during the reporting period. The first disbursement was made within 3 months of the loan effective date.

## b. Stakeholders Engagement

ADB fielded 3 review missions during the reporting period (10-14 October 2022, 31 January 2023 – 3 February 2023 and 9-19<sup>th</sup> May 2023) with ADB project management, safeguards, financial management, climate change and gender specialist attending.

A summary of community consultations held during the reporting period is included in the table below. In addition, high-level consultation, and meetings with the following agencies during the reporting period:

- Ministry of Mines Energy and Rural Electrification (MMERE)
- Ministry of Finance and Treasury (MoFT)
- Climate Change Division – Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM)
- Ministry of Lands, Housing and Survey (MHLS)
- Guadalcanal Provincial Government (GPG)

Date	Project	Purpose	Participants	Key Messages
18 August 2022	Kongulai Water Treatment Plant, CAC preparation meeting.  (Meeting held at White River)	Formation of CAC: Distribution of CAC invitation letters to potential members	Not documented	Seven people responded and accepted the call to be in the CAC during the reporting period.
12 January 2023	Kongulai WTP (Meeting held at Kongulai)	Facilitate consultation with Kongulai land and catchment owners as courtesy: to introduce contractor and inform residents of proposed start of works; and to explain GRM for both contractor and SW.	Male: 13 Female: 15	Notify community that Kongulai WTP works will start; Reiterate importance of the Project; Request continuous support from the community, and make sure they know who to communicate with.
1 <sup>st</sup> February 2023	CAC set up for Kongulai WTP - Kongulai – Tasahe. (Meeting held in Honiara)	Facilitate meeting and present to the CAC members the expected CAC roles and responsibilities. Also witness the CAC's election of office	Male: 9 Female: 10	Explain Roles and responsibilities of CAC, Contractors & SW; Identify chairperson and secretary for CAC

		bearers including chairman and secretary.		
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**c. Gender Action Plan Implementation Status**

The Project is categorized as Effective Gender Mainstreaming (EGM). Its Gender Action Plan (GAP) includes 13 GAP activities and 18 gender targets for the five outputs of the project. A meeting to discuss GAP implementation and monitoring was held on 15 May 2023. The most recent GAP report relevant for the reporting period is attached as Appendix 1.

Progress update on GAP:

- There is ongoing monitoring to ensure all consultations include women participants and that resettlement agreements are providing compensation to both men and women. Though hygiene promotion activities were affected by Covid-19 restrictions in 2021-22, with limited opportunities for broad community visits and consultations, the situation significantly improved during the last quarter of 2022 and Q1 of 2023 with consultations proceeding as expected. All trainings on WASH and hygiene awareness aim to include at least 50 % women.
- The training course, ‘Gender equality and gender-based violence’, was delivered by the Family Support Centre (FSC), in 2021 and was attended by 53 SW employees (19 women and 34 men), covering the whole organization, for a total of 690 hours. COVID-19 community transmission and government restrictions on gatherings which lasted until June 2022 restricted all staff attending these training. Training for all SW staff commenced again in June 2023 building upon the 2021 training.
- The Social Safeguards and Gender team have put a lot of work into reviewing the CESMPs of the contractors who are implementing Honiara sub-projects (i.e. Kongulai WTP). Initial drafts of the CESMPs showed little awareness by the construction contractors of gender in infrastructure projects. However, this was significantly improved after ongoing reviews and workshops held with the contractors regarding their CESMPs. Two CESMP implementation training workshops were held in March 2023 for all SW’s contractors and subcontractors. This provided the opportunity for the DPs and SW to emphasize the importance of ensuring gender equality within the projects.

Challenges encountered to date in GAP implementation and reporting, including due to a lack of baseline and disaggregated data, is as follows:

- Solomon Water currently does not collect sex-disaggregated data on households accessing water services (GAP Target 1.1, Activity 1.1). ADB in May 2023 proposed that with TA support (i) a survey be undertaken in project areas to collect and report on disaggregated data on households accessing water and sanitation services, to be repeated 1-2 times before the end of the project and (ii) that SW develop a client intake form for new and returning clients to collect information on client households.
- ADB and SW in May 2023 discussed difficulties in achieving GAP targets relating to employment of women (Targets 1.4 and 2.3), given barriers to women’s employment in construction in the Solomon Islands. The mission agreed for SW to therefore (i) disaggregate reporting on employment targets by sex, skilled and unskilled, and local and international workers and (ii)



continue to document efforts to increase employment opportunities for women, including for casual and short-term work.

#### **d. Social and Environmental Safeguard Plan Implementation Status**

##### **1) Safeguards Implementation:**

- Environmental Management Plan: Implementation of environmental and social safeguards for UWSSSP projects continues to comply with both the country safeguards system and ADB/WB policies and instruments. Solomon Water received confirmation from World Bank within this reporting period that the oversight of World Bank safeguard policies for UWSSSP is transferred to the task team safeguards specialist. Solomon Water will no longer need to seek Regional Safeguard Advisor approval for safeguards instruments. This change is achieved because of Solomon Water PMU safeguard team's strong commitment to manage safeguard risk and to pro-actively organise training for contractors to improve their quality of documentation.
- The review and updating of CESMPs was ongoing throughout this reporting period. For the Kongulai WTP Civilworks, CESMP approval was given in Q2 2023.
- Lessons learned for future to avoid delayed commencement of civil works contracts include for bidders to Submit evidence of insurances within the timeframes specified in the contract and to Ensure contractor CESMPs meet project partner requirements prior to the contracting stage.
- Involuntary Resettlement Plan: The Kongulai WTP LARP has been fully implemented. Relocation of people and compensation for crops and food tree losses have all been paid for. A formal notification for the affected persons for the WTP site was issued on 4th February 2020 and for the pipeline routes on 27th March 2020. On 18th August 2022, SW issued a final 4- weeks' notice to the APs whose names appeared in the WTP and Trunk Main LARPs and who have already been compensated based on the valuation of the inventory of items they owned. The notice was effective as of 18th August 2022 and ended on 17th September 2022.
- A community consultation for the upcoming works at Kongulai catchment took place on 12 January 2023. This meeting was attended solely by Kongulai landowners including men, women and children, REAN's management team, SW's Chief Operations Manager, the SW PM responsible for the WTP subproject, and PMU safeguards staff.
- In Q1 2023, a kickoff meeting for the Community Advisory Committee (CAC) was held for the CAC set up for Tasahe-Kongulai-White River area. In the meeting, the CAC executive body was set up identifying the chairman and secretary.
- A controlled site clearance was undertaken at the Kongulai WTP site in February. On 17 February, the SW Safeguards team was called to the site to meet with the original owners regarding two issues raised which were promptly resolved by SW and the resettlement community by 3 March 2023.

##### **2) Status of loan covenant compliance related to Safeguards.**

- As of 30<sup>th</sup> December 2022 all 13 loan covenants are being complied with during implementation.
- This is reported on in more detail in the Semi-Annual Safeguards Monitoring Report: July-Dec 2022, please refer to Appendix 2 of the report.

##### **3) There were no corrective actions during the reporting period.**

For more detailed information on safeguards reporting, refer to the attached, the Safeguards Monitoring Report from Q1 023.

### C. Global Environmental Benefits (GEB) Objective/ Development Objective (DO) Rating:

The overall Development Objective Rating (DO) for the project implementation during the reporting period is Satisfactory (S). The main reason for this rating is due to the fact that the project is at an early-stage of implementation. Progress towards achievement of key GEB/DO includes:

#### CC-A 1, Reduce vulnerability and increase resilience through innovation and technology transfer for climate change Adaptation:

- Technological and innovative solutions are being piloted in water quality monitoring at 7 sites to help further evaluate the impact of rainfall, including rainfall intensity on turbidity at the site and overall enhance water resilience. There is a relationship between observed rainfall and turbidity at Kongulai Spring and the analysis suggests increased frequency of shutdown days under climate changes scenarios. Under Outcome 5, improved data and information systems such as accurate watershed mapping, hydrological modelling and more accurate turbidity monitoring has commenced through the partnership with University of Queensland. Data is currently being monitored and collected by SW with the support of local community members.
- An obvious barrier in addressing turbidity spikes at Kongulai Spring is the lack of proper water treatment. Innovate design and engineering solution are incorporated into the Kongulai WTP design including coagulation, flocculation, and clarification for the water treatment process.
- Innovative financial instruments and investment models are being investigated to enhance climate resilience. To date the project has identified communities to pilot forest carbon pilots. Community consultation with identified communities will be undertaken next reporting period to get feedback on the selection of potential pilots.
- The catchment areas feeding Honiara's water supply have become increasingly degraded through unsustainable land use activities, from commercial logging. An initial baseline study has been undertaken to identify alternative livelihoods (and income sources) for the landowners such as water services, forest carbon storage, restoration and conservation activities and biodiversity. Introductory meetings were held with 15 students of the Environment Department of SINU on possible practical research work (nursery performance, restoration practices et.) to scientifically back up and monitor income generation activities.

#### CC-A 2, Mainstream climate change adaptation and resilience for systemic impact.

- Strengthened cross-sectoral mechanisms to mainstream climate adaptation into future investments has been initiated through commencement of cross-sectoral institutional stakeholder engagement with the end aim of working towards establishing a catchment management group for cross-sectoral watershed protection.
- Catchment management plans are one mechanism to be developed under the project that will mainstream climate resilience and adaptation. These plans have not as of yet been developed but data collection and modeling, stakeholder consultation and community mapping that will feed into the future plans has begun.

Please refer to the attached M&E Bi-Annual Report for more detailed status on progress and achievements of key indicators from the Project Design and Monitoring Framework (DMF).

**D. Risk Rating:**

The project is rated as Low Risk at this stage of project implementation. In the Semi-Annual M&E report which covers the reporting to December 2022, 7 of the 8 activity indicators are rates as Low Risk and only 1 (Activity 5.2.1) is classified as Moderate Risk, therefore the project progress is at this stage overall classified as Low Risk. The reason for Activity 5.2.1 being classified as Moderate Risk is that meetings with other stakeholders are not happening as of yet on regular basis though noted improvement from baseline (2019) which is no meetings taking place at all. It is believed a catchment management working group will be formed during the project period.

The Corona situation in 2021-2022, caused delays to the Catchment Management/Institutional Expert consultant contract which started in September 2021. Travel to the Solomon Islands and start up field work was delayed until August 2022. This affected all planned consultant work inputs as well as the recruitment and start up work of the NGO to develop Output 5.3. Subsequently the work plan had to be adjusted considerably. While the Covid-19 situation has improved and the restrictions were largely lifted in Solomon Islands in July 2022 so there are fewer constraints, its effects are still felt.

**E. Overall Rating of the Project:**

**Overall Rating: HS**

**F. Additional Comments – Good Practices And Lessons Learned:**

Potential Delays in next PIR: It should be highlighted that progress during Q3-Q4 of 2023 may be slower than anticipated due to the upcoming Pacific Games to be held in Honiara in November 2023. This is a Solomon Islands Government priority and both public and private sector are coordinating efforts and finances. Also the next general election is scheduled for April 2024 which means the Solomon Islands Government will go into caretaker mode in December 2023, potentially causing delays to implementation during Q1-Q2 2024.

**G. Knowledge activities / products:**

1) See update on knowledge activities and progress:

Key Deliverables	Timeline	Status
Hydrological and land-use impact model and methodology developed for Kovi/Kohove/Kongulai watersheds	Developed by end of year 2.	Ongoing – baseline information collected
Hydrological and land-use impact model and methodology developed for the upper-Middle Lungga River watershed.	Developed by end of year 3.	Not started
Share initial mapping and modelling results with watershed communities and government stakeholders as part of consultations and engagement for piloting work.	Conducted in years 2 and 3.	Not started.

Catchment management group; inter-sectoral committee for knowledge sharing, coordination and planning	Established by end of year 1	Ongoing - Start up meetings held with all identified landowners and land groups
Catchment Management Plans; inter-sectoral plan designed to coordinate multiple- agencies contribution to sustainable catchment management	Developed by end of year 3	Ongoing – start up meetings held with various stakeholders & NGO recruited.
Forest carbon finance subprojects in target watersheds. Includes: - Project description templates - PES agreement templates - Ecosystem measurement methodologies - Benefit sharing system - Planning templates (e.g. project scale land use plan, conservation plan)	The pilots are generating carbon finance by the end of year 3	Ongoing – NGO & Consultant recruited, coordination meetings and start-up workshop with landowners.
Government and /or other key project stakeholder knowledge-sharing of significant project design elements and achievements at international events.	Take place in Years and 4	Not Started

2) No Knowledge Management Materials have been prepared during this reporting period.

#### H. Location Data:

The project is located in Guadalcanal Province, Solomon Islands. In particular the Kongulai water catchment area and the Kovi Kohove and Lunggha catchments. To date the majority of the work has been in the Kongulai catchment area.

Location Name (Name of the geographic locations in which the activity is taking place.)	Latitude (WGS84 Format)	Longitude (WGS84 Format)	GEO Name ID
Guadalcanal Province	9.633333	160.2	Guadalcanal Province
Kovi & Kongulai water catchment area	9.483333	159.9	Water Pump (Honiara)

## ANNEX C: DEFINITION OF RATINGS

### Implementation Progress Ratings

**Highly Satisfactory (HS):** Implementation of **all** components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.

**Satisfactory (S):** Implementation of **most** components is in substantial compliance with the original/formally revised plan except for only a few that is subject to remedial action.

**Moderately Satisfactory (MS):** Implementation of **some** components is in substantial compliance with the original/formally revised plan with **some** components requiring remedial action.

**Moderately Unsatisfactory (MU):** Implementation of **some** components is not in substantial compliance with the original/formally revised plan with **most** components requiring remedial action..

**Unsatisfactory (U):** Implementation of **most** components is not in substantial compliance with the original/formally revised plan.

**Highly Unsatisfactory (HU):** Implementation of **none** of the components is in substantial compliance with the original/formally revised plan.

### Global Environment Objective/Development Objective Ratings

**Highly Satisfactory (HS):** Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.

**Satisfactory (S):** Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.

**Moderately Satisfactory (MS):** Project is expected to achieve **most** of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits.

**Moderately Unsatisfactory (MU):** Project is expected to achieve of its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives.

**Unsatisfactory (U):** Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits.

**Highly Unsatisfactory (HU):** The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.

### Risk Rating

Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:

**High Risk (H):** There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.

**Substantial Risk (S):** There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.

**Modest Risk (M):** There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.

**Low Risk (L):** There is a probability of up to 25% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.